



2024 | SUSTAINABILITY Efforts Briefing



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ALLMED MEDICAL

Contents

- Sustainable Development
- Collaborative Development
- Corporate Governance
- Green Development
- Innovation Drives the Future
- Sustainable Human Resources
- Sustainable Social Development

Sustainable Development

The main reference for the preparation of the relevant content was:



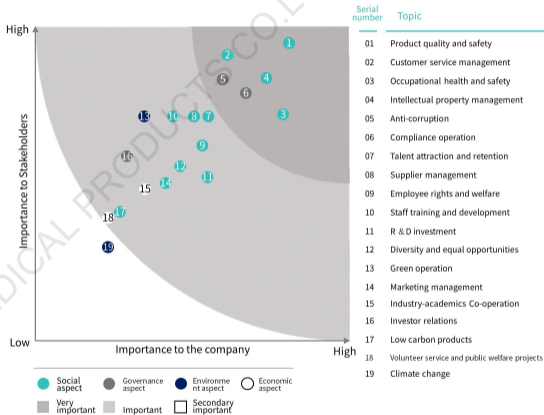
the United Nations Sustainable Development Goals (SDGs)



Interested Parties

Stakeholders	Issues of concern	
Government and regulatory bodies	Compliance operation Anti-corruption Product quality and safety Occupational health and Safety	Climate change
Shareholders and Investors	Compliance operation Anti-corruption Investor relations	Intellectual property management R & D investment R & D system construction
Customers	Customer service management Product quality and safety Intellectual property management	R & D investment Green operation Marketing management Low carbon products
Suppliers and Partners	Compliance operation Anti-corruption Supplier management Product quality and safety	Occupational health and safety R & D investment R & D system construction
Employees	Talent attraction and retention Employee rights and welfare Staff training and development	Occupational health and safety Diversity and equal opportunities

Significance Evaluation



Honors

Allmed Medical
2024 Awards
related to the field of
sustainability



Awarded the High-tech Enterprise Certificate
Department of Science and Technology and Department of Finance of Hubei Provincial, Hubei Provincial Tax Service, State Taxation Administration



Honored as an Invisible champion Technology in Pillar Industry Field of Hubei Province
Department of Economy and Information Technology of Hubei Province



National Intellectual Property Advantage Enterprise
China National Intellectual Property Administration



National Advanced Unit for Factory Affairs Disclosure and Democratic Management
National Coordination Group for Factory Affairs Disclosure



Top 100 Chinese Pharmaceutical Industrial Enterprises of 2023 (Awarded in 2024)
Ministry of Industry and Information Technology of the PRC



Top 50 National High-Tech Enterprises List of 2023 (Yichang City)
2024 Yichang Science and Technology Conference



"Business for Good, Contributing to Society" Caring Enterprise
Chu merchants Federation of Hubei Province



Top 50 Medical Device Companies by Revenue
Organizing Committee of the Mount Tai Medical Forum



Platinum Supplier of 2024
McKESSON BRANDS SOURCING

Data in 2024

Corporate Governance

- 2 investor relations activities.
- 0 confirmed corruption incident or case.
- 0 legal lawsuit against unfair competition, anti-trust and antitrust practice .
- 2 on-site Anti-Corruption and Anti-Fraud Training sessions.
- 100% participation rate of middle and senior management personnel.
- 100% employee coverage of anti-bribery training .

Innovation Drives the Future

We have employed 382 R&D personnel, and invested CNY 106.37 million for R&D.

A total of 343 patents authorized, including 51 invention patents .

A total of 68 patents applied, including 56 invention patents .

A total of 22 environmentally friendly packaging R&D innovations .

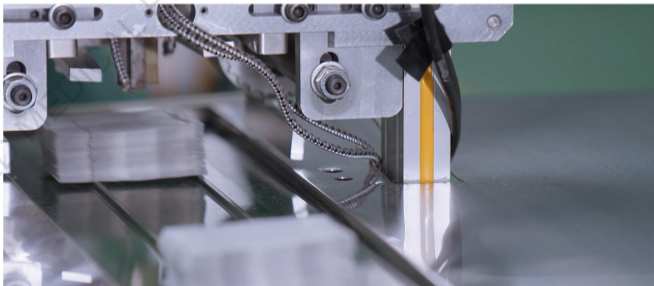
Collaborative Development

100% response to resolve customer complaints.

Received and passed a total of 8 quality audits from regulatory/ auditing agencies.

Audit pass rate 100% .

100% pass rate of Quality Management System (QMS) certification among final product production bases.



Data in 2024

Green Development

Carbon reduction targets for the decade of 2011-2020 have been achieved.

The management team is currently discussing the carbon emission reduction goals for the next decade (2021-2030).

CEI (Carbon Emission Intensity) : **15.56** tons of carbon dioxide equivalent per million CNY, reduced by **4.30%** compared to 2022.

Reduced **138,000** tons of water consumption by technological improvements throughout the year.

Environmental inspection compliance rate: **100%**.

Sustainable Human Resources

Provided employment for **4,965** people worldwide.

There are **2,916** female employees, accounting for **58.73%**.

The proportion of female on the boards of directors, supervisory boards, and senior management of companies is **30.77%**.

Actively fulfilling Social Responsibility

In the past three years, the company has given out a total of CNY **530,000** to **130+** employees' children as education rewards.

Provided support to employees facing financial hardship on **41** occasions, and disbursed a total of CNY **400,000+** in assistance funds.

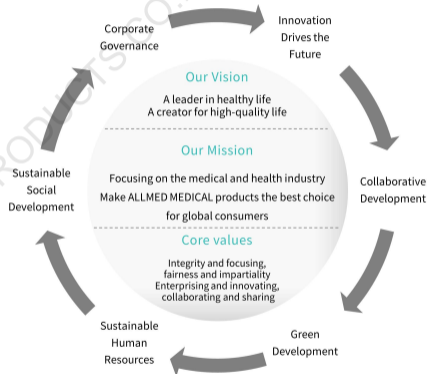


Sustainable Development Strategy

Allmed Medical has integrated sustainability management into its daily management structure.

A comprehensive sustainability management system has been established, including the Board of Directors, the Strategy Committee, and the Environmental, Social and Governance (ESG) Executive Committee.

Allmed Medical has firmly rooted the concept of sustainable development in the entire value chain of its business activities and actively practiced social responsibility.



Response to Sustainable Development Goals (SDGs)



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Corresponding Section

- Sustainable Development of Human Resources
- Sustainable Social Development

Corresponding Measures

- Provide abundant courses and learning resources for employees
- Set up special education scholarship



Ensure availability and sustainable management of water and sanitation for all

Corresponding Section

- Green Development

Corresponding Measures

- Regulate water resource management
- Optimize sewage treatment



Helping to promote economic growth, ensuring productive employment, and providing decent works for people

Corresponding Section

- Sustainable Development of Human Resources

Corresponding Measures

- Develop a talent cultivation strategy
- Expand channels for talent introduction



Ensure healthy lives and promote well-being for all at all ages.

Corresponding Section

- Collaborative Development
- Green Development
- Sustainable Human Resources

Corresponding Measures

- Ensure product safety
- Compliance emission of wastewater and gas
- Occupational health and safety management



Achieve gender equality and empower all women and girls

Corresponding Section

- Sustainable Human Resources

Corresponding Measures

- Stop gender discrimination in the workplace
- Improve the welfare of female employees



Ensure access to affordable, reliable, sustainable and modern energy for all

Corresponding Section

- Green Development

Corresponding Measures

- Formulate energy saving and emission reduction plans for higher energy efficiency



Reducing inequality in society

Corresponding Section

- Sustainable Human Resources

Corresponding Measures

- Equal pay for equal work
- Promote diversity and equality
- Set up reporting channels for employees



Building an inclusive, safe, disaster resisting, and sustainable community

Corresponding Section

- Green Development
- Sustainable Social Development

Corresponding Measures

- Care about climate change
- Donate materials for epidemic prevention
- Blood donation activity



Ensuring to adopt a sustainable consumption and production mode

Corresponding Section

- Collaborative Development
- Green Development

Corresponding Measures

- Responsible Procurement
- Use sustainable raw materials and energy
- Green Operation



Taking urgent action to address climate changes and its impacts

Corresponding Section

- Green Development

Corresponding Measures

- Carbon Emission and Energy Management
- Water resource management
- Pollution management
- Noise management



Advocating for establishing a peaceful and inclusive society, enabling everyone to have access to justice, and establishing an effective and accountable agency

Corresponding Section

- Company Governance

Corresponding Measures

- Develop a compliance governance system covering all business locations
- Enhance Anti-corruption management

Corporate Governance

Table of Contents for this chapter:

- ✓ Governance structure
- ✓ Compliance operation
- ✓ Business ethics

Response to SDGs in this chapter:



Governance Structure

Diversification of Board of Directors and Senior Management

We promote diversity in gender, culture, and professional skills within our Board of Directors. Both the Board of Directors and the Senior Management Team possess extensive industry experience and professional abilities in fields, including but not limited to medical devices, light industry, international trade, investment bank, human resources, and financial management.

The diversity among members reflects a balance between the Board of Directors and the Senior Management Team in terms of gender, experience, background, and professional expertise. This balance is beneficial for enhancing the company's risk insight, comprehensive governance, making sound risk decisions, and improving risk response capabilities.

Capacity building for the Board of Directors and senior management

We encourage board members to participate in professional skills development and compliance training. Moreover, specialized training on environmental and social issues, including climate change, is accessible to enhance the compliance awareness and performance abilities of the board members effectively.

In 2024, the Board of Directors and senior management team of the company participated in two compliance trainings covering information disclosure and other topics, as well as trainings on ESG and carbon tariffs. Additionally, they routinely received the company's latest legal and regulatory updates.



Compliance Operation

Allmed Medical continuously improves the Group's risk management and internal control system, strictly complies with the requirements of laws and regulations, and adheres to the end-to-end implementation of compliance management into business activities and processes.



Primary insurance
Business
department

Compliance training, risk identification, risk reporting, evaluation and disposal



Secondary insurance
Legal department
& Board Office

Compliance review, compliance consultation, thematic research, crisis response

We conduct internal control audits and obtain audit reports on an annual basis



0 confirmed incidents and cases of corruption.

0 lawsuits against unfair competition, antitrust and antitrust practices.

100% of middle and senior management participate in anti-corruption and anti-fraud training.



*Regulations on
Professional Conduct
and Integrity
Management*



*Regulations on the
Management of Gifts
and Cash Gifts*



*Letter of Commitment
for Business Partner
Compliance*

Business ethics

Deepening the Cultivation of Integrity Culture

Anti-corruption efforts are an intrinsic requirement for enterprises to achieve steady and sustainable development, and they serve as a vital safeguard for upholding fairness and justice while driving high-quality growth. In 2024, Allmed Medical has closely aligned its anti-corruption initiatives with industry characteristics and corporate realities. Guided by the cultivation of an integrity-driven culture, supported by a robust risk prevention and control system, and anchored by rigorous oversight, discipline enforcement, and accountability, the company has established an integrated anti-corruption framework encompassing education, supervision, and disciplinary action. This four-pronged approach fortifies the integrity defenses essential for the enterprise's continued healthy development.

Allmed Medical consistently prioritizes integrity culture development as a cornerstone of sustainable corporate growth, focusing on key positions and core personnel to establish a multi-tiered, comprehensive integrity education system. On one front, targeted integrity culture education and insider information confidentiality training have been conducted for group-level supervisors and above, reaching a cumulative total of 910 participants. Through case studies and policy interpretations, this initiative strengthens managerial awareness of ethical duty fulfillment. On another front, innovative integrity



communication channels have been developed, including the release of micro-reminders titled "Lazy Officials Are Unacceptable" via official accounts, sounding integrity alarms through vivid and straightforward messaging. Simultaneously, 380 copies of learning materials including Party Discipline Study Materials and the Regulations on Disciplinary Actions were distributed to Party members. This initiative promotes the internalization of Party discipline and regulations, comprehensively enhances all employees' integrity awareness and resistance to corruption, and fosters a strong cultural atmosphere that reveres integrity and honesty.

910 Participants attend Integrity Culture Education and Insider Information Confidentiality Training sessions.

Improve the integrity risk prevention and control system

The company focuses on institutional development as its core and responsibility implementation as its driving force, continuously strengthening the foundation of integrity management and establishing a standardized risk prevention and control mechanism.

First, we enhanced institutional safeguards by issuing the Code of Conduct for Integrity of Leading Cadres, which clearly defines professional integrity standards and behavioral red lines, providing a solid institutional basis for integrity management. Second, we reinforced accountability by organizing leading cadres to sign the Pledge of Compliance with the Code of Conduct for Integrity, using written commitments to urge them to maintain constant vigilance, consciously cultivate reverence for rules, maintain self-restraint, and adhere to ethical boundaries, thereby integrating integrity requirements into every aspect of daily work.

Business ethics

Improve the integrity risk prevention and control system

Third, deepen risk screening by urging all departments to refine management systems and processes. Focused oversight will be conducted on the formulation and implementation of behavioral norms and preventive measures related to integrity risk points, while systematically reviewing and optimizing risk prevention measures. This will further plug management loopholes and tighten institutional safeguards.

855 copies of the "Commitment Letter on Adherence to Integrity Standards for Leading Cadres" were signed.

27 entities conducted special inspections.

48 identified items requiring improvement have been fully addressed and closed out.

14 Institutional Procedures development and revision

■ Corporate Integrity Culture Promotion



Strengthen the intensity of supervision and inspection

The company adheres to a proactive approach and comprehensive oversight, establishing a multi-dimensional supervision system to strengthen integrity monitoring in critical areas and key processes. On one hand, it focuses on high-risk integrity areas such as material procurement, cafeteria operations, and landscaping/cleaning services procurement, proactively intervening in the entire bidding process to prevent integrity risks at their source. On the other hand, it conducts routine inspections of risk-prone positions around core dimensions like system implementation and integrity compliance. Through on-site verification, process reviews, and document audits, it promptly identifies potential issues and urges timely rectification, ensuring comprehensive oversight with no blind spots and accountability with no gaps.



Anti-Corruption
Awareness
Handbook

Strictly enforce reporting and investigation procedures

The company maintains open channels for reporting violations and disciplinary offenses, establishing diverse reporting avenues to encourage employees and suppliers to raise concerns in accordance with regulations. Adhering to the principle of "investigating every case and enforcing discipline strictly," the company received two reports of violations in 2024, primarily concerning breaches of integrity regulations and management rules for wedding and funeral gifts. For each case, the company rigorously followed investigative procedures to verify and address the issues. Through rigorous handling, it has created a powerful deterrent effect, effectively safeguarding the company's integrity ecosystem and providing robust disciplinary support for high-quality corporate development.

Whistleblowing channels



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AMJIANJU@allmed.cn



Telephone number: 0717-4213906

Innovation Drives the Future

Table of Contents for this chapter

- ✓ R&D investment
- ✓ Green innovation
- ✓ R&D system construction

Response to SDGs in this chapter:



R&D investment

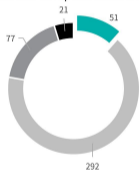
382

Total R&D employees

CNY 106.37 million

Amount of R&D investment

Patents and Computer software copyrights



- Invention patents
- Utility model patents
- Design patents
- Computer software copyrights

441

Number of patents and Computer software copyrights applied

343

Number of authorized patents

292

Number of Utility model invention patents

51

Number of authorized invention patents



Green innovation

22

R&D innovations related to environment friendly packaging

Promoting the research and development of environment friendly products: bamboo fiber band-aids



R&D system construction



X



Joint Research and Development Center for Biomedical Materials



Signed a cooperation agreement in November 2020



X



Joint Research and Development Center for Biomedical Textile Materials



Signed a cooperation agreement in October 2020

Three major engineering technology research centers

- Hubei Engineering Research Center for Minimally Invasive Treatment of Cardiovascular Surgery
2022 Provincial Joint Construction Unit
- Hubei Medical and Nursing Supplies Engineering Technology Research Center
Provincial supporting units in 2017
- Yichang Medical Care and Maternal and Child Products Engineering Technology Research Center
Municipal supporting units in 2016

Allmed Medical Testing Center CNAS Laboratory Accreditation



Formally obtained laboratory accreditation certificate in May 2023

Testing service standards:

ISO/IEC 17025:2017

General requirements for the competence of testing and calibration laboratories

And CNAS specific recognition requirements



Collaborative Development

Table of Contents for this chapter

- ✓ Product Quality Management
- ✓ Collaborative Production Management
- ✓ Responsible Procurement

Response to SDGs in this chapter:



Product Quality Management

Excellent product quality is the foundation of a company's competitiveness and one of the key factors :

23 times

Quality management system audits by government regulatory agencies and external auditors

100%

Pass rate of quality management system audits by government regulatory agencies and external auditors

4 times

Third party certification agency audit

2 times

Review of Good Manufacturing Practice for Medical Devices

2 times

Review of Medical Device Operation Quality Management Standards

100%

Aforementioned audit pass rate

100%

Quality management system certification rate of final product production base

As of December 31, 2024, the comprehensive quality management system of ALLMED MEDICAL has passed the following quality regulations, standards, and product certifications:



EU Quality Assurance Certificate (MDR)



Federal Institute for Drugs and Medical Devices

Registration and filing of medical device products by the German medical device regulatory authority



Food and Drug Administration

FDA Factory Registration in the United States



Identification of Foreign Manufacturer by the Ministry of Health, Labour and Welfare, Japan



151 items

Effective Chinese Class I, II, III Medical Device Filing Certificate

Collaborative Production Management

The digital EO sterilization center aims to improve production efficiency and product quality through automation and digitization. This plan covers the entire process of EO sterilization, achieving transparency of production factors throughout the entire production progress, quality status, equipment status, and environmental monitoring, and improving the effectiveness of quality control.



■ Digital EO sterilization center

The intelligent three-dimensional warehouse aims to improve the warehousing in and out efficiency and inventory management capacity through automation and intelligence. The system achieves the warehouse management informatization and entrance & exit automation through the combination of WMS management system, stacker crane, AGV and conveying line, meeting the requirements for improving finished products turnover.



■ Intelligent three-dimensional warehouse

21 items

authorized software copyrights obtained
in the production and operation field.

Responsible Procurement

ALLMED MEDICAL considers sustainable development a responsibility and actively urges suppliers and partners to fulfill their environmental and social responsibilities.

We assess the suppliers' environmental and social impact by conducting special actions, including an annual review of suppliers and collecting certificates for environmental protection.

Our suppliers have obtained certifications for the main raw materials, including adhesive, polyester, cotton, hydrogen peroxide, liquid alkali, and ethylene oxide.



Green Development

Table of Contents for this chapter

- ✓ EHS Management
- ✓ Climate Change and Response
- ✓ Green Operation

Response to SDGs stipulated in this chapter:



EHS Management

ALLMED MEDICAL strictly abides by the laws and regulations of the countries and regions where it operates, such as the *Environmental Protection Law of the People's Republic of China*, and has established and implemented a series of environmental management systems such as the *Environmental Protection Management System of ALLMED MEDICAL*, based on the applicable conditions of its various operating sites, to regulate itself with standards higher than regulatory requirements.

Under the guidance of the *Environmental Protection Management System of ALLMED MEDICAL*, we effectively achieve the stable operation of environmental

management in accordance with the standard operation guidance documents.

The company has established the Environmental Protection Committee, Occupational Disease Prevention and Control Committee, Safety Production Committee, and Emergency Organization.

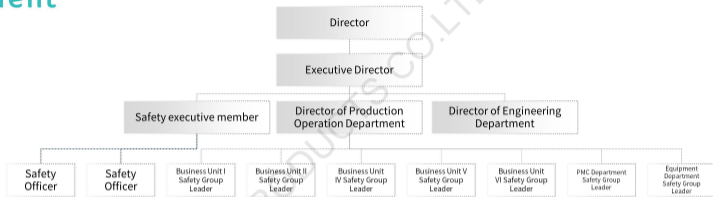
To effectively prevent and control EHS risks, we have identified environmental emergency scenarios related to our business, climate, and environment, established relevant contingency plans, allocated emergency personnel, and materials, and conducted the periodic training and drills.

Organizational Structure of ALLMED MEDICAL Environmental Protection Committee

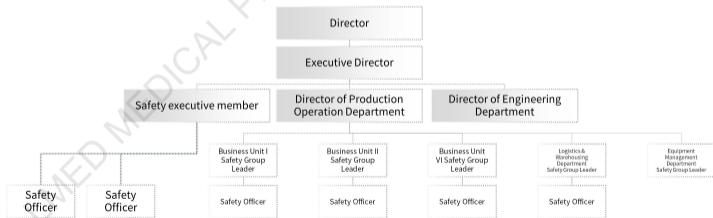


EHS Management

Organizational Structure of ALLMED
MEDICAL Occupational Hazard Prevention
and Control Committee



Organizational Structure of ALLMED
MEDICAL Safety Production Committee and
Emergency Response



Climate Change and Response

Our Version

A leader of healthy life, and
a creator of high-quality life



Main point

Work Goals

Contingency Plan

Six Bases

Reference

- Improve the water resource utilization efficiency with the water recycling technology
- Promote the suppliers to improve raw materials and use environmentally friendly materials
- Add alternative resources
- Reduce the hazardous wastes discharge



Improve the resource efficiency

- Improve the resource efficiency with the automation, intelligence and information technologies
- Improve the efficiency of using raw materials and packaging materials through research and innovation
- Promote the research and application of various green technologies such as green packaging



Green Technology R&D

Tangible measures

- Identify climate risks related to our own operation
- Carry out the climate change risk management work
- Effectively manage the company's greenhouse gas emissions

- Enhance the company's capacity of response to extreme weather
- Low carbon operation
- Green development

- Establish and implement the Emergency Response Procedure
- Prevention, monitoring, and pre-warning of extreme weather events

- Emergency response, rescue, and rehabilitation plans for meteorological disasters
- Periodically carry out the emergency drill to strengthen the employees' response abilities

- Management of key raw materials from multiple locations and suppliers
- Key products stored in multiple warehouses and manufactured in multiple locations
- Layout of total six manufacturing bases

- (China) Zhijiang, Jingmen, Taizhou, Jianli
- (Overseas) Vietnam, Spain

- the GRI Standards (2021)
- the United Nations Sustainable Development Goals (SDGs)
- Recommended framework of TCFD

- Establish energy-saving and emission reduction plans, and actively pay attention to the energy use data
- Use the renewable low-emission energy sources
- Improve the energy efficiency through technologies such as waste heat recovery



Improve the energy efficiency



Promote the green products

- Promote the development of low-emission products
- Promote the customers to purchase low-emission products

Carbon Emissions and Energy Management

In 2024, the comparison of the carbon emission intensity among the companies in the same industry is as follows:

In 2024	Allmed	Zhende	Winner
Total carbon emissions (Scope1&2) (tons of carbon dioxide equivalent)	51,745.00	90,458.26	213,229.07
Carbon emission intensity (tons of carbon dioxide equivalent per million CNY)	15.56	21.21	23.75



2024 reducing carbon emission intensity by **4.30%** from 2022 baseline.

Total Scope 1 Greenhouse Gas Emissions **21,177** (tons of carbon dioxide equivalent)

Total Scope 2 Greenhouse Gas Emissions **30,568** (tons of carbon dioxide equivalent)

Note1: Source of total carbon emissions data for companies in the same industry:

2024 Sustainability Report and ESG Report, ZHENDE MEDICAL CO.,LTD

2024 Annual Report, ZHENDE MEDICAL CO.,LTD

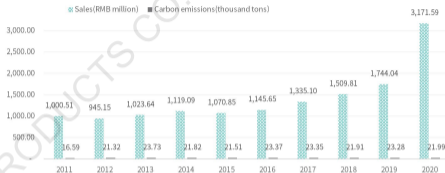
2024 Environmental, Social and Governance Report, WINNER MEDICAL CO.,LTD.

2024 Annual Report, Winner Medical CO.,LTD.

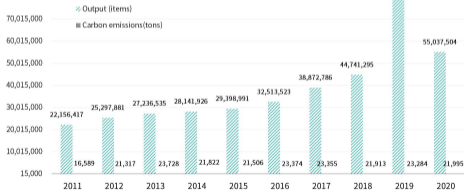
Note2: Allmed Medical's carbon emission data was verified by a third-party certification institution commissioned by the Hubei Provincial Department of Ecology and Environment and a corresponding report was issued.



Sales and Carbon Emission Histogram from 2011 to 2020



Production Output and Carbon Emission Histogram from 2011 to 2020



Carbon Emissions and Energy Management

For energy provision, ALLMED Medical relies on electricity, natural gas, gasoline and diesel with electricity and natural gas as its primary energy sources.

Allmed Medical continues to improve energy efficiency through technological and equipment improvements. Newly introduced equipment, facilities and processes will be considered for their energy efficiency indicators, and priority will be given to energy-efficient facilities and processes.



Purchased electric power
69.38 million KWH



Pipeline natural gas
9.97 million cubic meters

In 2024, the company's total energy consumption was **20,629** tons of standard coal equivalent.

In addition, we have the following measures to maximize the energy efficiency.

Sewage station fan
Energy saving project

Replacing coal with natural gas
Boiler project

Thermal energy of bleaching wastewater
Recycling project

Energy management system
Data analysis strategy

Import Industry
Dehydrator project

LED energy-saving lamp replacement
Conventional fluorescent lamp project

LED energy-saving lamps replacing conventional fluorescent lamps program

The company systematically replaced all fluorescent lamps with energy-efficient LED tubes starting in September of 2015, swapping out a total of **12,793** with a **100%** adoption rate of energy-saving lighting.

After implementing new LED fluorescent tubes, the power consumption of each tube decreased from 40w to 18w without any changes to the environment or illumination, resulting in an annual electricity savings of **1,767,200 kWh** for the company.



LED energy-saving lamps replacing

Examples of Green operation

Case 1: The Energy Saving program for Wastewater Treatment

In 2022, the company replaced the original Roots blowers at the wastewater treatment plant with Atlas oil-free screw blowers. The Energy Saving Project for Wastewater Treatment Plant Blower effectively improved the efficiency of the blower and solved the problem of wind loss caused by the previous parallel connection of multiple blowers.

24.8% The annual energy-saving efficiency



Atlas oil-free screw blowers

Item	Before renovation	After renovation	Change
Fan power ratio (%)	100	70	-30
Energy consumption rate (%)	100	75.2	-24.8
Power consumption (KW/h)	921,159	784,900	-136,259

Case 2: Industrial Dehydrator Project

The cotton yarn fabric rolls undergo a degreasing and bleaching process, resulting in a moisture content of 100% after removal from the tank. Direct drying at this moisture level requires substantial energy costs in terms of steam and electricity. The Industrial Dehydrator Project introduces large industrial dehydrators to first centrifugally dehydrate the rolls, reducing their moisture content to approximately 75%, before entering the dryer.

This process significantly contributes to energy saving. After passing through the industrial dehydrator, the moisture content of the degreased fabric rolls decreases from 100% to about 75%, resulting in annual savings of approximately CNY 1.57 million in steam and electricity costs required for drying.

It resulted in annual savings of approximately CNY 1.57 million in steam and electricity costs



Bleaching workshop

Examples of Green operation

Case 3: Energy Management System Data Analysis Program

The company gathered and condensed energy usage data using our energy management system. The system analyzed the current situation and timely identified any issues. Furthermore, the company explored ways to save energy and proposed achievable measures to reduce energy consumption costs through energy-saving, renovation, and other practical methods.

The company used the system's electricity price analysis feature to calculate the timing of high and low generation resulting from various production plans. Then, corresponding production policies were implemented to decrease the highs and fill the lows, maintaining electricity load and price at an average rate. As a result, the company reduced energy expenses.



■ Schematic diagram of energy management system

Based on the system analysis, the appropriate production plan is developed to balance the electricity load.

Case 4: Industrial Dehydrator Introduction Project

After dewatering and bleaching, the grey gauze's moisture content reaches 100%, which results in high energy costs for

drying. To mitigate this, a large industrial dewatering machine is used to reduce the moisture content to around 75% before subsequent drying in a dryer.



■ Drying and slitting combined machine

The dewatered rolls of grey gauze then enter the dryer for drying, which can effectively improve the drying efficiency and reduce power consumption.

Examples of Green operation

Case 5: Replacement of Aeration Blowers at the Wastewater Treatment Plant

The wastewater treatment plant has completely phased out all outdated Roots blowers and replaced them with two variable-frequency Atlas Copco blowers (investment: CNY 330,000). Under equivalent aeration conditions, this reduces total power consumption by 20 kW, saving 165,600 kWh of electricity annually and cutting carbon dioxide emissions by 129.9 tons per year.

20 kW/year total power consumption reduction,
165,600 kWh / year electricity saving
129.9 tons / year carbon dioxide emissions cutting



■ Upgrade of Aeration Blowers

Case 6: Oven Duct Insulation

The steam pipe insulation in the dyeing workshop's drying oven has aged and is relatively thin at 50 cm thick, resulting in significant steam loss. Upgrading the insulation to 100 cm thick (at a cost of CNY 38,000) will reduce heat loss. This is projected to save 700 tons of steam annually, conserve 56,000 cubic meters of natural gas, and reduce carbon dioxide emissions by 87.36 tons per year.



56,000
cubic meters / year of
natural gas saving

129.9 tons / year carbon
dioxide emissions cutting

■ Drying and slitting combined machine

Green Operation

Allmed Medical continues to integrate green concepts into its production and operation, making attempts and explorations in protecting water resources, clean production, and circular economy, and firmly targeting the goal of green and high-quality development in its development.

Water resource management

Allmed Medical is well aware of the value of water resources, strictly follows the laws and regulations of the countries and regions where it operates, such as the Water Law of the People's Republic of China, strictly controls the amount of water resources used, actively improves the efficiency of water resource utilization, and increases the amount of recycled water.

Allmed Medical is taking action to avoid increasing local water pressure, and actively applying water resource utilization optimization maps to reduce water demand.

Carbon reduction and water saving cases in the bleaching workshop

New bleaching cauldron project

Overall planning: digital and automated bleaching

Equipment upgrade: Large width drying and cutting integrated machine

Shorten cycle: central injection system replaces manual labor

10% Water saving 10% electricity saving 7% steam saving

Bleaching wastewater recycling and utilization project

Acid pickling and final sampling water rinsing in the recycling and bleaching process

Reuse for overflow water rinsing in the next process

13% Water saving

Bleaching cauldron renovation and additional loading project

Bleaching cauldron: 760mm → 560mm

Grey gauze process: adding a grey fabric winding

Loading mass: 2.8 tons/pot → 3.2 tons/pot

4% Water saving 5.5% electricity saving 4.5% steam saving

Bleaching wastewater recycling and utilization project

The high-temperature condensed water in the drying cylinder is collected and reused in the hot water tank

Reduce soft water consumption

6% Water saving 4.5% steam saving

Waste gas management

Sludge Drying and Deodorization Project

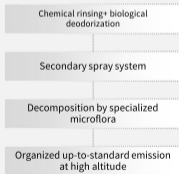
Sludge drying employs a production line that includes a hollow paddle dryer with wedged-shaped paddles, which boast exceptional heat transfer efficiency and a self-cleaning heat transfer surface. This equipment offers many advantages, including low energy consumption while drying, a wide range of processing capabilities, and no atmospheric dust pollution. After completing the project, sludge filtration reduced its water content by 80%, and subsequent drying lowered the water content to

less than 30%, resulting in effective pollution reduction and quantitative disposal. The deodorization system treated the exhaust gas from the drying process, which met the "standard value for the emission of malodorous pollutants" criteria set by GB14554-93 regulations and the national and local environmental standards. The plant met emission standards within the organized boundaries.



Sludge Drying and Deodorization facilities

Supporting deodorization system process



Waste gas management

VOCs Treatment Project

We adopt the "Regenerative Thermal Oxidizer (RTO) + carbon adsorption" treatment process with the designed air volume of 25000 m³/h+ 35000 m³/h for the treatment of organic waste gas generated in the printing workshop, so that the waste gas is up to the standard, and the energy

consumption is reduced, striving to achieve the low-carbon environmental protection.

The emission of exhaust gas meets the requirement of the "Emission Standard of Volatile Organic Compounds for Printing Industry in Hubei Province " (DB421538-2019) to reduce the emission of pollutants.

Contaminant	Concentration limit (mg/m ³)		
	Organized	Unorganized	
	Exhaust cylinder	Boundary (wall)	In the factory area (1 m outside the workshop, height of 1.5 m)
Non-methane hydrocarbon	50	2	20



Percentage of operational sites subject to specific environmental risk assessments: 100%

100% of pollutant emissions did not exceed the approved total emission volume.

VOCs Treatment facilities

Environmental Protection Project

Spunlace non-woven
Workshop Noise
Reduction Program

The Energy Saving
Program for
Wastewater Treatment

Converting Coal-fired
Boilers to Natural Gas
Boilers Program

EO Exhaust Gas Treatment
of Sterilization Center
Program

Replacement of Aeration
Blowers at the Wastewater
Treatment Plant

CNY 22.69 million RMB

Allmed Medical Total investment in
environmental protection facilities

VOCs Waste Gas
Treatment Program

Sludge Drying and
Deodorization Program

Sewage Treatment
Station Renovation and
Expansion Program

LED Energy-saving Lamps
Replacing Conventional
Fluorescent Lamps
Program

Oven Duct Insulation

CNY 7.04 million RMB

Annual operating costs of
environmental protection facilities



Sustainable Human Resources

Table of Contents for this chapter

- ✓ Talent attraction and retention
- ✓ Occupational Health and Safety
- ✓ Employee Rights and welfare

Response to SDGs in this chapter:



Talent attraction and retention

Allmed Medical continues to improve the human resource management system and strengthen the system construction in talent attraction and retention. We broaden talent attraction channels and innovate talent attraction methods to create a professional and international talent team. We attach great importance to the protection of employees'

rights and interests, establish a competitive salary and benefit system and incentive mechanism, provide employees with smooth and diversified communication and complaint channels, enhance employee stability and satisfaction in all aspects, and effectively retain outstanding talents.

100+

Joined the company for an internship through a university-industry collaboration program in 2024

28

Employees were promoted through skill certification advancement in 2024

In 2024, the workforce structure of ALLMED MEDICAL remained healthy and the number of employees remained stable

58.73%

Percentage of female employees in 2024

30.77%

The proportion of female on the boards of directors, supervisory boards, and senior management of companies

2.87%

The average monthly turnover rate of employees in 2024

Industry-Academics cooperation "ALLMED Class"

Since 2018, Allmed has collaborated with Yichang Second Technical School of Zhijiang Vocational Education Center to establish "Allmed Class" to cultivate reserve talent for the Company under the model of new education and talent pool development. By inviting company lecturers to participate in teaching, students' knowledge of industry skills

and career planning can be deepened. The "Allmed Class" has established a teaching model that integrates external enrollment and contract training, internship, and employment. To date, it has recruited 52 students and established majors such as electromechanical engineering and accounting.



Group photo of "ALLMED Class"

Talent attraction and retention

Employee structure

By the end of the Reporting Period, we had a total of 4,965 employees worldwide.

Labor contract signing rate consistently maintained at 100%.

Year	2024	2023	2022
Total number of employees	4,965	4,680	5,257
Proportion of signing labor contracts	100%	100%	100%

Labor Rights



Principle of respecting and protecting human rights

- Corporate vision, mission, core values
- Talent management
- Business ethics
- Supplier management



Support the UN Universal Declaration of Human Rights

- Any form of human trafficking is prohibited
- Any form of commercial sexual activity is prohibited
- Forced labor is prohibited



Prohibit child labor and restrict the employment of minors

- The employment age shall be clearly stipulated in the Employee Handbook and Recruitment Management
- Strengthen the age review during staff recruitment, entry approval, entry registration and other situations
- Organize staff training for interviewers and other recruitment positions

As of December 31, 2024, all of ALLMED MEDICAL's operating locations reported:

0 risk of child or forced labor

0 incidents of child labor or employment of minors in hazardous work

Employee Management Documents of ALLMED MEDICAL

No.	Topic	Remarks
1	Employee Manual	Issued
2	Recruitment Management	Issued
3	Payroll Management	Issued
4	Human Resource Management	Issued
5	Training	Issued
6	Anti-Discrimination	Issued
7	Child Labor Relief and Protection of Underage Workers	Issued
8	Anti-Trafficking	Issued
9	Procedures for Freedom of Association and Collective Bargaining Right	Issued
10	Employee Grievance and Appeals Procedures	Issued
11	Internal and External Communication in Social Responsibility Audits	Issued
12	Forced Labor Prohibition	Issued
13	Social Responsibility Management	Issued
14	Social Responsibility Evaluation	Issued
15	Internal and External Social Responsibility Audits	Issued
16	Corrective and Preventive Actions on Social Responsibility	Issued

Occupational Health and Safety

Security system

In this year, we have promoted the construction of the occupational health and safety system in an orderly manner, and strengthened the identification and assessment of risks in the business process. In 2024, we plan to apply for and pass the third-party occupational health and safety system certification in three subsidiaries to continue to provide the strong protection for employees.

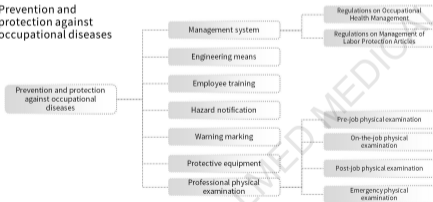
Investment in occupational health and safety production:

CNY 250,000+
Testing for occupational hazards

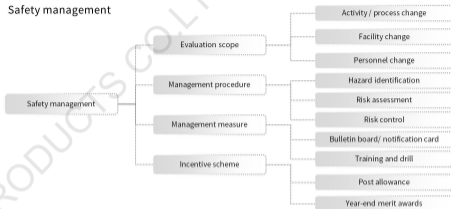
CNY 350,000+
Health check-ups for the prevention of occupational diseases

CNY 1,990,000
labor protection

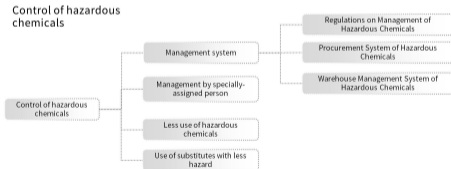
Prevention and protection against occupational diseases



Safety management



Control of hazardous chemicals



Occupational Health and Safety

Occupational Health, Safety Training and Emergency Management

Documents:

- Regulations on Occupational Health Management
- Standard Operating Procedures for Post Occupational Health and Safety
- Hazard Identification System
- Emergency Response Procedure
- Contingency Plan for Accidents
- Risk Evaluation and Risk Control Procedure
- Safety Accident Reporting System

Measures:

- Induction safety training
- Fire drill training
- Hazardous chemical training
- Drills of EO leakage disposal



Physical examination of occupational diseases

403

New employees:

Pre-job occupational disease physical examination + signing the notification of occupational disease hazard factors

1,048

On-the-job employees:

Annual occupational disease physical examination

80

Departing employees:

Prior to leaving the work, they shall undergo post-service occupational health examination

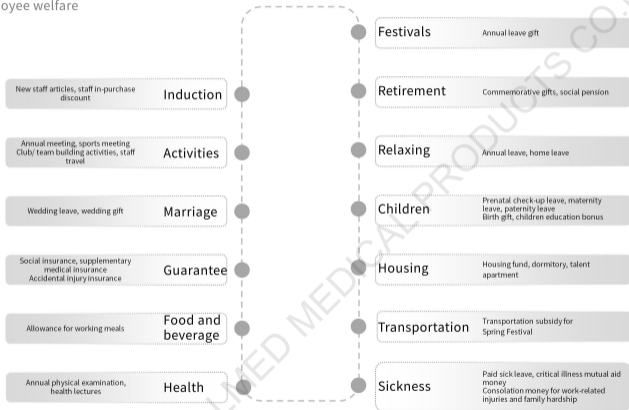
Our company annually tests workshops with occupational disease hazards to ensure compliance with safe standards.

In these workshops, we also post occupational disease hazard notification boards to remind employees to wear protective equipment.



Employee Rights and Welfare

Employee welfare



Care for female employees

Health care:
Special examinations of gynecology
Breast cancer and cervical cancer screening
Health examinations
Female health lectures

Festivals and events:
Women's Day activities

Protection of rights of female employees during the three period:

32
female employees have enjoyed
pre-maternity leave
maternity leave
breastfeeding leave

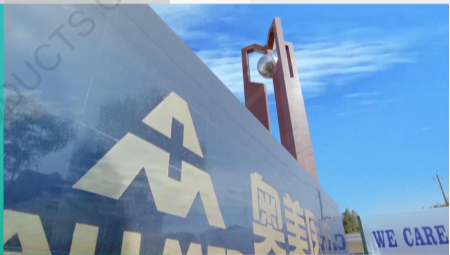


Sustainable Social Development

Table of Contents for this chapter

- ✓ Social responsibility system
- ✓ External audit of social responsibility
- ✓ Actively fulfilling social responsibility

Response to SDGs in this chapter:



Social responsibility system

Construction and improvement of social responsibility system

ALLMED established a social responsibility management system in 2014, and have continuously improved the content of the management system to meet the expectations and requirements of the company and stakeholders in nearly 10 years. After the several revisions on the content of the system, the current social responsibility management system is running well.

Electing the social responsibility system management head

Social Responsibility System Structure Diagram



External audit of social responsibility

The company received 8 external social responsibility audits each year, all of which come from customers and third-party organizations.

We actively implement all social responsibility audit requirements and continue to improve them.

At present, we have passed the social responsibility audits by the following audit bodies or implemented the social responsibility audits according to the following standards:



Actively Fulfilling Social Responsibility

Setting up special education scholarship

- 4th student education reward events been held till 2024.
- Incentive Scheme for Employees' Children Education
- In the past three years, the company has given out a total of **CNY 530,000** to **130+** employees' children as education rewards.



Prizes are awarded to employees' children by company leaders

Multi-Channel Employee Care Measures

- The "ALLMED Employee Assistance Fund" has been established
- Ensure timely and full payment of union dues, and actively identify employees facing difficulties who require care and assistance.
- As of December 31, 2024, the labor union extended care and assistance to employees experiencing weddings, funerals, illnesses, and other life events on **258** occasions, provided support to employees facing

financial hardship on **41** occasions, and disbursed a total of **CNY 400,000** in assistance funds.



The company assisted employees in hardship.

Blood donation

In April 2022, ALLMED MEDICAL established the Red Cross Society of the company

In March 2024, ALLMED MEDICAL Red Cross Society cooperated with Yichang Red Cross Center Blood Station to carry out voluntary blood donation activities

27 employees voluntarily participated
10,000 ml blood donated



Music Festival

The final round of Allmed Medical's 2024 "Starlight Shines Bright, Singing for Allmed" singing competition was grandly held at Starlight Stadium.

This singing competition not only provided employees with a platform to showcase their talents but also greatly enriched their cultural life,

fully demonstrating the versatile skills and positive spirit of the company's workforce.





奥美医疗

股票代码 002950.SZ

ALLMED MEDICAL

Looking Forward

Looking Forward

1. In 2025, we will continue to publish the Sustainability Report.
2. We will continue to improve the company's carbon emission calculation and product carbon footprint tracking, and carry out the corresponding certification in time.
3. We will continue to promote the sustainable development of the company, and promote ISO14040 /ISO14044/ISO14067 certification in a timely manner
4. We will continue to pay attention to the GRI Standards (2021), the United Nations Sustainable Development Goals (SDGs) and the European Sustainability Reporting Standards (ESRS) and take them the reference of our actions or the data disclosure

