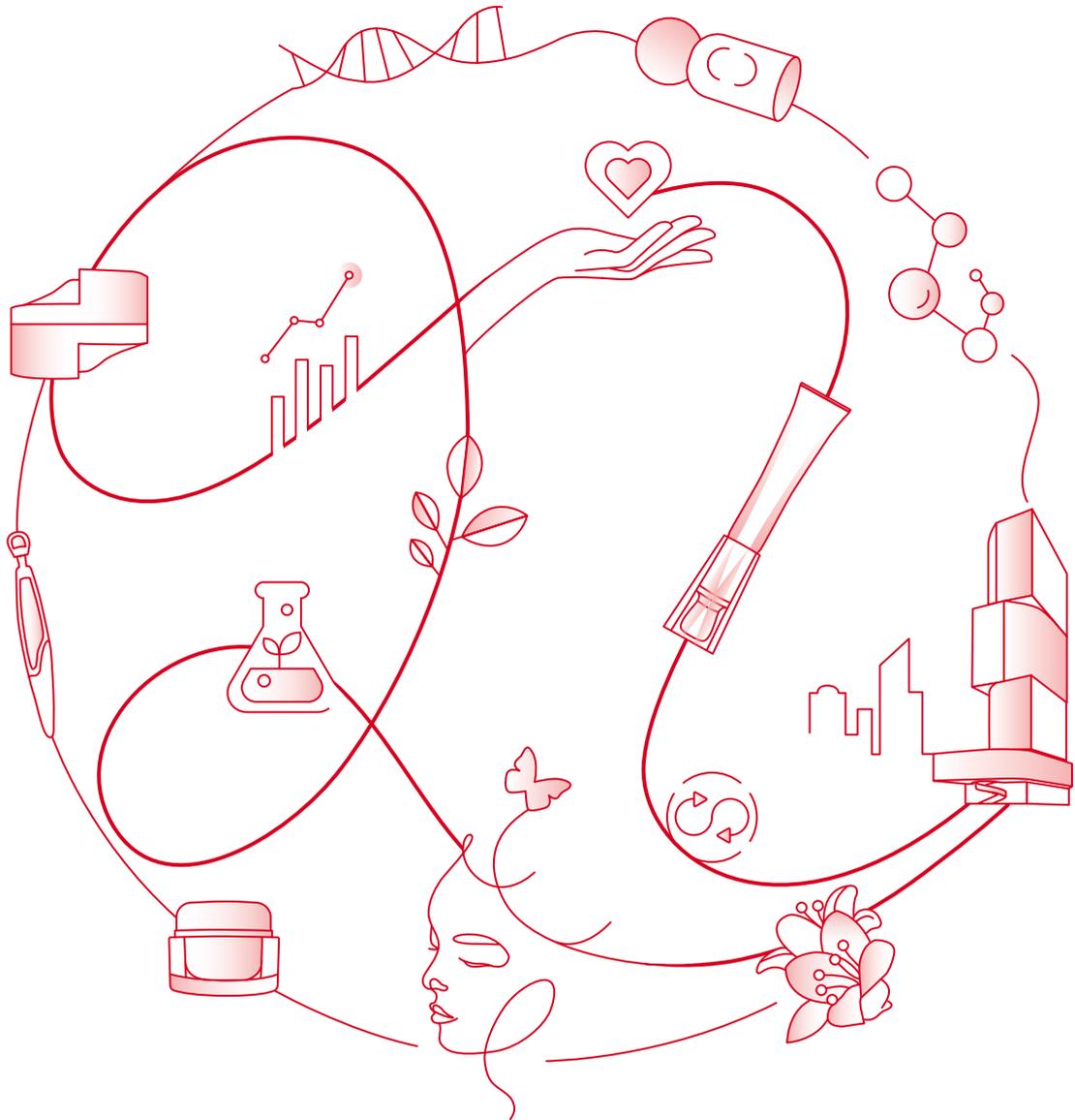


MARUBI 丸美



2024

ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT

Guangdong Marubi Biotechnology Co., Ltd.



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Message from Chairman



Twenty-three Years of Dedicated Craftsmanship, and Embarking on a New Chapter of "Core" Innovation in the 24th Year. As a pioneer and leader in the anti-aging eye care segment in China, 2024 not only marks the 23rd year of Marubi Biotechnology's deep cultivation in the eye care and skincare market, but also signifies a milestone year of embarking on a new high-tech journey and ushering in a new era of "core" innovation. In 2024, we achieved annual operating revenue of CNY 2.97 billion and net profit attributable to shareholders of CNY 342 million, with both revenue and profit posting YoY growth exceeding 30%. This marks the eighth consecutive quarter of robust revenue and profit expansion. Behind this stellar performance lies not only the self-developed and continuously refined online operational capabilities, but also Marubi's full-chain R&D ecosystem anchored in biotechnology innovation. This system has not only passed professional standard tests but also garnered empirical acclaim from over ten million consumers through its "visible efficacy." We are leveraging our dedicated and in-depth biotechnology research and application as a pivot to drive the transition from ingredient innovation to the entire industrial chain, enabling "Chinese Intelligent Manufacturing" products to gain a foothold on the global stage.

On the path of sustainable development, we have deeply integrated the ESG concept into our corporate DNA, establishing a full lifecycle management system encompassing green R&D, low-carbon production, and responsible marketing. We have been honored with ESG awards, such as the "ESG Golden Bull Award Top 100" and the "New-Quality Productivity Brand Enterprise," setting a benchmark for technology with a positive social impact in the industry.

Sustainable Innovation

Technological innovation is ingrained in our DNA and serves as the cornerstone of our development. Three leading scientific research institutions and the Marubi "Double Hundred" team have laid a solid foundation for the development of biotechnology. We have dedicated ourselves to creating top-tier products, R&D investment, patent applications and authorizations have reached new heights. Marubi Recombinant Collagen 2.0, the establishment of the National Recombinant Functional Protein Technology Research Center at Marubi, the approval of the industry standard for Recombinant Soluble Collagen for project initiation, and Marubi being the first drafter of the group standard for Quality Classification and Evaluation Requirements for Front-runner Eye Cream. We have achieved one remarkable feat after another. The stock abbreviation has been officially changed to "Marubi Biotechnology", not only showcases the biotechnology essence but also marks the beginning of a new journey on the dual-track integration path of "lifestyle beauty + medical aesthetics."

Science Communication

We innovatively promoted science communication through thematic campaigns including Seeking the Truth About Collagen and The Truth in 7 Days, featuring CCTV-certified explanations of "Collagen Insider" and field investigations by renowned journalists into the "7-Day Wrinkle Reduction Truth." These efforts achieved over one billion impressions, effectively popularizing science-based skincare concepts and demonstrating Marubi's strength as a leading collagen expert. We engaged with top industry experts to share new scientific achievements, published the Eye Anti-Aging Whitepaper, promoted ingredient awareness and application, and collectively advanced the cosmetics industry's steady progress in scientific skincare, creating a thriving ecosystem for shared industry prosperity.

Digital Transformation

We comprehensively deepened digital transformation, empowering the full lifecycle product management with cutting-edge information technologies such as big data and artificial intelligence to enhance quality and efficiency. During the reporting period, we successfully launched the R&D knowledge question-answering large model "Marubi Researcher" and the Intelligent Manufacturing Execution System. We further advanced integrated supply chain data consolidation, strengthened supply chain collaboration, reduced overall operating costs, and improved supply chain efficiency.

Green and Low-Carbon

We are firmly committed to creating green products by sourcing green materials, establishing a green classification and management system for raw materials, eliminating controversial ingredients and preferentially using priority raw materials in formula development. We have optimized the energy structure, implemented comprehensive energy process management, upgraded energy-consuming equipment, and created green operation scenarios to gradually reduce carbon emissions. During the reporting period, we completed carbon footprint accounting for three star products, and our production site was selected as a "Guangdong Provincial Green Factory" in 2024.

Looking ahead to 2025, we will continue to adhere to our original aspirations and deepen our presence in the field of technological cosmetics, and invest more in cutting-edge areas. With our determined scientific and technological innovation capabilities, we will respond to changes. We believe that even in a challenging and uncertain environment, we can make steady progress. In the global process of sustainable development, we will leave our solid footprints, aiming to add more "beauty" to society and jointly shape a beautiful future.

Chairman of Marubi
Dr. Huaiqing Sun

About Marubi

Company Overview

Guangdong Marubi Biotechnology Co., Ltd. was established in 2002 and listed on the Shanghai Stock Exchange in 2019. The headquarters and factory are located in Guangzhou, China.

Marubi is committed to the R&D, design, production and sales of cosmetics based on research in skin science and biological science. Its brands mainly cover the fields of anti-wrinkle and wrinkle reduction, functional skincare and makeup with differentiated brand positioning, meeting the needs of consumers of different ages and preferences. Following the principle of "using the best of the world to make the best of China", Marubi develops high-quality products based on the world's leading technologies, takes the long-termism strategy as the guiding direction, focuses on the mission of "technology-driven beauty and health", and adheres to the operation combining "technology + brand + digital intelligence", aiming to build a globally competitive cosmetics company.

Competitive Advantages

Boasting robust R&D capabilities and systems

Marubi achieves closed-loop research and transformational utilization of core raw materials along with innovative technological achievements.

Possessing differentiated brand assets and precise positioning in eye care

Marubi, a skincare brand with over 20 years of experience, focuses on eye care and anti-wrinkle and wrinkle reduction. It has emerged as a leading domestic brand with high-end and medium-end positioning and a considerable market share. Passional Lover, a cutting-edge makeup brand, excels in foundation products and champions high quality with a minimalist approach. Chunji, adhering to the philosophy of food extract technology, and suitability for sensitive skin, positions itself as a popular functional skincare brand.

Equipped with strong production capabilities and supply chain management expertise

Marubi owns a 5C-certified factory, with a construction area of 50,000 square meters and a second intelligent factory has been put into operation. We have established an efficient and collaborative supply chain management system that supports rapid and flexible production and circulation through digital transformation.

Boasting a sales system that combines multi-channel collaborative development with fined management

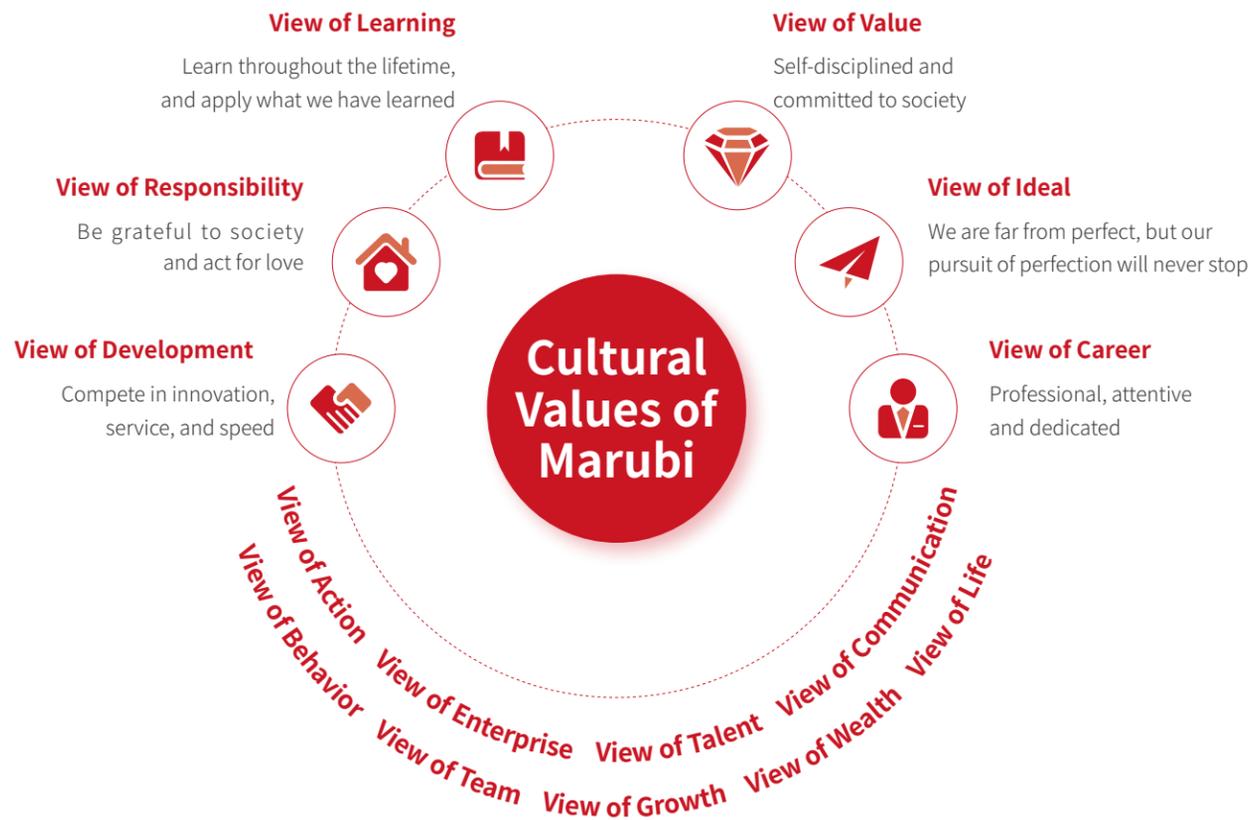
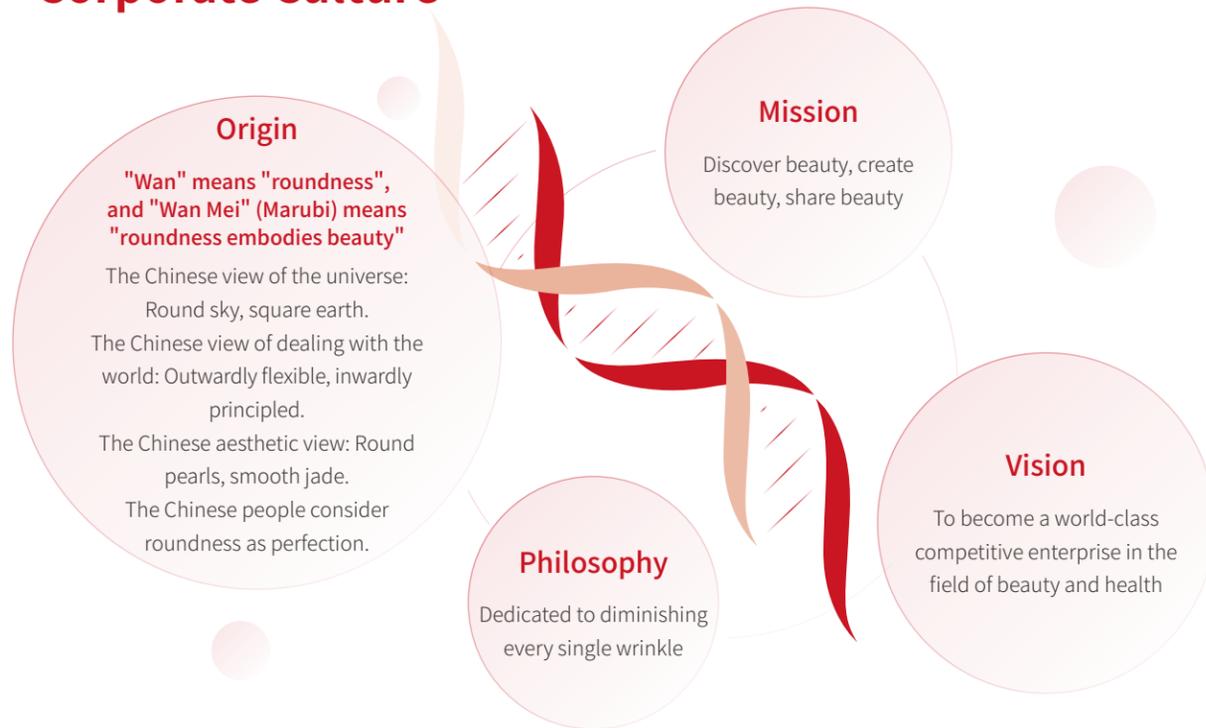
Marubi has built a multi-channel sales network covering online platform e-commerce, content e-commerce, offline daily chemical specialty stores, department store counters and beauty salons.



The Industrial Ecological Layout of Beauty and Health



Corporate Culture



Core Qualifications and Honors

National High-Tech Enterprise

National Intellectual Property Demonstration Enterprise

National Demonstration List for Industrial Internet Pilot Projects by the Ministry of Industry and Information Technology

Guangdong Bio-Skincare Engineering Technology Research Center

Guangdong Industrial Design Center

Guangdong Enterprise Technology Center

Guangdong Excellent Specialized and Innovative Small and Medium-sized Enterprise

Guangdong Provincial Manufacturing Industry Single Champion

Guangdong Provincial Green Factory

Guangzhou Headquarters Enterprise

Guangzhou Post-Doctoral Innovation Practice Base

Included in the List of Key Intellectual Property Enterprises in Guangzhou

Digital Transformation Pilot Leading Entity for SMEs in Guangzhou City

Guangzhou Cleaner Production Enterprise

广东九星生物科技股份有限公司
 广东省中小企业数字化转型试点单位
 数字化牵引单位

广东九星生物科技股份有限公司
 广东省制造业单项冠军企业

广州开发区 广州市黄埔区
 高价值专利培育布局中心

国家知识产权局
 2022年10月 - 2023年9月
 国家知识产权示范企业

高新技术企业证书
 证书编号: GR202444003214
 发证日期: 2023年12月28日
 有效期: 3年

Key Milestones

2002

The Marubi brand was born upon the establishment of the Company and the commencement of factory production

2006

The Chunji brand emerged, positioned as "skin care products with natural ingredients"



2008

The "Very Caring Foundation" was officially established. Under this fund, for every bottle of product sold, CNY 0.10 will be donated to public welfare from the income, to support education in underdeveloped areas



丸美十分关爱基金
VERY CARING FOUNDATION

2012

Marubi's third-generation Elastin Essential Day & Night Eye Essence was released, marking the first proposal of differentiated day and night skincare concepts



2014

The 50,000-square-meter 5C center in Guangzhou Science City officially replaced the old factory, featuring a R&D center, manufacturing center, training center, information center and art center, along with world-class workshops and manufacturing processes equipped with sophisticated production and R&D facilities imported from Japan, Germany, South Korea and other countries



2015

As Marubi's spokesperson, Tony Leung Chiu Wai starred in "Eye", a three-minute phenomenal commercial that won multiple awards

Marubi established a subsidiary in Tokyo, launched a Sino-Japanese dual-core R&D center, and deployed a high-end product line



2019

Marubi's A-shares were listed on the Shanghai Stock Exchange main board, becoming China's first publicly traded eye cream specialist



2021

Marubi unveiled a recombinant humanized collagen, developed in collaboration with Jinan University and the National Engineering Research Center for Genetically Engineered Drugs, later integrated into the Marubi Recombinant Collagen series



2023

Marubi achieved significant channel transformation milestones, transitioning from primarily offline distribution to online direct sales



2005

The total sales of Marubi eye care products exceeded one million units

2007

Marubi created a classic with its first generation Elastin Essential Eye Essence featuring the slogan "Bounce, bounce, bounce! Bounce off the crow's feet", which was upgraded to the fifth generation in 2018



2011

Marubi was awarded the title of National High-Tech Enterprise for the first time, marking the beginning of a five consecutive years of such distinctions



2013

Marubi was named "Eye Care Master" A fund managed by the global luxury group LVMH invested in Marubi



2017

Marubi invested in Passional Lover (ultimately acquiring a 100% ownership in 2019)



2020

Marubi proposed the product concept of two-in-one skincare and device, and launched a two-in-one skincare and device with black technology – Multiple Peptide Anti-wrinkle Eye Cream, marking the brand's evolution towards rejuvenation and scientific technology



2022

Marubi completed its comprehensive Digitization 1.0 initiative, establishing a digital middle platform and achieving full lifecycle management across R&D, procurement, production, supply chain, marketing, and sales



2024

The stock abbreviation was officially changed to "Marubi Biotechnology" Official launch of the industrial standard formulation for *Recombinant Soluble Collagen* and initiation of the "High-Quality Standards Initiative for Recombinant Collagen"



Recap of 2024

Key Performance

Economic Performance



Revenue 2,970 CNY million	Net profit attributable to shareholders of the Company 342 CNY million	Total assets 5,063 CNY million	Total tax paid 257 CNY million	Newly authorized patents 44 Number	R&D investment 73.54 CNY million
YoY growth of revenue 33.44%	YoY growth of net profit attributable to shareholders of the Company 31.69%	Net assets attributable to shareholders of the Company 3,380 CNY million	Cash dividends distributed in 2024 309 CNY million	Cumulative dividend payout ratio to net proceeds since listing 99.03%	Proportion of R&D personnel 7.83%

Environmental Performance

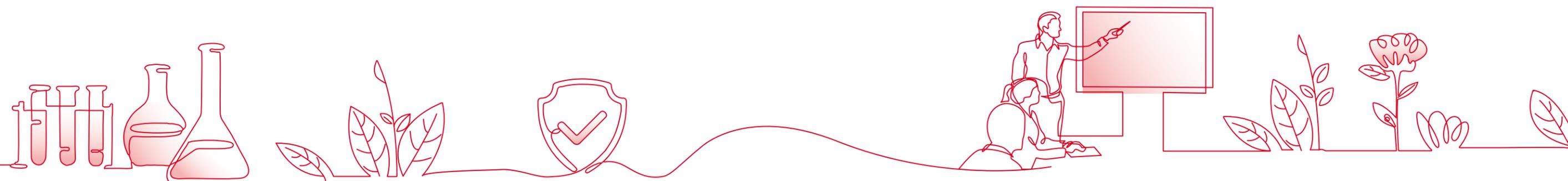


Energy intensity 37.81 Tons of standard coal/CNY 100 million of revenue	Total greenhouse gas emissions 3,150.30 tCO ₂ e
Wastewater emission intensity 0.03 Ton/ CNY 10,000	Water use intensity 0.21 Ton/ CNY 10,000

Social Performance



Proportion of female employees 68.19%	Total employee training hours 49,523 Hour(s)	Satisfaction rate of online customer service(%) 92.27%	YoY improvement in logistics efficiency for online store 4.49%
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Honors and Awards in 2024

Core Qualifications

- Agile Supply Chain Oriented to Market Demands**
Ministry of Industry and Information Technology of the People's Republic of China
- 2023 Industrial Internet Pilot Demonstration Project**
Ministry of Industry and Information Technology of the People's Republic of China
- 2024 Typical Case of "Digital Three Products" Application Scenarios**
Ministry of Industry and Information Technology of the People's Republic of China
- 2024 Guangdong Provincial Green Factory**
Guangdong Provincial Department of Industry and Information Technology
- Digital Transformation Pilot Leading Entity for SMEs in Guangzhou City**
Guangzhou Municipal Bureau of Industry and Information Technology

Company Honors and Innovation

- National Research Center for Recombinant Functional Protein Technology**
China Biotechnology Fermentation Industry Association
- Leading Enterprise in the Cosmetics Industry of the Fragrance and Cosmetics Sector**
China Flavor, Fragrance, and Cosmetics Industry Association
- Top 100 Innovative Enterprises in Guangzhou**
Digital Research Institute of Guangzhou Daily
- Top 500 Innovative High-Tech Enterprises in Guangzhou**
Digital Research Institute of Guangzhou Daily
- Top 400 Specialized and Innovative Enterprises in Guangdong Province (Guangzhou)**
Digital Research Institute of Guangzhou Daily
- Top 40 Innovative Foreign-Invested Enterprises in Guangzhou**
Digital Research Institute of Guangzhou Daily
- 2024 Green Biotechnology Innovation Award - Model of Responsibility**
Synthetic Biology Network, CSR Global
- 2024 Industry Benchmark Award of the Cosmetics of Made in China**
Made-in-China.com
- 2024 China Cosmetics Blue Rose Award - Annual Influential Listed Company**
China Cosmetics Congress

Brand & Product Recognition

- 2024 Guangdong Provincial Manufacturing Industry Single Champion**
Guangdong Provincial Department of Industry and Information Technology
- 2023 China Cosmetics Industry Brand - Eye Care Products Category**
China Flavor, Fragrance, and Cosmetics Industry Association
- Second Prize of the Science and Technology Progress Award of the Guangdong Cosmetics Society - Marubi Elastic Protein Time - Defying Firming and Anti-Wrinkle Ampoule Essence**
Guangdong Cosmetics Association
- Grand Prize in the Innovation Product Category of the 2024 Golden Spike Award - Marubi Multi-Peptide Firming and Wrinkle Reduction Eye Cream**
Guangdong Cosmetic Science and Technology Research Association
- Forbes China Cosmetics Industry Brand Top 100**
Forbes China
- Certification of the No. 1 Sales in China of Eye Care Products for Three Consecutive Years**
Sullivan
- 2024 "Made in China" Beauty Award - Marubi Multi-Peptide Firming and Wrinkle Reduction Puffing Eye Cream, Marubi Recombinant Collagen Anti - Wrinkle Repair Light Cream / Moisturizing Cream**
Made-in-China.com
- 2024 Global Cosmetics Awards - Influential Brand**
Cosmetics Headlines
- 17th China Cosmetics Awards - Annual Skin-Care Brand**
Cosmetics Network
- 2023-2024 Leading Brand**
C2CC Media, New Makeup Awards
- 2023-2024 Treasure New Product - Elastic Protein Time - Defying Firming and Anti-Wrinkle Ampoule Essence (Bouncing Ampoule Essence)**
C2CC Media, New Makeup Awards
- 10th China Cosmetics Trend Conference - Leading Brand in Technological Anti-Aging**
Qingyan and Qingyan Intelligence

ESG Awards

- 2nd Guoxin Cup - ESG Golden Bull Award Top 100**
China Securities Journal
- The 18th China Listed Companies ESG Top 100**
Securities Times
- The 18th China Listed Companies' Annual ESG Pioneer Figure**
Securities Times
- The 2nd Greater Bay Area Outstanding Social Responsibility (ESG) Enterprise Selection - New Quality Productivity Brand Enterprise Award**
Puzhuo Consulting Group, China Enterprise News, CEO Alliance of Guangdong - Hong Kong - Macao Greater Bay Area
- The 2nd Greater Bay Area Outstanding Social Responsibility (ESG) Enterprise Selection - ESG Outstanding Contribution Figure Award - Mr. Huaqing Sun**
Puzhuo Consulting Group, China Enterprise News, CEO Alliance of Guangdong - Hong Kong - Macao Greater Bay Area
- The Third "Sustain 100 Sustainable Fashion Creative List" Green Technology - Digital Innovation**
WWD CHINA
- 2024 CaifuCaixin Zhiyuan Award - Pioneer in Governance**
CaifuCaixin Society
- The 3rd "Zero - Carbon Future" ESG Innovative Practice List**
WallStreetCN
- 2023 ESG Sustainable Development Innovative Pioneer Enterprise**
Southern Metropolis Daily

Investor Relations

- 2023 Listed Company Award - Best Investor Relations Company**
Judongmi
- 2023 Investor Relations Golden Award - Outstanding IR Initiative Award**
Panorama Network



ESG Governance

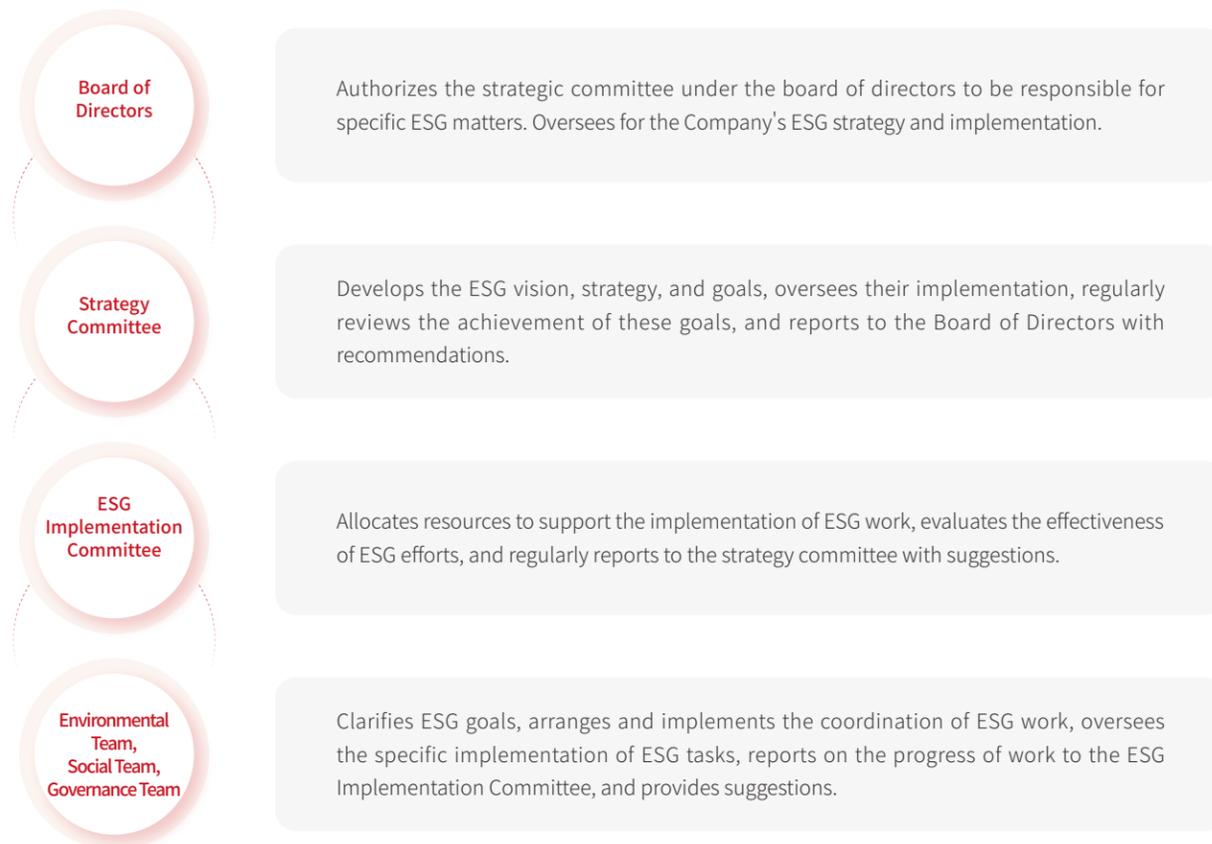
ESG Governance Mechanism

With the mission of "becoming an excellent enterprise and, more importantly, an excellent corporate citizen", Marubi has established a systematic and comprehensive ESG governance system, forming a governance structure with the Board of Directors as the ultimate responsible entity. The Company deeply integrates ESG concept into all aspects of its daily operations, laying a solid foundation for sustainable development at the strategic level. Furthermore, we fully identify and address the core needs of various stakeholders, integrating them into the corporate strategic planning, and are committed to continuously creating long-term value for stakeholders, customers, and employees.

Marubi has established a three-tier governance system consisting of the Board of Director Strategy Committee, the ESG Implementation Committee and the ESG Implementation Team. This system systematically promotes the optimization of management levels and performance improvement in the three dimensions of the environment, society, and corporate governance.



ESG Governance Structure



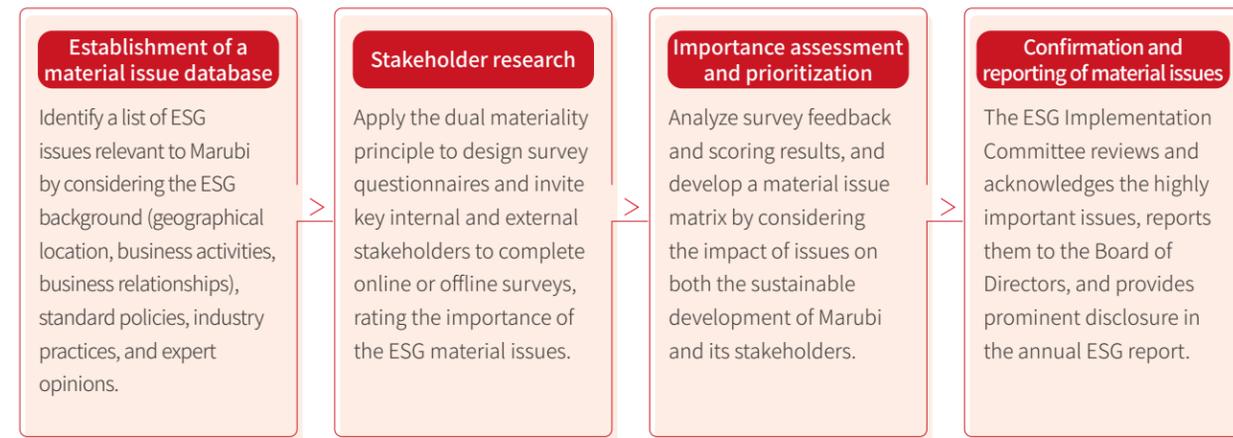
Stakeholder Communication

The sustainable development of an enterprise is inseparable from the support of its stakeholders. Marubi has always attached great importance to communication and interaction with all parties. The Company identifies key stakeholders and has established a regular communication mechanism to maintain two-way exchanges, gaining in-depth understanding of the opinions of various stakeholders and actively responding to their needs, committed to building long-term cooperative relationships based on mutual trust and mutual support.

Stakeholder Groups	Topics	Communication and Actions
Government and regulatory authorities	<ul style="list-style-type: none"> Business ethics Corporate governance Risk management Emissions and waste management Water resource management Energy management Green packaging 	<ul style="list-style-type: none"> Institutional research Official correspondence Policy implementation Information disclosure
Stockholders and investors	<ul style="list-style-type: none"> Corporate governance Sustainable development management Addressing climate change Information disclosure and investor management Risk management Business ethics R&D and innovation 	<ul style="list-style-type: none"> General Meeting of Shareholders Information disclosure Investor hotline Roadshows
Consumers	<ul style="list-style-type: none"> Product quality and safety Chemical safety and ingredient transparency Premium customer service Information security and privacy protection Responsible marketing 	<ul style="list-style-type: none"> Quality management Customer service Satisfaction survey
Employees	<ul style="list-style-type: none"> Compliance in employment and employee rights protection Occupational health and safety Employee training and development Competitive compensation and benefits Employee care 	<ul style="list-style-type: none"> Internal communication platform Employee appraisal and promotion Employee training
Suppliers/distributors	<ul style="list-style-type: none"> Sustainable supply chain Business ethics Intellectual property protection Risk management 	<ul style="list-style-type: none"> Supplier management Green procurement
Cooperation organizations (Public welfare organizations and research institutions, and so on)	<ul style="list-style-type: none"> Product quality and safety Intellectual property protection R&D and innovation Responsible marketing 	<ul style="list-style-type: none"> Investigation and visit Technical exchange Regular meeting
Industry associations	<ul style="list-style-type: none"> Promoting industry development R&D and innovation Product quality and safety Animal welfare 	<ul style="list-style-type: none"> Industry forum Exchange and mutual visit
Public and community	<ul style="list-style-type: none"> Community contribution and charity Emission and waste management Addressing climate change Green packaging Biodiversity conservation 	<ul style="list-style-type: none"> Community activity Voluntary service

Analysis of Material Issues

Marubi conducts in-depth identification and analysis of materiality issues, drawing upon strategic planning, industry trends, stakeholder expectations, international standards, and best practices within the same industry. For key issues, Marubi formulates tailored management objectives and strategies, presents comprehensive responses in the annual report, and strives to continually advance sustainable development.



● Governance ● Environment ● Society Material Issue Matrix of Marubi

Contributing to the UN SDGs

Marubi aims to become a globally competitive brand, integrating ESG principles deeply into its business operations, actively implementing sustainable development strategies, and consistently aligning closely with the UN SDGs.

SDGs Goals	Marubi's Actions in 2024	Chapter Reference
	<ul style="list-style-type: none"> • Care about the physical and mental health of employees and carries out comprehensive occupational hazards monitoring every year. All employees take physical examination and safety training. • Establish the "Marubi · Yuexin'an Corporate Well-being Station" to provide employees with benefits such as 1v1 psychological counseling and lectures. 	People-Oriented, Composing the Beauty of Harmony
	<ul style="list-style-type: none"> • Collaborate with CEIBS Global E-Learning to launch a new "Leadership Development Program," encompassing three training tiers: MINI-EMBA, MINI-MBA, and New Manager Course. 	People-Oriented, Composing the Beauty of Harmony
	<ul style="list-style-type: none"> • Advocate and adhere to gender equality, employment diversity and other concepts, and strives to create a fair, respectful and diverse working environment. Female employees account for 68.19%, with female holding 42.86% of senior management positions. • Prevent harassment and discrimination by regularly conducting 360-degree anonymous surveys of managers to collect relevant information. • Initiate themed activities such as "Why Care About Others' Opinions - Tear Off the Labels, Stay True to Yourself" and "Stand Out, Be More Noticeable" to encourage female employees to break free from societal stereotypes. 	People-Oriented, Composing the Beauty of Harmony
	<ul style="list-style-type: none"> • The new factory's wastewater treatment station has been put into operation, with online water quality monitoring to ensure compliance with wastewater discharge standards. • Actively carry out water-saving projects to enhance the comprehensive utilization efficiency of water resource. 	Environmental Protection, Safeguarding the Beauty of Ecology
	<ul style="list-style-type: none"> • A photovoltaic power station was erected atop the factory roof. During the reporting period, roof-mounted photovoltaics achieved an installed capacity of 660.06 kW, generating a total of 609,157.6 kWh of electricity. 21,660 kWh was supplied to the power grid, whereas 587,497.6 kWh was utilized internally. This significant energy usage reduction translated into a self-imposed reduction of carbon dioxide emissions by 347.40 tons. • The production process utilizes green methanol as fermentation feedstock, substituting conventional methanol during recombinant functional protein expression in <i>Pichia pastoris</i> fermentation. 	Environmental Protection, Safeguarding the Beauty of Ecology
	<ul style="list-style-type: none"> • Respect the employees' rights and interests, establish a comprehensive salary and welfare system and provides a diverse growth platform, creating an inclusive and comfortable workplace environment. • Forced labor and child labor are prohibited. 	People-Oriented, Composing the Beauty of Harmony
	<ul style="list-style-type: none"> • Maintain a team of 94 full-time internal technical experts, with 36.17% possessing a master's degree or higher qualifications. Collaborate with over 100 external scientists, including Professor Ying Lin, the director of the Guangdong Provincial Key Laboratory of Fermentation and Enzyme Engineering and the former dean of the School of Biological Science and Engineering at South China University of Technology, who has been appointed as the Co-Chief Scientist of Recombinant Collagen at Marubi and the Chief Scientist at Biost Pharmaceuticals. • Develop a globally open partnership system encompassing over 42 domestic and international universities, renowned Grade-A tertiary hospitals, and scientific research institutions to achieve joint research and innovation. 	Meticulous Craftsmanship, Preserving the Beauty of Skin
	<ul style="list-style-type: none"> • Adhere to the principle of open recruitment, fair competition and merit-based employment, Marubi insists on equal employment and opposes all forms of employment discrimination. • As of the end of the reporting period, Marubi employed 147 ethnic minority employees, 4 disabled workers and 10 veterans. 	People-Oriented, Composing the Beauty of Harmony
	<ul style="list-style-type: none"> • Conduct scientific communication work through various forms and channels. The official WeChat account "Wandian Chuangxin" focuses on Marubi's R&D information, releasing the latest developments, technological breakthroughs and scientific research achievements in the R&D field. • Create the topic "The Truth in 7 Days," inviting media professionals to directly challenge the "Little Golden Needle" cream, through investigation, questioning whether the claim of "7-day wrinkle reduction" is exaggerated. • Hold the 4th Recombinant Collagen Science Forum, collaborating with CCTV Network "Seeking the Truth About Collagen" initiative to trace the source and dispel doubts. • Fully promote the use of all-green raw materials, establishing a <i>Raw Material Elimination Management System</i>. During the reporting period, we eliminated nearly 150 raw materials, including paraben preservatives, PMMA, and 4-methylbenzylidene camphor, which are no longer in use. • Practice animal ethics, respect the value of animal life, create and introduce various alternative methods to animal testing. 	Scientific Skincare, Rejuvenating with Collagen "Core" Innovation Meticulous Craftsmanship, Preserving the Beauty of Skin
	<ul style="list-style-type: none"> • Develop modern biotechnology and green manufacturing technologies, focusing on environmentally friendly technologies such as synthetic biology and green chemistry for product development and research. • Actively promote energy-saving technological transformations, reduce the emission of the "three wastes", and integrate environmental protection concepts into daily operations. • Obtain "2024 Guangdong Provincial Green Factory". 	Environmental Protection, Safeguarding the Beauty of Ecology
	<ul style="list-style-type: none"> • Carry out 1 corruption risk assessment, collecting 189 questionnaires, and 1 anti-fraud investigation, promptly improving business management and control loopholes. • Organize all employees to sign the <i>Employee Integrity and Self-Discipline Commitment Letter</i>, with integrity training programs conducted through both online and offline channels. 	Steady Operation, Forging Sustainable "Beauty" Power

Theme Spotlight

Scientific Skincare, Rejuvenating with Collagen "Core" Innovation

Tech-Empowered Beauty Evolution

In the new stage where technological innovation is reshaping landscape of the cosmetics industry, Marubi has deeply integrated into the wave of technological innovation and promoted the comprehensive transformation of the enterprise through the formulation of a digital strategy. We focus on creating a full-link digital application scenario covering product R&D, manufacturing, and market operation, relying on the MES system to achieve the upgrade of intelligent manufacturing and integrating AI technology to enhance business collaboration efficiency. Simultaneously, we concentrate on the field of technological wrinkle reduction and anti-aging, delving into exploring cutting-edge technologies, and insisting on providing consumers with superior products with "genuine and high-quality ingredients."

Digital Transformation

In recent years, Marubi has achieved remarkable results in its digital transformation. Under the comprehensive digitization strategic framework, we have constructed multiple key systems including SAP, ERP, DMS, PLM, R&D management, and traceability management, innovatively introducing the "Four Verticals and Two Horizontals" model. This enables in-depth mining of front-end business data from the four dimensions of the market, sales, members, and e-commerce dimensions, while horizontally integrating product digitization and supply chain. Through the seamless connection and sharing of data, we provide an accurate basis for decision-making and realize the leap from informatization to intelligence.



In 2024, Marubi continues to firmly advance digitalization path, collaborating closely with business departments to drive significant business iterations and upgrades through 27 co-creation projects.

Case Study Wan Xiaoyan - A Large-Scale R&D Knowledge Q&A Model

In the strategic layout of AI-driven scientific research innovation, Marubi has officially launched the "Wan Xiaoyan" project to enhance R&D efficiency and support more efficient and convenient information retrieval and in-depth analysis. "Wan Xiaoyan" integrates multi-dimensional data resources such as patents, regulatory filings, and academic literature to construct a knowledge graph in the vertical field of the cosmetics industry, forming an intelligent analysis engine with industry-specific capabilities. Relying on natural language processing and deep learning technologies, and through extensive integration and training of cosmetics industry information, it can quickly respond to various questions posed by R&D personnel, efficiently retrieve, and accurately output relevant information, transforming vast data assets into insights. While significantly improving R&D efficiency, it also tracks the latest trends and developments in the cosmetics industry, continuously providing precise and reliable data support for the Company's strategic analysis and decision-making.



The Large-Scale R&D Knowledge Q&A Model Interface

Case Study Human Efficacy Data Analysis 2.0

Marubi's medical testing center has accumulated a wealth of subject information and experimental data, with diverse data types. Originally, manual compilation of local reports was time-consuming, difficult to integrate, and challenging for subsequent data analysis. The Company has established a human efficacy subject database and sample efficacy analysis project, standardizing the data accumulation process to enable real-time automatic updates and visualization. This patented solution has received official certification.



Case Study Large-Scale Model for Formulation Stability

Multiple Light Data Analysis Project: Before sample production, stability testing is a necessary step. Traditionally, this has been conducted through manual observation, which is relatively subjective. In contrast, multiple light detection is a relatively novel testing method. It measures the particle distribution of samples by analyzing the light intensity spectra generated when a laser penetrates the sample cream. This instrumental detection approach is faster and more objective than manual observation. Currently, there is no well-established stability evaluation mechanism in the industry. In this project, executable files and data submission portals were developed to enable the automatic uploading of multiple light detection data. This facilitates rapid index calculation, data cleansing, analysis, accumulation, and BI visualization, thereby aiding in the judgment of sample stability.

Formulation Stability Analysis Project: The medical testing center previously relied on manual observation for sample stability testing, a process that consumed significant manpower and lacked objective evaluation criteria. By developing a feature dictionary and scoring rules related to stability, and through natural language processing, the project standardized the feature descriptions of sample stability, quantified the degree of change in these features, automatically processed text-based stability reports, and rapidly generated stability scores.

This analysis method and application have been granted a patent certificate.



Case Study Intelligent Manufacturing Execution System

By leveraging automation and intelligent technologies, Marubi has achieved intelligent manufacturing control, transparent production processes, numerical control of production equipment, and integrated production information in workshops, striving to build a "smart factory" and further promote intelligent manufacturing. As of the end of the reporting period, the MES system has been officially launched. It combines equipment data acquisition to achieve a comprehensive view of the manufacturing process, enabling data sharing between departments such as planning, quality, and production areas including emulsification, filling, packaging, and warehousing. This fosters interaction among quality tracking, production monitoring, and warehouse management information flows, creating a unified and standardized data-transparent factory that significantly improves production efficiency. It is estimated that nearly CNY600,000 in costs can be saved annually.



Visualization of Workshop Production Data

Renewal through Intelligent Research

In the era of flourishing development of the cosmetics and skincare industry, Marubi has remained steadfast in its commitment to technological innovation. In recent years, we have continuously increased investment in scientific research, tirelessly exploring the mysteries of youthful skin. We have successfully broken through multiple technological barriers and launched a series of groundbreaking ingredients one after another, positioning itself as a benchmark brand in the cosmetics sector with formidable technological prowess.

Self-developed Collagen

Through the translation pause technology, Marubi optimizes the nucleotide sequence of collagen. Its core components are type I and type III collagen, which are 100% consistent with the amino acid sequence of human native collagen. It can be efficiently absorbed by the skin, enhancing the skin elasticity and firmness, significantly reducing various wrinkle such as crow's feet, under-eye lines, and nasolabial folds, and repairing the skin.



Hisein® SPG β-Glucan

Marubi obtains a β-glucan with a triple-helix structure through the fermentation of Schizophyllum commune, which has the homology of medicine and food, primarily featuring dual functions of hydration and repair. Due to the special triple-helix structure, this molecule will not be damaged within 30 minutes in a high-temperature environment of 120 ° C, exhibiting excellent efficacy in moisturizing, anti-wrinkle, anti-inflammatory, and skin-repairing properties.



Self-developed Supermolecular Kapok

Supermolecular Kapok is renowned as the top flower for dispelling dampness in Lingnan. It boasts excellent value in the homology of medicine, food and cosmetics. It is rich in flavonoids and possesses outstanding antioxidant and anti-aging effects.



Tibetan Kefir Mushroom

Tibetan kefir mushroom, a natural fermented fungus originating from Tibet, features a multi-layered network structure composed primarily of polysaccharides and proteins. The fermentation broth of Tibetan kefir mushroom possesses antioxidant and anti-inflammatory activities, effectively scavenging free radicals. Through bi-directional fermentation technology, Marubi makes full use of the enzyme system of Tibetan kefir mushroom cells to extract the active ingredients from milk and Scutellaria baicalensis root powder. Simultaneously, we retain the active substances produced by the fermentation of Tibetan kefir mushroom itself, achieving a synergistic effect among the ingredients. This not only exerts the skin care and repair effects but also enhances the overall health status of the skin.



Intelligent Sensation Film Technology

Based on the research into mixed waxes with functionalized differences, this technology focuses on the esterification reaction between natural waxes (beeswax and jojoba wax) and polymers. The resulting composite emulsifier enables the cream to adaptively regulate its texture and film state in response to varying climate conditions and skin states, achieving intelligent sensory adjustment.

When applied with the intelligent sensation film technology, the cream exhibits enhanced fluidity of the emulsion at high temperatures and increased viscosity at low temperatures. In dry climates, the ingredients effectively absorb moisture to enhance hydration effects, while in humid environments, they promote a refreshing and hydrated skin feel, ultimately achieving adaptive intelligent sensory regulation.



Marubi Multiple Peptide Anti-wrinkle Eye Cream 3.0

Multilateral Parallel Compound Fermentation Technology

Centered on a consortium of multiple probiotics, this technology realizes the full-chain digestion, absorption, and conversion by modulating the metabolic pathways of the probiotic consortium, supporting the personalized customization of raw materials with specific functions.

Marubi leverages the enzyme system produced by the fermentation of Tibetan kefir mushroom to fully extract the active ingredients from milk and Scutellaria baicalensis root powder, while effectively retaining the active ingredients from the fermentation of Tibetan kefir mushroom. This integration optimizes the synergy between the two, maximizing the skincare benefits. It not only combats skin aging but also exerts excellent repairing effects.



Marubi Butterfly Bandage Eye Mask 2.0

Lipid-Soluble Recombinant Collagen Technology

Reverse micelle gel penetration enhancement technology is a technique that improves the transmission and absorption of water-soluble components by forming reverse micelle pools with phospholipids. Marubi encapsulates recombinant collagen in phospholipid reverse micelle pools to create the exclusive lipid-soluble recombinant collagen (Micapermeate® Col).

The encapsulated recombinant collagen can enhance penetration into the stratum corneum lipids without disrupting the skin barrier. It also increases the stability of the protein and promotes its efficient absorption on the skin. This innovation also enables the application of recombinant collagen, a water-soluble ingredient, in oil-based skincare products.



Marubi Double Collagen Series

Marubiome® Bionic Superconducting Penetration Enhancement Technology

Based on an understanding of natural sebum, this technology builds upon the interfacial crystallization matrix by further incorporating lipids that constitute the skin as well as phytosphingosine, forming a bionic sebum with a multi-level structure. This allows for better integration with the skin and enhanced penetration.



Marubi Chocolate Four Anti-series

Scientific Communication, Intelligent Skincare

At a time when the skincare concept of Chinese consumers is shifting towards precise skincare, the demand for refined and scientific skincare ingredients has become increasingly prominent. Marubi has keenly grasped this trend and carried out scientific communication work through various forms and channels during the reporting period, sparking a wave of enthusiasm for scientific skincare. From in-depth analysis of raw ingredients to demonstration of product efficacy, from endorsement of professional research teams to precise communication with consumers, Marubi, with scientific and technological innovation as its cornerstone, has not only reshaped consumers' cognitive dimension of skincare efficacy but also established an innovative pathway for the value transformation of laboratory research achievements, promoting the in-depth development of the industry towards a more scientific and transparent direction.



Wandian Innovation Official Account

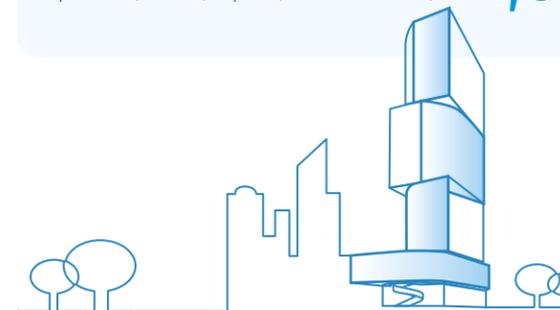
Focusing on the R&D information of Marubi, Wandian Innovation Official Account centers on the latest developments, technological breakthroughs, and scientific research achievements in the R&D field. It has published 19 articles with over 12,000 total reads.

Marubi demonstrates scientific R&D efforts and shares scientific knowledge through experimental showcases, technical explanations, and multi-format engagements including live streams, public demos, and influencer factory tours, so as to enhance consumers' trust in the scientific nature of the products.

Key Performance Indicators

During the reporting period

the Company hosted **255** visitor groups, totaling nearly **2,800** participants nationwide, including partners, media, experts, and consumers, with **1,800+** visitors attending **158** guided tours.



Case Study

CCTV.com "Seeking the Truth About Collagen" initiative

In today's complex consumer market environment filled with information, consumers have many confusions and misunderstandings regarding the technical principles and actual effects of collagen, especially recombinant collagen. During the reporting period, Marubi, in collaboration with CCTV.com and well-known bloggers, conducted multi-dimensional on-site visits and detailed interpretations, including production sources, scientific research laboratories, and clinical testing bases. In an intuitive, vivid, and professional manner, the campaign comprehensively educated consumers on the unique advantages and practical mechanisms of recombinant collagen in anti-aging, addressing consumer doubts and strengthening the trust bond between the brand and its consumers.



Case Study

Topic "The Truth in 7 Days"

During the reporting period, Marubi invited media professionals to directly challenge the "Little Golden Needle" cream, through investigation, questioning whether the claim of "7-day wrinkle reduction" is exaggerated. By presenting authoritative qualifications, experimental demonstrations, and data, it visually and simply explained scientific research knowledge, vividly and interestingly demonstrated the product's advantages, and triggered extensive discussions.



Scan the QR Code to Watch the Video

Since 2021, Marubi has continuously held the "Recombinant Collagen Scientists Forum." The forum has invited well-known authoritative experts and scholars, university scientists, consumer representatives, and industry media to gather together to discuss the new development trends of collagen, share new scientific research achievements, and popularize scientific knowledge about collagen. During the reporting period, Marubi participated in more than ten industry conferences, actively sharing its experience, and promoting awareness and application of collagen ingredients.

Case Study The 4th Recombinant Collagen Science Forum

On April 27, 2024, the 4th Recombinant Collagen Science Forum was held in Guangzhou. This forum gathered numerous top experts, scientific researchers, and enterprise representatives in the industry, all focusing on the development and innovation of the cutting-edge field of recombinant collagen. Marubi launched new achievements in recombinant collagen at this forum. Simultaneously, it initiated the formulation of the industry standard for *Recombinant Soluble Collagen* and issued the *Initiative for High-quality Standards of Recombinant Collagen*. This standard will comprehensively, rigorously and meticulously stipulate the quality control, technical requirements, and testing rules of recombinant soluble collagen raw materials for cosmetics, effectively promoting the deeper, more standardized, and widespread application of recombinant collagen in the cosmetics field.



Case Study The 16th China Biotechnology Industry Conference

On September 19, 2024, the 16th China Biotechnology Industry Conference was held in Guangzhou. With the theme of "Creating a New Biotechnology Manufacturing Industry and Opening up a New Track in Life Sciences," this conference released three high-quality development achievements to promote the innovative development of the bio-economy. As the only specially invited cosmetics enterprise, Marubi made a dazzling appearance. Professor Ying Lin, the Co-Chief Scientist of Marubi Recombinant Collagen, delivered a special speech titled *Construction of Yeast Cell Factory and Synthesis of Functional Compounds*, which explained in detail the in-depth exploration process, core technical breakthroughs, and innovative application achievements in the field of synthetic biotechnology. During the exhibition tour of the conference, Marubi's recombinant collagen series products made a grand appearance and were recognized by the leaders and academicians present.



Case Study The 2024 (10th) China Cosmetics Trend Conference

On October 22, 2024, the 10th China Cosmetics Trend Conference was held in Shanghai. With its outstanding performance in scientific research and innovation, Marubi was honored with the title of "Leading Brand in Scientific Anti-aging." Leveraging its extensive experience and advantages in product development, clinical verification, and consumer education, Marubi, in collaboration with multiple experts during the conference, formulated and released the *2024 Expert Consensus on Scientific Anti-aging*, contributing significantly to the scientific, comprehensive, and practical nature of the consensus.



Steady Operation, Forging Sustainable "Beauty" Power

Marubi continues to improve its corporate governance system, adhering to compliance operating principles, firmly upholds business ethics standards, strengthens information security protection mechanisms. By integrating these four aspects holistically, Marubi continuously consolidates the foundation for high-quality development and injects strong impetus into the sustainable growth.

Marubi's Actions

- Solidifying Corporate Governance
- Upholding Business Ethics
- Intensifying Risk Management
- Protecting Information Security

Highlights of Performance

Total tax paid:

CNY **257** million

Total cash dividends distributed:

CNY **309** million

The coverage rate of integrity training for board members is

100%

Zero business ethics violations or corruption cases



Contributing to the UN SDGs



Enhancing Governance, Solidifying Development Foundations

Marubi remains dedicated to enhancing its corporate governance, bolstering information disclosure management, and constructing robust investor protection mechanisms to achieve multi-stakeholder win-win outcomes.

Board Structure and Governance

In accordance with various laws and regulations such as the *Company Law* and the *Securities Law*, as well as the requirements of regulatory authorities such as the Shanghai Stock Exchange, Marubi continuously optimizes its corporate governance structure and enhances the standardization of its operations. Marubi's governance structure comprises the General Meeting of Shareholders, the Board of Directors, and the Supervisory Board, all operating in strict compliance with regulations. The Board of Directors has four specialized committees, namely the Strategy Committee, the Audit Committee, the Remuneration and Appraisal Committee, and the Nomination Committee, to ensure clarity in roles and responsibilities, scientific decision-making, mutual checks and balances, and coordinated efforts. This structure provides robust support for daily operations, management, and decision-making on crucial matters.

Key Performance Indicators

During the reporting period

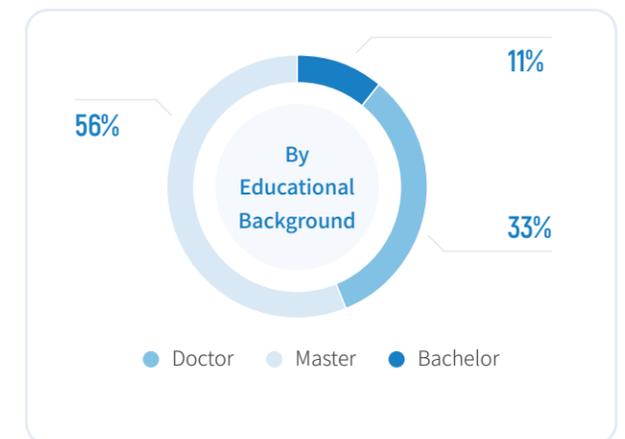
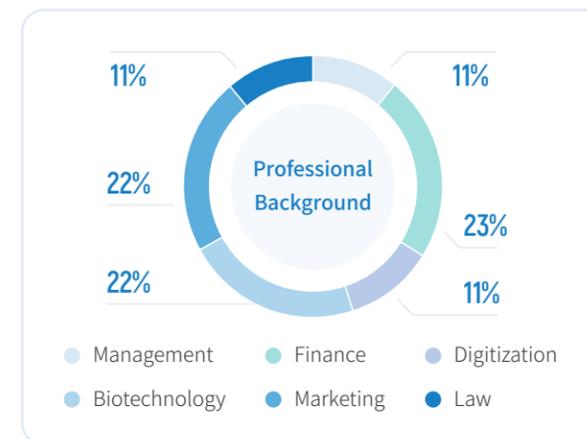
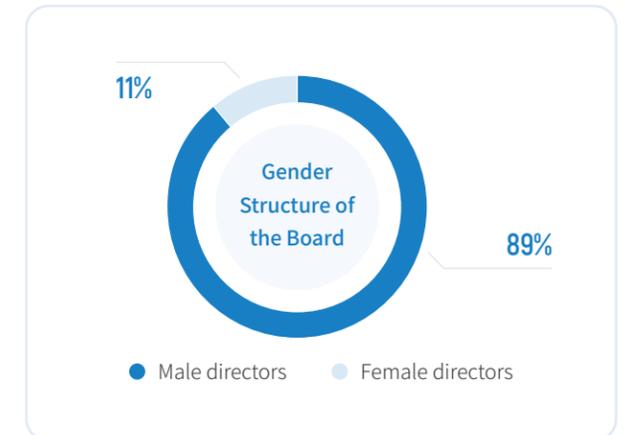
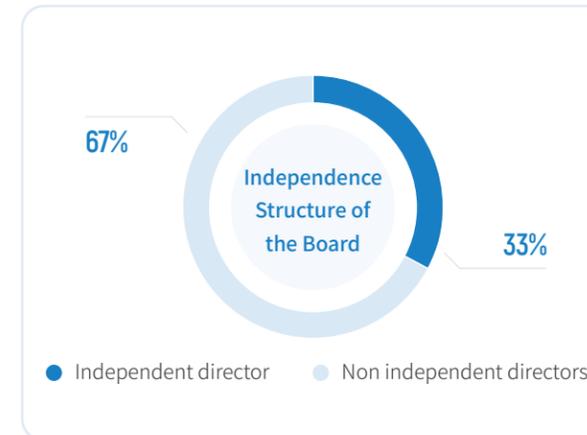
the attendance rate of Board meetings, Supervisory Board meetings, and specialized committee meetings all reached

100%



Marubi adheres strictly to the corresponding selection and appointment procedures outlined in the *Company Law* and its *Articles of Association* when electing directors. Marubi actively promotes the diversification of the board in terms of independence, gender, and professional background. Currently, the Board of Directors is composed of 9 directors with outstanding educational qualifications, enabling the board to make scientifically informed decisions effectively.

Diversity of the Board of Directors



Key Performance of Corporate Governance Meetings in 2024

2 General Meetings of Shareholders

6 Board Meetings

5 Supervisory Board Meetings

1 Strategy Committee Meetings

5 Audit Committee Meetings

2 Nomination Committee Meetings

1 Remuneration and Appraisal Committee Meetings

3 Special Meetings of Independent Directors

Investors' Rights Protection

Marubi attaches great importance to investor relations, actively implements relevant regulations of the China Securities Regulatory Commission, and fulfills the responsibilities of a listed company, and promptly and proactively conducts information communication work in accordance with the *Investor Relations Management System*. We innovate investor engagement through diversified channels including text, video, live streaming, and infographics, strengthening investor communication while safeguarding rights and establishing a positive market image.

Key Performance Indicators

During the reporting period

Marubi standardized the management of investor relations activity records, convened earning briefings after each financial results disclosure, organized six executive interviews, and response rate on the SSE e-Interaction platform was

100%

Communication Channels

Communication Initiatives

Investor Hotline and Email	Diligently responding to all incoming calls and 100% response rate to investor emails
On-site or Virtual Communication	Hosting on-site investor research visits and convening earning briefings after each financial results disclosure
General Meeting of Shareholders	Holding 2 General Meeting of Shareholders, offering an online voting platform to ensure small and medium-sized investors to exercise their rights and participate actively in the company's decision-making process
SSE e-Interaction	100% response rate to investors' inquiries
Investor Relations Column	A dedicated "Investor Relations" column, where relevant Company information is updated in real-time to keep investors informed

Investor Returns

Marubi places significant emphasis on investor returns and sharing the dividends of its growth. We reward shareholders through cash dividends to enhance their sense of participation and gain.

Key Performance Indicators

During the reporting period

we distributed cash dividends twice, totaling CNY **309** million. Since 2019 IPO, total dividends reached CNY **782** million, representing **99.03%** of IPO net proceeds.

Case Study

Diversified Investor Engagement Initiatives



Securities Times · Times Salon



GF Securities · Visit to Listed Companies



Huatai Securities Investment Summit



2023 Annual & 2024 Q1 Earning Briefings



2024 Q3 Group Earning Briefings for the Cosmetics Industry

Information Disclosure Management

Marubi adheres strictly to pertinent laws, regulations, as well as its *Articles of Association* and the *Information Disclosure Management System*, ensuring effective compliance with its information disclosure obligations and all disclosed information is truthful, precise, comprehensive, timely, and equitable, thereby enhancing the quality and standard of the information disclosure practices. Furthermore, Marubi maintains strict compliance with insider trading regulations, implementing a *Registration and Management System for Insider Information Insiders* to bolster the confidentiality of insider information. This measure effectively prevents any illegal or unethical activities, such as insider trading, while safeguarding the principles of transparency, fairness, and impartiality in information disclosure. Additionally, to standardize the decision-making process for related-party transactions, Marubi has formulated a *Related-Party Transaction Management System* that explicitly outlines the review, avoidance, and decision-making framework for such transactions. Through these regulations, the Company safeguards the legitimate rights and interests of all shareholders. During the reporting period, Marubi has remained free from any regulatory sanctions related to information disclosure violations.

Key Performance Indicators

During the reporting period

Disclosed **98** announcements

Enforcing Baselines, Fortifying Risk Barrier

Marubi has set up an Audit and Supervision Department, which is under the management of the Board of Directors. With three functions in total, namely internal control, audit, and supervision, the Department provides an all-around supervision management system to the business at all levels. By establishing an effective risk and internal control management system, the Company continuously improves its internal control management level.

Continuously Optimizing the Internal Control System

Marubi comprehensively reviews the internal control processes annually, conducts independent and objective supervision and evaluation of the effectiveness of the internal control system operation, and carries out specialized audits on key control points to inspect the effectiveness of the implementation, aiming to reduce organizational operational risks, improve operational efficiency, and continuously promote the soundness and improvement of the internal control system. Through organizing reviews and revisions of institutional frameworks, as well as optimizing OA processes, Marubi ensures that its institutional frameworks align with business operations. We also undertake projects to streamline institutional frameworks, covering areas such as HR, administration, procurement, and legal affairs, to enhance the readability and practicality of the frameworks. Simultaneously, we review and evaluate OA approval processes to uphold compliance in business approvals.

Key Performance Indicators

During the reporting period

Optimized
194 OA process settings

Compiled
34 institutional frameworks

Conducted
2 process audits

Strict Audit Supervision

Adhering to the principles of objectivity, policy conformance, and a prevention-focused mindset, Marubi conducts rigorous and independent audits and supervision on the business operations and internal controls of headquarters and its subsidiaries.

Key Performance Indicators

During the reporting period

Marubi executed a comprehensive slate of **24** internal audit projects, with a focus on diverse management modules encompassing assets, warehousing, procurement, expenses, information systems, and equipment management.



Establishing a Compliance Column

Marubi establishes a compliance column to deeply dissect various business cases, meticulously analyze operational risks, and present the core elements of management systems accordingly. The Company hopes that all employees enhance their awareness of internal control and compliance risks through case studies, improve their compliance literacy, develop a normalized understanding of risk prevention and control, and effectively prevent the occurrence of business risks.



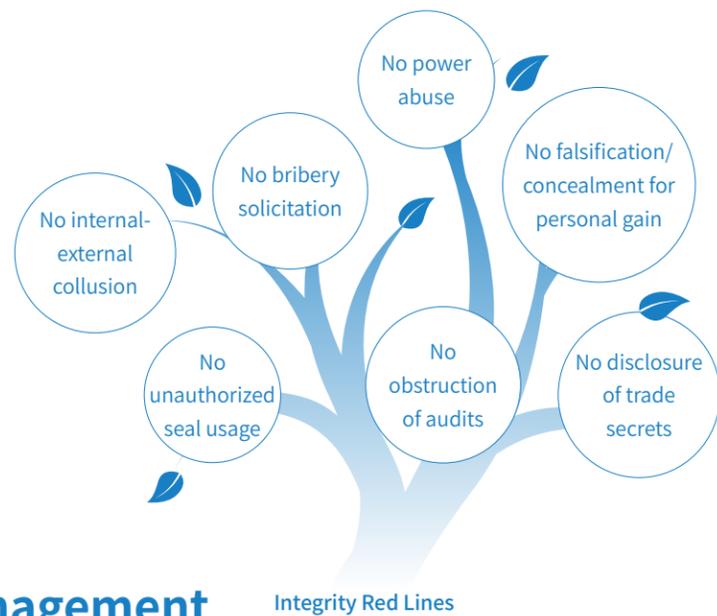
Tax Management

Marubi strengthens tax management to ensure legal operation and honest tax compliance. We have formulated the *Tax Management System* and the *Tax Risk List* to clarify the responsibilities and authorities of various departments and personnel in tax management, standardize the handling procedures of relevant tax-related matters, and continuously improve the efficiency and quality of tax management. Additionally, we conduct training for tax-related personnel and organize internal experience sharing activities to enhance the team's professional expertise.



Operating with Integrity, Adhering to Business Ethics

Marubi is committed to building an honest and clean business ecosystem and resolutely forbidding all forms of corruptions and bribes. Marubi has established the Board of Directors as the highest supervisory body for business ethics governance, while the Audit and Supervision Department executes supervisory duties and oversees comprehensive efforts in preventing corruption and bribery, formulating systems such as the *Supervision Management System*, the *Integrity and Self-Discipline Management System*, and the *Complaint and Reporting Management System*. By clearly defining "red line for integrity," Marubi establishes boundaries for business ethics constraints, strengthens the integrity control mechanism for internal employees, and extends anti-corruption management to partners such as suppliers and distributors. Additionally, Marubi actively enhances its communication and collaboration with industry organizations and regulatory bodies to continuously bolster its anti-fraud capabilities. During the reporting period, no corruption-related litigation cases were recorded.



Integrity Management

Corruption Risk Assessment

To ensure transparent and compliant business processes and effectively prevent and reduce the occurrence of corruption, Marubi conducts comprehensive assessments of corruption risks, identifies key risk factors, formulates targeted control measures, and promptly addresses vulnerabilities in business management and control systems to mitigate the likelihood of bribery and corruption incidents.



Employee Integrity Management

To further bolster employees' professional ethics and cultivate a workplace culture that venerates integrity and denounces corruption, Marubi proactively promoted anti-corruption management, organized and required the staff to sign the Employee Integrity and Self-Discipline Commitment Letter. Additionally, Marubi promotes a robust integrity and compliance culture through both online and offline training sessions, while simultaneously enhancing the promotion of whistleblowing channels through diverse means.

Integrity Culture Construction

Integrity Training Methods

Online (OA, Marubi Academy) Training & Offline Training

Promotion Channels

Ethical gift policy guidelines, integrity knowledge competitions, OA promotion, Audit and Supervision Open Day, etc.

Integrity Training Content

Online: Courses related to the introduction of Marubi's Audit and Supervision functions

29 Integrity promotion and event articles

Offline: 2024 anti-corruption and integrity promotion work training

Compliance training of the 5C Center

Integrity training for headquarters suppliers

Integrity training for Board members

Case Study "Jointly Building an Enterprise Integrity Culture" Symposium

To demonstrate the firm determination to safeguard integrity development, during the reporting period, Marubi held a "Jointly Building an Enterprise Integrity Culture" symposium, which was also the release of the Guidelines on the Rights and Responsibilities of Audit and Supervision Work. By introducing the International Anti-Corruption Day and the work achievements of Audit and Supervision Department, publicizing the integrity red line, and introducing the rights and responsibilities of audit and supervision work, Marubi jointly built an enterprise integrity culture.



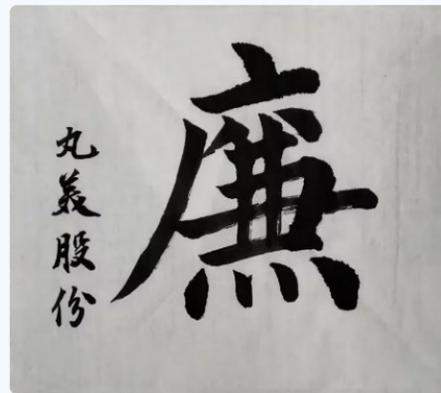
Case Study Ethical Gift Policy Guidelines

Adhere to the red line and celebrate ethical gift policy guidelines. Marubi issued integrity reminders to urge employees to abide by the management red lines and prohibit any form of gifts, banquets, and other behaviors from partners. Foster a refreshing atmosphere, establish a positive ethos, maintain integrity and self-discipline, and jointly build a transparent and upright workplace.



Case Study "Integrity Depicted in Art, Virtue Conveyed through Images" Calligraphy, Painting and Photography Competition

To welcome the International Anti-Corruption Day and further strengthen the construction of integrity culture, Marubi held a calligraphy, painting and photography competition with the theme of integrity, aiming to show the beauty of integrity in the form of art and convey positive corporate values. Over 10 outstanding works were selected, each vividly capturing moments that epitomize unwavering integrity and selfless dedication to public duty



Integrity' Mirrors the Heart, Ink Rhymes Uphold Righteousness



Chili Red Reflects the Flag, Integrity Shines Brightly

Case Study Audit and Supervision Open Day

During the reporting period, Marubi successfully held the first Audit and Supervision Open Day activities. The event aimed to enhance employees' understanding of the work content of the Audit and Supervision Department, promote the integrity culture, and improve employees' integrity awareness through a series of educational interactive games.



Partners Integrity Management

Marubi proactively promotes partners integrity management, organizes the suppliers and distributors to sign the *Integrity Cooperation Agreement*, and the bidders to sign the *Integrity and Self-discipline Commitment for Bidders*, and publicizes the Integrity Statement on the construction project site, to promote the business ethics.

Case Study Annual Supplier Integrity Cooperation Training Conference

Marubi held an Annual Supplier Integrity Cooperation Training Conference to strengthen cooperative relationship and ensure sustainable development. During the conference, the importance of anti-corruption and advocating integrity was emphasized. The laws and regulations on anti-fraud as well as the *Integrity Cooperation Agreement with Suppliers* were interpreted. Additionally, Marubi officially launched the *Integrity Cooperation Handbook* on-site, clarifying the rights and obligations, which helped suppliers to understand the integrity requirements and jointly build a transparent and upright business environment.



Whistleblowing/ Handling Mechanism

Marubi employs a comprehensive strategy of audit and supervision in its ongoing anti-corruption efforts. Any fraud clues uncovered through the auditing process are promptly forwarded to supervisory personnel for further investigation. Additionally, supervisory personnel diligently review and document reported leads in a timely manner. This dual approach reinforces the prevention and mitigation of integrity-related risks.

Marubi has formulated the *Complaint and Reporting Management System* to standardize the process of report management. We provide diverse whistleblowing channels and publicize integrity through OA, WeChat Official Account, and corporate website, to inspire the employees, clients, suppliers, and partners to report corruption under the real name or anonymously, safeguarding rights of whistleblowers, e.g., petitioning for recusal, result inquiry, request for protection, and receiving rewards.

Whistleblowing channels are managed by specific personnel. Marubi keeps the information of the whistleblowers strictly confidential, and protects their legitimate rights and interests according to law. The anti-corruption dedicated investigation team is specifically responsible for investigating corrupt behaviors.

Reporting Channels

Reporting hotline (Tel)
+86-20-6637 8666 ext. 385

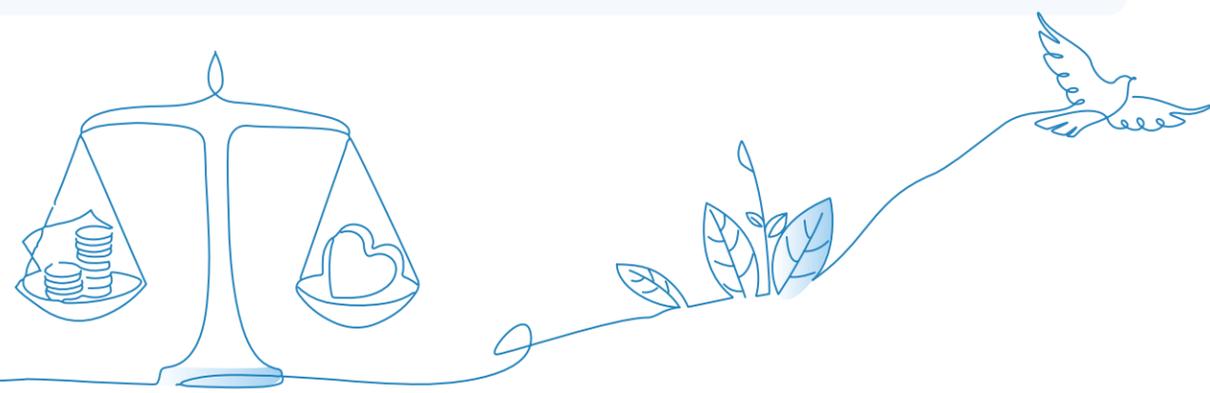
Reporting mobile phone
+86 18602010151

Mailing address for reporting letters
Audit and Supervision Department, 7th Floor,
South Tower, Poly Granville Building, No. 11,
Xiancun Road, Tianhe District, Guangzhou

Reporting email
complaint@marubi.cn

WeChat official account

Integrity of Marubi



Collaborating with Third Parties, Strengthening Anti-Corruption Capabilities

Marubi serves as a governing member of the China Anti-Fraud Alliance, leveraging the alliance's blacklist information sharing system, and strengthened due diligence in talent recruitment and new supplier onboarding, to keep out dishonest persons and organizations and reduce risks of fraud. During the reporting period, Marubi participated in 6 training programs, including the Enterprise Anti-Fraud Litigation Summit Forum organized by the China Enterprise Anti-Fraud Alliance, the 4th Supervision and Audit Forum, the Enterprise Risk Management and Anti-Fraud Strategy Seminar & Exchange Meeting, the Closed-Door Meeting of the Cosmetics and Personal Care Industry, as well as the Enterprise Supervision Practical Drills and the Government-Enterprise Symposium on Enterprise Integrity Culture virtually organized by the Huangpu Enterprise Compliance Alliance.



Governing Unit of the Enterprise Anti-Fraud Alliance Council

Activities of Participating in the Enterprise Anti-Fraud Alliance: During the reporting period

Organized the filming of the micro-video *Under the Sun* and won the Excellence Award.

Organized employees to participate in the Integrity Knowledge Competition and won the Excellent Organization Award.

Received the Integrity-Promoting Slogan Creativity Award in the "Calling for Integrity Promotion Slogans" campaign.

Won the Clean and Dynamic Award in the "2024 Integrity Culture Construction Achievement Competition."

Case Study Collaborating with Public Security Brigade and Procuratorate to Conduct Anti-Fraud Compliance Training



During the reporting period, Marubi invited the Economic Crime Investigation Brigade of Huangpu District Sub-bureau, Guangzhou Municipal Public Security Bureau to conduct the anti-fraud compliance training with the theme of "Preventing Job-Related Crimes and Escorting High-Quality Development." It deeply analyzed the harms and preventive measures of job-related crimes, further enhanced the legal and regulatory awareness of employees, learned lessons from cases, and firmly adhered to self-discipline and integrity in their occupations.

During the reporting period, Marubi invited the Haizhu District Procuratorate to conduct the anti-fraud compliance training with the theme of "Risks and Prevention in the Operation of Private Enterprises" to enhance employees' awareness of anti-corruption and promote the anti-corruption efforts, and align with national governance requirements.



Anti-Unfair Competition

Marubi strictly complies with the laws and regulations on anti-monopoly and anti-unfair competition, and firmly resists any unfair competition behaviors. Through the anti-counterfeiting traceability code system, cooperation with professional third-party institutions, online and offline market inspections, the Company regularly conducts monitoring and review of counterfeit and shoddy products to prevent the phenomena of channel conflict and counterfeit products and maintain market order, while minimizing the occurrence of fake products.



Traceability Code Query

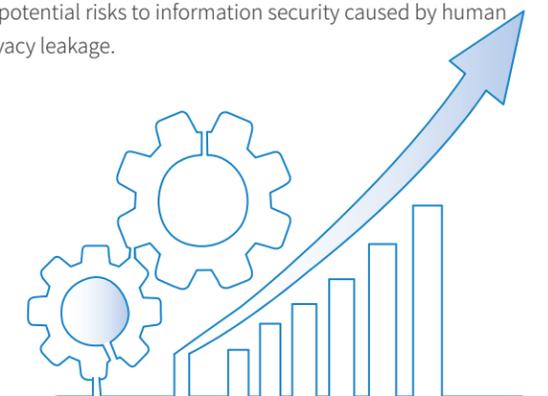
Proactive Measures, Protecting Information Security

Marubi strictly adheres to the Cybersecurity Law, the Data Security Law, the Personal Information Protection Law, and other pertinent legal framework. Following the information security philosophy of "prevention orientation, comprehensive coverage, and continuous improvement," the Company improves the information security management system, standardizes information security management, and continuously enhances the overall protection level of information security.

Strengthening Information Security Construction

Marubi consolidates the information security management framework through multi-layered information security management measures, continuously optimizes and enhances the overall security protection capability, providing a robust security assurance for the sustained development of its business. During the reporting period, Marubi continued to deepen its cooperation with information security service providers. In accordance with the information security construction tasks, we respectively carried out security vulnerability scanning and code security auditing, promptly discovered and repaired potential security risks in the system. Through the implementation of security education and training programs and emergency response drills for security incidents, we significantly improved information security awareness and prevention ability, reducing the potential risks to information security caused by human factors. There were no information security incidents or events of customer privacy leakage.

Marubi focused on promoting the classification protection assessment for SCRM member management system and channel digitalization system, ensuring compliance with national standards and industry requirements when handling sensitive data and conducting critical business operations. As of the end of the reporting period, two key stages, namely the expert review and rating filing with the public security bureau, have been successfully completed, laying a solid foundation for subsequent security reinforcement.



Information Security Management Measures	Content	Achievements
Cybersecurity Classification Protection Assessment	<ul style="list-style-type: none"> Gap analysis and rectification for classification protection Cybersecurity classification rating 	Two systems have passed expert review and classification filing: <ul style="list-style-type: none"> Marubi SCRM member management system Marubi channel digitalization system
Information Security System Construction and Implementation	<ul style="list-style-type: none"> Revise and improve the network security system required by the classification protection standards 	<ul style="list-style-type: none"> Security management system Security management institution system
Penetration Testing	<ul style="list-style-type: none"> Twice a year 	<ul style="list-style-type: none"> Complete penetration testing for 5 business systems Improved system risk level
Code Audit	<ul style="list-style-type: none"> Once a year 	<ul style="list-style-type: none"> Complete code audit for 2 systems and output the <i>Code Security Audit Report</i>
Security Education	<ul style="list-style-type: none"> Twice a year 	<ul style="list-style-type: none"> <i>Interpretation of Network Security Vulnerabilities</i> training <i>Common Web Security Vulnerabilities</i> training
Security Vulnerability Management	<ul style="list-style-type: none"> Four times a year 	<ul style="list-style-type: none"> Vulnerability scanning of main network assets such as the headquarters, factory, and public cloud Asset assessment Output the <i>Vulnerability Scanning Report</i>, and repair and reinforce the vulnerabilities Achieve 100% remediation rate for high-risk and critical vulnerabilities

Content of information security management during the reporting period

Case Study Cybersecurity Training

Through blended on-site meetings and online conferences, Marubi organized cybersecurity training for operations and maintenance personnel, focusing on network security vulnerabilities and common web security vulnerabilities. The training systematically covered topics such as the classification of security vulnerabilities, methods of hacker exploitation through vulnerabilities, security vulnerability scanning technologies, and security vulnerability remediation. Additionally, it emphasized the standardized processes of vulnerability management, including vulnerability scanning, assessment, remediation, and verification, to help the operations and maintenance team establish a scientific security management process.



Enhancing Information Security Measures



Technical Upgrades

During the reporting period, Marubi completed several key technical upgrades, specifically including the deployment of the desktop cloud system for the Finance Department, the expansion of the local storage server at headquarters, the expansion of the public cloud host server, and the deployment of SAP redundant servers. These upgrades effectively improved system stability and performance, ensuring the efficient operation and data security of information systems.



Tool Upgrades

During the reporting period, Marubi utilized an operation and maintenance service record mini-program for fault statistics and classification, systematically recording the operation and maintenance events of desktops and server rooms, standardizing the operation and maintenance process, and enabled smoother and more efficient collaboration among the maintenance team members.

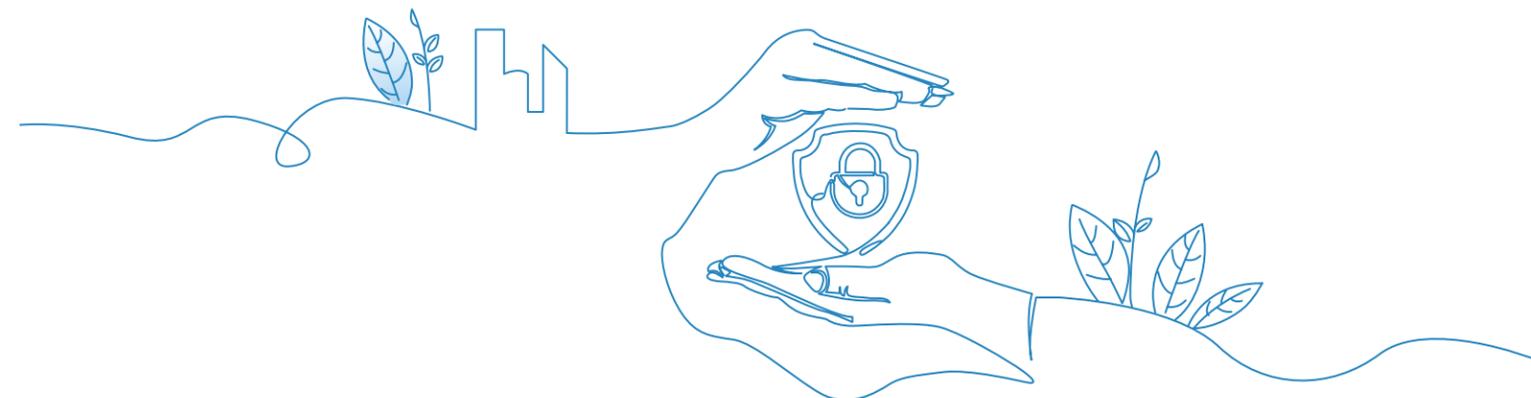


Equipment Upgrades

During the reporting period, Marubi focused on the construction of the server room in the self-use area of the new building, and carried out security design and the deployment of security equipment according to the requirements of cybersecurity classification protection. In the design of the network architecture of the new server room, we strictly followed the standards of cybersecurity classification protection to ensure the security of data circulation and storage. A variety of security equipment such as firewalls, intrusion detection systems, comprehensive log management systems, and database audit systems were deployed to strengthen the physical and cybersecurity protection of the server room from the hardware level.

Protecting Consumer Privacy

Marubi establishes a privacy protection system in accordance with laws, regulations, and supervisory requirements, continuously improving and updating the dynamic updating mechanism to effectively protect the privacy and data security of third parties. When collecting and using users' personal information, Marubi adheres to the principles of "legality, legitimacy, necessity, and transparency," fully safeguarding users' right to know and right to choose. We categorize different types of data and implements tiered management to ensure that only authorized and certified personnel can access data at corresponding levels. Users can report any instances of personal information leakage or improper use to Marubi for handling.



Meticulous Craftsmanship, Preserving the Beauty of Skin

Marubi focuses on promoting technological innovation and quality upgrades, continuously improving the green R&D system, enhancing the consumer shopping experiences, and constructing a healthy and safe industrial ecosystem. By deeply integrating the concept of sustainable development into every link of value chain management, Marubi creates a win-win industrial ecosystem for multiple parties, generates long-term value, and ultimately achieves symbiotic prosperity between the enterprise and society.

Marubi's Actions

- R&D and Innovation
- Intellectual Property Protection
- Superior Quality Management
- Providing Premium Service
- Promoting Industry Development
- Win-Win Cooperation with Partners

Highlights of Performance

R&D investment:

CNY **73.54** million

Newly authorized patents

44 million

Self-developed ingredients

Over **80**

Contributing to the UN SDGs



Leading with Technology, Decoding the Beauty of Diversity

Marubi prioritizes technological innovation, with sustained R&D investment building profound technical expertise. Marubi adheres to the R&D philosophy of "openness, innovation, science, truth-seeking, greenness, leadership, independence, high-tech core," and follows the principles of green chemistry and animal ethics, and continuously promotes the optimization of product formulas with natural raw materials and green technologies to improve the safety and friendliness of products. In this process, we also develop more alternative animal testing solutions.

Ingredient Safety

Marubi strictly complies with the cosmetics regulations, standards, and guidelines issued by relevant departments such as the National Medical Products Administration. By referencing documents including the *Inventory of Existing Cosmetic Ingredients* (2021 Edition), the *Cosmetic Safety Technical Specifications* (2015 Edition), and the *Technical Guidelines for Cosmetic Safety Assessment* (2021 Edition), Marubi has established stringent ingredient access standards. It conducts comprehensive safety risk assessments on all potential ingredients for use in products, eliminating the use of prohibited ingredients and gradually phasing out controversial ones.

In the product development process, Marubi formulates the *Design and Development Control Procedure 6.0* in accordance with the ISO 9001 Quality Management System Standard to ensure the products

safety and reliability. We have also formulated the *Ingredient Elimination Management System* and sorting out the ingredients every year. During the reporting period, nearly 150 types of raw materials were eliminated, and ingredients such as parabens, PMMA, and 4-MBC (4-methylbenzylidene camphor) are no longer used.

During the reporting period, Marubi further established a green classification and categorization management system for ingredients and formed the Ingredient Rating Operation Instruction Manual, classifying ingredients into priority, normal, restricted, and prohibited categories. Among them, priority ingredients must be of the full green grade on Beauty Evolution without any risk warnings and have corresponding green and low-carbon certifications. Marubi prioritizes the use of priority ingredients in formula development.

Monitoring Ingredient Risks

Supplier Management and Audit

Audit the qualifications of ingredient suppliers, including production licenses, quality management system certifications. Require suppliers to provide the quality specifications, inspection reports, and safety data sheets of ingredients, offering detailed information on ingredient components, purity, and impurities.

Risk Assessment System

Conduct risk assessments on ingredients, taking into account factors such as the source, usage, and possible harmful components of the ingredients.

Ingredient Inspection and Testing

Conduct inspections on each batch of ingredients according to established standards, including physicochemical property testing and microbial limit checks, to ensure that the ingredients meet quality requirements.

Documentation and Traceability

Record in detail the information related to the procurement, inspection, and use of ingredients, including supplier information, inspection report numbers. In the event of issues, it is possible to trace the batch, source, and usage of ingredients through the records, so as to take corresponding measures.



Case Study

Jointly Building a Safety Defense Line, Fully Embracing Safety Assessment Policies

During the reporting period, the full-version safety assessment policy was implemented as per the *Announcement on the Release of Several Measures to Optimize the Management of Cosmetic Safety Assessment (No. 50, 2024)* issued by the National Medical Products Administration. Marubi actively responded to the national policy on the full-version of cosmetic safety assessment, promptly organizing a safety assessment team, product managers, formulation engineers, and relevant department members to delve into the key points of the policy, ensuring a comprehensive and accurate understanding of the full-version safety assessment policy. We developed a template for the full-version safety assessment report and verified the methodology, established a toxicological database, and achieved the first successful registration of the star product, Marubi Peptide Red Pen Eye Cream 3.0, under the full-version safety assessment policy.

Key Performance Indicators

As of the end of the reporting period

6

ormulas had successfully passed the full-version safety assessment.

Animal Welfare

Marubi adheres to the 3R principles of animal experiments, develops and implements various alternative animal testing methods. Marubi utilizes a range of extracorporeal testing models, biochemical experiment, cellular biological experiments, and molecular biological experiments, chorioallantoic membrane (CAM) experiments and caenorhabditis elegans assay experiments. Different models are aligned with different samples or testing purposes to provide safety and efficacy support for the company's products and raw materials. During the reporting period, the overall evaluation strategy for alternative testing methods was further refined, and testing work using 3D skin models was launched.

R&D and Innovation

Talent serves as the cornerstone of innovation. Embracing the spirit of open innovation, Marubi consistently attracts exceptional talents from the industry through a blend of independent training programs and external collaborations. This approach has culminated in the creation of a multidisciplinary talent pool encompassing expertise in over ten fields, including biology, genetic engineering, dermatology, pharmacology, phytochemistry, material chemistry, and testing. This diverse talent pool serves as a continuous source of innovative momentum, fueling the Company's growth and progress. During the reporting period, Marubi continued to optimize R&D team and appointed Professor Ying Lin, the Director of the Guangdong Provincial Key Laboratory of Fermentation and Enzyme Engineering and the former dean of the School of Biological Science and Engineering at South China University of Technology, who now serves as the Co-Chief Scientist of Recombinant Collagen at Marubi and concurrently as the Chief Scientist of raw material factory, Biost Pharmaceuticals.

Key Performance Indicators

As of the end of the reporting period

Marubi maintains a team of **94** full-time internal technical experts

The proportion of master's degree or above is **36.17%**

Marubi has more than **100** external cooperative scientists



Marubi operates R&D and innovation centers in Guangzhou, Shanghai, and Tokyo, forming a network of seven specialized research centers: the basic research center, life sciences center, pilot-scale experimentation center, applied development center, medical testing center, technical support center, and open innovation center. These centers collectively contain 48 functional laboratories covering diverse professional fields such as chemistry, biology, food science, medicine, pharmacology, and materials science. This comprehensive infrastructure supports an integrated, seven-stage advanced scientific research system encompassing all critical stages of entire R&D lifecycle: fundamental research - ingredient development - ingredient production - formula exploration - intelligent manufacturing - quality inspection and testing - culminating in efficacy evaluation. Leveraging biotechnology as its core driver, Marubi pioneers eco-friendly "core" manufacturing in the cosmetics industry, cultivating profound technological expertise. Its commitment to innovation has been consistently recognized, earning it the National High-Tech Enterprise Certification for five consecutive years.



Marubi possesses seven ingredient research platforms, with a cumulative reserve of 80+ self-developed ingredients, and 20+ ingredients can be mass-produced and applied. Furthermore, Marubi maintains a global network of collaborative partners, encompassing over 42 domestic and international universities, renowned tertiary hospitals, research institutions, and other scientific organizations.



Key Performance Indicators

During the reporting period

Marubi newly established the Life Science Center and the National Research Center for Recombinant Functional Protein Technology, and took the lead in forming the "Dual Beauty Integration and Innovation Consortium" in the Hengqin Guangdong-Macao In-Depth Cooperation Zone.

Marubi had more than **80** self-developed ingredients and over **20** ingredients have achieved mass production.

Biost, a subsidiary of Marubi, increased the production and independent application supply of self-developed ingredients by more than **30** tons. Meiyu Testing, a subsidiary of Marubi, added **50** testing items.

Case Study

Pioneering Specialized Chip Innovation, Steered by a National-Level Science and Technology Innovation Hub

The National Research Center for Recombinant Functional Protein Technology is a research platform for scientific and technological innovation and achievement transformation officially approved by the China Biotechnology Fermentation Industry Association, with Marubi as the supporting institution. It is a national scientific and technological innovation platform for achievement transformation in the field of recombinant functional proteins, focusing on collaborative innovation, academic exchanges, talent cultivation, achievement transformation, promotion, and application.

Aiming to promote the innovation of the entire chain of "technology R&D - achievement transformation - industrial application" in the field of recombinant functional proteins in China, and centering on the "Healthy China" strategy, the center focuses on the large health industries such as biomedicine, biological materials, cosmetics, and food. By integrating domestic and international scientific research resources, it conducts research on cutting-edge technologies, and constructs an integrated collaborative innovation system covering basic research, industrial transformation, safety evaluation, scientific popularization, and talent cultivation. It is committed to building an internationally competitive technology R&D and service platform for recombinant functional proteins.



To incentivize R&D personnel to innovate proactively, continuously enhance their technical capabilities, and propel product development innovation to new heights, Marubi has established a competitive reward mechanism that evaluates creativity in product formulation design and skin feel. Monthly, we host the "Craftsmanship Monthly Challenge" competition for formulation engineers - a competitive event that spotlights technical excellence and user-centric innovation.

By systematically reinforcing the foundation for innovation and unleashing the full creative potential of R&D teams, Marubi provides holistic support for groundbreaking R&D achievements. This strategic focus has fueled breakthroughs across product pipelines, from conceptualization to commercialization.

Case Study Novel Biomaterial Published in Top-Tier SCI Journal *Biomaterials Advances*

During the reporting period, Marubi collaborated with Harbin Institute of Technology (Shenzhen) to publish a research paper titled "Transdermal delivery of elastin peptide assisted by betaine-based deep eutectic solvent to ameliorate skin photo-aging" in the top-tier biomaterials journal *Biomaterials Advances*. The study pioneered the application of succinic acid-betaine deep eutectic solvent (SAB) in encapsulating elastin peptides for transdermal delivery, forming supramolecular elastin to enhance transdermal absorption.

The publication of this research paper demonstrates Marubi's leadership and continuous innovation in the field of biomaterials research. It also marks a crucial step for Marubi in the development of anti-aging skincare products. Furthermore, it is an exemplary of Marubi's innovative development model and the collaboration among universities, enterprises, and research institutions.

Case Study Marubi Eye Care White Paper

During the reporting period, Marubi compiled and released the Eye Care White Paper specifically customized for Chinese people. The white paper conducts a professional analysis of the Chinese people's eye skin characteristics. According to the different causes of eye problems, it provides corresponding solutions from various aspects such as daily life and professional skincare, offering consumers a professional eyecare guideline.



Key Performance Indicators

During the reporting period

Accumulated authorized patents

347

including invention patents

237

Newly authorized patents

44

with invention patents

43

Published papers

48

with a cumulative impact factor exceeding

90

Newly published articles

14

with a total impact factor

38.5



Key awards obtained during the reporting period

Guangzhou Municipal List of Cultivated Patent-Intensive Enterprises

Guangzhou 2024 Catalog of Key New Materials for First-Batch Application Demonstration (Recombinant Collagen and Recombinant Elastin)

Guangdong Provincial Excellent Brand Enterprise in the Cosmetics Industry

2024 Guangdong Association for Science and Technology Typical Enterprise Innovation Case (A High-Quality Chimeric Recombinant Dual-Collagen (Type I/III) for Advanced Biomedical Applications)

First Prize in the 2024 Light Industry Patent Achievement Evaluation (Application of *Pichia pastoris* Translation-Related Factor Bcy1 in Heterologous Protein Expression)

First Prize in the Guangdong High-Tech Enterprise Association Science and Technology Progress Award (R&D and Industrialization of Bio-Fermented Lysine-Rich Polysaccharide (LysM) as an Innovative Cosmetic Ingredient)

Second Prize in the Guangdong Light Industry Federation Science and Technology Award (Series Innovations in Bio-Fermented LysM Raw Material Technology and Its Industrial Applications)

Two Products Recognized as "Guangdong High-Quality Cosmetics"

Three Products Awarded the Title of "Guangdong Famous and High-Tech Quality Products"

Safeguarding Innovation, Protecting Intellectual Property

Marubi considers technological innovation as its paramount priority. In alignment with standards and regulations, including the *Guidelines for Corporate Intellectual Property Management (GB/T29490-2013)*, the *Trademark Law*, and the *Patent Law*, Marubi has established a robust intellectual property management system to safeguard its innovative development.

Marubi protects its own intellectual property rights and trade secrets while respecting those of others. We regularly conduct specialized training to enhance the intellectual property protection awareness of relevant personnel. Additionally, we have established an intellectual property data platform to promptly access the latest domestic and international data, stay informed about industry intellectual property trends, and support R&D and innovation layout. During the reporting period, we established a practice base for intellectual property office examiners, providing convenience for examiners to update and train their front-line professional technical knowledge, and offering solid technical support for improving the quality of patent examination. Furthermore, we invited patent examiners to conduct patent training for engineers, thereby enhancing the practical patent capabilities.

Case Study Digital Integrated Service Platform Empowers Intellectual Property Work

Previously, Marubi maintained its patent ledgers locally, which led to inefficient operations as the data volume grew. Following the launch of the Digital Integrated Service Platform, Marubi has not only been able to conduct self-service analysis of key indicators through BI dashboards, achieving comprehensive management of patent ledgers, but also supports multi-dimensional, customized analysis of patents. This capability enables identification of the technological strengths and weaknesses, providing data-driven insights to inform R&D strategy formulation. Additionally, the platform incorporates an intelligent literature analysis module and visualization components, integrating authoritative databases such as CNKI and PubMed. It can generate periodic data analysis reports, assisting us in understanding industry trends and its own R&D performance.



As of the end of the reporting period

Marubi has successfully obtained certification for the GB/T29490-2013 intellectual property management system and has been honored as the National Intellectual Property Demonstration Enterprise, National Intellectual Property Advantage Enterprise, Development Zone Intellectual Property Advantage Enterprise, and Development Zone Intellectual Property Demonstration Enterprise. The certification of the ISO 56005 innovation and intellectual property management capability system is currently in progress.

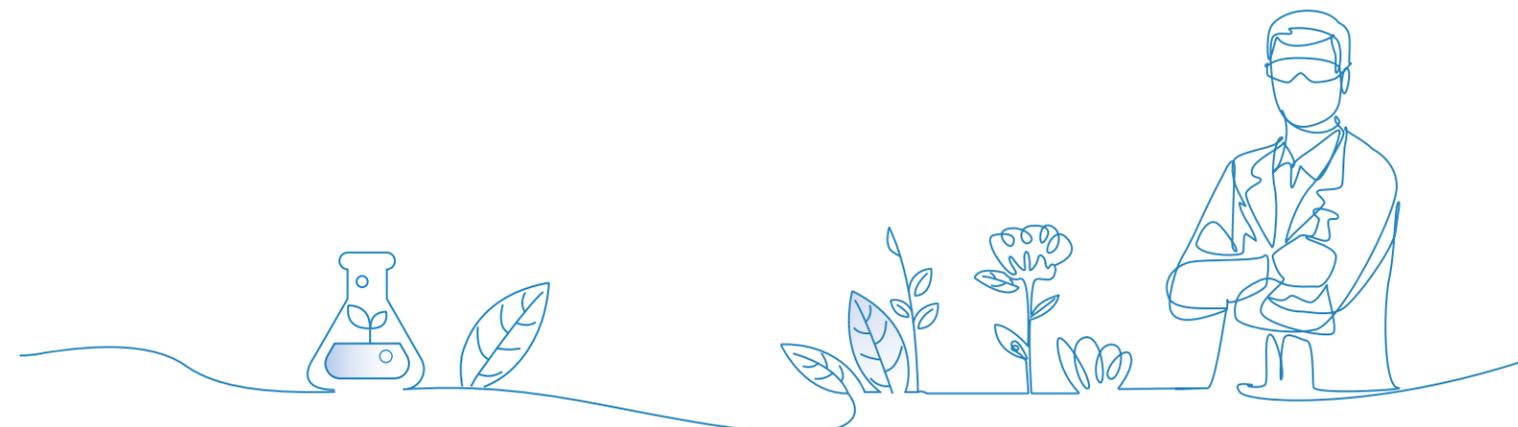
In addition, Marubi was granted the qualification as a key enterprise intellectual property service workstation of the sixth batch in Guangzhou Development District.

Ingenuity Embodies Quality, Guarding the Essence of Beauty

Guided by the policy of "quality-first, integrity-based, leading the market, and continuous improvement", Marubi strictly complies with *Quality Management Standards for Cosmetics Production* and other relevant laws and regulations, formulating systems and procedures including the *Design and Development Control Procedure*, *Supplier Selection Management Regulations*, and the *Recall Management Control Procedure*. Marubi has established a quality management system through the full lifecycle of the product, covering product development, supplier selection, material acceptance, production, sales management, and product recall. As of the end of the reporting period, Marubi has passed the certification of ISO22716:2007 Good Manufacturing Practices for Cosmetics (GMP), the ISO 9001 Quality Management System, and the Guidelines for Cosmetic Good Manufacturing Practice (2022) issued by the U.S. Food and Drug Administration, maintaining efficient and effective operations.



Marubi maintains vigilance in monitoring regulatory announcements and pertinent industry trends, promptly comprehending the nuances of new regulations and updating the internal and external documents. In alignment with the implementation mandates of these regulations, Marubi conducts regular internal inspections every month and organizes training as needed to ensure operational compliance.



Quality Standards

To guarantee a superior user experience for consumers, Marubi adheres to more rigorous product quality standards than those prescribed by the industry. The production area includes the filling workshop, ingredient workshop, and emulsification workshop, with a cleanliness degree up to grade D according to the Code for Design of Pharmaceutical Industry Clean Room (GB 50457-2019). This ensures that the number of particles measuring $\geq 5.0\mu\text{m}$ under static conditions remains below $29,000/\text{m}^3$.

Chinese Industry Standard		Marubi Standard
Heat-resistant	40° C, with no abnormality after 24 hours	45° C, with no abnormality after 24 hours
Cold-resistant	-8° C, with no abnormality after 24 hours	-18° C, with no abnormality after 24 hours
Centrifugation (emulsion)	2,000 r/min, with no stratification at room temperature for 30 minutes	3,000 r/min, with no stratification at 38° C for 30 minutes
Bacterial amount (CFU/g)	Cosmetics for children, lips, and eyes	≤ 500
	Other skin cosmetics	≤ 1000
Total mold and yeast CFU/g	≤ 100	< 10

Comparison of Marubi Standard and Chinese Industry Standard

Indicator	Number
Airborne Bacteria CFU/m³	200
Settled Bacteria (φ90mm) CFU/4h	100
Surface Microbial Contact (φ55mm) CFU/disc	50
Temperature	18° C ~26° C
Humidity	45%~65%

Environmental Indicators for Grade D Pharmaceutical Clean Room

Marubi conducts stability and safety tests on all products to ensure quality. For newly launched products, we conduct different efficacy tests such as "firming", "soothing", "anti-wrinkle", "whitening", and "suitability for sensitive skin" to ensure product safety and effectiveness.

During the reporting period, Biost enhanced raw material quality by standardizing procurement channels, establishing purchasing standards for botanical raw materials, and sourcing and inspecting these materials according to food or pharmaceutical standards and channels.

Marubi has instituted the *Quality and Safety Incident Disposal Control Procedure*, clearly outlining the responsibilities of the legal representative as the first responsible person for quality and safety and the quality and safety supervisor designated as the direct executor. This procedure categorizes potential quality incidents and establishes corresponding emergency measures, which are periodically evaluated to guarantee their effectiveness in addressing urgent situations. Marubi has established the *Recall Management Control Procedure* to outline comprehensive handling plans for addressing quality issues in delivered products, tailored to the specific nature of each problem. A designated working group oversees this process, conducting regular recall drills annually to assess the efficiency of the recall procedures. During the reporting period, Marubi conducted a simulated recall drill, and the recall procedure was verified to be effective.

Quality Improvement

Leveraging daily quality meetings, periodic quality retrospectives, and comprehensive quality management training, Marubi is committed to enhancing the quality consciousness and proficiency of its personnel and cultivating a robust quality culture. During the reporting period, with a focus on adhering to new regulatory standards and elevating internal quality management practices, Marubi conducted training sessions, including those on the *Regulations on the Supervision and Administration of Cosmetics* and the *Key Points and Principles for the Inspection of the Cosmetic Production Quality Management Specifications*.



Administrative Measures for the Supervision and Management of Cosmetic Production and Operation Training

Case Study

Quality Improvement of Schizophyllan Polysaccharide (SPG)

During the reporting period, Marubi successfully removed impurities from the raw material through a modified renaturation process, significantly increasing the content of SPG in the raw material. This not only improved the overall purity but also enhanced its appearance, resulting in higher transparency. Additionally, the stability of the raw material was strengthened.

In order to strictly control the quality standards of purchased goods, Marubi conducts inspections and assessments of suppliers' quality assurance systems, and provides feedback on quality information and reports on corrective and preventive measures for improvement. We have formulated the *Incoming Goods Quality Management System*, and implemented goods inspection procedures according to the requirements of incoming goods quality standards (including but not limited to inspection standards, special requirements, technical documents, etc.). Non-conforming products are handled in accordance with the processing procedures.

Marubi maintains a regular schedule of quality review meetings and quality management training sessions specifically tailored for its suppliers. These sessions serve as platforms for sharing the experience in quality management, enabling suppliers to continually elevate their quality standards. During the reporting period, in response to frequently occurring issues with suppliers, Marubi conducted verification of process quality characteristics to identify the sources of problems and refined quality management indicators. Marubi successfully conducted 7 quality review and training sessions, significantly strengthening the suppliers' quality management capabilities.



Three-Time Recipient of "Guangdong Premium Cosmetic Selection" Award

During the reporting period, MARUBI Elastin Protein Day and Night Eye Essence and MARUBI Elastin Protein Time-Defying Firming Lotion were honored with the "Guangdong Premium Cosmetic Selection" designation. Marubi has secured this prestigious recognition for three consecutive years, underscoring its robust product innovation capabilities and brand influence. Looking ahead, we remain committed to our original mission in product development: "Dedicated to fading every single wrinkle." We will continue delivering superior products and services to consumers, ensuring the delivery of high-quality beauty experiences.



Premium Service, Upholding the Promise of Beauty

Marubi adheres to the philosophy of "Service First, Sales Second," regarding customer satisfaction as a key driver of corporate development. On this foundation, we continuously optimize customer service system through meticulous management and practical innovation, steadily enhancing the operational efficiency of customer service management to achieve win-win development between customers and the company.

Intelligent Customer Service Driving Service Upgrades

Marubi has long focused on digital transformation to improve service efficiency and optimize service effectiveness, continuously promoting the construction of intelligent and digitalized customer service. By introducing Leyan, Jingxiaozi Intelligent Bot, the Company achieves instant responses to customer inquiries and automated processing of high-frequency questions. At the same time, a team of robot trainers is equipped to iterate the system and database, further ensuring precise service responses and delivery.

Logistics Optimization Enhances Overall Efficiency

Against the backdrop of booming e-commerce, and with the increasing proportion of online business and higher consumer demands for logistics timeliness, Marubi significantly enhances the consumer shopping experience by optimizing its warehousing and logistics system.

Warehousing and Logistics Efficiency Transformation

- Workflow Optimization**
 - Redesign the layout of the on-site operation workflow to improve work efficiency and production capacity.
 - Add express sorting diversion ports, integrating automated control systems and barcode recognition technology to effectively reduce parcel transit time.
- Logistics Timeliness Monitoring**
 - Automated data acquisition, synchronization, standardized accumulation, and daily data updates.
 - The BI online page enables self-service data screening, analysis, export, and sharing, enhancing efficiency.
 - Timely identification of logistics node bottlenecks.
- Cloud Warehouse Operation Tracking**
 - Through the cloud warehouse operation tracking and analysis module, all inventory, outbound, and inbound data are centrally managed and updated daily, significantly improving data accuracy rate.
 - Unified data standards and the use of the same analysis template by all cloud warehouse specialists have greatly improved information transparency and reduced information asymmetry.
 - Provide multi-dimensional data analysis on turnover, inventory alerts, inbound/outbound efficiency to better improve turnover, formulate operational strategies, and promote sales.

System Configuration Optimization

Orders from different regions are shipped from the nearest warehouses in South China and East China to ensure the fastest delivery times and the most suitable courier service. Marubi also conducts logistics anomaly investigations to comprehensively ensure efficient logistics operations, significantly shortening logistics cycle time.

Key Performance Indicators

During the 2024 Tmall Double 11 shopping festival, the collection on-time rate reached

98.5%



Feedback Collection and Analysis Mechanism

Marubi is committed to building a comprehensive and refined customer feedback collection and analysis system, using professional tools and scientific methods for in-depth analysis to assist in precise optimization of products and services.

Multi-Channel Feedback Collection

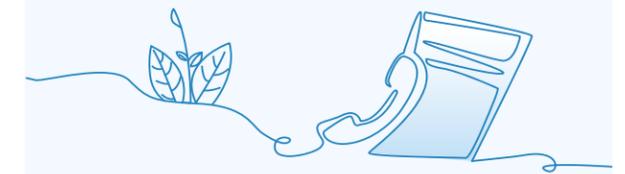
Collect consumer usage experiences and opinions through customer service reception and product reviews, and other channels.

Classification and Compilation of Feedback Information

Categorize and sort the collected data based on the nature of the issues (such as allergic reactions, skin feel problems, and ineffectiveness). Analyze the frequency, severity, and impact scope of the issues, and identify common problems as well as individual cases. In offline training, Marubi relies on front-line store employees to accurately capture the common needs and personalized demands of customers, providing a real basis for product R&D and service optimization. During in-store activities and store inspections, conversations with on-site members are also conducted to understand their daily skincare routines, product usage experiences, and improvement feedback.

Feedback Channels

- 400-830-4000 National Hotline
- Official Self-media Platforms
- Official Customer Service of the Online Store
- Feedback from Official Offline Stores



Case Study Product Optimization

In response to customer feedback on issues encountered during the use of the product, Marubi optimized the product formula as part of its upgrade efforts and conducted safety evaluations through human trials on sensitive skin, significantly enhancing the product's safety and applicability. Simultaneously, the customer's product usage experience was optimized, making the product more suitable for various skin types and conditions.



Marubi Peptide Red Pen Eye Cream 1.0 Marubi Peptide Red Pen Eye Cream 2.0 Marubi Peptide Red Pen Eye Cream 3.0

Case Study Experience Full-Shade with One Card, Improving Online Shopping Experience

Marubi provides a full-shade trial card along with the full-sized product. If consumers find that the shade number is not suitable, they can replace the full-sized product for a different shade free of charge, avoiding the inconvenience of discovering that the product doesn't match after opening the full-sized package and enabling a more worry-free purchasing journey.



一卡体验所有色号 试出适合自己的色号

PL女孩先别急着拆正装
使用全色号卡，上脸试出适合色号！
如果色号不合适，我们将为你安排更换正装色号

Passional Lover Product Trial Card

Complaint Management

Adhere to the principles of timely response, thorough investigation, and rapid resolution when addressing consumer complaints. Regularly analyze complaint data to uncover root causes, providing robust support for the continuous improvement of product and service quality. During the reporting period, the consumer complaint resolution rate was 100%.

Complaint Types	Handling Methods
General Complaints	Authorize front-line personnel to handle them quickly
Severe issues and Complaints Involving Legal and Regulatory Issues	Professional departments conduct rapid and effective analysis and handling, conduct in-depth analysis of the causes to take preventive measures
Complaints with Material Impact	Promptly report to the company's leadership for proper handling, and conduct product recalls when necessary

Customer Satisfaction Survey and Enhancement

To gain an in-depth understanding of customer needs and accurately assess service quality, Marubi conducted a comprehensive, meticulous, and multi-channel customer satisfaction survey. During the reporting period, customer service satisfaction rates of the Company's multiple platforms increased compared with the same period last year, with a satisfaction rate exceeding 90%.



Customer Service Training

Marubi firmly believes that customer service training is a key measure to enhance service quality, boost customer satisfaction, and strengthen competitiveness. During the reporting period, Marubi carried out multiple customer service training courses such as the *Optimization of Customer Service Reception Process*, the *High-quality Customer Service*, and the *Communication Course - Listening Ability*, covering 100% of the customer service staff.

Responsible Marketing

Marubi spares no effort to build a responsible marketing system and has formulated regulations such as the Product Label and Marking Compliance Management System and the Advertising Product Compliance Management System. The content of product labels and promotional copy must undergo internal review and confirmation to ensure that market behaviors, including customer service and marketing, comply with legal provisions and guarantee that product promotion is compliant, transparent, and accurate. Marubi advocates positive values through regular compliance training, ongoing popularization of product ingredient knowledge (refer to the annual theme spotlight for details), and marketing activities with characteristics.



Detail Page Discloses Ingredients, Gaining Consumer Trust through Ingredient Transparency

Compliance Training

Marubi maintains a schedule of training sessions for its customer service personnel and marketing team, focusing on cosmetics regulations, online platform guidelines, and cosmetics product expertise. This ensures that accurate product information is imparted to consumers in a manner that adheres to regulatory requirements, while safeguarding customers' legitimate rights and interests. Additionally, Marubi develops guidelines for live streaming conduct, tailored for internal anchors and collaborating partners, to guarantee that their live streaming activities adhere to the established standards.

Furthermore, Marubi actively encourages its service personnel to participate in professional certification training related to skincare and cosmetics, aiming to continually enhance their professional service capabilities.

Social Advocacy

During the brand marketing process, Marubi adopts a people-oriented approach and promotes emotional and cultural communication in an orderly manner.

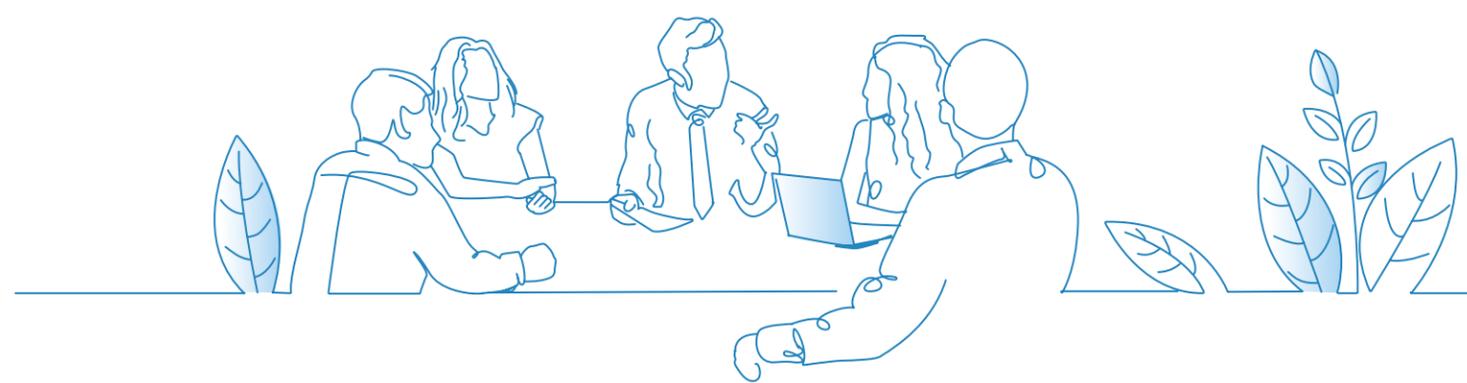
During the reporting period, we initiated a series of topics such as "Why Bow to Others' Gazes" and "Stand Out and Shine," encouraging girls bid farewell to conforming to others' expectations in the workplace, embrace their true selves, and voice the aspirations of females.




Scan the QR Code to Watch the Video



Scan the QR Code to Watch the Video



Intangible Cultural Heritage (ICH) Dissemination

Through multidimensional and innovative cultural integration, Marubi has propelled ICH into the public eye, significantly enhancing social visibility and outreach while bolstering preservation efforts. During the reporting period, we orchestrated a series of "Transforming Adversity into Beauty" heritage promotion activities such as the intangible cultural heritage Cantonese embroidery cloud collars, organized a national style aesthetic salon for Marubi Eye Cream Festival, launched cultural co-branded products such as "Marubi New Year Shopping Festival & Chinese Calligraphy Artist Jingyi Zhu" and "Marubi Eye Cream Festival & International Artist SaSha." These initiatives artfully have fused the aesthetic essence of ICH with contemporary art trends, creating a dynamic synergy that not only preserves cultural heritage but also pioneers new avenues for ICH's evolutionary development.



Co-branded Gift Box

Case Study

The "Transforming Adversity into Beauty" Intangible Cultural Heritage Brand Marketing Activity

Cantonese Embroidery, one of the four renowned embroidery styles in China, boasts a long history and profound cultural heritage. Among its exquisite variations, Chaozhou Embroidery (Chao Xiu), originating from the Chaozhou region of Guangdong Province, stands out for its meticulous craftsmanship, vibrant color palettes, and unique compositions. In 2024, Marubi drew inspiration from the cloud collars motifs found in Dunhuang murals from the Sui and Tang dynasties, taking the butterfly as a design muse. We integrated the patterns and hues of Chaozhou Embroidery into our products, infusing them with the essence of intangible cultural heritage and setting a new trend in skincare that celebrates Chinese aesthetics.



In addition to incorporating intangible cultural heritage elements into product design, Marubi further promotes heritage through online and offline activities. We have forged in-depth cooperation with many inheritors and artists of Chaozhou Embroidery, inviting intangible cultural heritage experts to create works using different intangible cultural heritage techniques, including cloud collars designs, Suzhou Embroidery, paper-cutting, kingfisher feather art, filigree inlay, and batik. We have also organized intangible cultural heritage-themed exhibitions to showcase butterfly-themed works that integrate Chaozhou Embroidery elements. Through co-creative interactive activities, we have provided consumers with fresh cultural experiences and encouraged more people to participate in the inheritance of intangible cultural heritage.



Uniting Efforts, Promoting the Development of the Cosmetics Industry

Drawing on the profound professional capabilities and extensive experience in the beauty industry, Marubi has been actively involved in fostering the development and construction of the industry through various activities such as standard formulation, research projects, and industry exchanges, to promote the standardized and high-quality growth of the entire industry.

Participation in the Formulation of Industry Standards

Marubi actively utilizes its professional prowess and expertise to participate in the formulation of industry standards, thereby contributing significantly to the standardization and high-quality advancement of the industry. As of the end of the reporting period, Marubi has led or participated in the compilation of a total of 76 standards. During the reporting period, 22 new standards were added, with Marubi leading the formulation of 6 group standards.

Standard Type	Standard Name	Standard Number	Status	Role of Marubi
Group Standard	Quality Classification and Evaluation Requirements for Front-Runner Eye Cream	T/CIET 414-2024	Published	Lead
Group Standard	Cosmetic Ingredients - Recombinant Soluble Collagen	T/GDCA 040—2024	Published	Lead
Group Standard	Green Factory Assessment Standard for Cosmetic Industry	T/CIET 544—2024	Published	Lead
Group Standard	Guidelines for Carbon Footprint Assessment of Skincare Products	T/CIET 543—2024	Published	Lead
Group Standard	Technical Standard for Efficacy Evaluation of Cosmetic Repair Function	T/UNP 147—2024	Published	Lead
Group Standard	Extract of Leontopodium alpinum	T/SMX 0001-2024	Published	Lead
Group Standard	Method for Determining Bioavailability of Oral Collagen	T/FDSA 0050—2024	Published	Participate
Group Standard	Technical Specification for Blow-Fill-Seal (BFS) Aseptic Product Manufacturing	T/CIET 357—2024	Published	Participate
Group Standard	Quality Classification and Evaluation Requirements for Front-Runner Hair Conditioner	T/CAS 805—2024	Published	Participate
Group Standard	Laboratory Quality Control Specification Cosmetic Effectiveness Evaluation	T/CITS 0005—2024	Published	Participate
Group Standard	Laboratory Quality Control Specification Cosmetic Physical and Chemical Testing	T/CITS 0006—2024	Published	Participate
Group Standard	Evaluation Method for Cosmetic Packaging Compatibility	T/GDCA 039—2024	Published	Participate
Group Standard	Functional Food Evaluation Method for Body Fat Regulation Caenorhabditis Elegans Assay	T/FJCA 003-2024	Published	Participate
Group Standard	Human Evaluation Method for Soothing Efficacy of Cosmetics	T/GDCA 038—2024	Published	Participate
Group Standard	Evaluation Method for Water Washability of Sunscreen Products	T/GDCA 041—2024	Published	Participate
Group Standard	Technical Safety Requirements for Cosmetics	T/UNP 144—2024	Published	Participate
Group Standard	Green and Low-Carbon Product Assessment Standard for Cosmetics	T/UNP 145—2024	Published	Participate
Group Standard	Technical Standard for Evaluation of Cosmetic Soothing Efficacy	T/UNP 146—2024	Published	Participate
Group Standard	Inhalation Toxicity Test Method for Sunscreen Sprays	T/GDMPAS 001-2024	Published	Participate
Group Standard	General Requirements for Transdermal Absorption Cosmetics	T/ACCEM 024—2024	Published	Participate

Case Study Marubi Led the Launch Meeting for the "Recombinant Soluble Collagen" Industry Standard

In response to the lack of industry standards for recombinant collagen in cosmetics, during the reporting period, Marubi took the lead in initiating the formulation of the industry standard for Recombinant Soluble Collagen together with many experts from industry-academia-research institutions. The standard clearly targets soluble recombinant collagen, a cosmetic ingredient prepared by genetic engineering/synthetic biotechnology, and outlines a comprehensive regulatory system covering quality control, technical requirements, and testing rules, providing a reliable reference model for industry production and consumer selection.



Case Study The Official Publication of the Only "Front-Runner" Group Standard for Eye Cream in China

Against the backdrop of a continuously growing market in the industry, through over 20 years of in-depth research into eye care, Marubi has built higher barriers in the industry with biotechnology. During the reporting period, as the first drafting unit, it successfully formulated and released the *Quality Classification and Evaluation Requirements for Front-Runner Eye Cream Group Standard* (T/CIET414-2024). The release of this group standard not only represents an authoritative recognition of the quality of Marubi eye creams but also affirms Marubi's leading position, technical prowess, and innovative capabilities in the formulation of beauty and cosmetics industry standards. It signifies that Marubi eye creams have reached the industry-leading levels in terms of safety, effectiveness, innovation, and other aspects.



Participating in Industry Exchanges

Marubi actively participates in industry associations and industry exchanges, leveraging these platforms to share its professional and experiential advantages to contribute wisdom and strength to the development of the industry.



2024 Synthetic Biology and Biological Manufacturing Application Conference



2024 Huicheng Medical Aesthetics Innovation Conference and CMATI China Medical Aesthetics Technology Innovation Festival

Supporting the Cultivation of Industry Talents

In the process of growth and expansion, Marubi actively engages in industry-academia-research collaborations, not only supporting the nurturing of industry talents but also fueling sustainable development with a steady stream of innovative momentum. As of the end of the reporting period, the Company has forged collaborative partnerships with universities such as South China University of Technology, Jinan University, Guangdong Pharmaceutical University, and Guangdong Vocational College of Light Industry, aiming to jointly foster the development of talents in the cosmetics industry.

Collaborative Projects

Project Introduction

Joint Post-doctorate Training

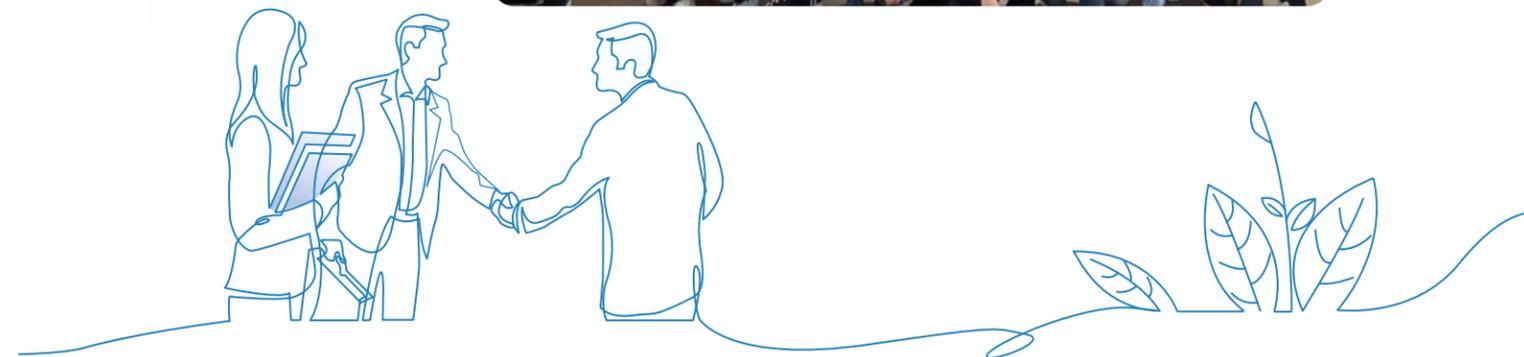
Marubi partnered with South China University of Technology to jointly nurture postdoctoral researchers, enhancing the postdoctoral innovation practice base's role in fostering industry talents and strengthening industry-academia-research collaborations.

Joint Master's Degree Training

Marubi partnered with Jinan University to establish a collaborative cultivation and talent-nurturing base for full-time professional degree graduate students on the basis of the existing undergraduate internship base for specialized majors, and collaborated with Guangdong Pharmaceutical University in jointly nurturing master's degree students. These collaborating graduate students can commence their scientific research practice at Marubi.

Internship Base

During the reporting period, Marubi embarked on university-enterprise cooperation with Guangdong Vocational College of Light Industry, aiming to jointly cultivate high-quality and applied talents possessing excellent professional qualities and practical skills.



Collaborating with Partners, Fostering a Win-Win Beauty Ecosystem

Marubi remains committed to collaborating with its upstream and downstream partners to foster mutual growth, prosperity, and beneficial outcomes. It generously shares its extensive experience and technological advancements, garnered from years of development, with its suppliers and distributor partners. This collaboration aims to jointly promote sustainable development and forge resilient, stable partnerships.

Sustainable Supply Chain

Marubi has formulated supplier management system documents such as the *Supplier Management Manual*, specifying the full lifecycle from introducing suppliers, audit, procurement, cooperation, and evaluation management, to elimination. According to the open, fair and just principles, Marubi utilizes a supplier management platform to systematically regulate supplier relationships, continually enhancing the stable and sustainable supply chain. To improve procurement efficiency and control supply risks, Marubi has adopted a centralized procurement request submission channel, established a comprehensive procedure encompassing request submission, procurement, and acceptance inspection, and optimized the execution timing and rhythm of the supply chain backend, thereby ensuring sufficient procurement cycle time.

During the reporting period, Marubi continued to deepen the integration of supply chain data. At the front end, we strengthened the connection with sales data to improve the accuracy of market demand forecasting, reduce inventory backlogs, and accelerate inventory turnover. At the back end, it achieved in-depth integration with key information such as cloud-based warehousing and logistics, enhancing the flexibility and rapid market responsiveness, thereby improving overall supply chain efficiency.

Supplier ESG Governance

At the procurement stage, Marubi prefers to select suppliers with green qualifications and a sound management system encompassing production management, environmental protection, safety, and business ethics. When signing contracts, Marubi included environmental and occupational health and safety notices as attachments, requiring suppliers to comply with relevant regulations in these areas. For some key suppliers, Marubi conducts regular ESG audits to enhance the sustainability level of the supply chain.

Throughout the collaboration, Marubi adheres strictly to the principle of transparent procurement, annually signing the *Integrity Cooperation Agreement* with suppliers and providing whistleblowing channels. Internally, Marubi conducts integrity training for procurement personnel, focusing on topics such as gift handling and conflict of interest. We also incorporate integrity indicators into their performance appraisals and implement a rotation policy every 2-3 years to ensure continued vigilance.

Key Performance Indicators

As of the end of the reporting period, the proportion of local procurement reached

100%



Green Procurement

Marubi follows the concept of green procurement, advocating preferential use of raw materials with less impact on the environment and human body, gradually integrates the principle of sustainable development into supplier management and review, continues to implement sustainable procurement procedures, and improves the sustainable attributes of the whole industrial chain.

As required by Marubi, the suppliers' product should contain information about hazardous substances, recyclable materials, etc. To ensure the validity of green procurement, Marubi implements environmental audits and regular training. During the reporting period, we held a supplier conference and conveyed the ESG concept and expectations regarding sustainable development to suppliers, proposed an initiative to produce sustainable products, and strengthened sustainable management among suppliers.

Key Performance Indicators

As of the end of the reporting period

the weight proportion of RSPO-certified palm oil derivatives purchased accounted for

11.10%



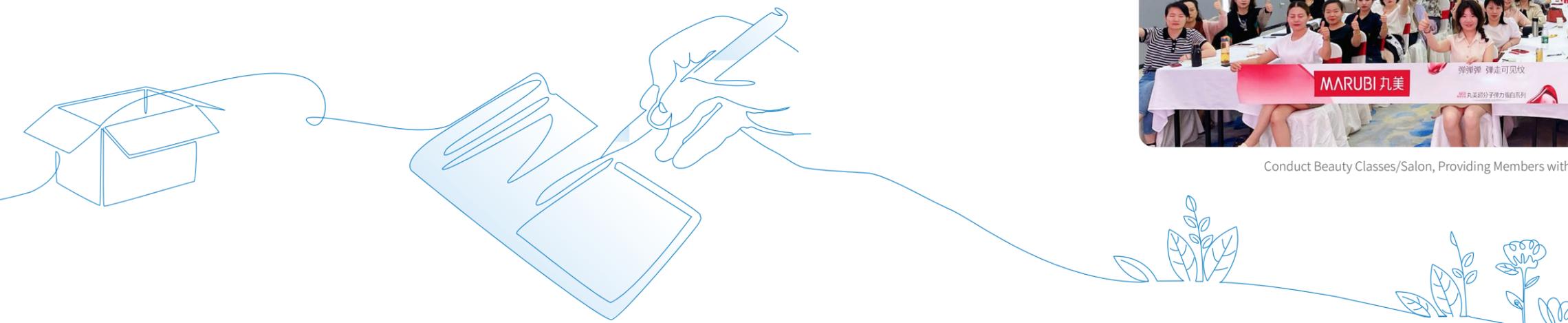
- The raw materials complying with organic certifications such as COSMOS is the first choice
- Prioritize the procurement of the raw materials complying with the Roundtable Sustainable Palm Oil (RSPO)
- Prefer the suppliers who adhere to the Nagoya Protocol
- Encourage packaging materials suppliers to use environmentally friendly inks
- Favor the procurement of packaging materials with FSC certification

Distributor and Store Management

Marubi has established a continuous empowerment system for distributor partners to promote collaborative development. During the reporting period, we carried out diversified trainings. For partners in the daily chemical field, 853 medium-to-large-scale training sessions were held (covering 50,600 participants). Partners in the department store field organized 464 training sessions (covering nearly 10,000 participants), and cultivated over 450 department store trainers. For partners in the cosmetics field, nearly 20 offline and online training sessions were implemented (covering more than 4,000 participants), and by guiding distributors to independently carry out terminal activities such as private sessions and salons, comprehensively enhancing their market service capabilities.



Conduct Beauty Classes/Salon, Providing Members with Seasonal Skincare Knowledge and Expert Guidance



Environmental Protection, Safeguarding the Beauty of Ecology

Marubi stays committed to building a green enterprise featuring "cleanliness, high efficiency, low carbon, and recycling" and aims to realize the sustainable and green growth. We actively align with the national strategic objectives of achieving carbon peaking and carbon neutrality goals, and consistently invest in environmental protection management, addressing climate change, conserving resources, managing emissions, and promoting green building practices. We continuously optimize the environmental management system, adopt lean production methods, and rigorously manage energy, resources and emissions, aiming to forge ahead towards a greener and more sustainable future.

Marubi's Actions

- Environmental Protection Management
- Addressing Climate Change
- Emissions Management
- Resource Conservation
- Promoting Green Office

Highlights of Performance

Environmental protection investment:

CNY **2.92** million

Electricity consumption per unit of output decreased by

45.7% compared to last year

Greenhouse gas emissions per CNY million revenue decreased by

5.02%

Contributing to the UN SDGs



Embracing Green Values, Improving Environmental Management

Marubi prioritizes environmental protection as a core responsibility, committing to protecting the environment. We adhere to the four basic environmentally friendly principles, namely "low energy consumption for product use, low production resource demands, harmless raw materials, and low recycling cost." We strictly comply with environmental-related laws and regulations, established a comprehensive environmental management system, and ensuring the implementation and supervision through the Safety and Environmental Protection Department. Driven by innovative concepts, technologies, and processes, we continuously promote energy conservation, emission reduction, consumption reduction, and efficiency improvement in production and operation to ensure compliance with the requirements of the ISO 14001 Environmental Management System Certification.

Marubi strictly implements the requirements of environmental impact assessment and the "three simultaneous" principle of environmental protection for new construction, reconstruction, and expansion projects. Marubi continuously identifies, evaluates, and updates environmental impact factors to provide a scientific basis for formulating environmental protection objectives, indicators, and control measures. Environmental protection facilities are constructed and maintained as required to ensure compliance with emission standards and effectively control environmental risks and impacts. Furthermore, we also organize environmental protection-related training to enhance employees' environmental awareness and practical skills.

In order to enhance the emergency response capability to sudden environmental incidents, control and handle accidents in a timely and accurate manner, effectively carry out emergency response, and mitigate the harm caused by environmental pollution incidents, Marubi has established an environmental emergency management system in accordance with the requirements of the National Emergency Plan for Sudden Environmental Incidents and other relevant laws and regulations. We have set up a management agency, adopted environmental risk prevention measures, established a risk early warning mechanism, formulated emergency plans for sudden environmental incidents, and organized relevant emergency drills.

Key Performance Indicators

During the reporting period

Environmental protection investment

CNY **2.92** million



During the reporting period, the ISO 14001 Environmental Management System remained effective, and Marubi obtained 2024 Guangdong Provincial Green Factory certification.

Zero environmental accidents occurred.

入选2024年
广东省绿色制造名单



Guangdong Provincial Green Factory



Environmental Management System Certification Certificate



Low-Carbon Transformation, Addressing Climate Change

Marubi actively responds to the national strategy of carbon peaking and carbon neutrality goals, enhancing the application of clean energy and striving to reduce energy consumption through technological innovation and equipment improvement. Marubi continuously improves energy management performance and enhances energy utilization efficiency.

Energy Management System

Marubi strictly complies with energy-related laws and regulations, continuously improves the *Energy Management Manual*. We have formed an Energy Management Leadership Team headed by the 5C Center Plant Manager to continuously optimize the energy management system and ensure the effective operation of the ISO 50001 energy management system. We focus on comprehensive process management and optimizing energy structure, committing to continuously reducing energy consumption and improving energy utilization efficiency to achieve refined energy management.



ISO50001 Energy Management System Certification Certificate

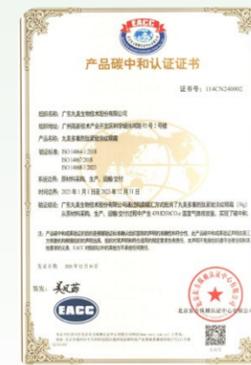


Carbon Neutrality Action

Marubi remains committed to its energy policy of optimizing energy structure and implementing comprehensive process management, and continuously optimizes management frameworks, such as the *Resource and Energy Conservation Management System and the Control Procedure for Energy Objectives, Benchmarks, and Performance Parameters*. During the reporting period, electricity consumption per unit of output decreased by 45.7% compared to last year. Marubi continues to set emission reduction targets and implementation plans, with rigorous tracking and enforcement to gradually reduce carbon emissions. During the reporting period, Marubi has currently conducted carbon footprint accounting for three products such as the "Marubi Multiple Peptide Firming and Anti-wrinkle Eye Cream" and the "Marubi Recombinant Collagen Ampoule Essence." By purchasing carbon credits, we achieved full-year product carbon neutrality for 2023.



Product Carbon Footprint Report



Product Carbon Neutrality Certification

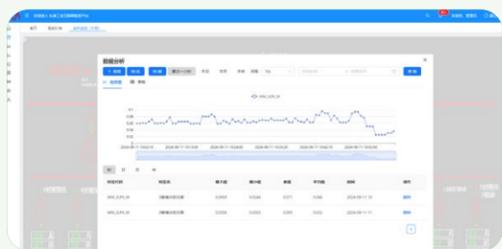
Risk Type	Risk Description	Measures
Physical Risks	Acute Risks Production interruptions, depreciation of fixed assets, labor losses, and increased facility maintenance costs caused by extreme weather (such as heavy rain, typhoons, floods, high temperatures, etc.)	<ul style="list-style-type: none"> Formulate emergency plans for extreme weather and sudden environmental incidents Implement regular inspections and early warnings
	Chronic Risks Climate warming, leading to increased operating costs	<ul style="list-style-type: none"> Formulate climate change emergency plans Strengthen equipment maintenance management
Policy and Legal Risks	Government requirements for carbon-related information disclosure are becoming increasingly strict, placing growing pressure on companies' compliance management	<ul style="list-style-type: none"> Improve the energy management system and the dual-carbon management system, optimize the energy structure and implement energy conservation and carbon reduction measures, and strengthen the R&D of green and low-carbon technologies Track relevant laws and regulations, and promptly conduct research and analysis on relevant policies related to this risk
Transformation Risks	Technological Risks Introduce energy-saving and consumption-reducing equipment or clean technologies to promote carbon emission reduction	<ul style="list-style-type: none"> Increase research investment in the direction of green and low-carbon development Carry out energy-saving technical transformations to improve equipment efficiency
	Market Risks Affected by climate change, global energy transformation, the prices of energy, water, and raw materials rise, leading to an increase in production costs	<ul style="list-style-type: none"> Layout the R&D of green technologies and green supply chains to respond to market changes
	Reputation Risks If the Company does not actively engage in climate change response actions, it may not be able to meet the expectations from consumers and other stakeholders, resulting in damage to its own image and reputation.	<ul style="list-style-type: none"> Ensure compliant information disclosure to meet legal requirements Strengthen the monitoring of negative public opinion, proactively follow up on rectification, and reduce negative impacts

Risk Identification and Response Measures Related to Climate Change

Digital Energy Management

To meet the demand for strengthening digital energy management, Marubi has carried out the renovation and installation of water, electricity, and steam meters, and achieved IoT communication for these meters. Simultaneously, we have planned and constructed a basic energy management platform to realize automatic data collection, storage, realize automatic meter reading, output energy consumption management reports, and achieve digital energy management. A total of 66 smart electricity meters, 4 water meters, 3 steam meters, and 1 natural gas meter have been replaced to enable real-time online data collection.

Develop online monitoring interfaces for energy measurement networks such as electricity and water meters, and provide data analysis functions.



Energy Measurement and Analysis

Realize the automatic meter reading function of on-site meters according to installation positions. Achieve intelligent meter reading in multiple dimensions such as daily, monthly, yearly, and customized intervals, eliminating the workload of manual meter reading



Automatic Meter Reading

Achieve multi-dimensional query and analysis of energy consumption data for the entire factory, secondary energy-consuming units, and key equipment, assisting enterprises in achieving refined energy management



Multi-Dimensional Query and Analysis

Customize and develop the energy dashboard module to realize "one-picture" energy management



"One-picture" Energy Management

Technical Energy Conservation

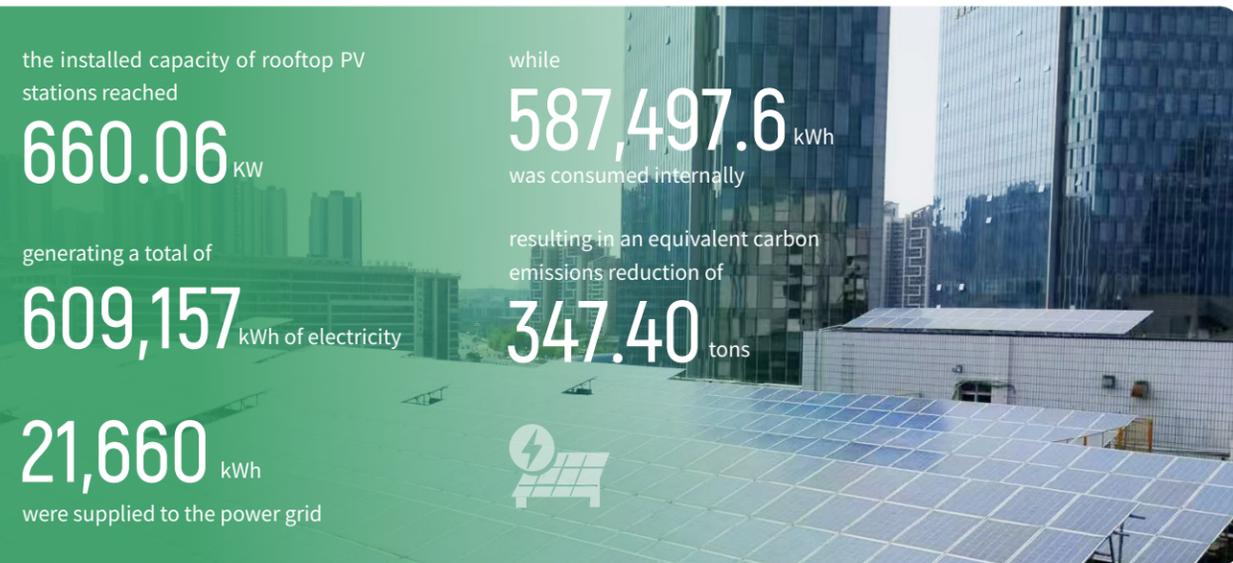
Marubi is committed to enhancing energy efficiency and minimizing energy consumption by continuously upgrading its energy-consuming equipment, with the ultimate goal of establishing a green and low-carbon enterprise.

Introducing BFS equipment	According to market trends and product characteristics, Marubi introduced BFS equipment, which uses more environmentally friendly PP materials as product packaging	A total of 82.01 million units were produced, reducing the use of less eco-friendly packaging materials such as conventional glass bottles
Optimizing ampoule production equipment	By optimizing the production process and integrating equipment features, the intermittent production was adjusted to continuous production, reducing the energy loss during the repeated startup, shutdown and waiting of the equipment	Electricity savings amounted to 17,850 kWh
Optimizing packaging material sterilization methods	Strengthened the control of incoming packaging materials from suppliers, improved packaging cleanliness, optimized the packaging sterilization process to reduce energy consumption	Electricity savings reached 79,794 kWh and water savings totaled 3,501 tons
Renovating corridor energy-saving lamps	Human infrared smart induction switches have been installed to intelligently manage electricity usage, reducing energy waste caused by leaving switches on for extended periods in unoccupied states due to manual operation	Energy-saving electricity consumption reduction was 38,223.36 kWh
Introducing Variable Frequency Air Compressor	Introduced a new generation of air compressor units with first-class energy efficiency, optimized and shortened the pipeline layout to reduce the compressed air loss caused by excessively long pipeline, thus reducing energy consumption	Electricity savings were 68,913 kWh

Energy Conservation Projects During the Reporting Period

Utilization of Clean Energy

Marubi is actively promoting the utilization of clean energy by installing PV power stations on factory rooftops, successfully implemented the grid-connected PV system in 2018. During the reporting period, the installed capacity of rooftop PV stations reached 660.06 kW, generating a total of 609,157.6 kWh of electricity. 21,660 kWh were supplied to the power grid, while 587,497.6 kWh was consumed internally, resulting in an equivalent carbon emissions reduction of 347.40 tons. In addition, the Company purchased green electricity methanol as a fermentation raw material and replaced traditional materials with green electricity methanol in the process of fermentative recombinant functional proteins using *Pichia pastoris*.



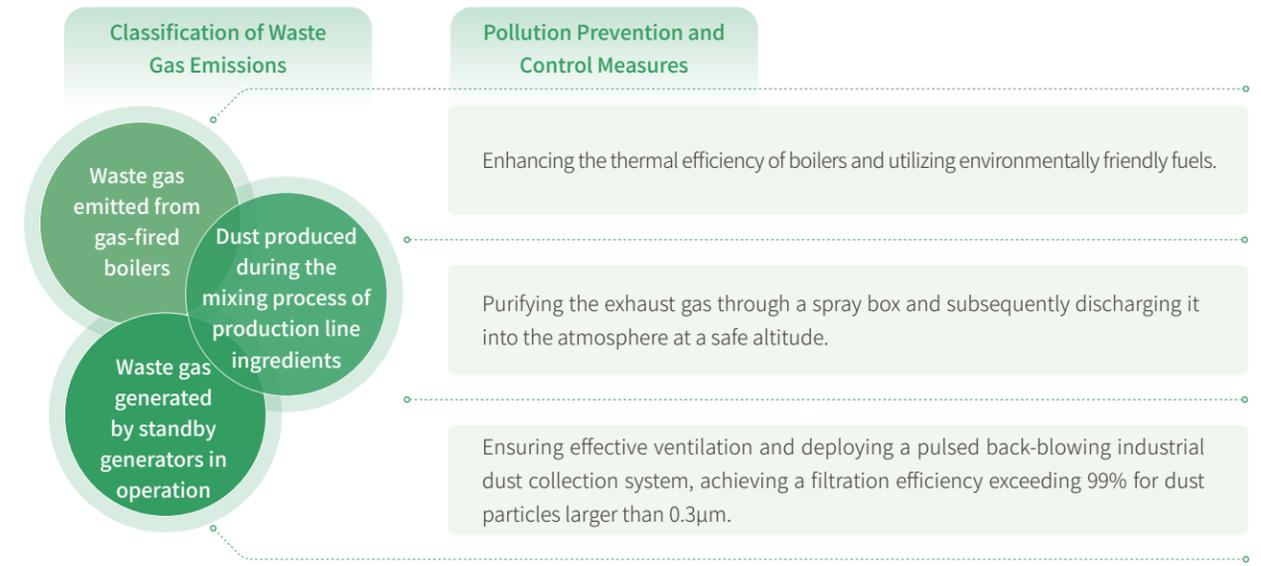
Rooftop PV Site

Clean Production, Reducing Environmental Footprint

Marubi strictly complies with the relevant laws and regulations such as the *Regulations on Urban Drainage and Sewage Treatment*, the *Solid Waste Pollution Environment Prevention and Control Law*, the *Air Pollution Prevention and Control Law*, and the *Noise Pollution Prevention and Control Law*, continuously enhancing internal management regulations such as the *Control Procedures for Wastewater, Exhaust Gas and Noise and the Waste Control Procedures*, as well as the emissions management system. Marubi strengthens daily emissions monitoring and conducts regular third-party monitoring to ensure the effective implementation of various environmental protection measures.

Waste Gas Management

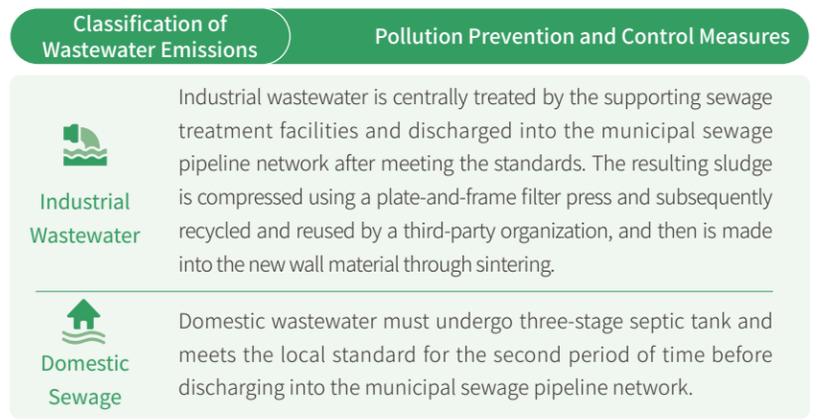
The primary sources of waste gas emissions stem from boilers and standby generators during operation, as well as dust generated during the mixing process of production line ingredients. To effectively prevent and control waste gas emissions, Marubi has established a comprehensive and standardized mechanism, formulated a waste gas monitoring plan and maintained a monitoring ledger. During the reporting period, Marubi successfully completed the renovation project of steam boiler combustion engines, significantly reducing atmospheric pollutant emissions.



Pollution Prevention and Control of Waste Gas Emissions

Wastewater Management

The wastewater primarily includes industrial wastewater and domestic sewage. Marubi continuously promotes the daily supervision mechanism for wastewater treatment, ensuring that regular monitoring and inspection of all treatment units. Additionally, Marubi has newly invested in the construction of a sewage treatment station.



Pollution Prevention and Control of Wastewater Discharge

Case Study: New Sewage Treatment Station

During the reporting period, Marubi launched a new sewage treatment station to treat high-concentration wastewater from the cleaning of reaction kettles in the production workshop. Due to significant fluctuations in wastewater quality and the relatively high temperature (60-70 °C), a comprehensive process of "coagulation sedimentation + IC reactor + contact oxidation method" was adopted. The treatment process includes the wastewater cooling, adjustment, coagulation sedimentation, anaerobic hydrolysis and acidification, biochemical degradation, and final secondary sedimentation tank separation. The treated wastewater will meet the standards of the *Water Pollutant Discharge Limits of Guangdong Province*, with COD concentration reduced to below 500 mg/L, and online COD monitoring equipment is installed for real-time monitoring. The entire system ensures that the treated wastewater can meet the discharge standards, effectively reducing the impact on the environment.



Automatic COD Sewage Monitoring Equipment

Solid Waste Management

The solid waste generated during the production and operation is mainly divided into recyclable waste, non-recyclable waste, hazardous waste, and domestic waste, which are uniformly collected and then handed over to qualified suppliers for disposal. Hazardous wastes mainly include reagents and others generated during the R&D and production processes, non-hazardous wastes comprise general industrial waste and domestic waste.



Case Study Hazardous Waste Intelligent Terminal Printing Equipment

In accordance with the *Technical Specifications for the Installation of Identification Marks for Hazardous Waste* and in response to the requirements of the Ecological Environment Bureau, Marubi has purchased intelligent terminal equipment to conduct standardized management of hazardous waste labels. Each label is equipped with a unique digital identification code and QR code, realizing the "one item, one code" for hazardous waste. This system facilitates electronic full-process traceability management of hazardous wastes generated during the production and operation process of the factory, achieving information-based management across all stages of hazardous waste, and reducing environmental protection management risks.



Hazardous Waste Intelligent Terminal Printing Equipment

Key Performance Indicators			
During the reporting period			
Non-hazardous solid waste recycled	Non-hazardous solid waste reused	Sludge recycled	Hazardous solid waste disposed
66.70 tons	397.05 tons	47.08 tons	2.17 tons

Noise Management

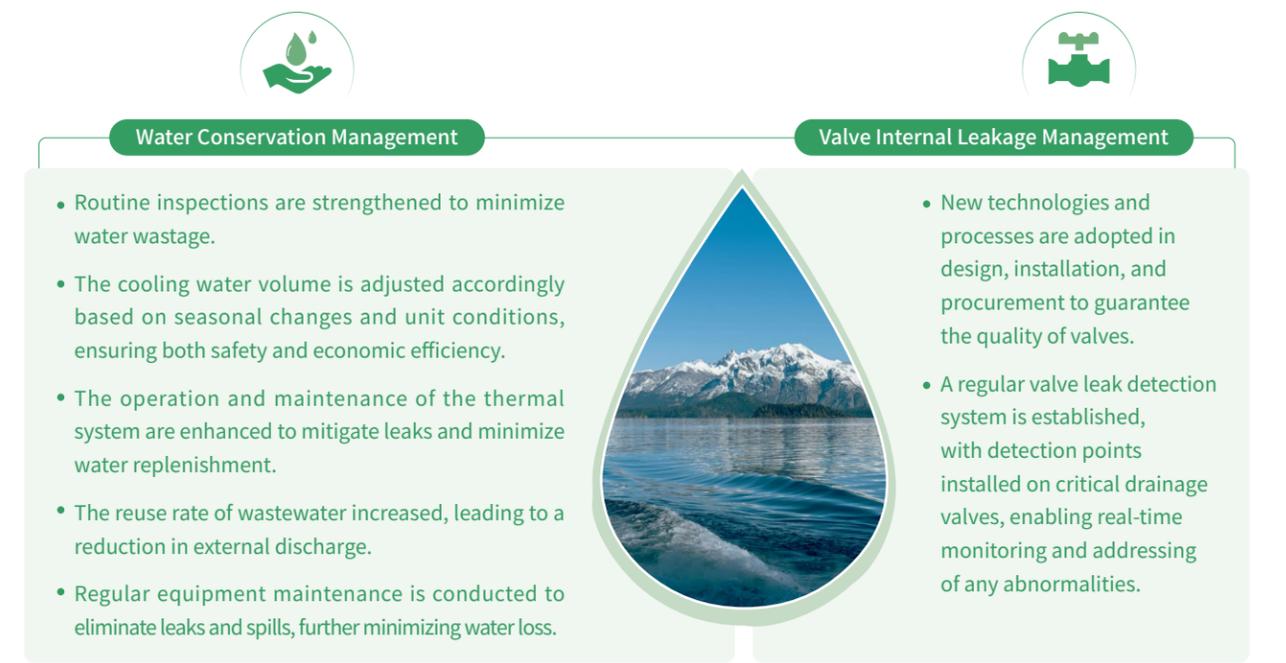
The noise pollution is mainly generated by the air conditioning units, cooling towers, and standby generators during operation. Marubi continuously monitors and manages the environmental noise at the factory boundary and high-intensity noise sources within the production area according to the monitoring plan, and regularly lubricates and maintains the equipment generating high noise. When purchasing new equipment, Marubi selects equipment with high precision and low noise, aiming to effectively prevent the generation of noise pollution.

Environmentally Friendly and Resource Conservation

Marubi strictly complies with resource management regulations such as the *Water Law and the Opinions of the National Development and Reform Commission and Other Departments on Further Strengthening the Conservation and Intensive Use of Water Resources*, and continuously optimizes the *Resource and Energy Conservation Management System* to control water, raw materials, packaging materials, and other resources to achieve effective utilization of resources.

Water Resource Management

Marubi adopts measures such as strengthening water-saving management, optimizing equipment maintenance, and enhancing valve internal leakage management to carry out water resource conservation management.



Case Study Renovation of the Emulsification Tank Circulating Cooling Water

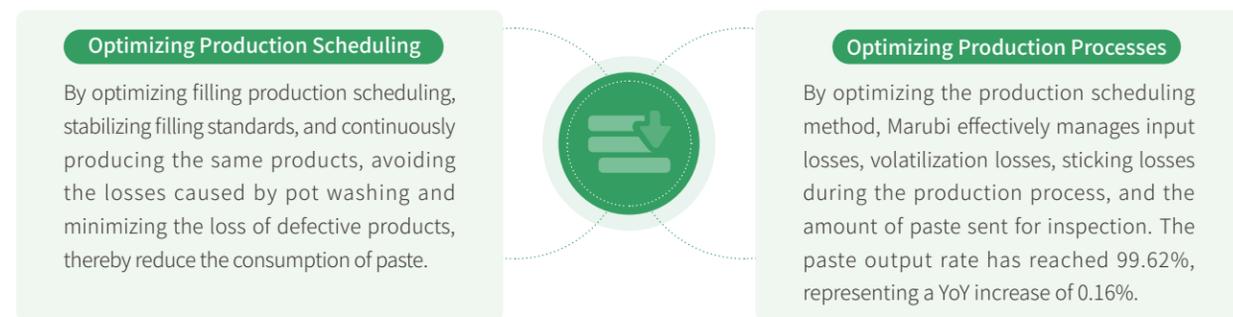
During the reporting period, Marubi renovated the cooling water circulation pipeline of the emulsification tank. After use, the return flow of cooling water is first directed into a make-up water tank and then flows through a return pipe into a heat exchanger for cooling before being recycled. This approach realizes the balanced distribution of the emulsification cooling water, thus shortening the cooling time of the emulsification tank, improving the efficiency of use, and increasing the production volume. The cooling time per pot has been reduced by 30-40 minutes compared with the original, with cooling efficiency increased by 30%-50%, boosting overall production efficiency.

Raw Material and Packaging Materials Management

Marubi has formulated the Raw Material Conservation Management System and the Packaging Material Reduction Implementation Plan, systematically advancing efforts to minimize raw material consumption and packaging waste. Through measures such as optimizing procurement processes, refining production workflows, and strengthening inventory management, we are further curbing resource wastage. These initiatives drive sustainable development and underscore our commitment to environmental stewardship.

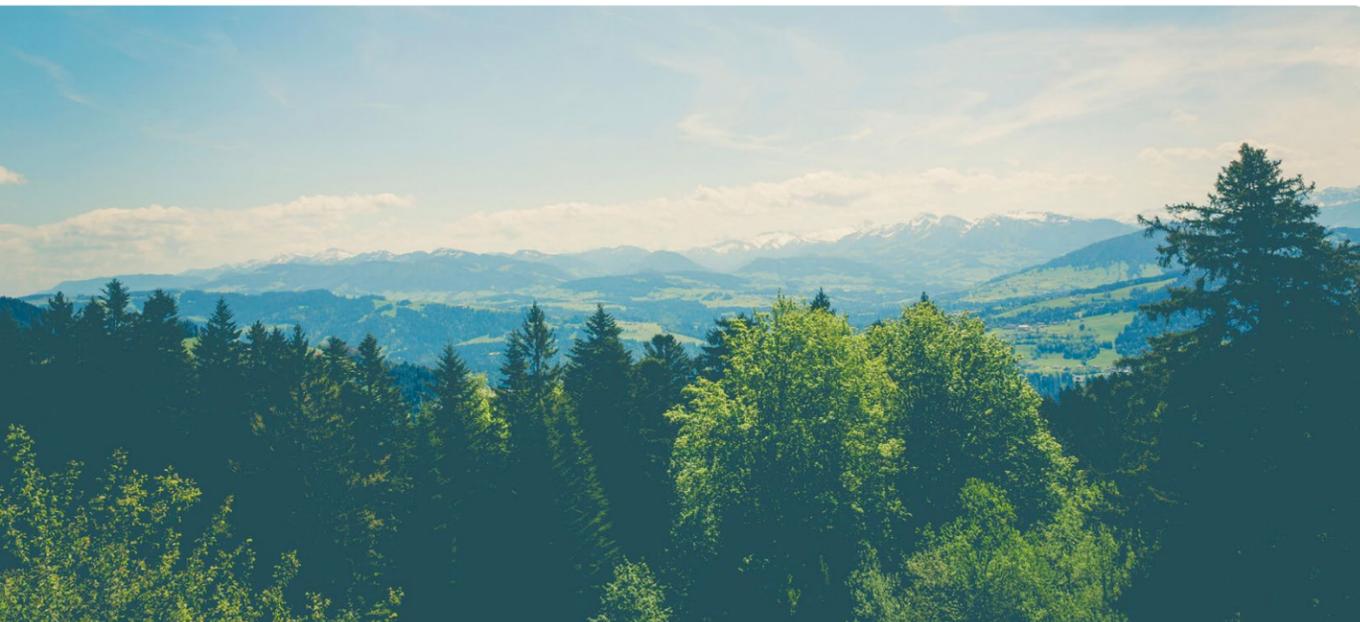
Raw Material Conservation

Marubi consistently optimizes the production processes to lower raw material consumption. During the reporting period, a series of conservation measures were implemented, effectively reducing both waste generation and water consumption, while simultaneously enhancing production and minimizing losses.



Packaging Materials and Waste Management

Marubi remains committed to optimizing the utilization of packaging materials, aiming to minimize both consumption and waste. During the reporting period, Marubi carried out a number of optimization tasks for packaging material use, recycled cartons, and optimized the product packaging material design to reduce material usage, effectively reducing the environmental impact of packaging material use.



Project	Content and Effectiveness
Reducing Auxiliary Material Consumption in Production Process	Optimize equipment disinfection process and reduce alcohol usage for disinfection. Control the use of gloves during production process under the condition of ensuring quality standards to reduce material losses. Improve the skill level of equipment operators to decrease the consumption of consumables. By controlling auxiliary material waste in the production process, Marubi saved about 10.90 tons of alcohol, more than 200 boxes of latex gloves, and reduced 50L of the cleaning water for the inkjet printer (hazardous waste) during the reporting period.
Introduction of PE Turnover Boxes	After the introduction of PE turnover boxes, the use of turnover cardboard boxes decreased by 36,000 compared with 2023, saving a total of 12.5 tons of cardboard boxes. Calculated based on the fact that 0.7 kilograms of CO2 equivalent are produced per kilogram of cardboard box manufactured, this has indirectly reduced carbon emissions by approximately 8.8 tons.
Optimization of Packaging Box Use	By increasing the use of universal packaging boxes, the number of SKUs was streamlined from more than 30 to 11.
Cardboard Box Recycling	Establish a cardboard box recycling system to screen intact boxes after unpacking, with 30% of them being reused within the department, reducing the use of new cardboard boxes. For the remaining 70% of non-recyclable discarded cardboard boxes are collaboratively handled with professional recycling suppliers to ensure the environmentally friendly disposal and maximize recycling value.
Optimization of Express Box Packaging Materials	From the outer express box to the inner product paper box, promote the coverage of the use of zipper tear boxes, replacing the traditional packaging of plastic film and paper box, thereby reducing the use of shrink film. Adopt minimalist designs instead of complex printing to reduce the use of chemical inks and paper.
Replacement Cores for Sold Products	By selling replacement cores for products, the waste of full-sized packaging materials is reduced. During the reporting period, nearly 600,000 full-sized packaging materials were saved in total.



PE Turnover Boxes



Passional Lover Cushion Replacement Refill

Case Study Marubi Empty Bottle Recycling Program

During the reporting period, Marubi launched the Empty Bottle Recycling Program for Golden Needle products, encouraging consumers to collect used single-dose empty tubes and exchange them for new products, thereby contributing to environmental protection efforts.



Collaborative Green Initiative, Advocating Green Office

Marubi actively promotes a resource-efficient and environmentally friendly green office. Leveraging internal energy management systems, Marubi actively disseminates the concept of green office and encourages employees to adopt green and low-carbon work and lifestyle habits.

To enhance resource utilization efficiency and reduce energy consumption and environmental pollution caused by office operations, Marubi adheres to the following green office measures and promotes the concept of green, energy conservation, and environmental protection as well as office energy conservation measures to employees by issuing energy conservation and low-carbon initiative letters and energy conservation publicity posters.

• Drinking Water Management

Encourage employees to bring their own water cups and advocate the recycling of bottled water containers.

• Lighting Management

Implement a lighting management system where lights are turned off when leaving the room. Maximize the use of natural daylight during daytime hours to minimize the need for lighting and conserve electricity.

• Air Conditioning Usage Management

Maintain the air conditioning temperature at a minimum of 26°C in summer and a maximum of 20°C in winter.

• Office Paper Management

Advocate saving office paper and using double-sided paper for documents that do not require preservation.

• Vehicle Usage Management

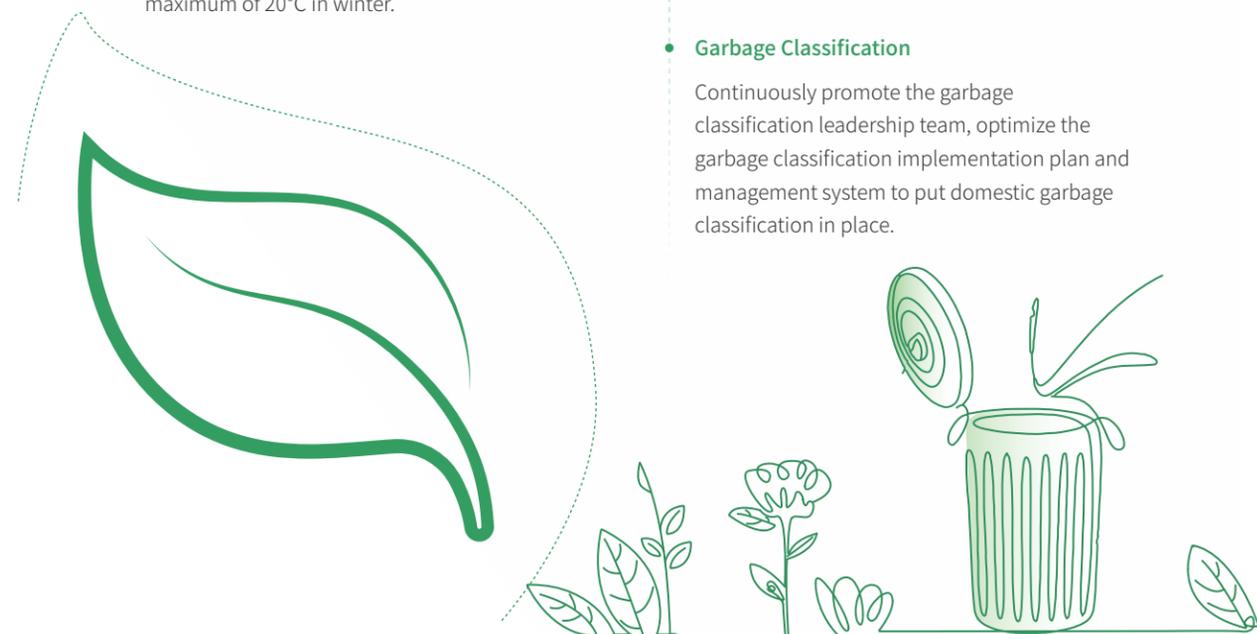
Optimize the utilization of company vehicles and minimize redundant trips. Transitions to electric commuting buses and gradually phase out fuel-powered vehicles to reduce carbon emissions.

• Low-carbon Equipment Usage

Install charging stations for electric vehicles and purchase energy-saving office equipment.

• Garbage Classification

Continuously promote the garbage classification leadership team, optimize the garbage classification implementation plan and management system to put domestic garbage classification in place.



Green Environmental Protection Publicity



Case Study

Tree Planting Activity

In order to encourage employees to care for trees and raise their awareness of the vital importance of trees to human and the Earth's ecological environment, during the reporting period, Marubi organized a tree planting activity titled "Planting for Greenery, Building a Sustainable Future Together", aiming to ignite employees' enthusiasm for forest conservation and protection.



People-Oriented, Composing the Beauty of Harmony

Marubi upholds the core philosophy of people-oriented, embodying the virtues of loyalty, pragmatism, unity, innovation, and gratitude. Marubi has comprehensively enhanced its human resources system, encompassing recruitment, hiring, training, retention, and management, to foster the growth, maturity, and success of its employees. We emphasize employee welfare, ensures their health, and foster a nurturing and supportive workplace environment. Furthermore, we actively fulfill social responsibilities, pay attention to vulnerable groups, and collaborate with various stakeholders in society to foster a harmonious community.

Marubi's Actions

- Protecting Employee Rights and Interests
- Diversity and Inclusion
- Offering Competitive Compensation and Benefits
- Smooth Communication Channels
- Empowering Employee Development
- Caring for Employees with Consideration
- Safeguarding Employee Health and Safety
- Contributing to Community Development

Highlights of Performance

Proportion of female employees

68.19%

Coverage rate of work-related injury insurance and work safety liability insurance

100%

Major work-related injury or fatality accidents

0



Contributing to the UN SDGs



Equity and Diversity, Protecting Employee Rights and Interests

Marubi has always regarded the protection of employees' basic rights as an important responsibility and strictly adheres to national laws and regulations to ensure that employees enjoy legitimate rights such as wages, working hours, vacations, social insurance, and democratic communication.

Equality and Diverse Integration

Marubi strictly abides by the laws and regulations such as the *Labor Law*, the *Labor Contract Law*, and the *Social Insurance Law*, practices compliant employment, prohibits forced labor and child labor, and opposes all forms of employment discrimination and workplace harassment. The Company adheres to equal employment, upholds the principles of open recruitment, fair competition, merit-driven hiring, and prioritizing internal candidates to standardize the recruitment process.

Eliminating Child Labor and Forced Labor

All new employees are mandated to provide verification documents, including copies of their identification cards and academic credentials, to authenticate their identity and safeguard against any instance of hiring minors. During their employment tenure, Marubi strictly prohibits the withholding of employees' identity documents, forbids the assignment of any work that violates their will, respects the right to freely choose the work, and ensures the elimination of forced labor.

Preventing Harassment and Discrimination

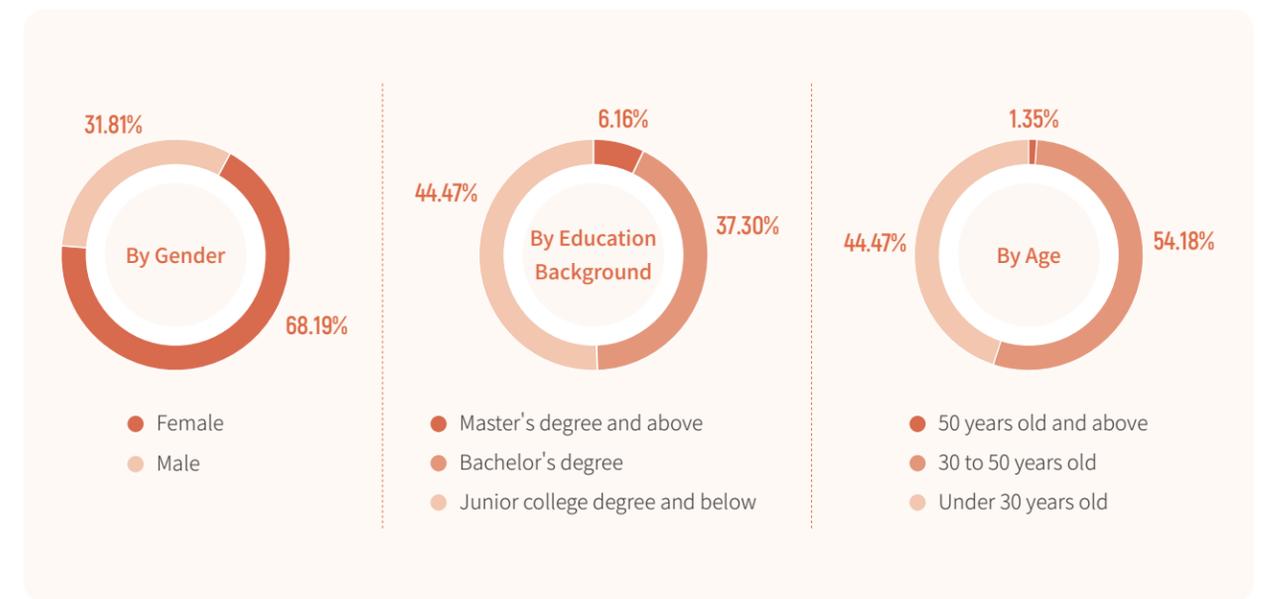
To address these issues, Marubi regularly conducts anonymous 360-degree surveys among managers to gather pertinent information. In the event of discovering suspected incidents, Marubi conducts undercover investigations to authenticate the veracity of the incidents and offers psychological counseling to the victims.



Enhancing Recruitment Professionalism

During the reporting period, Marubi organized multiple interviewer training courses to further improve the professional competencies, and enriched talent evaluation methods by incorporating work samples and case analysis into the assessment process, enabling a multi-dimensional evaluation of candidates' capabilities.

Marubi always adheres to the concepts of gender equality and employment diversity, embraces young talent, and is committed to building a diverse, inclusive, and youthful talent team. Despite the challenging market economic environment, we still attract high-quality talents. During the reporting period, 99 new employees were added through campus recruitment and social recruitment, injecting more young and highly educated talents into Marubi. As of the end of the reporting period, we had 1,185 employees, with the following employee structure.



Key Performance Indicators

As of the end of the reporting period



Compensation and Benefits

Marubi has formulated relevant management regulations such as the *Compensation Management System* and the *Benefits Management System* to provide employees with legal and comprehensive compensation and benefits and shares the achievements of enterprise development with employees.

Compensation and Talent Motivation

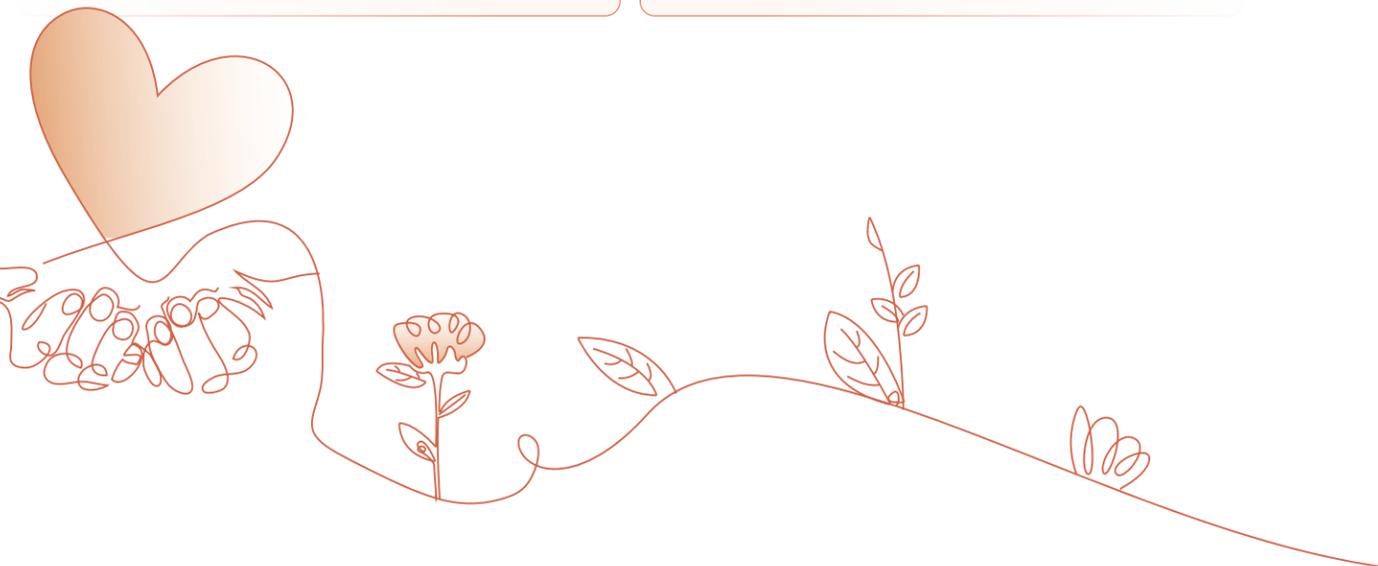
Marubi firmly adheres to the principle of equal pay for equal work and upholds the basic rules of fairness, competitiveness, motivation, acceptability, adaptability, and legality. In addition to being compliant with local provisions and exceeding the local minimum wage, the Company benchmarks its compensation levels against those in the same industry and regional market. Compensation adjustments are made based on factors such as job value, work experience, professional expertise, and individual performance, thus ensuring the ongoing competitiveness of the compensation structure. It comprises a fixed base salary, variable incentives, and additional welfare subsidies. Bonuses are awarded based on employee performance, fostering a culture of shared interests and risks that encourages employee engagement and enthusiasm.

During the reporting period, Marubi added a new specialized incentive program aimed at recognizing and rewarding proposals that align with strategic objectives such as "innovation-driven growth" and "energy/cost reduction with efficiency enhancement." Employees who submit feasible plans that are successfully implemented and yield remarkable results are eligible for corresponding incentives. This incentive initiative spans multiple areas, including business innovation, product R&D, product packaging design, supply chain management, and system construction, among others. By doing so, Marubi seeks to stimulate innovation-driven enthusiasm across all employees and bolster its sustainable development.

Employee Benefits

Marubi advocates the values of "learning by heart, concentrating on work, and living happily." In addition to providing basic statutory benefits for all employees, we also provide unique benefits in aspects such as holiday care, medical health, service facilities, opportunities for learning and growth to improve the happiness of all employees. For part-time employees, commercial insurance is purchased for them, they are regularly reminded to pay individual income taxes, and job skill training is provided for them to protect the legitimate rights and interests of part-time employees.

Statutory Benefits



Company Benefits

Holiday Care

Wedding gift	Afternoon tea
Baby gift	Holiday benefits
Health gift	Internal purchase discounts
Birthday party	

Health Protection

Commercial accident insurance	Annual physical examination
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Convenient Services

Parking and parking space management

Learning and Growth

Onboarding package	Training allowance
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Subsidies

Full attendance bonus	Mobile phone bill subsidy
Lunch subsidy	Laptop subsidy
Transportation subsidy	Business trip subsidy
Filial Piety salary	High-temperature subsidy



"618" Shopping Festival Benefits Distribution



Mid-Autumn Festival Gifts

Democratic Communication

To build a good communication bridge with employees and foster a working atmosphere of mutual trust and shared progress, Marubi has formulated the *Comments and Suggestions Collection, Handling and Feedback System*. This system incorporates various democratic communication channels to deeply understand employees' mentalities and earnestly listen to their demands. The HR Department regularly classifies and summarizes these suggestions, assigning them to the appropriate departments for processing. Following the department heads' handling, the HR Department announces the outcomes at employee meetings, ensuring the timely and effective collection, processing, and feedback. During the reporting period, the employee feedback resolution rate was 100%.



Empowering Employees, Achieving Employees' Dreams

Marubi holds a firm belief that employees are the most valuable asset and prioritizes employee training and development, establishing a multi-tiered training system that empowers diverse talents to grow. Additionally, the Company creates diverse career paths to assist employees in continuously enhancing their capabilities and potential, enabling them to achieve their personal self-actualization.

Employee Cultivation

Guided by the values of lifelong learning and practice, Marubi strives to establish a competitive learning environment and cultivate professional, dedicated, and focused talents. Leveraging the comprehensive online learning platform of Marubi Academy, we implement a three-level training system encompassing new employee orientation, professional skill enhancement, general management capability development, and leadership training. This comprehensive approach supports the execution of the corporate strategy, business expansion, and the enhancement of human capital value. According to the Training Management Measures, we clearly define the training objectives, content, forms, and assessment standards to ensure the systematic and effective implementation of training initiatives. Additionally, we establish learning files for employees, record their learning and growth tracks, and provide a basis for their career development. During the reporting period, we comprehensively upgraded the talent cultivation system, strengthened the internal training framework and the job qualification system, added multiple cutting-edge technology and management courses, and optimized the content and forms of traditional courses to ensure the practicality and forward-looking nature of the training programs.

Three-Level Training System

Cultivation Level	Cultivation Objectives	Cultivation Methods
Cultivation of senior managers	Talents with coordinated management skills	Through joint cultivation projects with well-known training/educational institutions such as Sun Yat-Sen University and China Europe International Business Online, such as the EMBA courses of Sun Yat-sen University and the Leadership Development Program, cultivate business partners who have a strategic perspective, the cultural genes of Marubi, comprehensive operation and management capabilities, and can take overall charge of the situation
Cultivation of middle-level managers	Management experts	Committed to cultivating the management elites of different specialties through educational promotion, improving the professional capacity of the middle level staff, and strengthening the backbone force
Cultivation of junior employees	Talents with execution abilities	Dedicated to cultivating management trainees and high potential talents at junior level, and strengthening backbones for the basic level

Training Platform and Instructor Team Development

During the reporting period, Marubi Academy underwent a complete upgrade, ushering in the 2.0 era. Marubi Academy revamped its knowledge classification and content, providing clearer course guidelines and more practical skill-building and management courses. To empower employees and enhance their professional, technical, and leadership capabilities, Marubi Academy selects 10 high-quality courses quarterly and rewards outstanding departments and employees to stimulate enthusiasm for learning.

In addition, Marubi attaches great importance to the development of the instructor team. By combining internal selection with external recruitment, it has formed a high-caliber and professional team of instructors. Marubi ensures the quality and effectiveness of training courses by offering regular training and skill enhancement opportunities for instructors. An instructor incentive mechanism is also established to encourage active participation in course design and training innovation.

Key Performance Indicators

During the reporting period

New courses added to Marubi Academy

155

Total employee training hours

49,523

Employee training coverage rate

100%

Case Study

Marubi YOUNG Program & 2024 Campus Recruit Training Camp Concluded Successfully

During the reporting period, Marubi launched the Marubi YOUNG Program Training Camp for fresh campus recruits. The camp covered a diverse range of topics, from unraveling the mysteries of product R&D and crafting personal career blueprints, to gaining keen insights into market trends and engaging in collaborative discussions on corporate culture. This comprehensive program enabled new hires to gain a clearer understanding of the industry landscape and formulate more defined future career plans. In addition, Mr. Huaqing Sun, the Chairman of Marubi, attended the ceremony, participated in face-to-face interactive exchanges with the new employees and engaged interactions filled the newcomers with great motivation and inspiration.



Leadership Training

Marubi has established a comprehensive leadership training system for employees, covering leadership assessment, training courses, practical exercises, and mentor coaching, standardizing cadre management in accordance with the Cadre Management Measures. During the reporting period, to promote the Company's high-quality development and cultivate future-oriented managers, we collaborated with China-Europe Business Online to launch a new "Leadership Development Program." This program comprises three tiers of training initiatives, such as "MINI-EMBA, MINI-MBA, and New Manager Training." Through methods like business simulations, case studies, and team collaborations, the program aims to enhance employees' leadership capabilities and teamwork proficiency.

Case Study Marubi 2024 Leadership Development Program Inauguration Ceremony

During the reporting period, Marubi collaborated with China-Europe Business Online to organize a grand inauguration ceremony and the first offline class. Through an interactive workshop format, employees were guided to overcome the five major barriers to teamwork. More than 230 employees enrolled in this year's Leadership Development Program and were divided into MINI-EMBA, MINI-MBA, or New Manager Training classes based on their management knowledge and experience. Mr. Huaiqing Sun, the Chairman of Marubi, attended the ceremony in person and delivered an opening speech, encouraging employees to cherish the learning opportunities and further interpreting corporate culture.



Professional Skill Training

Marubi values the cultivation and improvement of employees' job skills. During the reporting period, a series of professional skill training programs were introduced, such as supply chain team leader training and e-commerce position training. Additionally, Marubi implemented data capability enhancement training to further improve employees' proficiency in leveraging data to drive informed decision-making.



Public Opinion Guidance and Crisis Management Training in New Media Environments



Encourage participation in nationally recognized vocational qualification exams, and offer financial support to those pursuing certifications pertinent to their positions

Provide support to engineers of all levels in their pursuit of professional title assessments, fostering a culture of lifelong learning

Conduct annual training programs across multiple dimensions, encompassing product expertise, product experience, live streaming techniques, and job-specific competencies, aiming at elevating the professional capabilities of employees

Case Study Data Capability Enhancement Training to Promote Data-Driven Decision-Making

As data plays an increasingly important role in business decision-making, Marubi launched a dedicated data capability enhancement program to equip business teams with foundational data visualization tool proficiency and analytical methodologies. The initiative aimed to accelerate the widespread adoption of data-driven decision-making across the organization. During the reporting period, a total of 77 cross-departmental employees participated in the systematic training. Approximately 40% of the trainees mastered the skills to independently create reports and analyze key performance indicators. The remaining participants demonstrated significantly enhanced data awareness, enabling them to clearly articulate data requirements and actively participated in data-driven discussions, laying a solid foundation for deepening cross-departmental collaboration and fostering a data culture.

Case Study Official Launch of Marubi Supply Chain Team Leader Training Camp

On June 25, 2024, Marubi held a grand opening ceremony for the supply chain team leader training camp to cultivate a more professional and efficient on-site junior management team. A total of 78 employees from six departments participated in the camp. Through systematic training courses, practical operations, and mentor guidance, the camp aims to comprehensively improve the management and professional skills of team leaders. The mentor team, composed of experienced supply chain managers, provides all-round guidance and support to the trainees. The training covers various aspects, including production management, logistics management, quality control, work safety and team building, striving to equip each team leader with comprehensive knowledge and skills.



Key Performance Indicators

During the reporting period

Marubi conducted **202** professional skill training sessions

with a cumulative training duration of

294 hours

covering

4,323 individuals

Career Development

Marubi offers employees diverse career development paths, aiming to empower them to fully realize their potential, enhance performance feedback and continuous improvement, and cultivate a talent pool with a balanced mix of knowledge, skills, and age. During the reporting period, Marubi comprehensively upgraded its talent cultivation system, strengthening both the internal training framework and the job qualification system. The qualification system spans multiple dimensions, including professional skills, management capabilities, and general skills, ensuring that employees' abilities align with the strategic goals. Simultaneously, by optimizing the job qualification standards, clear career development paths and promotion criteria are provided for employees.

Career Development Paths

Marubi provides employees with dual career channels, encompassing both management and professional sequences, to build a fair, just, objective, and qualified promotion system. Employees can progress horizontally and vertically to achieve their career aspirations. Furthermore, Marubi has established the *Internal Recruitment Management System* to standardize the internal hiring process, thereby expanding employees' career development opportunities. During the reporting period, based on market trends and strategy, Marubi redefined a diverse range of career development paths, including technical experts, management elites, and cross-disciplinary composite talents. We revised the *Promotion Management System*, shortening the promotion cycle, increasing the promotion ratio, adjusting promotion criteria and procedures. These measures aim to improve talent selection mechanism and further motivate employees to enhance their abilities and competencies.

Performance Management

In accordance with the Performance Management System, Marubi implements a fair evaluation and promotion mechanism based on performance appraisals. The annual performance appraisal scores of all employees are 100% aligned with performance indicators, and individual job evaluation scores serve as the fundamental criterion for determining employee performance bonus distribution, promotions, evaluations, and training. To better implement performance management, we formulated the Performance Interview Form and established a monthly and quarterly one-on-one performance interview mechanism. Evaluators and employees conduct gap analysis based on performance indicator calculation rules and actual achievements. They delved into the root causes behind performance gaps or improvements. Employees were given the opportunity to provide feedback on whether they had any objections to the appraisal results, and both parties jointly confirmed the final performance outcomes.

Key Performance Indicators

During the reporting period

Coverage rate of employees receiving performance appraisals or career development evaluations was

100%

Talent Inventory and Reserve

Marubi regularly performs talent inventories to assess the overall capabilities of its employees, and applies graded and categorized management approaches tailored to distinct talent profiles, ultimately contributing to its talent reserve.

Talent Inventory

Marubi conducts annual talent inventory. During the reporting period, for junior employees, a multi-dimensional analysis was conducted by leveraging job qualification standards and performance data to accurately identify "Nine-Box Grid" talents and high-potential employees. For management employees, the inventories encompassed annual work reports, performance appraisals, and capability evaluations, as well as 360-degree feedback assessments. The outcomes of these inventories inform decisions on employee capability assessments, recruitment needs matching, personnel promotions, annual training plan formulations, talent pipeline development, and other related endeavors.

Talent Reserve

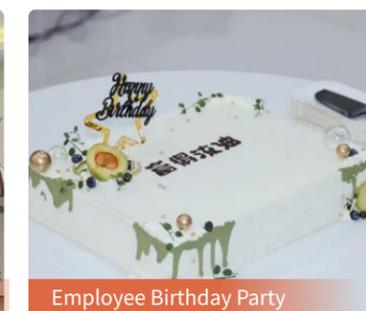
Marubi builds talent reserve by optimizing recruitment channels and establishing talent pools. Internal talent inventories lead to the formation of internal talent pools through capability identification and talent tagging. By cultivating talents through campus recruitment management trainee programs and mapping out mid-to-senior level industry professionals from competitor landscapes, we have established a talent pipeline reserve and an external talent pool, thereby ensuring a robust internal and external talent supply chain.

Considerate Care, Enriching Workplace Experience

Aligned with the corporate philosophy of "enterprise is family, school, and military," Marubi strives to create a workspace that embodies care and support, bolstering employees' feelings of happiness and sense of belonging. During the reporting period, various corporate cultural activities continued, the 5C Employee Care Center was officially opened, and amateur interest clubs were formally introduced, offering an excellent platform to expand their social circles, cultivate hobbies, and relieve work stress.

Corporate Cultural Activities

Marubi annually organizes diverse cultural activities aimed at fostering a deeper understanding and appreciation of the corporate values among employees. These activities not only enrich employees' leisure time but also contribute to the deep integration of corporate culture.



Case Study Party-Building Themed Activities of Marubi Party General Branch

During the reporting period, Marubi organized themed Party Day activities for Party history learning and education. Party members and activists of the branch visited the Memorial Hall of the First National Congress of the Communist Youth League of China and the Former Site Memorial Hall of the All-China Federation of Trade Unions. They reviewed the century-long history of the Communist Youth League of China and the development history of trade unions, deepened and popularized Party history knowledge, and further enhanced the team spirit and exemplary vanguard role of Party members.



Visit to the Memorial Hall

Female Care

Marubi attaches great importance to female care, annually celebrating International Women's Day on March 8th to send holiday greetings to female employees. During the reporting period, the Company encouraged female employees to break free from social stereotypes and showcase the diversity and strength of independent women in the new era. A themed activity titled "Why Judge by Labels - Tear Off the Labels, Stay True to Yourself" was specially held.



Themed Activity "Why Judge by Labels - Tear Off the Labels, Stay True to Yourself"



Baby Care Room

Interest Clubs

Marubi supports employees in spontaneously forming interest clubs centered around shared hobbies, passions, and aspirations, such as badminton, yoga, swimming, and hiking. Each club has organized a variety of colorful activities.



Badminton Club



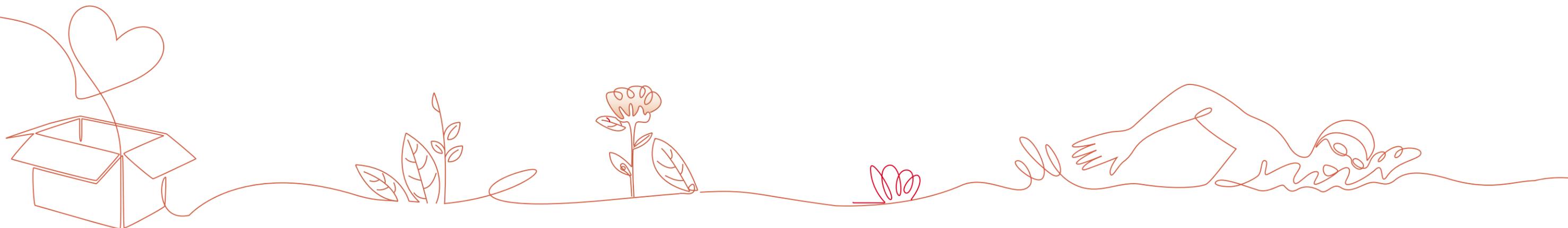
Swimming Club



Yoga Club



Hiking Club



Work Safety, Protecting Health and Safety

Marubi has consistently prioritized the occupational health and safety of its employees, establishing a robust occupational health and safety management system that ensures necessary safety measures and psychological support services are provided to employees. Marubi has obtained and maintained the ISO 45001 Occupational Health and Safety Management System certification, a testament to its commitment to effective and ongoing safety practices.

Work Safety

Marubi strictly complies with relevant laws and regulations and has formulated a series of safety management documents, including the *Emergency Rescue Plan in Case of Accidents Caused by Precursor and Explosive Chemicals*, the *Hazardous Chemicals Safety Management Procedures*, the *Emergency Preparedness and Response Control Procedures*. The Company sets clear work safety objectives, regularly conducts safety risk inspections and drills, and makes every effort to ensure work safety.

Work Safety Management

Marubi has established a Safety Department tasked with overseeing work safety management. This department formulates annual work safety targets and promotes the smooth progress of various safety tasks. During the reporting period, Marubi achieved a 100% completion rate of work safety goals.

Key Performance Indicators

During the reporting period

Major safety and fire accidents

0

Major work-related injury accidents

0

Workdays lost due to injuries

0

Occupational diseases incidence rate

0

Employee safety training coverage rate

100%



Occupational Health and Safety Management System Certification

Safety Risk Inspection

Adhering to the principle of equal emphasis on prevention and emergency response, Marubi has formulated the *Hazard Identification and Evaluation Control Procedures*. We conduct annual safety risk assessments and implement effective control measures based on the evaluation results.

Safety Inspections

Marubi conducts monthly EHS safety hazard inspection and comprehensive hygiene inspections across the entire facility, led by the factory director. These inspections aim to promptly identify deviations, non-conformities, and potential safety risks during production operations. Corrective actions are formulated and implemented without delay to address any issues detected. Monthly work safety meetings are held to ensure work safety in the plant area.



Monthly EHS Inspections



Monthly Work Safety Meetings

Chemical Safety Management

Marubi attaches great importance to daily safety management, emphasizing the prevention of chemical leakage and explosions, and has formulated the *Hazardous Chemicals Safety Management Procedures* that detail stringent measures for the procurement, transportation, storage, utilization, and disposal of hazardous chemicals. During the reporting period, the management of toxic and explosive chemicals adhered to legal regulations, and no chemical safety accidents occurred.

Safety Emergency Response

Marubi has established comprehensive internal systems, including the *Hazardous Chemicals Safety Management Procedures* and the *Emergency Rescue Plan in Case of Accidents Caused by Precursor and Explosive Chemicals*, effectively preventing and controlling potential incidents such as fires, explosions, and hazardous substance leaks. An emergency command department has been set up, with the factory director serving as the general commander and the deputy factory director as the deputy commander. This department oversees various emergency response teams, ensuring the efficient execution of emergency response measures. Furthermore, the Company regularly organizes targeted emergency drills, such as special equipment elevators emergency drills, fire safety evacuation drills, and chemical spill drills, effectively preventing sudden risk accidents and safeguarding the safety of employees.



Special Equipment Elevators Emergency Rescue Drill



Theft and Leakage of Hazardous Chemicals Emergency Drill

Safety Culture Construction

Marubi has prioritized safety training as an integral part of its daily operations. In addition to conducting publicity and training during the Work Safety Month, we also implemented daily work safety training, aiming to build a good safety culture and improve the safety protection awareness and skills of all employees. During the reporting period, we responded proactively to potential safety hazards by organizing practical fire-fighting skills competitions, forklift driving skills competitions. Additionally, targeted safety training was provided to new employees and part-time safety officers.



Work Safety Month Publicity Activities



Post-Spring Festival Work Safety and Resumption of Production Training Campaign



Practical Fire-fighting Skills Competition



Special Training for Forklifts Operations (Special Equipment)

Occupational Health

Marubi places significant emphasis on employees' occupational health, striving to create a safe working environment, and regularly engages a professional third-party organization to supervise all occupational health hazards. For employees in positions with occupational disease hazards, earplugs, disposable medical masks, and gas masks are provided, and annual occupational disease medical examinations are arranged with a 100% coverage rate.



On-Site Medical Examination Arranged by a Medical Institution



Room of the Peace Station

During the reporting period, Marubi launched a blood pressure monitoring activity titled "Caring for Employees, Prioritizing Blood Pressure Risks" to strengthen employees' health management. Furthermore, Marubi pays attention to employees' mental well-being. Various departments work towards enhancing the mental health of their staff through initiatives, such as mental health training and psychological counseling support. The 5C Center launched the "Marubi · Yuexin'an Corporate Well-being Station," providing 1V1 psychological counseling services and free educational lectures.

Key Performance Indicators

During the reporting period

Occupational health and safety training coverage rate

100%

Coverage rate of occupational disease medical examinations for employees in occupational disease risk positions

100%

Gratitude to Society, Contributing to Community Prosperity

Adhering to the corporate responsibility credo of "Gratitude to Society, Action for Love", Marubi has demonstrated its commitment to society through tangible actions. Since the inception of the Marubi Very Caring Foundation in 2008, Marubi has prioritized education support, women's empowerment, community service, and other endeavors, aiming to establish itself as a compassionate and accountable enterprise that collaborates with society to share development successes and jointly build a brighter future. We have continuously carried out on the "Perfect Protection and Accompanying Love" anti-domestic violence empowerment initiative, helping a total of 53 women resolve domestic violence problems and supporting domestic violence victims in safeguarding their legal rights and interests in accordance with law.

During the reporting period, Marubi made a specific donation of CNY 10,000 to the Huangpu District Charity Association for the "Bright Spark Initiative" public welfare project for supporting SMEs in Huangpu District.



Appendix

Key Performance Table

Economy

Indicator	Unit	2022	2023	2024
Revenue	CNY million	1,732	2,226	2,970
Net profit attributable to shareholders of the listed company	CNY million	174	259	342
Total assets	CNY million	4,074	4,454	5,063
Number of R&D personnel	Person(s)	93	93	94
Proportion of R&D personnel	%	8.77	8.45	7.83
Total R&D investment	CNY '000	52,925.70	62,287.60	73,544.83
Tax paid	CNY million	263	239	257

Note: For other financial data of Marubi in 2024, please refer to the *Marubi 2024 Annual Report*.

Environment

Topic	Indicator	Unit	2022	2023	2024
Renewable Energy	PV power generation	kWh	655,185	602,098	609,157.6
	Purchased electricity	kWh	4,707,000	4,456,188	5,679,804
	Self-use of PV power generation	kWh	621,986	581,188	587,497.6
	Natural gas	m ³	228,071	246,041	280,124.00
	Gasoline	L	—	—	5,453.69
	Diesel	L	—	30	11,626.60
Energy Use	Comprehensive energy consumption	Ton of standard coal	905.81	915.54	1,123.00
	Among which: consumption of renewable energy	Ton of standard coal	—	—	72.20
	Energy intensity	tce/CNY100 million revenue	—	41.13	37.81
	Energy efficiency	CNY 100 million revenue/tce	0.02	0.02	0.03
Greenhouse Gas	Total emissions	tCO ₂ e	2,566.13	2,485.67	3,150.30
	Scope 1	tCO ₂ e	493.64	523.61	649.48
	Scope 2	tCO ₂ e	2,072.49	1,962.06	2,500.82

Topic	Indicator	Unit	2022	2023	2024	
Waste Gas	Total waste gas emissions	10,000 m ³	—	—	640.97	
	Particulates	kg	—	—	0	
	Total non-methane hydrocarbons	kg	—	—	0	
	Nitrogen oxides	kg	—	—	403	
	Sulfur oxides	kg	—	—	1	
	VOC emissions	kg	—	—	42.69	
Waste Water	Total water discharge	ton	11,125	10,034	9,163	
	Discharge intensity	Ton/ CNY 10,000	0	0	0.03	
	Chemical oxygen demand (COD)	kg	—	—	125	
	Biochemical oxygen demand/five-day (BOD5)	kg	—	—	1	
	Ammonia nitrogen	kg	—	—	1	
	Total phosphorus	kg	—	—	1	
	Total solid waste	ton	—	—	629.76	
	Waste	Total non-hazardous solid waste	ton	—	—	627.59
		Non-hazardous waste landfilled	ton	—	—	116.76
		Recycling volume	ton	—	70.94	66.70
Circular utilization volume		ton	—	70.94	397.05	
Circular utilization volume of sludge		ton	51	66.58	47.08	
Hazardous waste	Total hazardous waste	ton	1.52	0.0637	2.17	
Water Resources	Total water usage	ton	57,190	52,630	62,510	
	Water usage intensity	Ton/ CNY 10,000	0.33	0.24	0.21	
	Water resources efficiency	CNY 10,000/Ton	3.03	4.23	4.75	

Notes:

1.The reporting boundary for EHS data collection is defined by the 5C Center.

2.Key greenhouse gas (GHG) emission sources include natural gas, electricity, gasoline, and diesel. Starting from 2024, the disclosure scope for gasoline and diesel consumption data has been expanded to cover the Company's logistics fleet.

3.GHG emission data updates for 2022 and 2023. The data has been revised due to changes in calculation methodologies and updates to electricity emission factors (adopting the 2022 Guangdong Province average power grid CO₂ emission factor of 0.4403 kgCO₂/kWh, as jointly published by the Ministry of Ecology and Environment and the National Bureau of Statistics).

4.Non-hazardous waste encompasses all solid waste except hazardous waste, including general industrial solid waste, but excludes household waste.

Social

Topic	Indicator	Unit	2022	2023	2024	
Employment	Total Number of Employees	Number	1,060	1,101	1,185	
	By gender	Male	Number	358	362	377
		Female	Number	702	739	808
		By education background	College and below	Number	729	705
	Bachelor		Number	299	338	442
	Master and above		Number	54	58	73
	By age	Under 30	Number	438	495	527
		30 to 50	Number	597	589	642
		Over 50	Number	25	17	16
	Gender in senior management	Male	Number	74	74	78
		Female	Number	133	145	146
		Female employees in junior management	%	—	—	66.67
		Female employees in middle management	%	—	—	69.01
		Female employees in senior management	%	—	—	42.86
		Diversity	Ethnic minority employees	Number	43	17
	Employees with disabilities		Number	4	4	4
	Military veterans		Number	8	9	10
	Female employees in STEM-related positions		%	—	—	58.8
	Female employees in revenue-generating positions		%	—	—	73
	New hires		Number	—	—	383
By gender	Male		Number	—	—	125
	Female	Number	—	—	258	

Topic	Indicator	Unit	2022	2023	2024	
Employment	By age	Under 30	Number	—	—	287
		30 to 50	Number	—	—	96
		Over 50	Number	—	—	0
	Localized hires	Number	221	201	218	
	Labor contract signing rate	%	100	100	100	
	Social insurance coverage rate	%	100	100	100	
	Trade union membership coverage rate	%	100	100	100	
	Employee turnover rate	%	—	—	21.94	
	Voluntary employee resignation rate	%	—	—	15.55	
	By gender	Male employee turnover rate	%	—	—	22.9
		Female employee turnover rate	%	—	—	21.5
		Employee turnover rate for under 30	%	—	—	20.4
	By age	Employee turnover rate for 30 to 50	%	—	—	17.5
		Employee turnover rate for over 50	%	—	—	23.8
	Training	Total employee training hours	Hour(s)	28,522	29,081	49,523
Occupational Health and Safety	Major work-related injury incidents	Case(s)	0	0	0	
	Major work-related injuries	Number	0	0	0	
	Fatal work accidents (Incidents)	Case(s)	0	0	0	
	Fatal work accidents (Fatalities)	Number	0	0	0	
Supply Chain	Total suppliers	Number	172	227	184	
	By region	Suppliers in Mainland China	Number	167	227	181
		Suppliers in HK/Macau/TW & Overseas	Number	5	0	3
Community	Charitable donation	CNY '000	2,500	1,500	20	

Note: Employee turnover rate = (Number of employee separations during reporting period for the specified category) / [(Ending headcount of the specified category + Number of separations during reporting period for the same category)] * 100

Indicators Index

GRI Indicators Index

Statement of use	Marubi has reported the information cited in this GRI Content Index for the period January 1, 2024 to December 31, 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Chapter Reference
GRI 2: General Disclosures 2021	2-1	Organizational details Company Overview
	2-2	Entities included in the organization's sustainability reporting About This Report
	2-3	Reporting period, frequency and contact point About This Report
	2-4	Restatements of information Key Performance Table
	2-6	Activities, value chain and other business relationships Collaborating with Partners, Fostering a Win-Win Beauty Ecosystem Premium Service, Upholding the Promise of Beauty
	2-7	Employees Equity and Diversity, Protecting Employee Rights and Interests Key Performance Table
	2-9	Governance structure and composition Enhancing Governance, Solidifying Development Foundations
	2-10	Nomination and selection of the highest governance body Enhancing Governance, Solidifying Development Foundations
	2-11	Chair of the highest governance body Enhancing Governance, Solidifying Development Foundations
	2-12	Role of the highest governance body in overseeing the management of impacts ESG Governance Stakeholder Communication
	2-13	Delegation of responsibility for managing impacts ESG Governance Enhancing Governance, Solidifying Development Foundations
	2-14	Role of the highest governance body in sustainability reporting ESG Governance
	2-15	Conflicts of interest Operating with Integrity, Adhering to Business Ethics
	2-16	Communication of critical concerns Stakeholder Communication
	2-19	Remuneration policies Equity and Diversity, Protecting Employee Rights and Interests
	2-20	Process to determine remuneration Equity and Diversity, Protecting Employee Rights and Interests
	2-22	Statement on sustainable development strategy Message from Chairman
	2-23	Policy commitments Operating with Integrity, Adhering to Business Ethics Equity and Diversity, Protecting Employee Rights and Interests
	2-24	Embedding policy commitments Operating with Integrity, Adhering to Business Ethics Equity and Diversity, Protecting Employee Rights and Interests
	2-25	Processes to remediate negative impacts Operating with Integrity, Adhering to Business Ethics
	2-26	Mechanisms for seeking advice and raising concerns About This Report
	2-27	Compliance with laws and regulations Operating with Integrity, Adhering to Business Ethics

GRI Standard	Disclosure	Chapter Reference
GRI 2: General Disclosures 2021	2-28	Membership associations Uniting Efforts, Promoting the Development of the Cosmetics Industry
	2-29	Approach to stakeholder engagement Stakeholder Communication
	2-30	Collective bargaining agreements None
GRI 3: Material Topics 2021	3-1	Process to determine material topics Analysis of Material Issues
	3-2	List of material topics Analysis of Material Issues
	3-3	Management of material topics Analysis of Material Issues Stakeholder Communication
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed Key Performance Table
	201-2	Financial implications and other risks and opportunities due to climate change Low-Carbon Transformation, Addressing Climate Change
	201-3	Defined benefit plan obligations and other retirement plans Equity and Diversity, Protecting Employee Rights and Interests
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported Gratitude to Society, Contributing to Community Prosperity
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures Operating with Integrity, Adhering to Business Ethics
	205-3	Confirmed incidents of corruption and actions taken Operating with Integrity, Adhering to Business Ethics
GRI 302: Energy 2016	302-1	Energy consumption within the organization Key Performance Table
	302-3	Energy intensity Key Performance Table
	302-4	Reduction of energy consumption Low-Carbon Transformation, Addressing Climate Change
	303-1	Interactions with water as a shared resource Environmentally Friendly and Resource Conservation
GRI 303: Water and Effluents 2018	303-2	Management of water discharge-related impacts Clean Production, Reducing Environmental Footprint
	303-4	Water discharge Clean Production, Reducing Environmental Footprint Key Performance Table
	303-5	Water consumption Environmentally Friendly and Resource Conservation
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions Key Performance Table
	305-2	Energy indirect (Scope 2) GHG emissions Key Performance Table
	305-5	Reduction of GHG emissions Low-Carbon Transformation, Addressing Climate Change
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts Clean Production, Reducing Environmental Footprint
	306-2	Management of significant waste-related impacts Clean Production, Reducing Environmental Footprint
	306-3	Waste generated Key Performance Table
	306-4	Waste diverted from disposal Clean Production, Reducing Environmental Footprint Key Performance Table
	306-5	Waste directed to disposal Clean Production, Reducing Environmental Footprint
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria Collaborating with Partners, Fostering a Win-Win Beauty Ecosystem

GRI Standard	Disclosure	Chapter Reference
GRI 401: Employment 2016	401-1	New employee hires and employee turnover Equity and Diversity, Protecting Employee Rights and Interests Key Performance Table
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees Equity and Diversity, Protecting Employee Rights and Interests
	401-3	Parental leave Equity and Diversity, Protecting Employee Rights and Interests
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system Work Safety, Protecting Health and Safety
	403-2	Hazard identification, risk assessment, and incident investigation Work Safety, Protecting Health and Safety
	403-3	Occupational health services Work Safety, Protecting Health and Safety
	403-5	Worker training on occupational health and safety Work Safety, Protecting Health and Safety
	403-6	Promotion of worker health Work Safety, Protecting Health and Safety
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships Work Safety, Protecting Health and Safety
	403-8	Workers covered by an occupational health and safety management system Work Safety, Protecting Health and Safety
	403-9	Work-related injuries Key Performance Table
	403-10	Work-related ill health Work Safety, Protecting Health and Safety
	GRI 404: Training and Education 2016	404-1
404-2		Programs for upgrading employee skills and transition assistance programs Empowering Employees, Achieving Employees' Dreams
404-3		Empowering Employees, Achieving Employees' Dreams Empowering Employees, Achieving Employees' Dreams
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees Enhancing Governance, Solidifying Development Foundations Equity and Diversity, Protecting Employee Rights and Interests
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken Equity and Diversity, Protecting Employee Rights and Interests
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor Equity and Diversity, Protecting Employee Rights and Interests
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor Equity and Diversity, Protecting Employee Rights and Interests
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria Collaborating with Partners, Fostering a Win-Win Beauty Ecosystem
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling Ingenuity Embodies Quality, Guarding the Essence of Beauty Premium Service, Upholding the Promise of Beauty
	417-2	Incidents of non-compliance concerning product and service information and labeling Ingenuity Embodies Quality, Guarding the Essence of Beauty Premium Service, Upholding the Promise of Beauty
	417-3	Incidents of non-compliance concerning marketing communications Premium Service, Upholding the Promise of Beauty
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data Proactive Measures, Protecting information Security

Self-Regulatory Guidelines No. 14 for Companies Listed on Shanghai Stock Exchange—Sustainability Report (For Trial Implementation) Indices of Guidelines Topics

Dimension	Topic	Clause	Chapter Reference
Environment	Climate response	Articles 21-28	Low-Carbon Transformation, Addressing Climate Change
	Pollutant discharge	Article 30	Clean Production, Reducing Environmental Footprint
	Waste disposal	Article 31	Clean Production, Reducing Environmental Footprint
	Ecosystem and biodiversity protection	Article 32	Tech-Empowered Beauty Evolution
	Environmental compliance management	Article 33	Embracing Green Values, Improving Environmental Management
	Energy utilization	Article 35	Low-Carbon Transformation, Addressing Climate Change
	Water resources utilization	Article 36	Environmentally Friendly and Resource Conservation
	Circular economy	Article 37	Environmentally Friendly and Resource Conservation
	Rural revitalization	Article 39	Gratitude to Society, Contributing to Community Prosperity
	Social contributions	Article 40	Gratitude to Society, Contributing to Community Prosperity
Community	Innovation	Article 42	Leading with Technology, Decoding the Beauty of Diversity
	Ethics of science and technology	Article 43	Not Involved
	Supply chain security	Article 45	Collaborating with Partners, Fostering a Win-Win Beauty Ecosystem
	Equal treatment of SMEs	Article 46	Not Involved
	Product and service safety and quality	Article 47	Ingenuity Embodies Quality, Guarding the Essence of Beauty Premium Service, Upholding the Promise of Beauty
	Data security and customer privacy	Article 48	Proactive Measures, Protecting information Security
	Employees	Article 50	People-Oriented, Composing the Beauty of Harmony
Sustainability-related governance	Due diligence	Article 52	ESG Governance Collaborating with Partners, Fostering a Win-Win Beauty Ecosystem
	Stakeholder engagement	Article 53	ESG Governance
	Anti-commercial bribery and anti-corruption	Article 55	Operating with Integrity, Adhering to Business Ethics
	Fair competition	Article 56	Operating with Integrity, Adhering to Business Ethics

About This Report

Introduction

This report is the 4th ESG Report issued by Guangdong Marubi Biotechnology Co., Ltd. (hereinafter referred to as "Marubi Biotechnology", "Marubi" or "the Company") to stakeholders. It aims to truly reflect the Company's efforts, practices, and performance in governance, environmental and social responsibilities through objective, standardized, transparent and comprehensive information disclosure. This report mainly covers the period from January 1, 2024 to December 31, 2024, while some contents may extend to previous years or reflect the policies and practices of 2025.

Report scope and boundaries

This report covers Marubi as well as its branches and subsidiaries. The "Marubi Biotechnology", "Marubi", the "Company" and "We" herein shall mean Guangdong Marubi Biotechnology Co., Ltd. The "5C Center" in the report refers to Marubi's R&D center, manufacturing center, logistics center, information center, and training center. "Biost" refers to Biost Pharmaceutical (Guangzhou) Co., Ltd. and "Meiyu" refers to Guangzhou Meiyu Medical Testing Co., Ltd.

Data source and description

The data used in this report comes from public data of government departments, internal statistical data, administrative documents and reports, third-party evaluations and interviews, etc. Unless otherwise specified, the monetary amounts shown in this report are denominated in CNY. In case of any inconsistency with the data in the financial report, the financial report shall prevail. This report is released after being reviewed by the Board of Directors. Marubi and all its directors guarantee that there are no false records, misleading statements or major omissions herein, and jointly and severally assume the liability for the authenticity, accuracy and completeness of the contents hereof.

Preparation basis

China National Standard Guidance on Social Responsibility Reporting (GB/T 36001-2015)

Chinese Academy of Social Sciences China CSR Report Preparation Guide (CASS-ESG 6.0)

2030 United Nations Sustainable Development Goals (SDGs)

Global Reporting Initiative (GRI) Sustainability Reporting Standards (GRI Standards)

Self-Regulatory Guidelines No. 14 for Companies Listed on the Shanghai Stock Exchange—Sustainability Report (For Trial Implementation)

International Organization for Standardization ISO 26000: Guidelines for Social Responsibility (2010)

Ten Principles of the United Nations Global Compact

Preparation Process

This report is based on the ESG practices and follows the process of "project approval - collection of materials - preparation and revision - review by senior management - review by the Board of Directors - disclosure to the public." Active communication was carried out with relevant stakeholders during the process of project approval, preparation and revision, and other phases to discuss the structure and contents of the report.

Publication Format

This report is released in electronic form in both Chinese and English, which can be accessed and downloaded from the Shanghai Stock Exchange or the Company's website (www.marubi.cn). Marubi plans to release it annually. In the event of any discrepancy between the Chinese version and the English versions, the Chinese version shall prevail. Please do not hesitate to email us if you have any questions or suggestions about this report: securities@marubi.cn, or call us at (020) 66378685.

Feedback and Suggestions

If you have any questions or suggestions about this report, please scan the QR code on the right or contact us through the above channels. Your feedback is appreciated.



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