

2023

**Sustainability
Report**





Sustainability 34^{Years} Looking to the future

ZRP Printing Group Co., Ltd. and value chain partners jointly establish a closely connected point-line-surface network , Forming an innovative collaboration model , Working together to advance technology.

Through value co-creation, we will create a sustainable ecosystem at the intersection of points, lines and surfaces, jointly create more efficient and sustainable solutions, and move forward hand in hand into the next 30 years.

CONTENTS

About this report	4
About ZRP	5
Chairman's speech	7
Honors and Awards	10
External Recognition on Sustainability Development	11
Association participation and institutional cooperation	12

Sustainability management 13

- Implementing the United Nations' sustainable development Goals 14
- Strategy and Sustainability Committee 15
- Sustainability Policy 17
- Sustainability Strategy 18

Operations and Governance 19

- Board Operations 21
- Financial Performance and Tax Governance 24
- Enterprise Risk Management 25
- Information Security Management 26

Green Products and Innovation 28

- Green products 30
- Innovation Management 33
- Sustainable Manufacturing 34

Green value chain management 39

- Customer Relations 41
- Supply chain management 44

Environmental protection and occupational health & safety 46

- Climate Change and Carbon Management 49
- Water management 50
- Waste Management 51
- Air Pollution Prevention 53
- Occupational Health and Safety 55

Inclusive workplace 64

- Human Rights Protection 66
- Talent attraction and retention 68
- Talent development 78

Social participation 80

- Overview of social activities 82
- Investing in education 83
- Giving Back to the Community 85
- Protecting Environment 87
- Supporting cultural and sports development 88

Appendix 89

- Contribution to SDGs 89

◆ About this report

ZRP Printing Group Co., Ltd. (hereinafter referred to as "ZRP ., The Company, we") is pleased to release the 2023 "Sustainability Report" (the "Report"), which is also the first time since the establishment of the company in April 1990 that we have summarized our work on Sustainability and proactively reported the company's Sustainability status to the public in the form of a public report, so that the whole society can understand and supervise ZRP Printing Group Co., Ltd.'s Sustainability work. In the future, ZRP Printing Group Co., Ltd. will release a Sustainability report to the public every year to disclose ZRP Printing Group Co., Ltd.'s Sustainability concepts and practices, to promote understanding, communication and interaction between ZRP Printing Group Co., Ltd. and its stakeholders and the public, and to enhance corporate transparency.



Writing Principles

The content of this report refers to the GRI Standards 2021 and the United Nations Sustainable Development Goals (SDGs). The last part of this report lists the GRI Standards content index for readers to quickly search. It also adheres to the reporting principle consistent with the annual report and publicly discloses various ESG information. For the identification process of major topics and the setting of reporting boundaries, please refer to the "Material Issues Analysis" section.



Internal review

This report discloses Sustainability information in accordance with the "Sustainability Policy of ZRP Printing Group Co., Ltd.". The representatives of the Sustainability Committee are responsible for providing information. The Sustainability Management Committee reviews and compiles this report after reviewing and compiling the information, and submits it to the Board of Directors for review and disclosure.



Report Scope

The data collection period of the report is from January 1, 2023 to December 31, 2023. The financial information in the report is in RMB, and the environmental, health and safety related performance is presented in the form of international common indicators or Units. Content scope ^{Note 1} Covers approximately 90% of the turnover of ZRP Printing Group Co., Ltd., including the headquarters of ZRP Printing Group Co., Ltd. as the main body, including Tianjin ZRP, Tianjin Green Packet, Kunshan ZRP, Shenyang ZRP and other 4 wholly-owned or controlled subsidiaries. If the disclosure scope is different from the above, it will be noted in the relevant chapter.

Note:

1. Entities included in the consolidated financial statements, please refer to the company's 2023 annual report "Analysis of major holding and participating companies"



Report confirmation

The Sustainability Management Committee of ZRP Printing Group Co., Ltd. completed this report and it was approved for release by the Company's Board of Directors on June 21, 2024. The Company's Board of Directors promises to monitor the contents of the report and ensure that it does not contain any false records or misleading statements, and is responsible for the authenticity, accuracy and completeness of the contents.



If you have any suggestions for this report, please contact us via the following methods:

• Address: No. 28, Yanjiang East 3rd Road, Torch Development Zone, Zhongshan City,

• Mail: info@zrp.com.cn
• website: <https://www.zrp.com.cn>

ZRP 中榮股份
PRINTING & PACKAGING

◆ About ZRP Printing Group Co., Ltd.

ZRP Printing Group Co., Ltd., Ltd. (stock code: 301223) was established in 1990. It focuses on consumer fields such as daily chemicals, health, electronics, tobacco and alcohol, and provides products such as color boxes, gift boxes, pulp molding, and promotional tools. It is an integrated paper printing and packaging solution service provider led by creativity and escorted by intelligent manufacturing. As a national printing demonstration enterprise and a national high-end paper product packaging intelligent manufacturing and pilot project demonstration enterprise, the company integrates innovative research and development, creative design, integrated manufacturing, intelligent production, and terminal marketing services. Relying on innovative solution capabilities, fast and reliable supply chain systems, advanced equipment and technologies, and professional service teams, it continues to help customers enhance their brand value.

main products

Color boxes, gift boxes, labels, pulp molding, promotional tools and other products

Note:

1. The data includes the total plant area within the scope of this report. For detailed information on each production base, please refer to the company's official website
2. The number of employees worldwide is the total number of employees at the five major production bases

Headquarters
Torch Development Zone, Zhongshan City, Guangdong Province

Total plant area ^{注1}
295,000 m²

Total number of employees worldwide ^{注2}
 (As of December 31, 2023)
3358 people

Total number of R&D team members
383 people

2023 turnover (RMB)
Approximately 2.593 billion

Cost of Doing Business
Approximately 2.51 billion

net profit
Approximately 204 million

Registered capital (RMB)
6,892,091,20.22

Shenzhen Stock Exchange
 Stock Code / Abbreviation
301223 / ZRP Printing Group Co., Ltd.

Stock listing time
October 26, 2022

Chairman/General Manager
Huang Huanran

Global layout



Zhongshan Base

Founded in 1990
 Occupies an area of 87,000 m²
 Number of employees: approximately 1,600

Tianjin Base

Founded in 2003
 Occupies an area of 101,000 m²
 Number of employees: approximately 750

Kunshan Base

Founded in 2008
 Occupies an area of 47,000 m²
 Number of employees: approximately 500

Shenyang Base

Founded in 2014
 Occupies an area of 50,000 m²
 Number of employees: approximately 140

Tianjin Paper Plastic Base

Founded in 2017
 Occupies an area of 10,000 m²

- **7+3** production bases, covering major economic circles across the country
- Established a **design center, Shanghai marketing center, and Beijing exhibition center**
- About **3,000** employees worldwide

◆ Chairman's speech

Dear shareholders, partners, employees and our valued customers:

At present, Sustainability has become one of the key issues of global concern. In 2023, ZRP will think about the relationship between corporate governance, society and the Environment in a more systematic way, examine and continuously improve the value creation of the company in a more comprehensive way, and make it clear that Sustainability has become the underlying logic of the company's development.

1. Commitment to Sustainability

ZRP is determined to become a pioneer in achieving carbon neutrality in the printing industry, and has set a goal of achieving full carbon neutrality in its own operations and supply chain as soon as possible. In 2023, we launched the setting of carbon neutrality goals and the planning of emission reduction roadmaps. Through detailed greenhouse gas emissions inventory and the planning and practice of carbon emission reduction paths, we are committed to going further and striving to be the first in the industry to achieve full carbon neutrality and keep pace with the country.

2. Responsibility to internal and external stakeholders

ZRP has always taken it as its mission to focus on consumer packaging experience needs, provide customers with competitive solutions and services, pursue win-win situations for partners, employees and shareholders, and promote social Sustainability.

We recognize that responsible corporate behavior is essential to building lasting customer trust. In 2023, we won the P&G Global Supplier Excellence Award for the ninth time, the Philips Sustainability Gold Award for four consecutive years, the Orion Win-Win Cooperation Award, the By-Health Annual Outstanding Contribution Award, the Mondelez Quality and Food Safety Culture Award, and the Pop Mart Packaging Innovation Contribution Award. At the same time, we have been highly recognized by leading customers such as L'Oreal for our value-added services.

3. Digitalization helps the low-carbon transformation of the industry

The low-carbon transformation of the industry is a key step in achieving Sustainability, and digitalization plays a vital role in this process. By deeply integrating information technologies such as big data, the Internet of Things, artificial intelligence, block chain and cloud computing with the industrial chain, digitalization can enhance the intelligence level of the industrial chain, optimize resource allocation, improve production efficiency, and promote the innovation and application of green technologies.

In 2023, ZRP Printing Group Co., Ltd. the Zhongshan Base launched the information systems such as CRM Phase II and procurement outsourcing platform, and the Tianjin Base upgraded the QAD system and implemented it, which greatly improved the digital construction level of each base of the group and the operation speed and quality of each business node and process, realizing intelligent manufacturing escort and lean efficiency.



4. Continuously improve green and low-carbon competitiveness

ZRP Printing Group Co., Ltd. comprehensively promotes high-quality green and low-carbon development. We achieve Sustainability of the supply chain by saving energy and reducing emissions, using green energy, using environmentally friendly materials, designing and developing renewable, degradable, and reduced-volume products from the design end, and continuously increasing the proportion of environmentally friendly raw and auxiliary materials purchased.

In 2023, the Group Company has effectively reduced the emission of the environmental pollutants through a series of energy-saving and emission-reduction projects; built 5 solar photovoltaic power stations with a total power generation of 5.3 million kW·h, significantly reduced carbon emissions caused by energy consumption; in the company's products, the use of environmentally friendly inks and environmentally friendly glues exceeded 95% and 98% respectively, showing our firm commitment to the environmental protection; in addition, we have also designed and launched the Versafill memory honeycomb product, which is made entirely of 100% recyclable paper materials and can effectively replace traditional paper balls, raffia / paper shreds, foamed pearl cotton and foamed particles, significantly reducing the storage and transportation volume of materials by up to 85%. These achievements have not only enhanced our green competitiveness, but also set a benchmark for the Sustainability of the industry.

In 2023, ZRP Printing Group Co., Ltd. established the Southern Branch of the Paper and Plastic Business Unit, continued to deepen its roots in the paper and plastic channel, and continuously improved the competitiveness of green and low-carbon products.

5. Actively fulfilling social responsibilities

As one of the top 100 companies in my country's printing industry, ZRP Printing Group Co., Ltd. has always kept its original aspirations in mind, bravely shouldered its mission, and actively promoted the Sustainability of society.

In 2023, we have made more investments in management trainee projects, cadre rejuvenation projects, and OJT projects, and carried out a variety of management tools and vocational skills training, in order to output more high-end talents and high-value research results for society and the industry. We have carried out in-depth school-enterprise cooperation and won the second prize of national teaching achievements.

We actively fulfill our social responsibilities, participate in the charity activities of 10,000 people, subsidize the company's needy employee families, and the education of local students, and contribute more to social progress.

We adhere to the bottom line and red line of compliant operations, continue to improve the level of green operations, expand environmental protection investment, and continue to promote green and high-quality development. In 2023, ZRP Printing Group Co., Ltd. was awarded the annual environmental health certificate for enterprises, and was named Zhongshan City's 2023 Waste-Free Factory Good Enterprise. At the 13th China Charity Festival, ZRP Printing Group Co., Ltd. was honored with the "2023 ESG Pioneer Enterprise Award".

ZRP Printing Group Co., Ltd. Chairman and General Manager: Huang Huanran

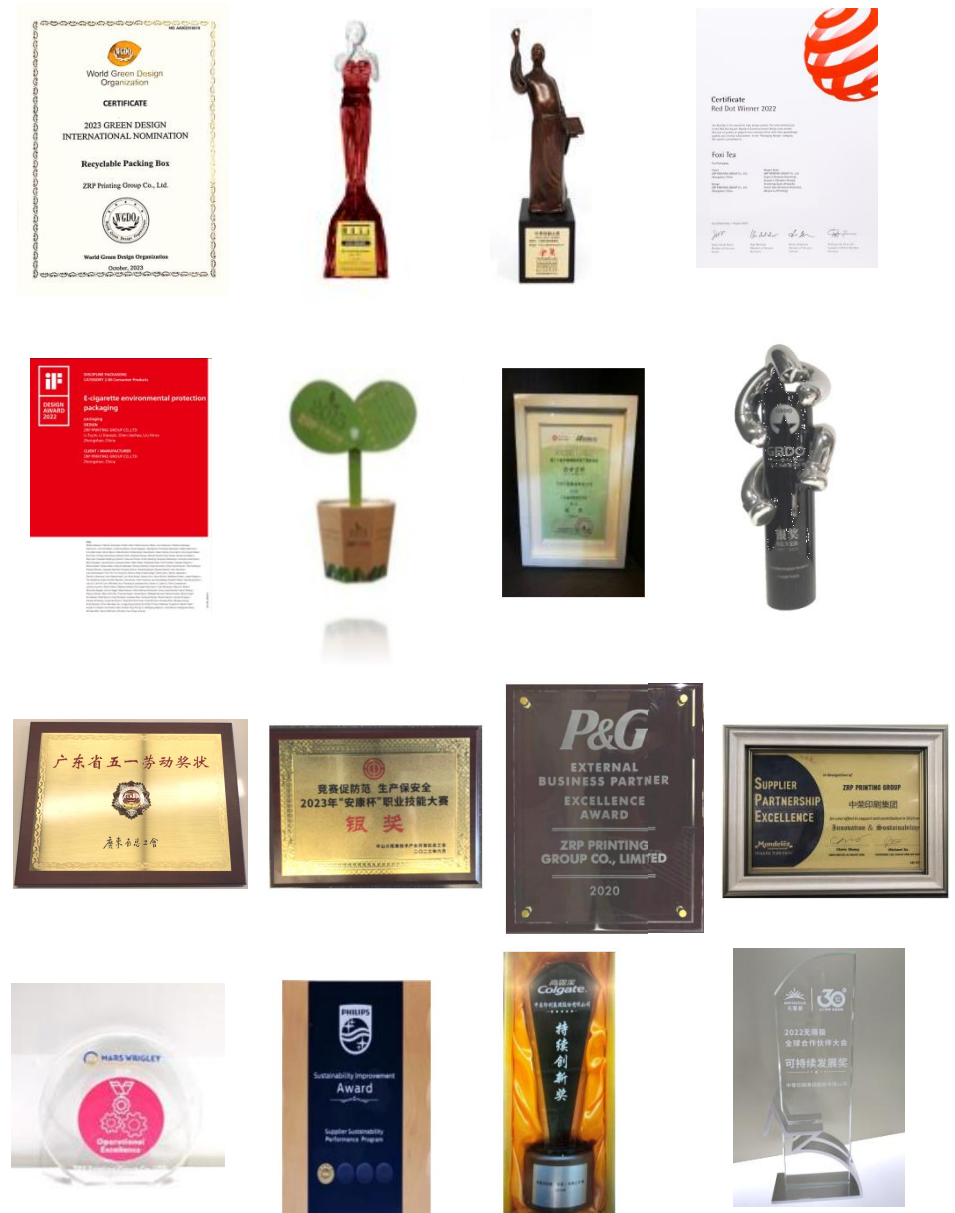
Honors and Awards

1. National Printing Demonstration Enterprise
2. National Intelligent Manufacturing Pilot Demonstration
3. National high-tech enterprises (Zhongshan, Tianjin, Kunshan)
4. National Green Factory (Zhongshan, Tianjin)
5. National Green Supply chain management Enterprise (Zhongshan, Tianjin)
6. Top 100 Packaging Companies in China
7. China's Excellent Packaging Brand
8. Top 100 Chinese Beauty Packaging Companies in 2022
9. 2023 ESG Pioneer Award
10. Guangdong and Hong Kong Cleaner Production Excellent Partner (Manufacturing)
11. Zhongshan City "Zero Waste Factory" Demonstration Unit
12. The Most Influential Charity Pioneer Enterprise in 2023
13. Top 30 Industrial Taxpayers in Zhongshan in 2022
14. Zhongshan Enterprise with Outstanding Contribution to Science and Technology Innovation in 2020
15. Zhongshan Torch High-tech Zone Digital and Intelligent Benchmark Enterprise



◆ Honors and Awards

16. "Green Design International Award" issued by the World Green Design Organization
17. Muse Design Award Gold-"Buddha Tea" and "Tiger Calendar"
18. China Printing Award Gold Award
19. Red Dot Design Award 2022
20. IF Design Award 2021
21. Luxury Packaging Green Revolution Award
22. Gold Award in the Environmental Protection Category of the "China Packaging Design 30 Years Achievement Exhibition" Competition
23. 2020 Guangdong Star Creative Design Award-Silver Award
24. 2023 Guangdong Province May 1st Labor Award Certificate
25. 2023 Zhongshan Torch High-tech Zone "Ankanghuai" Vocational Skills Competition Silver Award
26. P&G Global Supplier Excellence Award, Silver Award for Packaging Design and Printing Quality
27. "Innovation and Sustainability Award" from Mondelēz
28. "Packaging Innovation Award" and "Operator Excellence Award" from Mars
29. Philips' "Gold Award for Supplier Sustainability and Capability Improvement Project"
30. Colgate Continuous Innovation Award
31. Infinitus Sustainability Award



External Recognition on Sustainability Development



ESG Pioneer Enterprise Award

The company won the "2023 ESG Pioneer Enterprise Award" at the 13th Charity Festival

Global Sustainable Supply Chain Assessment Affirmed

2023 Ecvadis Sustainability **Bronze Medal** (Zhongshan) **Silver Medal** (Kunshan, Tianjin)

Trade unions and associations affirm

2023 Guangdong Provincial Federation of Trade Unions "Guangdong Provincial May 1st Labor Award", Zhongshan Torch District Federation of Industry and Commerce "Most Influential Charity Pioneer"

2023 Awards

Passed SEDEX certification

Won the Sedex social responsibility system certification for 6 consecutive years from 2018 to 2023



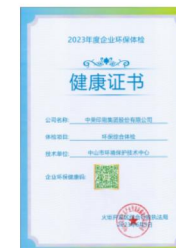
The State Press and Publication Administration affirmed

National Printing Demonstration Enterprise (Intelligent Manufacturing Category)



Zhongshan Municipal Government affirmed

Zhongshan City Waste-Free Factory Demonstration Unit
2023 Enterprise Environmental Health Check Certificate



Customer affirmation

2020-2023 Gold Award for Supplier Sustainability and Capacity Improvement Project **for 4 consecutive years**



◆ Association participation and institutional cooperation

Serial No	Name of Association	Serial No	Name of Association
01	China Association of Enterprises with Foreign Investment	12	Zhongshan Torch Development Zone Women Entrepreneurs Association
02	China State Press and Publication Administration	13	Zhongshan Torch Development Zone Federation of Industry and Commerce
03	China National Standards Administration Committee	14	Zhongshan Listed Companies Association
04	China Packaging Federation	15	Zhongshan Securities Association
05	China Printing Technology Association	16	Zhongshan Torch Development Zone Federation of Industry and Commerce
06	China Association for Promoting Industry-University-Research Cooperation	17	Zhongshan Quality and Technology Association
07	National Packaging Standardization Technical Committee	18	Zhongshan Chief Quality Officer Association
08	National Packaging Standardization Technical Committee Packaging and Environment Technical Committee	19	Zhongshan Printing and Packaging Industry Association
09	China Standardization Collaborative Innovation Platform Packaging and Printing Expert Committee	20	Hunan University of Technology Alumni Entrepreneurs Association
10	Guangdong Light Industry Federation	21	Zhongshan Overseas Chinese Youth Federation
11	Zhongshan Cultural Industry Promotion Association		

Sustainability Management

ZRP Printing Group Co., Ltd. integrates the Sustainability strategy of "low-carbon mission, Circular Regeneration, social integration, and value co-creation" into the company's business strategy and operation management. In addition to earning the maximum profit for shareholders and investors, it is also committed to practicing social responsibility and pursuing Sustainability with coexistence and prosperity of the Environment, society and governance.



we promise



Contribute to the Sustainability of the Environment



Provide customers with competitive solutions to meet diverse needs



Create a win-win cooperation platform for stakeholders



Providing a diverse, inclusive and safe working Environment for employees

Implementing the United Nations Sustainable Development Goals

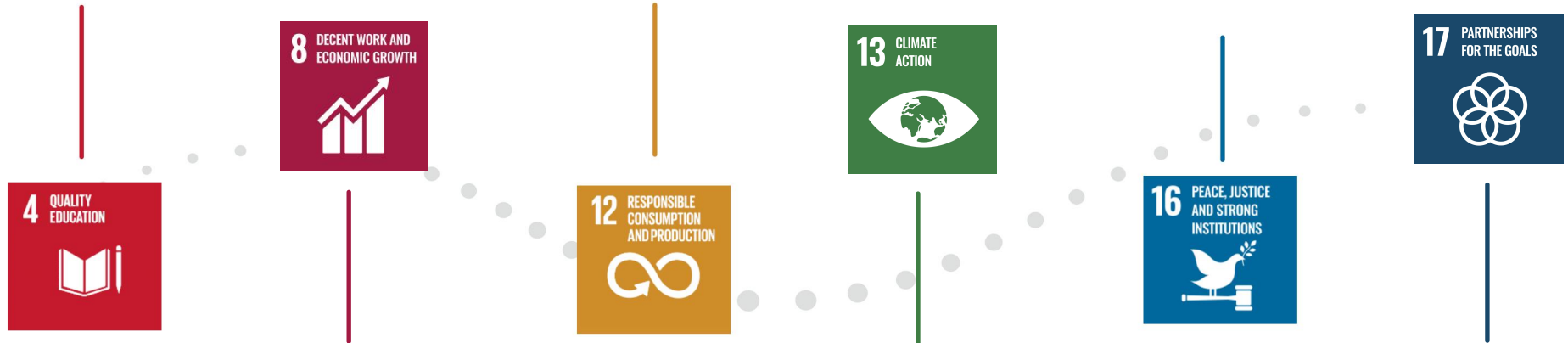


In 2023, based on the results of the analysis of major issues and taking into account the medium- and long-term Sustainable Development formulated by the Strategy and Sustainability Committee, ZRP Printing Group Co., Ltd. will focus on six SDGs Note 1 among the 17 sustainable development Goals as the company's key direction for Sustainability.

Talent is an important driving force for the growth of enterprises. ZRP Printing Group Co., Ltd. focuses on education investment, aiming to narrow the gap between urban and rural education; promote industry-university cooperation and internship projects, improve the employment ability of young people and cultivate the next generation of scientific and technological talents, and continuously develop the value of corporate human capital.

ZRP Printing Group Co., Ltd. has listed waste reduction and reuse as a company policy, adhering to the principles of "pollution prevention, continuous improvement" and "energy conservation, waste reduction, and effective use", and included it in the annual performance indicators to strengthen the effective control of waste.

ZRP Printing Group Co., Ltd. effectively control risks by identifying, assessing and responding to risks, and formulate information security policies to ensure system security and compliance. These measures have improved the company's overall response capabilities and reduced the possibility of crises.



In response to global economic changes, the company adheres to stable operations, supports production and job creation, ensures employee safety and rights, and provides targeted training to enhance professional skills and ensure the efficient realization of Sustainability goals.

Due to the rapid changes and impacts of the global climate, ZRP Printing Group Co., Ltd. has adopted the two major strategies of "mitigation" and "adaptation" to cope with climate change, carried out climate-related financial information disclosure actions with the theme of "Low Carbon Mission" Sustainability strategy, and carried out carbon management in the product life cycle from the perspective of products, processes and supply chains to develop a carbon reduction path for net zero carbon emissions.

As an international enterprise, ZRP uses various communication platforms to promote key industry issues with its supply chain partners and partners, so as to enhance the company's contribution to Sustainability goals in its operations, strengthen global partnerships, and jointly promote the process of Sustainability.

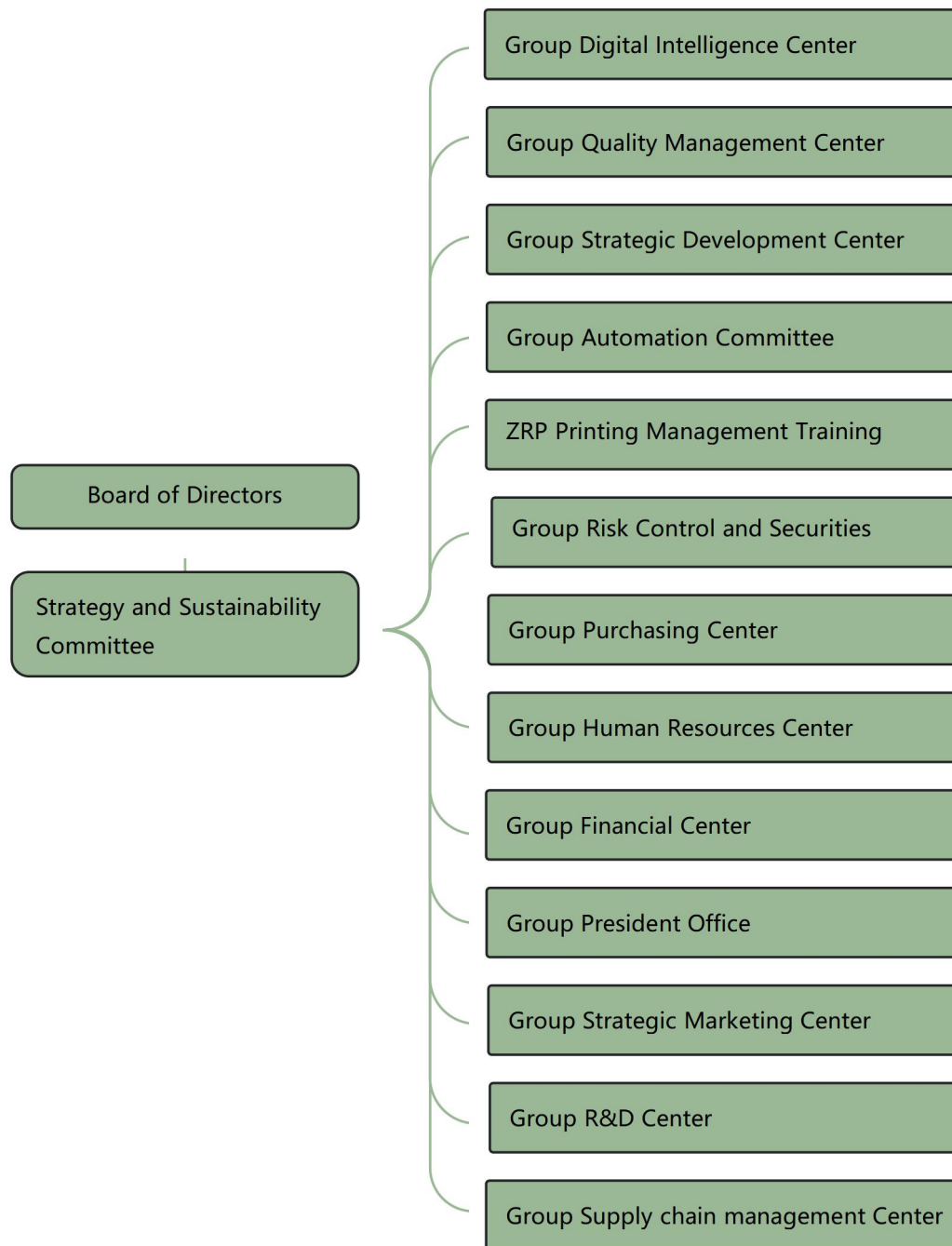
Note:1.SDGs, Sustainability Goals

Strategy and Sustainability Committee

In order to enhance the company's core competitiveness, improve the decision-making efficiency of Sustainability, and improve the corporate governance structure, ZRP Printing Group Co., Ltd. established the "Strategy and Sustainability Committee" in 2023 by expanding the functions of the Strategic Committee. It is the highest-level organization for the group's Sustainability Management and provides advice and supervision on the company's Sustainability capabilities. The committee covers the company's global production bases. Through the five major execution levels of "corporate governance, green products and innovation, green value chain management, employee care and social participation, environmental protection and occupational safety", it is committed to promoting the company's Sustainability process in multiple dimensions.

The committee holds regular task force meetings, and committee members jointly formulate and follow up on the Sustainability goals of each task force, and report the progress of annual and mid-to-long term Sustainability goals at the annual meeting of the Sustainability Committee. The committee held the annual meeting of the Sustainability Committee on January 3, 2024, and invited external consultants to attend. Together, they conducted an in-depth analysis of the company's sustainable performance and put forward constructive suggestions for improvement.

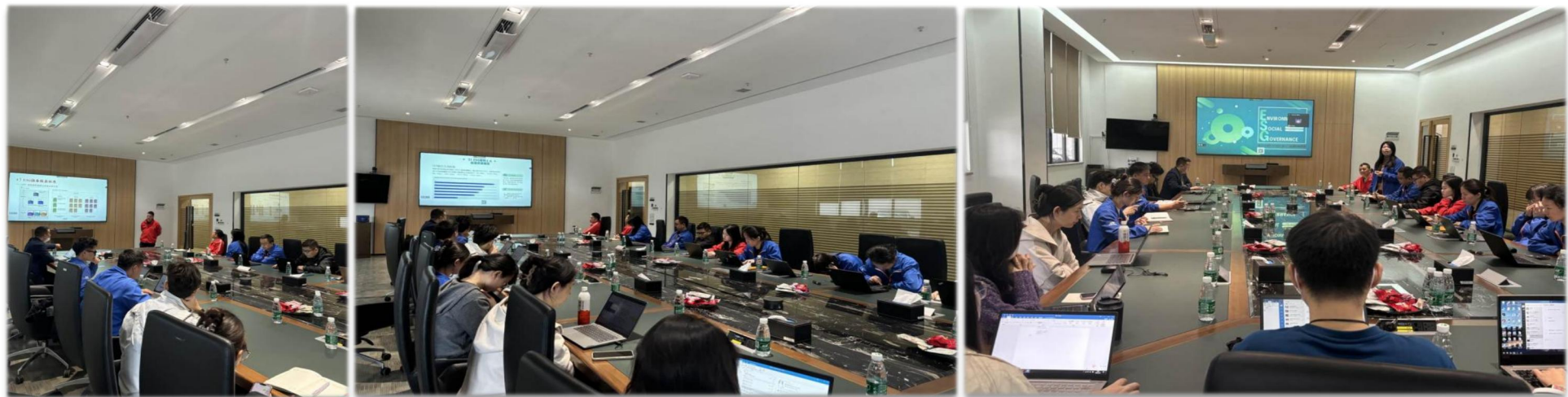
For the achievement of the 2023 Sustainability goals, please refer to the chapters "Sustainability Issues Goals and Performance".



Sustainable event promotion

In 2023, ZRP will carry out various Sustainability promotion activities to enhance the Sustainability capabilities of all employees:

Activities	Activities
Training Courses	<ul style="list-style-type: none"> ⊕ Conduct training courses for senior executives and invite external consultants to introduce corporate environmental sustainability information disclosure trends to senior executives ⊕ Produce online learning courses on WeChat official account to build the concept of Sustainability trends for indirect employees around the world
Sustainability Lectures	<ul style="list-style-type: none"> ⊕ Organize sustainability lectures and invite external consultants to share with employees the GRI Sustainability Disclosure Guidelines, SDGs and other global Sustainability trends
Information Sharing	<ul style="list-style-type: none"> ⊕ Display corporate governance principles and sustainable topics such as the Paris Agreement on the video walls of each production base ⊕ Collect and publish articles on Sustainability trends in the "ESG Sustainability" column of the company's WeChat official account, and share sustainable information and related event information
Prize-winning quiz	<ul style="list-style-type: none"> ⊕ Organize the "Sustainability 2023 Award Quiz" to enhance employees' understanding of the company's Sustainability through the design of questions



Sustainability Policy

ZRP Printing Group Co., Ltd. deeply understands that as a member of society, the company's Sustainability is closely linked to the interests of its employees, customers, investors, suppliers and the public. We are committed to making positive contributions in multiple aspects such as labor rights, occupational health and safety, environmental protection and social responsibility. In order to ensure that ZRP Printing Group Co., Ltd.' ESG (environmental, social and corporate governance) goals are effectively implemented and meet the expectations of all stakeholders, we solemnly promise to be committed to the following progress: For specific policy content, please visit the company's official website for detailed information.

Environment

- Actively respond to climate change and reduce greenhouse gas emissions
- Invest in green innovation and research and development to improve energy efficiency
- Promote the development of circular economy and implement pollution prevention and control measures

Society

- Ensure workforce diversity and protect employees' legitimate rights and interests
- Actively promote social welfare and participate in social welfare activities
- Work with the development of the supply chain to achieve global partnerships

Governance

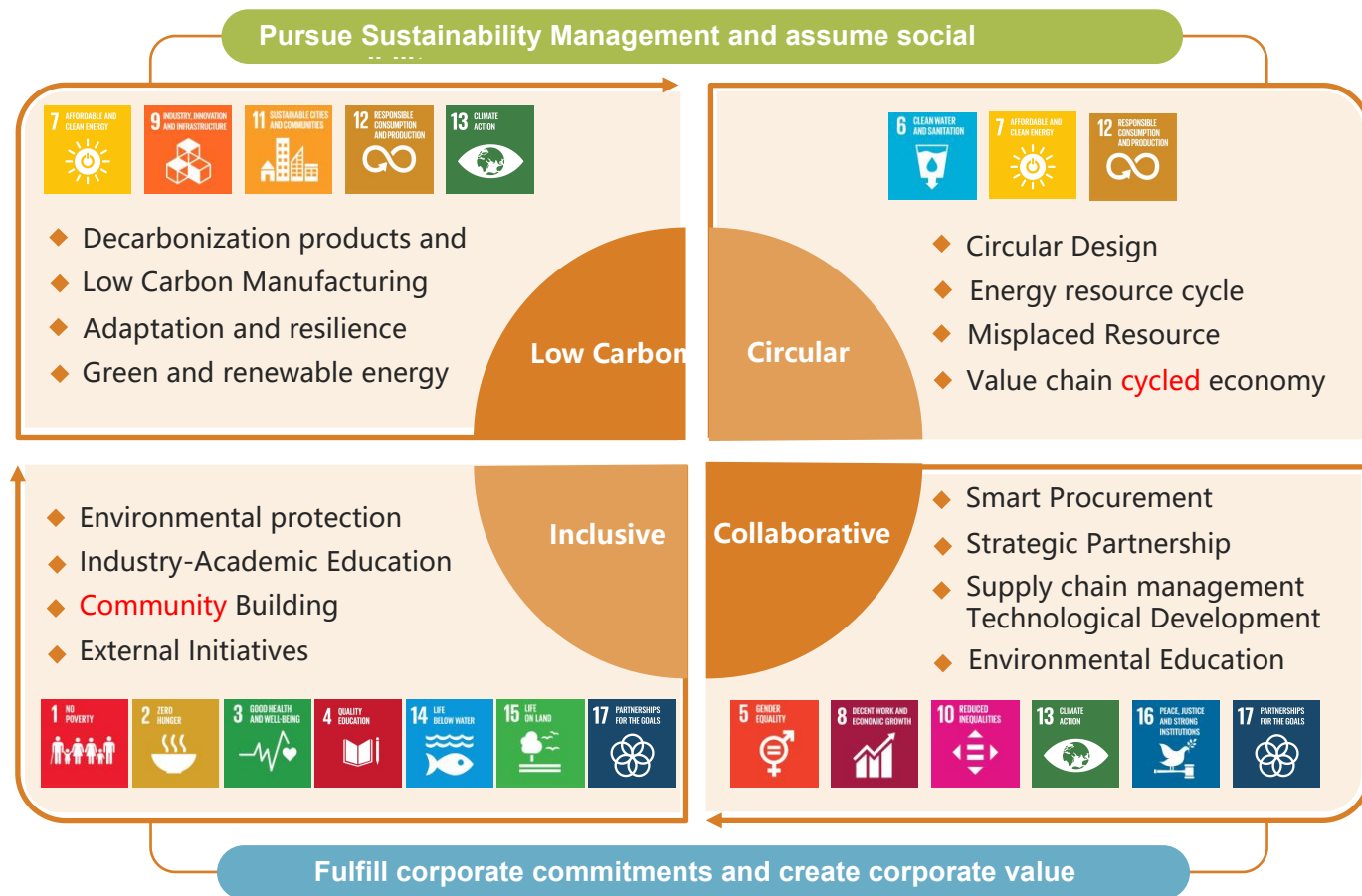
- Improve the corporate governance system and strictly abide by business ethics
- Create corporate economic value and achieve win-win results with stakeholders
- Strengthen the culture of openness and transparency and continuously disclose ESG information



Sustainability Strategy

ZRP Printing Group Co., Ltd. pursues sustainable business operations, with the four major Sustainability strategies of "low-carbon mission, Circular Regeneration, social integration, and value co-creation" as the main axis, echoing the United Nations sustainable development Goals (SDGs), and selecting priority Sustainability goals based on the core values of the enterprise to carry out comprehensive actions. In 2023, we will formulate management

policies and long-term goals for the identified major issues, focus on the corresponding SDGs, and review the achievement of various goals at the annual meeting of the Sustainability Committee, and publicly disclose the progress and promotion results of various Sustainability goals. For the corresponding management policies and goals of each sustainable promotion issue, please refer to the sustainable issue goals and performance in each chapter.



Operations and Governance

RP Printing Group Co., Ltd. takes "focusing on consumer packaging experience needs, providing customers with competitive solutions and services, pursuing win-win cooperation with partners, employees and shareholders, and promoting sustainable social development" as its mission. Through the joint investment of operators and employees, a governance mechanism with clear rights and responsibilities has been established. All departments work together to create the greatest value for the stakeholders and achieve a Sustainability operating Environment.



0

Major information security incidents



ESG Pioneer Enterprise Award

The 13th Charity Festival was awarded



0

Significant fines or violations



Rating Bronze /Silver Medal



EcoVadis Global Sustainable Supply Chain Assessment

SDGs ▶



Important stakeholders: shareholders / investors / banks, governments

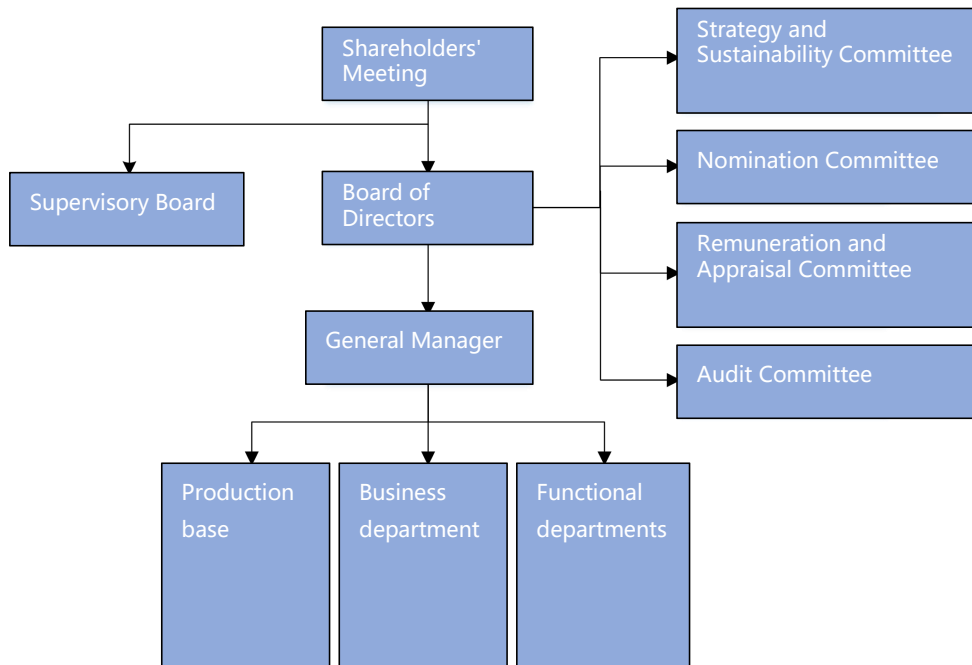
Sustainability issues Goals and Performance

Management Purpose	Key Performance Indicators	2023 Goals	2023 Performance	State	2024 Goals	2030 Goals
 Information Security Management	Management policy: Strengthen the awareness of ZRP Printing Group Co., Ltd. employees on the responsibility of protecting the company's and customers' information assets; establish a safe and convenient information network Environment to protect employees from internal and external information security threats Evaluation Mechanism: Arrange employees to participate in information security training courses and follow up on course completion to ensure course completion rate					
	Establish a complete information security system and ensure the effective operation of the system	▶ Overall compliance rate of information security education and training ▶ The compliance rate is greater than 90%	▶ 95% compliance rate	<input checked="" type="checkbox"/>	▶ The compliance rate is greater than 97%	▶ 100% compliance rate
 Continuing operations / Risk and Crisis Management	Management policy: Identify risk events and related risk factors, evaluate and implement appropriate measures, and transform enterprise risk management into effective actions to enhance the overall decision-making of the organization to ensure sustainable operations and achieve operational goals Evaluation Mechanism: The company passes the review of the Risk Committee every year, complies with the company's internal control and internal audit system, introduces the operation continuity management mechanism, and completes the annual risk scenario drill					
	Ensure the achievement of sustainable business objectives through the implementation of risk management activities	▶ Follow risk management principles and guidelines Introduced ISO 31000 management concept to Zhongshan Zhongrong	▶ ISO 31000 management concept has been introduced to Zhongshan Zhongrong	<input checked="" type="checkbox"/>	▶ Refer to ISO 31000 system for daily management	▶ Promote ISO 31000 management concept to 4 other bases
		▶ Follow business continuity management principles and guidelines ▶ Introduced ISO 22301 management concept into Zhongshan Zhongrong	▶ ISO 22301 management concept has been introduced to Zhongshan Zhongrong	<input checked="" type="checkbox"/>	▶ Refer to ISO 22301 system for daily management	▶ Promote ISO 22301 management concept to 4 other bases
Regulatory Compliance / Data and Privacy						
Ensure that the company complies with all applicable laws and regulations to avoid operational risks caused by illegal and irregular behaviors	▶ Compliance management training course completion rate	▶ Achievement rate greater than 90%	▶ Achievement rate of 90%	<input checked="" type="checkbox"/>	▶ Achievement rate greater than 95%	▶ Achievement rate greater than 99%
Business ethics						
Preventing all forms of corruption and bribery	▶ The proportion of employees who have received sunshine behavior policy education or completed relevant employee code of conduct courses	▶ 100% policy advocacy or course completion rate	▶ Receive policy advocacy or achieve 100% course completion rate	<input checked="" type="checkbox"/>	▶ Receive policy advocacy or course completion rate 100%	▶ 100% policy advocacy or course completion rate

Board Operations

The board of directors of ZRP Printing Group Co., Ltd. has set up special committees such as the "Strategy and Sustainability Committee, Nomination Committee, Remuneration and Appraisal Committee, and Audit Committee". According to the professional experience and skills of each director, they serve as members of different special committees and formulate corresponding rules of procedure. Each special committee is responsible to the board of directors, and the proposals should be submitted to the board of directors for review and decision. The members of the special committees are all directors, among which the independent directors should account for the majority and serve as conveners in the Audit Committee, Nomination Committee, and Remuneration and Appraisal Committee. The convener of the Audit Committee should be an accounting professional, and the members of the Strategy and Sustainability Committee should include at least one independent director. The board of directors will hold at least 2 meetings a year. In 2023, a total of 7 board meetings were held, with an average attendance rate of 100%.

Governance



Internal Audit Department

The company has set up an internal audit department. The appointment and removal of the head of the internal audit department must be approved by more than half of the board of directors. A full-time internal audit director is appointed, and internal audit personnel are deployed in each major factory. The group internal audit department has established an internal audit system oriented towards risk control and performs various audit operations in accordance with the annual audit plan approved by the board of directors.

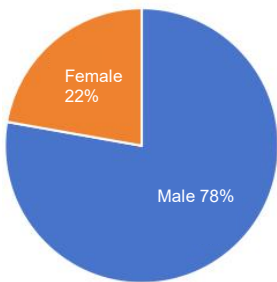
Internal audit operation content

- ⊕ **Audit scope:** includes all financial, business and other operational and management functions, and is divided into eight major cycles according to regulatory requirements, plus information cycles and financial reporting processes, and audits are performed separately.
- ⊕ **Audit object:** all Units of the company and overseas subsidiaries in accordance with the law.
- ⊕ **Audit method:** The audit work mainly follows the annual audit plan formulated by the board of directors for routine review, and conducts project audits according to actual conditions, aiming to discover possible deficiencies in the internal control system and make suggestions for improvement. In addition, the internal audit department also ensures that each department performs internal control self-assessment and evaluates the rationality and effectiveness of the assessment results. After completing the audit task, the internal audit department will write an audit report to report on the implementation status and submit a summary report to the audit committee and the board of directors to ensure that the corporate governance concept is implemented.

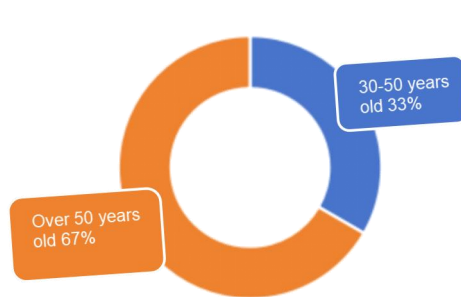
Director Nomination and Authority

The company's board of directors selects directors in accordance with the diversity policy, including gender, age, nationality, cultural background and industry experience, and nominates directors in accordance with the company's articles of association, which are voted on by the shareholders' meeting. Each term of office is three years. The board of directors is composed of nine directors, including three independent directors. Candidates for independent directors are required to be independent; the chairman is Mr. Huang Huanran, who is responsible for supervising the implementation of the board's resolutions and exercising the powers of the legal representative. The board of directors executes the powers granted by laws, administrative regulations, departmental regulations or the company's articles of association. Major matters of the company must be submitted to the board of directors for deliberation and voting after full discussion by all directors. Matters beyond the scope of authorization of the shareholders' meeting shall be submitted to the shareholders' meeting for deliberation and approval. A total of 2 shareholders' meetings were held in 2023, at which shareholder representatives resolved various important issues of directors, supervisors and finance in accordance with the law.

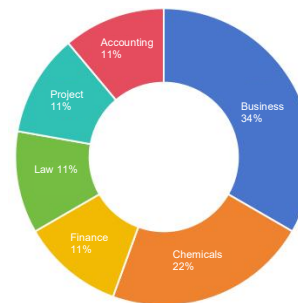
- Diversity of Board Members:**



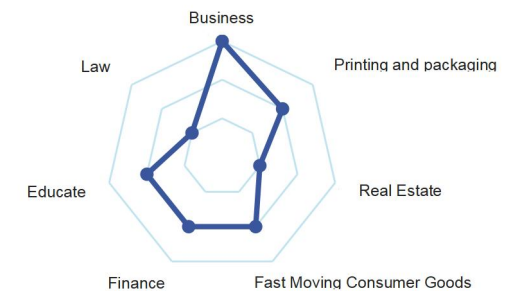
Sex ratio



Age distribution



Professional background



Industry experience

ZRP Printing Group Co., Ltd. stipulate in the company's articles of association that if a director has an interest relationship with the resolutions discussed at the board meeting, the director shall not exercise the voting right, nor shall he exercise the voting right on behalf of other directors. In addition, the members of the company's board of supervisors include shareholder representatives and employee representatives, who supervise the behavior of directors and senior management in performing their duties in the company, review the company's regular reports prepared by the board of directors, and obtain internal control audit reports through external audits every year. For ZRP Printing Group Co., Ltd.' 2023 related party transactions, please refer to the company's 2023 annual report "Related Parties and Related Party Transactions".

Board engagement in sustainable governance

ZRP Printing Group Co., Ltd. has established a "Strategy and Sustainability Committee" directly under the Board of Directors to supervise the formulation and implementation of the company's Sustainability goals. Among the company's board members, Chairman Huang Huanran serves as the chairman of the current Strategy and Sustainability Committee. The chairman participates in the annual meeting of the Strategy and Sustainability Committee every year and makes suggestions on the company's performance and goal setting in ESG, which helps to strengthen the connection between the board of directors and the Sustainability strategy. The board of directors reviews the Sustainability report every year to ensure that the company's progress and commitment on global Sustainability issues are consistent. This process not only promotes the discussion and resolution of key annual issues, but also provides a platform for discussion and planning for the company's implementation on sustainability issues, ensuring the continuous updating and implementation of the company's Sustainability strategy. Through these initiatives, ZRP Printing Group Co., Ltd. has demonstrated its commitment and leadership in the field of Sustainability, created value for stakeholders, and promoted the Sustainability of society.

Financial Performance and Tax Governance

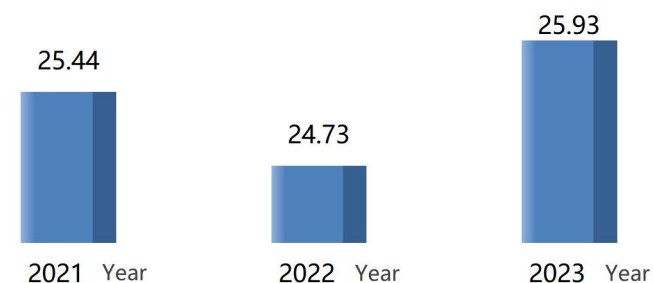
Financial Performance

The company has established a good communication platform with investors, set up an investor relations column on the company's website, regularly updated business information, disclosed the operating status of ZRP Printing Group Co., Ltd. in an open and transparent manner, and formed a long-term, stable, harmonious and interactive relationship between the company and investors. Revenue (same net sales) in 2023 was RMB 2.593 billion, an increase of 4.82% over 2022, earnings per share were RMB 1.06, and dividends paid were RMB 57,938,268.00, accounting for 2.23% of revenue. This section contains data on ZRP Printing Group Co., Ltd.' global operating bases. For key financial performance, please refer to "ESG Key Performance - Governance: Financial Performance", or refer to the company's annual report for more financial information.

Tax Governance

ZRP Printing Group Co., Ltd. has a global layout and has formulated sound tax policies to follow the tax regulations of the countries where each operating base is located. The company believes that honestly fulfilling social responsibilities in paying taxes can support the government in promoting economic growth and the long-term Sustainability of enterprises. The company pays attention to tax risk management and includes tax reports as one of the corporate risk assessment projects. The company's tax policy is approved by the financial director and confirms that all production bases implement and comply with the policy requirements. Financial personnel are also required to receive tax education to reduce tax risks caused by tax or regulatory uncertainties. ZRP Printing Group Co., Ltd.' main operating bases are in China, and the total operating income and pre-tax net profit generated are almost all from China. China's statutory tax rates are 25% and 20% respectively. Zhongshan Zhongrong, Tianjin Zhongrong, Tianjin Lubao, Kunshan Zhongrong, and Shenyang Zhongrong enjoy a 15% preferential tax rate for high-tech enterprises, as well as tax incentives for additional deductions for R&D expenses and after-tax deductions for industrial innovation investment.

Operating income trend chart
(RMB 100 million)



Tax Policy

1. Comply with local tax laws and regulations, declare and pay all taxes on time
2. Important business decisions should consider the impact of taxes on long-term and short-term business results
3. Pay attention to information transparency, and tax disclosures comply with relevant laws and regulations
4. Pay taxes on profits earned in the relevant tax jurisdictions where operating activities are located; Ensure that related transactions within the group are conducted as regular transactions
5. Do not use so-called "tax havens" or implement aggressive tax planning to evade taxes
6. Under the global business model, establish an appropriate assessment mechanism for tax risks
7. Establish a relationship of mutual trust and respect with the tax department and communicate on tax issues in a timely manner

Enterprise Risk Management

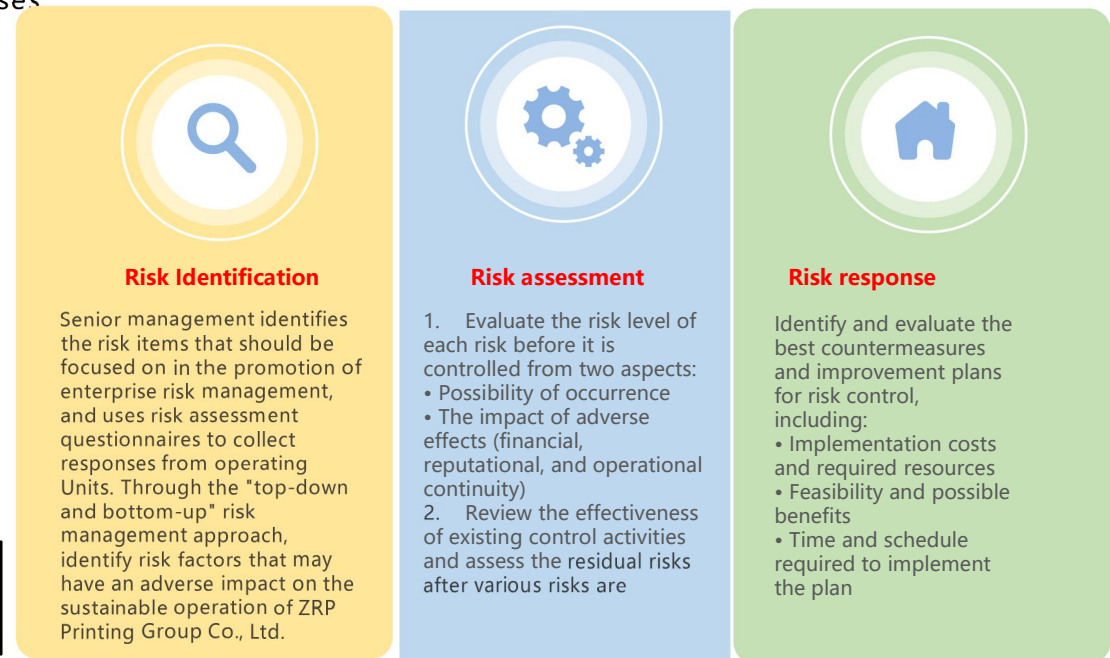
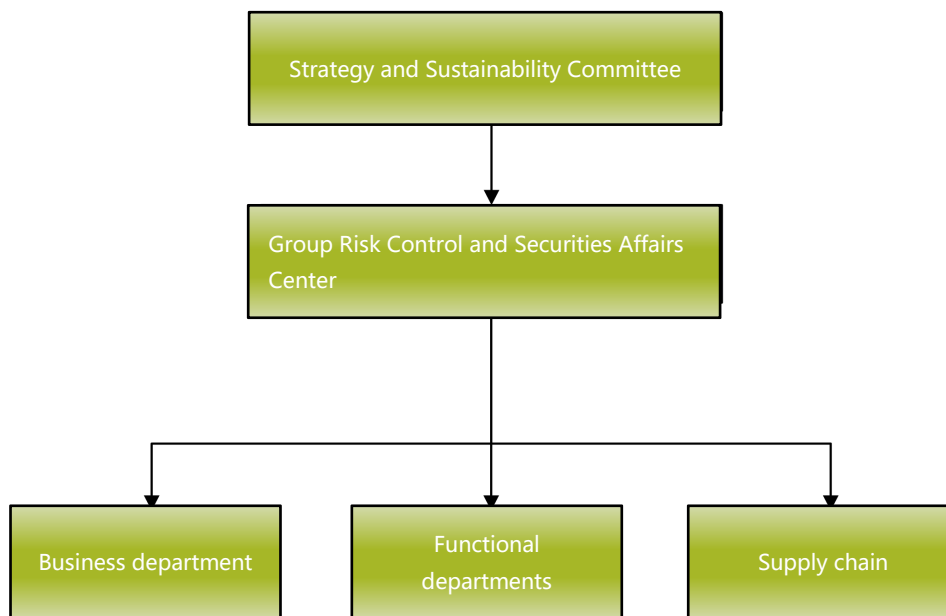
Group Risk Control and Securities Affairs Center

ZRP Printing Group Co., Ltd. has set up a group risk control and securities affairs center to carry out annual risk management activities based on the business Environment, industry trends and company operating conditions to ensure the achievement of sustainable business goals. The Group Risk Control and Securities Affairs Center identifies internal and external risk factors that may affect the company's sustainable business goals, evaluates the effectiveness of each risk level and related control activities, and takes appropriate measures based on the risk assessment results. At the same time, through the implementation of risk management activities, it ensures that risk management policies are implemented in various operating Units. The affairs center is responsible for following up and integrating the results of risk management in various departments and reporting to the Strategy and Sustainability Committee. In order to deepen the concept of risk management, the company has conducted online training courses on employee risk management in the five major production bases of Zhongshan Zhongrong, Tianjin Zhongrong, Kunshan Zhongrong, Tianjin Lubao, and Shenyang Zhongrong to achieve the purpose of risk prevention and risk monitoring to reduce the occurrence of crises

Enterprise Risk Management Policy

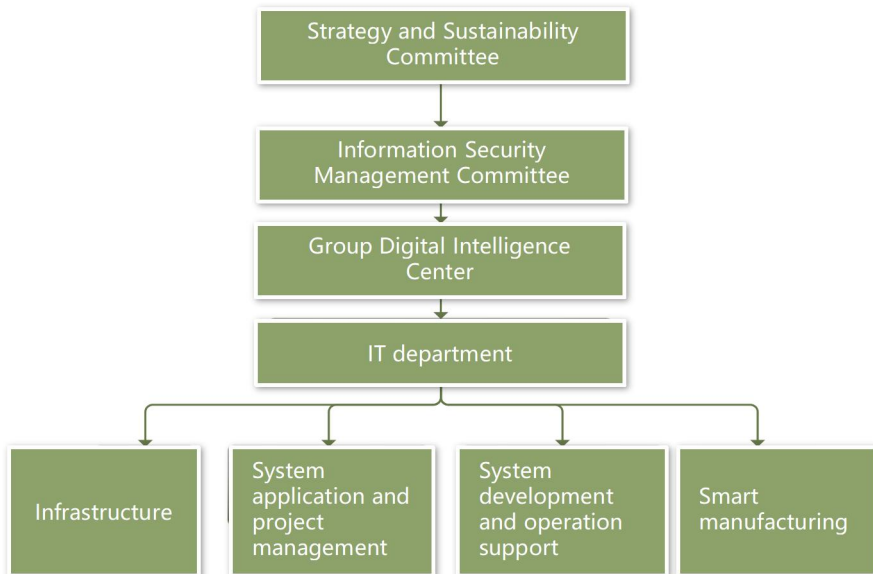
Through its existing operating Units, ZRP actively promotes the Enterprise Risk Management (ERM) project to systematically identify and evaluate potential risk events and related risk factors that may affect the company's operating objectives. The company has adopted a series of appropriate strategies to deal with these risks and continuously monitors the implementation of these risk mitigation measures to ensure effective risk control. In this way, ZRP transforms risk management into an important tool to enhance the organization's decision-making capabilities, thereby ensuring the company's continued operation and helping to achieve its operating goals.

● Risk Management Process:



Information Security Management

Information security is crucial to ensure the smooth operation of various services. The company has established a special information security management committee. The committee is composed of the director of the IT department as the information security officer, and managers and above as members. The main responsibilities of the information security officer include formulating and implementing risk assessment standards, coordinating risk assessment work on information assets, organizing and promoting information security affairs, establishing and implementing security management systems and strategic planning, supervising and responding to information security incidents, and ensuring that the information security measures taken are effectively implemented to achieve the company's consistent understanding and practical actions on information security. The information security officer is the highest manager of information security work, directly responsible to the company's top management and regularly reporting on the progress of information security work and major matters, ensuring the smooth development of information security work, and providing guidance for the deployment and implementation of ZRP Printing Group Co., Ltd.'s information security strategy.



● Information security goals

The information security goal is to ensure the confidentiality, integrity, availability and compliance of the core system. The quantitative indicators for measuring information security performance are defined and measured according to each department and function to confirm the implementation status of the information security management system and achieve the information security goal:

1. Protect the company's important information assets, including ZRP Printing Group Co., Ltd. and customer products, production technology, R&D information and services, and maintain their confidentiality, integrity and availability.
2. Strengthen the awareness of ZRP Printing Group Co., Ltd. employees about their responsibility to protect the company's and customers' information assets.
3. Ensure that the implementation of various business services must comply with the requirements of relevant local laws or regulations.
4. Establish a safe and convenient information network Environment to protect employees from internal and external information security threats.
5. Establish a sustainable information security plan to ensure the continued operation of the business.
6. Deeply assess the security level of your existing Environment and improve your overall information security maturity.

Information Security Vision

- ◇ Strengthen employees' information security awareness
- ◇ Protect customer and company confidential information
- ◇ Establish a complete information security system and ensure the effective operation of the system
- ◇ Ensure the confidentiality, integrity and availability of information assets

- **Information security awareness promotion**

The company has formulated the "Information Security Management Measures" and established the Group Digital Intelligence Center to strengthen the information security defense resilience of ZRP Printing Group Co., Ltd.; through regular information security announcements, the information security risk identification capabilities of all employees are strengthened; and information security emergency drills are implemented to strengthen employees' information security awareness of network threats. In addition, the information security department conducts random checks from time to time to see if there are any illegal uses of terminals, and if there are any violations, they will be punished in accordance with regulations. In order to further strengthen the information security awareness of internal personnel, the company has opened an information security awareness training course, and the information security training rate will reach 100% in 2023. The company continues to steadily improve the resilience of information security defenses and help provide customers with reliable products and services. As of the end of 2023, ZRP Printing Group Co., Ltd. has not had any major information security incidents.



Green Products and Innovation

With the core competitiveness of leading the industry, ZRP Printing Group Co., Ltd. is committed to improving the ecological design capabilities of products, promoting low-carbon product design and improving product energy efficiency. The company keeps up with the development trend of intelligence and actively promotes intelligent manufacturing. At the same time, the company's green product strategy direction is determined to be "modularization, globalization, diversification, vertical integration and intelligent manufacturing" to meet the challenges of climate change and reduced energy resources.



100%

International safety standards / Environmental protection regulations / Energy saving requirements



297 pieces

Total number of patent applications approved



28 items

China Environmental Labelling Product Certification



15 items

Lead or participate in the compilation of national, industry, group and enterprise standards



100%

Proportion of products produced using environmentally friendly, renewable and recyclable materials



3856 tons









Continuously improve the total carbon reduction of key projects

SDGs ▶



Important stakeholders: shareholders / investors / banks, customers, suppliers / contractors

Sustainability goals and performance

Management Purpose	Key Performance Indicators	2023 Goals	2023 Performance	state	2024 Goals	2028 Goals	
 Green Products and Innovation Management	Management policy: Comply with green environmental protection product regulations, continue to develop and innovate, pay attention to patent technology protection, formulate medium- and long-term goals for sustainable products, and implement the company's Sustainability Management strategy Evaluation Mechanism: Formulate sustainable technology and product development plans, hold regular task force meetings to confirm the achievement of various indicators and conduct performance reviews						
	Ensure that the green products manufactured and sold comply with environmental regulations of various countries and meet customer needs, and strengthen competitiveness, increase revenue and enhance corporate image through continuous innovation	▶ Comply with international safety standards / environmental protection regulations or energy-saving requirements	▶ 100% of the shipped products comply with	▶ All shipped products are 100% compliant		▶ 100% of the shipped products comply with	▶ 100% of the shipped products comply with
		▶ Sustainable design (organization components)	▶ Environmentally friendly, renewable and recyclable raw materials account for more than 90%	▶ Environmentally friendly, renewable and recyclable raw materials account for 96.65%		▶ 97% of the raw materials are environmentally friendly, renewable and recyclable	▶ 98% of the raw materials are environmentally friendly, renewable and recyclable
		▶ Promote the improvement and development of the carbon footprint value chain	▶ Introducing product carbon footprint inventory management ideas	▶ Follow the product carbon footprint inventory management concept		▶ Promoting carbon footprint value chain capacity building	▶ Carry out training for personnel involved in product carbon footprint implementation
		▶ Cumulative number of patent applications approved	▶ Reached 280 pieces	▶ A total of 297 pieces		▶ Reached 320 pieces	▶ Reached 400 pieces
 Sustainable Manufacturing	Management policy: Introduce and build an industrial Internet benchmark factory to improve factory efficiency, improve process quality and meet customer delivery dates; and promote continuous improvement plans to optimize design, production and manufacturing, and energy conservation and emission reduction Evaluation Mechanism: Formulate Sustainable Manufacturing development goals, hold regular task force meetings to confirm the achievement of various indicators and conduct performance reviews						
	Create a globally competitive manufacturing Environment through intelligent automation strategies and motivate employees to commit to continuous improvement to enhance corporate competitiveness and create operational excellence for stakeholders	▶ Smart manufacturing <small>Note 1</small>	▶ Smart Factory 1.0 was completed and put into use	▶ Completed the construction of Smart Factory 1.0 and put it into use		▶ Smart Factory 2.0 was completed and put into use	▶ Smart Factory 3.0 was completed and put into use
		▶ Continuous Improvement Program	▶ Continuous improvement program saves 0.1% of turnover	▶ Continuous improvement program saves 0.13% of turnover		▶ Continuous improvement program saves 0.14% of turnover	▶ Continuous improvement program saves 0.18% of turnover

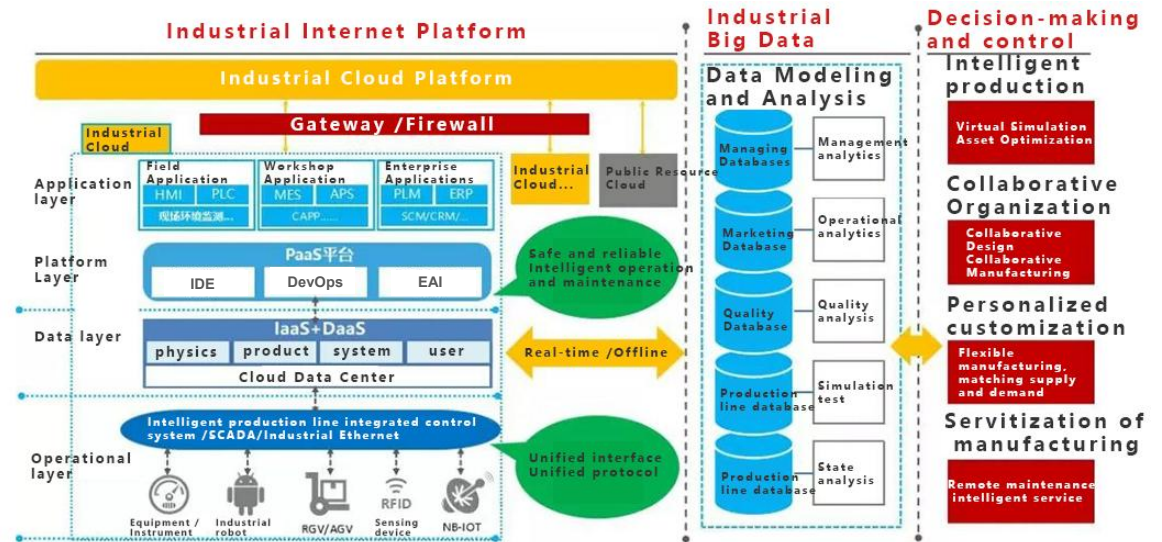
Note:

1. Due to the expansion of the company's territory and the different global production plant bases, the star rating rules have been revised and the relevant goals and plans have been fully adjusted.

Green products

Green Product Vision and Outlook

Zhongrong's products mainly include color boxes, gift boxes, labels, pulp molding, promotional tools, etc. We follow the 4R1D (reduction, reuse, recycling, renewable, and degradable) principle and develop a series of environmental protection upgrade solutions from the four aspects of design, materials, processes, and products. With "carbon reduction" as the guide and "carbon neutrality" as the goal, we use the advantages of engineering technology to strengthen the ecological design capabilities of products, reduce the impact of products on the Environment, and invest in product development to reduce carbon dioxide emissions and reduce pollution to the Environment, and strive to achieve Sustainability throughout the product life cycle. In addition, we use 5G, VR/AR, AI, Digital Twin laboratory measurement and verification, provide intelligent online different devices to meet different personalized and small batch demand designs, promote and apply them to all packaging products, link cloud server data storage and computing, integrate all product technologies to form the Internet of Things, and develop low-carbon, low-loss and low-pollution market opportunities with green product technology to meet customer product needs.



Green product design promotion

Under the current background of green transformation, ZRP Printing Group Co., Ltd. actively creates a green and sustainable business model with innovative thinking, promotes the green development of the company and the industry, and embraces a low-carbon future. Tianjin Green Packaging, a corporate brand of the company focusing on environmentally friendly packaging and Sustainability, has been committed to exploring the research and development of cutting-edge technologies for sustainable new materials and the design and production of environmentally friendly products since its establishment in 2020, providing customers with one-stop solutions and the highest quality products in the field of environmentally friendly packaging. Based on the company's Sustainability strategy,

Zhongrong Environmental Protection has established an Advanced Technology Research Institute, focusing on the research and development of new environmental protection technologies, new environmental protection materials and related products. With "new raw materials", "new processes", "new technologies", digital "plastic-free packaging", "high-performance packaging" and "fine pulp molding" as research and development orientations, it has invested in research and development in the fields of basic materials and innovative processes, continuously introduced and cultivated high-level talents, and gradually achieved independent research and development in core technologies. At the same time, Zhongrong Environmental Protection maintains good communication and cooperation with many domestic scientific research institutes, universities, provincial and municipal science and technology bureaus, etc., and jointly promotes the research and development and production of new plant fibers, environmentally friendly packaging functional materials, and bio-based functional chemicals.



ZRP Printing Group Co., Ltd. deeply understands that environmentally friendly raw materials are the cornerstone of producing environmentally friendly products. Therefore, we persist in developing and applying new and environmentally friendly materials. By establishing strategic alliances

with suppliers and implementing group procurement strategies, we ensure a high-quality and stable supply of materials. At the same time, we carry out comprehensive technical evaluations and strive to promote material localization to achieve the best balance between cost and quality.



ZRP Printing Group Co., Ltd. is committed to in-depth research and development of environmentally friendly raw materials, and continues to innovate in the design and manufacture of environmentally friendly packaging. We focus on developing degradable and recyclable environmentally friendly products, and actively promote the "plasticization" movement in the packaging industry to alleviate the challenge of "white pollution". Our vision is to become a global leading printing and packaging solution service provider.

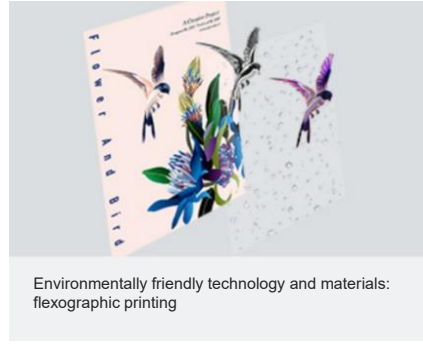
Relying on a solid R&D foundation and innovative results, the company is leading the development trend of plant-based and bio-based packaging and promoting the green transformation of the entire industry. Our products use natural and flexible plant fiber materials such as bamboo pulp and sugarcane pulp, which can meet various personalized design needs, while ensuring 100% degradable and 100% recyclable, and contribute our strength to environmental protection.



Environmentally friendly technology and materials: deplasticization



Digital technology



As a company committed to innovation and Sustainability, our design and R&D team has outstanding professional capabilities in product ecological design. They not only focus on the functionality of the product, but also deeply consider the environmental impact of the product, and strive to integrate the concepts of green products and clean technology into product design to meet the global market's demand for environmentally friendly products.

During the product design stage, our team strictly follows the design principle of 4R1D, namely Reduce, Reuse, Recycle, Renewable and Degradable. This principle guides us to start from the source of design and promote environmental protection upgrades in an all-round way by optimizing material selection, improving process flow and improving product performance. Our professional team continues to explore and develop new environmental solutions to achieve the Sustainability goals of brand customers.

By 2023, our environmentally friendly product revenue has accounted for 100% of the company's overall revenue, an achievement that demonstrates our firm commitment to Sustainability. Looking ahead, we will continue to increase R&D investment, promote the application of new environmentally friendly materials and technologies, and increase the proportion of ecological design in product development. We believe that through continuous innovation and hard work, we can make greater contributions to protecting the Environment and promoting Sustainability.

- Environmental protection product revenue accounts for the proportion of the company's overall revenue

Environmentally friendly product categories	Revenue share
Proportion of Circular Regeneration products	98.21%
Percentage of Circular Regeneration products	1.79%
total	100%



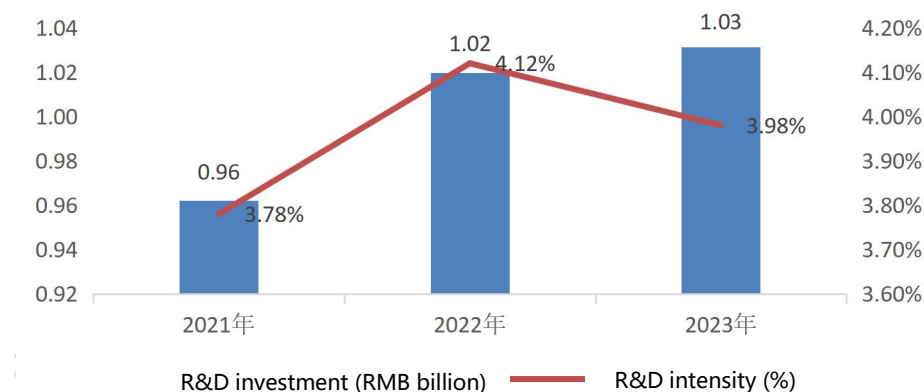
Innovation Management

ZRP Printing Group Co., Ltd. is well aware that "innovation" is the key to sustainable growth. Therefore, it regards intellectual property (IP) as one of the company's most important assets. We not only cherish our own intellectual property, but also give full respect to all intellectual property rights in the world.

R&D capabilities

The company has established a research and development center, continuously optimized the research and development Environment and facilities, and increased the training and support for the research and development team. As of 2023, ZRP Printing Group Co., Ltd. has a total of 383 R&D personnel, accounting for 11.02% of all employees. The creative design team of more than 100 people is committed to providing customers with a full range of solutions and actively engaged in the development of cutting-edge original design. The company adheres to the concept of "design + intelligent manufacturing", is committed to improving the overall design capabilities, deeply exploring consumer needs, and integrating innovative design, material selection, process matching and intelligent technology to continuously upgrade product packaging functions to meet the needs of various scenarios. In 2023, the company's R&D investment reached 103 million yuan, accounting for 3.98% of operating income. ZRP Printing Group Co., Ltd. continues to strengthen the capabilities of the design and development team to ensure the vitality and Sustainability of R&D work.

Trends in R&D expenses and intensity in the past three years



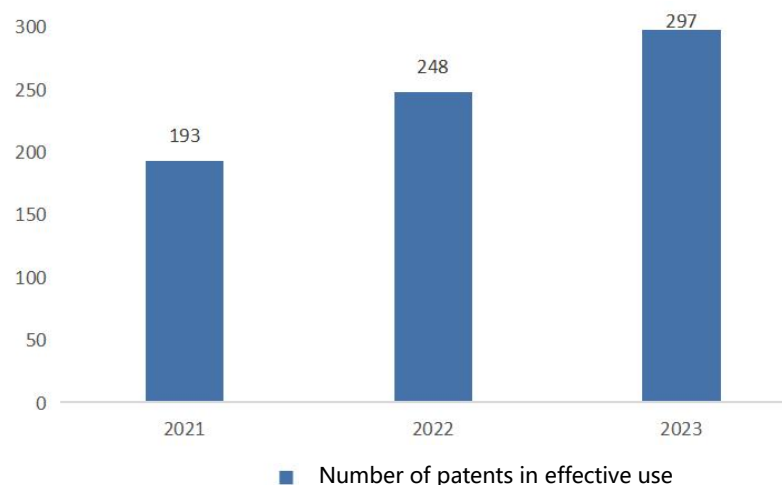
Intellectual Property Management

ZRP Printing Group Co., Ltd. deeply realize that independent innovation and intellectual property protection are the core driving forces for promoting corporate development. Therefore, it has always adhered to the Patent Law of the People's Republic of China, the Copyright Law of the People's Republic of China, the Trademark Law of the People's Republic of China and other laws and regulations. In order to more effectively manage and protect its own intellectual property rights, the company has formulated and implemented a series of comprehensive internal management regulations such as the "Zhongrong Printing Group Intellectual Property Management System". These measures not only ensure the rational use and strong protection of the company's intellectual property rights, but also stimulate employees' enthusiasm for innovation. ZRP Printing Group Co., Ltd. continue to strengthen the construction of the intellectual property protection system to ensure that the company's innovative achievements and core competitiveness are effectively maintained and improved.

In 2023, the company added 49 valid patents, including 4 invention patents and 45 utility model patents.

As of the end of 2023, the company and its subsidiaries have a total of 297 valid patents, including 20 invention patents, 2 appearance designs and 275 utility model patents, which have been widely used in printing and packaging products.

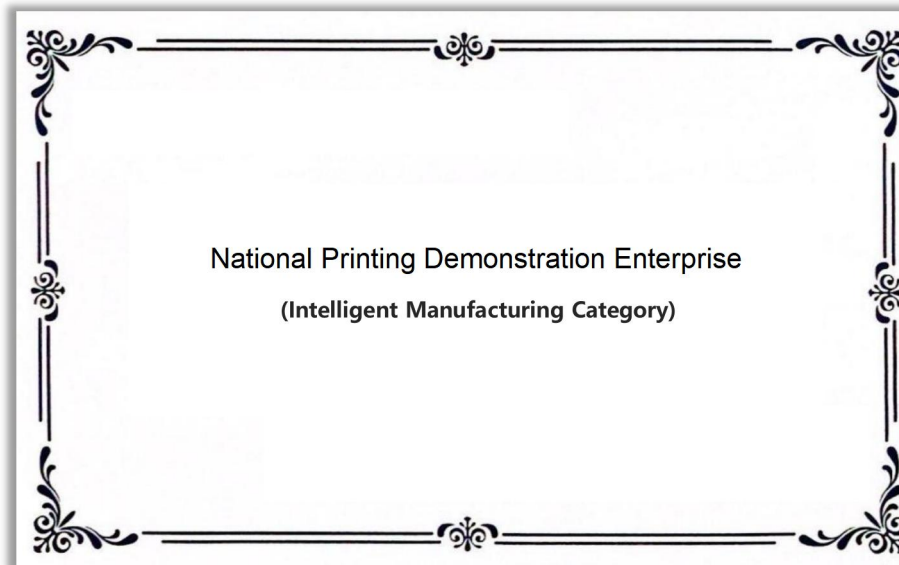
Patents in effective use in the past three years



Sustainable Manufacturing

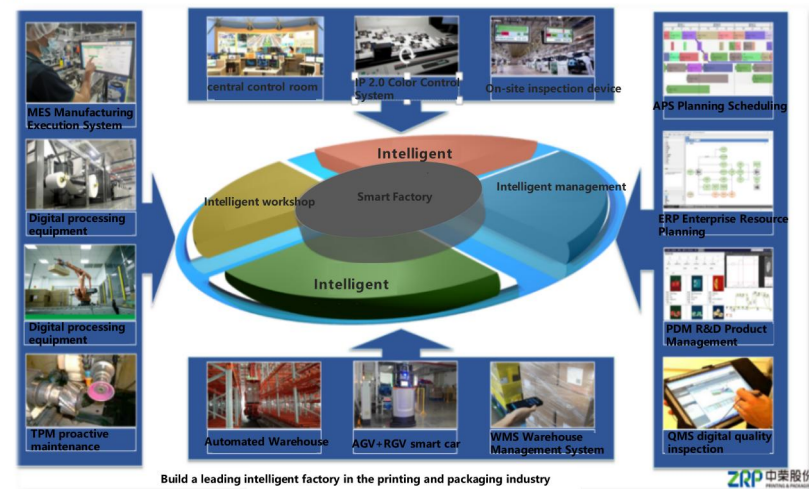
Smart manufacturing

In the field of paper product manufacturing, ZRP Printing Group Co., Ltd. was awarded the honor of National Printing Demonstration Enterprise (Intelligent Manufacturing Category) for its cutting-edge intelligent manufacturing technology and innovative solutions. This achievement reflects the company's firm commitment to the concept of intelligent manufacturing and its unremitting efforts to improve industry standards.



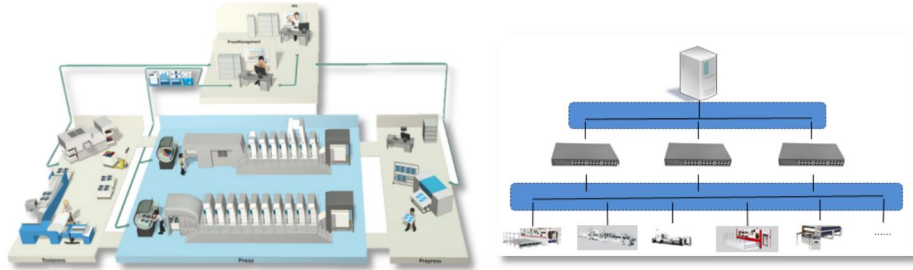
The factory is equipped with fully automatic high-speed printing lines, precise supporting equipment, industry-leading stereoscopic warehouses and advanced WMS systems. In addition, we have also used cutting-edge technologies such as AGV/RGV intelligent dispatching and distribution system (WCS), manufacturing execution system (MES) and production scheduling system (APS) to establish a highly interconnected and intelligent production and management platform.

Through this innovative platform, we are able to produce high-quality and highly reliable paper products for customers while improving production efficiency and flexibility. Our smart manufacturing pilot demonstration project not only highlights ZRP Printing Group Co., Ltd.'s technological leadership in the field of smart manufacturing, but also reflects our commitment to improving customer experience and meeting changing market needs.



Automation, digital production line

Through the PrintNet-IP2.0 system, printing equipment can directly read data, and the printing machine data adopts the international CIP4 standard to achieve vertical value integration with production execution and management levels.



Stereoscopic warehouse



Automatic palletizer

We have carried out technical transformation on nearly 120 post-press production equipment with different processes, opened up the data interfaces of control systems of equipment of different brands and models, realized the collection of equipment data and aggregated it to the upper-level platform.



—Visual management—



—Intelligent production line



Personalized customization case



Online collaborative design and development

ZRP Printing Group Co., Ltd.'s advanced PDM system enables online collaborative design and development with customers, greatly improving the speed of product development and work and communication efficiency.

Future outlook

ZRP Printing Group Co., Ltd. is constantly changing its mind. Looking ahead, ZRP Printing Group Co., Ltd. will continue to expand its smart factory layout, deploy data-driven diversified management platforms and smart manufacturing workshops in major production bases around the world, forge ahead with determination, and follow the "leading power" to establish a modern smart manufacturing ecosystem for the Internet of Things.

We will also continue to optimize ourselves during the company's transformation and upgrading, improve production efficiency, conduct in-depth research on common basic industry issues, accelerate the deep integration of new-generation information

technology and manufacturing, promote the comprehensive application of new models, new concepts and new technologies, gradually assist industry enterprises in transformation and upgrading, and further lead and radiate upstream and downstream industrial chains, significantly improving the level of regional manufacturing intelligence.

5G Application

5G+AGV: Provides large-scale dispatching networking capabilities and meets the requirements of large bandwidth, low latency, and high stability, ultimately realizing the intelligent handling function of raw materials → warehouse conveyor → production line → conveyor line → warehouse, and improving the level of informatization and unmanned operation of the entire warehousing process.



VR/AR, AI, Digital Twin Application

Low-cost trial and error: The simulation and verification of the behavior of the physical world in the virtual space can not only reduce the downtime rate of the actual factory operation, but also reduce the large amount of expenses paid for traditional physical debugging.

Intelligent decision-making: When unexpected situations occur in factory or product operation, IOT real-time data, big data analysis and simulation can be fully combined to predict various situations that may occur in the future and make the best decision.

High efficiency innovation: Introduce the concept of product life cycle management, continuously accumulate the operation rules of the product life cycle, and then continuously improve the level of product innovation and shorten the product development cycle.

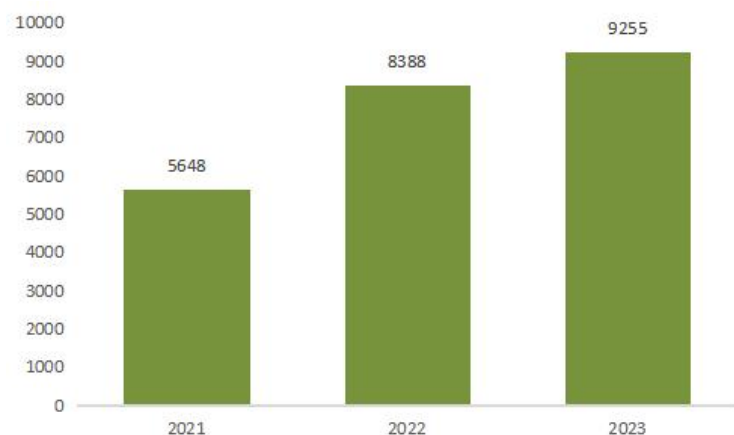
Continuous Improvement Program

The Continuous Improvement Program (CIP) refers to an improvement plan that continuously improves and optimizes productivity, processes, quality, efficiency, equipment, software, hardware, energy conservation and emission reduction, automation, safety, etc., while also having cost-saving benefits.

CIP Advancement Objectives

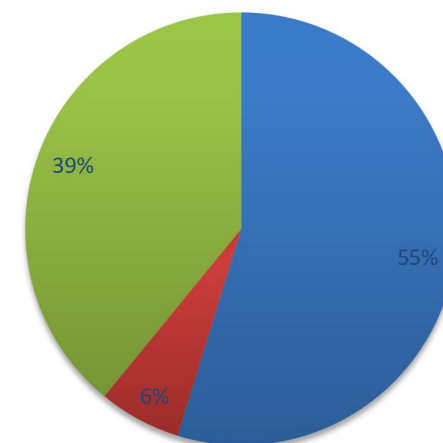
Establish an improvement platform to achieve goals and recognize the efforts and contributions of relevant personnel through rewards
 Motivate employees to commit to continuous improvement
 Improve teamwork and corporate competitiveness

Each production base proposes improvement projects, and the SRC (Site Review Committee) reviews the project effectiveness (the scoring criteria include innovation and development capabilities, actual savings value achievement capabilities, technical application capabilities, standardized operation capabilities, and replicable operation capabilities). After confirming the proposal is passed, the organizer will sample and the CRC (Corporate Review Committee) will review the savings benefits and promote the implementation of cases with replicable results to expand the results. There are a total of 9,255 annual implementation projects, of which, according to the statistics shown in the figure below, there are more than 5,600 new project proposals every year.



After the CRC audit, the total performance in 2023 actually saved RMB 3.269 million in tangible costs, accounting for 0.13% of the turnover. The CIP performance ratio of each production base is shown in the following figure:

CIP performance ratio of each production base



■ Zhongshan ■ Kunshan ■ Tianjin

ZRP Printing Group Co., Ltd. attaches great importance to employee innovation and improvement work, rewards employees for projects that save costs and improve efficiency, and encourages employees to promote the company's Sustainability by proposing innovative and practical proposals. The proposals submitted by employees will go through a rigorous review process, and excellent proposals will be selected and rewarded based on their contribution to the company's operations and implementation effects. The reward system not only includes recognition of the proposal itself, but may also include quantitative rewards for cost savings and efficiency improvements brought about by the implementation of the proposal. This incentive mechanism is designed to stimulate employees' creative potential and promote teamwork, while also bringing substantial economic benefits and operational efficiency improvements to the company. In this way, ZRP Printing Group Co., Ltd. not only improves employees' work enthusiasm and satisfaction, but also cultivates a corporate culture of continuous improvement and innovation for the company. This culture drives the company to constantly seek new solutions and optimize existing processes, thereby maintaining a leading position in the fierce market competition.

- **CIP Outstanding Contribution Award**

ZRP has actively responded to the challenges of climate change, incorporated energy conservation and carbon reduction into key areas of corporate development, and established a special scoring system to encourage green innovation. The company has also specially added a quota for the number of rewards for key projects to encourage employees to put forward more proposals with environmental value. In 2023, a total of 5 outstanding projects were awarded, which reduced carbon emissions by 3,856 metric tons in total. This achievement not only demonstrates ZRP's leadership in the field of environmental protection, but also reflects employees' growing concern about climate change issues and everyone's joint efforts to reduce environmental pressure. Please see the table below for details of the annual award-winning projects:

Factory area	Awards	project name	Project Benefits
Zhongshan Zhongrong	gold medal	Photovoltaic power generation project	Zhongshan Zhongrong has taken a series of measures, such as installing photovoltaic panels on the roof of the base to generate electricity using solar energy. Through this project, the Zhongshan base has saved about 5.13 million kWh of electricity and successfully reduced carbon emissions to 2,928 tons, which is expected to save about RMB 4.11 million per year, which not only reduces operating costs for the company, but also makes important contributions to society and the Environment.
Tianjin Zhongrong	silver medal	Recycling plastic box	Tianjin Zhongrong has taken a series of measures, such as optimizing the design of the plastic box, improving the quality of the plastic box, and establishing a Circular Regeneration system. These measures allow the plastic box to be reused many times, reducing production costs and carbon emissions. According to statistics, the project has reduced carbon emissions by 377 tons, which is equivalent to the carbon emissions of 100 cars in one year.
Kunshan Zhongrong	silver medal	Positive and negative pressure centralized air supply	The decentralized gas supply in each production link of Kunshan Zhongrong leads to low energy utilization and high carbon emissions. In order to solve this problem, the Kunshan base has taken a series of measures, such as redesigning the gas supply system and adopting positive and negative pressure centralized gas supply technology to improve energy utilization efficiency. Through this project, the Kunshan base saved about 950,000 kWh of electricity and successfully reduced carbon emissions to 541 tons, which is expected to save about RMB 760,000 per year.
Tianjin Green Packet	bronze medal	Paperless Office	Tianjin Green Packet is committed to promoting paperless office and has successfully achieved the goal of reducing carbon emissions by 2 tons. This practice not only enhances production efficiency and reduces operating expenses, but also demonstrates the social responsibility of enterprises to environmental protection and Sustainability. By advocating environmental protection actions such as paperless office, Tianjin Green Packet contributes to the establishment of green growth and ecological civilization in China.
Shenyang Zhongrong	bronze medal	LED lamp replacement	Shenyang Zhongrong has successfully reduced carbon emissions by 8 tons by replacing LED lights. This move not only improves production efficiency and reduces operating costs, but also demonstrates the company's social responsibility in environmental protection and Sustainability. By adopting LED lights, Shenyang Zhongrong has made positive contributions to my country's green development and the establishment of an ecological civilization system.

Green value chain management

Facing the global development trend of borderless development, good green value chain management can not only effectively reduce production costs and improve product quality to obtain higher customer satisfaction, but also extend the entire business operation and social responsibility outward, and work together with partners to move towards a sustainable future.



93.9 points
customer satisfaction



0
Product recall incidents



88.48 %
Global local procurement ratio



851 person Supplier Partners
Participate in an online sharing session on sustainable supply chains



92 %
Percentage of new suppliers that have passed the sustainability assessment mechanism









94.63 %
Collaborate with suppliers and customers to achieve waste recycling rates

SDGs ▶



Important stakeholders: customers, suppliers & contractors

Sustainability goals and performance

Management Purpose	Key Performance Indicators	2023 Goals	2023 Performance	state	2024 Goals	2030 Goals
<p>Customer Relationship Management</p> <p>Management policy: Through customer satisfaction surveys and complaint mechanisms, we gain insight into customer expectations and needs, accurately respond to customer opinions, provide customers with excellent quality and diversified service solutions, and work together to create a win-win situation with customers.</p> <p>Evaluation Mechanism: Through customer satisfaction questionnaire survey and customer feedback system, we formulate and implement improvement plans to improve customer satisfaction</p>						
Dedication to customer satisfaction is our core goal and value. We provide professional services and high-quality products to meet customers' diverse needs and provide products with market competitiveness.	▶ Customer satisfaction score	▶ Customer satisfaction score reached 90 points	▶ Customer satisfaction is 93.9 points		▶ Customer satisfaction score reached 94 points	▶ Customer satisfaction score reached 95 points
	▶ Zero product recalls	▶ 0 Product Recall	▶ 0 Product Recall		▶ 0 Product Recall	▶ 0 Product Recall
	▶ Customer complaint resolution rate	▶ 100% customer complaint resolution rate	▶ Solution rate 100%		▶ Solution rate 100%	▶ Solution rate 100%
<p>Sustainable supply chain</p> <p>Management policy: Formulate sustainable procurement policies, promote supplier environmental and social performance assessments and audits to reduce operational risks, improve overall supply chain resilience, and grow continuously with suppliers</p> <p>Evaluation Mechanism: Statistics on procurement amounts in various regions are collected annually, and SSAQ Note 1 surveys are conducted on suppliers. Evaluations and tracking of deficiencies and improvements are conducted based on the survey results to confirm the achievement and completion rate of various indicators.</p>						
Work with suppliers to create a sustainable supply chain that protects the Environment, values social responsibility, implements labor rights, and creates a healthy and safe	▶ Support local suppliers and local procurement	▶ 80% of global local procurement	▶ The global local procurement ratio is 88.48%		▶ 89% of global local procurement	▶ 90% of global local procurement
	▶ Target suppliers complete investigation and evaluation	▶ 90% of target suppliers completed the survey and evaluation	▶ 92% of target suppliers completed the survey and assessment		▶ 92.5% of target suppliers completed the survey and evaluation	▶ 94% of target suppliers completed the survey and assessment
	▶ Percentage of Tier 1 Suppliers Completing the SSAQ	▶ First-tier suppliers complete 70% of SSAQ	▶ The SSAQ completion rate was 76.2%		▶ First-tier suppliers completed 76.5% of the SSAQ	▶ First-tier suppliers completed 78% of the SSAQ

Note:
1. SSAQ, Supplier Sustainability Assessment Questionnaire

Customer Relations

Since its establishment, the company has provided professional services and high-quality products to meet the diverse needs of customers. With cutting-edge product development and process capabilities, it provides customers with complete services from design to distribution, and its service scope spans global production bases. Regarding technical and logistical services, the company provides services nearby based on the principles of speed and flexibility. Commitment to customer satisfaction is our core goal and value.

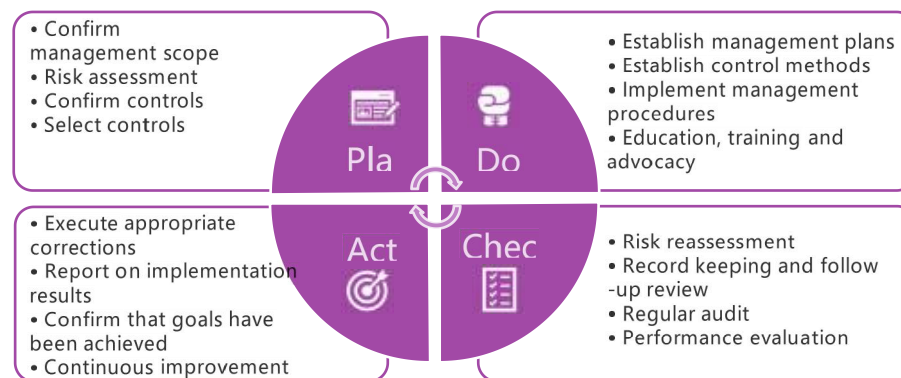
Quality and Service

In order to meet or exceed the requirements and expectations of customers and provide customers with products with high stability, high reliability and cost advantages, the company has accumulated years of experience and technology in cooperation with world-class customers, integrating the three core technologies of computing, communication and audio and video multimedia processing to provide customers with the most complete integrated packaging solutions in the fields of daily chemicals, health, consumer electronics, tobacco and alcohol.



We have established a comprehensive quality management system and formulated quality policies. All factories in various regions have established verifications that comply with various international standards such as ISO 9001. Please refer to the "Management System Verification List". The company conducts quality inspections, quality audits and other management activities through the cycle of planning, execution, inspection and action (PDCA), promotes process management methods, risk

assessment concepts and risk control to eliminate potential risks and continuously improve, and is committed to continuously improving quality control capabilities, implementing quality policies and quality tasks, and pursuing high quality in global products and services to ensure customer satisfaction.



Customer complaint handling and product recalls

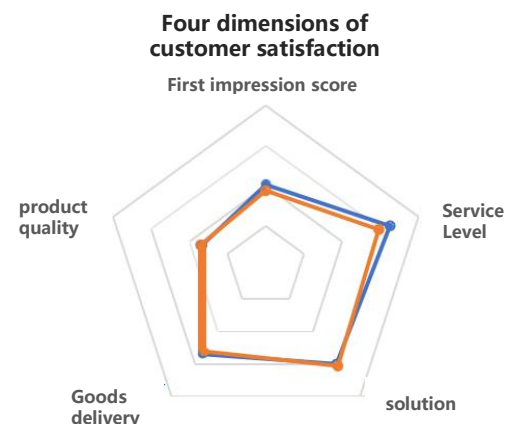
ZRP Printing Group Co., Ltd. adheres to the quality policy, remains highly alert to products with potential quality problems, and quickly organizes R&D and engineering teams to handle problems and investigate causes. The company holds meetings regularly to continuously monitor the effectiveness of countermeasures to ensure that quality problems do not occur again. For safety concerns or batch defective products, the company quickly takes preventive actions and recalls them in time to maximize the protection of consumers' lives and property.

In terms of handling customer complaints, we have established a systematic handling procedure. After receiving complaints about customer product defects, the corresponding dedicated personnel will conduct preliminary confirmation and registration, formulate the most effective improvement countermeasures, and quickly feedback to customers to prevent similar complaints from happening again. According to statistics, the customer complaint rate in 2023 was 0.3%, the resolution rate was 100%, and there were no product recalls. In summary and analysis of the attributes of customer complaints, they belong to the design process solution structure and process, quality stability, and goods delivery. The improvement countermeasures formulated by the company include optimizing design, improving production processes, improving the level of intelligent manufacturing, strictly controlling the quality of raw materials, and strengthening employee training to prevent similar problems from happening again and ensure that the problems are effectively resolved

Increasing customer satisfaction

ZRP Printing Group Co., Ltd. tailor-made all-round and flexible service content according to customer needs, communicated effectively with global customers, and collected valuable opinions and concerns from customers. Through regular and irregular business meetings, customer scorecards and satisfaction questionnaires, we actively collected customer opinions and requirements to understand customers' evaluation of the company in all aspects. In response to the survey results, the company's relevant Units held seminars to formulate feasible response strategies, and communicated effectively with customers' feedback, needs and suggestions, formulated improvement plans and action plans, and continuously tracked the improvement status, and provided real-time feedback to customers, improving communication quality and customer satisfaction, and strengthening good cooperation with customers, so as to obtain customer affirmation and long-term support, and create a win-win situation with customers.

The 2023 customer satisfaction survey covers all customer groups with 95% of the company's revenue, and sets the target of satisfactory customer satisfaction at 80%. The survey results show that the proportion of customers whose overall customer satisfaction scores of ZRP Printing Group Co., Ltd. reached the satisfactory level (satisfaction > 80 points) exceeded 86%; in addition, the overall comprehensive evaluation of customer satisfaction scores was 93.9 points. In terms of single satisfaction, all items reached the "Successful" standard or above. ZRP Printing Group Co., Ltd. is committed to improving customer satisfaction in all aspects in order to win deeper recognition from customers. This effort is the key to the company's Sustainability and the basis for achieving the annual goal of "Successful" and above. The company hopes that in the future, overall customer satisfaction will move towards a higher "Excellent" standard.

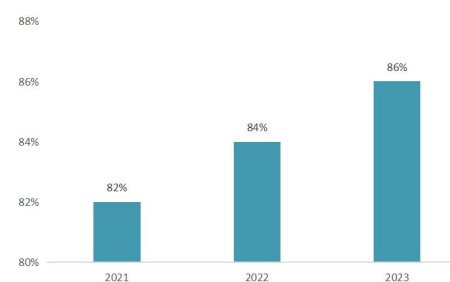


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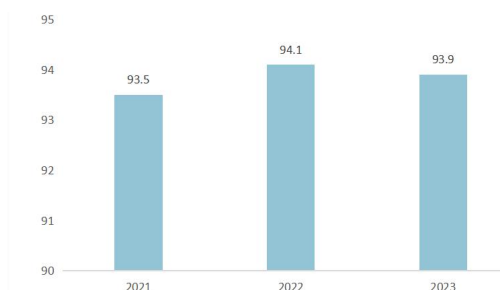
1. Definition of customer satisfaction score:
 Outstanding satisfaction ≥ 120 ; Excellent satisfaction ≥ 100 ; Successful satisfaction ≥ 90 ; Satisfied satisfaction ≥ 80 ; Improvement Required satisfaction ≥ 60 ; Unacceptable satisfaction < 60

2. Solution: refers to the solution that provides comprehensive packaging design, manufacturing and services for products

The percentage of customers with satisfaction score > 80



Overall customer satisfaction score (points)



Customer Privacy Protection

Customer confidential information is not only an important asset for both parties, but also the basis of trust between the two parties. We attach great importance to the importance of customer privacy and confidential information maintenance. We sign confidentiality agreements with customers, specify in the contract that the company protects customers' confidential information, and formulate privacy and personal data protection policies as the basis for compliance management to manage personal data collection, processing and use and other related operations to achieve privacy and personal data protection. For the relevant content of the privacy policy, please refer to the "Business Ethics and Regulatory Compliance" section.

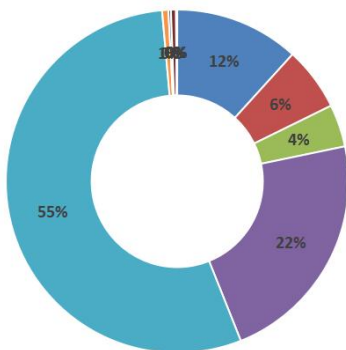
Regarding customer file management, the company stipulates that customers' files are all defined as with the highest confidentiality level, protect the product information provided by customers, encrypt the file information and save it in the company's internal network system, and adopt information license management to ensure that customer privacy is strictly protected. Regarding information security management, Zhongrong's information security goals are to ensure the confidentiality, integrity, availability and compliance of the core system management business, and to formulate standard management procedures and training courses. Through the management system and management committee, promote and implement information security policies, strengthen the information security Environment and information security incident response capabilities, and protect the company's intellectual property rights and customer information. For related content, please refer to the "Information Security Management" section.

Supply chain management

Supply Chain Overview

The company's product portfolio is diverse and has a wide range of applications. Raw material suppliers include original manufacturers, agents, distributors, etc. The procurement categories are mainly ink, varnish, toner, fixing agent, glue, plastic or plastic, pulp, paper, recycled paper and other materials, covering all provinces and regions in China. Among the five major production bases, the Zhongshan production base was developed the earliest, producing and manufacturing packaging products for customers. The types of purchased materials are relatively simple, and the purchase accounts for the largest proportion. In 2023, we are committed to centralized the procurement of suppliers and cooperate with 851 material suppliers across the country.

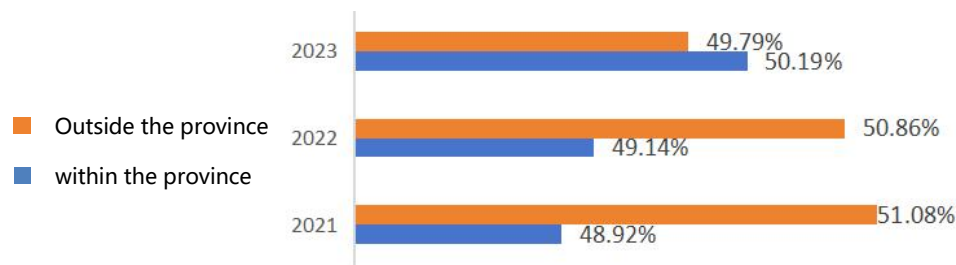
- Local procurement ratio of raw material suppliers in each region
- Raw material supplier category



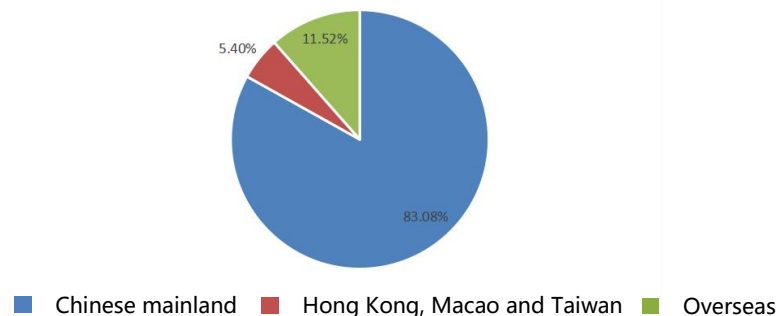
Local Procurement

We support local suppliers, promote local economic growth, create local employment rates, effectively save energy and time consumption during transportation, and reduce environmental pollution. Therefore, global raw material procurement mainly comes from suppliers in local or nearby areas. In 2023, the company will continue to conduct decentralized production bases and new supplier evaluations, complete the development of diversified raw material supply solutions, and continue to increase local procurement in domestic provinces and regions by 1.05%. The maturity of the corresponding raw material supply chain of Zhongshan Zhongrong, Shenyang Zhongrong, Kunshan Zhongrong, and Tianjin Green Packet has exceeded 50%. Procurement is carried out in the city, province or neighboring provinces and cities. The procurement volume of Zhongshan Base, Shenyang Base, and Tianjin Green Packet is 75% or more; the raw material industry supporting facilities required by Tianjin Zhongrong for the corresponding product types are not as mature as those in the Pearl River Delta and the Yangtze River Delta. The procurement volume in Tianjin or nearby Beijing and Hebei is less than 40%. It is planned to increase supply chain cooperation in 2024 to increase the proportion of local procurement. In 2024, Tianjin Zhongrong's local procurement will increase to more than 50%.

For the five major production bases of Zhongshan Zhongrong, Tianjin Zhongrong, Kunshan Zhongrong, Tianjin Lubao and Shenyang Zhongrong, combined with the proportion of each region in the global total procurement volume of local procurement, under the positive influence of geopolitical factors, in 2023, our overall local procurement ratio will increase from 49.14% to 50.19%, while 88.48% of the supply of raw materials depends on the domestic market. Our company's procurement department will continue to strengthen the management of target suppliers and continuously discover and select local manufacturers with competitive advantages. We expect to achieve a global procurement rate of more than 90% localization in 2024, so as to enhance the competitive advantage of our local industry and strengthen our partnership with suppliers.



- Global local procurement ratio



- **Supplier Project**

Key Summary

Quantitative/Qualitative Results

Sustainable Procurement

The company is committed to promoting a sustainable procurement system and requires our upstream suppliers to implement carbon emission reduction projects to jointly respond to the challenges of climate change and promote the Sustainability of environmental protection.

Carry out publicity activities for the carbon reduction project and identify the first 10 suppliers as target suppliers for the carbon reduction project, in order to contribute to the realization of the carbon reduction target through our joint efforts.

Recycling of scraps

Cooperate with major processing companies to reduce the cost of raw materials, energy and pollutant treatment, and reduce damage to the Environment

In 2023, the five major production bases recycled a total of 21,321.34 metric tons of shredded paper, reducing waste generation.

Recycling of packaging materials

Through packaging material recycling management, we extend the use cycle and cooperate with major processing manufacturers to reduce the cost of raw materials, energy and pollutant treatment, thereby reducing damage to the Environment.

In 2023, the five major production bases recycled a total of 925 metric tons of empty chemical barrels and recycling boxes, reducing waste generation.

Pallet recycling and reuse

In 2023, the five major production bases recycled a total of 925 metric tons of empty chemical barrels and recycling boxes, reducing waste generation.

In 2023, the five major production bases recycled a total of 925 metric tons of empty chemical barrels and recycling boxes, reducing waste generation.

Supplier Evaluation

The company has established a standardized "Supplier Evaluation Process" and formulated supplier evaluation procedures based on future product trend requirements and procurement strategies to investigate whether the production capacity, technological innovation capabilities, quality and service management systems of potential suppliers meet the requirements as the basis for inclusion in formal suppliers. When we evaluate new suppliers, an evaluation team is formed by the responsible Units to conduct questionnaire surveys on the various capabilities of the suppliers, and finally the Quality Review Board (QRB) confirms the final review results. The review covers: company basic data, product information, supplier quality, green product management system and supplier sustainability risk assessment including labor rights, health and

safety, environmental protection, etc. For new suppliers developed by ZRP Printing Group Co., Ltd., the company requires them to sign a procurement contract, an "Anti-Commercial Bribery Commitment", a "Supplier Guide" and a "Confidentiality Agreement" to ensure that the supplier's impact on environmental sustainability, social labor and social human rights is included in the evaluation and control.

Environmental protection and occupational health & safety

ZRP Printing Group Co., Ltd. attaches great importance to environmental protection and is committed to deepening issues related to environmental Sustainability. On the issue of climate change, the company plays an active role, hoping to take into account environmental protection while pursuing high-quality products and services, and achieve environmental Sustainability Management. In addition, we are more committed to promoting occupational safety and health culture and providing a safe working Environment for all workers.



6.79%

Proportion of renewable energy used



94.63%

Waste recycling rate



5301

kilowatt-hours

Photovoltaic power generation
Renewable energy



0

Contractor Work Accidents



858.72 RMB 10,000

Amount of environmental investment



33580 Visitors









Participate in health promotion activities

SDGs ▶



Important stakeholders: shareholders / investors / banks, employees, suppliers / contractors, government

Sustainability goals and performance

Management Purpose	Key Performance Indicators	2023 Goals	2023 Performance	state	2024 Goals	2030 Goals	
 Occupational Health and Safety	Management policy: Establish ISO 45001 occupational health and safety management system, strengthen safety and health awareness to have the ability to identify potential hazards, evaluate and deal with risks, implement the spirit of PDCA continuous improvement, and ensure the safety and health of all workers in the workplace Evaluation Mechanism: Monthly / Quarterly / Annually Track various management indicators through the Safety and Health (Production) Committee						
	Promote occupational health and safety culture, enhance risk management, injury prevention and emergency response capabilities, and create a safe and hygienic working Environment for all workers	▶ Obtained / maintained ISO 45001 certification	▶ Obtained ISO 45001 certification	▶ The production base has obtained ISO 45001 certification		▶ Obtained ISO 45001 certification	▶ Obtained ISO 45001 certification
		▶ occupational diseases	▶ No occupational diseases	▶ 0 occupational cases		▶ No occupational diseases	▶ No occupational diseases
		▶ Serious occupational injury	▶ No major occupational injuries	▶ 0 major occupational injuries		▶ No major occupational injuries	▶ No major occupational injuries
		▶ Major infectious diseases	▶ No major infectious diseases	▶ 0 major infectious diseases		▶ No major infectious diseases	▶ No major infectious diseases
 Climate Strategy	Management policy: Establish an ISO 14064-1 management system and conduct an organizational greenhouse gas inventory to manage related emissions and achieve net zero carbon emissions goals Evaluation Mechanism: Verify greenhouse gas emissions at the site annually to ensure compliance with ISO 14064-1						
	Facing the impact of climate change, regularly verify greenhouse gas emissions to implement the "low-carbon mission" Sustainability strategy axis	▶ Obtained ISO 14064-1 certification	▶ Obtained ISO 14064-1 certification	▶ Production sites continue to obtain ISO 14064-1 certification		▶ Obtained ISO 14064-1 certification	▶ Obtained ISO 14064-1 certification
		▶ Absolute Scope 1 and Scope 2 GHG emissions	▶ 10% decrease from 2022	▶ 13.36 % decrease from 2022		▶ 15% decrease from 2022	▶ 18% decrease from 2022

Note:

1. Currently, only Zhongshan Base, Tianjin Zhongrong and Kunshan Base have implemented ISO14064-1 system certification
2. Currently, only Zhongshan Base, Tianjin Zhongrong and Kunshan Base have implemented ISO14064-1 system certification and quantitative reduction of greenhouse gas emissions
3. Currently, only Zhongshan Base, Tianjin Zhongrong and Kunshan Base have implemented ISO14064-1 system certification and quantitative reduction of greenhouse gas emissions

Sustainability goals and performance



Major Themes



achieve



Not reached

Management Purpose	Key Performance Indicators	2023 Goals	2023 Performance	state	2024 Goals	2030 Goals
Energy Management Management policy: Strengthen on-site Energy Management, systematically improve energy efficiency, and reduce the risk of energy demand, supply and cost changes through integrated management systems to enhance the company's sustainable operating capabilities Evaluation Mechanism: Check the energy consumption ratio in the factory every year, propose energy-saving improvement action projects, and ensure the performance of electricity intensity						
Improve energy efficiency and reduce energy costs through systematic Energy Management, fulfilling corporate social responsibility	▶ Power density	▶ Establishing a benchmark for electricity intensity	▶ The electricity density benchmark is 49.08%		▶ 1% decrease from 2023	▶ 2% decrease from 2023
Waste and Recycling Management policy: Comply with local waste disposal regulations, implement waste classification and reduction, and continuously review and reduce the total amount of waste Evaluation Mechanism: Check the type and amount of waste in the factory every month and confirm that there are no violations						
Actively respond to environmental protection, strive to reduce the total amount of waste generated, and effectively recycle and reuse resources to reduce processing costs	▶ Hazardous waste generation intensity	▶ Establishing hazardous waste generation intensity	▶ Hazardous waste generation intensity benchmark 0.45%		▶ 1% decrease from 2023	▶ 2% decrease from 2023
	▶ Waste recycling rate	▶ Recycling rate reaches 90%	▶ Recycling rate reaches 94.63%		▶ Recycling rate reaches 95%	▶ Recycling rate reaches 96%
Air Pollution Prevention						
Reduce air pollution emissions in the factory area to reduce air pollution and improve air quality	▶ Air pollution violation cases	▶ No major air pollution violation cases	▶ 0 Major air pollution violation cases		▶ No major air pollution violation cases	▶ No major air pollution violation cases
Water management						
Facing the impact of water resources, we are committed to improving the process water recovery rate to reduce the water demand in the factory and reduce water resource risks	▶ Water density	▶ Establishing a benchmark for Water density	▶ The Water density benchmark is 1.7		▶ 1% decrease from 2023	▶ 2% decrease from 2023

1. Number of deaths from occupational injuries

2. Major violations refer to cases where the fine is US\$10,000 (RMB 70,000) or more.

Carbon Emission Management

ZRP Printing Group Co., Ltd. has been unwavering in promoting greenhouse gas emission reduction. Since 2022, the company has introduced the ISO 14064-1 management concept. In 2022 and 2023, Zhongshan Zhongrong, Tianjin Zhongrong and Kunshan Zhongrong have completed the verification work and invited the internationally renowned third-party verification agency SGS to conduct audits and verifications to ensure the accuracy and reliability of the data. This series of work has laid a solid foundation for the greenhouse gas emission data of ZRP Printing Group Co., Ltd.'s three production bases—Zhongshan, Kunshan and Tianjin. Since the introduction of Zhongshan Zhongrong carbon inventory in 2022, the five major production bases have also been introduced one after another. In 2023, a more comprehensive and in-depth greenhouse gas inventory will be carried out. At the same time, we are also carrying out actions related to the Carbon Disclosure Project (CDP).

Emission of greenhouse gases

The Groups carbon emission structure from 2022 to 2023:

emission of greenhouse gases	Unit	2022	2023
Scope 1	metric ton CO ₂ e	6002.68	5693.03
Scope 2	metric ton CO ₂ e	47977.62	41073.86

Scope 1 carbon emissions in 2023 will decrease by 5.16% compared with 2022, and Scope 2 carbon emissions will decrease by 14.39% compared with 2023.

Energy Management

ZRP Printing Group Co., Ltd. aims to reduce greenhouse gas emissions by reducing carbon emissions mainly through reducing electricity consumption. During the planning stage, the company selected high-efficiency production equipment to ensure that environmental protection and energy-saving standards are met. Energy-saving measures have also been implemented for air conditioning, lighting and major energy-consuming facilities in the production base, such as frequency conversion control, seasonal temperature control adjustment, equipment renewal, heat recovery and power monitoring, which effectively reduced energy consumption and electricity expenses.

In response to the challenges brought by climate change to ZRP Printing Group Co., Ltd., Zhongrong's five bases, Zhongshan and Kunshan, have already used renewable energy, accounting for 6.58% and 0.21% respectively. In addition, the management of the total amount of greenhouse gases, the trading system and the possible levy of energy taxes or carbon taxes are all issues that we continue to pay attention to. In addition to continuing to improve energy conservation, the company continues to promote green commitments and environmental protection measures in various factories to cope with the risks and opportunities brought by climate change.

Water management

For ZRP Printing Group Co., Ltd., although none of its production bases are adjacent to water sources, increasingly stringent laws and the company's high attention have made water storage and allocation an important issue. Based on the importance attached to water resources, ZRP Printing Group Co., Ltd. is committed to saving water resources in both production and daily life. In addition to regularly tracking the water usage of the five major production bases, each production base also regularly outsources the testing of discharged water quality to prevent water pollution incidents. Each production base is tested in accordance with the requirements of local laws and regulations: Zhongshan Zhongrong has 1 production wastewater discharge outlet, which is indirect discharge. The test items include flow, chromaticity, pH value, SS, BOD5, CODCr, ammonia nitrogen, total phosphorus, and total nitrogen; Tianjin Zhongrong's production wastewater is all treated as hazardous waste, and domestic wastewater is discharged to the municipal sewage network through the company's sewage outlet after passing through the septic tank; Kunshan Zhongrong has built a set of industrial wastewater treatment facilities, and the treated industrial wastewater is reused in production after the various pollution factors meet the reuse water standards; Shenyang Zhongrong has no production wastewater, and domestic wastewater is discharged to the municipal sewage network through the company's sewage outlet after being treated in the septic tank; Tianjin Green Bag has its own sewage treatment system for the treatment and recycling of production water. In 2023, the company did not have any incidents of excessive wastewater discharge. We will

Water intake and drainage conditions of each production base Note 2

Unit: 10,000 liters

Factory area	Zhongshan Zhongrong	Kunshan Zhongrong	Tianjin Zhongrong	Tianjin Green Packet	Shenyang Zhongrong
Water source	tap water	tap water	tap water	tap water	tap water
Water intake	18149.2	3071.6	10887.8	10343.766	1318.5
Emissions destination	Sewage treatment plant	Third-party recycling	Sewage treatment plant	Sewage treatment plant	Urban sewage treatment plant
Displacement	5988.01	1760	979.9	360	118.67

Note

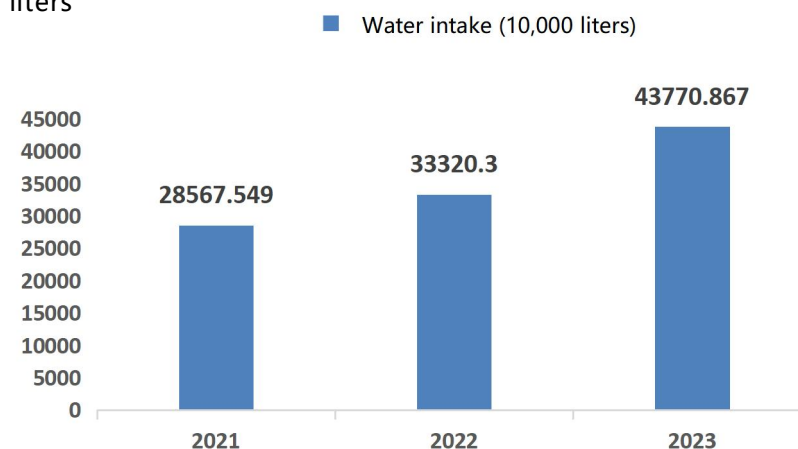
1. Annual water use intensity = annual total production water consumption (L) ÷ annual production volume (kg)

2. Except for the discharge water flow meter, no discharge water flow meter is installed in each production base,

continue to cooperate with local regulations on water quality, control the use of water resources and save water to achieve the goal of being environmentally friendly and reduce negative impacts on the Environment. According to statistics, the total water consumption in 2023 is 437.7088 million liters, and the water consumption density is 1.71. This will be used as the water consumption density benchmark for setting water conservation targets in future years. In terms of water intake, the five major production bases all use tap water sources; in terms of drainage, the wastewater from each production base of the company is discharged into the sewage sewer, with a discharge volume of 92.0658 million liters. The analysis results for 2023 are: Due to the increase in the company's overall production volume and total number of employees in 2023 compared with the previous year, the overall water intake of ZRP Printing Group Co., Ltd. increased by 104.5057 million liters compared with the previous year.

In order to fully tap the potential of water resources, ZRP Printing Group Co., Ltd. continuously optimizes its equipment and process technology to increase the reuse rate of water resources. In 2017, Kunshan ZRP Printing Group Co., Ltd. successfully introduced a process of wastewater recovery system. The system uses electrocatalytic flocculation, deep anaerobic treatment, biochemical process and filter press technology to treat process wastewater. By 2023, Kunshan Zhongrong achieved 693,000 liters of recycled water. This achievement reflects Kunshan Zhongrong's progress in water resource management and its firm commitment to its social responsibility.

Water intake in the past three years



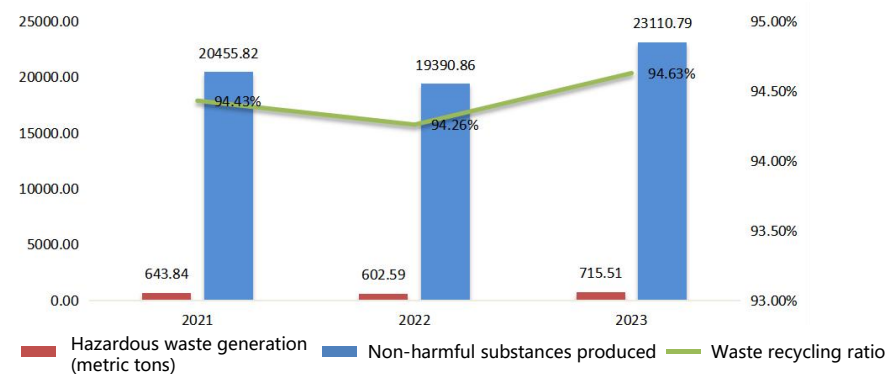
Waste Management

ZRP Printing Group Co., Ltd. has listed waste reduction and reuse as a company policy. Adhering to the principles of "pollution prevention, continuous improvement" and "energy conservation, waste reduction, and effective use", each production base implements it and lists it as an annual performance indicator. Therefore, the production, environmental safety and other relevant departments strictly monitor the use and output in accordance with local laws and regulations and through regular data recording and tracking, and strengthen the effective control of waste. Among them, Zhongshan Zhongrong was rated as a "zero-waste factory" demonstration enterprise in Zhongshan by the Zhongshan "zero-waste city" construction leading group office in 2023.

According to statistical data, the total amount of waste generated in 2023 was 23,826.30 metric tons, of which non-hazardous waste was 23,110.79 metric tons, hazardous waste was 715.51 metric tons, and the waste recycling rate reached 94.63%, which was slightly higher than the previous year and better than the annual target of 90%. Details are shown in the figure.

The hazardous waste generation density in 2023 is 0.45% (i.e., kg of hazardous waste generated for every kg of product produced), and an annual benchmark for hazardous waste reduction is established accordingly. The company continues to evaluate the use of non-hazardous materials to replace hazardous materials and improve processes to effectively reduce the generation of hazardous waste.

ZRP Printing Group Co., Ltd. insists on recycling non-hazardous waste scraps and shredded paper, and the total recycling volume in 2023 reached 21,321.34 metric tons. In terms of product packaging, the company effectively recycles packaging boxes, empty barrels, and pallets, and the annual total recycling and reuse volume reached 1,225.08 metric tons. Looking ahead, ZRP Printing Group Co., Ltd. will continue to implement waste reduction strategies, reduce waste generation from the source of production, and strive to achieve sustainable use of resources.



The company's waste disposal procedures include the formulation of a waste cleanup plan, in which hazardous waste is handled by licensed disposal units; non-hazardous waste is recycled and reused by licensed recycling units, or transported to licensed incineration plants for treatment. In 2023, part of the waste incineration treatment can be converted into energy recovery, such as power generation and heat conversion applications, which can reduce the demand for external energy and relatively reduce greenhouse gas emissions. The waste of each production base is classified according to the treatment method as shown in the following Note 1: Unit: Metric Ton

Processing method Factory area	Recycling		Recycling/reuse		compost		Buried		incineration			
	harmful	Non-harmful	harmful	Non-harmful	harmful	Non-harmful	harmful	Non-harmful	harmful		Non-harmful	
									Energy Recovery	No energy recovery	Energy Recovery	No energy recovery
ZRP Printing Group Co., Ltd.	0	21321.34	22	1203.08	0	0	0	0	693.51	0	586.37	0
total	21321.34		1225.08		0		0		693.51		586.37	
Waste Type Percentage	0.00%	89.49%	0.09%	5.05%	0.00%	0.00%	0.00%	0.00%	2.91%	0.00%	2.46%	0.00%

Note1. Statistical data are rounded to the third decimal place.

Air Pollution Prevention

The global air pollution problem is getting worse and worse, and its impact is expanding. It has seriously threatened the quality of life of local residents and has become an urgent problem that needs to be solved. In response to this challenge, local laws and regulations are constantly being updated to formulate stricter emission standards. ZRP Printing Group Co., Ltd.'s production base is located in an area affected by pollution. We attach great importance to this and strictly follow the relevant national laws and regulations such as the "Law of the People's Republic of China on the Prevention and Control of Air Pollution". We regularly conduct environmental monitoring and audits of each plant every year to ensure that the emissions of air pollutants such as volatile organic compounds (VOCs), nitrogen oxides, sulfur oxides, and particulate matter meet regulations. In terms of VOCs governance, in addition to Tianjin Green Packet achieving zero exhaust gas emissions, Zhongshan Zhongrong, Tianjin Zhongrong, Shenyang Zhongrong and Kunshan Zhongrong also carried out VOCs testing and management according to the requirements of local competent authorities, and took corresponding prevention and control measures, such as activated carbon adsorption treatment Note 1, activated carbon adsorption desorption catalytic combustion and other exhaust gas treatment processes to reduce VOCs emissions.

According to statistics, VOCs emissions in 2023 will be 9.68 metric tons. The company plans to take the following measures to gradually reduce volatile organic compound emissions in the future: strengthen employees' environmental awareness and skills training to improve their understanding and operational capabilities of VOCs emission control; encourage research and development and innovation, explore new environmental protection technologies and materials to reduce the generation and emission of VOCs in the production process; strengthen cooperation with government departments, scientific research institutions and industry associations to jointly promote the advancement of VOCs emission control technology and the improvement of policies; regularly repair and maintain production equipment and environmental protection facilities to ensure their normal operation and expected role; strengthen the environmental protection management system within the plant, establish a sound environmental protection assessment and reward and punishment mechanism, and incorporate environmental protection indicators into the corporate performance evaluation system. Through the implementation of the above measures, the company will further reduce VOCs emissions, reduce the impact on the local Environment, and make positive contributions to improving air quality.

In addition, for the emission of nitrogen oxides, sulfur oxides, and fine suspended particulate matter, the Shenyang base has carried out boiler exhaust gas modification and equipped low-nitrogen burners in order to reduce the emission of nitrogen oxides in boiler exhaust gas. In the future, in addition to conducting relevant information disclosure in other plants, we will also actively promote the expansion of relevant improvement measures to other plants. The 2023 air pollutant emission data Notes 2~5 are shown in the following table: Unit: Metric Ton

Emissions	Factory area	Zhongshan Zhongrong	Kunshan Zhongrong	Tianjin Zhongrong	Tianjin Green Packet	Shenyang Zhongrong
Volatile organic compounds (VOCs)		0.14	2.23	7.06	N/A	0.25
Nitrogen oxides (NO _x)		N/A	N/A	N/A	N/A	0.002
Sulfur oxides (SO _x)		N/A	N/A	N/A	N/A	0.175
Fine suspended particles (PM)		N/A	N/A	N/A	N/A	N/A

注: 1. Activated carbon adsorption treatment: The highly porous structure and adsorption performance of activated carbon adsorb pollutants in the exhaust gas onto the surface of the activated carbon, thereby purifying the exhaust gas and reducing the impact on the Environment.

2. The statistical data covers Zhongshan Zhongrong, Tianjin Zhongrong, Kunshan Zhongrong, Tianjin Lubao, and Shenyang Zhongrong

3. The VOCs emissions of Zhongshan Zhongrong, Tianjin Zhongrong, Kunshan Zhongrong, Tianjin Lubao, and Shenyang Zhongrong are estimated using the emission concentration and exhaust volume in the third-party test report, and are rounded to the third decimal place

4. N.D. The concentration is less than the instrument detection limit

5. N/A: There are currently no relevant local regulations and no self-testing

Green manufacturing and investment

ZRP Printing Group Co., Ltd. actively fulfills its environmental protection responsibilities, advocates green printing and packaging, strictly implements the relevant national environmental protection laws and regulations, strictly implements the environmental impact assessment system for construction projects and the "three simultaneous" system for environmental protection, and has passed the ISO14001 environmental management system certification. The company focuses on the application of advanced green and energy-saving technologies in production, and follows the environmental management policy of "strictly abiding by laws and regulations, reducing consumption and increasing efficiency, improving the Environment, and benefiting mankind". In October 2020, the company was selected as a national "green factory" and "national green Supply chain management enterprise" by the Ministry of Industry and Information Technology. In 2021, it passed the "China Environmental Label Certification". Products approved to use this label are not only of qualified quality, but also meet environmental protection requirements during production, use and disposal. Compared with similar products, it has environmental advantages such as low toxicity, less harm, and resource conservation.

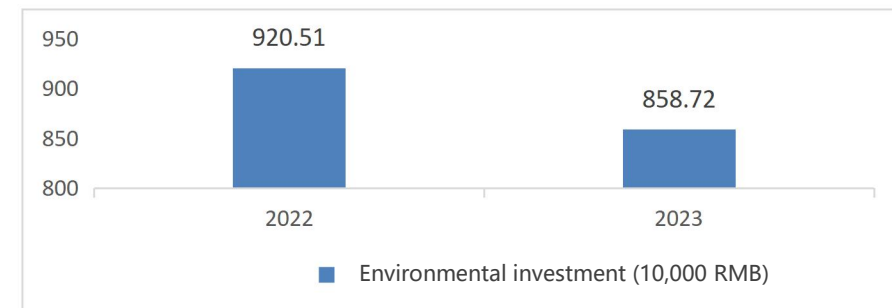
Under the background of the implementation of plastic ban and plastic restriction policies at home and abroad, the "carbon peak" and "carbon neutrality" goals have put forward higher requirements for the green transformation of the packaging industry and posed greater challenges. Green, energy-saving and low-carbon have become the Sustainability goals that the company has always adhered to. It has implemented a development strategy covering the entire life cycle of products from paper-based environmentally friendly materials, green printing, renewable energy utilization, and three wastes treatment, promoted a green environmental protection development strategy, and fulfilled social responsibilities. In addition to adopting ecological design in the product design stage, the company's production bases have implemented a clean production assessment system strategy in production, logistics, green management and social responsibility, and implemented energy and resource conservation, green manufacturing, pollution prevention, and innovative environmentally friendly design. During the reporting period, the company launched the "carbon neutrality" goal setting and emission reduction roadmap planning. Through detailed greenhouse gas emissions inventory and carbon emission reduction path planning and practice, it accelerated the realization of the comprehensive "carbon neutrality" goal of operations and supply chains, which not only reduced the negative impact on the

Environment in the manufacturing process of various products, but also reduced the costs of raw materials, energy, pollutant treatment, etc., while improving economic and environmental benefits.

In the design and implementation of new factories and facilities, ZRP Printing Group Co., Ltd. always adhere to the concept of green buildings, taking it as its mission to reduce energy consumption and mitigate the impact of climate change. In addition, Zhongshan Zhongrong invested in the construction of a photovoltaic power generation system with a total capacity of 4096kWp Note 1, which will produce a total of 9.355 million kWh of renewable energy by 2023; in 2023, Kunshan will build a photovoltaic power generation system on the roof of the factory area, with an annual power generation of 167,100 kWh. ZRP Printing Group Co., Ltd.' cumulative total photovoltaic power generation is 9.5217 million kWh. ZRP Printing Group Co., Ltd. are committed to continuously promoting innovation in the fields of clean production and green buildings in the future to establish and develop their own green factory system.

In order to count the company's investment in the Environment, we classified the cost nature of the environmental investment (including "operating costs, upstream and downstream related costs of suppliers and customers, management costs, and social activity costs". For detailed investment details, please refer to "Sustainable Data - Environment D. Environmental Investment Statistics"). Due to the increase in operating cost investment, the total environmental investment was approximately RMB 8.5872 million, a decrease of 6.71% from the previous year. We continue to optimize environmental management costs through quarterly calculations and comprehensive analysis.

● Environmental investment in recent years (2021-2023)



Note:

1. kWp is the Unit of measurement for the power output of photovoltaic cells under standard sunshine conditions; 1 kWp = 1 kWh

Occupational Health and Safety

ZRP Printing Group Co., Ltd. puts the health of employees and the growth of workers at production bases first, strictly implements labor laws and production safety regulations, and has formulated a series of safety and health policies, goals and procedures. The company continues to promote safety and health education and activities to ensure the physical and mental health of employees at work. In addition, the ISO 45001 occupational health and safety management system has been implemented in major production areas around the world, and the management scope has been extended to employees and non-employee workers. Note 1 (Coverage Rate = 100%).

To ensure the validity of the certificate, we review our occupational health and safety management policies and business performance every year, meet the requirements of occupational health and safety laws and our own policies, and continue to provide workers with a safe and comfortable working Environment.

Occupational Health and Safety Management

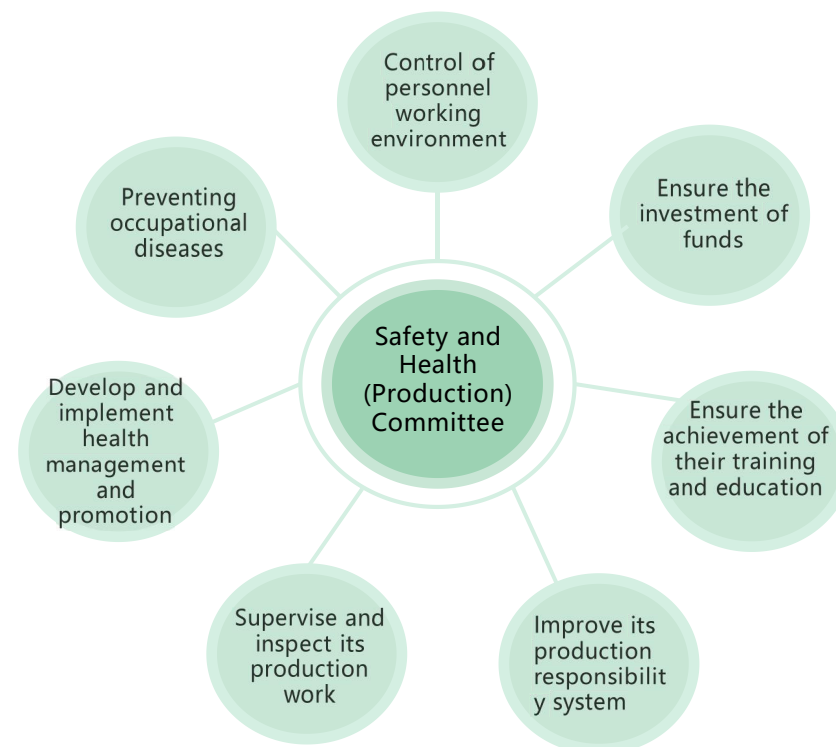
● Safety and health management goals and status in 2023

Target	Advancement situation
The incidence of occupational diseases remains at zero	No occupational cases were found
Work-related deaths remain at zero	No work-related deaths occurred
Zero infectious disease infection in the factory	Since 2021, there have been no related in-plant infectious diseases that have caused significant losses to the company.

In order to timely understand and grasp the safety production status of each period, the five major production bases of ZRP Printing Group Co., Ltd. Note 2 follow the requirements of local regulations, and the employees set up a safety and health (production) committee, and the employee representatives serve as the committee management

representatives. The proportion of employee representatives in each production base follows the requirements of local regulations and accounts for no less than one-third. The frequency of committee meetings in each factory is different, but at least one regular meeting is held every three months to review and coordinate safety and health management affairs. In addition, the factory also set up internal communication platforms (including WeChat groups, irregular communication meetings) and company information system data sharing channels to ensure the smooth flow of relevant communication channels.

● Work of the Safety and Health (Production) Committee

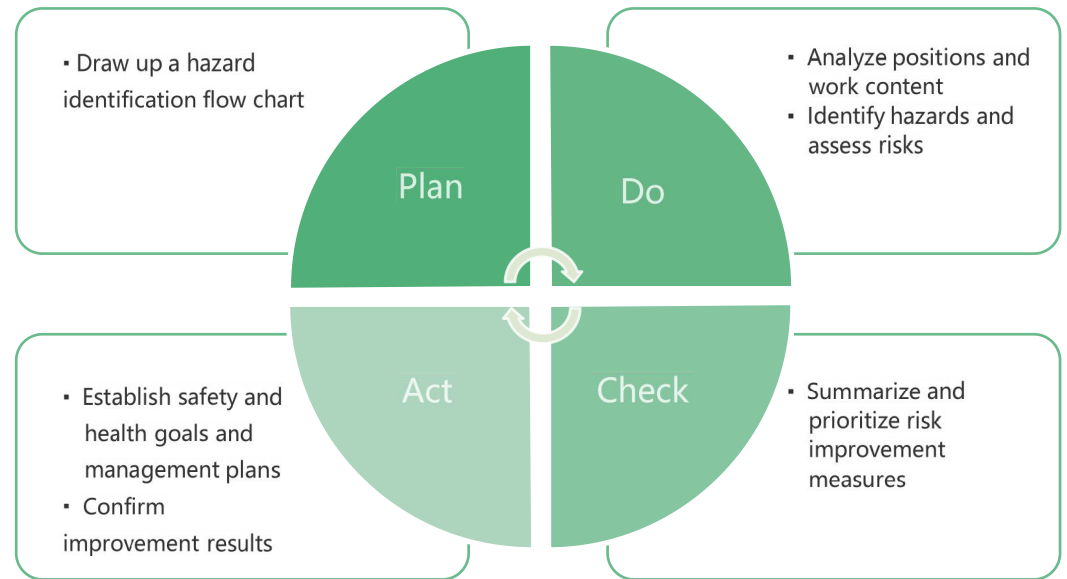


Occupational health and safety risk identification and management

ZRP Printing Group Co., Ltd. has adopted a series of management measures, including procurement, contract management and change management, to prevent potential risks of operating conditions or environmental safety and health caused by changes or modifications in production, activities or services. We have established a formal application and approval process, performed necessary safety assessments, informed and trained relevant personnel, and ensured that technical data is updated in a timely manner to effectively reduce potential risks.

In order to accurately identify and evaluate the safety and health hazards and risks that employees and other workers may encounter in operating activities, working Environment, hazardous substances and harmful items, ZRP Printing Group Co., Ltd. regularly requires relevant departments to conduct hazard analysis and risk assessment based on the probability of occurrence, frequency of operating exposure and potential severity. We will also re-identify and evaluate in a timely manner in the case of changes in processes or activities, feedback from stakeholders, updates or modifications to laws and regulations. Based on the results of risk assessment, combined with relevant regulations and company policies, we determine the risks to be prioritized and formulate corresponding risk control measures, and take improvement measures according to the risk level to mitigate the negative impact of production, activities or services, and improve occupational health and safety performance and the perfection of the management system. To ensure the high quality of the identification and assessment process, in addition to regular or irregular education and training by the dedicated safety and health department (please refer to the "Occupational Health and Safety Education and Training" section for details), each Unit's safety production promotion representatives and related personnel are also required to receive professional training within the ISO 45001 management system to obtain certification qualifications.

Hazard Identification and Risk Assessment Procedure



Safe workplace Environment

To ensure the safety of employees and factories, each production base conducts automatic inspections in accordance with government regulations and company operating standards. Environmental and safety personnel also conduct routine environmental and safety inspections within the factory, which include all occupational health and safety management system coverage. Some factories include inspection results in safety and health evaluation activities, and excellent Units are publicly praised in regular safety and health (production) meetings to encourage personnel to participate in safety and health management and improvement.

● Statistics on missing items in previous years ^{note1}

For	Years		
	2021	2022	2023
Safety	224	168	118
health	50	30	18
Management System	18	11	5

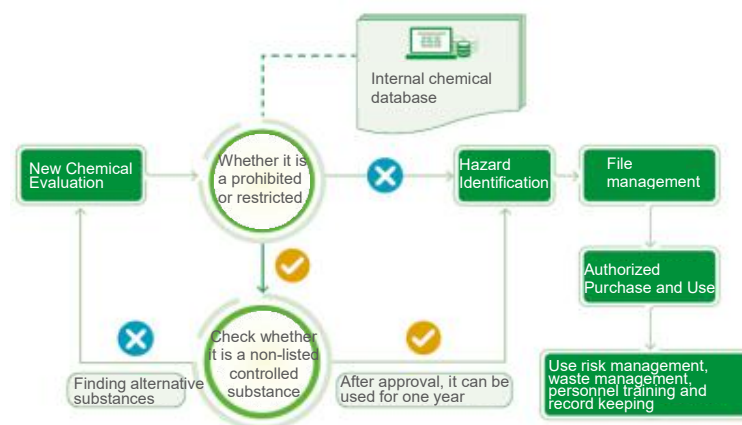
1. Statistics include Zhongshan Zhongrong, Tianjin Zhongrong, Kunshan Zhongrong, Shenyang Zhongrong, Tianjin Green Packet

In addition, each production base also entrusts qualified institutions to conduct regular environmental testing based on the actual operating hazards to control the hazard factors in the working Environment. The testing items include building safety inspection, drinking water testing, sewage testing, power system safety testing, emergency lighting, lightning protection testing, smoke detection equipment and fire fighting equipment testing, etc. At the same time, the company also conducts regular monitoring of high-risk working environments, including factory-wide noise, organic solvents, specialized substances, and printing workplaces to ensure that the workplaces are maintained below the allowable concentration of harmful substances and noise threshold standards. If there are any abnormal parts, they will be immediately improved, corrected and maintained; if they are close to abnormal parts, appropriate preventive training will be provided to continuously provide a healthy and safe working Environment for factory workers.

Chemical Safety Management

According to the United Nations Strategic Approach to International Chemicals Management (SAICM), the United Nations Sustainability Goals expect to continue to promote chemical management and reduce the release of toxic chemicals and hazardous materials by 2030, making sound management of chemicals a necessary condition for achieving Sustainability. In order to move towards the goals of the United Nations Strategic Approach to International Chemicals Management and prevent the safety hazards that may be caused by chemicals entering the factory, ZRP Printing Group Co., Ltd. has formulated the "Chemical Management System", source control, reducing the concentration of chemicals escaping into the air, and after grading the health exposure risks of workers, recommending appropriate management methods for each risk level, in order to reduce chemical exposure to a level that does not cause health hazards to personnel. We have established a corresponding chemical control list, listed the details of substances that cannot be used, promoted and implemented chemical source management, and all chemicals must be compared with the company's internal chemical database before being imported, and after being reviewed by the dedicated Unit, they must be listed in documents before entering the procurement process. For the selection, evaluation, procurement, transportation, loading and unloading, storage, handling, labeling, use, disposal, pollutant management and emergency measures of chemicals, relevant operators must undergo corresponding pre-job and regular training, and their relevant records must also be preserved and managed, in order to improve the chemical management procedures and reduce occupational hazards to employees.

● Chemical Safety Management Program



● 2023 Occupational Injury and Disease Statistics ^{note #1}

project	years	Production base				
		Zhongshan Zhongrong	Tianjin Zhongrong	Kunshan Zhongrong	Tianjin Green Packet	Shenyang Zhongrong
Number of attempted incidents(Pieces)		6	2	2	0	1
Attempted incident rate ^{Note 4}		23.26%	17%	19.28%	0	55.56%
Number of recordable incidents		5	2	3	0	1
Recordable incident rate ^{Note 2}		19%	17%	28.92%	0	55.56%
Number of lost workday accidents		3	1	2	0	0
Lost workday accident rate ^{Note 3}		11.63%	8.67%	19.28%	0	0
Deaths from occupational injuries		0	0	0	0	0
Death rate caused by occupational injuries ^{Note 5}		0	0	0	0	0
Occupational disease rate ^{Note 6}		0	0	0	0	0
Lost Days		143	15	72	0	0
Lost work rate ^{Note 7}		0.02%	0.01%	0.03%	0	0

1. The statistics do not include traffic accidents; for contractor injury information, please refer to the "Contractor Management" section

2. Recordable accident rate = (number of recordable accidents ÷ total working hours) × 200,000

3. Lost workday accident rate = (number of lost workday accidents ÷ total working hours) × 200,000

4. Near miss rate = (number of near misses ÷ total working hours) × 200,000

5. Death rate caused by occupational injuries = (number of deaths caused by occupational injuries ÷ total working hours) × 200,000

6. Occupational disease rate = (total number of occupational diseases ÷ total working hours) × 200,000; occupational diseases are counted according to the definition of occupational diseases in the local laws and regulations of each production base

7. Lost workday rate = (total lost workday / total working hours) × 100%; the number of days lost due to accidents is counted based on the information collection period until 2023/12/31

Occupational health and safety education and training

In order to enhance employees' awareness of occupational health and safety, each production base of ZRP Printing Group Co., Ltd. has formulated the "Occupational Disease Prevention and Control Propaganda Education and Training System" to ensure that employees receive necessary occupational health and safety training every year. These trainings cover new and old employees, including chemical safety, electrical safety, use of personal protective equipment and handling of work-related accidents. In addition, we also provide compliance certificate training, management system operation training, emergency response training and contractor education training. Through field exercises and tests, we have enhanced employees' theoretical knowledge and skills and improved their ability to respond to emergencies. In 2023, a total of 240 related advocacy training courses were held, with 805,920 employees participating in the training, and the total training hours reached 13,432 hours.

• Statistics of environmental safety and health education and training over the years

project	years		
	2021	2022	2023
Total number of courses	238	236	240
Total number of people trained	743036	767944	805920
Total training hours	12488	13016	13432

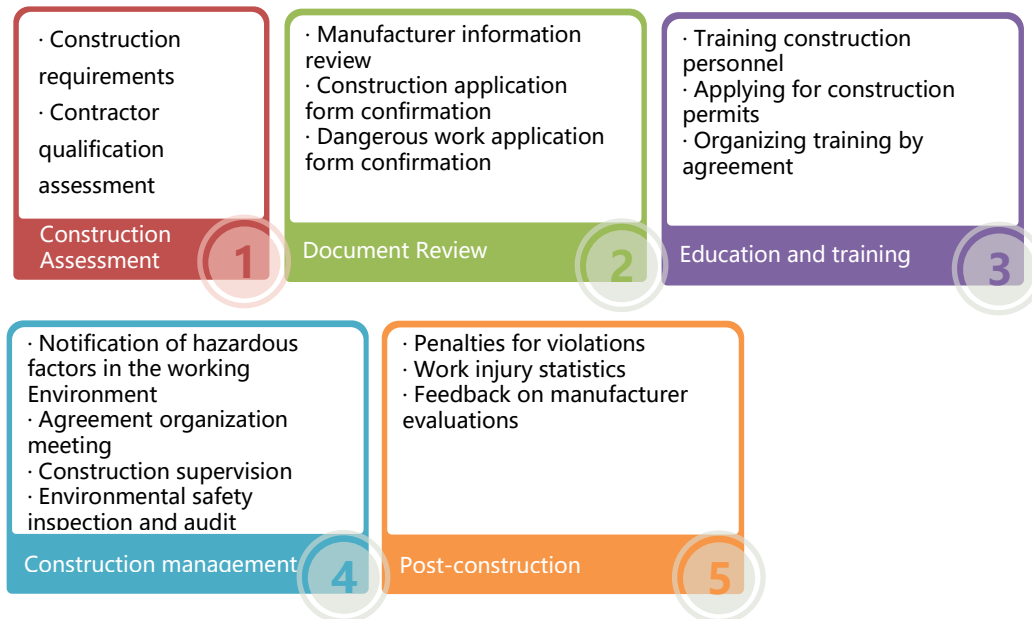
In order to enable employees to better understand the factory evacuation routes and the use of emergency equipment, ZRP Printing Group Co., Ltd. established an Environmental Safety Emergency Command Center, formulated an "Accident Emergency Rescue Plan" for disasters caused by typhoons, fires and chemical leaks, and conducted emergency drills. In 2023, a total of 28 disaster drills were held, including first aid personnel training, earthquake disaster prevention drills, fire drills and chemical disaster drills, so that employees can effectively apply the knowledge and skills they have learned when real situations occur, and minimize accident injuries and impacts.



Contractor Management

ZRP Printing Group Co., Ltd. not only has strict requirements on the quality and progress of contracted projects, but also pays more attention to the safety and health management level of contractors. The company constantly communicates this policy with employees, suppliers, contractors, and business partners such as logistics and distribution, and sincerely invites them to provide feedback. In addition, the company has organized a series of training and drills to improve the awareness of environmental impacts among all parties, prevent waste of resources, and ensure safe and hygienic operations. We refer to the continuous improvement concept and principles of the PDCA cycle, formulate the "Contractor Safety Management Procedure", implement safety and health management and evaluation, and improve the safety and health quality of contractors.

- **Contractor and in-plant construction management.**



The professional quality of contractors' employees has a decisive impact on the quality, progress and safety of the work they undertake. Therefore, contractors must provide documents proving that their employees have received necessary education and training, and ensure that they participate in occupational safety and health education and training organized by the company. According to statistics, as of 2023, 312 manufacturers have participated in our training (training targets include material contractors, in-plant factory affairs, engineering contractors, waste contractors, and manpower and service outsourcing manufacturers). We have held many contractor safety training sessions, with nearly 900 trainees. In addition, after training and evaluation by the environmental, safety and health management departments of our various production bases, 900 contractor personnel have obtained construction permits.



To ensure the safety of contractors' construction, we have conducted more stringent on-site safety inspections on contractors with dangerous operations and bad records, including the use of personal protective equipment by construction workers and compliance with safety regulations. If safety hazards are found and corrective measures are not taken immediately, we will impose penalties in accordance with company regulations and use the penalty results as part of the assessment of contractor qualifications. In 2023, no qualified contractors will be disqualified due to failure in safety and health audits.

• **Statistics on missing contractor construction applications and audits** ^{note #1}

project	years		
	2021	2022	2023
Number of construction applications	295	303	312
Number of dangerous work applications ^{Note 2}	290	284	312
Number of missing pieces in the on-site audit	11	10	8
Materiality is missing ^{Note 3}	0	0	0

All kinds of incidents that occur during contractors' operations in the factory, including occupational accidents, fires, explosions, etc., are reported, investigated, analyzed and recorded in accordance with the company's accident investigation and improvement procedures. Analysis Since 2021, no contractor work-related injury incidents have occurred Note 4, and each production base is required to continue to strengthen advocacy and supervision. In 2023, ZRP Printing Group Co., Ltd. did not have any contractor work-related injury accidents.

Note:

1. The statistics cover Zhongshan Base, Tianjin Zhongrong, Kunshan Zhongrong, Tianjin Green Bag, and Shenyang Zhongrong
2. Dangerous operations: including hot work, hanging work, confined space work, and high-altitude work
3. Major deficiencies: those who have on-site audit deficiencies and have been issued fines
4. For the relevant ratio calculation formula, please refer to the "Occupational Accident Management" section

• **Contractor Occupational Injury and Illness Statistics** ^{note4}

project	years		
	2021	2022	2023
Number of attempted incidents	15	13	14
Attempted incident rate	5%	4%	4%
Number of recordable incidents	0	0	0
Recordable incident rate	0	0	0
Number of lost workday accidents	0	0	0
Lost workday accident rate	0	0	0
Deaths from occupational injuries	0	0	0
Death rate caused by occupational injuries	0	0	0
Occupational disease rate	0	0	0
Lost Days	0	0	0
Lost work rate	0	0	0

Software and hardware facilities

In terms of the soft aspect of employee health and well-being, we are well aware of the importance of comprehensive health, so we have launched a series of thoughtful and meticulous health check-up programs. This covers a comprehensive health check-up upon joining, regular health checks during employment, and health assessments upon leaving. These measures not only help to timely detect and prevent potential health problems, but also reflect our continued attention to and commitment to protecting employee health. Even if employees leave the company, we hope that through these services, they will continue to move forward with an awareness and emphasis on health.

In terms of hardware facilities, we are committed to creating a comfortable and harmonious working and living Environment for employees. Our facilities include a modern cinema for employees to enjoy the fun of watching movies in their spare time; a well-equipped gym for employees to stay healthy and energetic; a quiet yoga room for employees to relax and relieve work pressure; and a computer room for employees, which is not only a learning and working space, but also a cradle for employees to improve their professional skills. The careful configuration of these hardware facilities not only enriches the employees' spare time life, but also provides full care for their body and mind, thereby improving the overall happiness and work efficiency of employees.



Health Risk Management

Healthy employees are not only the core element of corporate competitiveness, but also the key driving force for the company's Sustainability. In order to achieve effective health management, ZRP Printing Group Co., Ltd. regularly organizes physical

examinations for employees and implements refined grading management of the physical examination results. This move not only highlights our deep concern for the health of our employees, but also demonstrates our firm determination to fulfill our social responsibilities. Through such health protection measures, we aim to create a healthy and safe working Environment for our employees, while also laying a solid foundation for the company's long-term prosperity.

Physical and mental health maintenance

ZRP provides employees with a full range of health care and establishes a healthy workplace system that complies with laws and regulations; Set up perfect software and hardware facilities, and configure full-time personnel to provide professional services. Relevant health training, lectures, team building and other activities are held from time to time, and health education related information is conveyed to each employee through internal channels such as WeChat groups, emails, bulletin boards, etc., so as to improve employees' health knowledge and skills, maintain physical and mental health, and establish a high-quality and healthy workplace.



Diversified Health Promotion Activity Performance

- A total of 10 health promotion activities were held throughout the year, with a total of 2,350 participants and a satisfaction rate of over 95%
- Zhongshan Zhongrong won the silver medal of the "Ankanghuai" Vocational and Technical Competition issued by the Zhongshan Torch High-tech Development Zone Federation of Trade Unions
- 575 people participated in charity / volunteer service activities



Happy unlimited activities



Creative and fun unlimited hand-painted galaxy dream activity



Fingertip Art Bamboo Weaving Activity



Football game, keep fit



Tea art activities



National Sports, Healthy Walking Around the World

Inclusive workplace

"Talent" is an important seed that accompanies the continuous growth of ZRP Printing Group Co., Ltd. and needs to be carefully cared for and irrigated. We establish an employee-inclusive workplace from four aspects "implementing human rights protection, improving talent development, improving welfare systems, and harmonious labor-capital relations."



3358 people
Number of employees



40 Session
Number of employee seminars held



100%
Proportion of local employees



23%
Proportion of women in senior management positions



100%
Proportion of union agreements signed











304 people
Cumulative number of employees supported for on-the-job training

SDGs ▶



Important stakeholders: employees, government

Sustainability goals and performance

Management Purpose	Key Performance Indicators	2023 Goals	2023 Performance	stat	2024Goals	2028 Goals
 Human rights / Diversity and Inclusion		Management policy: No forced labor, no child labor, no discrimination, no harassment, respect for freedom of association and privacy, the company implements working hours restrictions to protect human rights, manage and mitigate human rights risks, and create a happy workplace Evaluation Mechanism: Conduct human rights risk assessments every year, track human rights hazard improvement plans every six months, and track the employment status of disabled employees every year				
We are committed to creating a work Environment without human rights infringement, gender equality, equal opportunities and diversity and inclusion.	▶ Ensure women have opportunities to participate in decision-making and leadership at all levels	▶ The proportion of female senior executives is more than 18%	▶ The proportion of women in senior management positions reached 23%		▶ The proportion of female senior executives is greater than 24%.	▶ The proportion of female senior executives is greater than 25%.
 Manpower development		Management policy: Encourage employees to continue their studies, plan appropriate training courses, and cultivate internal lecturers to pass on corporate culture and capabilities Evaluation Mechanism: Quarterly / Annually statistics on the results of the instructor training program, and implement and track the status of employee training				
Provide employees with lifelong learning and enhance their future career development capabilities, and optimize the learning Environment	▶ Improve employees' technical capabilities	▶ The total number of internal lecturers is greater than 300	▶ The total number of internal lecturers has reached 324		▶ The total number of internal lecturers is greater than 350	▶ The total number of internal lecturers is greater than 450
	▶ Employee career development plan	▶ Supporting more than 300 employees for further training	▶ Supported 304 employees for further training		▶ Supported more than 320 employees to receive further education	▶ Supported more than 380 employees for further training
 Talent attraction and retention		Management policy: Provide competitive salary packages and welfare measures to establish a comprehensive welfare system and harmonious labor-capital relations, increase employees' willingness to stay, and reduce employee turnover Evaluation Mechanism: Monthly / Quarterly / Annually statistics on employee turnover and retention rates to ensure management performance				
Employees get appropriate jobs and retain talents for sustainable business operations	▶ Employee turnover rate	▶ Direct employees less than 45% ▶ Indirect employees less than 26%	▶ Direct employees: 33.8% ▶ Indirect employees: 19.4%		▶ Direct employees less than 32% ▶ Indirect employees less than 18%	▶ Direct employees less than 30% ▶ Indirect employees less than 15%
	▶ Key talent retention rate	▶ Retention rate greater than 80%	▶ Retention rate of 95%		▶ Retention rate greater than 95.5%	▶ Retention rate greater than 96%

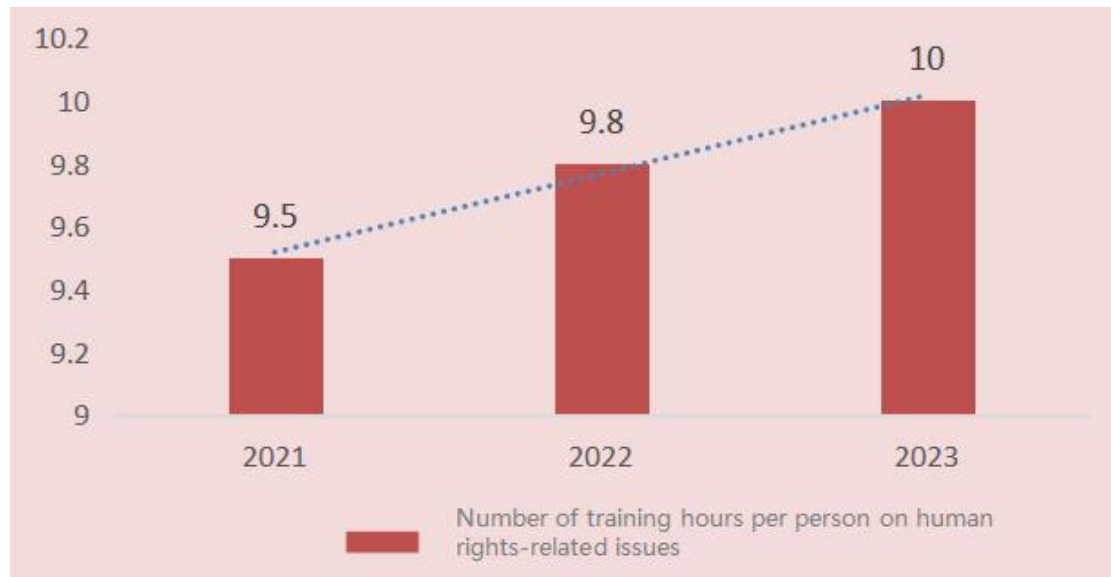
Note:

1. For key performance indicators that have not been met, please refer to the corresponding chapters for relevant management measures

Human rights protection training

The company attaches great importance to human rights protection and is committed to improving employees' human rights awareness through education and training to reduce potential risks. Every year, employees at all production bases must complete labor human rights-related training courses such as employee codes of conduct to ensure that every employee has a clear understanding of behavioral standards and working Environment. In addition, the course also includes online quizzes to consolidate learning outcomes.

- **Average number of training hours per person on human rights-related issues**



Employee Rights

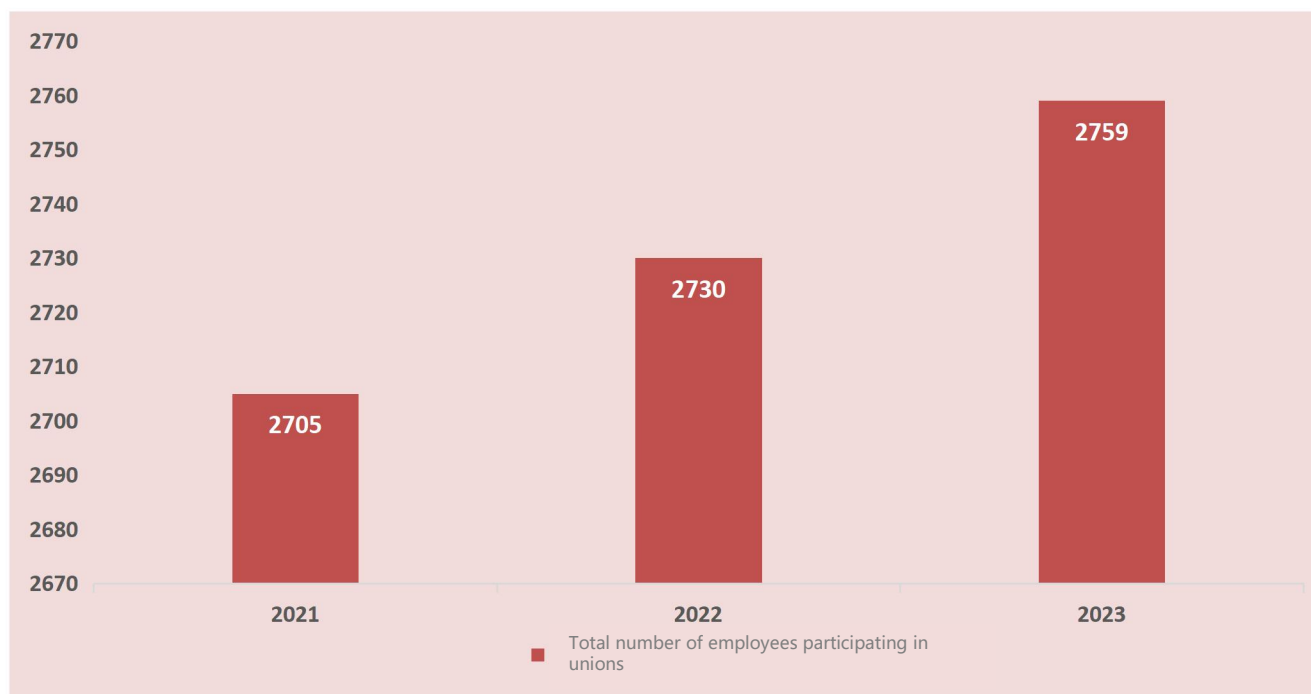
ZRP Printing Group Co., Ltd. complies with the provisions of the human rights and labor laws of the country or jurisdiction where it operates, and signs labor contracts that comply with local laws and regulations with all employees (the signing rate reaches 100%). The contract clearly stipulates the rights and obligations of both parties to protect the interests of both parties and encourages both parties to comply with it. When there are major changes in the company's operations that make the employment relationship unable to continue, it will notify in advance in accordance with local laws and regulations Note 1, communicate with the affected employees, and explain their rights and interests.

All factories have formulated employee work rules to ensure that employees are aware of their relevant rights and obligations. For example, the "Employee Handbook" clearly stipulates various employee rights, including appointment, resignation, working hours, vacations, bonuses, insurance and behavioral requirements, and announces them on the company's internal website, bulletin boards or in a conspicuous place in the workplace. Each production base has a "Recruitment and Placement Procedure" to formulate standardized operating procedures, select applicants who are most suitable and willing to serve in ZRP Printing Group Co., Ltd. without discrimination or difference, and recruit more diverse talents for the company; formulate "Regulations on Preventing Discrimination and Harassment", "Regulations on Preventing Forced Labor Management", "Safety Production Management System" and other regulations to establish a safe, dignified, non-discriminatory, mutual respect and tolerance, and equal opportunity workplace culture, and set up a special area on the company's internal website to publicize complaint channels to protect all employees from physical or mental harm at work, which may cause physical and mental illness.

Employee Union

Employees can independently form associations with like-minded or interested partners, and can also freely organize and join trade unions and conduct collective bargaining in accordance with relevant laws and regulations. The company will not interfere in the establishment, operation or management of its trade unions in any way, and maintain unimpeded communication channels with trade unions, implement the appointment, salary, resignation and other related matters of the collective agreement and the explicit provisions on employee health, safety and hygiene, so that both labor and management can follow and develop a stable and harmonious labor-capital relationship. At present, Zhongshan Zhongrong, Tianjin Zhongrong, Tianjin Lubao and Shenyang Zhongrong have established trade unions. The company has signed a collective agreement with the trade union, and employees participating in the trade union enjoy the protection of the collective agreement. The signing coverage rate is about 100% Note 2. With the company's active communication with various trade unions and employees, there were no major labor disputes or work stoppages caused by strikes in 2023.

- **Number of employees participating in trade unions in the past three years**



Note:

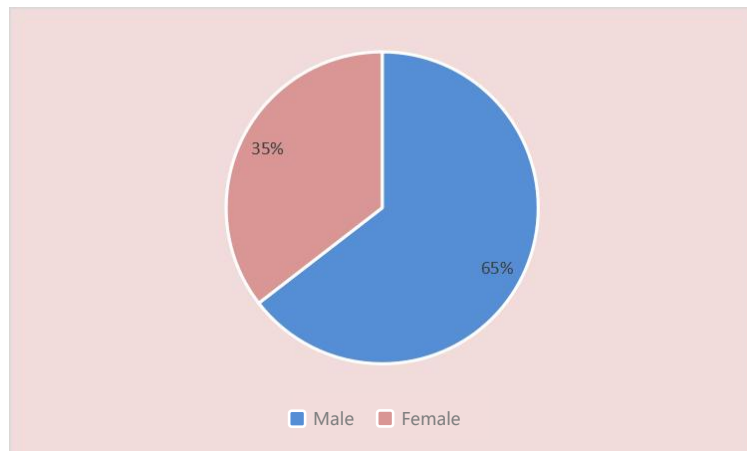
1. In China, employees must be informed at least 30 days in advance

2. Signature coverage rate = number of employees participating in the union in the factory ÷ number of employees in the factory at the end of the period × 100%

Talent attraction and retention

We believe that an inclusive working Environment can make everyone feel respected and supported, and can easily find the most suitable working method, work together to give full play to their strengths at work, and grow together. As the company's business scope expands, how to build a multi-cultural workplace that integrates multiple cultures, accepts employees' personality differences, has no prejudice against different ages, genders, races, religions, nationalities, political parties or physical disabilities, and where employees grow together is the company's primary issue. Therefore, the company is investing in workplace culture construction, women's participation in decision-making, and arrangements for disabled employees.

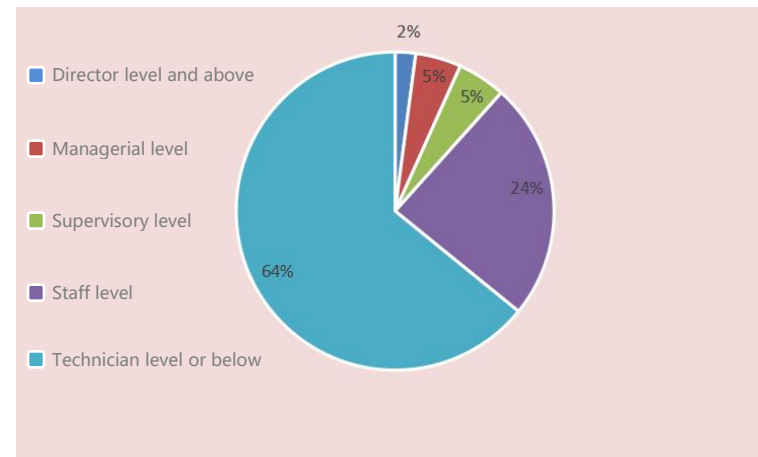
- **Gender ratio of employees**



Manpower structure

As of the end of 2023, the total number of employees in the five major production bases of ZRP Printing Group Co., Ltd. covered by this report is 3,358, of which 100% are regular employees Note 1 (3,358 people), and 100% have signed labor contracts. According to the gender ratio, males account for 65% and females account for 35%; according to the job category, directors and above account for 2%, managers account for 5%, supervisors account for 5%, staff account for 24%, and technicians account for 64%. For other detailed classification information, please refer to "Sustainable Data - Social A. Human Resources Structure Table".

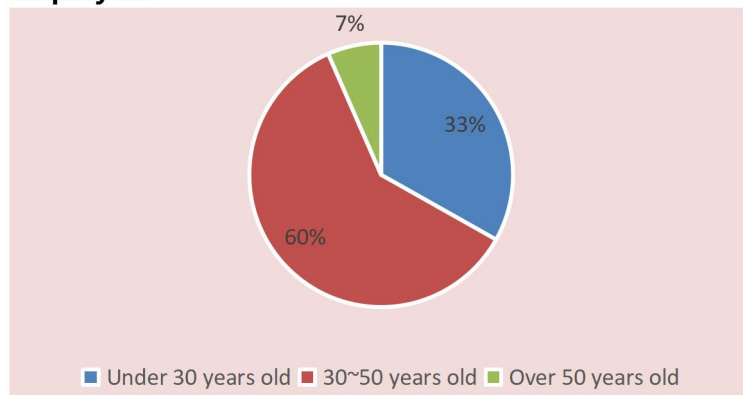
- **Employee job title ratio**



Note:

1. Regular employees are employees who have signed an irregular employment contract with the company; contract employees are employees who have signed a fixed-term employment contract with the company; both regular employees and contract employees
2. Ratio of local senior management = number of local senior management in the factory ÷ total number of senior management in

• **Age ratio of employees**



The company pays attention to the workplace Environment of employees and is committed to creating a benign and friendly working Environment, with a diverse and inclusive workplace, so that women can give full play to their strengths in the workplace. In terms of the appointment of female employees, by the end of 2023, female employees in global production bases accounted for 35% of the total number of employees; the proportion of female senior management has remained at 23% for three consecutive years. We are increasing our investment in cultivating female leaders and strive to increase this proportion to more than 25% by 2028.

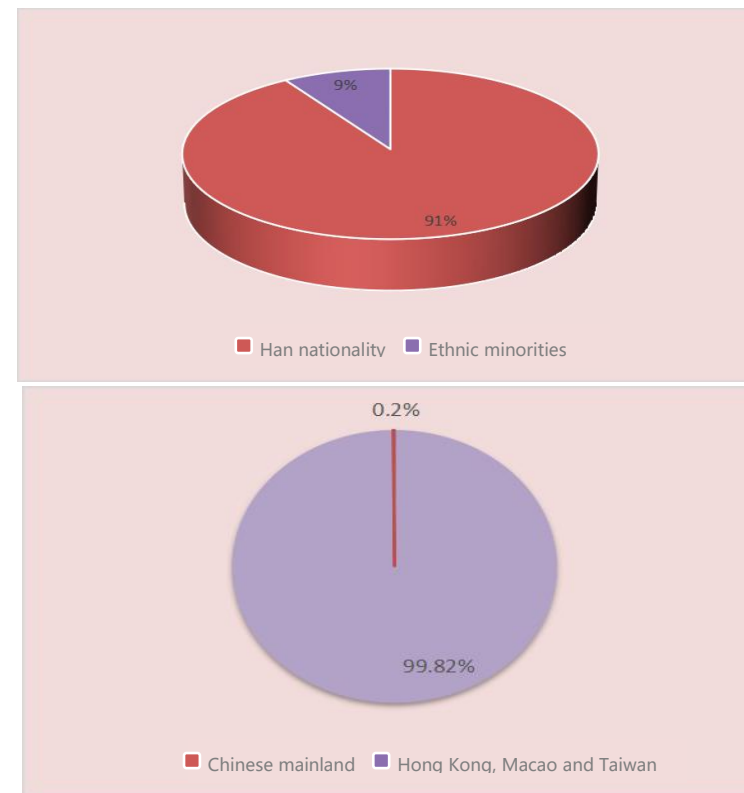
• **Proportion of female employees in each category**

	2021	2022	2023
Proportion of female employees	32.70%	32.80%	35.00%
Proportion of female management positions	28.10%	28.50%	28.40%
Proportion of women in entry-level management positions ^{注 1}	-	-	28.00%
Proportion of women in mid-level management positions ^{注 2}	-	-	31.00%
Proportion of women in senior management positions ^{注 3}	23.00%	23.00%	23.00%
Women serve as managers of operation-related Units ^{注 4}	-	-	49.00%
Proportion of women in STEM fields ^{注 5}	-	-	32.00%

Note:

1. Entry-level management positions are group leaders and supervisors
2. Middle-level management positions are managers and assistant managers
3. Senior management positions are directors and above
4. Operation-related Unit supervisors refer to business Unit supervisors, but do not include administrative Unit supervisors (e.g. HR, IT, legal affairs, etc.)
5. STEM (Science, Technology, Engineering, Mathematics): refers to personnel with science, technology, engineering, and mathematics related functions

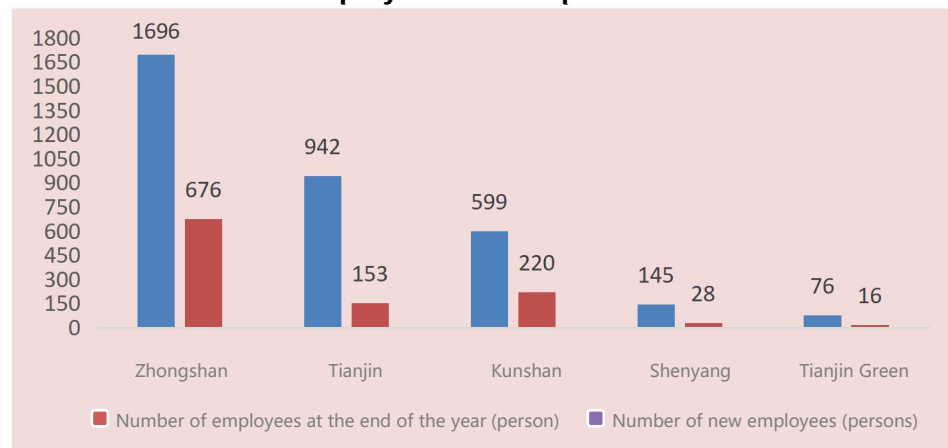
• **Proportion by ethnicity**



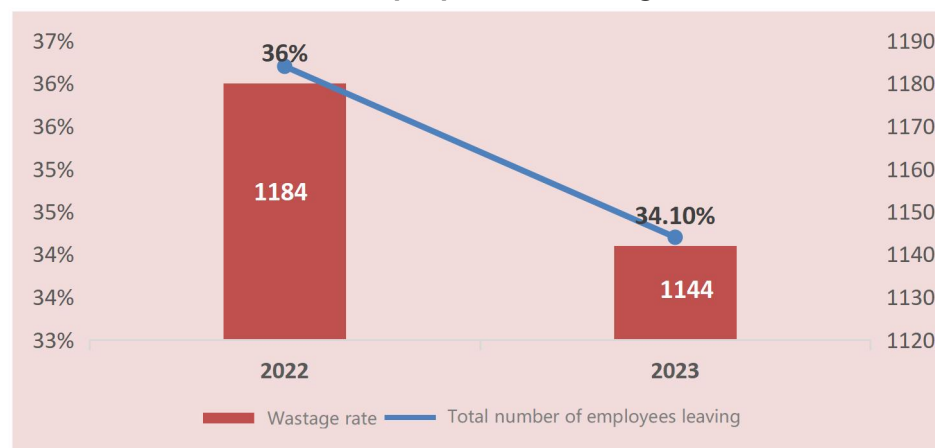
ZRP Printing Group Co., Ltd. adheres to the principle of diversity and inclusion, recruits talents from all walks of life, builds a clear and smooth career growth path for employees, helps employees to give full play to their personal potential and achieve vigorous development in their careers. The company is committed to creating an equal and diverse working Environment and an inclusive workplace culture. We firmly oppose any form of discrimination, and always adhere to the principle of equality and diversity in both recruitment and employment. We pay special attention to the disadvantaged groups among employees, helping them to better integrate into the Zhongrong family and grow together.

In 2023, the direct employee turnover rate of ZRP Printing Group Co., Ltd. was 33.8%, and the indirect employee turnover rate was 19.4%; the overall employee turnover rate was 34.1%. While expanding the factory, Zhongshan Zhongrong and Kunshan Zhongrong not only strengthened the personnel running-in activities, but also implemented corresponding improvement measures based on their own business development plans and the reasons for the loss of direct and indirect employees. In terms of direct employees, we strengthened the training of supervisors' human resource arrangement capabilities and encouraged employees to participate in skills training or change positions to slow down the loss of direct employees. In terms of indirect personnel, in addition to strengthening employee care and communication to promote the company's organizational culture, system and welfare; we further analyzed the personal development plans of employees and arranged talent development courses. For other detailed classification information, please refer to "Sustainable Data - Social B. New Employees and Resignations".

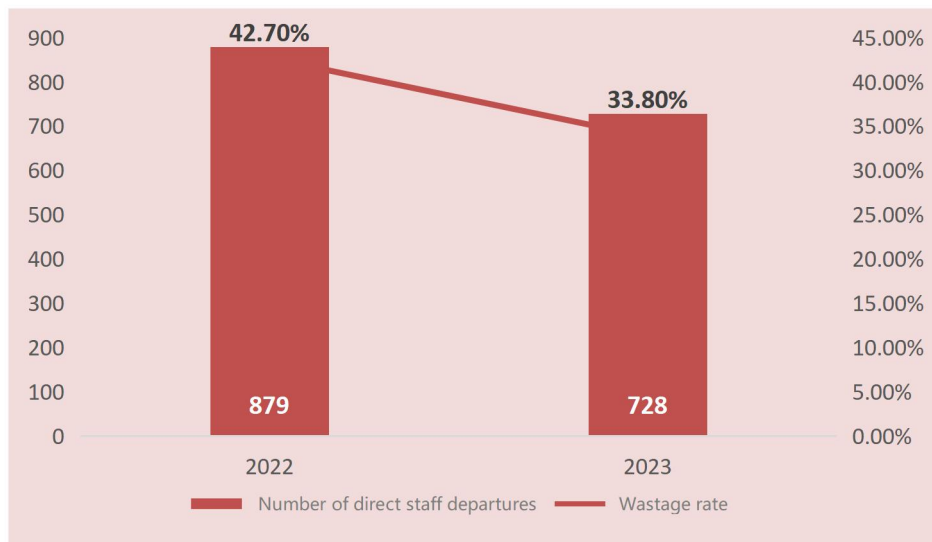
• **Number of new employees at each production base in 2023**



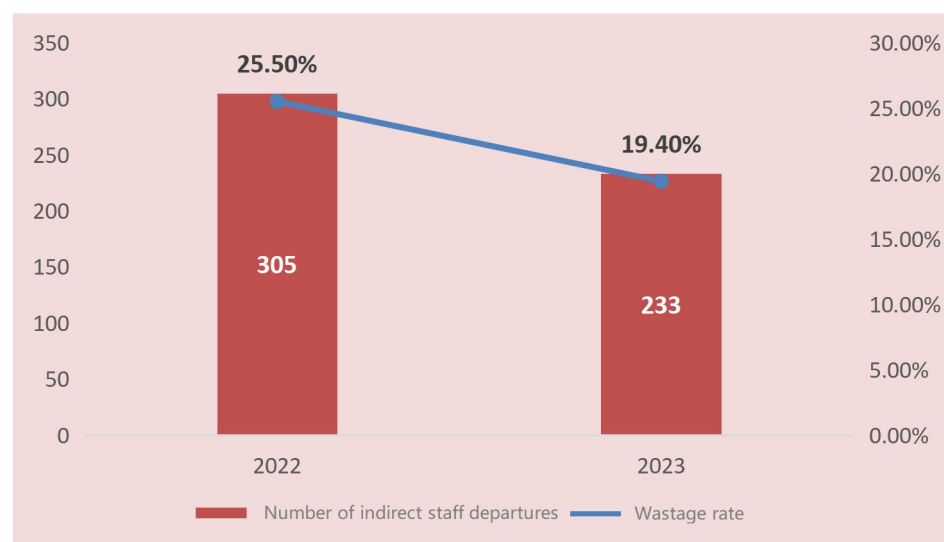
• **Overall number and proportion of resignations**



• **Number and ratio of direct employee resignations**



• **Number and ratio of indirect employee resignations**



Perfect salary system

ZRP Printing Group Co., Ltd. has formulated and continuously optimized the remuneration system, adhering to the following concepts:

- Affirm employees' contributions to the company, define the gaps between positions, and maintain a balance in compensation
- Appropriately reflect employee performance to motivate employees and attract the talent the company needs
- Provide employees with fair and reasonable treatment and make adjustments in line with the increase in responsibilities
- Have the flexibility to adjust according to changes in the human resources market and company organization

The company complies with the requirements of local labor laws and regulations, and does not set different starting salaries and rewards based on employees' gender, religion, politics, or marital status. It provides employees with consistent salary standards and benefits through a fair, reasonable, and motivating salary assessment system. For employees' efforts and work performance, reasonable and substantial returns are given through a performance evaluation system. There are monthly work bonuses, equity incentive plans, employee stock ownership plans, and annual dividend bonuses to reward employees with outstanding performance. The company evaluates the overall economic indicators and market salary standards of all production bases, the external competitiveness of talents, and the supply and demand of the labor market every year, and makes appropriate salary adjustments so that employees receive reasonable treatment to ensure that the company's overall salary is competitive in the talent market. In 2023, the company will adjust the base salary of employees at each production base to continue to maintain competitiveness in the talent market. The ratio of the standard starting salary of grassroots personnel to the local minimum salary is calculated to be approximately 1.00~1.939.

Ratio of employee starting salary to local minimum wage ^{Note 1}As shown in the following table: Unit: %

Zhongshan Zhongrong	Tianjin Zhongrong	Kunshan Zhongrong	Tianjin Green Packet	Shenyang Zhongrong
1.00	1.94	1.00	1.42	1.00

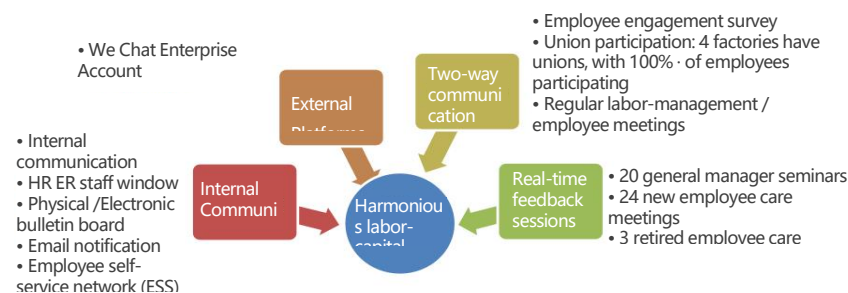
Note: 1. Salary refers to the monthly remuneration paid to employees, including basic salary and fixed allowances and bonuses paid monthly (such as food allowance, shift allowance, night shift allowance, posting allowance, position bonus, monthly work bonus and full attendance bonus)

Multiple communication channels

ZRP Printing Group Co., Ltd. strives to create positive employee relations and continuously build an open, trusting and efficient communication Environment. This Environment not only enables employees to keep abreast of the company's latest developments and their own workplace rights and interests, but also effectively protects the legitimate rights and interests of employees. The company provides courses to instruct employees in detail on how to make comments and suggestions, as well as how to use the employee suggestion box, including its location and filling method.

In addition, ZRP Printing Group Co., Ltd. regularly holds seminars between supervisors and employees, implements an instant feedback mechanism, and comprehensively collects employee opinions through various methods such as questionnaires to promote the harmonious development of labor-management relations through practical actions. In 2023, the company actively held 40 employee communication seminars and widely disseminated communication information through various media channels, especially in the process of information transmission, strengthening the publicity and guidance of internal and external reporting and appeal / complaint channels.

The company is open to employee feedback. Whether employees make suggestions or feedback through electronic employee suggestion boxes, physical employee suggestion boxes, employee complaint hotlines, employee relationship networks or any other means, the relevant responsible Units will respond quickly, actively assist in solving problems, and maintain communication with employees to ensure that they understand the measures taken and the results of the handling. This series of practices demonstrates Zhongrong's emphasis on employee opinions and rights, and its commitment to creating a transparent, fair and empathetic workplace culture.



Employee Benefits System

Taking into account the food, housing, education, entertainment, transportation, physical and mental health of employees around the world, the company adapts to local conditions, provides employees with considerate welfare systems and insurance plans, provides facilities for physical and mental development, and designs various activities to strengthen physical and mental fitness, so that employees who sign employment contracts with the company can have a balanced life with family while working. Please refer to "Sustainable Data - Society H. Comprehensive Welfare System".

Flexible working hours

Due to the global development of the company, communication across factories and time zones is becoming more frequent. The same shift is set up with multiple working hours according to the principle of flexible working hours to respond to the needs of business execution hours or time zones. If individual employees need to change their working hours due to family care, self-study, etc., they can apply for a change of working hours after obtaining the consent of their supervisor.

- **Employee Support Program**

Telecommuting (working from home)

"Emergency response capability" is the key to the Sustainability of an enterprise. In order to reduce the risk of the company being unable to operate normally due to force majeure factors such as natural disasters, fires, and statutory infectious diseases, we have implemented a remote work model, and employees can apply to work from home as needed. This measure is intended to ensure the stable operation of the company and the continuity of employees' work.

Physical and mental health management

The company takes care of implementing employee assistance programs, conducting stress adjustment questionnaire surveys, and cooperating with hospitals to provide psychological counseling services to help employees properly face and adjust work pressure. It also organizes physical and mental health lectures and activities, and literary and artistic film appreciation to manage work pressure through multiple channels. At the same time, the company provides venues for activities and subsidizes various sports clubs to hold activities, encouraging employees to participate in sports activities and promote physical health.

employee welfare	Workplace Stress Management	<ul style="list-style-type: none"> • Conduct stress adjustment questionnaire surveys, provide psychological counseling services, physical and mental health lectures and activities, various unlimited happiness activities, tea art, handicraft activities, literary and artistic film appreciation
	Sports and health initiatives	<ul style="list-style-type: none"> • Sports activities: The company sponsors various sports clubs to hold activities and venues • Health management: Physical examination once a year, professional medical staff provide free medical consultation
working Environment	Flexible working hours	<ul style="list-style-type: none"> • Due to the global development of the company, communication across factories and time zones is becoming more frequent. The same shift is set up with multiple working hours according to the principle of flexible working hours to meet the needs of business execution hours or time zones.
	Work from Home Arrangements	<ul style="list-style-type: none"> • Promote remote working mode, employees can apply to work from home as needed
Family Benefits	Breastfeeding/lactation facilities or benefits	<ul style="list-style-type: none"> • There is a breastfeeding room • Breastfeeding leave: 60 minutes of additional breastfeeding time per day
	maternity leave, Prenatal leave	<ul style="list-style-type: none"> • Maternity leave: Zhongshan Zhongrong: more than 178 days; Kunshan Zhongrong: more than 128 days; Tianjin Zhongrong / Tianjin Green Packet: more than 128 days; Shenyang Zhongrong: more than 158 days • Prenatal leave: China: 4 hours each time
	Paternity leave, Parental leave	<ul style="list-style-type: none"> • 15 days of paternity leave and maternity check-up leave • Parental leave: 5 to 10 days per year

Family Care

In response to the government's policy of encouraging childbirth and solving the problem of population aging, the company adjusts appropriate work shifts for pregnant employees, provides convenient parking spaces, work meal subsidies and other benefits, provides childbirth subsidies and sets up breastfeeding (collective) rooms, and grants maternity (inspection) leave and accompanying (inspection) leave; those who breastfeed themselves after giving birth are given breastfeeding (collective) leave every day; if you need to take care of your family for a longer time, you can also apply for childcare leave/infant leave to take care of your family wholeheartedly. According to local laws and regulations, employees are given the right to apply for parental leave. After the demand for parental leave ends, employees can apply for reinstatement. The company also proactively reminds employees of the end date of parental leave.

In 2023, the number of newborns among all production base employees was 46, indicating that the fertility benefits and measures implemented by the company can enhance employees' willingness to have children and increase the reinstatement rate and retention rate of parental leave.

• Statistics on parental leave for ZRP Printing Group Co., Ltd.

project	2021	2022	2023		
			male	female	total
Number of applicants eligible for parental leave in the current year ^{Note 1}	33	23	23	21	45
The actual number of applicants for parental leave in the current year	33	26	23	21	46
The number of people who are expected to return to work in the current year after being suspended for childcare	27	20	22	14	38
Number of people who were reinstated on leave for childcare in the current year	27	20	22	14	38
Number of people who were on leave for childcare and then resumed their jobs in the previous year	18	27	22	14	37
The number of people who continued to work for one year after returning from parental leave in the previous year	12	21	22	7	29
The rate of reinstatement after childcare leave ^{Note 2}	100%	100%	100%	100%	100%
育嬰留停留任率 ^{注 3}	67%	78%	100%	50%	75%

Note:

1. Eligible for applying for parental leave in the current year: Those who have taken "paternity leave" or "pregnancy leave" (more than 20 weeks) from 2020 to 2023 and are still employed in 2023

2. Reinstatement rate: the number of people who actually returned to work after parental leave in the current year ÷ the number of people who should have returned to work in the current year after parental leave × 100%

3. Retention rate: the number of people who are still employed twelve months after returning to work after parental leave in the previous year ÷ the number of people who returned to work after parental leave in the previous year × 100%

• Employee activity



Athletic Competition: Employees can enhance their physique, improve their skills and enrich their cultural life through physical exercise, technology, training, competitive games, etc.



Energy Supply: Provide employees with various lectures and DIY activities to relieve stress, which not only improves their own energy but also supplements their knowledge in other fields



Art and Lohas: Provide employees with various cultural activities to promote personal physical and mental exploration and growth



Warmth and Gratitude: Participate in social welfare activities, offer blessings and care to colleagues and those in need, gather the centripetal force among colleagues, show humanistic care, realize self-worth, improve self-skills, and enrich cultural life

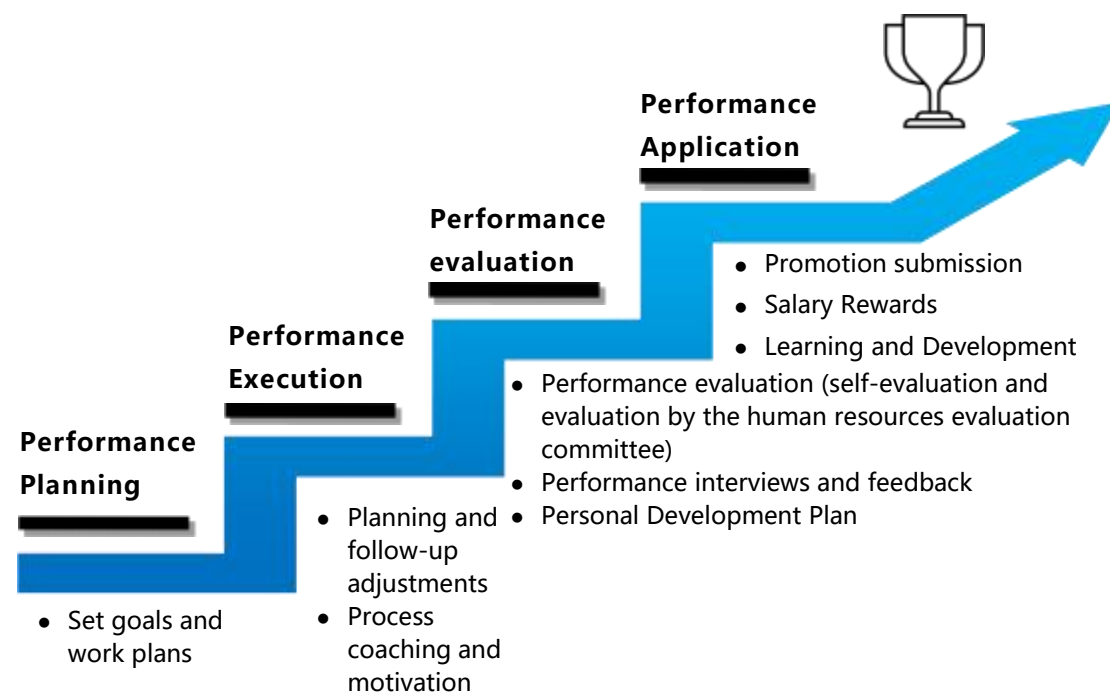


Employee Performance Management

ZRP Printing Group Co., Ltd. has established a fair and complete performance management system that closely combines the company's overall strategic goals with employees' personal work goals and performance evaluation standards. The company conducts performance evaluations regularly according to different positions and identities. These evaluations are in the form of a review committee, which collects opinions from superiors, heads of business-related Units or colleagues, and customers, and conducts performance reviews of employees from an all-round perspective. During the review process, supervisors are also required to provide career development suggestions and conduct mandatory rankings. Based on the results of employees' performance evaluations, the company provides rewards, training, and abundant career development opportunities. For employees with outstanding performance and potential, the company actively selects and trains them through an open and transparent promotion mechanism, giving them higher-level responsibilities and more generous remuneration, so as to motivate employees to achieve personal and team performance goals and jointly promote the realization of the company's overall goals.

- **Employee performance appraisal method**

Assessment Method	Assessment Object	Frequency of Assessment	Implementation Method
Mobile management	Indirect employees	quarter	Supervisors evaluate work progress and work attitude at any time and communicate with employees about improvement plans
Goal Management and Ranking	All employees	quarter	At the beginning of each year, employees submit their personal work plans and quantifiable performance indicators on the goal management system. After discussing with their supervisors and obtaining mutual agreement, employees set their personal performance goals based on this consensus. During the performance evaluation period, supervisors provide consultation, guidance and motivation to employees to complete the assigned tasks. At the end of the evaluation cycle, evaluation and mandatory ranking are conducted based on the achievement of various performance goals.
Multi-faceted assessment	Indirect employees	quarter	The evaluation committee consists of senior managers, managers or colleagues of upstream and downstream business Units, customers, etc. The judges jointly evaluate the performance of the personnel from multiple angles. The manager needs to provide development suggestions and rankings.
Team matrix management	Indirect employees	quarter	In the spirit of project management, cross-functional/Unit personnel work together to achieve project goals. The project leader is responsible for confirming and tracking the work execution status of each project member during the project. Project members report to the project leader and the organization's direct supervisor at the same time. The project leader participates in the performance review meeting of project members and provides members with work performance status.
Multi-skilled worker qualification assessment	Direct employees	quarter	The instructor will assess whether the employee has passed the qualification assessment for each station/line of the production line, machine operation, product inspection and troubleshooting of abnormal conditions.



- Regular employee performance review and functional development statistics ^{Note 1~2}
- Regular employee performance review and functional development statistics ^{Note 1~2}

gender	Employee Category	Regular performance reviews			Functional Development Review		
		Number of people to be reviewed	Actual number of reviewers	Actual review ratio	Number of people to be reviewed	Actual number of reviewers	Actual review ratio
male	Director level and above	74	74	100%	5	5	100%
	Managerial level	171	171	100%	8	8	100%
	Supervisory level	203	203	100%	9	9	100%
	Staff level	38	38	100%	2	2	100%
	Technician level	42	42	100%	20	20	100%
Male total		528	528	100%	44	44	100%
female	Director level and above	17	17	100%	3	3	100%
	Managerial level	69	69	100%	3	3	100%
	Supervisory level	118	118	100%	9	9	100%
	Staff level	25	25	100%	3	3	100%
	Technician level	24	24	100%	2	2	100%
Total female		253	253	100%	20	20	100%
total		781	781	100%	64	64	100%

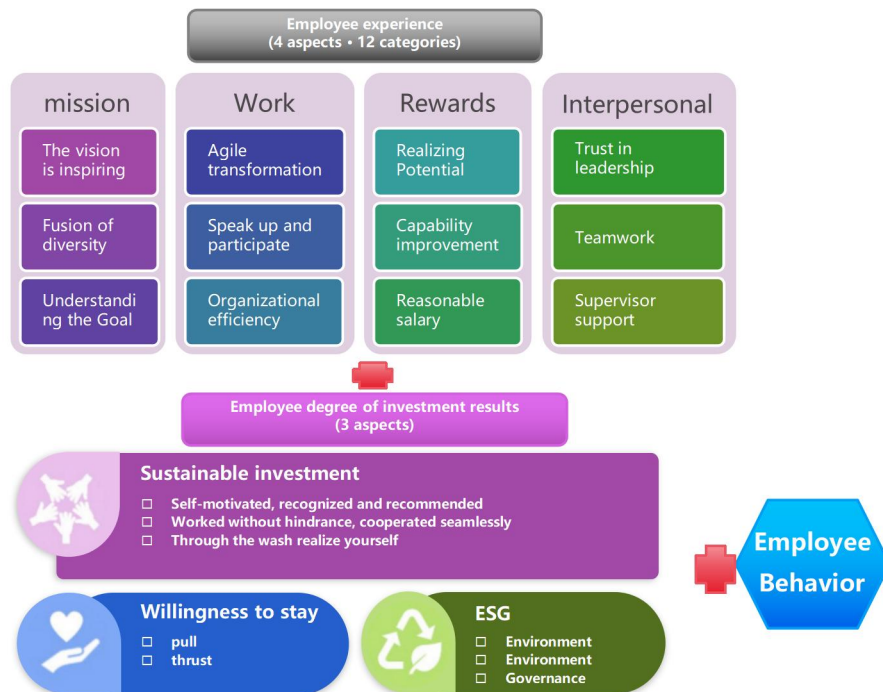
Note:

1. Qualifications for performance and functional development assessment personnel: Regular employees who have been in office for three months (inclusive) or more, but those who have not passed the probation assessment or have been on leave without pay for more than three months are not included in the assessment list
2. Managers above the vice president level are not included in the functional development assessment list

Satisfaction survey

In order to gain a deeper understanding of the fit between employees and the company and their work, to inspire their enthusiasm and make them more engaged, we have put forward a series of improvement suggestions aimed at making the work process smoother. At the same time, we also encourage employees to share their work experiences with each other, which is crucial to the positive development of the company. In 2021, we cooperated with expert consultants to conduct the "Employee Satisfaction Survey" for the first time. We hope that through the results of this survey, we can effectively understand and collect employees' opinions and use these opinions as a tool to formulate policies to attract, retain and cultivate talents. In this way, our company processes, strategies and measures can better meet the needs of employees and achieve a win-win situation for both the company and employees.

In 2023, we introduced a new survey framework and measurement benchmark, and added the sustainability index (three categories: sustainable engagement, willingness to stay, and ESG) to the survey to listen to employees more deeply and effectively, so that the company's processes, strategies and various measures can be closer to employees' expectations to achieve the goal of attracting and retaining talents.



In 2023, we conducted a 14-day satisfaction survey, and the survey subjects were direct/indirect employees who arrived before June 30, 2023. A total of 782 valid questionnaires were collected, and the valid questionnaire feedback rate (questionnaire coverage rate) was 100%. This survey adopted a 5-point scoring system, with a total of 1-5 points, namely fully recognized, mostly recognized, basically recognized, partially recognized, and very unrecognized. The survey results are an average score of 4.16 points, satisfaction: 81.47%, and overall satisfaction is good. The data analysis is as follows:

Keep it up
<ol style="list-style-type: none"> 1. The company has a good development prospect and a relatively stable order volume; 2. The customer-centric values are deeply rooted in the hearts of the people and meet the needs and expectations of customers; 3. People-oriented, good at listening to employees' opinions and actively improving, such as canteen food innovation, electric vehicle charging pile installation, etc.; 4. Mechanization, high degree of automation, continuous optimization of hardware and software equipment; 5. Follow the pace of the times, actively carry out organizational changes, and open up new directions; 6. The overall office Environment is comfortable, and the basic setting of work resources provided is relatively complete.
Shortcomings and suggestions
<ol style="list-style-type: none"> 1. The company's process is relatively detailed, with many approval nodes, which makes the process too complicated; 2. AI is developing rapidly, and the company is expected to pay attention to artificial intelligence technology to improve work efficiency and core competitiveness; 3. There is a lack of professional and general training courses, and the training methods and content are not attractive enough.
action plan
<ol style="list-style-type: none"> 1. Make full use of online learning platforms to provide a variety of learning resources and learning forms; establish training incentives to mobilize employees' initiative in self-learning; 2. Actively plan and organize a variety of employee activities and team-building activities to stimulate organizational vitality, strengthen cohesion, and enhance employees' sense of belonging; 3. Sort out process nodes, grasp key processes, and improve work efficiency.

Talent development

In the post-epidemic era, we have optimized our training platform and course production tools, and replaced some physical face-to-face courses with electronic courses. At the same time, we have also made our course content more concise and fresh, and the location and time of classes more flexible. In 2023, our total training hours reached 295,504 hours, and the average training hours per person was 88 hours.

- **Statistics of employee training by category**

category	2023	
	Total training hours	Average training hours per person
Male employees	190696	88.0
Female employees	104808	88.0
Director level (including above)	6336	90.5
Managerial level	14168	90.8
Supervisory level	14872	90.1
Staff level	71016	87.4
Technical worker level (including below)	189112	87.8
Total employees	295504	88

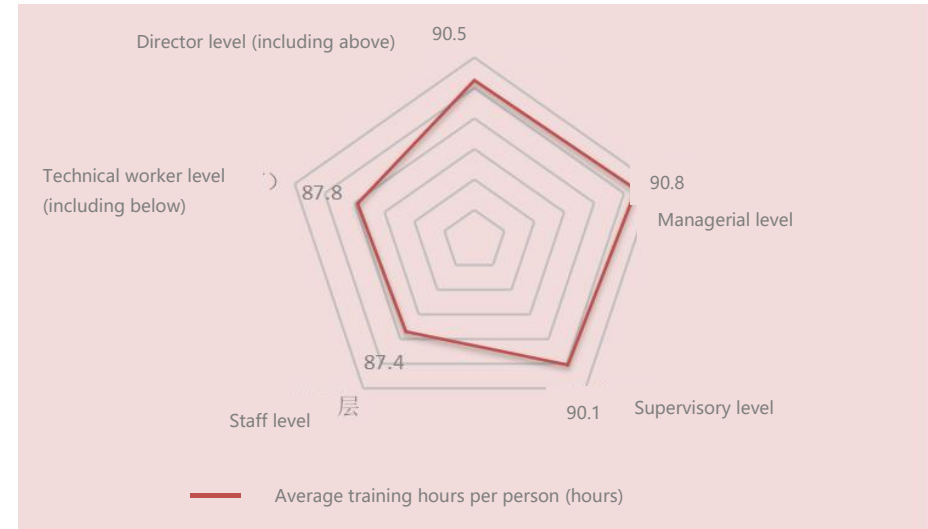
- **Statistics of employee training by topic**

Project	Environmental issues	Health and safety issues	Human rights issues	Green Product Issues	Business ethics issues	Corporate risk issues	Information security issues
Total training hours	94024	127604	33580	13432	26864	94024	127604
Number of people trained	3358	3358	3358	3358	3358	3358	3358
Average training hours per person	28	38	10	4	8	28	38

1. Average training hours per person = actual total training hours for employees of the same category/sex ÷ number of employees of the same category/sex at the end of the period

This means that every employee has the opportunity to get enough time to learn and grow. This figure not only shows our efforts in training, but also reflects the positive attitude of employees to improve their skills and knowledge.

- **Average training hours per employee at each level in 2023**



Career Development Program

ZRP Printing Group Co., Ltd.' training courses are divided into dual-track development management and professional staff capacity building courses. Provide rich and diverse training courses and digital learning resources for personnel of different professions. Since 2021, the company has standardized the learning content according to the needs of Sustainability, and produced courses in Chinese, English and other languages, so that employees in various places can quickly understand the important policies and information conveyed by the company.

Plan corresponding training courses according to functions

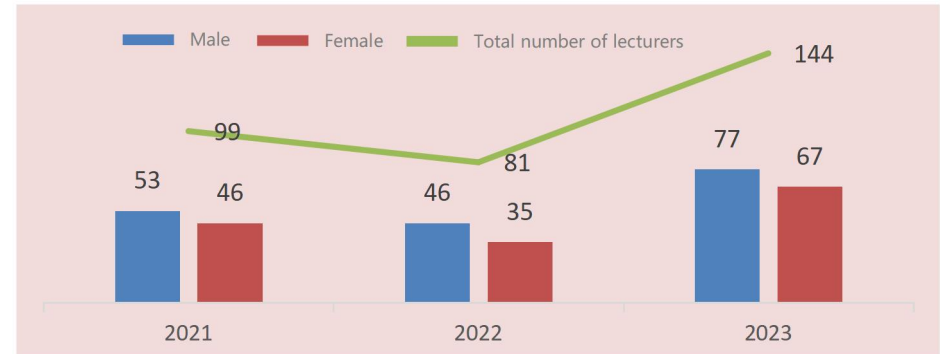
The company improves the professional capabilities of employees and enhances organizational competitiveness through a customized training course system. These courses are designed according to the job roles of employees, based on management functions and professional functions, and cultivate employees' professional skills in a hierarchical manner, thereby improving their work performance. In order to ensure the continuity of management talents, the company also arranges management cadres to receive supervisor training at different levels and formulates a succession plan. In addition, the company implements a job certification system to ensure that employees in the same position have the same level of professional skills. Professional skills certification courses improve employees' problem analysis and problem-solving capabilities through the certification process, providing a clear path for their career development.

Internal lecturer training










Over the years, the company has actively cultivated an internal team of lecturers, and through professional training and certification, it has enabled employees to become excellent lecturers. This not only strengthens knowledge sharing, but also promotes a learning culture. Lecturers use their professional knowledge to provide employees with high-quality, forward-looking courses to enhance their skills and career development. The internal lecturer system effectively utilizes internal talents, enhances the professional influence and leadership of employees, improves training efficiency, cultivates talents, and enhances the company's innovation and competitiveness. By the end of 2023, 144 employees have completed lecturer training, and a total of 324 employees have been trained, showing the company's effectiveness in talent development and knowledge sharing, and preparing for the future.

The company has improved its employees' skills through the job certification system, and won the professional skill level certification from the Zhongshan Municipal Human Resources and Social Security Bureau in 2021, which indicates the recognition of its training system and the promising future development prospects.

As an enterprise with professional skill level certification in Zhongshan, the company has assumed the social responsibility of cultivating and delivering high-quality skilled talents. By the end of 2023, the company has successfully trained 289 skilled talents of various types through systematic training and evaluation. These talents play an important role in their respective positions and have contributed to the development of the company and the progress of the industry.



Sustainability goals and performance

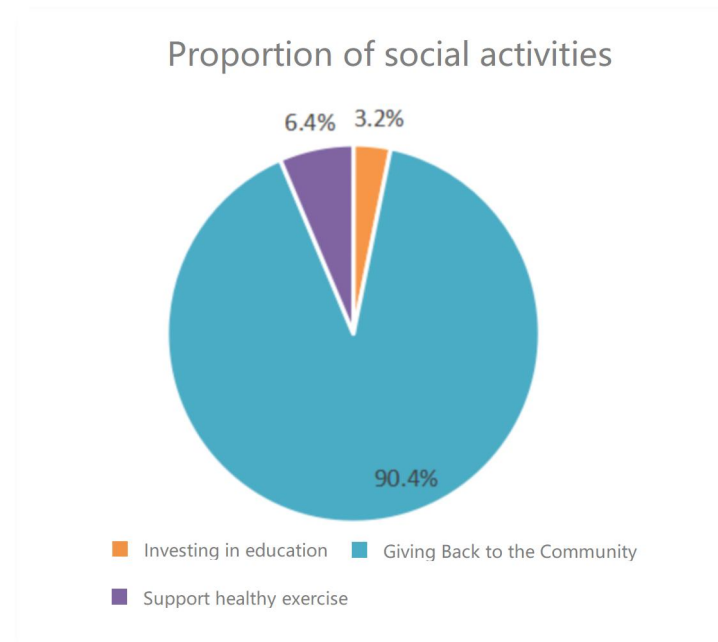
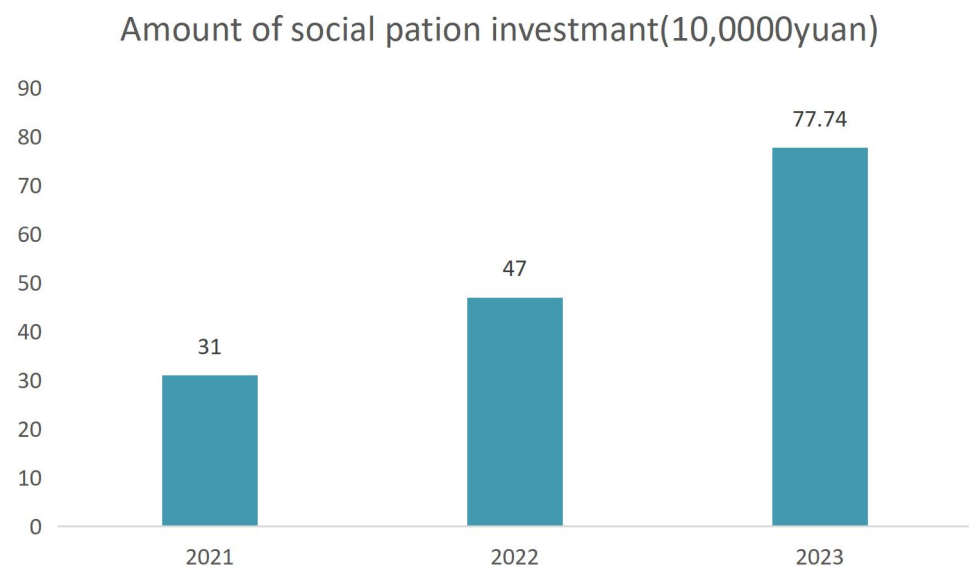
Management Purpose	Key Performance Indicators	2023 Goals	2023 Performance	state	2024 Goals	2028 Goals
 Social participation	<p>Management policy: Focus on the company's investment policy based on ZRP's "Public Affairs Participation Policy" and use the "Volunteer Leave Management Method" to systematically manage and encourage employees to serve as volunteers to participate in social welfare activities</p> <p>Evaluation Mechanism: Use community investment evaluation mechanisms and social investment return methodology to examine the company's social welfare-related investment, benefits and impacts, and appropriately adjust investment to create multiple values</p>					
Effectively manage social participation investment to create the greatest social value for both the company and the beneficiaries	▶ Industry-Academic Cooperation Project	▶ Continue to promote industry-university cooperation projects	▶ Implemented 15 industry-university cooperation projects		▶ 17 industry-university cooperation projects	▶ 20 industry-university cooperation projects
	▶ Number of interns	▶ Up to 200 people	▶ A total of 210 students went to the factory for internship		▶ Up to 220 people	▶ Up to 250 people
	▶ Share the courses of ZRP Printing Management Training Institute	▶ Share 20 lessons	▶ Share 20 lessons in total		▶ Shared 25 lessons	▶ Shared 40 lessons
	▶ Number of people in rural revitalization	▶ Help 50 needy students	▶ Help 50 needy students		▶ Help 60 needy students	▶ Help 70 needy students
	▶ Number of caring services provided	▶ 500 corporate volunteers	▶ 575 corporate volunteers		▶ 580 corporate volunteers	▶ 600 corporate volunteers
	▶ Support literary and artistic groups	▶ Up to 3 groups	▶ Supported 3 art groups		▶ Up to 4 groups	▶ Up to 5 groups
	▶ Clean up the Environment and implement waste sorting	▶ Organize and discuss the feasibility of implementing waste-free community activities	▶ Community waste sorting and processing reached 586.37 tons		▶ Community waste sorting and processing reached 600 tons	▶ Community waste sorting and processing reached 800 tons
	▶ Organize environmental lectures	▶ Up to 2 lectures	▶ A total of 2 lectures will be held		▶ Up to 3 lectures	▶ Up to 5 lectures

Overview of social activities

As a responsible enterprise, ZRP Printing Group Co., Ltd. believes that social participation is not only about monetary sponsorship, but should focus on social reconstruction and Sustainability, contribute to the overall development of society, and exert positive influence. Therefore, the Strategy and Sustainability Committee, as the highest management organization for social participation, encourages employees to participate in social welfare activities as volunteers in order to focus on the direction and principles of participation, and promotes social participation with four major Sustainability axes: investment in education, giving back to society, protecting the Environment, and supporting cultural and sports development. In order to effectively quantify the benefits of public welfare investment, we refer to LBG (London Benchmark Group) community investment assessment of 3 social activities, with a total investment of RMB 777,400. The total number of employees cared for and served is 575, and the number of service hours involved in the activities is 2,300 hours.

Overall situation of social activities investment in recent years, based on the main axis of social participation in Sustainability ^{Note 1}. Types of social activities

The analysis ratio is shown in the figure below:



Note:

1. The proportion of the four main axes of social participation excludes the expenses of participating in external advocacy organization

Investing in education

Talent is the core driving force for the continuous growth of enterprises, and reading is the foundation for accumulating innovative research and development capabilities. In order to implement the concept of "promoting education", ZRP Printing Group Co., Ltd. has long been committed to education investment, and has supported primary schools to implement the "Awarding Education and Helping the needy" project for many consecutive years to promote educational equity and improve the quality of education.

In terms of young employee training, ZRP Printing Group Co., Ltd. promotes industry-university-research cooperation and internship programs in its multiple factories. These initiatives aim at improving the employment skills of young people and laying a solid foundation for cultivating future scientific and technological talents.

Through these strategic investments, ZRP Printing Group Co., Ltd. not only supports the development of education, but also cultivates high-quality talents for itself and the entire industry, and contributes to the long-term development of society.



ZRP Printing Management Training Institute Course Sharing and Industry-University Internship Cooperation (Global)

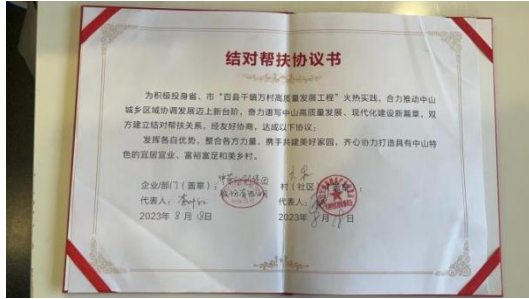
ZRP Printing Group Co., Ltd. attaches great importance to employee training and technology inheritance. Through Zhongrong Printing Management Training College, it cooperates with many institutions and universities to train internal lecturers and provide free courses. These courses share the company's experience, knowledge and the latest industry technologies, aiming to promote knowledge sharing and talent growth. Through diversified courses such as ESG practice sharing, building a harmonious labor relations enterprise, DISC personality color and communication management, and 8D and QC seven techniques, exchanges with peers, and holds career planning courses to allow college students to get in touch with the workplace. In 2023, Zhongrong Printing Management Training College shared 20 classes and contributed to improving the employment ability of young people. In addition, in order to fully achieve the combination of learning and practice and cultivate students with both practical and theoretical knowledge, ZRP Printing Group Co., Ltd. provides industry-university internship opportunities in Zhongshan Zhongrong, Tianjin Zhongrong, Kunshan Zhongrong and Tianjin Green Bag, hiring college students to intern in the factory, and training them with a one-to-one mentor system, so that students can smoothly enter the workplace after graduation. In addition to internship opportunities, Tianjin Zhongrong has cooperated with Wuhan University, Hunan University of Technology, Shaanxi University of Science and Technology, School of Food Science and Technology of South China Agricultural University, and Beijing Institute of Graphic Communication to carry out a number of research projects in digital printing technology, digital printing and packaging engineering technology, printing technology and color management, packaging material technology, food safety packaging, etc., to practice a win-win model between industry and academia. In 2023, a total of 210 students will benefit from the industry-university cooperation internship cooperation.

• Course Sharing of Zhongrong College

Factory area	Share Courses
Zhongshan Zhongrong	· Entering the workplace and touching employment (Beijing Institute of Graphic Communication)
	· Introduction to digital printing and intelligent packaging industry (Hunan University of Technology)
	· Introduction to Digital Printing and Color Science (Wuhan University)
	· Introduction to the SEDEX Code of Conduct (External Suppliers)
Shenyang Zhongrong	· Value is up, green is good - ZRP Printing Group Co., Ltd. ESG Practice Sharing (Industry)
	DISC Personality Color & Communication Management (Industry) New 8D 2.0 (external supplier)
Kunshan Zhongrong	How to create a provincial-level enterprise with harmonious labor relations (industry)
	Digital printing technology (Landa)
	Introduction to Advanced Technology in Printing and Packaging (Shaanxi University of Science and Technology)
	8D and OC Seven Techniques Training (External Supplier)
Tianjin Zhongrong	13th Career Coaching Program - Resumes and Interviews
	Internship course sharing (Wuhan University)
	How to create an eye-catching resume (Beijing Institute of Graphic Communication)
Tianjin Green Packet	Business Operation Sandbox Exercise (Industry)
	Printing and Packaging Materials and Technology (Beijing Institute of Graphic Communication) Food Safety and Packaging Technology (College of Food Science and Engineering, South China Agricultural University)

Giving Back to the Community

Rural revitalization



ZRP Printing Group Co., Ltd. has demonstrated its sense of social responsibility and mission in response to the United Nations Sustainable Development Goals (SDGs), especially Goal 1 (poverty eradication) and Goal 4

(quality education). In the hot practice of my country's in-depth promotion of the "High-quality Development Project of 100 Counties, 1,000 Towns and 10,000 Villages", ZRP Printing Group Co., Ltd. actively participated and worked with all parties to promote the coordinated development of urban and rural areas, and contributed to the writing of a new chapter of Zhongshan's high-quality development and modernization.

In order to achieve the goal of high-quality development, ZRP Printing Group Co., Ltd. has established cooperative relations with many parties to jointly promote educational balance and rural revitalization. The company donated approximately 387,397.5 yuan to support the development of education in Zhongshan City and Qichun County, Hubei Province, especially the education of children in remote areas, and narrow the urban-rural education gap. These measures reflect ZRP Printing Group Co., Ltd.' support and recognition of the national development strategy, as well as its emphasis on social undertakings, especially education.

The donated funds will be mainly used in the following aspects:

1. Improve the level of basic education facilities. Improve the hardware conditions of rural schools, provide children with a better learning Environment and facilities, and ensure that they can grow up in a comfortable and safe Environment.
2. Improve teacher treatment and training. Increase teacher salaries, optimize working and living environments, and strengthen

professional training to improve the quality of education and ensure that children receive better education.

3. Promote vocational education and higher education. Increase investment in vocational schools and colleges, improve education levels, cultivate more outstanding talents, and support rural development.

4. Provide financial aid to needy students. Establish scholarships for needy students to help students from economically disadvantaged families complete their studies and ensure that they do not drop out of school due to poverty.

5. Strengthen the construction of educational informatization. Use modern information technology to improve the level of educational informatization, so that rural children can enjoy high-quality urban educational resources and narrow the urban-rural education gap.

6. Promote educational equity. Strengthen educational care for vulnerable groups, protect the educational rights and interests of special groups such as disabled children and left-behind children, and enable them to grow up in an Environment full of care and fairness.

Through the above measures, ZRP Printing Group Co., Ltd. aims to help Qichun County improve the quality of education, achieve educational equity, and give more children the opportunity to change their own destiny.

This has also accumulated a good reputation for the company's own development, established a corporate brand image, and created favorable conditions for the company's future development.

In short, ZRP Printing Group Co., Ltd. actively responded to the call of the country's "High-quality Development Project of 100 Counties, Towns and 10,000 Villages" by donating funds, and promoted balanced development of education with practical actions to help rural revitalization. This move not only reflects the company's sense of social responsibility and mission of the times, but also makes positive contributions to my country's realization of SDGs goals, especially Goals 1 and 4. In the future, ZRP Printing Group Co., Ltd. will continue to focus on the development of education and contribute to building a more equitable and loving society.

Social Inclusion

Caring for the elderly in the community (Zhongshan Zhongrong)



Faced with an ultra-aging society, the issues of silver-haired care and elderly people living alone are becoming more and more urgent. How to provide support to the elderly in society and let them live a healthy and happy life is a problem we must solve. ZRP Printing Group Co., Ltd. actively participates in community elderly services, sponsors Chongyang Respect for the Elderly activities, visits and



Chongyang Festival Respect for the Elderly Activities

care in nursing homes, and participates in Zhongshan Charity Walk, conveying care and respect for the elderly through actions and practices. In my country, Chongyang Festival has always been a traditional festival of respecting, honoring and loving the elderly, and ZRP Printing Group Co., Ltd. practices this tradition with practical actions. During the Chongyang Festival, we participated in community respect for the elderly activities, visited the elderly in nursing homes regularly, and brought them care and warmth. This continuous attention and careful care made the elderly feel the care of the society and made their later years more fulfilling and happy.

Zhongshan Charity Walk is a public welfare activity with a profound historical background. Since it was held in 1988, it has become an indispensable part of the lives of Zhongshan citizens. This activity was organized and initiated by the Zhongshan Red Cross Society to promote the spirit of fraternity and widely raise funds to help the needy. The operation mode of the activity is "government-led, Red Cross-led, and participation from all sectors of society", which reflects the charitable concept of universal participation. The activity attracted the participation of various social groups, including civil servants, intellectuals, ordinary citizens, overseas Chinese, Hong Kong and Macao compatriots, entrepreneurs, migrant workers, the elderly and children. The impact of this activity is not only reflected in fund-raising and rescue operations, but also in promoting the relationship between the government and civil society, enhancing the Unity and cooperation among social groups, and providing a platform for enterprises and non-governmental organizations to showcase their own image.

As a socially responsible enterprise, ZRP Printing Group Co., Ltd. actively participates in it, practices the spirit of charity with practical actions, provides help to the needy groups, and promotes the development of social welfare. ZRP Printing Group Co., Ltd.'s participation is not only to sponsor the event, but also



to convey a value, that is, enterprises should not only pursue economic benefits, but also assume social responsibilities and care for the vulnerable groups in society, especially the elderly. In the event, ZRP Printing Group Co., Ltd.'s employees will also actively participate, expressing their care for the elderly and their love for charity through donations, volunteer services, etc. In the face of an ultra-aging society, ZRP Printing Group Co., Ltd. actively assumes social responsibility, pays attention to the life and health of the elderly, and provides them with better care and love. Only in this way can we build a more harmonious and warm society so that every elderly person can enjoy their old age.

Protecting Environment

ZRP actively responds to climate change, responds to the United Nations SDGs' climate action and terrestrial ecological goals, and through tree planting activities and the "ZRP Employee Love Forest" public welfare activities, enhances employees' environmental awareness and participation, successfully plants 200 trees, and achieves the "zero waste" goal in production, and is awarded the title of "zero waste factory" demonstration Unit. These measures not only set an example for the green development of the industry, but also demonstrate ZRP's responsibility in environmental protection and ecological civilization construction, and demonstrate its determination to promote the development of society in an environmentally friendly and sustainable direction.

ZRP has demonstrated its high regard for environmental protection and ecosystem maintenance in its active response to Goal 13 (Climate Action) and Goal 15 (Land Ecology) of the United Nations Sustainable Development Goals (SDGs). The company is not only committed to promoting environmental education, but also actively participates in public welfare activities such as afforestation, protecting ecosystems, combating desertification and reversing land degradation to achieve these goals.

In order to raise employees' awareness of climate change and ecological issues, ZRP launched the "ZRP Employee Love Forest" global public welfare activity. Since 2018, the company has encouraged employees to actively participate in tree planting activities and take practical actions to protect the Environment. By the end of 2023, ZRP employees had planted a total of 2,000 trees, with a total planting area of 0.4 hectares. This initiative not only increased employees' awareness and participation in environmental protection, but also made positive contributions to promoting the company's Sustainability and social responsibility practices.

By participating in the "ZRP Employee Love Forest" activity, employees deeply experienced the hardships of environmental restoration, and thus strengthened their recognition of environmental protection actions. They visited the tree planting site, planted trees with their own hands, and witnessed the growth of green life with their own eyes. This direct participation experience gave them a deeper understanding and feeling of environmental protection.

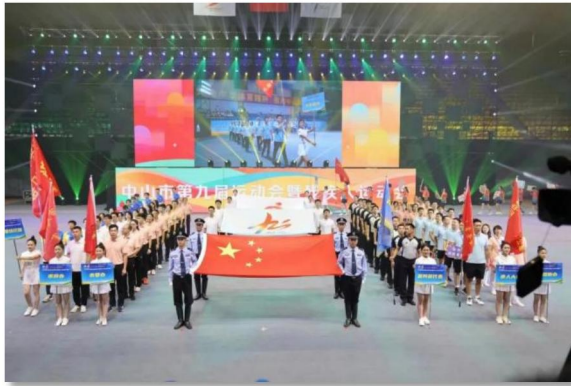
ZRP Printing Group Co., Ltd.'s environmental protection actions are not limited to afforestation, but also include measures such as source reduction, classified recycling, material recycling, and proper disposal of waste. The company has successfully infiltrated the "zero waste" concept into every link of production, achieved the "zero waste" goal in the production process, and won the title of "zero waste factory" demonstration Unit. This honor fully demonstrates the company's remarkable achievements in promoting the zero waste concept and practicing green production, and is also a full affirmation of the company's continued commitment to environmental protection and promoting Sustainability.



On March 30, 2024, when the second "International Zero Waste Day" arrived, Qixi Village, a "zero waste village" located on the southern foot of Wugui Mountain in Zhongshan, held an "International Zero Waste Day" event with the theme of "Zero Waste Zhongshan, Green Future". ZRP Printing Group Co., Ltd., as an enterprise with a strong sense of social responsibility, actively responds to the country's environmental protection policies, permeates the "zero waste" concept into every link of production, and demonstrates the fruitful results of the construction of a "zero waste factory" in 2023.

Supporting cultural and sports development

ZRP Printing Group Co., Ltd. is not only committed to promoting environmental education and protecting the ecosystem, but also actively fulfills its corporate social responsibility in social welfare. In the 9th Zhongshan Sports Games and the 9th Games for the Disabled, ZRP Printing Group Co., Ltd., as a sponsor, provided financial and in-kind support for the event, helping the smooth running of the opening ceremony and the competition.



The opening ceremony held at the Zhongshan Sports Stadium attracted widespread attention from the public. A total of tens of thousands of athletes, coaches and related personnel participated, with the largest number of participants in history. In order to allow athletes and spectators to enjoy a high-quality event experience, ZRP Printing Group Co., Ltd.'s sponsorship support has largely ensured the smooth running of the competition.

The Zhongshan Sports Games are held every four years, with a total of 49 competition events, divided into three major groups: town and street student group, town and street adult group, and government and public institution group. This Games not only set a record in terms of project setting, total number of medals produced and event scale, but also attracted the participation of many sports talents. In recent years, Zhongshan City has achieved remarkable results in the integration and development of sports and education, and has cultivated a large number of sports stars, such as Su Bingtian, Liang Wenchong, Liang Ruiji, Chen Yiwen, Lin Shan, Wang Xueer, etc.

In addition, Zhongshan City has also worked hard to establish a complete public service system for national fitness, consolidate sports infrastructure and supporting facilities, and held a series of mass sports events, such as marathons, brisk walking, Xijiang tours, dragon boat races, "Village BA", etc., to continuously meet the people's diversified and high-quality needs for sports activities. ZRP Printing Group Co., Ltd.'s sponsorship not only improves the quality of the competition, but also contributes to the development of Zhongshan's sports industry. As an enterprise with a strong sense of social responsibility, ZRP Printing Group Co., Ltd. has not only enriched the employees' spare time by supporting sports events, but also stimulated the enthusiasm of citizens to participate in sports activities, and promoted the popularization

and development of national fitness. By participating in and supporting sports events, ZRP Printing Group Co., Ltd. has demonstrated its positive actions in the field of social responsibility and contributed to improving the physical quality and quality of life of citizens. In the future, ZRP Printing Group Co., Ltd. will continue to pay attention to and support sports and contribute to the further development of Zhongshan's sports industry.



Appendix

Contribution to SDGs

	<p>The donation supports three rural revitalization projects, including participating in the 2023 Zhongshan City High-Quality Development Project, providing assistance to Qichun County, Hubei, and supporting the rural revitalization of Chaozhou, aiming to promote local economic development and improve the quality of life.</p>		<p>The five major production bases have been implementing the "Clean Plate" campaign for many years in a row to eliminate food waste.</p>
	<p>Organized 10 occupational health advocacy, blood donation and other health promotion activities, with a total of 3358 participants</p> <p>Provide medical care, emergency support and consultation for business travelers and assigned personnel due to accidents or sudden illnesses during their overseas travel/assignment.</p>		<p>Donated 350 books to Love Library for 3 consecutive years</p> <p>Trained 324 internal lecturers</p> <p>Supported 304 employees for on-the-job training</p>
	<p>Employees have the right to equal pay for equal work, regardless of gender.</p> <p>Increase the proportion of women in senior management positions to 23% by 2023</p>		<p>Water density is 1.7 in 2023</p> <p>Recycled water volume reaches 693,000 liters in 2023</p>
	<p>In 2023, the Group has effectively reduced the emission of environmental pollutants through a series of energy-saving and emission-reduction projects; built 5 solar photovoltaic power stations with a total power generation capacity of 5.301 million kW·h.</p>		<p>Revenue in 2023 reached RMB 2.593 billion</p> <p>Sound tax policies and honest tax payment to support the government in promoting economic growth</p> <p>Customer satisfaction score reached 93.9 points</p> <p>Standard starting salary is better than the regulations: the starting salary of direct employees in each factory is better than the local statutory minimum wage</p> <p>Provide 3358 job opportunities, and the proportion of local employees employed is 100%</p>
	<p>We will promote photovoltaic power generation and build photovoltaic power generation systems on the top floors of our two bases in Zhongshan and Kunshan. By the end of 2023, we have produced approximately 5.301 million kW·h of renewable energy.</p>		<p>The company has always adhered to the principles of fairness, justice, openness, equality, and meritocracy.</p> <p>The proportion of women employed in 2023: 35%</p>

	<ul style="list-style-type: none"> Establish sustainable urban and rural development, reduce the negative impact of the factory on the Environment, regularly check the legal air pollution emissions and meet the standards, and have no major air pollution incidents Implement waste removal plans, and legally treat waste through qualified treatment/recycling companies, with a waste recycling rate of 94.63% 		<ul style="list-style-type: none"> Perform enterprise risk management status assessment and implement countermeasures Work with suppliers to recycle pallets, shredded paper, and packaging materials, reducing the generation of 22,546.42 tons of waste and saving approximately RMB 33.92 million 96.65% of products are made from environmentally friendly, renewable and recyclable materials
	<ul style="list-style-type: none"> Climate disasters caused production interruptions for 0 days Implement climate-related financial information disclosure, analyze climate change issues, and establish a long-term goal of "net zero carbon emissions" 		<ul style="list-style-type: none"> All bases of the Group have fully implemented the waste classification policy. In 2023, a total of 586.37 metric tons of waste will be classified and processed. A total of 2 environmental lectures were held
	<ul style="list-style-type: none"> Planted 2,000 trees in 6 consecutive years, covering an area of 0.4 hectares 		<ul style="list-style-type: none"> Formulate relevant policies such as "Anti-Corruption and Anti-Bribery Management Procedures", "Business Ethics Standards" and "Supplier Guidelines", and set up a reporting mailbox. No corruption or bribery was found. No major fines or violations of anti-competitive behavior, antitrust and anti-monopoly regulations Established an email security protection mechanism, strengthened information security protection capabilities, and no major information security incidents occurred
	<ul style="list-style-type: none"> The operating areas cover East China, South China, North China, Central China, and Vietnam. With the strategic layout of "global demand, local service", we provide customers with diversified packaging solutions. Global local procurement reached 88.48% 		

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