

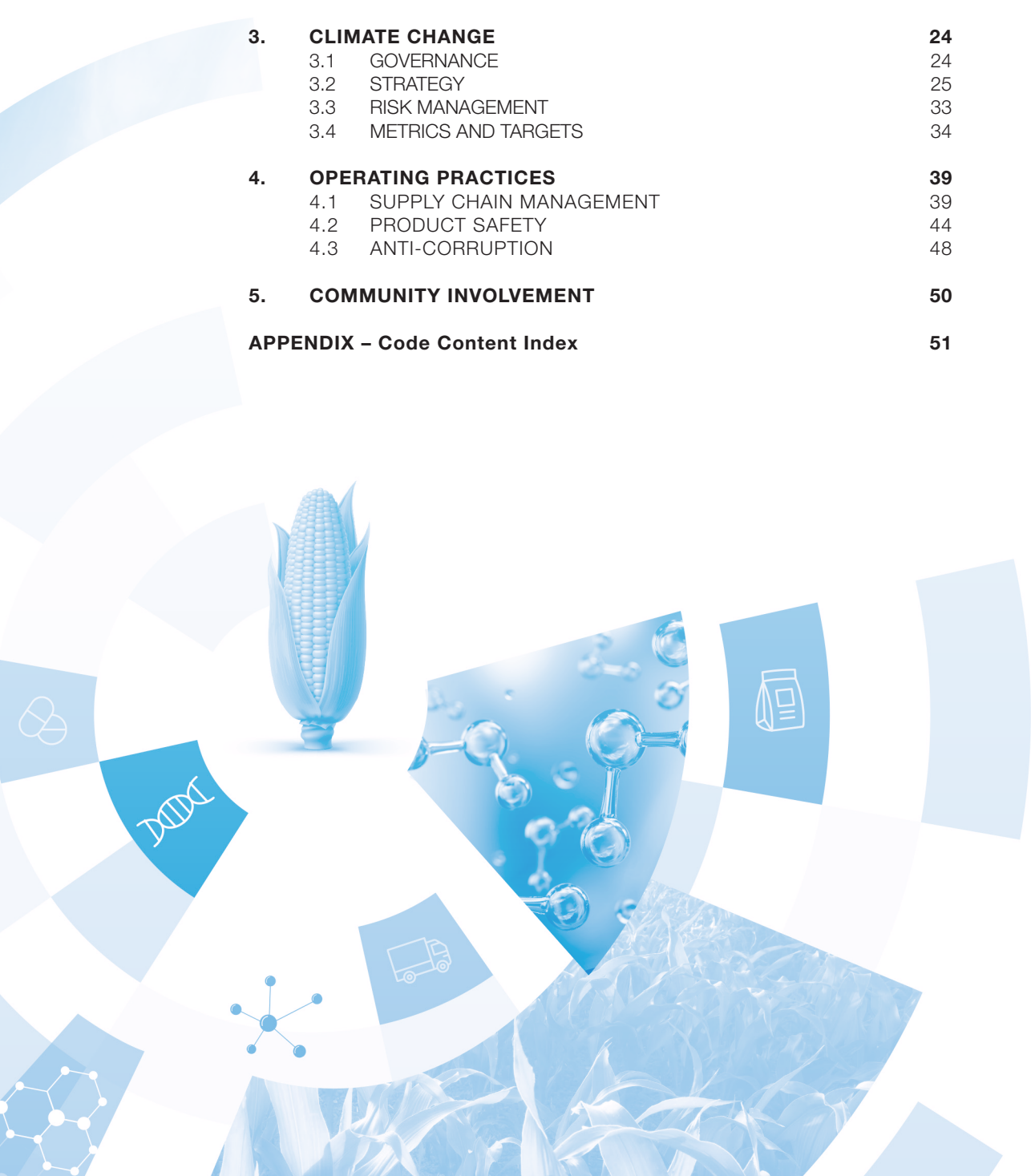


# 2025

## Environmental, Social and Governance Report

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# ABOUT THIS REPORT

## Introduction

Global Bio-chem Technology Group Company Limited (“**GBT**” or the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in the manufacture and sale of corn refined products, amino acids, corn sweeteners and polyol chemicals. We are aware that sustainable economic development and improvement of the livelihood of the population are the key trends in society. In order to ensure the sustainability and the harmonious relationship between the Group’s business and the environment, the Group recognises the importance of integrating Environmental, Social and Governance (“**ESG**”) aspects to enhance the Group’s daily operations and corporate governance perspective.

## The Governance Structure

To demonstrate our commitment to sustainability, we have integrated corporate governance structure in preparing the Environmental, Social and Governance report of the Company (the “**ESG Report**”) for the year ended 31 December 2025 (the “**Year**”). We have established a corporate governance framework to ensure that ESG governance aligns with our strategic growth. The ESG governance structure of the Group consists of three components, namely the board (the “**Board**”) of directors (the “**Directors**”), the ESG working group and the internal audit department of the Company (the “**Internal Audit Department**”).

Governance Structures	Responsibilities
<b>Board</b>	<ul style="list-style-type: none"> <li>To oversee all ESG matters and assume full responsibility for the Group’s ESG strategy and disclosure</li> <li>To track the progress of target achievement and Key Performance Indicator (KPI) performance annually</li> </ul>
<b>ESG working group</b> <ul style="list-style-type: none"> <li>Financial controller</li> <li>Corporate development department</li> <li>General managers of operation sites</li> </ul>	<ul style="list-style-type: none"> <li>To develop ESG strategies and monitor overall ESG performance</li> <li>To implement the strategies by setting their respective actions and goals, devising and executing related plans and policies</li> <li>To work with business units and departments regularly to collect data, track operational performance and coordinate the preparation of the ESG Report</li> </ul>
<b>Internal Audit Department</b>	<ul style="list-style-type: none"> <li>To work with the ESG working group, the business units and functions to assist the ESG data validation for ensuring the consistency of data source and standards, and increase the accuracy of the ESG data</li> <li>To take part in the ESG management in identifying potential risks in the Group’s daily operation and suggest solutions to the Board and the management</li> </ul>

Specifically, the ESG working group is responsible for identifying business related ESG issues, prioritising them through a materiality assessment matrix that considers both business impact and stakeholder expectations, determining the Group’s ESG objectives, tracking ESG performance and reporting the major issues to the Board. The Board conducts annual reviews to evaluate ESG implementation progress, approving resource allocation for high-impact ESG initiatives, with particular focus on aligning material ESG issues with core business growth drivers. This evaluation process incorporates stakeholder feedback analysis and industry benchmarking.

The Group also incorporates ESG and major climate-related risks into its integrated risk management model (the “**IRM Model**”), where the processes for controls and risk management have been embedded into its daily operations and decision-making processes. The ESG working group and the Internal Audit Department formulate and regularly review the Group’s risk profile reports, including the major climate-related risks in the IRM Model. Under the Group’s IRM Model, a structured approach was employed on an ongoing basis to identify, assess, treat, monitor and report on the key risks affecting the sustainability of the Group’s business. During the Year, we have identified, assessed, and prioritised physical risk and transition risk as our climate-related risks and opportunities within our enterprise risk management model, with actions to manage these risks within the Group’s overall risk appetite to enhance business resilience. The Board takes climate-related risks and opportunities into account when overseeing the Company’s strategy, major transactions risk and risk management processes. The Board regularly reviews related analyses and balances short-term financial returns with long-term sustainability objectives, ensuring the Company addresses climate challenges while capturing potential opportunities.

## Reporting Scope

This ESG Report covers all principal business activities of the Group which have financial and operational significance for the Year, includes the Group’s operations sites in Changchun City, Jilin Province (namely, Xinglongshan and Dehui) in the People’s Republic of China (the “**PRC**” or “**China**”), as well as its headquarter in Hong Kong (since the headquarter in Hong Kong mainly serves as administration and financial reporting purposes which does not engage in the production processes, figures in relation to environmental emissions and operating practices were thus not available). This ESG Report covers the period from 1 January 2025 to 31 December 2025 with comparative figures for the corresponding period in 2024, unless otherwise stated. The data in this ESG Report which reflect the quantitative principle adopted in compiling this ESG Report are prepared and presented using consistent methodologies. There is no change in the methods and key performance indicators used in which the data were collected and compiled that will affect the meaningful comparison between this ESG Report and the ESG Report for year ended 31 December 2024.

## Reporting Standard

The content of this ESG Report is prepared in compliance with the Environmental, Social and Governance Reporting Code (the “**ESG Reporting Code**”) set out in the Appendix C2 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Information relating to the Group’s corporate governance practices has been set out in the corporate governance report of the annual report of the Company for the Year.

## Materiality Assessment

The Directors, management and the staff of the Group’s respective operations have participated in the preparation of this ESG Report and assisted in reviewing and considering the Group’s corporate values and mission, operations, competitive strategies, risk management framework and compliance with laws and regulations. The ESG working group has conducted various interviews with them to assess the importance of matters related to our business and stakeholders. Based on the assessed significant ESG issues, a data collection questionnaire was prepared to collect information from relevant subsidiaries and business units of the Group. After the interviews, the data collected were categorised and analysed to assess its materiality for the ESG engagement.

## Stakeholder Engagement

The Group values input and feedback of its stakeholders as they are closely connected to the Group's development. Internal and external stakeholders have been involved in regular engagement activities to share their views regarding the Group's operations and performances, which are as shown below.

Stakeholders	Communication Channels	Action and Result	Stakeholders' Concern
<b>Shareholders and Investors</b>	<ul style="list-style-type: none"> <li>• General meetings and other investor meetings</li> <li>• Annual reports and interim reports</li> <li>• Announcements and circulars</li> <li>• Investor relations enquiry</li> <li>• The Company's website</li> </ul>	<ul style="list-style-type: none"> <li>• Physical general meetings have been held during the Year</li> <li>• Timely updated the Company's website with all latest information of the Company</li> <li>• All latest information of the Company has been announced by public relations agency</li> </ul>	<ul style="list-style-type: none"> <li>• Business strategies and sustainability</li> <li>• Profitability and financial stability</li> <li>• Information disclosure and transparency</li> <li>• Corporate governance</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Employees' feedback</li> <li>• Training programmes and team building activities</li> <li>• Regular performance review</li> </ul>	<ul style="list-style-type: none"> <li>• Regular reviews of employees' feedback</li> <li>• Annual appraisals and discussions with employees from time to time have been arranged during the Year</li> </ul>	<ul style="list-style-type: none"> <li>• Employees' remuneration and benefits</li> <li>• Healthy and safe working environment</li> <li>• Career development and training opportunities</li> </ul>
<b>Customers and suppliers</b>	<ul style="list-style-type: none"> <li>• Meetings and direct engagements</li> <li>• Industry conferences and events</li> <li>• The Company's website</li> </ul>	<ul style="list-style-type: none"> <li>• Customer satisfaction survey and suppliers meetings have been conducted during the Year</li> <li>• Timely updated the Company's website and provided email address for potential customers to reach the Company</li> </ul>	<ul style="list-style-type: none"> <li>• Product quality and safety</li> <li>• Supply chain stability</li> <li>• Fair procurement</li> </ul>
<b>Public</b>	<ul style="list-style-type: none"> <li>• The ESG Report</li> <li>• Community activities and social events</li> <li>• The Company's website</li> </ul>	<ul style="list-style-type: none"> <li>• Timely updated the Company's website</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental impact</li> <li>• Food safety</li> <li>• Community development</li> </ul>

## 1. WORKPLACE QUALITY

### 1.1 Employment

GBT values every employee who contributes to the Group's success and emphasises the importance of a healthy and friendly working environment which lays a good foundation for its people to commit to the Group. GBT is keen to establish a corporate culture with self-discipline, inspirations and commitment. We aim to attract the best talent in the market with diversity, create a nurturing ground for both the Company and our people to grow and enjoy the fruits of our success together. Given the nature of the Group's business and the industry the Group operates in, which remains heavily reliant on machine operation and manual labour, it is expected that equality of gender ratio will be difficult to achieve within the Group. However, the Group will still strive to enhance diversity including but not limited to gender, age, ethnicity, educational background, professional expertise, industry experience, function and length of service across all levels of the workforce so far as reasonably practicable. Apart from offering competitive remuneration to our employees, GBT also provides them with trainings, career development and growth opportunities. GBT places high emphasis on workplace condition and safety industry but not limited to ensuring lawful and reasonable working hours and rest periods of our employees. This is one of the keys to our success.

The Group has formulated the compensation and benefits system and conducted regular salary adjustment to ensure that all employees are rewarded and recognised for respect to their efforts and contributions. Based on the Group's development strategies, current operating conditions, corporate compensation levels, business objectives and the industry's average salary levels, the human resources department of the Company updates the human resources plan from time to time as guidelines for each operating subsidiary for the determination and adjustment of employees' salary. Through key performance indicators' management and performance appraisal, the salary of employees can be linked to their performance as well as the Company's business objectives.

With respect to the termination of the employment contract, it should be based on reasonable and lawful grounds. The Group strictly prohibits any kind of unfair or unreasonable dismissals.

The Group strictly follows the principles of equal opportunities in its employment policies, including recruitment, training, career development and promotion. The Group promotes fair competition. Any kind of discrimination against one's age, gender, religion, marital status, ethnic background, sexual orientation, disability, and pregnancy is strictly prohibited in the Group.



## 1. WORKPLACE QUALITY

### *Working hours*

For operations in the PRC, office workers work 5 days a week with 8 hours a day. Workers at the production sites work on shifts, 8 hours a shift. In any case where overtime work is required, overtime payment will be paid to employees as required under the PRC labour law. Employees' rest days and public holidays are formulated in line with the labour regulations in the PRC. Details of working hours, rest days and public holidays are outlined in the employment contracts for all employees.

All employees in Hong Kong work 5 days a week with 8 hours a day and enjoy rest days, public holidays and paid annual leave, etc. during employment, in line with labour legislation in Hong Kong.

### *Staff welfare and benefits*

GBT believes a highly motivated working team will be crucial to the development of the Company. Employees' remuneration packages are based on their job performance and reviewed individually every year to maintain competitiveness. Apart from this, employees have comprehensive medical, accidental and disability insurance coverage and retirement schemes (such as the Mandatory Provident Fund Schemes).

Apart from this, the Group also provides welfare housing for eligible employees in the PRC. Applicants for welfare housing will be assessed by their term of service and overall performance.

During traditional Chinese festivals, it is the Group's practice to give out gifts such as foodstuff and necessity to employees. The Group would also provide assistance to employees whose families are in difficulties from time to time.

### *Compliance with relevant laws and regulations*

Recruitment and employment under GBT are in strict compliance with all relevant local and national labour laws and regulations, which include, but not limited to, the Labour Law of the People's Republic of China (《中華人民共和國勞動法》), the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), the Social Insurance Law of the People's Republic of China (《中華人民共和國社會保險法》), the Law of the People's Republic of China on the Protection of Women's Rights and Interests (《中華人民共和國婦女權益保障法》), and the Employment Ordinance (Hong Kong) (《僱傭條例》(香港)).

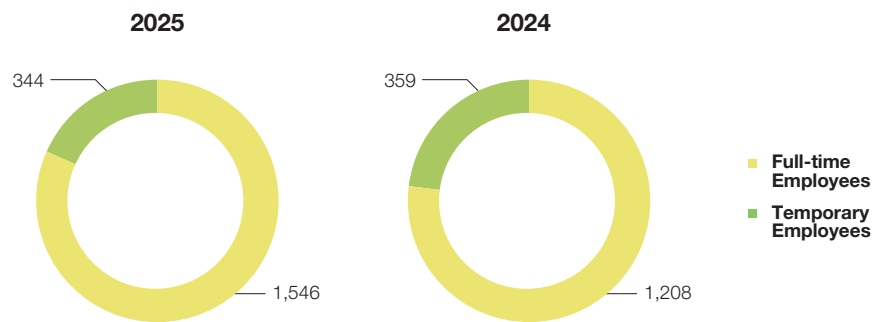
During the Year, the Group was not aware of any material breach of relevant laws and regulations, including among others, the laws, regulations and procedures relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunities, diversity, anti-discrimination and other benefits and welfare.

# 1. WORKPLACE QUALITY

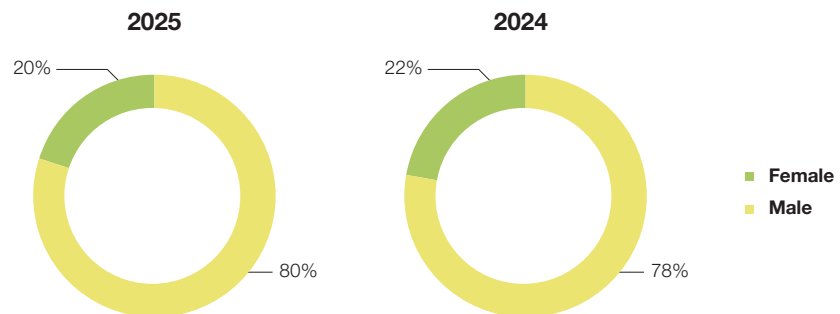
## 1.1.1 Employment Structure

Below charts show an overview of the Group's employment structure:

*Employees by Employment Type*

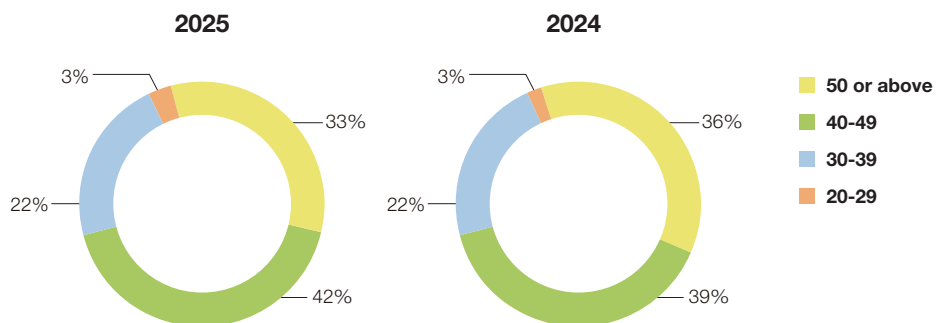


*Employees by Gender*

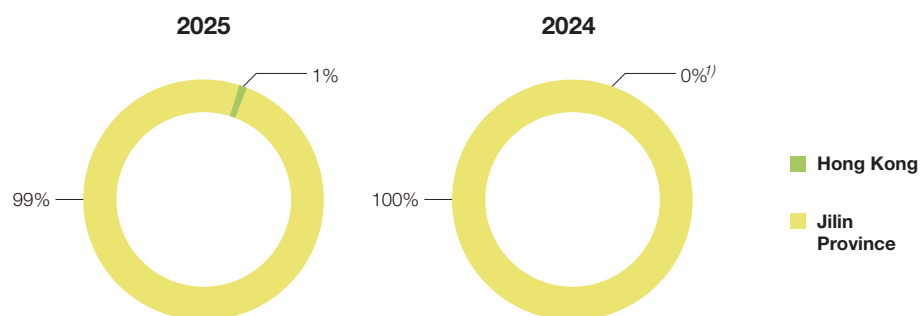


## 1. WORKPLACE QUALITY

Employees by Age



Employees by Geographical Location



Remarks:

2025: Figures as of 31 December 2025

2024: Figures as of 31 December 2024

1) Figure accounted for less than 0.5%.

### 1.1.2 Turnover Rate

The Group's turnover rate for the Year was approximately 13.8% (2024: 17.9%), out of which male employees accounted for 77.2% (2024: 72.0%) and female employees accounted for 22.8% (2024: 28.0%). Among the total number of turnover staff, 55.3% (2024: 57.6%) of them were temporary employees.

## 1. WORKPLACE QUALITY

The details of the turnover pattern are outlined in the tables below:

### *Turnover Rate by Geographical Region and Employment Type*

	Jilin Province	Hong Kong	Total
<b>2025</b>			
No. of Full-time Employees	<b>134</b>	<b>1</b>	<b>135</b>
No. of Temporary Employees	<b>167</b>	<b>0</b>	<b>167</b>
Total No. of Turnover Staff	<b>301</b>	<b>1</b>	<b>302</b>
Turnover Rate <sup>1)</sup>	<b>13.8%</b>	<b>9.1%</b>	<b>13.8%</b>
	Jilin Province	Hong Kong	Total
<b>2024</b>			
No. of Full-time Employees	145	0	145
No. of Temporary Employees	197	0	197
Total No. of Turnover Staff	342	0	342
Turnover Rate <sup>1)</sup>	17.9%	0.0%	17.9%

### *Turnover Rate by Age and Employment Type*

	50 or above	40-49	30-39	20-29	18-19	Total
<b>2025</b>						
No. of Full-time Employees	<b>37</b>	<b>57</b>	<b>26</b>	<b>13</b>	<b>2</b>	<b>135</b>
No. of Temporary Employees	<b>108</b>	<b>41</b>	<b>17</b>	<b>1</b>	<b>0</b>	<b>167</b>
Total No. of Turnover Staff	<b>145</b>	<b>98</b>	<b>43</b>	<b>14</b>	<b>2</b>	<b>302</b>
% to Total Turnover Staff	<b>48.0%</b>	<b>32.5%</b>	<b>14.2%</b>	<b>4.6%</b>	<b>0.7%</b>	<b>100.0%</b>
	50 or above	40-49	30-39	20-29	18-19	Total
<b>2024</b>						
No. of Full-time Employees	73	18	36	15	3	145
No. of Temporary Employees	115	59	22	1	0	197
Total No. of Turnover Staff	188	77	58	16	3	342
% to Total Turnover Staff	55.0%	22.5%	17.0%	4.7%	0.8%	100.0%

*Remark:*

1) Internal transfer under the Group was not counted in turnover rate.



## 1. WORKPLACE QUALITY

### 1.2 Occupational Health and Safety

GBT is committed to provide a safe and non-hazardous working environment for all staff. Apart from keeping updated on the latest regulations launched by local and national authorities and government bodies, GBT reviews the working environment in each operation sites from time to time to ensure the health and safety of all staff. Such measures include internal control procedures such as the setting up of a work safety inspection team (the “**Inspection Team**”) to inspect the workflow procedures in the production sites from time to time, reporting any work-related accidents, remedies and improvement measures taken to the management in a timely manner, etc. All employees are trained before they carry out their duties to ensure they are fit for the job and continuous training are provided to minimise chance of work-related accidents by the Company.

All operations of the Group comply with the labour law and safety regulations by local as well as national governments. List of laws and regulations that the Group complied include, but are not limited to, the Production Safety Law of the People’s Republic of China (《中華人民共和國安全生產法》), the Law of the People’s Republic of China on the Prevention and Treatment of Occupational Diseases (《中華人民共和國職業病防治法》), and the Occupational Safety and Health Ordinance (Hong Kong)(《職業安全及健康條例》(香港)).

#### 1.2.1 Work-Related Accidents

There was no work-related fatal events during the Year (2024 and 2023: Nil and Nil). There were also no work-related accidents or disasters that occurred during the Year (2024: Nil). As such, the Group did not record any lost days due to work injury during the Year and 2024.

#### 1.2.2 Implementation and Monitoring of Occupational Health and Safety Measures

The Group has its own tailor-made work manuals (the “**Manuals**”) for employees, which incorporate all the occupational health and safety procedures. The Manuals are designed to comply with the regulations/laws above. The Group also set up the Inspection Team to ensure the implementation of these procedures. The Inspection Team carries out regular inspections to ensure workplace safety to avoid any potential risk, reviews and improves the Manuals from time to time and offers internal training to staff. The Manuals also include guidance on the steps and procedures to be taken in case of emergency or accidents.

During the Year, the Group was not aware of any material non-compliance with applicable laws and regulations concerning workplace safety and occupational health.

## 1. WORKPLACE QUALITY

### 1.3 Development and Training

GBT invests in the personal and vocational development of its employees. Career development and advancement opportunities are provided to dedicated staff. To improve employees' knowledge and skills to discharge duties at work, employees in different posts, regardless of one's gender and background, are provided with tailor-made training programmes, by both internal and external institutions to ensure their performance is in line with the Group's expectations and the changing market.

The Group also actively promotes good corporate governance by offering chances for senior management and executives to attend seminars or forums organised by regulators or other professional authorities on topics such as corporate governance best practices, handling price sensitive information, risk management and updates on the latest Listing Rules, etc. Such training materials will be translated and circulated to the Board as well as subordinate staff in different departments as internal training materials. Internal trainings are given to the Board as part of the corporate governance practices.

#### *Training programmes for employees in China*

All significant operating subsidiaries under GBT in the PRC follow the Group's training requirements and tailor-made/specific training programmes are offered to staff in different posts. All employees attend internal training programmes before commencement of work (including introduction of production processes, operation manual of machineries, work skills training, work safety procedures, management structure and corporate governance, etc.).

On top of this, on-the-job trainings such as work skills training, career planning guidance and training for promoted staff are provided for employees' continuous career development and improvement of their work skills. Implementation of staff training is handled by the human resources department of each operating subsidiary of the Group. Based on the assessment and recommendations by the head of each department on the needs and requirements for their relevant staff, the human resources department of each operating subsidiary of the Group formulates the standards, contents and plan for staff training every year. Assessment, examinations and questionnaires are given to staff after training to assess the effectiveness and results. Quiz competitions and forums are held regularly by the Group for staff to assess the effectiveness of and exchange their ideas on the training programmes.

Training programmes for employees of managerial grade or above are provided mostly in-house, with seminars or talks organised by external parties on specific topics occasionally or according to market needs. Employees of managerial grade or above may attend training sessions on topics such as professional knowledge, corporate culture, sales and marketing, occupational safety, strengthening skills in management and policy implementation. Such training sessions were carried out by way of seminars, video training and reading sessions. Certain subsidiaries under the Group offer training sessions for employees of managerial grade or above employees on occupational safety, market expansion and professional training.

## 1. WORKPLACE QUALITY

### *Training programmes for employees in Hong Kong*

The Company provides introduction session to all new employees on the Company's operation, corporate governance and corporate culture. All employees are given a copy of the Company's employee handbook as guidelines. Internal and external trainings in relation to professional knowledge and the Listing Rules are also provided via seminars and reading sessions on a continuous basis.

Continuing education allowance scheme has been provided by the Company to all employees in the Hong Kong office since 2016 to facilitate employees in accelerating their professional development. During the Year, the Group provided dedicated ESG-themed training courses for the Board, Hong Kong management and Hong Kong employees, and distributed relevant training materials to the Board and management. Going forward, the Group will continue to identify and nurture professionals in the field of sustainable development and continuously enhance the team's overall capabilities in ESG aspects.

Trainings for employees of managerial grade or above mainly cover the following aspects: corporate governance, business management and administration, professional knowledge and the Listing Rules. Such trainings are in the form of lectures and seminars organised by internationally renowned universities in Hong Kong and overseas, regulators or other professional bodies such as the Stock Exchange, The Hong Kong Institute of Certified Public Accountants and The Hong Kong Chartered Governance Institute. Apart from these, the company secretary of the Company will update the Company's management and the Board from time to time regarding the latest changes to the Listing Rules and guidelines issued by the Stock Exchange to ensure their work is in compliance with the Listing Rules.

#### **1.3.1 Percentage of Staff that Received Training**

<b>The PRC – Ordinary Staff</b>	<b>Male</b>	<b>Female</b>	<b>Average</b>
<b>2025</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
2024	100.0%	100.0%	100.0%

<b>The PRC – Managerial Grade or Above Staff</b>	<b>Male</b>	<b>Female</b>	<b>Average</b>
<b>2025</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
2024	100.0%	100.0%	100.0%

<b>Hong Kong – Ordinary Staff</b>	<b>Male</b>	<b>Female</b>	<b>Average</b>
<b>2025</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
2024	100.0%	33.0%	60.0%

<b>Hong Kong – Managerial Grade or Above Staff</b>	<b>Male</b>	<b>Female</b>	<b>Average</b>
<b>2025</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
2024	100.0%	100.0%	100.0%

## 1. WORKPLACE QUALITY

### 1.3.2 Average Hours of Training Received by Staff

The PRC – Ordinary Staff		Male	Female	Average
2025		<b>17.2 hours</b>	<b>16.1 hours</b>	<b>16.9 hours</b>
2024		18.9 hours	18.6 hours	18.8 hours
The PRC – Managerial Grade or Above Staff		Male	Female	Average
2025		<b>32.2 hours</b>	<b>9.0 hours</b>	<b>27.1 hours</b>
2024		13.9 hours	11.3 hours	13.6 hours
Hong Kong – Ordinary Staff		Male	Female	Average
2025		<b>1.5 hours</b>	<b>21.0 hours</b>	<b>14.5 hours</b>
2024		16.0 hours	36.0 hours	22.3 hours
Hong Kong – Managerial Grade or Above Staff		Male	Female	Average
2025		<b>15.8 hours</b>	<b>23.3 hours</b>	<b>17.2 hours</b>
2024		16.6 hours	12.0 hours	15.3 hours



## 1. WORKPLACE QUALITY

### 1.4 Labour Standards

GBT has stringent recruitment procedures to avoid child or forced labour. The Group's labour standards and recruitment procedures are in compliance with all the local as well as national labour regulations. The human resources department of each subsidiary will handle all staff-related matters including recruitment, remuneration, training and other welfares to make sure the Group complies with the relevant labour regulations.

Recruitment and employment under GBT are in strict compliance with all relevant local and national labour laws and regulations, which include, but are not limited to, the Labour Law of the People's Republic of China (《中華人民共和國勞動法》), the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), the Law of the People's Republic of China on the Protection of Minors (《中華人民共和國未成年人保護法》), and the Employment Ordinance (Hong Kong) (《僱傭條例》(香港)).

#### 1.4.1 Recruitment Procedures and Standards

As a part of recruitment and internal procedures, use of child or forced labour is strictly prohibited in the Group and this is explicitly cited in the recruitment guidelines of each subsidiary under the Group. The Group has maintained a database of the qualifications and requirements for different positions and a well-established structure for each department in each subsidiary. Department supervisors would notify and apply for recruitment of new positions or replacement to the human resources department of each subsidiary. The human resources department of each subsidiary would assess the application and approve or disapprove based on the results of assessment. Recruitment channels of the Group include recruitment agencies, recruitment websites, campus recruitment and internal referral. Respective candidates should pass written tests (if applicable) and interviews and verification check of their academic qualifications and identity. The human resources department of each subsidiary will arrange the signing of a formal employment contract upon confirmation of the employment and keep file of all personal data of each employee as required by the relevant labour law.

#### 1.4.2 Remedial Measures in Case of Non-Compliance

In case of non-compliance relating to child or forced labour, the Group would report the case to the police, the local labour bureau or equivalent authorities immediately and provide any appropriate assistance to the victim(s), including sending the victim(s) back home. The Group would endeavour to ensure that employees of its subsidiaries co-operate with the police, the local labour bureau or equivalent authorities during the investigation of the crime. If it is discovered that such crime is caused by an act of negligence of the employee(s) of the Group, the Group would immediately terminate the employment contract with the relevant employee(s) and compensate any loss and damage which has been caused to the victim(s). However, if it is found that such crime was caused by fraudulence by any parties, the Group would take any necessary legal action against the fraudster.

During the Year, the Group was not aware of any material breach of relevant laws and regulations, including among others, those listed under section 1.4 above relating to child and forced labour. The Group has not been involved in any case of non-compliance with child or forced labour during the Year (2024: Nil).

## 2. ENVIRONMENTAL PROTECTION

### 2.1 Emission

The Group shares the responsibilities to reduce emissions and minimise our footprint on the environment to slow down climate change. The Group has built strong awareness on environmental conservation and places it at equal importance alongside our business development. It is the Group's mission to maintain environmental sustainability together with its business growth.

To achieve this, during the Year, the management of the Group has:

1. continued to devote research and development (“**R&D**”) efforts to production efficiency and lower greenhouse gas emissions;
2. reduced waste disposal and imposed stringent wastewater treatment standards against the discharge of pollutants;
3. promoted the use of recycled materials and renewable and biodegradable resources;
4. promoted the sustainable use of energy, water, crops and other raw materials;
5. promoted energy conservation; and
6. complied with the relevant environmental regulations in all production facilities.

In the meantime, the Group has set up a supervising team (the “**Supervising Team**”) in each production site to monitor emission of gas, discharge of wastewater and generation of hazardous and non-hazardous wastes. The Supervising Team is responsible for the formulation of emission/discharge control procedures and environmental protection measures, regular check and evaluation of emission standards, ensuring those standards are in compliance with the relevant national and local environmental regulations. Upon the request from the local environmental protection bureau, each production site would also submit emission and discharge samples for random check.

The Group's production processes would emit certain pollutants such as sulfur dioxide and nitrogen oxide. In case where the emission level of the Group goes beyond the emission standards as set out in the guidelines issued by the local environmental protection bureau, the relevant Supervising Team will alert the relevant divisions in the production department and the production plant immediately to fix the problem. In addition, real-time monitoring devices are placed at all discharge outlets of the Group's facilities and connected to the local environmental protection bureau's network to keep track of emission data. Such data is also subject to real time monitoring by the Environmental Protection Information Centre of the City, as well as the Provincial Environmental Protection Information Centre.

## 2. ENVIRONMENTAL PROTECTION

All production sites of the Group in the PRC have their own wastewater treatment facilities in place to remove physical, chemical and biological contaminants from wastewater (from both industrial and domestic sewage in the production sites), with the objective to produce an environmentally-safe sewage discharges for recycle uses. The Supervising Team monitors the discharges of wastewater by the wastewater treatment facilities of the Group every hour through sample testing to ensure the pH value, Chemical Oxygen Demand (“COD”) value and discharge volume of the wastewater are in line with the relevant laws and regulations. Similar to the emission of greenhouse gases, monitoring devices are placed at all discharge outlets of the Group’s wastewater treatment facilities and connected to the local environmental protection bureau’s network to keep track of emission data such as COD value. Such data is also subject to real time monitor by the Environmental Protection Information Centre of the City, as well as the Provincial Environmental Protection Information Centre. With respect to the cinder produced by the power plants, it will be sold as raw material for the production of cinder blocks after treatment.

### *Compliance with the relevant laws and regulations on emissions*

All subsidiaries under GBT are in strict compliance with the relevant laws and regulations on emission amounts, emission standards and the monitoring of emission data. Such laws and regulations include, but are not limited to, the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), the Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》), the Law of the People’s Republic of China on the Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》), and the Law of the People’s Republic of China on Conserving Energy (《中華人民共和國節約能源法》).

During the Year, the Group was not aware of any material breach of relevant laws and regulations, including among others, those listed above in this section relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

### **2.1.1 Types of Emissions and Respective Emission Data**

During the production processes of the Group, certain amount of sulfur dioxide, nitrogen oxide, wastewater and cinders would be emitted/discharged. The emission data are outlined in the tables below:

#### *Summary of the Types of Emissions and Emission Data*

	Air Emissions			
	Sulfur Dioxide (metric tonne)	Nitrogen Oxide (metric tonne)	Wastewater (metric tonne)	Cinders (metric tonne)
<b>2025</b>	<b>124</b>	<b>228</b>	<b>2,599,117</b>	<b>22,809</b>
2024	192	241	2,336,095	19,009
<b>Change</b>	<b>(35.4%)</b>	<b>(5.4%)</b>	<b>11.3%</b>	<b>20.0%</b>

## 2. ENVIRONMENTAL PROTECTION

### 2.1.2 Hazardous and Non-Hazardous Waste Produced

#### Summary of Hazardous and Non-Hazardous Waste Produced

	Hazardous Waste		Non-Hazardous Waste				
	Lubricating Oil (metric tonne)	Experimental Effluent (metric tonne)	Cardboard (metric tonne)	Plastics (metric tonne)	Flexitank (metric tonne)	Scrap Metal (metric tonne)	Food Waste (metric tonne)
2025	27	3	0	172	213	87	10
2024	22	1	0	161	201	79	9
<b>Change</b>	<b>22.7%</b>	<b>200.0%</b>	<b>0.0%</b>	<b>6.8%</b>	<b>6.0%</b>	<b>10.1%</b>	<b>11.1%</b>

#### Summary of Unit Hazardous Waste and Non-Hazardous Waste per Metric Tonne of Product Produced

	Hazardous Waste		Non-Hazardous Waste				
	Lubricating Oil (kilogram)	Experimental Effluent (kilogram)	Cardboard (kilogram)	Plastics (kilogram)	Flexitank (kilogram)	Scrap Metal (kilogram)	Food Waste (kilogram)
2025	0.01	0.00	0.00	0.36	0.44	0.18	0.02
2024	0.05	0.00	0.00	0.37	0.52	0.18	0.02
<b>Change</b>	<b>(80.0%)</b>	<b>0.0%</b>	<b>0.0%</b>	<b>(2.7%)</b>	<b>(15.4%)</b>	<b>0.0%</b>	<b>0.0%</b>

During the Year, the amount of hazardous waste increased due to the operations of the Dehui site increase in 2025. The amount of non-hazardous waste produced by the Group also increased during the Year as production volume increased in the Dehui site.

### 2.1.3 Target and Measurements

The hazardous waste of the Group will be treated and disposed in accordance with the guidelines issued by the local environment protection bureau while certain hazardous (after proper treatment) and non-hazardous wastes could be recycled or reused. As the production plans of the Group's production sites in 2026 are still subject to further adjustment, and the Group targeted to resume the Xinglongshan site gradually in coming years, its production scale will still need dynamic adjustments based on actual conditions after full operation resumes. The Group therefore considers it inappropriate to set an emission target for the Group in 2026. Nevertheless, we will continue to focus on the reduction and recycling of waste through internal training sessions to staff to raise environmental awareness. At the same time, the Group will utilise its R&D capabilities on the application of new technologies in waste recycling and treatment of solid waste prior to disposal when the operation resumes.

## 2. ENVIRONMENTAL PROTECTION

### 2.2 Use of Resources

GBT has strong awareness of resources conservation. Continuous R&D work on raising the efficient use of energy, water and steam is our major focus. The Group's R&D team is dedicated to improve the facilities and production technology to achieve conservation of resources.

With respect to water conservation, a portion of the wastewater of the Group will be recycled after wastewater treatment and biological treatment. Recycled water will be used as cooling agent in production and daily use such as cleaning and flushing water. Apart from wastewater, certain catalysts used during the production process could also be recycled after rinsing and filtration.

The Group has formulated "Guidelines on Resource Consumption" for all of its significant subsidiaries to ensure efficient use of energy, water, steam and other raw materials. To increase employees' awareness of resource conservation, the Group also incorporates production efficiency and resource conservation scheme results into the annual appraisal of individual staff. Apart from this, maintenance works and system check are carried out on all machineries and facilities on regular basis to keep them in good condition and ensure production safety.

Regarding the use of resources, all subsidiaries under the Group are encouraged to take part in energy conservation scheme to promote environmental awareness amongst the employees.

#### 2.2.1 Summary of Consumption of Water, Electricity, Steam and Coal

*Total Consumption of Water, Electricity, Steam and Coal*

	Water ( <i>'000 metric tonne</i> )	Electricity ( <i>'000 kwh</i> )	Steam ( <i>'000 metric tonne</i> )	Coal ( <i>'000 metric tonne</i> )
2025	3,405	306,541	1,545	364
2024	1,600	273,716	1,048	360
<b>Change</b>	<b>112.8%</b>	<b>12.0%</b>	<b>47.4%</b>	<b>1.1%</b>

## 2. ENVIRONMENTAL PROTECTION

Due to the increase in production at the Dehui site, resulting the overall electricity consumption, steam consumption and coal consumption of the Group's production facilities increased for the Year.

*Unit Consumption of Water, Electricity, Steam and Coal per Metric Tonne Product Produced*

	Water (metric tonne)	Electricity (kwh)	Steam (metric tonne)	Coal (metric tonne)
<b>2025</b>	<b>7.10</b>	<b>639.33</b>	<b>3.22</b>	<b>0.76</b>
2024	4.17	714.01	3.65	0.94
<b>Change<sup>1)</sup></b>	<b>70.3%</b>	<b>(10.5%)</b>	<b>(11.8%)</b>	<b>(19.1%)</b>

Remark:

- 1) As different products have different resources consumption patterns, unit consumption varies due to changes in product mix.

### 2.2.2 Consumption of Fuel

*Consumption of Fuel by Type*

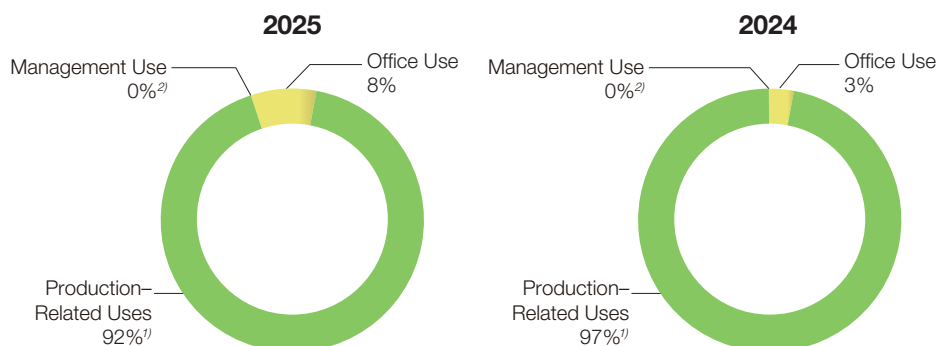
	Gasoline (Litre)	Diesel (Litre)	Total (Litre)
<b>2025</b>	<b>8,570</b>	<b>98,007</b>	<b>106,577</b>
2024	10,229	326,952	337,181
<b>Change<sup>1)</sup></b>	<b>(16.2%)</b>	<b>(70.0%)</b>	<b>(68.4%)</b>

Remark:

- 1) The Group's production volume increased for the Year, but consumption of fuel decreased due to the diesel used by the external fleet was not consumed by the Group.

## 2. ENVIRONMENTAL PROTECTION

### Consumption of Fuel by Purpose



#### Remarks:

- 1) Production-related uses include fuel consumption in relation to transportation of raw materials and products.
- 2) Figure accounted for less than 0.5%.

### Unit Consumption of Per Metric Tonne Product Produced

	Diesel (Litre)
<b>2025</b>	<b>0.20</b>
2024	0.85
<b>Change<sup>1)</sup></b>	<b>(76.5%)</b>

#### Remark:

- 1) The decline in diesel consumption was mainly due to the outsourcing of transportation services to external providers, which are responsible for the fuel costs of the vehicles used, thereby leading to a corresponding reduction in diesel consumption during the Year.

### 2.2.3 Source of Resources and Targets

The production processes of the Group would involve the consumption of water, electricity, steam, coal and packaging materials. As the majority of the Group's products are feed and food grade products, it is crucial for the Group to source water from reliable sources. Therefore, the Group's source of water comes mainly from the local water supplies with a portion of recycled water. As the local utility providers are controlled by the local government, the source of water is relatively stable and reliable, the Group has not encountered any problem in sourcing water in all of its production sites. As for electricity, most of the Group's production sites have a power plant in place. During the Year, approximately 40.1% (2024: 38.0%) of the electricity needs for the Group's production was supplied by the power plant internally with the shortfall sourcing from local Electricity Supply Bureau. The operations of the Group's Dehui site resumed where resumption plans for production facilities in the Xinglongshan site are still subject to further adjustment, we were not able to set efficiency target in relation to the conservation of resources until the Group's operation resumes to relatively normal level.

## 2. ENVIRONMENTAL PROTECTION

### 2.2.4 Consumption of Packaging Materials

The Group uses packaging bags as its major packaging materials, depending on the storage requirements of the products and the specifications on customers' orders. The Group encourages the recycling of packaging materials, where applicable. Among them, most plastic pails could be recycled and reused. To encourage customers to participate in the recycling of packaging materials, the Group requires each of its customers to pay a deposit equivalent to the cost of the plastic pails. In case of failure of return or damage, the Group will deduct the amount from the deposit as a penalty. In addition, the Group continuously explores new packaging materials and transportation modes that are more environmentally friendly and cost saving.

*Consumption of Packaging Materials of the Group*

	Plastic Pails (Unit)	Packaging Bags (Unit)	Unit Consumption (Unit)
2025	0	15,059,586	31
2024	0	12,216,525	32
<b>Change</b>	<b>0.0%</b>	<b>23.3%</b>	<b>(3.1%)</b>

During the Year, all (2024: all) packaging bags used by the Group were non-recyclable. The Group shall continue to explore, where feasible, other recyclable alternatives.

### 2.3 Effects on the Environment and Natural Habitats

The ecosystem plays an important part in our lives. It maintains the stability of our natural habitat which provides us with what we need. The maintenance of biodiversity is crucial for a healthy mechanism of the ecosystem. As the major raw material of the Group is corn kernel, the distortion of the ecosystem and the environment will have immediate effect on our operation. GBT is dedicated to maintaining biodiversity and minimising the footprint on the environment.

## 2. ENVIRONMENTAL PROTECTION

The Group is committed to minimising the effects of its operation and production processes on the natural environment. As described in the previous sections, emission of greenhouse gases and wastewater of the Group are in compliance with the relevant laws and regulations, while cinders and a portion of wastewater are treated for recycle use. In terms of the use of resources, conservation of resources with high efficiency and exploration of recycle use of materials are highly promoted among the Group's members.

Nevertheless, the Group has continuously studied and researched for ways to further minimise our footprints on the environment. The Group strives to further reduce total energy consumption by undertaking the following measures:

Approaches	Measures
<b>Production</b>	<ul style="list-style-type: none"><li>• Streamline the production processes and reduce any unnecessary use of materials</li><li>• Shift to new production processes to reduce consumption</li><li>• Launch green ("green" in the sense of minimising energy consumption during production process or posing less harm to the environment) products to market</li></ul>
<b>Green Initiatives</b>	<ul style="list-style-type: none"><li>• Adjust air conditioning temperature to 25 degrees Celsius at office</li><li>• Switch off lighting and air-conditioning when unattended</li><li>• Encourage staff to take public transport to and from workplace</li></ul>
<b>Employee Awareness</b>	<ul style="list-style-type: none"><li>• Engage employees by initiating the recycle practices at production sites and offices</li><li>• Convey environmental messages via company email/ electronic device</li></ul>

## 2. ENVIRONMENTAL PROTECTION

On top of this, the Group also promotes office and production automation to reduce consumption of paper and unnecessary exhaustion of other raw materials. All data and information regarding daily operation such as procurement, production, sales and finance are digitally created, collected, stored, analysed, and relayed to accomplish basic tasks. At the production sites, production procedures and manipulation of machineries are all automated to ensure precision and lower consumption of paper for production records. Every employees of the Group are advocates of resources conservation. Recycle use of paper is a common practice within the Group.

Below is a summary of paper consumption (number of pages) of the Group:

Operation Locations	2025	2024	Change
Jilin Province	338,000	352,000	(4.0%)
Hong Kong <sup>1)</sup>	42,000	46,000	(8.7%)
<b>Total<sup>2)</sup></b>	<b>380,000</b>	398,000	(4.5%)

Remarks:

- 1) *The paper consumption of the Group's Hong Kong office includes the paper consumption with respect to the publication of circulars, annual reports and interim reports, as well as the daily paper consumption in office.*
- 2) *During the Year, with the aim of reducing our impact on the ecosystem, the Group continued to use environmental-friendly paper and adopt double-sided printing for annual reports and other documents. In addition, the Group implemented the use of an office automation system during the Year to handle a wide range of approval processes and administrative tasks. This digital transformation initiative has effectively reduced the reliance on paper-based workflows, further contributing to the reduction of paper consumption and enhancing operational efficiency. Through these measures, the Group has demonstrated its commitment to sustainable practices, minimising environmental impact while promoting resource efficiency. The overall paper consumption of the Group had decreased during the Year.*



### 3. CLIMATE CHANGE

In 2025, the Group continuously measured carbon emissions from its operations and integrated climate-related management into its overall ESG management framework. With reference to the climate-related disclosure requirements under the ESG Reporting Code, we explored the low-carbon roadmap from the perspectives of governance, strategy, risk management, and metrics and targets.

#### 3.1 GOVERNANCE

The Board, with support from the ESG working group and the Internal Audit Department, holds ultimate accountability for the Group's ESG strategy when overseeing the Group's strategy decisions on major transactions and risk management processes, including consideration of trade-offs associated with such climate-related risks and opportunities, encompassing the identification and management of climate-related risks and opportunities. The ESG working group conducts regular review of the climate risk management to support the Company's evolving climate approach and each of the members of ESG working group is delegated by the Board. Climate change risk is being actively monitored within the Group's IRM Model while the business units and departments of the Group are responsible for establishing and implementing relevant risk management actions to mitigate climate risks to an acceptable level. The ESG working group undertakes the monitoring and oversight of the execution and performance outcomes. Regular updates on climate change matters, new disclosure requirements, emission targets progress, and action plans are provided by the ESG working group at the Board meetings held on an annual basis. Annual climate-related performance targets are set at the management level for the Board to evaluate the effectiveness of its climate strategy and measures on an annual basis. The Board and ESG working group regularly assess whether the Board and management possess appropriate skills and competencies to oversee climate-related strategies. When competency gaps are identified, the ESG working group will arrange internal climate-related training, share latest material regularly in relation to ESG topic and provide continuing professional development training for upskilling the Board and management on climate-related matters.

The Group enhances the Directors' understanding and awareness of ESG matters, ESG-focused training is organised from time to time. During the Year, the Company held a dedicated climate-related training session, which covered the latest updates on climate change disclosure standards and regulatory requirements, along with the future plan to address the relevant requirements.

Please refer to "The Governance Structure" under the "ABOUT THIS REPORT" chapter in this ESG Report for more information.

### 3. CLIMATE CHANGE

#### 3.2 STRATEGY

##### 3.2.1 Climate-related Risks

Climate-related risks are addressed as part of our IRM Model, the details of which can be found in 3.3 RISK MANAGEMENT below. The model assesses climate risks from two perspectives: occurrence timing and impact intensity. Taking into account the industry characteristics and climate-related scenario analysis, the Group identifies and assesses climate-related risks that could reasonably be expected to affect the Group’s cash flow, access to finance and cost of capital in the short (2030), medium (2050), and long (2080) terms.

Risk Types	Climate-related Risks	Effects on Business Model	Effects on Value Chain	Time Horizon	Description of Risk	Financial Impact	Extent of Influence
<b>Climate-related physical risks<sup>††</sup></b>							
Acute risk	Increased severity of extreme weather events such as: <ul style="list-style-type: none"> <li>• Drought</li> <li>• Heavy rainfall</li> </ul>	<ul style="list-style-type: none"> <li>• Impact the yield and quality of corn raw materials, leading to supply instability and increased procurement costs</li> <li>• Personal safety of workforce (e.g. health, safety, absenteeism)</li> </ul>	<ul style="list-style-type: none"> <li>• Facilities, roads and other infrastructures may be damaged and affect the production capacity and logistics of products</li> <li>• Anticipated reduction in availability of insurance on assets in "high-risk" locations</li> </ul>	Medium to long term	The increasing severity of extreme weather events could disrupt production operations, destabilise supply chains, raise energy consumption, and ultimately adversely affect business and financial performance	Increase the operating costs	Minor

### 3. CLIMATE CHANGE

Risk Types	Climate-related Risks	Effects on Business Model	Effects on Value Chain	Time Horizon	Description of Risk	Financial Impact	Extent of Influence
Chronic risk	<ul style="list-style-type: none"> <li>Changes in precipitation patterns and extreme variability in weather patterns</li> <li>Rising mean temperatures</li> </ul>	<ul style="list-style-type: none"> <li>Long-term temperature increases could affect corn growth cycles and yields, compromising raw material quality and supply stability, which would interrupt the Group's business model</li> <li>Inadequate utilities supply (e.g. water, energy) for plants and facilities</li> </ul>	<ul style="list-style-type: none"> <li>Decreased production capacity (e.g. compromising raw material quality and supply instability)</li> <li>Lower productivity due to business disruption if insufficient utilities supply</li> </ul>	Long term	Long-term temperature increases may drive higher cooling demand at production sites, leading to greater energy consumption	<ul style="list-style-type: none"> <li>Increase the operating costs</li> <li>Increase the capital expenditure</li> <li>These additional costs and investments may exert pressure on cash flow performance in the short term</li> </ul>	Medium
<b>Climate-related transition risks<sup>1)</sup></b>							
Policy and legal risk	New economic policies on low-carbon transition	Increased regulatory requirements on carbon pricing	Anticipated reduction in demand for high emissions products and services	Medium to long term	The tightening of domestic and international "dual carbon" policies, together with strengthening of carbon emission regulations, may result in higher costs for purchasing carbon quotas, increased compliance expenses, and potential future carbon tariff pressures	Increase the operating costs	Significant

### 3. CLIMATE CHANGE

Risk Types	Climate-related Risks	Effects on Business Model	Effects on Value Chain	Time Horizon	Description of Risk	Financial Impact	Extent of Influence
	Renewable Energy Policies	<ul style="list-style-type: none"> <li>Anticipated change in energy efficiency standards</li> <li>Early retirement of existing assets due to policy changes</li> </ul>	Decreased production capacity (e.g., production disruptions in the process of utilisation of renewable energy)	Medium to long term	As domestic and international renewable energy policies continue to tighten, the Company may encounter stricter compliance requirements and heightened operational pressures. Failure to adapt promptly to these policy changes could lead to increased energy costs, higher capital expenditures, and potential volatility in financial performance	Increase the operating costs	Medium
Technology risk	Emerging low-carbon technologies in new and alternative technologies	<ul style="list-style-type: none"> <li>Increased R&amp;D costs</li> <li>Adoption or deployment of new practices and processes</li> </ul>	Anticipated reduction in demand for high emissions goods/services	Medium to long term	The Company may encounter uncertainties and competitive pressures stemming from rapid technological iteration. Failure to keep pace with or effectively adopt emerging technologies could result in higher R&D costs, increased capital expenditures, and a weakened competitive position	Failure to keep pace with technological iteration may lead to increased R&D costs	Medium

**Remark:**

- 1) *Given that the Company's business operations encompass multiple complex processes, the financial impacts of climate-related risks and opportunities cannot be distinctly separated or quantified from the overall financial data. Accordingly, the Company has not disclosed quantitative information on such financial impacts at this stage, but remains committed to ongoing monitoring and evaluation for more comprehensive disclosures in the future.*

### 3. CLIMATE CHANGE

#### 3.2.2 Climate-related Opportunities

The ESG working group identifies climate-related opportunities through a systematic assessment that is integrated into the Group's IRM Model. The assessment leverages the same climate scenario analysis used for risk evaluation, alongside reviews of national and local low-carbon policy trends, evolving market demands for green products, and advancements in low-carbon technologies, in alignment with the Groups' operational layout and long-term sustainable development strategy. Below is an analysis of the key climate-related opportunities that could reasonably be expected to affect the Group's cash flow, access to finance and cost of capital identified:

Type of Opportunities <sup>1</sup>	Climate-related Opportunities	Effects on Business Model	Effects on Value Chain	Time Horizon	Description of Opportunity	Financial Impact	Extent of Influence
Transition opportunity	National and regional energy conservation and emission reduction policy support (energy-saving subsidies, tax incentives)	Reduce production transformation costs and improve energy efficiency management systems	Enhance low-carbon competitiveness of the supply chain and attract green-oriented customers	Medium to long term	The Company may receive government energy-saving subsidies and tax incentives, which can help reduce capital expenditure and operating costs during the green transition. These measures will also facilitate the accelerated adoption of energy-efficient technologies and enhance production efficiency	Tax relief and fiscal subsidies contribute to optimised cash flow and improved profitability	Minor
Market opportunity	Growing green procurement demand from downstream food customers	Build a "green raw material" brand and expand high-value-added customer base	Enhance customer stickiness and increase product premium potential	Medium to long term	Responding to the increasing market demand for green and sustainable solutions, the Company will proactively address customers' green procurement needs. This will enable the Company to strengthen its competitive edge, accelerate its green transition, and generate long-term value	<ul style="list-style-type: none"> <li>Driving revenue growth by expanding sales through sustainable product offerings</li> <li>Enhancing operating cash flow as long-term partnerships bring more stable sales collections</li> </ul>	Medium

### 3. CLIMATE CHANGE

Type of Opportunities <sup>1)</sup>	Climate-related Opportunities	Effects on Business Model	Effects on Value Chain	Time Horizon	Description of Opportunity	Financial Impact	Extent of Influence
Technology opportunity	Low-carbon production technology adoption (biomass gasifier retrofits, high-efficiency equipment upgrades, energy management systems)	Upgrade production technology systems, enhance energy efficiency, and strengthen low-carbon operational capabilities	Reduce production carbon footprint, improve raw material utilisation efficiency	Medium to long term	Upgrading production processes to enhance resource utilization and production efficiency will bolster the Company's overall operational resilience. By proactively addressing regulatory requirements, the Company can effectively mitigate compliance risks stemming from future policy changes	<ul style="list-style-type: none"> <li>Significantly reducing energy consumption costs</li> <li>Potential government energy-saving subsidies or tax incentives to improve operating cash flow</li> </ul>	Medium

Remark:

- 1) *Given that the Company's business operations encompass multiple complex processes, the financial impacts of climate-related risks and opportunities cannot be distinctly separated or quantified from the overall financial data. Accordingly, the Company has not disclosed quantitative information on such financial impacts at this stage, but remains committed to ongoing monitoring and evaluation for more comprehensive disclosures in the future.*

### 3. CLIMATE CHANGE

#### 3.2.3 Climate Resilience

In order to understand potential business implications of climate-related risks, the Company conducted scenario analysis on its properties and businesses in the Dehui site and the Xinglongshan site.

Scenario Analysis
<p><b>Scope of analysis</b></p> <ul style="list-style-type: none"><li>• Dehui site</li><li>• Xinglongshan site</li></ul>
<p><b>Scenarios used</b></p> <ul style="list-style-type: none"><li>• Physical risks: IPCC AR6 SSP2-4.5 scenario, SSP5-8.5</li><li>• Transition risks: NGFS Current Policies, 2050 Net-Zero Emissions</li></ul>
<p><b>Rationale</b></p> <ul style="list-style-type: none"><li>• The defined scenarios reference IPCC (for physical risks) and NGFS (for transition risks)</li><li>• The sources selected provide time frames that align with our strategic planning time horizon and align with the Paris Agreement</li><li>• The chosen scenarios will help the Company assess its exposure to physical risks and transition risks and support future strategic planning</li></ul>
<p><b>Time horizons</b></p> <ul style="list-style-type: none"><li>• Short-term 2030 – The Company will align with its annual business development plan by formulating a low-carbon development program each year and making timely adjustments to the annual capital expenditure plan, ensuring the smooth completion of key tasks and targets</li><li>• Medium-term 2050 – The Company will implement the Action Plan for Carbon Dioxide Peaking, ensuring the rational allocation of resources, funding, and human capital. Business development and emission reduction progress will be reviewed on a regular basis, with revisions and optimizations made as necessary</li><li>• Long-term 2080 – The Company will follow China's dual carbon target timeline to carry out long-term strategic planning for green and low-carbon development. This planning will cover future development cycles, and will be subject to regular evaluation and necessary revisions to ensure alignment with industry trends and strategic direction</li></ul>
<p><b>Assumptions</b></p> <ul style="list-style-type: none"><li>• Analysis conducted in 2024, expect asset locations to remain the same over the time horizon</li><li>• Mitigation measures will remain the same</li><li>• Absolute zero Scopes 1 and 2 greenhouse gas emissions by 2030</li></ul>

### 3. CLIMATE CHANGE

Physical Risks <sup>1)</sup>	Significant Areas and Impact	IPCC AR6's SSP2 – 4.5 Scenario Level of Risk			IPCC AR6's SSP5 – 8.5 Scenario Level of Risk		
		2030	2050	2080	2030	2050	2080
Heavy rain	The Group assessed how extreme weather events impact the corn harvest, leading to the rising cost of the Group's raw material	Lower	Lower	Medium	Lower	Medium	Medium
Rising mean temperatures	Long-term temperature increases affect the growth cycle and yield of corn, leading to an increase in the Company's raw material procurement costs	Lower	Lower	Medium	Lower	Medium	Higher
Transition Risks <sup>1)</sup>	Significant Areas and Impact	NGFS's 2050 Net – Zero Emissions Level of Total Cost			NGFS Policy Remains as Current Situation Scenario Level of Total Cost		
		2030	2050	2080	2030	2050	2080
Increased carbon pricing	The Group expects that the increase in carbon prices may lead to an increase in fuel and energy costs	Lower	Medium	Higher	Lower	Lower	Medium
Renewable energy policies	The Group assessed how electricity and price increases could impact our energy spend	Lower	Medium	Higher	Lower	Lower	Medium
Technological risks	The Group expects emerging low-carbon technologies will translate into higher costs related to upgrade assets to "green"	Lower	Medium	Higher	Lower	Lower	Medium

Remark:

- 1) Given that the Company's business operations encompass multiple complex processes, the financial impacts of climate-related risks and opportunities cannot be distinctly separated or quantified from the overall financial data. Accordingly, the Company has not disclosed quantitative information on such financial impacts at this stage, but remains committed to ongoing monitoring and evaluation for more comprehensive disclosures in the future.



### 3. CLIMATE CHANGE

#### **3.2.4 Mitigation Strategies**

The Group plans to enhance its climate risk assessments and closely monitor trends in climate change, particularly their impact on corn production. This will allow for the adjustment of procurement and production plans. In the meantime, the Group intends to diversify its supply sources by establishing relationships with suppliers in different regions to ensure a stable supply of corn. The Group is also considering using futures markets to hedge against price volatility, thereby locking in corn prices to reduce cost risks.

To minimise the impact of transportation disruption caused by extreme weather, the Group also plans to streamline its logistics and transportation links by designing alternative transportation plans for extreme weather (e.g. multi-route transport and emergency warehousing), and optimising inventory management to address raw material supply fluctuations.

To support the green development policy, the Group has increased investment in energy-saving and emission-reduction technologies. For example, the Group has launched the refurbishment project of boiler facilities in 長春大合生物技術開發有限公司 (Changchun Dahe Bio Technology Development Co., Ltd.\*) (“**Changchun Dahe**”) during the Year, further enhancing its energy-saving and emission-reduction capabilities.

To stay competitive, the Group closely tracks technological developments in the industry, gathers and analyses information on emerging technologies. Regular evaluations of potential new technologies are conducted to assess their impact and feasibility, providing a solid foundation for strategic decision-making.

The Group plans to allocate financial resources to fund energy efficiency upgrades and technological innovation at key facilities when its financial position improves, and to increase investments in human capital by providing specialised training to enhance operational capabilities.

As of the end of the Year, the Company does not have any systematic climate-related transition plan. In the future, the Company will closely monitor the dynamics in relevant fields and assess in a timely manner whether it is necessary to formulate such plans.

#### **3.2.5 Current and Anticipated Financial Effects**

During the Year, in response to low-carbon and environmental protection policies, the Group launched the refurbishment project of boiler facilities Changchun Dahe with a consideration of approximately Renminbi (“**RMB**”) 129.1 million, which is scheduled to be commissioned in August 2026. The new boiler will achieve ultra-low emissions and reduce flue gas discharge effectively. The Group will continue to carry out ultra-low emission retrofits on other old facilities, so as to avoid the risk of secondary pollution from catalyst ammonia slip and equipment corrosion.

### 3. CLIMATE CHANGE

As for the anticipated financial effects, the Group anticipates that these climate-related opportunities will drive positive financial outcomes, including potential reductions in operational costs through energy efficiency improvements and policy subsidies, enhanced revenue potential from increased customer demand for green products, and strengthened resilience against climate-related financial risks, thereby supporting the Group's long-term sustainable financial performance. However, since the Group's Xinglongshan site is planning to gradually resume its operation, its overall operational plans and production scale will be adjusted according to how the situation develops. The Group plans to increase investment in energy-saving and emission-reduction technologies, as well as equipment upgrades in the future when its financial position and cash flow improve. Due to the above aspects, except for the expenditure of refurbishment project of boiler facilities in Changchun Dahe, the Group is unable to provide quantitative information on the expected financial impacts and cash flow implications of climate-related risks and opportunities in the short, medium, and long term as the certain operations of the Group have yet to fully resume. The Group will continue to monitor the pace of business resumption, when conditions permit, progressively establish quantitative assessment mechanisms to enhance the transparency and completeness of future disclosures.

#### 3.3 RISK MANAGEMENT

Climate-related risks are addressed as part of the Company's IRM Model, which outlines guidelines for risk management to ensure key corporate risks are properly identified and adequately assessed, managed and monitored. Oversight of climate-related opportunities is similarly into the same IRM Model on a consolidated basis. The model presents findings to the Company's management on an annual basis.

To identify and assess the climate-related risks, the Company's IRM model includes pre-determined risk appetite limits which take into account the likelihood and impact of risks. Risks that exceed limits based on analysis leveraging in-house tools such as natural hazard models will be prioritised and reported to the Company's management through the annual updates.

The Group identified five physical risks and transition risks material to our operations in both the Dehui site and the Xinglongshan site with the use of a climate-related scenario analysis. The same scenario analysis is also used to identify, assess and prioritise material climate-related opportunities. The Company's most material climate-related risks typically arise from raw material supply disruptions due to extreme weather and compliance issues due to policy changes. Under the Company's risk management model, the material risk category of operational risk incorporates the risks associated with such climate-related physical risks and ensure climate change adaptation or mitigation policies are in place.

The Company's IRM Model also ensures that periodic risk assessment and monitoring cycles are in place to identify and evaluate relevant risks, as well as to determine the need for refreshing the Company's risk appetite. These cycles also cover the monitoring of climate-related opportunities as part of the Group's comprehensive risk and opportunity management.

### 3. CLIMATE CHANGE

#### 3.4 METRICS AND TARGETS

##### 3.4.1 Direct and Indirect Greenhouse Gas Emissions

Summary of the Greenhouse Gas Emissions Performance

Operation Location	2025 Indicators		2024 Indicators	
	Scope 1 <sup>1)</sup> (tCO <sub>2</sub> e)	Scope 2 <sup>2)</sup> (location-based) (tCO <sub>2</sub> e)	Scope 1 <sup>1)</sup> (tCO <sub>2</sub> e)	Scope 2 <sup>2)</sup> (location-based) (tCO <sub>2</sub> e)
Jilin Province	476,695	90,583	424,161	83,446
<b>Total</b>	<b>476,695</b>	<b>90,583<sup>3)</sup></b>	424,161	83,446

Summary of Unit Greenhouse Gas Emissions per Metric Tonne of Product Produced

Operation Location	2025 Indicators		2024 Indicators	
	Scope 1 <sup>1)</sup> (tCO <sub>2</sub> e)	Scope 2 <sup>2)</sup> (location-based) (tCO <sub>2</sub> e)	Scope 1 <sup>1)</sup> (tCO <sub>2</sub> e)	Scope 2 <sup>2)</sup> (location-based) (tCO <sub>2</sub> e)
Jilin Province	0.99	0.19	1.12	0.22
<b>Average</b>	<b>0.99</b>	<b>0.19</b>	1.12	0.22

Remarks:

- 1) Scope 1 covers the direct emissions of greenhouse gas (i.e. carbon dioxide) from sources owned and controlled by the Company.
- 2) Scope 2 covers the indirect emissions of greenhouse gas (i.e. carbon dioxide) resulting from the generation of purchased electricity by the Company. The Company does not use contractual instruments, and therefore, no relevant disclosures are made for Scope 2 emission.
- 3) The calculation method is purchased electricity by the Group multiplied by the carbon dioxide emission factor for electric power in Jilin Province.

### 3. CLIMATE CHANGE

Our approach	
<b>Standard used</b>	The calculation methodologies for the corresponding greenhouse gas emissions, as well as the emission factors used in the calculations, are based on international, national or regional standards, including “Appendix II: Reporting Guidance on Environmental KPIs” issued by the Stock Exchange and “Announcement on the Release of 2023 Electricity Carbon Dioxide Emission Factors” issued by the Ministry of Ecology and Environment and the National Bureau of Statistics
<b>Measurement approach</b>	Equity share, all operations are wholly-owned by the Company, it will be the same regardless of the approach adopted
<b>Operational boundary</b>	Dehui site and Xinglongshan site

Under the PRC’s emission standards, there is no written standard on the quantity of greenhouse gases emitted. However, the Ministry of Ecology and Environment of the PRC has written guidelines on the emission concentration and quality. These guidelines are written on the “Emission Permit” issued by the local environmental protection bureau to the subsidiaries of the Group, or as updated from time to time. As the total emission level of the Group depends on our production volume and most of our production has been suspended since the end of 2019, with the operation of the Group’s production site in Dehui resumed only since the end of 2022 and production plans of other facilities for 2026 are still subject to further adjustment, it is thus unrealistic to set emission target for 2026. Depending on the progress of resumption of the operation of the Group’s subsidiaries, it will then be appropriate for the Group to disclose our emission target when the Group resumes normal operation. On the other hand, the Group strives to utilise higher quality coal in the production sites where there is an internal power plant with the aim to reduce overall emission level.

### 3. CLIMATE CHANGE

#### 3.4.2 Other Indirect Greenhouse Gas Emissions

As the Group's Xinglongshan site was still in the process of resuming production during the Year, the Group's Scope 3 greenhouse gas emissions disclosure for 2025 is centred on the Dehui site.

The Group's Scope 3 greenhouse gas emissions have been identified in accordance with the 15 categories set out in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011). The Group has identified 1 category that is relevant to our business. The other categories are not included as they are irrelevant to our business or data are unavailable and unreliable for quantification.

Scope 3 <sup>1)</sup>	Source of Emission Factor	2025 <sup>2)</sup> Indicators (tCO <sub>2</sub> e)
Category 6: Business Travel	Provincial Greenhouse Gas Inventory Compilation Guidelines	581

Our approach	
<b>Standard used</b>	Provincial Greenhouse Gas Inventory Compilation Guidelines
<b>Measurement approach</b>	Equity share, all operations are wholly-owned by the Company, it will be the same regardless of the approach adopted
<b>Operational boundary</b>	Dehui site

Remarks:

- 1) *Scope 3 covers all other indirect emissions of greenhouse gas (i.e. carbon dioxide) which are a consequence of the activities of the Company, but occur from sources not owned or controlled by the Company.*
- 2) *The Group will further improve the accuracy and comprehensiveness of its Scope 3 emissions.*

To improve the accuracy and completeness of emission data disclosure in the future, the Company has planned to initiate the establishment of a relevant working mechanism to systematically collect related Scope 3 data on a regular basis. It is expected that through the gradual improvement of this mechanism, more emission data will be obtained and disclosed for the future.

### 3. CLIMATE CHANGE

#### 3.4.3 Climate-related Targets

Given that the Group's greenhouse gas emissions are tied to production volume, and the Group's Xinglongshan site was still in the process for planning of resumption production during the Year, it remains impractical to set a group-wide quantitative greenhouse gas emissions target for 2026. However, the Group attaches great importance to climate change and has established a clear long-term target, aligned with the National Action Plan for Carbon Dioxide Peaking Before 2030 and the Paris Agreement's temperature control objectives.

<b>Greenhouse gases covered</b>	Target applies to Scope 1, Scope 2, and will be gradually incorporated into the main categories of Scope 3
<b>Target type</b>	Intensity
<b>Purpose</b>	To conserve energy and reduce emission via equipment renewal and development of relevant management capacities
<b>Region</b>	Dehui site and Xinglongshan site

Target set		
	Scope 1 & 2 greenhouse gas emissions per metric tonne of product produced (tCO <sub>2</sub> e)	Reduction from base period (%)
Base period (2024)	1.34	N/A
Interim target (2035)	1.07	↓ 20%
Target period (2045)	0.80	↓ 40%

Progress to date		
	Scope 1 & 2 greenhouse gas emissions per metric tonne of product produced (tCO <sub>2</sub> e)	Reduction from base period (%)
2025 – Current period	1.18	↓ 12%

### 3. CLIMATE CHANGE

Time	Actions
2030-2035	<ul style="list-style-type: none"> <li>• Launch energy efficiency optimisation in production: Establish the “Daily Energy Efficiency Inspection Mechanism” for the existing lysine production lines at the Dehui site, mainly including a basic ledger for regularly recording equipment operating energy consumption and product-specific production energy consumption</li> <li>• Set up the internal carbon price policies for each operation process</li> </ul>
2035-2045	<ul style="list-style-type: none"> <li>• Renew the boiler which is equipped with the latest biomass gasifier for gas supply</li> <li>• Identify 1 to 2 high-energy-consumption processes and issue standardised energy-saving operating procedures</li> </ul>

The target setting process is currently internal. The Group's production sites will lead decarbonisation initiatives through energy efficiency upgrades, renewable energy adoption, and process optimisation. The ESG working group will oversee target implementation, supported by cross-functional teams from procurement, operations, and production departments. Yearly progress reports about the process performance and effectiveness of Scope 1 and Scope 2 greenhouse gases emissions intensity target will be submitted to senior management for review, with updates presented to the Board and public disclosure through the Group's ESG annual report.

#### 3.4.4 Cross-industry Metrics

The Company has identified transition risks such as fluctuations in energy costs and changes in low-carbon policy compliance requirements faced in its production processes. The relevant risk exposure primarily relates to the production and operation activities of the Dehui site.

The Company also identified the potential impact of climate-related physical risks such as extreme weather on upstream and downstream transportation. The relevant logistics and transportation business activities of the Dehui site have a certain level of physical risks exposure.

#### 3.4.5 Internal Carbon Prices

During the Year, the Group did not apply a carbon price in its decision-making process.

#### 3.4.6 Remuneration

During the Year, the Group has not yet incorporated climate-related considerations into its employee compensation policies, and there is currently no specific compensation incentive or restraint mechanism established for climate-related indicators.

## 4. OPERATING PRACTICES

Sustainable development covers not only environmental aspects but also social ones. To our customers, product safety ranks at the top of our priority list. Apart from ensuring product hygiene and safety during production processes, supply chain management is a continuous focus of the Group. Supplying quality and safe products to customers not only builds the reputation and brand name of the Group, but also exhibits our social responsibility to the community. On the other hand, to provide a nurturing ground for the healthy growth of the industry, the Group is dedicated to uphold a lawful operating environment. We continuously educate our staff on business conduct. Corruption, bribery, extortion, fraud or any form of crimes are strictly prohibited. We also have whistleblowing and investigation procedures in place to reinforce the integrity of the Group.

### 4.1 Supply Chain Management

Ensuring product quality and safety has always been the mission of GBT. The Group maintains stringent control in every process, from supply chain management, production processes, packaging, to delivery to customers. With respect to supply chain management, the Group has respective guidelines and policies in place for all staff when carrying out their duties.

It is important for us to work with socially responsible suppliers. Through our appraisal processes, the Group ensures it does not work with suppliers that engage child labour, put their workers in poor working conditions, or deprive their workers of human rights.

In line with the Group's corporate and ESG strategies, the Group considers the ESG performance of its suppliers when assessing and shortlisting potential suppliers. The Group makes sure we work with suppliers that share the same value and work diligently towards a common goal of building sustainable businesses. While we are constantly striving to strengthen and perfect our ESG strategies, we also extend our awareness towards our supply chain to ensure the raw materials/products we use in our production process aligns with our value. In appraising our suppliers, we will try our best to identify any social and environmental risks or issues that concern us. The Group will continue to monitor the environmental and social risks in the supply chain by maintaining regular communications with suppliers and ensure that environmental and social risks are under effective management and control. The suppliers will be encouraged to develop and implement environmental and social responsibility policies to ensure that their business operations are consistent with the Group's environmental and social risk management, and the specific terms will be included in the supply contracts when necessary.

In the meantime, the Group strengthened its assessment of suppliers in terms of environmental awareness when selecting suppliers and exercises strict control over their labeling, processing, warehousing, inspection and other processes of raw materials to ensure that the products are in compliance with relevant environmental regulations and standards.

We also assess environmental aspects of our suppliers in terms of emission control and environmental protection, energy conservation, corporate values and strategies in making greener products through production process enhancement and new production applications.

As corn is a major raw material of the Group's production which we mainly source from local farmers and traders, we are constantly aware of the risk that harmful substances used (such as chemical insecticides) may pass along the supply chain and may eventually pass onto our customers/end users. As such, stringent quality control process in our corn procurement is important.



## 4. OPERATING PRACTICES

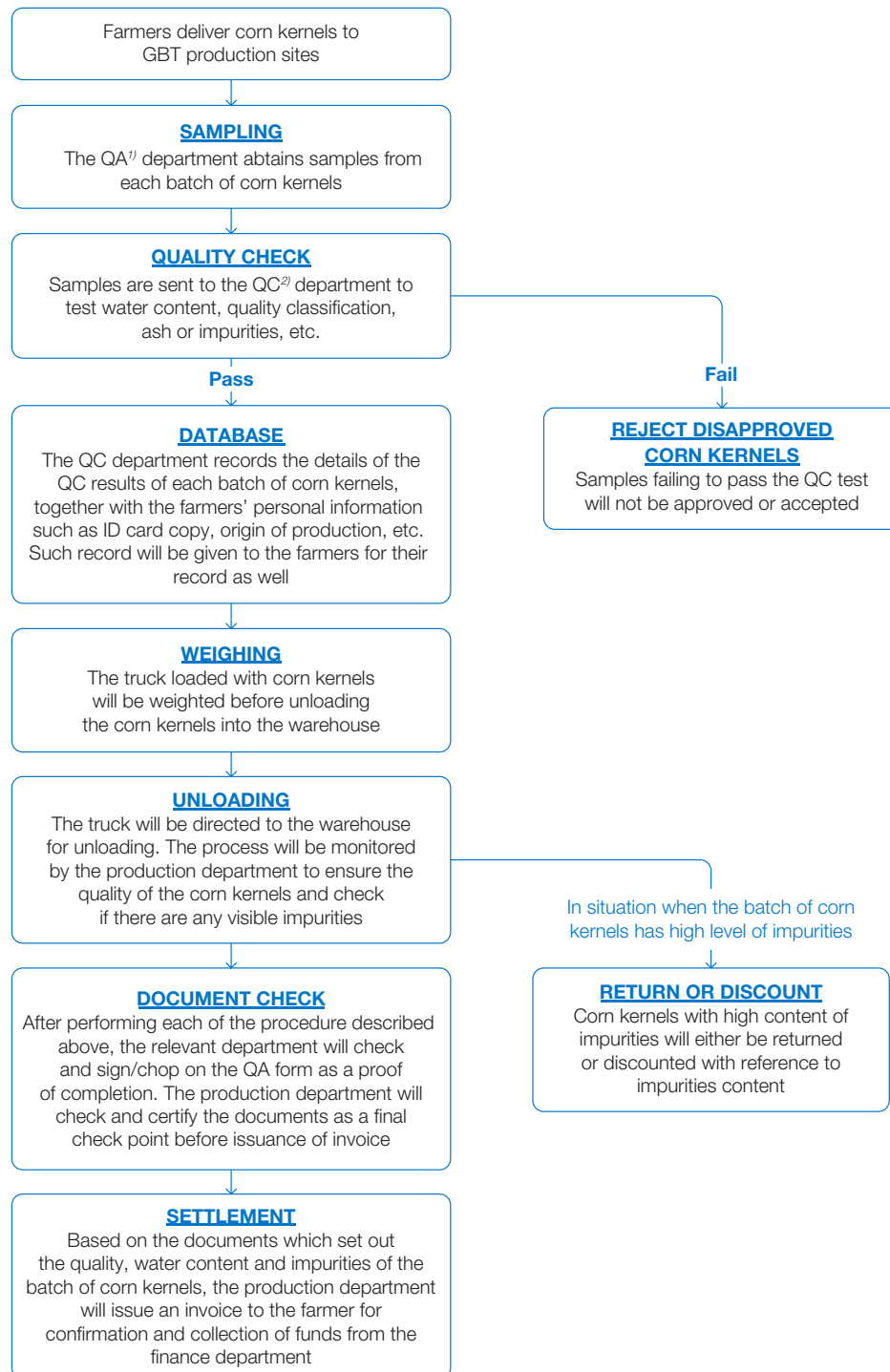
### 4.1.1 *Engaging Suppliers*

For the engagement of suppliers, the Group implements a stringent supplier certification process. Every supplier is required to go through a list of assessment procedures before qualifying as the Group's supplier.

#### *Corn procurement procedures*

The Group procures corn kernels, the Group's major raw material, in the corn producing regions in Northeast China. Most of the corn was purchased directly from farmers and traders. As a major raw material for production, the Group adopts stringent quality control/assurance process during the corn procurement process. Below is a summary of the flow of corn procurement adopted by GBT:

## 4. OPERATING PRACTICES



Remarks:

- 1) QA: Quality Assurance
- 2) QC: Quality Control

## 4. OPERATING PRACTICES

### *Maintenance of suppliers database (for procurements other than corn)*

The procurement department plays an important role in the screening and engagement of suppliers. The primary focus of the procurement department is to conduct market researches, maintain a database of suppliers and update suppliers' information on regular basis. The procurement department will examine each supplier in the following aspects:

Aspects	Details
<b>Company Qualifications</b>	Examine suppliers' business registration, production approval, examination report of the product and other related documents to justify the suppliers have the relevant qualifications, ability and capacity to produce.
<b>Company Background</b>	Assess suppliers in terms of their operations, credit worthiness, management systems, environmental awareness and lawfulness. Suppliers who have good operations and credit worthiness and have the least impact on the environment are preferred. Food safety is another major consideration during the assessment process. Suppliers with stringent control over production safety and hygiene with no records of violation of food safety laws will pass the assessment.
<b>Product Quality Assurance</b>	For raw material and packaging suppliers, they should submit samples for assessment and testing before delivery. The test will be based on the relevant national or industry standards. Suppliers are also required to submit food safety and/or quality assurance documents issued by government bodies for certain types of raw materials (food related).
<b>Pricing</b>	Pricing is another major aspect that the panel would look into to get the best quality with the best price. The principal objective is to ensure the Group operates at the lowest cost without sacrificing quality.
<b>Delivery</b>	Continuously check on the samples from suppliers' delivery, product/service quality as well as the timeliness of delivery.
<b>Customers Service</b>	Assess suppliers' responsiveness and timeliness regarding order placement, delivery and after sale service.
<b>Environmental Impacts</b>	Evaluate the suppliers' impact on the water, land and atmospheric environment of the community. Extra credits will be given to suppliers adopting greener production processes and producing greener products such as biodegradable materials, etc.

The assessment reports of the suppliers will be filed accordingly, and information of those suppliers which passed the relevant assessments of the procurement department will be updated in the database.

## 4. OPERATING PRACTICES

### *Screening and engaging suppliers (for procurements other than corn)*

Every year end, each significant subsidiary will submit its annual procurement plan which lays down the details of the procurement items/services (including machineries, production raw materials and daily consumables) to the procurement department for approval. The procurement department will then assess if the proposed items and quantities are justified. After the plan is approved, the procurement department will compile a list of suppliers for the corresponding items (at least 3 suppliers for each item) from its database. The procurement department will review and assess the suppliers with reference to the reports and the suppliers' quotation. Site visits to the suppliers' production sites will also be carried out to determine whether the new suppliers meet the Group's requirements. It will also consider engaging more than one supplier for the same item to avoid over-reliance on a single supplier.

### *Suppliers' quality assurance and order follow-up (for procurements other than corn)*

To monitor the quality of our suppliers' goods and services, the QA department will carry out random checks periodically. Suppliers whose goods or service qualities fall below the Group's quality requirement will be penalised (e.g. refunds or return of goods, etc.). For serious and/or persistent sub-standard performance, the supplier will be blacklisted and removed from the Group's suppliers database.

#### **4.1.2 Numbers of Suppliers (for procurements other than corn)**

##### *Summary of Numbers of Suppliers by Categories*

	Machinery	Raw Materials	Packaging Materials	Utilities	Logistics	Others	Total <sup>1)</sup>
<b>2025</b>	<b>34</b>	<b>142</b>	<b>11</b>	<b>3</b>	<b>24</b>	<b>12</b>	<b>226</b>
2024	7	19	3	3	17	9	58
<b>Change<sup>2)</sup></b>	<b>385.7%</b>	<b>647.4%</b>	<b>266.7%</b>	<b>0.0%</b>	<b>41.2%</b>	<b>33.3%</b>	<b>289.7%</b>

##### *Remarks:*

- 1) *The numbers of suppliers in the above tables were the sums of the numbers of suppliers engaged by each subsidiary. Since certain suppliers supply goods or services to various subsidiaries of the Group, the total numbers of suppliers in the above tables did not represent the total numbers of suppliers of the Group as a whole for the relevant year.*
- 2) *Benefiting from the positive business development trend, the Group has proactively broadened its cooperation network and engaged additional suppliers during the Year.*



## 4. OPERATING PRACTICES

### 4.2 Product Safety

As a socially responsible corporation, GBT puts a lot of efforts in ensuring product safety, as we are well aware that a lot of our products go to the feed and food and beverage industries. With the increasing concern about food safety in China, it is of the Group's priority to ensure product quality and safety.

The Group adopts stringent control on product quality and safety along the production process. This has earned the Group a good reputation in the industry. The internal quality controls of the Group are mainly operated according to the relevant requirements of ISO9001 quality management systems and ISO14001 environmental management systems. The subsidiaries of the Group were also awarded the HACCP (Hazard Analysis and Critical Control Point) certifications and QS (Quality Safety) certifications.

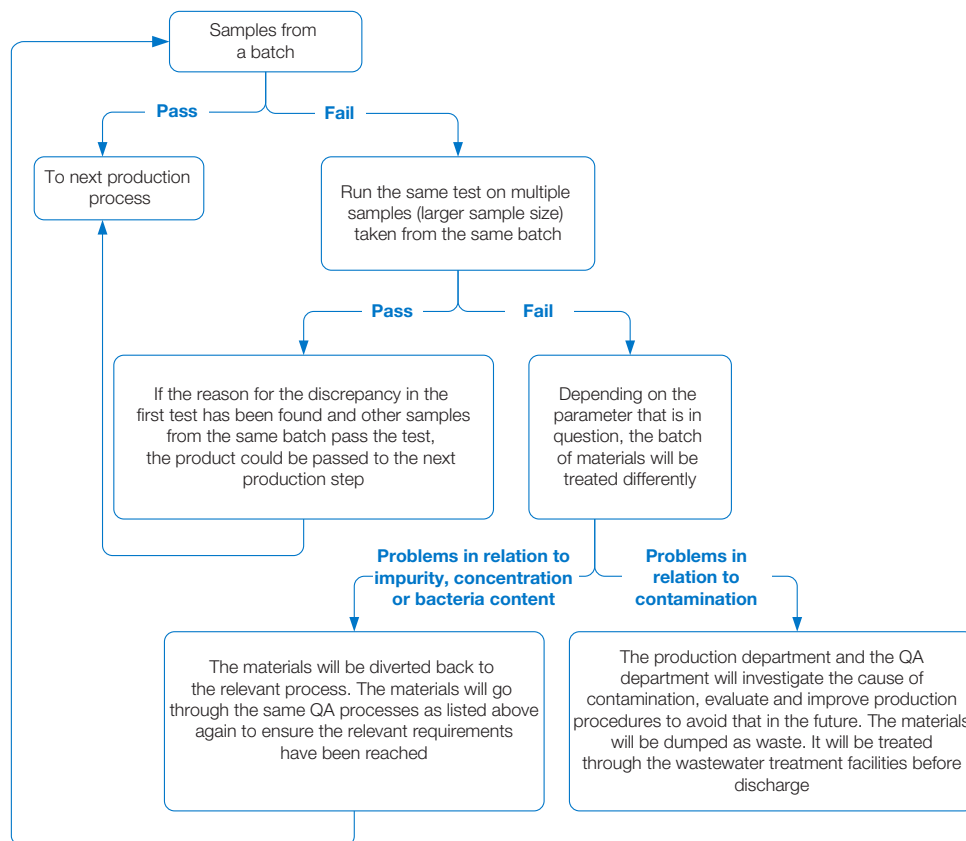
#### ***4.2.1 Standards and Procedures of Quality Assurance Processes***

GBT has written guidelines and standards for the quality assurance processes which include the details of the examination of raw materials, packaging materials and finished products, etc. The details of the examination cover the examined subject, methods and scope which the Group has formulated with reference to the requirements of the relevant national and industry standards. Below is a summary of the standards of the Group adopts for different types of materials or products:

- Raw materials & production materials: The QA department and the relevant production units would inspect and examine all raw materials and production materials to make sure they are in line with the relevant National GuoBiao (“**GB**”) standards and the Group's requirements. Those which have not been examined or fail to pass the examination are strictly prohibited from production use.
- Intermediate and finished products: The production department and the QA department are responsible for the inspection and examination of intermediate and finished products. The production department monitors each of the production processes and carries out tests for the materials in each process; while the QA department is responsible for carrying out tests on all finished products and random tests on intermediate products. Both departments keep a record of the findings of the tests which includes the details of production batch number, test frequency, sample size and passing rate, etc. In general, the QA department will keep every batch of tested samples for 3 to 12 months (depending on the shelf life of the products and nature of customers). In case of customers' complaint, this will serve as a basis to investigate the cause of the quality issue.

## 4. OPERATING PRACTICES

The Group adopts a random sample testing method for most of the production processes as required by the relevant National GB standards or industry standards. In general, sample testing is carried out on every stage of production. Only qualified materials could be passed to the next process. The diagram below illustrates the workflow of the QA process:



On top of the above arrangements, each operating subsidiary of the Group will submit samples to qualified third-party laboratory or inspection bodies for examination and inspection on regular basis as required by the PRC regulations.

- **Packaging materials:** Cleansed packaging materials and tankers would be inspected and examined randomly before being sent to the packaging lines. During the packing process, workers keep track of the weight of materials to ensure it falls within the allowed range. Packaged products would be inspected before sending to the warehouse to ensure product quality.
- **Warehousing:** Finished products will be transferred to the warehouse after inspection and stocktaking. The warehouse should be kept in clean, ventilated and dry condition as required by national and industry standards.



## 4. OPERATING PRACTICES

- **Delivery:** Before delivery, the QA department will carry out a final random check on the products. Once the batch of products passes the examination, the QA department will issue a QA report to the customers. At the same time, as part of customer service and quality assurance follow-up, the QA department will keep the samples from each batch for 3 to 12 months, depending on the nature or requirement of each customer. The truck should be cleaned and sterilised before loading products onto it.

*Compliance with the relevant laws and regulations on quality assurance & product safety*

All subsidiaries under GBT are in strict compliance with the relevant laws and regulations in relation to quality assurance and product safety in the PRC, which include, but are not limited to, the Food Safety Law of the People's Republic of China (《中華人民共和國食品安全法》), the Product Quality Law of the People's Republic of China (《中華人民共和國產品質量法》) and the Advertising Law of the People's Republic of China (《中華人民共和國廣告法》).

During the Year, the Group was not aware of any material non-compliance with applicable laws and regulations relating to health and safety, advertising, labeling and privacy matters relating to products and services provided by the Group and the Group's methods of redress. The Group adheres strictly to regulatory standards, ensuring that all product labels accurately reflect ingredients, nutritional information, and any warnings required by relevant laws and regulations. Our advertising practices are transparent and truthful, avoiding any misleading claims. Regular audits and staff training programs are conducted to maintain compliance with local and national regulations. In addition, the Group will investigate and respond to any case of receipt of complaints in relation to untrue advertising or labelling matters.

### **4.2.2 Recall of Products**

All of the Group's products must undergo the relevant examinations or tests to prevent products that have or potentially have any quality or food safety problems from getting into the market. To ensure we react quick enough to cases where products which are proved to have quality defects or may endanger public health and safety enter the market; and to minimise possible risk and damage posed to the community, the Group has written guidelines regarding the procedures for the recall of products.

There were 9 customers' complaint cases in the Group during the Year (2024: Nil). There was no product recall case in relation to safety problems in the Group during the Year (2024: Nil).

## 4. OPERATING PRACTICES

### 4.2.3 Complaint and Product Return Cases

*Number of Cases of Customers' Complaints and Product Return*

	Problems in relation to										Total by	
	Product Quality		Packaging		Quantity		Invalid Complaints		Others		Locations	
	C <sup>1)</sup>	PR <sup>2)</sup>	C <sup>1)</sup>	PR <sup>2)</sup>	C <sup>1)</sup>	PR <sup>2)</sup>	C <sup>1)</sup>	PR <sup>2)</sup>	C <sup>1)</sup>	PR <sup>2)</sup>	C <sup>1)</sup>	PR <sup>2)</sup>
<b>2025</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>9</b>	<b>0</b>
2024	0	0	0	0	0	0	0	0	0	0	0	0

Remarks:

- 1) C: Number of complaint cases
- 2) PR: Number of product return cases

Percentage of customers' complaint cases and product return cases (based on the number of sales orders involved over the total number of sales orders processed) for GBT during the Year was less than 0.01% (2024: Nil) and Nil (2024: Nil) respectively.

All complaints from our customers are handled by the production department and the sales and marketing department of each of the Group's production sites. The management of each of the Group's production sites will ensure all complaints are dealt with immediately, including comprehensive assessments of problems and action plans for the proposed solutions. The management will also formulate measures to prevent similar incidents from reoccurring.

During the Year, all complaints were investigated thoroughly and were resolved through communication with our customers.

*Tonnage of Products Involved in Relation to Customers' Complaints and Product Return (Metric Tonne)*

	Problems in relation to										Total by	
	Product Quality		Packaging		Quantity		Invalid Complaints		Others		Locations	
	C <sup>1)</sup>	PR <sup>2)</sup>	C <sup>1)</sup>	PR <sup>2)</sup>	C <sup>1)</sup>	PR <sup>2)</sup>	C <sup>1)</sup>	PR <sup>2)</sup>	C <sup>1)</sup>	PR <sup>2)</sup>	C <sup>1)</sup>	PR <sup>2)</sup>
<b>2025</b>	<b>0.00</b>	<b>0.00</b>	<b>0.03</b>	<b>0.00</b>	<b>0.25</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.05</b>	<b>0.00</b>	<b>0.33</b>	<b>0.00</b>
2024	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Remarks:

- 1) C: Tonnage of products involved in complaint cases
- 2) PR: Tonnage of products involved in product return cases

Percentage of the concerned volume involved in customers' complaint cases and the concerned volume involved in product return cases over the total sales volume for GBT during the Year was less than 0.01% (2024: Nil) and Nil (2024: Nil) respectively.



## 4. OPERATING PRACTICES

### 4.2.4 Confidentiality

There are written guidelines in all significant subsidiaries of GBT for all staff to ensure customers' information is protected. Unless required by laws in special circumstances, all employees of the Group are required to keep customers' information confidential. They are also educated from time to time to comply with the guidelines and the national laws and regulations. In certain circumstances or as requested by customers, the Group will also enter into confidentiality agreements to protect the rights of customers as well as the Group.

### 4.2.5 Intellectual Property Rights

The Group respects and recognises the importance of protecting intellectual property rights. The Group has implemented a set of policies on protecting and properly using copyright works from all relevant parties. The Group has been complying the intellectual property rights under the relevant legislation where the Group operates. The Group will closely monitor the updates on the laws and regulations in relation to intellectual property rights to ensure the strict compliance with the relevant laws. The management of the Group keeps and manages a file of all the patents the Group registered or purchased to ensure our intellectual property rights are protected.

## 4.3 Anti-Corruption

Corporate social responsibility, integrity and fairness have laid a solid foundation for the Group's corporate value. GBT operates and continuously improves its internal control system to ensure the business activities are conducted properly and in compliance with relevant laws and regulations and the code of conduct of the Group (the "**Code of Conduct**").

The Code of Conduct outlines the ethical principles and behavioral framework of the Group, and provides guidance for all the members of GBT on their behaviours, responsibilities, rights and obligations. All members are expected to strictly comply with the Code of Conduct to ensure the Group operates in a lawful and orderly manner.

The Group is in compliance with the relevant national or local laws, regulations and guidance in relation to anti-corruption. Such laws and regulations include, but are not limited to, the Company Law of the People's Republic of China (《中華人民共和國公司法》), the Criminal Law of the People's Republic of China (《中華人民共和國刑法》), the Law of the People's Republic of China Against Unfair Competition (《中華人民共和國反不正當競爭法》), and the Prevention of Bribery Ordinance (Hong Kong) (《防止賄賂條例》(香港)).

As anti-corruption is an important part of good governance, guidance in relation to anti-corruption is also outlined in the Code of Conduct. Relevant guidance is formulated based on "A Corruption Prevention Guide for Listed Companies" (published by Hong Kong Independent Commission Against Corruption) with reference to the actual situation that is appropriate for the Group, which contains the anti-corruption policy of the Group, definition of advantages and entertainment, allowance and supervision regarding acceptance of advantages or entertainment, and reimbursement policy for business related entertainment expenses.

## 4. OPERATING PRACTICES

### *Whistleblowing*

The Group also has a whistleblowing policy and procedures to encourage and enable the Group members to raise concerns about any acts of bribery, extortion, fraud and/or money laundering. The Group has set up multiple reporting channels for its employees, including submitting written reports to department heads, general managers of its subsidiaries, the chairman of the audit committee of the Company (the “**Audit Committee**”), or the internal control department. Upon receiving a report, the Audit Committee will evaluate its content and decide whether to initiate an internal investigation. The investigation will be conducted by designated personnel, and upon completion, the investigation report will be submitted to the Audit Committee and the Board. If the report involves criminal offenses, the Group will seek legal advice and notify the relevant regulatory authorities. The Group is committed to handling all reports fairly and impartially, strictly prohibits any form of retaliation and ensures that whistleblowers are not treated unfairly as a result of their reporting. The Group adopts a confidential and prudent approach when dealing with all the disclosed information; without consent from the employee, the Group would not disclose the identity of the whistleblower.

The Group adopts a zero tolerance policy towards corruption. Under no circumstances shall a Group member offer or take bribes for personal earnings from business dealings (whether in the form of commission, loan, gifts, services or offering/accepting a position in an organisation). For business related entertainment expenses, employees are required to follow the company policies strictly and submit the relevant applications and declarations where applicable, to suppress any bribery, fraudulent and corrupt practice which would adversely affect the reputation and operations of the Group.

During the Year, the Directors and employees were given training on anti-bribery and anti-corruption regularly to raise their awareness on the subject matter. There were no cases in relation to bribery, blackmail, extortion, fraud or money laundering reported in any of the subsidiaries under the Group during the Year (2024: Nil).



## 5. COMMUNITY INVOLVEMENT

As a part of sustainable development, GBT is dedicated to community investment as it is the source of our people and resources. Apart from the Group's continuous efforts on employee's career development and environmental protection, GBT is committed to communicate with the communities where the Group operates in order to understand their needs and concerns. To achieve this, the Group is open to communications with our stakeholders, employees, the local governments, the community and other industry players. We encourage interactive consultation with the community during the planning and development of projects as well as proactive community involvement.

In 2025, with outstanding innovation capabilities and sustained social contributions, the Group was awarded the honor of "2025 Changchun Top 100 Enterprises" jointly issued by the Changchun Enterprise Confederation and Changchun Entrepreneurs Association. This honor reflects Changchun City's high recognition of the Group's comprehensive strength and development potential.

In line with its commitment to corporate social responsibility and community welfare, the Group donated HK\$30,000 to Yan Chai Hospital in Hong Kong during the Year. This donation is designated to support the relief fund for the residents displaced by the fire at Fortune Court in Tai Po. The Group hopes that this gesture will provide assistance to the affected families as they cope with the aftermath of the incident and work to rebuild their home.

GBT is also dedicated to contribute to the corn-refinery industries. We actively take part in relevant associations to promote the industry, food safety and production safety. GBT believes that a well-developed industry standard would form a solid foundation for the growth of the industry.

Corn is the Group's major raw material which we source mostly from local farmers. It is the Group's mission to promote the better use of corn and contribute to the value adding process. It would create mutual benefit for both farmers and corporate. The Group aims to promote agricultural projects, applications of agricultural products and commercialisation of these projects with the target to enhance the life of farmers and better utilisation of resources.

Our commitment to the community also involves the care given to our people. Prior to the Chinese New Year, the Group presented spring festival gifts total approximately RMB457,000 to the employees. To further enhance the effectiveness of staff cultural and sports activities, the Group allocated RMB17,000 during the Year to organise a variety of events, including basketball and table tennis competitions, aiming to strengthen team cohesion and enhance employees' sense of collective belonging. The Group will continue to diversity the forms and content of activities, optimise arrangements based on employees' interests and needs, and regularly hold a wide range of cultural, sports and team-building events to boost interaction and participation. Meanwhile, by improving the organisation mechanism and strengthening publicity and guidance, the Group will foster a positive corporate culture, effectively enhance employees' sense of belonging, well-being and team cohesion, and promote the common development of the Group and its employees.

## APPENDIX

### Code Content Index

#### Appendix 1: HKEX ESG Reporting Code Content Index

Disclosure requirements		Page number	Corresponding chapter or explanation
<b>Mandatory disclosure requirements</b>			
Governance structure		P. 2-3	About This Report
Reporting principles		P. 3	About This Report
Reporting boundary		P. 3	About This Report
<b>“Comply or explain” clauses</b>			
<b>A1: Emissions</b>			
General Disclosure		P. 15	2.1 Emission
A1.1	Types of emissions and respective emissions data.	P. 16	2.1.1 Types of Emissions and Respective Emission Data
A1.3	Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P. 17	2.1.2 Hazardous and Non-Hazardous Waste Produced
A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P. 17	2.1.2 Hazardous and Non-Hazardous Waste Produced
A1.5	Description of the emissions targets set and the steps taken to achieve them.	P. 17	2.1.3 Target and Measurements
A1.6	Description of how hazardous and non-hazardous wastes are handled, the waste reduction targets set and the steps taken to achieve them.	P. 17	2.1.3 Target and Measurements

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Disclosure requirements		Page number	Corresponding chapter or explanation
<b>A2: Usage of Resources</b>			
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A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	P. 18-20	2.2.1 Summary of Consumption of Water, Electricity, Steam and Coal 2.2.2 Consumption of Fuel
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P. 18-19	2.2.1 Summary of Consumption of Water, Electricity, Steam and Coal
A2.3	Description of the energy efficiency goals set and the steps taken to achieve them.	P. 20	2.2.3 Source of Resources and Targets
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency goals set and the steps taken to achieve them.	P. 20	2.2.3 Source of Resources and Targets
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<b>A3: Environment and Natural Resources</b>			
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Disclosure requirements		Page number	Corresponding chapter or explanation
<b>B1: Employment</b>			
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B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	P. 10	1.2.2 Implementation and Monitoring of Occupational Health and Safety Measures
<b>B3: Development and Training</b>			
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<b>B4: Labor Standards</b>			
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B4.2	Description of steps taken to eliminate such practices when discovered.	P. 14	1.4.2 Remedial Measures in Case of Non-Compliance

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B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	P. 40-43	4.1.1 Engaging Suppliers
B5.3	Description of the practices for identifying environmental and social risks at each stage of the supply chain, how they are implemented and monitored.	P. 39	4.1 Supply Chain Management
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B6.3	Description of practices relating to observing and protecting intellectual property rights.	P. 48	4.2.5 Intellectual Property Rights
B6.4	Description of quality assurance process and recall procedures.	P. 44-46	4.2.1 Standards and Procedures of Quality Assurance Processes 4.2.2 Recall of Products
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Disclosure requirements		Page number	Corresponding chapter or explanation
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B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	P. 49	4.3 Anti-Corruption
B7.3	Description of anti-corruption training provided to directors and employees.	P. 49	4.3 Anti-Corruption
<b>B8: Community Investment</b>			
General Disclosure		P. 50	5. Community Involvement
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	P. 50	5. Community Involvement
B8.2	Resources contributed (e.g. money or time) to the focus areas.	P. 50	5. Community Involvement

Disclosure	Page number	Corresponding chapter or explanation
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