



大成玉米集團有限公司*

GLOBAL CORN Group Limited

(incorporated in the Cayman Islands with limited liability)
Stock Code: 03889

2025

Environmental, Social and Governance Report



*For identification purpose only

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ABOUT THIS REPORT

INTRODUCTION

Global Corn Group Limited (“**GCG**” or the “**Company**”, formerly known as Global Sweeteners Holdings Limited) and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in the manufacture and sale of corn refined products and corn sweeteners, categorised into upstream and downstream products. 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 governance structure of our 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**”), the respective responsibilities of which are set out below.

Governance Structures	Responsibilities
Board	<ul style="list-style-type: none">To oversee all ESG matters and assume full responsibility for the Group’s ESG strategy and disclosureTo track the progress of target achievement and Key Performance Indicator (KPI) performance annually
ESG working group <ul style="list-style-type: none">Financial controllerCorporate development departmentGeneral managers of operation sites	<ul style="list-style-type: none">To develop ESG strategies and monitor overall ESG performanceTo implement the strategies by setting their respective actions and goals, devising and executing related plans and policiesTo work with business units and departments regularly to collect data, track operational performance and coordinate the preparation of the ESG Report
Internal Audit Department	<ul style="list-style-type: none">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 dataTo 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

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 risks and transition risks 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

In preparation for this ESG Report, the Group has applied the reporting principles of materiality, quantitative consistency, and transparency. This ESG Report covers all principal business activities of the Group which have financial and operational significance, including the Group’s operation sites in Shanghai and Jinzhou (operations in Jinzhou have been suspended since 2019) 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 is mainly used for administration and financial reporting purposes and does not engage in any production process, figures in relation to environmental emissions and operating practices are not available). The main principal businesses under the scope of this ESG Report represented this major business operation contained in the annual report of the Company for the Year.

This ESG Report covers the period from 1 January 2025 to 31 December 2025, 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 in this ESG Report as compared to the ESG Report for the 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 Code**”) set out in 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 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 strategy, risk management framework and compliance with laws and regulations. The ESG working group has conducted various interviews with them to assess the materiality of ESG issues relating to its business and stakeholders. After the Interviews, the data collected were categorised and analysed to assess its materiality for ESG engagement.

ABOUT THIS REPORT

STAKEHOLDER ENGAGEMENT

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

1.1 EMPLOYMENT

Our employees are essential to the success of the Group. GCG values every contribution from its people which paves the way to 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. GCG is keen to establish a corporate culture with self-discipline, inspiration 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, GCG also provides them with training, career development and growth opportunities. GCG places high emphasis on workplace conditions and safety including 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 adjustments to ensure that all employees are rewarded and recognised for 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 resource department of each operating subsidiary updates the human resources plan from time to time as guidelines for each operating subsidiary for the determination and adjustment of employee's 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 objective.

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, or pregnancy is strictly prohibited in the Group.

Working hours

For operations in the PRC, office workers work 5 days a week with 8 hours a day. Workers at production sites work on shifts, 8 hours a shift. In any case where overtime work is required, overtime payment will be rewarded 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. Those are in line with labour legislation in Hong Kong.

1. WORKPLACE QUALITY

Staff welfare and benefits

GCG 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 service term and overall performance. During traditional Chinese festivals, it is the Group's practice to give away gifts such as foodstuff and necessities to employees.

Compliance with relevant laws and regulations

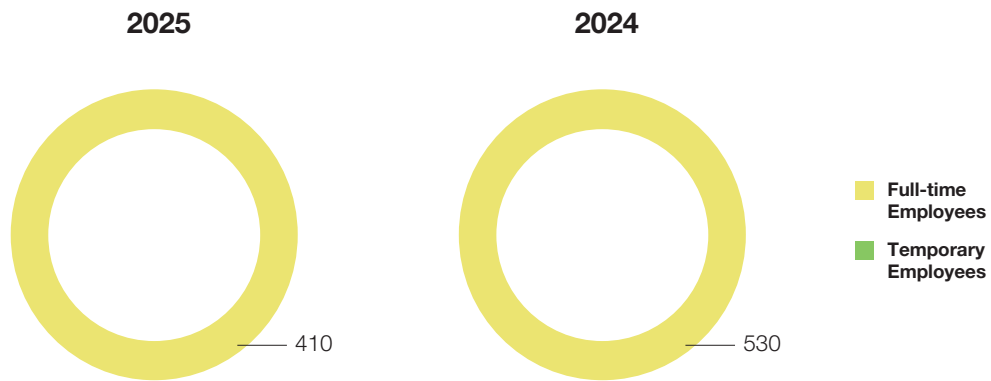
Recruitment and employment under GCG are in strict compliance with all relevant local and national labour laws and regulations, which include, but are not limited to, the Labour Law of the People's Republic of China (《中華人民共和國勞動法》), the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), the 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, there were two labour disputes relating to the termination of employment contracts. Court judgments have been rendered in respect of such disputes, and the Group has fully paid the relevant compensation for unlawful dismissal. Save as disclosed above, the Group was not aware of any material breach of relevant laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunities, diversity, anti-discrimination and other benefits and welfare.

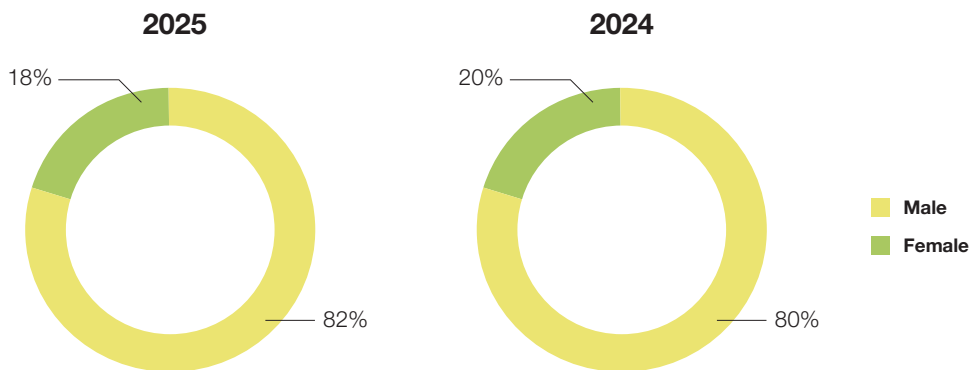
1.1.1 Employment Structure

Below charts show an overview of GCG's employment structure:

Employees by Employment Type

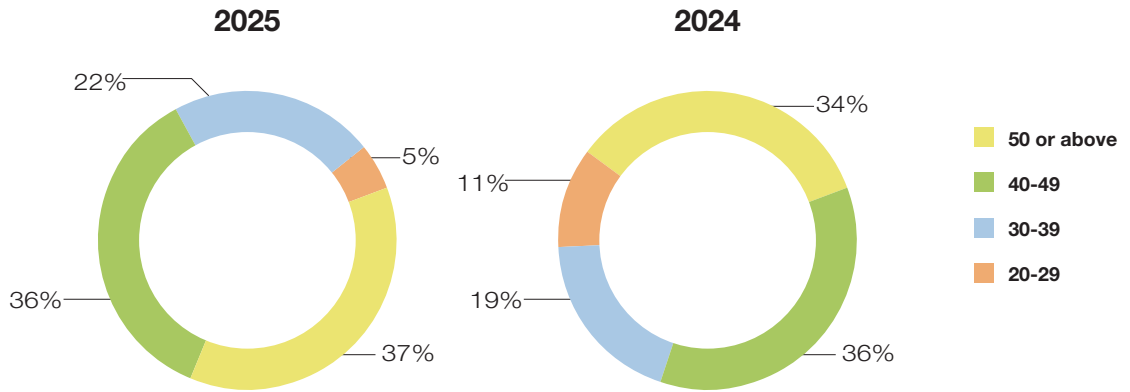


Employees by Gender

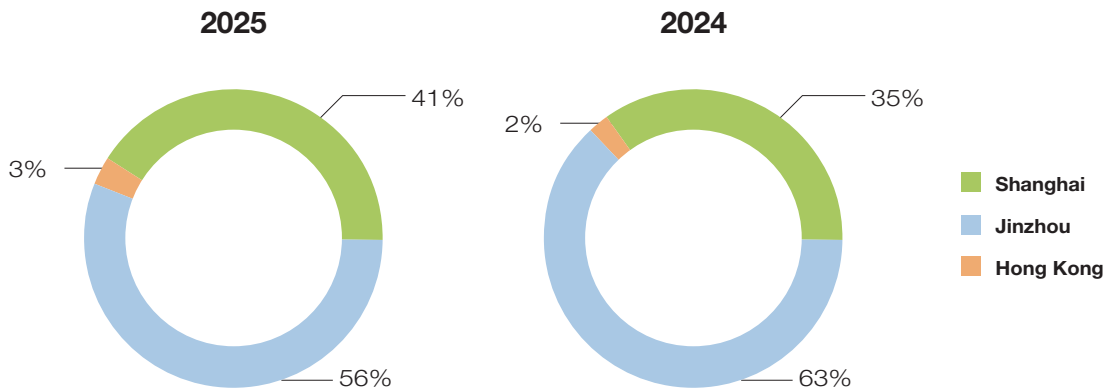


1. WORKPLACE QUALITY

Employees by Age



Employees by Geographical Location



Remarks:

2025: figures as of 31 December 2025

2024: figures as of 31 December 2024

1.1.2 Turnover Rate

The Group's turnover rate for the Year was approximately 22% (2024: 14%), out of which male employees accounted for 87% (2024: 83%) and female employees accounted for 13% (2024: 17%). Such increase was a result of natural attrition.

1. WORKPLACE QUALITY

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

Turnover Rate by Geographical Region and Employment Type

	Shanghai	Jinzhou	Hong Kong	Total
2025				
No. of Full-time Employees	14	100	0	114
No. of Temporary Employees	0	0	0	0
Total No. of Turnover Staff	14	100	0	114
Turnover Rate ¹⁾	8%	30%	0%	22%
2024				
No. of Full-time Employees	34	53	0	87
No. of Temporary Employees	0	0	0	0
Total No. of Turnover Staff	34	53	0	87
Turnover Rate ¹⁾	16%	13%	0%	14%

Turnover Rate by Age and Employment Type

	50 or above	40-49	30-39	20-29	18-19	Total
2025						
No. of Full-time Employees	24	37	29	24	0	114
No. of Temporary Employees	0	0	0	0	0	0
Total No. of Turnover Staff	24	37	29	24	0	114
% to Total Turnover Staff	21%	33%	25%	21%	0%	100%
2024						
No. of Full-time Employees	32	28	18	8	1	87
No. of Temporary Employees	0	0	0	0	0	0
Total No. of Turnover Staff	32	28	18	8	1	87
% to Total Turnover Staff	37%	32%	21%	9%	1%	100%

Remark:

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

1. WORKPLACE QUALITY

1.2 OCCUPATIONAL HEALTH AND SAFETY

GCG is committed to providing a safe and non-hazardous working environment for all staff. Apart from keeping updated on the latest regulations by local and national authorities and government bodies, GCG reviews the working environment in each operation site from time to time to ensure the health and safety of all staff. Such measures include internal control procedures such as setting up 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 to be 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 trainings are provided to minimise the chance of work-related accidents.

1.2.1 Work-Related Accidents

There were no work-related fatal events (2023 and 2024: Nil and Nil) during the Year. There were two work-related accidents that occurred during 2025 (2024: Two).

Details of the work-related accidents are as follows:

Operation Locations	Causes of work-related accidents in 2025										Total	
	Manipulating Equipment		Slippery Surfaces		Discharging Goods		Careless Mistakes		Others		C ¹⁾	LD ²⁾
	C ¹⁾	LD ²⁾	C ¹⁾	LD ²⁾	C ¹⁾	LD ²⁾	C ¹⁾	LD ²⁾	C ¹⁾	LD ²⁾		
Shanghai	0	0	0	0	1	120	1	30	0	0	2	150
Jinzhou	0	0	0	0	0	0	0	0	0	0	0	0
Hong Kong	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	1	120	1	30	0	0	2	150

Operation Locations	Causes of work-related accidents in 2024										Total	
	Manipulating Equipment		Slippery Surfaces		Discharging Goods		Careless Mistakes		Others		C ¹⁾	LD ²⁾
	C ¹⁾	LD ²⁾	C ¹⁾	LD ²⁾	C ¹⁾	LD ²⁾	C ¹⁾	LD ²⁾	C ¹⁾	LD ²⁾		
Shanghai	2	76	0	0	0	0	0	0	0	0	2	76
Jinzhou	0	0	0	0	0	0	0	0	0	0	0	0
Hong Kong	0	0	0	0	0	0	0	0	0	0	0	0
Total	2	76	0	0	0	0	0	0	0	0	2	76

Remarks:

- 1) C: Number of work-related accidents cases
- 2) LD: Number of lost days

1.2.2 Implementation and Monitor of Occupational Health and Safety Measures

Save as disclosed in this ESG Report, all operations under GCG comply with the labour law and safety regulations by local as well as national governments. Such laws and regulations governing the Group's compliance 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)). The Group also has its own tailor-made work manuals (the “Manuals”) for employees, which incorporates all the occupational health and safety procedures. The Manuals are designed to comply with the regulations/laws above. The Group also sets 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.

1.3 DEVELOPMENT AND TRAINING

GCG invests in the personal and career 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 are provided with tailor-made training programmes, regardless of their gender and background, by both in-house and external institutions to ensure their performance is in line with the Company'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 GCG in the PRC follow the Group's training requirements and tailor-made/specific training programmes are offered fairly 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. 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.

1. WORKPLACE QUALITY

For employees of managerial grade or above, they are provided with both in-house and external training programmes sponsored by the Group, such as seminars or talks organised by external parties on specific topics occasionally or according to market needs. Employees at managerial grade or above may attend training sessions on topics such as professional knowledge, corporate culture, sales and marketing, occupational safety, management enhancement and policy implementation programmes. 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 on food safety, cost control and career planning.

Training programmes for employees at the headquarter in Hong Kong

All new employees at the headquarter in Hong Kong are given an introduction session 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 their professional development.

Trainings for employees of managerial grade or above mainly cover the following aspects: corporate governance and ESG, risk management and internal controls, and industry and business updates. Such trainings are in the form of lectures and seminars organised by internationally renowned universities in Hong Kong or 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

The PRC - Ordinary Staff	Male	Female	Total
	2025	100%	100%
	2024	100%	100%
The PRC - Managerial Grade or Above Staff	Male	Female	Total
	2025	100%	100%
	2024	100%	100%
Hong Kong - Ordinary Staff	Male	Female	Total
	2025	100%	100%
	2024	N/A ¹⁾	100%
Hong Kong - Managerial Grade or Above Staff	Male	Female	Total
	2025	100%	100%
	2024	100%	100%

Remark:

1) There was no male ordinary staff in Hong Kong during the relevant year.

1. WORKPLACE QUALITY

1.3.2 Average Hours of Training Received by Staff

The PRC - Ordinary Staff	Male	Female	Total
2025	15.6 hours	16.0 hours	15.6 hours
2024	14.0 hours	14.1 hours	14.0 hours
The PRC - Managerial Grade or Above Staff	Male	Female	Total
2025	4.0 hours	4.0 hours	4.0 hours
2024	2.7 hours	2.0 hours	2.6 hours
Hong Kong - Ordinary Staff	Male	Female	Total
2025	5.0 hours	7.8 hours	6.8 hours
2024	N/A ¹⁾	6.0 hours	6.0 hours
Hong Kong - Managerial Grade or Above Staff	Male	Female	Total
2025	15.4 hours	14.3 hours	15.2 hours
2024	13.0 hours	12.0 hours	12.8 hours

Remark:

1) There was no male ordinary staff in Hong Kong during the relevant year.

1. WORKPLACE QUALITY

1.4 LABOUR STANDARDS

GCG has stringent recruitment procedures to avoid child or forced labour. 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 GCG are in strict compliance with all the 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, the 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 replacements 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 the assessment. The recruitment channels of the Group include recruitment agencies, recruitment websites, campus recruitment and internal referrals. Respective candidates should pass written tests and interviews and verification checks of their academic qualifications and identity. The human resources department of each subsidiary will arrange the signing of a formal employment contract upon confirmation and keep a 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 the 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, 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 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).

2.1 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 a strong awareness of 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 a supervising team (the “**Supervising Team**”) set up in each production site to monitor emissions 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, performing regular check and evaluations of emission standards, and 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 a random check.

The Group's production processes would emit certain pollutants such as sulfur dioxide and nitrogen oxide. In case the emission level of the Group goes beyond emission standards as set out in the guidelines issued by the local environmental protection bureau, the Supervising Team will alert the relevant division 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 with 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.

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 of producing an environmentally-safe sewage discharge and 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 with 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 monitoring 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.

2. ENVIRONMENTAL PROTECTION

Compliance with the relevant laws and regulations on emissions

Save as disclosed in this ESG Report, all subsidiaries under GCG 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 received three regulatory penalties for environmental non-compliance, mainly involving boiler emission deviations and wastewater discharge irregularities. The Group has promptly rectified these issues through targeted equipment upgrades, revised environmental management protocols, and mandatory team training. To prevent recurrence, we have strengthened environmental monitoring, pre-compliance reviews, and regular site audits to ensure full regulatory adherence.

2.1.1 Types of Emissions and Respective Emission Data

During the production processes of the Group, a 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 Emission and Emission Data in 2025

Operation Locations	Air Emissions			
	Sulfur Dioxide (metric tonne)	Nitrogen Oxide (metric tonne)	Wastewater (metric tonne)	Cinders (metric tonne)
Shanghai	0	6	192,700	0 ³⁾
Jinzhou ¹⁾	0	0	0	0
Total²⁾	0	6	192,700	0

Summary of the Types of Emission and Emission Data in 2024

Operation Locations	Air Emissions			
	Sulfur Dioxide (metric tonne)	Nitrogen Oxide (metric tonne)	Wastewater (metric tonne)	Cinders (metric tonne)
Shanghai	0	11	282,685	0 ³⁾
Jinzhou ¹⁾	0	0	0	0
Total²⁾	0	11	282,685	0

Remarks:

- 1) The operation of the Group's Jinzhou production site has remained suspended since 2019. Therefore, no such data was recorded in the Jinzhou production site.
- 2) The overall emission levels decreased mainly due to the output decrease in the Shanghai production site for the Year.
- 3) No cinders emission record was available in the Shanghai production site as it used biomass pellet fuel for production instead.

2. ENVIRONMENTAL PROTECTION

2.1.2 Total Hazardous and Non-Hazardous Waste Produced

Summary of Hazardous Waste Produced

There is no hazardous waste involved in the production process of the Group. As such, no data is available for the Year (2024: Nil).

Summary of Non-Hazardous Waste Produced in 2025

Operation Locations	Cardboard (metric tonne)	Plastics (metric tonne)	Flexitank (metric tonne)	Scrap metal (metric tonne)
Shanghai	42	77	60	177
Jinzhou ¹⁾	0	0	0	0
Total	42	77	60	177

Summary of Non-Hazardous Waste Produced in 2024

Operation Locations	Cardboard (metric tonne)	Plastics (metric tonne)	Flexitank (metric tonne)	Scrap metal (metric tonne)
Shanghai	32	74	38	230
Jinzhou ¹⁾	0	0	0	0
Total	32	74	38	230

Summary of Unit Non-Hazardous Waste Per Metric Tonne of Product Produced in 2025

Operation Locations	Cardboard (metric tonne)	Plastics (metric tonne)	Flexitank (metric tonne)	Scrap metal (metric tonne)
Shanghai	0.01	0.01	0.01	0.01
Jinzhou ¹⁾	0.00	0.00	0.00	0.00
Average	0.01	0.01	0.01	0.01

Summary of Unit Non-Hazardous Waste Per Metric Tonne of Product Produced in 2024

Operation Locations	Cardboard (metric tonne)	Plastics (metric tonne)	Flexitank (metric tonne)	Scrap metal (metric tonne)
Shanghai	0.01	0.01	0.01	0.01
Jinzhou ¹⁾	0.00	0.00	0.00	0.00
Average	0.01	0.01	0.01	0.01

Remark:

- 1) The operation of the Group's Jinzhou production site has remained suspended since 2019. Therefore, no such data was recorded in the Jinzhou production site.

2. ENVIRONMENTAL PROTECTION

2.1.3 Target and Measurements

As the operation of the Group's Jinzhou production site was still under suspension in 2025, its production scale would need dynamic adjustments in light of the actual situation even after resuming operations, the Company considers it inappropriate for the Group to set 2026 targets for emissions and non-hazardous waste reduction.

Regarding waste management, non-hazardous wastes are collected and processed by qualified waste collectors for recycling. Despite the absence of reduction target, we will continue to focus on the reduction and recycling of waste through internal training sessions for 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.

Apart from that, the Group has included staff's performance in relation to environmental awareness such as disposal of wastes and energy conservation for each operation site in their annual appraisal to enhance staff's initiatives to reduce waste disposal.

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.

2. ENVIRONMENTAL PROTECTION

2.2 USE OF RESOURCES

GCG has a strong awareness of resource 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 improving the facilities and production technology to achieve conservation of resources.

The Group has formulated "Guidelines on Resource Consumption" for all 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 checks are carried out on all machinery and facilities on a 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. Results of energy conservation are included as one of the parameters in the annual appraisal of each subsidiary of GCG as well as individual staff.

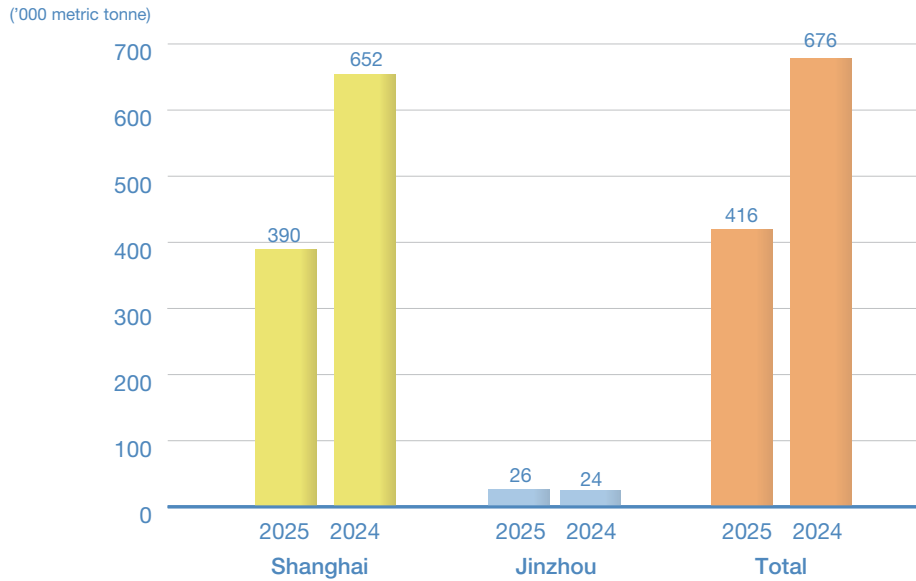
2.2.1 Summary of Consumption of Water, Electricity, Steam and Coal

Total Consumption of Water, Electricity, Steam and Coal

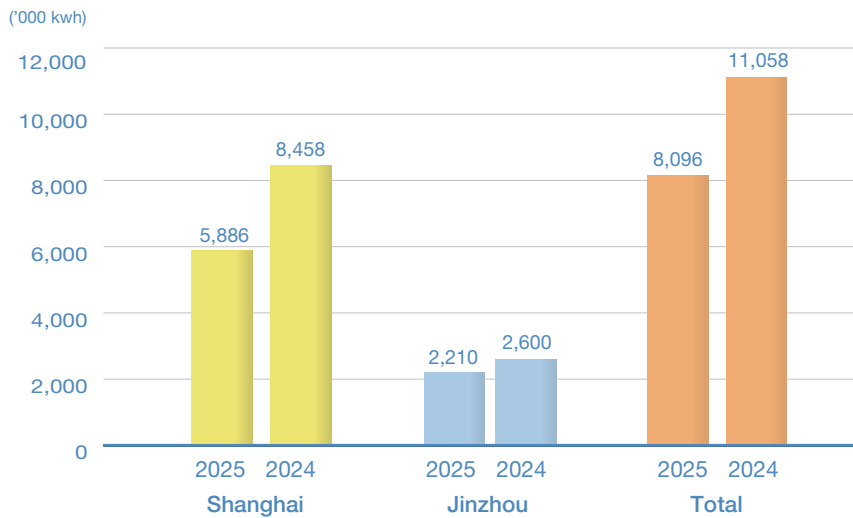
	Water (^{'000} metric tonne)	Electricity (^{'000} kwh)	Steam (^{'000} metric tonne)	Coal (^{'000} metric tonne)
2025	416	8,096	56	0
2024	676	11,058	107	0
Change	(38%)	(27%)	(48%)	0%

2. ENVIRONMENTAL PROTECTION

Water Consumption by Facility Locations



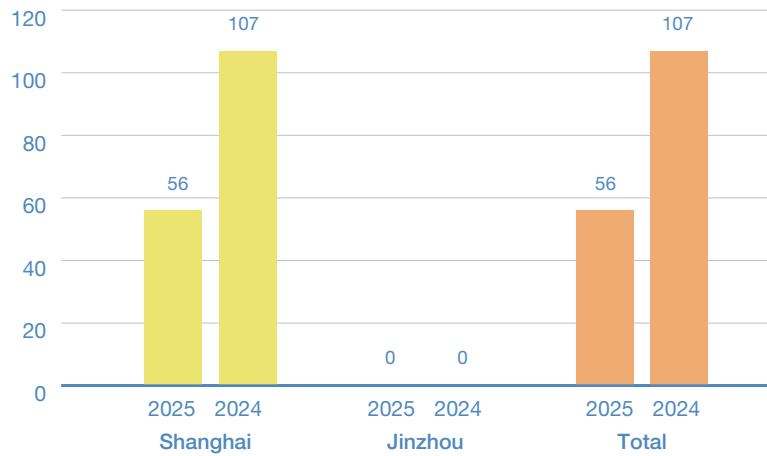
Electricity Consumption by Facility Locations



2. ENVIRONMENTAL PROTECTION

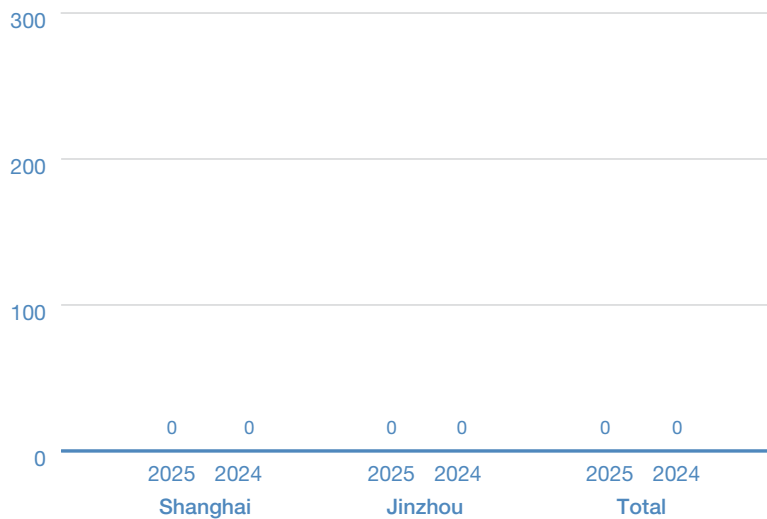
Steam Consumption by Facility Locations

('000 metric tonne)



Coal Consumption by Facility Locations

('000 metric tonne)



The overall consumption of water, electricity and steam of the Group's production facilities in 2025 decreased as compared to that of 2024, which was mainly attributable to the decreased output of the Shanghai production site.

2. ENVIRONMENTAL PROTECTION

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

	Water (metric tonne)	Electricity (kwh)	Steam (metric tonne)	Coal (metric tonne)
2025	4.61	69.54	0.66	0.00
2024	4.90	63.58	0.81	0.00
Change ¹⁾	(6%)	9%	(19%)	0%

Remark:

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

Unit Consumption of Per Metric Tonne Product Produced in 2025 by Facility Location

Operation Locations	Water (metric tonne)	Electricity (kwh)	Steam (metric tonne)	Coal (metric tonne)
Shanghai ¹⁾	4.61	69.54	0.66	0.00
Jinzhou	0.00	0.00	0.00	0.00

Unit Consumption of Per Metric Tonne Product Produced in 2024 by Facility Location

Operation Locations	Water (metric tonne)	Electricity (kwh)	Steam (metric tonne)	Coal (metric tonne)
Shanghai ¹⁾	4.90	63.58	0.81	0.00
Jinzhou	0.00	0.00	0.00	0.00

Remark:

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

2. ENVIRONMENTAL PROTECTION

2.2.2 Consumption of Fuel

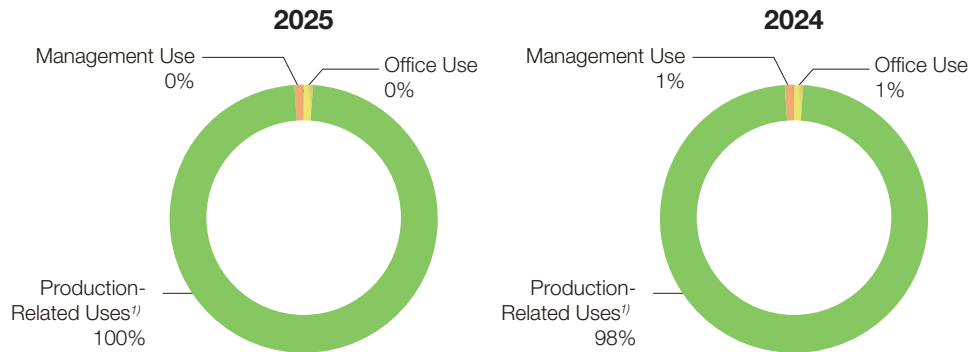
Consumption of Fuel by Type

	Gasoline (Litre)	Diesel (Litre)	Total (Litre)
2025 ¹⁾	300	360,920	361,220
2024	10,200	417,647	427,847
Change	(97%)	(14%)	(16%)

Remark:

- 1) The decrease in consumption of fuel during the Year was mainly attributable to the fact that the operation of the Group's Jinzhou production site remained suspended in 2025 and the company vehicles at the Shanghai production site have shifted from gasoline-powered to electric-powered.

Consumption of Fuel by Purpose



Remark:

- 1) Production-related uses include fuel consumption in relation to transportation of raw materials and products.

Unit Consumption of Per Metric Tonne Product Produced

	Diesel (Litre)
2025	4.26
2024	3.14
Change	36%

2. ENVIRONMENTAL PROTECTION

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 food grade products, it is crucial for the Group to source water from a reliable source. Therefore, the source of water for the Group comes mainly from the local water supplies with a portion of recycled water. As the local utility providers are controlled by the local governments, 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 the operation of the Group's Jinzhou production site was still under suspension in 2025, its production scale would need dynamic adjustments in light of the actual situation after the resumption of its operation in the future, targets set for water and energy use efficiency will not be available until its operation is fully resumed to a normal and stable level.

2.2.3 Consumption of Packaging Materials

Major packaging materials the Group uses are plastic pails and packaging bags, which depends on the storage requirements of the products and the specifications on customers' orders. The Group encourages the recycling of packaging materials. 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 to 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)	Total Consumption (Unit)	Unit Consumption (Unit)
2025 ¹⁾	35,341	31,710	67,051	0.79
2024	42,093	102,488	144,581	1.09
Change	(16%)	(69%)	(54%)	(28%)

Remark:

- 1) Consumption of packaging materials decreased significantly during the Year, primarily attributable to the decreased output of the Shanghai production site. Plastic pails are reusable and will be washed, sanitised and recycled after every use.

2. ENVIRONMENTAL PROTECTION

2.3 EFFECTS ON THE ENVIRONMENT AND NATURAL HABITATS

The ecosystem plays an important part in our life. 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 materials of the Group's products are corn kernel and corn starch, the distortion of the ecosystem and the environment will have an immediate effect on our operation. GCG is dedicated to maintaining biodiversity and minimising its footprints on the environment.

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

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

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

On top of this, the Group also promotes office and production automation to reduce the consumption of paper and unnecessary exhaustion of other raw materials. All data and information regarding daily operations such as procurement, production, sales and finance are digitally created, collected, stored, analysed and relayed to accomplish basic tasks. At the production plants, production procedures and manipulation of machinery are all automated to ensure precision and lower consumption of paper for production records, etc. Every employee of the Group is an advocate of resource conservation. Recycling use of paper is a common practice within the Group.

2. ENVIRONMENTAL PROTECTION

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

Operation Locations	2025	2024	Change
Shanghai	123,000	158,000	(22%)
Jinzhou	60,000	192,000	(69%)
Hong Kong ¹⁾	34,000	44,000	(23%)
Total²⁾	217,000	394,000	(45%)

Remarks:

- 1) The paper consumption of the Group's Hong Kong office includes the paper consumption with respect to the preparation for the publication of circulars, annual reports and interim reports, as well as the daily paper consumption in office.
- 2) The overall paper consumption decrease was attributable to the fact that the Group's Jinzhou production site has not yet resumed production.

During the Year, with the aim of reducing our impact on the ecosystem, we continued to use environmental-friendly paper when printing our annual reports and interim reports. In line with the revised Listing Rules in respect of the Stock Exchange's expanded paperless listing regime, the Group's Hong Kong office has continued to advance its shift to paperless operations throughout 2025, which has further reduced the office's paper consumption for the Year.

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 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 Group's evolving climate approach and each of the members of ESG working group is delegated by the Board. Climate change risk is 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. The Board and management will also receive latest material in relation to ESG topics and attend continuous professional development training arranged by the ESG working group for upskilling the Board and management on climate-related matters.

To enhance the Directors' understanding and awareness of ESG matters, ESG-focused training is organised from time to time. During the Year, we held a dedicated climate-related training session, which covered the latest updates on climate change disclosure standards and regulatory requirements, along with future plans 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
Climate-related physical risks^{7/}							
Acute risk	Increased severity of extreme weather events such as: <ul style="list-style-type: none"> • Drought • Heavy rainfall 	<ul style="list-style-type: none"> • Impact the yield and quality of corn raw materials, leading to supply instability and increased procurement costs • Personal safety of workforce (e.g. health, safety, absenteeism) 	<ul style="list-style-type: none"> • Facilities, roads and other infrastructure may be damaged and affect the production capacity and logistics of products • Anticipated reduction in availability of insurance on assets in “high-risk” locations 	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
Climate-related physical risks⁷⁾							
Chronic risk	<ul style="list-style-type: none"> Changes in precipitation patterns and extreme variability in weather patterns Rising mean temperatures 	<ul style="list-style-type: none"> 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 Inadequate utilities supply (e.g. water, energy) for plants and facilities 	<ul style="list-style-type: none"> Decreased production capacity (e.g. compromising raw material quality and supply instability) Lower productivity due to business disruption if insufficient utilities supply 	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"> Increase the operating costs Increase the capital expenditure These additional costs and investments may exert pressure on cash flow performance in the short term 	Medium

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
Climate-related transition risks¹⁾							
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 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
	Renewable energy policies	<ul style="list-style-type: none"> Anticipated change in energy efficiency standards Early retirement of existing assets due to policy changes 	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 Group 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

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
Climate-related transition risks¹⁾							
Technology risk	Emerging low-carbon technologies	<ul style="list-style-type: none"> Increased R&D costs in new and alternative technologies Adoption or deployment of new practices and processes 	Anticipated reduction in demand for high emissions goods/services	Medium to long term	The Group 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 Group'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 Group's 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 ⁷⁾	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 Group 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

3. CLIMATE CHANGE

Type of Opportunities ⁷⁾	Climate-related Opportunities	Effects on Business Model	Effects on Value Chain	Time Horizon	Description of Opportunity	Financial Impact	Extent of Influence
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 Group will proactively address customers’ green procurement needs. This will enable the Group to strengthen its competitive edge, accelerate its green transition, and generate long-term value	<ul style="list-style-type: none"> • Driving revenue growth by expanding sales through sustainable product offerings • Enhancing operating cash flow as long-term partnerships bring more stable sales collections 	Medium

3. CLIMATE CHANGE

Type of Opportunities ¹⁾	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 utilisation and production efficiency will bolster the Group's overall operational resilience. By proactively addressing regulatory requirements, the Group can effectively mitigate compliance risks stemming from future policy changes	<ul style="list-style-type: none"> • Significantly reducing energy consumption costs • Potential government energy-saving subsidies or tax incentives to improve operating cash flow 	Medium

Remark:

- 1) *Given that the Group'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.*

3.2.3 Climate Resilience

In order to understand potential business implications of climate-related risks, the Group conducted scenario analysis on its property and businesses in Jinzhou and Shanghai production sites.

<p>Scenario Analysis</p> <p>Scope of analysis</p> <ul style="list-style-type: none"> • Shanghai production site • Jinzhou production site <p>Scenarios used</p> <ul style="list-style-type: none"> • Physical risks: IPCC AR6 SSP2-4.5 scenario, SSP5-8.5 scenario • Transition risks: NGFS Current Policies, 2050 Net-Zero Emissions <p>Rationale</p> <ul style="list-style-type: none"> • The defined scenarios reference IPCC (for physical risks) and NGFS (for transition risks) • The sources selected provide time frames that align with our strategic planning time horizon and align with the Paris Agreement • The chosen scenarios will help the Group assess its exposure to physical and transition risks and support future strategic planning <p>Time horizons</p> <ul style="list-style-type: none"> • Short-term 2030 – The Group 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. • Medium-term 2050 – The Group 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. • Long-term 2080 – The Group 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. <p>Assumptions</p> <ul style="list-style-type: none"> • Analysis conducted in 2025, expect asset locations to remain the same over the time horizon • Mitigation measures will remain the same • Absolute zero Scopes 1 and 2 greenhouse gas emissions by 2030

3. CLIMATE CHANGE

Physical Risks ¹⁾	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
Drought		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 Group's raw material procurement costs	Lower	Lower	Medium	Lower	Medium	Higher

Transition Risks ¹⁾	Significant Areas and Impact	NGFS's 2050 Net – Zero missions 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 Group'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.*

3.2.4 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 initiated the boiler upgrading project of its Shanghai production facilities 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 Group does not have any systematic climate-related transition plan. In the future, the Group 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 the new economic policies on low-carbon transition in Shanghai district, the Group entered into a leasing agreement with an independent boiler supplier, which leased a new boiler system that adopted the latest biomass gasifier for gas supply in the Shanghai production site. At the same time, the Group has been fined by the Shanghai Municipal Bureau of Ecology and Environment of approximately HK\$1,260,870 due to the non-compliance with environmental policies during the Year.

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 Jinzhou production site is still not in 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, 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 Group'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 integrated into the same IRM Model on a consolidated basis. The model presents findings to our management on an annual basis.

To identify and assess the climate-related risks, the Group'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 our management through the annual updates.

The Group identified five physical and transition risks material to our operations in both Shanghai production site and Jinzhou production 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. Our most material climate-related risks typically arise from raw material supply disruptions due to extreme weather and compliance issues due to policy changes. Under our risk management model, our 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.

Our IRM Model also ensures that periodic risk assessment and monitoring cycles are in place to understand the relevant risks and assess the needs to refresh our risk appetite. These cycles also cover the monitoring of climate-related opportunities as part of the Group's integrated risk and opportunity management.

3.4 METRICS AND TARGETS

3.4.1 Direct and Indirect Greenhouse Gas Emissions

Summary of the Greenhouse Gas Emissions Performance

Operation Locations	2025 Indicators		2024 Indicators	
	Scope 1 ¹⁾ (tCO ₂ e)	Scope 2 ²⁾ (location-based) (tCO ₂ e)	Scope 1 ¹⁾ (tCO ₂ e)	Scope 2 ²⁾ (location-based) (tCO ₂ e)
Shanghai	0	21,440 ³⁾	0	37,747 ³⁾
Jinzhou	0	1,078 ⁴⁾	0	1,463 ⁴⁾
Total	0	22,518	0	39,210

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

Operation Locations	2025 Indicators		2024 Indicators	
	Scope 1 ¹⁾ (tCO ₂ e)	Scope 2 ²⁾ (location-based) (tCO ₂ e)	Scope 1 ¹⁾ (tCO ₂ e)	Scope 2 ²⁾ (location-based) (tCO ₂ e)
Shanghai	0.00	0.25	0.00	0.28
Jinzhou	0.00	0.00	0.00	0.00
Total	0.00	0.25	0.00	0.28

Remarks:

- 1) Scope 1 covers the direct emissions of greenhouse gas (i.e. carbon dioxide) from sources owned and controlled by the Group.
- 2) Scope 2 covers the indirect emissions of greenhouse gas (i.e. carbon dioxide) resulting from the generation of purchased electricity and heat by the Group. The Group does not use any contractual instruments, nor has it made any related disclosures.
- 3) Emissions are calculated by multiplying the Group's purchased electricity and purchased heat by the applicable carbon emission factor in Shanghai.
- 4) Emissions are calculated by multiplying the Group's purchased electricity by the applicable carbon dioxide emission factor in Liaoning Province.

3. CLIMATE CHANGE

Our approach	
Standard used	The calculation methodologies for the corresponding greenhouse gas (GHG) 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, “CO ₂ Emission Factors for Electricity and Thermal Energy from Shanghai Municipal Public Power Grid (2020–2024 Period)” (《2020–2024年度上海市公共電網電力、熱力二氧化碳排放因數》) issued by the Shanghai Municipal Bureau of Ecology and Environment, and “Announcement on the Release of 2023 Electricity Carbon Dioxide Emission Factors” (《關於發佈2023年電力二氧化碳排放因數的公告》) issued by the Ministry of Ecology and Environment and the National Bureau of Statistics
Measurement approach	Equity share, all operations are wholly-owned by the Company, it will be the same regardless of the approach adopted
Operational boundary	Shanghai production site and Jinzhou production site

As emission level varies with product mix, it may differ from year to year. During the Year, due to the suspension of the Group’s operation in Northeast China, no Scope 1 emission was recorded in the Group’s Jinzhou production site.

Under the emission standards in the PRC, there is no written standard on the quantity of greenhouse gasses 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 is subject to its production volume, and the Group’s Jinzhou production site had been suspended since the end of 2019, its production scale would need dynamic adjustments in light of the actual situation after it resumes production. As such, it is still unrealistic to set a greenhouse gas emission target for 2026.

3.4.2 Other Indirect Greenhouse Gas Emissions

Since the operation of the Group’s Jinzhou production site is still under suspension during 2025, the Group’s Scope 3 greenhouse gas emissions disclosure for 2025 is centred on the Shanghai production site.

The Group’s Scope 3 greenhouse gas emissions have been identified and disclosed in accordance with the 15 categories set out in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011). Amongst the 15 categories, we have identified 2 categories that are 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.

3. CLIMATE CHANGE

Scope 3 ¹⁾	Source of Emission Factor	2025 ²⁾ Indicators (tCO ₂ e)
Category 1: Purchased Goods and Services	Provincial Greenhouse Gas Inventory Compilation Guidelines	51,856
Category 9: Downstream Transportation and Distribution	Provincial Greenhouse Gas Inventory Compilation Guidelines	373

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 Group, but occur from sources not owned or controlled by the Group.*
- 2) *The Group will further improve the accuracy and comprehensiveness of its Scope 3 emissions.*

Our approach	
Standard used	GHG Protocol
Measurement approach	Equity share, all operations are wholly-owned by the Company, it will be the same regardless of the approach adopted
Operational boundary	Shanghai production site

To improve the accuracy and completeness of emission data disclosure in the future, the Group has planned to initiate the establishment of a relevant working mechanism to systematically collect related 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.

3.4.3 Climate-related Targets

Given that the Group's greenhouse gas emissions are tied to production volume, and the Jinzhou production site has been suspended since the end of 2019 (with production scale to be dynamically adjusted post-resumption), it remains impractical to set a group-wide quantitative greenhouse gas emission 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.

3. CLIMATE CHANGE

Target	Target applies to Scope 1, Scope 2, and will be gradually incorporated into the main categories of Scope 3
Target type	Intensity
Purpose	To conserve energy and reduce emission via equipment renewal and development of relevant management capacities
Region	Shanghai production site and Jinzhou production site

Target set		
	Scope 1 & 2 GHG emissions per metric tonne of product produced (tCO ₂ e)	Reduction from base period (%)
Base period (2024)	0.28	N/A
Interim target (2035)	0.22	↓ 20%
Target period (2045)	0.17	↓ 40%

Progress to date		
	Scope 1 & 2 GHG emissions per metric tonne of product produced (tCO ₂ e)	Reduction from base period (%)
2025 – Current period	0.25	10.7%

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

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. Our 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 gas emissions intensity target will be submitted to senior management for review, with annual updates presented to the Board and public disclosure through the Group's ESG Report annually.

3.4.4 Cross-industry Metrics

The Group 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 Shanghai production site.

The Group 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 Shanghai production site have a certain level of physical risks exposure.

In 2025, the Group procured 4 trucks compliant with the more environmentally friendly National VI emission standard. The total investment in this initiative amounted to approximately HK\$1,222,000.

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

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 upholding of 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 GCG. 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. The Group has zero tolerance for working with suppliers that engage in child or forced labour, put their workers in poor working conditions, or deprive their 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 ensures that it works with suppliers that share the same values and work diligently towards a common goal of building sustainable businesses. While we are constantly striving to strengthen and perfect our ESG strategy, we also extend our awareness along our supply chain to ensure the raw materials/products we use in our production process align with our value. In appraising our suppliers, we make every effort 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 a supply contract 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 aspects of environmental sustainability amongst our suppliers by taking into account their emission control, environmental protection, energy conservation, as well as their corporate values towards making greener 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, a stringent quality control process in our corn procurement is important.

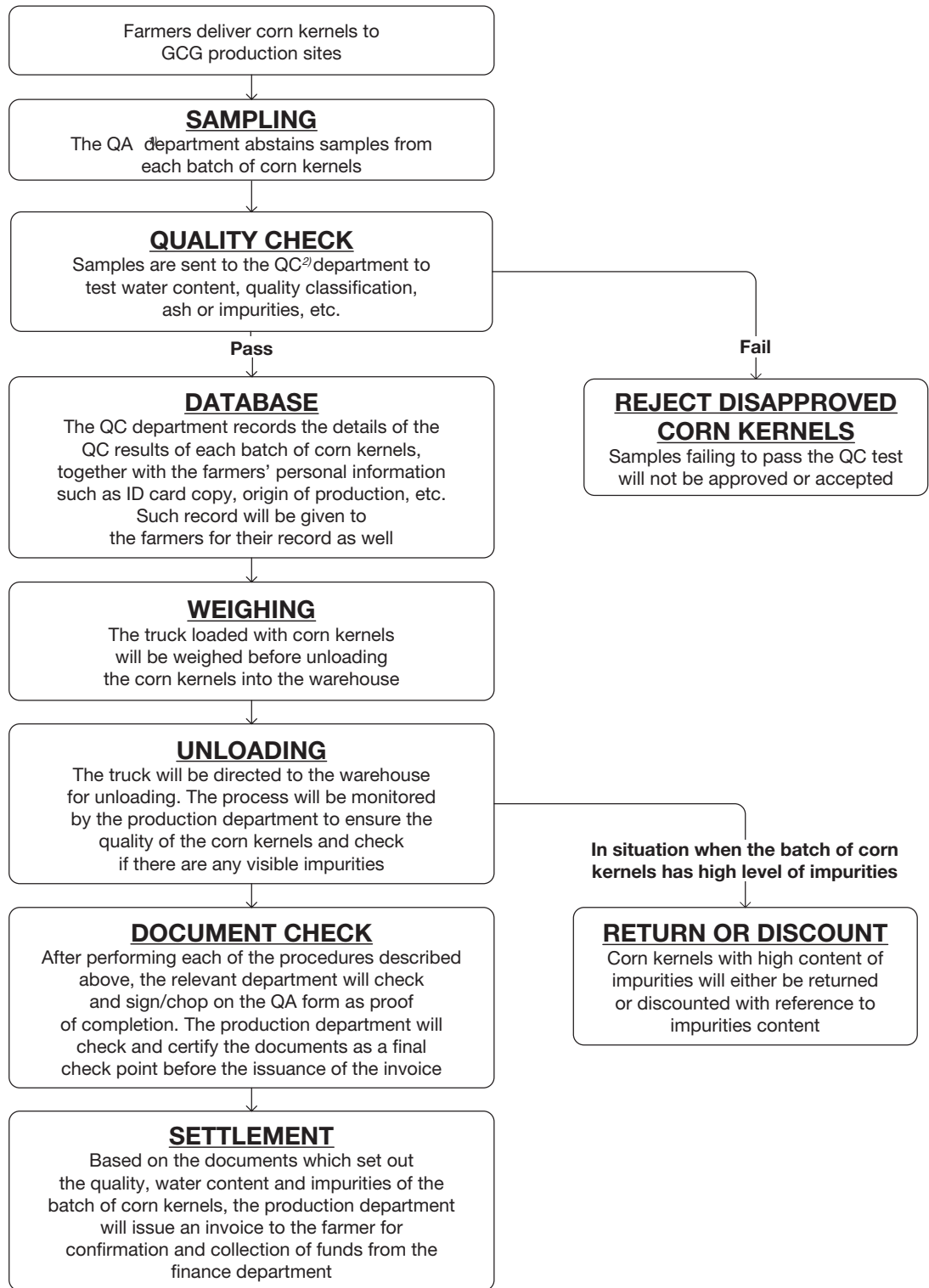
4.1.1 Engaging Suppliers

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 being qualified 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 GCG:

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 research, maintain a database of suppliers and update suppliers' information on a regular basis. The procurement department will examine each supplier in the following aspects:

Aspects	Details
Company Qualifications	Examine the supplier's business registration, production approval, examination report of the product and other related documents to justify that the supplier has the relevant qualifications, ability and capacity to produce.
Company Background	Assess suppliers in terms of its operation, creditworthiness, management system, environmental awareness and lawfulness. Supplier who has good operation and creditworthiness and has the least impact on the environment would be 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.
Product Quality Assurance	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).
Pricing	Pricing is another major aspect that the panel would look into to get the best quality at the best price. The principal objective is to ensure the Group operates at the lowest cost without sacrificing quality.
Delivery	Continuously check on the samples from suppliers' delivery, product/service quality as well as the timeliness of delivery.
Customer Service	Assess supplier's responsiveness and timeliness regarding order placement, delivery and after-sales service.
Environmental Impacts	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 the suppliers that passed the relevant assessments by 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 of GCG 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' quotations. Site visits to the supplier's production site will also be carried out to determine whether the new supplier meets 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.

4.1.2 Numbers of Suppliers (for procurements other than corn)

Summary of Numbers of Suppliers by Categories and Locations in 2025

Operation Locations							Total by Locations ¹⁾
	Machinery	Raw Materials	Packaging Materials	Utilities	Logistics	Others	
Shanghai	0	27	7	3	6	3	46
Jinzhou	0	0	0	3	1	18	22
Total by Categories¹⁾	0	27	7	6	7	21	68

Summary of Numbers of Suppliers by Categories and Locations in 2024

Operation Locations							Total by Locations ¹⁾
	Machinery	Raw Materials	Packaging Materials	Utilities	Logistics	Others	
Shanghai	4	29	9	3	6	3	54
Jinzhou	45	12	1	5	1	2	66
Total by Categories¹⁾	49	41	10	8	7	5	120

Remark:

- 1) *The numbers of suppliers in the above table 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 number of suppliers in the above tables did not represent the total number of suppliers of the Group as a whole for the relevant year.*

4.2 PRODUCT SAFETY

As a socially responsible corporation, GCG puts a lot of efforts to ensure product safety, as we are well aware that a lot of our products go to the food and beverage industry. 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 over 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.

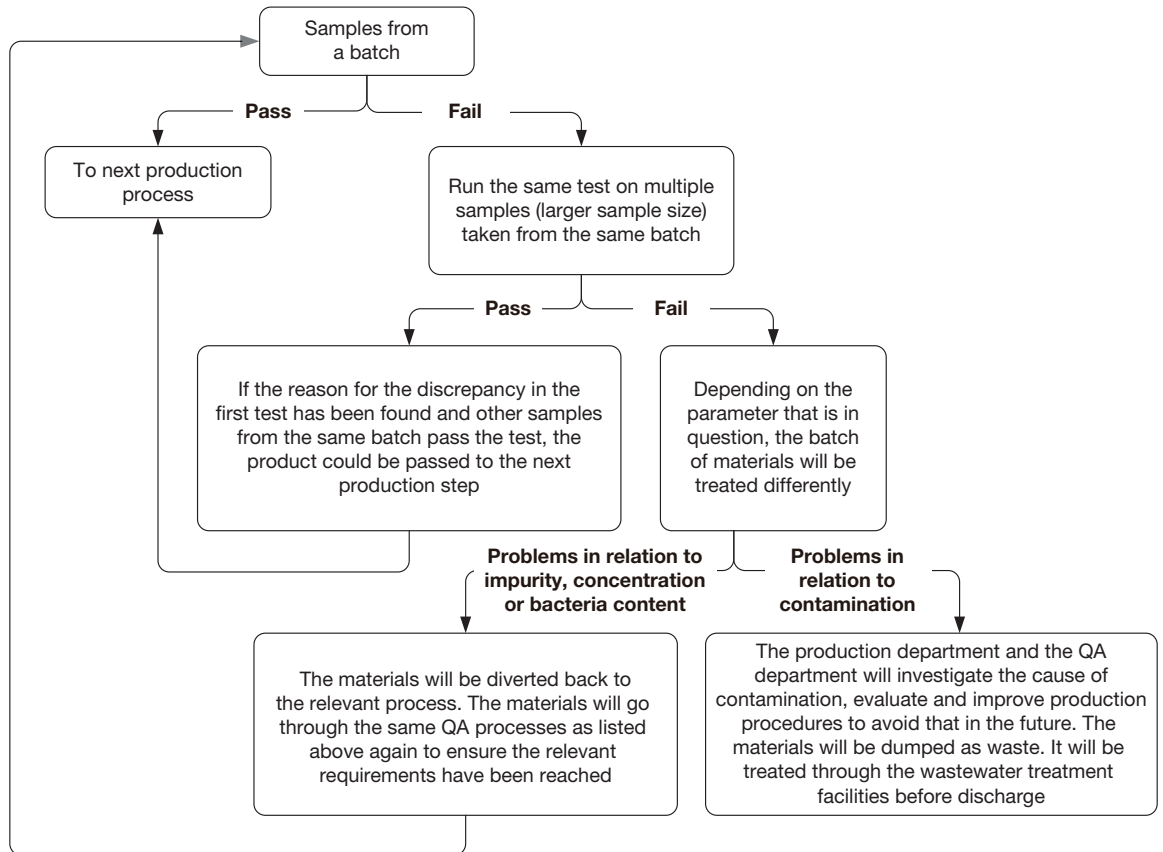
4.2.1 Standards and Procedures of Quality Assurance Processes

GCG 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 that 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 did not 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:



4. OPERATING PRACTICES

On top of the above arrangements, each operating subsidiary of the Group will submit samples to qualified third-party laboratories or inspection bodies for examination and inspection on a 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 being sent 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 a clean, ventilated and dry condition as required by national and industry standards.
- **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.

4. OPERATING PRACTICES

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

Save as disclosed in this ESG Report, all subsidiaries under GCG 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 programmes 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 quickly enough to cases of any products which are proven to have quality defects or may endanger public health and safety entering 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 was no product recall case in relation to food safety problems in the Group during the Year (2024: Nil). There were 10 cases of customers' complaints reported during the Year (2024: 10).

4. OPERATING PRACTICES

4.2.3 Customer's Complaint and Product Return Cases

Number of cases of customers' complaints and product return in 2025

Operation Locations	Problems in relation to											
	Product Quality		Packaging		Quantity		Invalid Complaints		Others		Total	
	C ¹⁾	PR ²⁾	C ¹⁾	PR ²⁾	C ¹⁾	PR ²⁾	C ¹⁾	PR ²⁾	C ¹⁾	PR ²⁾	C ¹⁾	PR ²⁾
Shanghai	3	0	4	0	1	0	2	0	0	0	10	0
Jinzhou	0	0	0	0	0	0	0	0	0	0	0	0
Total by Categories	3	0	4	0	1	0	2	0	0	0	10	0

Number of cases of customers' complaints and product return in 2024

Operation Locations	Problems in relation to											
	Product Quality		Packaging		Quantity		Invalid Complaints		Others		Total	
	C ¹⁾	PR ²⁾	C ¹⁾	PR ²⁾	C ¹⁾	PR ²⁾	C ¹⁾	PR ²⁾	C ¹⁾	PR ²⁾	C ¹⁾	PR ²⁾
Shanghai	0	0	2	0	0	0	8	0	0	0	10	0
Jinzhou	0	0	0	0	0	0	0	0	0	0	0	0
Total by Categories	0	0	2	0	0	0	8	0	0	0	10	0

Remarks:

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

4. OPERATING PRACTICES

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 GCG during the Year were 0.01% (2024: 0.01%) 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.

Tonnage of products involved in relation to customers' complaints and product return in 2025 (Metric Tonne)

Operation Locations	Problems in relation to											
	Product Quality		Packaging		Quantity		Invalid Complaints		Others		Total	
	C ¹⁾	PR ²⁾	C ¹⁾	PR ²⁾	C ¹⁾	PR ²⁾	C ¹⁾	PR ²⁾	C ¹⁾	PR ²⁾	C ¹⁾	PR ²⁾
Shanghai	15	0	0 ³⁾	0	0 ³⁾	0	2	0	0	0	17	0
Jinzhou	0	0	0	0	0	0	0	0	0	0	0	0
Total by Categories	15	0	0	0	0	0	2	0	0	0	17	0

Tonnage of products involved in relation to customers' complaints and product return in 2024 (Metric Tonne)

Operation Locations	Problems in relation to											
	Product Quality		Packaging		Quantity		Invalid Complaints		Others		Total	
	C ¹⁾	PR ²⁾	C ¹⁾	PR ²⁾	C ¹⁾	PR ²⁾	C ¹⁾	PR ²⁾	C ¹⁾	PR ²⁾	C ¹⁾	PR ²⁾
Shanghai	0	0	39	0	0	0	23	0	0	0	62	0
Jinzhou	0	0	0	0	0	0	0	0	0	0	0	0
Total by Categories	0	0	39	0	0	0	23	0	0	0	62	0

Remarks:

- 1) C - tonnage of products involved in complaint cases
- 2) PR - tonnage of products involved in product return cases
- 3) The value is rounded to zero.

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 GCG during the Year were 0.01% (2024: 0.01%) and Nil (2024: Nil) respectively.

4.2.4 Confidentiality

There are written guidelines in all significant subsidiaries of GCG 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 complies with 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 strict compliance with the relevant laws.

4. OPERATING PRACTICES

4.3 ANTI-CORRUPTION

Corporate social responsibility, integrity and fairness have laid a solid foundation for the Group's corporate value. GCG 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 Group outlines its ethical principles and behavioral framework in its Code of Conduct, which provides guidance for all the members of GCG 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.

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, including submitting written reports to department heads, general managers of its subsidiaries, the chairperson 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 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 practices which would adversely affect the reputation and operations of the Group.

During the Year, the Group regularly shares anti-corruption training materials with its Directors and employees on an internal basis to strengthen their awareness of ethical conduct and anti-corruption practices.

There was no case 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, GCG is dedicated to community investment as it is the source of our people and resources. Apart from the Group's continuous efforts on employees' career development and environmental protection, GCG is committed to communicating 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.

To foster sustainable development and positive impact across the local community, we actively engage with a diverse range of local associations to drive progress in commercial collaboration, environmental stewardship, employee welfare, and operational safety, which we believe are fundamental to responsible and inclusive growth. The Group currently participates in the Shanghai Minhang District Maqiao Chamber of Commerce, the Shanghai Minhang District Environmental Protection Industry Association, the Shanghai Minhang District Human Resources and Social Security Society, and the Shanghai Minhang District Public Security Responsible Persons Association for Enterprises and Institutions, focusing on local economic development, environmental best practices, employee welfare, and workplace safety. We regularly participate in events and initiatives organised by these associations to contribute to the development of relevant industry and community agendas.

Our commitment to the community also involves the care given to our people. It is the Group's practice to organise various extracurricular and social activities for our employees regularly and encourage our employees to participate in community investment activities. During the Year, the Group spent over 30 hours organising employees to participate in various community and team-building activities such as the "Welcoming New Year" marathon running event and movie-watching event to cultivate the sense of belonging and initiative of our people.

APPENDIX

CODE CONTENT INDEX

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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 Total Hazardous and Non-Hazardous Waste Produced
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APPENDIX

Disclosure requirements		Page number	Corresponding chapter	
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