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Beauty Farm Medical and Health Industry Inc.
(Incorporated in the Cayman Islands with limited liability)
Stock Code: 02373

Environmental, Social and Governance Report 2025



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Management Message

At a time when the industry landscape and consumer demand are being continuously reshaped, Beauty Farm has made a deliberate strategic choice to evaluate corporate growth through the lens of sustainability. After 33 years of deep industry engagement, we have navigated multiple market cycles and repeatedly returned to the most fundamental questions: Where does growth come from, and where should it lead? The answer has become increasingly clear: what truly stands the test of time is not short-term expansion in scale, but a long-term approach built around customer value, women's value, and industry value. ESG is the critical anchor that connects all of these dimensions.

Over the past year, building on our existing sustainable development governance framework, we have taken ESG a step further - from a requirement to an everyday practice. It is now embedded in our decision-making logic and implemented on the front lines of our stores; it is reflected in our brand strategy upgrades as well as in the details of every service experience.

I. Service Upgrade: Turning Every Choice into a Reassuring Commitment

The story of Beauty Farm has always revolved around one word: service. We are seeing more clearly than ever that consumers' pursuit of beauty is evolving from functional satisfaction to self-pleasing consumption, and from outward material needs to a deeper aspiration for beauty and health. In response to this shift, we have chosen to redefine one-stop beauty and health services and reshape a new value space for the industry.

Over the past year, we have continued to raise our definition of professionalism. On the experience side, guided by the principles of "new spaces, new experiences, and services beyond expectations", we have gone beyond the boundaries of functional services to create immersive spaces centered on six-sense experiences, embedding excellence into every detail of our service delivery. On the service side, supported by more than 200 traceable quality control standards, we are elevating the "Beauty Farm Standard" into an industry benchmark.

We continue to elevate the customer experience through technology. Beauty Farm AI Skin Analysis has undergone a major upgrade. It is not merely a simple skin diagnostic tool, but a deeply personalized and long-term care planning solution. We believe that when skin is understood with precision, what you gain is not only an effective

skincare program, but also a deeper sense of self-awareness and affirmation.

For us, when clients choose Beauty Farm, it is not merely a consumption decision; it is also a vote of trust in our professionalism and values. That trust must be met with unwavering quality and service.

II. Women's Empowerment: Starting from 'Her' and Extending a Broader Radius of Value

Over the past 33 years, we have witnessed profound changes in the roles and self-awareness of women in China. In tandem with these changes, Beauty Farm has continuously re-examined what it truly means to serve women. What we provide is not a standardized definition of beauty, but rather the emotional value of self-pleasing - the confidence and strength for women to grow inwardly and flourish outwardly.

We launched "37.5°C for Her Majesty", a cyclical wellness program designed to accompany women before and after menstruation and to support the body through its full rhythm of cleansing, growth, harvest, and restoration. We initiated the "Women Returning to the Earth Program", encouraging women to return to themselves and listen to the quiet messages of their bodies. We also collaborated on the cross-genre mature-love reality show "Forever by Your Side", bearing witness to the composure that comes with time and exploring the richness and inner strength of women. Through whole-cycle health and wellness care, we strive to help women reveal a beauty of life defined by inner abundance, calm confidence, and self-alignment.

Within the Company, female employees are a vital force at Beauty Farm. We continue to foster a workplace culture of diversity, inclusion, and equal opportunity. Across recruitment, training, promotion, and incentives, we emphasize gender equality and a culture guided by capability and contribution. Women account for 68% of our senior management team. At the institutional level, we are also better addressing the real needs of female employees at different stages of life, including the balance among work rhythm, family responsibilities, and career development. By strengthening leadership development and professional career pathways, we encourage more women to play key roles in management decision-making and professional innovation, naturally embedding a female perspective into corporate governance and business iteration.

At the societal level, drawing on our expertise in beauty and health, we continue to advance public welfare programs and educational initiatives centered on women's health literacy, physical and emotional well-being, and personal development. We are committed to making professional information and support resources more understandable, accessible, and trustworthy for more women. We continue to promote a culture of humanistic care. The Women's Federation "Logistics Support Station" remains stocked year-round with emergency supplies to meet the special needs of female employees through everyday care. We have also extended our internal care for women into the broader community by actively participating in the Hongkou District Women's Federation's "Most Beautiful Women's Walk Along the North Bund" outdoor challenge, empowering women through sports and promoting a spirit of independence and confidence.

III. Industry Empowerment: Responding to the Future of the Industry with Strategic Upgrading

As a long-time participant in the development of China's beauty industry, we have witnessed the entire process from its inception and growth to intensified competition. We have also seen many structural questions confronting the industry: how to uphold safety boundaries, how to maintain rationality and restraint in aesthetic direction, how to balance compliance and efficiency in innovation, and how brands can sustain long-term value amid diverse demands.

We have remained deeply committed to building professional systems and advancing industry standardization, while actively participating in the formulation of industry standards. In 2025, as a co-drafting organization, we worked with the China Chain Store & Franchise Association to issue the Requirements for Beauty Chain Store Managers, using standardized guidelines to promote the high-quality development of the beauty industry toward greater chain operation and standardization. We have also continued to increase investment in digital development and intelligent technology applications. Through our AI Xiaonai intelligent service system and intelligent devices such as professional skin analyzers, we continue to optimize service processes and strengthen the foundations of professional service. In 2026, with a focus on long-term development, we actively advanced the strategic upgrade of the Group's brand portfolio. CellCare, the Group's light aesthetic medical brand, officially established its core positioning of "Experts, Specialization, and a Focus on Natural Beauty", drawing on the

clinical experience of more than 150 experts and over 150 R&D patents. This marks a shift from single procedures to systematic solutions, and from chasing trends to returning to natural authenticity.

At the same time, we are engaging in dialogue with the industry in a more open manner. In March 2026, we hosted the "Symbiosis in the Beauty Industry - Advancing Toward the Future" Heroes List launch event, calling nationwide to "identify 100 beauty industry collaborators". Through the threefold empowerment of brand, chain operation, and digitalization, we aim to move the beauty industry from fragmented competition toward cooperation and mutual success. We have built the "Beauty Farm Business System", encompassing a customer value growth system, a strong platform plus multi-brand system, an M&A value growth system, and a digital intelligence and AI system. While supporting our own development, these systems continuously empower the industry, ensuring that our experience does not remain within Beauty Farm alone, but becomes part of a broader force driving the industry upward. Our attention to environmental and resource issues is also shifting from awareness to action, and is being progressively implemented in store construction, daily operations, and supply chain management.

Outlook

Looking ahead from this new stage, Beauty Farm's growth trajectory is evolving from a single curve of scale expansion into a multidimensional and integrated development model shaped jointly by customer trust, women's value, and industry responsibility. Going forward, the Board will continue to regard ESG as an important underlying principle of corporate governance and strategic decision-making. We will continue to deepen our efforts around the three core themes of service upgrade, care for women, and industry empowerment, while steadfastly advancing the upgrade of our integrated brand and business portfolio. We will also continue to improve risk management, information disclosure, and internal governance, enhancing the Company's resilience and transparency and contributing to the high-quality development of China's beauty and health industry.

Board Statement

The Board recognises the importance of environmental, social and governance ("ESG") matters to the Group's long-term development and has consistently integrated such matters into its strategic decision-making and day-to-day management. The Board assumes the ultimate oversight responsibility for ESG matters arising from the Group's business operations, with a view to ensuring that they generate positive impact and meet the expectations of stakeholders. Pursuant to its ESG policy, the Group aims to foster a sustainable community together with its employees, customers and business partners by supporting local initiatives. Through corporate philanthropy, industry empowerment and other initiatives, the Group seeks to bring long-term benefits to local communities while reducing the environmental impact of its own operations.

To effectively discharge its ESG responsibilities, the Group has established a Climate and ESG Management Committee under the Board to coordinate ESG and climate-related matters of the Group, implement ESG strategic plans and ensure compliance with applicable laws and regulations. The committee reports to the Board on a regular basis on the progress of its work to ensure that key issues are addressed in a timely manner. The Board focuses not only on current ESG issues but also on future trends, and adjusts the Group's strategies as appropriate in response to internal and external changes and evolving needs. In assessing the Group's ESG risks, the Board reviews, on a regular basis, various business-related matters, giving priority to topics that have a material impact on operational risks and business performance. The Board also formulates ESG management policies and strategies to ensure alignment between ESG objectives and the Group's overall business strategies.

The Board holds meetings annually to discuss ESG and climate-related matters in order to review the progress towards the relevant targets and closely monitor the implementation status. When assessing the alignment with the Group's overall strategies, the Board will adjust and refine the relevant targets where necessary in response to developments in the markets in which the Group operates as well as global market changes. In addition, the Board members maintain a proactive attitude in responding to changes in policies and market conditions and enhance their knowledge base and judgement in relation to ESG through trainings and dedicated reports, so as to make informed decisions on relevant matters. Going forward, the Board will continue to uphold a strong sense of responsibility, strengthen the Group's leadership in ESG, and further integrate ESG objectives with its business strategies to create greater long-term value for stakeholders.



Beautiful Footprints, Moving with the Times



Wind ESG
美丽田园医疗健康
2025评级

AA

Wind ESG AA Rating
Wind



华证ESG评级证书
美丽田园医疗健康 (2373.HK)
环境、社会、公司治理 (ESG) 综合评级
AA

Sino-Securities Index ESG AA Rating
Sino-Securities Index



HKQAAA
绿色和可持续
贡献
2025
可持续相融财务信息披露
先锋计划金奖
美丽田园医疗健康产业有限公司

Gold Award for Pioneering Sustainable Financial Disclosure
Hong Kong Quality Assurance Agency



ESG
新加坡
上市公司评选
(原绿色先锋ESG公司)
2025
Top100 ESG Companies
(Ju DongMi)
美丽田园医疗健康产业有限公司

Top100 ESG Companies (Ju DongMi)
JuDongMi Selection Committee




GZCF 2025 THE4 共赴零碳未来
2025第四届国际绿色零碳节
暨 2025 ESG 领袖峰会
美丽田园医疗健康产业有限公司
2025 ESG 领袖峰会
2025 ESG 领袖峰会
2025 ESG 领袖峰会

ESG Model Enterprise Award 2025 (International Green Zero-Carbon Festival & ESG Leaders Summit)
International Green Zero-Carbon Festival Organizing Committee

MSCI Global Small Cap Index	Shanghai High-Tech Enterprise	Private Enterprise Headquarters
MSCI	Shanghai High-Tech Enterprise Recognition Office	Shanghai Municipal Commission of Commerce
Hongkou District Mayor's Quality Award (Gold Award)	Key Enterprise Contribution Award	Member of China Maternal and Child Health Association
Hongkou District Mayor's Quality Award Evaluation Committee Office	Hongkou District People's Government	China Maternal and Child Health Association



Huangpu District Enterprise Technology Center
(Yanyuan Medical)

Huangpu District Commission of Commerce
Huangpu District Science & Technology Commission
Huangpu District Finance Bureau



Gelonghui Golden Grid Award –
Annual Brand Value Award

Gelonghui



Top 20 Most Promising Legal & Compliance
Teams (5th WELEGAL Ranking)

WELEGAL



ALB China Top 15 In-House Teams 2025

Thomson Reuters



Women's Leadership CFO
Award

CFO Top 100

Most Influential Listed Company Brand Award

13th China Securities Golden Bauhinia Awards

2025 Golden Tripod Cup – Five-Star Model Enterprise for
Integrity & Quality Service (Shanghai Prepaid Card Industry)

ShanghaiSingle-Purpose Prepaid Card Association

2024–2025 FUTURE 50 Best Practice Award for Future
Management Talent Development

CEIBS Business Online

Best Investor Relations Communication Award
(2025 Listed Companies IR Data Ranking)

Jinmen



Beautiful Mission, Governance with Craftsmanship

01

We have always recognised that corporate governance is the fundamental cornerstone for advancing sustainable development in a steady manner. It is also an important institutional safeguard for us to practise our core corporate values, fulfil our corporate social responsibilities and create sustained value for stakeholders. A solid, efficient and transparent governance system enables us to strike a balance among economic returns, social responsibility and environmental protection and provides core support for the continuous advancement of sustainable development.

Beauty Farm continuously refines and optimises its governance structure in order to strengthen the Group's operational management capabilities. In implementing our corporate vision, philosophy and values, we incorporate the IFRS standards and the United Nations Sustainable Development Goals ("SDGs") into our governance framework to ensure that our strategic decisions and business actions are aligned with the global sustainable development agenda. At the same time, we formulate and implement various ESG-related policies in strict accordance with the Listing Rules, actively respond to stakeholders' concerns and ensure that we make a positive contribution to the relevant sustainable development goals in the course of our business operations.

We firmly believe that governance and responsibility should go hand in hand. Good governance is not only a necessary condition for meeting compliance requirements, but also the key to earning market trust, achieving long-term value creation and driving sustainable development. Looking ahead, we will continue to honour our commitment to sustainable development. Through systematic management of ESG matters and ongoing enhancement of our ESG practices, we will ensure that our business development remains aligned with our values. Guided by ethical principles and social responsibility, we will continue to strengthen our governance capabilities and work together towards a more sustainable future.

- Sustainable Governance System
- Communication and Engagement with Stakeholders
- Materiality Assessment
- Governance Mechanisms and Diversity Policy
- Risk Management and Control
- Compliance Operations and Integrity Building

1.1

Sustainable Governance System

We firmly believe that a sound ESG governance system is the foundation for the effective implementation of the Group's sustainable development strategies. On this basis, the Group has established a multi-level governance structure led and overseen by the Board and has clearly delineated the responsibilities and authorities at each level. Our "ESG Duties and Responsibilities" set out in a systematic manner the mission, division of functions and management authorities, thereby ensuring that ESG concepts are fully integrated into the Group's strategy formulation and day-to-day operations and management.

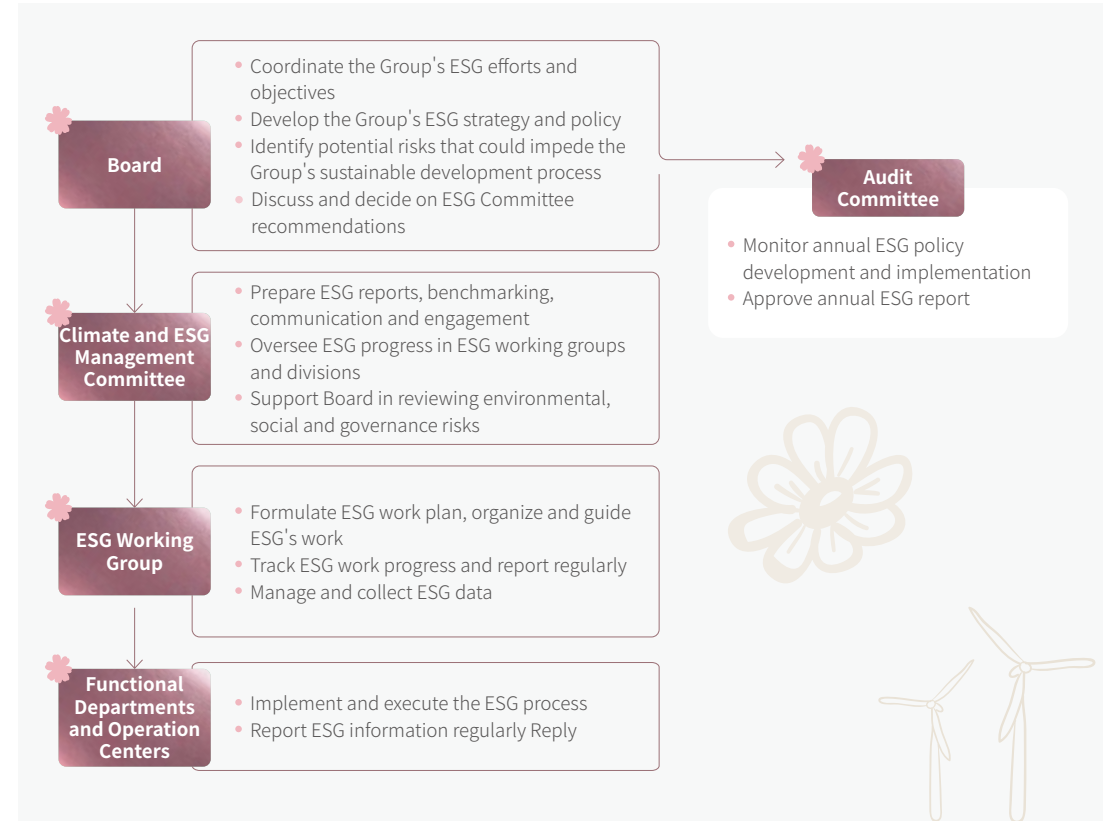
The directors assume ultimate oversight responsibility for the Group's ESG strategies. The Board reviews the Group's ESG policies, targets and performance on a regular basis and conducts at least one assessment each year of ESG and climate-related risks, with a particular focus on significant environmental, social and governance risks and opportunities, including those relating to climate change. This is to ensure that the direction of sustainable development is aligned with the Group's overall business strategies and that the reasonable concerns of stakeholders are duly addressed. The Board is also responsible for reviewing and approving material ESG matters and overseeing the performance of the management in relation to ESG matters.

The Climate and ESG Management Committee is responsible for formulating and implementing specific ESG strategies, targets and action plans, covering key areas such as environmental

management, social responsibility and corporate governance, so as to ensure the effective implementation of ESG initiatives. The committee convenes a meeting annually to report major matters and progress towards targets to the Board, enabling the Board to keep abreast of the implementation of the Group's ESG and climate-related strategies as well as market and policy developments, and to adjust implementation details as necessary to ensure that the Group operates in a sustainable manner in line with its ESG and climate strategies.

To enhance cross-functional coordination and execution efficiency, the Group has established an ESG working group comprising representatives from various business units. The working group is responsible for promoting and implementing ESG concepts within the organisation and enhancing the relevant management capabilities and execution standards.

Leveraging the above governance structure, the Group continues to foster a culture of transparent, prudent and responsible management to ensure that its business activities comply with ethical standards and sustainable development principles. We believe that, through clearly defined division of responsibilities and an efficient collaboration mechanism, the Group will continue to improve its performance in environmental, social and corporate governance aspects, strengthen its ability to address various challenges including climate change and create long-term and stable value for stakeholders.



In addition, the Board leverages the Group's risk and internal audit management systems to identify and assess various risks faced by the Group. For further details of the Group's approaches to managing relevant risks, please refer to Risk Management and Control section in this report.

1.2

Communication and Engagement with Stakeholders

The Group attaches great importance to communication and interaction with various stakeholders and is committed to enabling shareholders, employees, customers, suppliers, communities and government authorities to gain a full understanding of the Group's development direction, strategic planning and sustainable development objectives through timely and transparent information disclosure mechanisms. We recognise that the views and expectations of stakeholders have a significant impact on the Group's operational performance and long-term results. To this end, the Group continuously strengthens communication and engagement with internal and external stakeholders through various channels, such as regular meetings, thematic seminars and community activities, proactively collects their concerns and feedback and, where practicable, incorporates relevant suggestions into the Group's sustainable development strategies and decision-making processes, thereby enhancing the responsiveness and forward-looking nature of such strategies.



1.3

Materiality Assessment

During the Reporting Period, the Board engaged an independent third-party consultant to conduct a materiality assessment. By collecting and analysing the demands of stakeholders, the consultant helped the Group better understand their evaluation of and expectations for the Group's ESG performance. At the same time, we systematically identified and prioritised the Group's ESG topic list and focused on 16 material ESG topics by taking into account the findings from publicly available information, the key ESG concerns of the capital markets and domestic and international industry best practices. Based on the above assessment results, the Group reviewed its existing ESG strategies and internal control systems and formulated corresponding enhancement measures for the key risks and priority topics identified, with a view to improving its risk management capabilities and strengthening its overall resilience.

Corporate Governance

- 1 Governance Mechanism and Risk Management
- 2 Compliance Operation
- 3 Anti-corruption
- 4 Intellectual Property Right Protection

Supply Chain

- 14 Supply Chain Management
- 15 Responsible and Green Procurement

Environment

- 5 Climate Change Risk and Opportunity
- 6 Use of Resources
- 7 Emissions Management
- 8 Environmental and Natural Resources

Operation

- 16 Quality Management
- 17 Product and Service Diversity
- 18 Consumer Protection
- 19 Compliance Marketing and Advertising

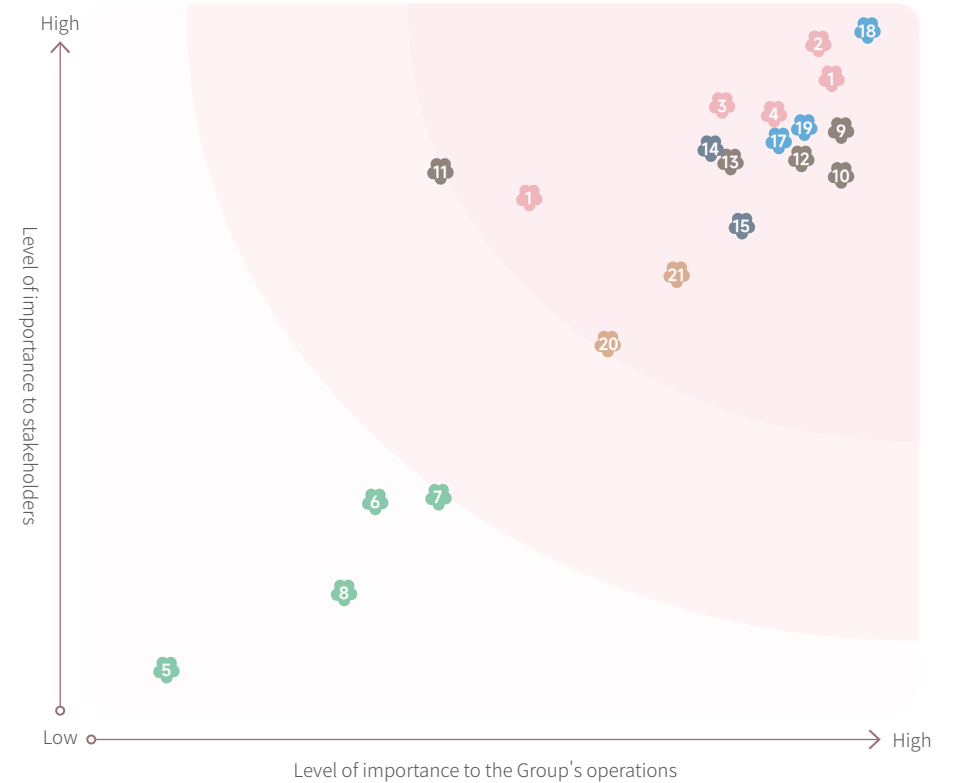
Employment

- 9 Compliance Employment
- 10 Child Labour and Forced Labour Prevention
- 11 Employee Care and Welfare
- 12 Occupational Health and Safety
- 13 Diverse Development and Training

Social Responsibility

- 20 Charity and Educational Donations
- 21 Contribution to Industry Development

2025 ESG Materiality Matrix

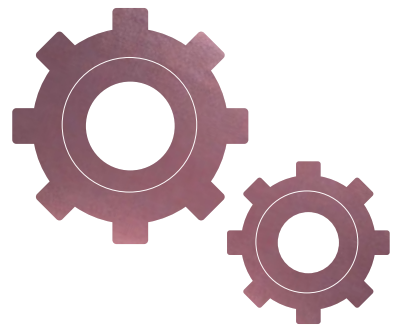


1.4

Governance Mechanisms and Diversity Policy

Governance Mechanisms

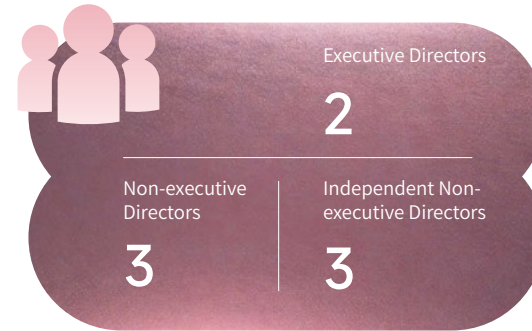
The Group strictly complies with Appendix C1 of the Hong Kong Stock Exchange's Listing Rules, the Corporate Governance Code, and the laws and regulations of the jurisdictions in which it operates. While safeguarding the interests of stakeholders and promoting steady business development, the Group continues to improve its corporate governance structure and deliberation mechanisms, thereby continuously enhancing its overall standard of governance. At the same time, the Group continues to optimise its internal management systems, further clarifying the division of responsibilities and authorities among the decision-making, execution and supervision levels, and establishing a solid institutional foundation and organisational safeguards for the Group's long-term development.



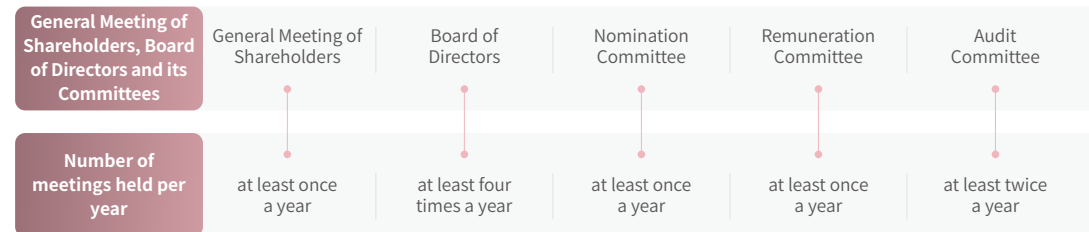
Governance Structure

The chairman of the Board leads and ensures the effective operation of the Board and the proper discharge of its duties. As the core of corporate governance, the Board is responsible for managing and operating the business, and bears responsibility for overall governance, supervision and regular review. It also oversees the Group's overall risk management matters to safeguard the long-term interests of the Group and its stakeholders. During the Reporting Period, as the shareholding structure was optimised, we introduced a more diversified and long-term investor base, which significantly enhanced the stability of our shareholding structure. The newly introduced strategic investors each appointed to the Group directors with profound professional backgrounds, bringing extensive industrial resources and an international perspective. Through the injection of their strategic experience and resource networks, additional momentum was provided for the Group's business expansion and enhancement of its value in the capital markets.

Board Members



The Board has established various committees which hold meetings on a regular basis, as illustrated in the chart below. For further information about these committees, please refer to our 2025 Annual Report.



Diversity Policy

To promote the sustainable and balanced development of the Group in the beauty industry, we continue to regard board diversity as a key issue for achieving our strategic objectives and sustainable development, and advance relevant work in accordance with the "Board Diversity Policy". This policy is reviewed regularly by the Nomination Committee and implemented through the setting of measurable objectives and the monitoring of progress, while recommendations are made on board retirement and succession arrangements prior to each annual general meeting. The Nomination Committee also takes into account matters relating to sustainable development to ensure that our Board members possess the appropriate skills and competencies to oversee such matters. We incorporate diverse perspectives into the nomination and appointment process of Board members, taking into comprehensive consideration factors such as gender, age, professional background, industry experience and skill sets, and adhere to the principle of meritocracy in order to enhance the quality and innovativeness of the Group's decision-making.

Enhancing Women's Influence

To promote gender diversity and enhance corporate governance, we continue to pay close attention to the gender composition of our Board members. During the Reporting Period, one of the newly appointed Board members was a female non-executive director. As a result, female members accounted for 25% of the Board of the Group, achieving our first-stage gender ratio target.

We also focus on the gender composition of the Group's management. As at the end of the Reporting Period, among the 41 senior management team members of the Group, 28 were women, representing 68%. By increasing the representation of women on the Board and within management, we further strengthen the fairness and transparency of our corporate governance, enhance the Group's reputation and set an example for the industry in promoting gender equality and diverse development.

1.5

Risk Management and Control

The management and control of risk factors in relation to the Group's strategic planning, business plans and actual operations form an important part of the Group's governance system. Leveraging a clear organisational structure and systematic institutional arrangements, the Group has enhanced its internal control mechanisms and continuously improved its risk identification and management capabilities.

The Group strictly complies with the Securities and Futures Ordinance issued by the Securities and Futures Commission of Hong Kong, the Listing Rules of The Stock Exchange of Hong Kong Limited and other regulatory requirements applicable to its place of listing. Taking into account its actual business conditions, the Group has formulated and implemented the "Risk Management System". On this basis, we continuously improve our risk management framework, systematically identify and assess key influencing factors, including those relating to sustainable development and, with reference to our evaluation manuals, management systems, control procedures and internal control manuals, promptly implement countermeasures to keep risks within acceptable levels and safeguard the stable operation of the Group.

Risk Management and Control Framework

The Group has established a clear risk management and internal control framework. The Board of the Group assumes overall responsibility for risk management and control, while the Audit Committee leads the Internal Audit Department, the Finance Centre, the Legal Department and the Medical Management Department in jointly forming the internal control and risk management system to manage the Group's major risks in a coordinated manner. The Internal Audit Department submits a risk management report to the Audit Committee every six months, covering risk identification, assessment and response measures, and discusses enhancements to the relevant work so as to identify and manage potential risks and safeguard the Group's assets.

Internal Audit System

The Group strictly complies with applicable laws and regulations and has formulated and implemented the "Internal Audit System" to effectively safeguard shareholders' investments and the Group's assets. The Board conducts regular reviews, assessments and feedback on the soundness, rationality and effectiveness of the Group's internal control systems.

Our internal audit department formulates an annual internal audit plan in line with the Group's annual work arrangements and conducts comprehensive inspections and assessments of the internal controls of the Group and its subsidiaries. It submits an annual work report to the Board, reports any significant internal control deficiencies or risks and supervises the timely rectification of relevant issues so as to reduce compliance risks. In addition, the internal audit department provides early warnings and recommendations for improvement to the management regarding internal and external risks of corruption and fraud, organises special rectification initiatives, strengthens risk awareness among all employees, continuously optimises the internal control system and mitigates operational risks. For further details of the internal audit system and the internal control and risk management systems, please refer to the Corporate Governance section of our 2025 Annual Report.

1.6

Compliance Operations and Integrity Building

Compliance Operations

Lawful and compliant operations underpinned by a strong sense of responsibility have a profound impact on the Group's healthy and long-term development. In the conduct of our businesses, we have formulated a series of policies and systems to ensure that our operations strictly comply with all applicable laws and regulations. The Group has established five compliance systems to ensure sustainable compliant operations and effectively control operational risks.

- Operational Qualification Compliance**
 - During the store location phase, checks are conducted on the rental site's qualifications, including property certificates, fire safety, and other relevant documentation.
 - All necessary qualifications and permits are completed before the store opens.
- Operational Personnel Compliance**
 - Medical staff are required to obtain respective physician practice licenses and nursing qualifications, and complete registration.
 - Frontline beauty therapists complete a mandatory 2 to 3-month professional training before commencing their roles.
- Operational Projects Compliance**
 - All cosmetics are registered and possess necessary import documentation that comply with their intended use.
 - Medical instruments and products used in medical projects possess the appropriate Class I, II, and III medical device certifications, and their distribution and production institutions hold the necessary operating and production qualifications for medical devices.
 - A supplier database is established to verify the qualifications of the suppliers, instruments, and products involved, and this information is recorded as necessary attachments in the master data system.
- Prepayments Compliance**
 - In accordance with relevant laws and regulations, a registration for single-purpose prepaid cards is completed.
 - Compliance for fund deposits is ensured through performance guarantee insurance, underwritten by Ping An Insurance Company of China.
- Information Security Compliance**
 - Systems involving customer identity information have completed Level 3 cybersecurity assessment and certification.
 - Systems dealing with general customer information have completed Level 2 cybersecurity assessment and certification.

Implementation of Internal Policies to Safeguard Compliance

We have formulated and implemented management policies such as the "Procedure for Handling Employee Violations and Disciplinary Infractions" and the "Disciplinary Measures for Employee Violations". In the event of any misconduct by employees or related personnel, the case must first be investigated and evidence must be collected by the Audit and Supervision Department, and then submitted to a joint panel comprising representatives from various departments for deliberation and determination of the nature of the misconduct, followed by a disciplinary decision. Disciplinary measures include financial penalties, position-related sanctions and disciplinary sanctions, which may be imposed separately or concurrently depending on the severity of the misconduct.

During the Reporting Period, the Group's legal and compliance team, leveraging its professional performance in building compliance systems and managing risks, was successively awarded "ALB China Top 15 In House Teams 2025" by Thomson Reuters and "Top 20 Most Promising In-house Legal and Compliance Teams of the 5th WELEGAL Legal and Compliance Ranking" by WELEGAL. These accolades place particular emphasis on the overall capabilities and practical effectiveness of corporate legal teams in compliance governance, risk management and business support, and reflect the recognition by external professional institutions of the effectiveness of the Group's legal and compliance system.

"Three Standards" Principle in Medical Aesthetics

CellCare believes in adhering to the "Three Standards" principle of "legitimate hospitals, licensed doctors, and approved medicines" to promote the compliance and safety of the industry. It has become a partner organisation in multiple industry product and equipment authenticity alliances. Currently, 27 clinics across 25 cities have been verified by the China Association of Aesthetic Medicine as part of the Three Standards Medical Aesthetic Platform. We commit to providing only genuine medical devices and equipment, with legal sources that meet quality and safety standards. Additionally, we ensure full transparency of doctors' qualifications and certification information, which is regularly updated through official channels.



Anti-corruption

System Building

The Group has always adhered to the principles of compliant operations and anti-corruption, strictly complies with the Anti-Unfair Competition Law of the People's Republic of China and Interim Provisions on Prohibition of Commercial Bribery and other applicable laws and regulations, and upholds integrity and probity. We have formulated and implemented management policies such as the Anti-fraud Management Measures to build the Group's anti-corruption system. During the year, we also launched mandatory online training courses for all employees of the Group to promote anti-corruption awareness.

Leadership and Supervisory Mechanisms of the Board

The Board of the Group assumes a core leadership role in the anti-corruption management system, urging the management to continuously strengthen the anti-corruption culture and ensuring a zero-tolerance approach towards corruption from the top down. The Integrity Leadership Group, comprising the chairman and senior management, is responsible for coordinating and overseeing the progress of relevant work and approving the handling of relevant cases and appeal matters. Functional departments such as the Finance Department, Legal Department and Internal Audit Department work together to implement compliance management requirements, while the heads of each department are responsible for managing potential corrupt practices within their respective departments.

We require that any promotion of senior management of the Group must be publicly announced in advance, and all parties may provide feedback through identified or anonymous channels. We ensure that any potential whistleblowing information is carefully verified and handled in a fair manner, thereby strengthening our integrity governance and supervisory mechanisms.

Anti-bribery Handling and Anti-money Laundering Management

We resolutely reject any form of bribery and take serious action against employees who violate integrity policies, with employment being terminated directly in severe cases. For suppliers that breach integrity provisions, we will issue warnings and place them under observation or suspend cooperation, depending on the severity of the circumstances. At the same time, in order to actively comply with the Anti-Money Laundering Law of the People's Republic of China, the People's Bank of China's Anti-Money Laundering Regulations for Financial Institutions, and the Anti-Money Laundering and Anti-Terrorist Financing Guidelines for Payment and Clearing Organizations and other applicable laws and regulations, we have formulated the Anti-money Laundering and Counter-terrorist Financing Management System. We continuously strengthen our anti-money laundering and counter-terrorist financing efforts and regulate the management of prepaid cards. For further details, please refer to the section headed Compliance Operations.

Special Audits and Process Optimisation

During the Reporting Period, the audit department of the Group, based on the existing risk management mechanism, carried out a special internal audit on the entire process relating to the Group's issuance of valuable vouchers/cards and non-valuable vouchers/cards and put forward recommendations for improvement. The Group also closely monitors legislative and regulatory developments relating to the administration of prepaid cards and participated in the consultation on the Implementation Measures for the Administration of Single-purpose Prepaid Consumption Cards in the Commercial Sector of Shanghai (Draft for Comments), during which it discussed with the drafting institution the various safeguarding measures and arrangements relating to its own prepaid card business.

Recognition of Beauty Farm as a "Five-star Demonstration Enterprise" for Single-purpose Prepaid Cards in Shanghai

Zhou Min, chief financial officer and company secretary of Beauty Farm, attended the annual meeting and the fourth general meeting of the third session of the Shanghai Single-purpose Prepaid Card Association and shared the Group's sustainable development practices in the management of prepaid cards in the beauty industry. As a leading enterprise in the domestic beauty industry and a company listed in Hong Kong, Beauty Farm has established a three-tier risk control system of "fund depository + insurance coverage + contract transparency" to ensure its long-term and steady development. Zhou Min believes that beauty enterprises should internalise compliance as a core competitive edge by proactively disclosing proof of fund depository, implementing a "cooling-off period" mechanism and setting up a fast-response customer service mechanism so as to gain market trust through standardised practices.



Anti-Monopoly Self-Assessment

In the context of tightening global antitrust regulations and China's ongoing improvements to its antitrust regulatory framework, Beauty Farm conducted an anti-monopoly self-assessment during the acquisition of Siyanli.

The purpose of the self-assessment is to ensure compliance with relevant laws such as the Anti-Monopoly Law, ensuring that business operations strictly adhere to legal requirements; to enhance the awareness of antitrust laws among management and employees while proactively preventing anti-competitive behaviour; to promptly identify potential compliance issues, mitigate legal risks, and avoid administrative penalties or civil litigation; and to build public and market trust in the Group through strong compliance performance, thereby establishing a positive brand image.

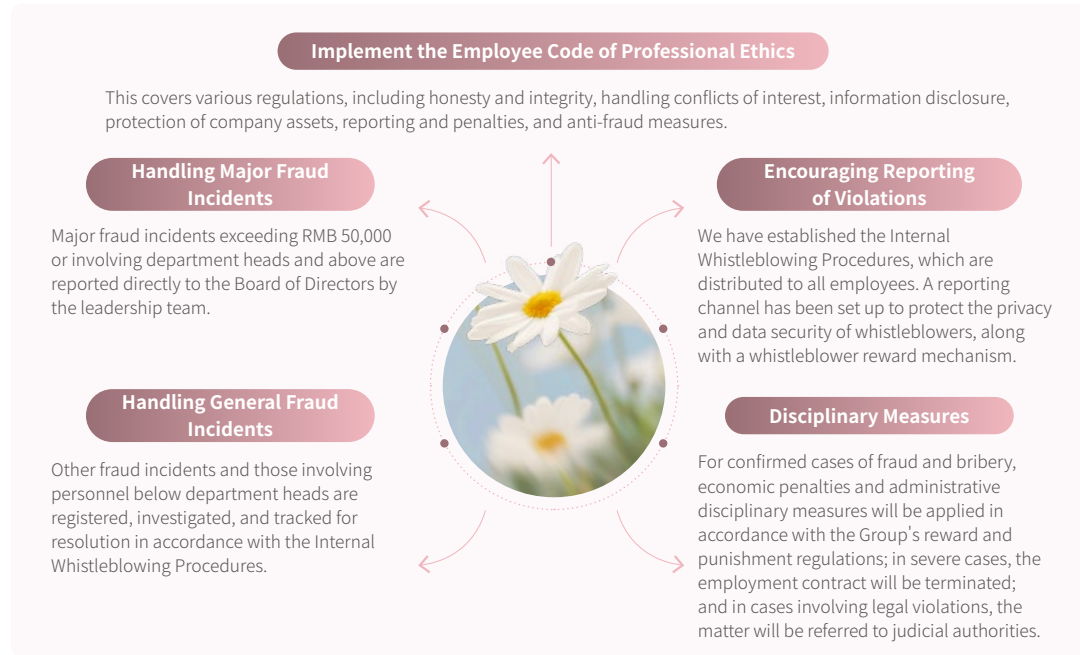
Following the self-assessment, the Group found no illegal or non-compliant activities, and both its business model and market strategies are in accordance with regulatory requirements.

Whistleblowing Management

The Group has established a systematic professional ethics and anti-fraud management framework through the implementation of codes of ethics and a well-developed whistleblowing management mechanism. We encourage employees to proactively report misconduct, and all whistleblowing cases are assigned to designated personnel by the internal audit department for follow-up. We are committed to strictly protecting the identity of whistleblowers, ensuring that access to identifiable information is kept to a minimum and preventing any retaliatory acts arising from improper handling of such information.

At the same time, we rely on a tiered handling mechanism to conduct timely, objective and impartial investigations and disposals of fraud-related matters, thereby safeguarding the security of the Group's assets and the integrity of its operations.

During the Reporting Period, the Group was not involved in any legal proceedings relating to corruption, bribery, fraud, deception or money laundering.



Reporting Channels				
Reporting Email	Reporting Phone	Reporting Department	Reporting Address	Other Channel
shenjibu@beautyfarm.com.cn	021-60953299 (Extension 8159)	Audit Department, Beauty Farm	12th Floor, East Tower, Raffles City, 1089 Dong Daming Road, Hongkou District, Shanghai	"Tree Hole Xiaomei" on Enterprise WeChat

During the Reporting Period

the Group was not involved in any legal proceedings relating to corruption, bribery, fraud, deception or money laundering.

"Tree Hole Xiaomei", direct channel of communication with executives

Beauty Farm has integrated with WeCom and continues to operate the "Tree Hole Xiaomei" account as a convenient channel for employee complaints and whistleblowing. The account is managed on a rotating basis by the human resources director and senior management, who respond directly to and promptly handle employees' feedback. This channel adheres to the principles of fairness and impartiality, strictly keeps employee information confidential and safeguards both the smooth operation of complaint channels and the privacy and security of employees. During the Reporting Period, 100% of employee feedback received responses.



Beauty with Balance, Safeguarding Responsibility and Trust

02



- Ensuring High-quality Services
- Innovation and R&D Ignite Market Competitiveness
- Consumer Rights Protection
- Supply Chain Management

2.1

Ensuring High-quality Services

Beauty Farm continues to prioritise the enhancement of service quality as a core focus and, on the premise of strict compliance with applicable laws and regulations, provides customers with services that combine professionalism with an enhanced experience. During the year, we continued to centre our efforts on the "Craftsmanship in Service" system and upgraded its key components to further advance our service quality enhancement plan. Anchored in the six quality pillars of "research - learning - production - training - competition - evaluation", this system takes into comprehensive account factors such as market research, customer rights and interests, service value, employee development and industry governance. It aims to create service experiences that embody both aesthetic value and emotional resonance, optimise service processes and execution standards and strengthen the consistency of service experiences and our capability for sustainable value creation.



Safeguarding Service Standardisation

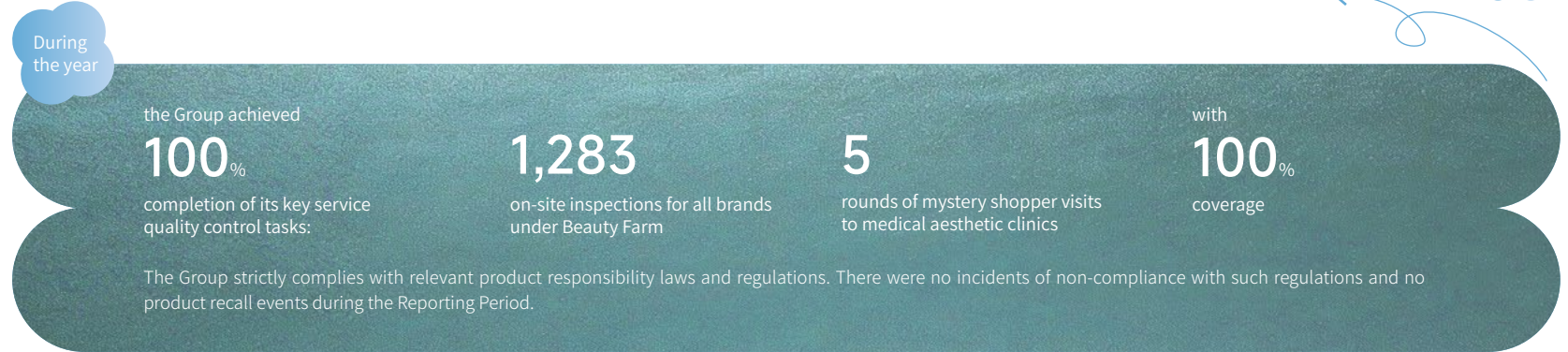
In respect of beauty quality control, we follow the "Beauty Quality Control Inspection Guidelines Manual of Beauty Farm", which covers more than 200 hardware management indicators. Serving as the basis for the daily operations of our stores and an important internal quality supervision reference, it ensures that store operations comply with uniform standards. During the year, the quality control team extensively updated and upgraded the sub-manuals and guidelines in areas including compliant operations, operating instructions, store space management, hygiene supervision, fire safety and market supervision, thereby ensuring that quality control work is carried out effectively, comprehensively and in a timely manner.

In respect of medical quality control, we have established an exclusive three-tier medical quality control management system and implemented a full-module cross-inspection mechanism for quality control at our medical institutions nationwide. This system adopts more than 130 medical quality control inspection criteria which are stricter than industry standards. Our quality control flying team and mystery shopper mechanism conduct cross-inspections of stores nationwide. From the head office to individual clinics and down to specific departments, all are managed and supervised under unified systems, forming a hierarchical and interconnected quality control structure to ensure that everything is kept "under control". The three levels of quality control are closely linked to ensure that medical aesthetic services are safe and compliant.

During the Reporting Period, we published three issues of the "Behaviours for Success Manual", adding 36 new heart-warming service scenarios around the concept of customer orientation. By systematically consolidating and structuring the practical experience of outstanding stores and frontline employees, we developed executable and replicable behavioural guidelines to further promote the standardisation of customer-oriented behaviours.



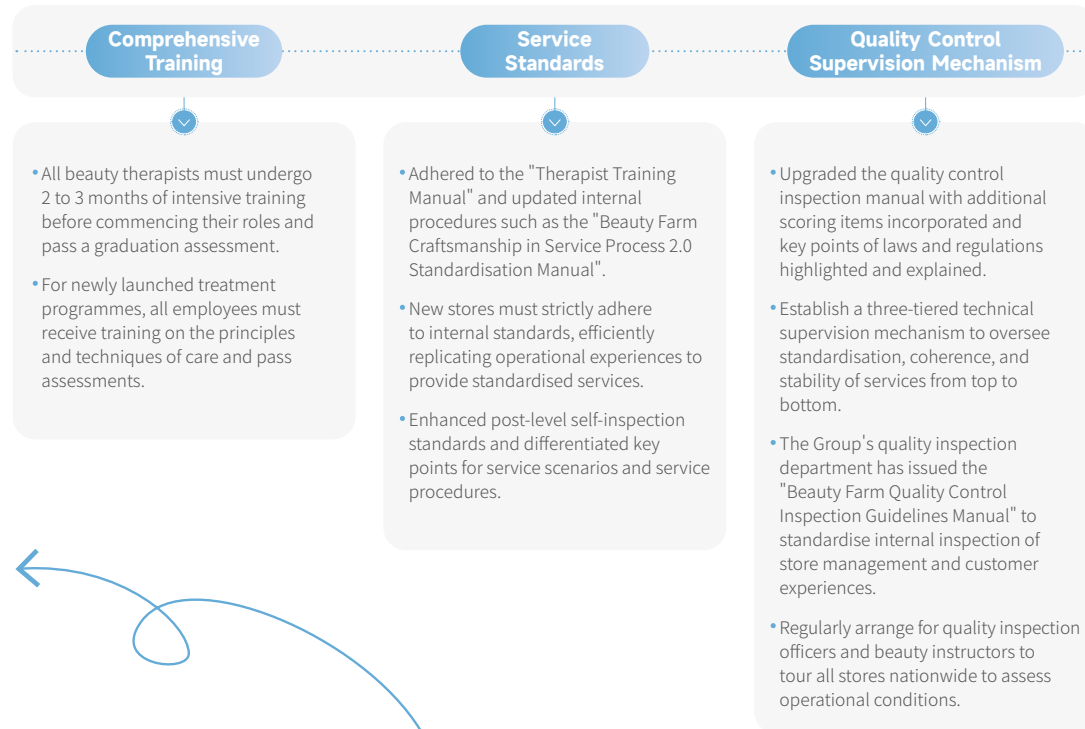
《获得成功行为手册3》全新发布!
再添36个暖心服务场景，每一招都可执行、可复制，助力推动你的成功。
翻开它，立即解锁！也欢迎分享你的客户导向行动清单，与伙伴们共同成长。



Beauty Service Quality

Standardisation of Beauty Services

To ensure service quality, we require our beauty business to provide each customer with a high-quality and consistent service experience. We have formulated detailed service procedures and operating standards that cover every stage from customer reception, consultation and service delivery to after-sales service. Through rigorous standardised procedures, we ensure that each service is carried out accurately and efficiently while maintaining a high level of consistency in service quality.



Service with Warmth

In terms of service scenario management, the Group continues to strengthen the standardised execution of care-related details. To address the issue that gel and mask products may create an icy sensation when used in colder winter temperatures, our stores have introduced product preheating procedures and wrist temperature testing prior to treatment, ensuring that the products are used on customers only after an appropriate temperature is reached. By standardising such procedures, this measure prevents discomfort during treatments and effectively enhances overall comfort and consistency in service experience. Through proactively identifying seasonal scenario differences and optimising relevant procedures, we put the "customer-oriented" philosophy into practice at the operational detail level and drive the upgrade of service quality from mere procedural compliance to experience optimisation.

Everlasting Voices, Deepening the Culture of Craftsmanship in Service

The Group launched the employee team-building campaign titled "Everlasting Voices, the Length of Service" across its self-operated stores nationwide, using the collection and selection of "service voices" as a platform to further deepen the philosophy of craftsmanship in service. The campaign covered employees of all self-operated stores nationwide. By collecting service phrases and heart-warming expressions from employees in different positions, it showcased the meticulous care and professional standards demonstrated by frontline employees in their daily services and facilitated the continual inheritance and upgrading of the "Craftsmanship in Service" culture within the organisation.



Equipment Assurance

To safeguard the safety of medical equipment and the rights and interests of customers, we have established an Equipment Service Centre to implement full life-cycle management of equipment, covering model selection and procurement, installation and acceptance, asset management, maintenance and repair, standardised use, allocation and transportation, as well as disposal and scrapping. At the same time, we strictly implement an inspection and maintenance regime for equipment, formulate an annual maintenance plan for each store, and carry out at least two proactive maintenance services each year in key cities.

Quality of Medical Aesthetic Services

Medical Aesthetic Quality Control Management

The Group strictly complies with the Practicing Physicians Law of the People's Republic of China, the Physicians Law of the People's Republic of China, the Nursing Regulations and other healthcare-related laws and regulations, and places medical quality and safety as its top priority. In addition to being subject to supervision by external government authorities such as the local market supervision bureaus and health commissions, we ensure that all medical and nursing personnel possess valid and compliant qualifications and complete registration in accordance with the applicable laws in relevant regions. All doctors are required to complete standardised operational training provided by the corporate university and pass the Group's internal assessments before they can formally assume their duties.

The Group has formulated and implemented a comprehensive set of management documents to ensure the standardisation of pharmacy management systems through multiple measures. The management of pharmaceuticals is strictly regulated at each stage from procurement and storage to dispensing. We have established systems for monitoring and recalling adverse drug reactions and place emphasis on the management of drugs approaching their expiry dates to ensure that issues are identified and addressed in a timely manner. At the same time, we have put in place supervisory and disciplinary mechanisms to ensure that employees perform their duties in accordance with the relevant requirements.

Medical-Related Quality Control Standards and Systems

Compilation of Medical Aesthetic Management Regulations 2024 Annual Three-Tier Quality Control Plan National Medical Quality Control Inspection Checklist

Quality Control for Dermatology Composite Micro-Aesthetic Medical Records	Pharmaceutical Management Regulations
Medical Record Management System	Drug Procurement Regulations
Case Quality Control Standards	Equipment and Instrument Management Regulations
Prescription Quality Control Standards	Medical Device Approval, Acquisition, and Acceptance System

In our daily operations, we have established a bi-weekly meeting system for medical managers. During these meetings, participants are required to regularly review compliance issues identified during operations and inspections, and to conduct targeted training based on key inspection content.

Medical Quality and Safety

Proprietary Physician Development System — Two-Category, Five-Level Physician Development System

Based on brand positioning and standardized delivery, our medical institutions have developed a rigorous training and assessment framework, the "Two-Category, Five-Level Physician Development System". This system comprises a multi-tier curriculum integrating general professional competencies and specialty-specific capabilities, and has supported continuous expansion of our professional teams. We have assembled over 150 highly competent physicians, together with more than 100 nurses and allied health professionals. By standardizing clinical practices and pursuing robust risk control and compliance assurance, we safeguard medical safety and quality.

Hospital Infection Management

To ensure the safety of medical services, we have established systematic and standardized management across environmental control, instrument procurement, inventory management, medical waste disposal, and epidemic reporting. By formulating tiered protection standards, strictly implementing occupational exposure protection procedures, and delivering infection-prevention operational training, we comprehensively protect the occupational safety and health of medical staff and ensure a safe and efficient medical environment.

The Naturade brand under the Group has formulated the "Compilation of Hospital Infection Control Systems of Naturade Group" tailored to its business characteristics, as a comprehensive reference for management systems. During the Reporting Period, key initiatives were centrally upgraded and deployed, including nationwide head-nurse professional skills training, occupational exposure prevention and emergency response, and medical waste storage and transfer management.

Medical and Nursing Training

Training covers key areas including institutional policies, quality control, operating protocols, and applicable laws and regulations, with the aim of enhancing the quality and safety of medical services. Specialized training topics include medical safety and procedural workflows, new technologies and new programs, hygiene and infection control, and equipment and consumables management, comprehensively elevating the team's professional capabilities and operational standards. The Medical Affairs Department conducted the 2025 annual medical and nursing training. In addition to monthly centralized sessions, a total of 13 specialized nursing trainings were held during the year, with an aggregate of 693 attendances. We will continue to deliver comprehensive training in future years, update content in a timely manner, and schedule training plans in advance.



Occupational Exposure Protection

- Develop tiered protection standards for medical personnel based on different work scenarios.
- Strictly implement occupational exposure protection and reporting processes.
- Conduct hospital infection knowledge training tailored to different positions.

Environmental Management

- Conduct comprehensive monitoring of hospital infections, ensuring strict adherence to disinfection and isolation protocols in all departments.
- Implement corresponding environmental sanitation and cleaning standards based on regional risk levels to maintain a clean environment.

Procurement of Instruments and Supplies

- The Group centrally procures disposable medical instruments, standardising the review, evaluation, procurement, acceptance, storage, and post-use handling processes.
- New products undergo a selection process and quality testing lasting several months before launch.
- Carefully select medical fabric laundering service providers, standardising fabric handling procedures and conducting monitoring.

Inventory Management

- Utilize an enterprise resource planning system to implement overall inventory management, recording inventory levels and past purchasing data in detail.
- Closely monitor the shelf life of all products and medical instruments, ensuring safe disposal per applicable laws and regulations once products expire or instruments reach the end of their usable life.

Medical Waste Disposal

- Clearly define medical waste management responsibilities, standardising operations at all stages to prevent contamination and disease transmission.

Epidemic Reporting Management

- Designate responsible reporters and strictly adhere to reporting regulations for infectious diseases, ensuring proper documentation.
- Implement infectious disease prevention measures, isolating and disinfecting patients and their surrounding environments to prevent the spread of infectious diseases.

Enhancing Service Satisfaction

Intelligent Platform to Enhance Experience

The Group has developed the service satisfaction function into a data-driven, intelligently coordinated professional middle-office. In this process, and based on the Group's business characteristics, we self-developed the "Wind Chime System". The system serves multiple teams by integrating quality-control inspections, satisfaction evaluations, the mystery shopper program, and the 400-hotline work-order system, enabling functions responsible for customer satisfaction to obtain role-appropriate data and tasks on a single platform. Through AI-driven, omni-channel customer experience management, it achieves "instant capture of the customer's voice" and "seamless transmission of needs", so that customer experience management is no longer confined to a single department and drives business units to jointly close the loop.

System Features		Expected Outcomes	
Unified foundation	standardized capabilities for questionnaires, work orders, and BI	Consistent experience	unified standards across multi-brand and multi-clinic operations, supporting "integrated group operations"
Decoupled modules	independent invocation and modular function composition	Agile responsiveness	time from customer voice to organizational response shortened from "days" to "hours"
Data closed loop	unified end-to-end view from collection and analysis to action	Precision in improvement	shift from "experience-based guesswork" to "data-driven pinpointing", directing resources to the most critical experience pain points
AI-driven	enhanced automation and insights	Winning growth	build a brand moat through differentiated experience and reduce reliance on price promotions

Satisfaction Evaluation System

To ensure the effective implementation of product and service quality, the Group adopts the "Beauty Farm Satisfaction Evaluation System". Leveraging multiple dimensions, including customer feedback, third-party inspections, and internal inspections, and guided by "strong rules, strong standards, and strong execution", it provides feedback on the implementation of product and service quality and enables adjustments and improvements to relevant service processes and standards.

Customer Satisfaction Management Process



Diversified Customer Feedback Channels

To safeguard customers' interests, we obtain customer feedback through multiple channels, measure satisfaction, and collect service issues.



level I	Satisfaction Evaluation System				
level II	Customer Experience	Mystery Shopper Check	Quality Control Inspection	Point Deduction for Complaints	
level III	Service Evaluation Questionnaire	Total Score	Total Score	Number of Complaints	
level IV	NPS	Satisfaction Rating Score	Mystery Shopper/Check Total Score	Quality Control Inspection Total Score	Serious/Crisis General Complaints

In 2025

the Group's service quality assurance system delivered strong results:

- The coverage rate of service evaluation questionnaires pushed via the mini-program was **100%**
- and the overall questionnaire response rate was **8.13%**
- representing an increase of **3%** compared to the previous year and maintaining an industry-leading level
- For questionnaires with a score of **8** or below (out of a maximum of 10), the coverage rate of closed-loop processing via manual follow-up with customers reached 100%
- The NPS for beauty and wellness and medical aesthetics reached **89.06%**
- and the overall customer satisfaction of the Group reached **85.87%** and **97%** respectively

Mystery Shopper Mechanism

We have implemented an active quality control mechanism using mystery shoppers in the beauty service sector for consecutive years, and introduced the mystery shopper system to the medical aesthetics industry for the first time, which now covers all brand stores under the Group. This system conducts unannounced visits to the stores from the perspective of third-party customers, focusing on verifying whether the actual service processes of the stores are strictly executed in accordance with the "Craftsmanship Service Process", thereby strengthening the implementation of service standards and the management of experience consistency.

During the year, the Group iteratively updated the mystery shopper questionnaire for direct-operated traditional beauty stores, further improved the customer satisfaction evaluation nodes throughout the entire process, expanded the service quality evaluation before and after nursing services, and continuously enhanced the effectiveness and rationality of mystery shopper inspections on the basis of optimally aligning with the "Standardization Manual for Craftsmanship Service Process 2.0".

During the Reporting Period, we further explored the mystery shopper mechanism, publicly recruiting "Experience Officers" from members of the Beauty Farm brand to collect feedback on actual customer experiences, providing multi-dimensional perspectives for the further optimization of customer experience.



Reasonable Marketing and Promotion

The Group strictly adheres to the principles of reasonable marketing, ensuring that promotional content is authentic, accurate, and complete when formulating marketing strategies, and strictly prohibits any form of exaggerated promotion or false information. The Group focuses on maintaining communication with consumers through multiple channels, fully safeguards consumers' rights to independent choice and informed consent, and insists on providing services guided by the actual needs of customers.

We treat every customer equally and emphasize the dual importance of rationality and professionalism in the medical aesthetics business sector, avoiding recommending high-consumption, large-dose, or highly invasive procedures to customers in pursuit of short-term gains. During the procedure planning stage, we start from the interests of the customers, striving to prioritize regimens with the minimum dose and minimum trauma while ensuring the desired effects. We pay close attention to intraoperative comfort and postoperative recovery, and avoid inducing impulsive consumption by customers that could lead to potential health issues and dispute risks, thereby effectively safeguarding consumer rights and interests.

To strengthen the standardized management of marketing activities, the Group implements a unified promotion management mechanism. Before the launch of any activity, the headquarters uniformly develops and distributes promotional materials, specifying the promotional content and execution standards to ensure a consistent communication tone across all stores. During the activities, the headquarters assigns dedicated personnel to conduct inspections, checking the deployment of promotional materials and the execution of activities at various stores, and requires stores to upload photos of on-site material setups for verification, ensuring that all store promotions comply with regulations. Any non-compliant behaviors identified are reported in a timely manner and rectification is urged to maintain the brand image, as well as the standardization and consistency of marketing activities. Specifically, with the popularization of online communication, we have formulated internal policies such as the "Guidelines on the Use of AI-Generated Content for External Promotion", and the "Code of Conduct for Employee Social Media" to standardize the compliance of online promotions.

Internal Regulations on Reasonable Marketing at Beauty Farm

Category	Document Name	Main Content
Standard Regulations	Content Compliance Execution Manual	Standardises the content of printed materials and market promotions.
	Promotional Material Compliance Management Measures	Standardises the production and management of promotional materials.
Notices and Announcements	Notice on Correctly Guiding Customers to Check-In, Save, Evaluate, and Regulate Prize Sales During Marketing Activities	Standardises customer guidance behaviour and prize sales in marketing activities.
	Notice on Matters Related to Font Usage in External Promotion	Regulates the use of fonts in external promotions.
Educational Awareness	Reminders on 315 Hot Topics and Precautions	Interpreting past 315 hot topics, and providing reminders on precautions related to business operations.
	Store Promotion Notice Points	Provides positive and negative case studies, language norms, and educational awareness regarding negative impacts.
Review Processes	Content Compliance Review Process	Conducts content compliance reviews for promotional materials.
	Internal Three-Review Process for Promotional Materials	Implements a three-step review process for promotional materials.

Promoting Female Emotional Expression and Self-Growth

Beauty Farm collaborated with the variety show "Say I Love You at Sunset", focusing on female emotional expression and self-growth as core themes. Through authentic and diverse female narratives, it conveyed positive values regarding self-identity, holistic well-being, and life choices, supporting women in realizing their self-worth across multiple roles and encouraging them to bravely pursue freedom and independence.

We adhere to a dual emphasis on content-driven engagement and value leadership, avoiding over-exaggeration or the creation of anxiety, and advocating for a healthy and rational lifestyle. This brand initiative led to a continuous increase in nursing appointment bookings across all platforms, with the main topic's total online views reaching over 380 million; the total exposure across all online omni-channel platforms reached over 4.5 million times; and the total search volume for variety show-themed packages across all platforms exceeded 500,000, climbing to become the top-selling package in stores.



Digitalization Empowers Efficient and Precise Services

To more effectively understand customer needs, enhance core competitiveness, and drive industry innovation and upgrading, the Group has incorporated digital transformation into its key development strategy. We strictly adhere to the requirements of the Cybersecurity Law of the People's Republic of China, the Data Security Law of the People's Republic of China, the Personal Information Protection Law of the People's Republic of China, Hong Kong's Personal Data (Privacy) Ordinance, and other relevant laws and regulations, regulating data collection, storage, use, and transmission activities, and implementing responsibilities for personal data protection. While advancing digital construction, the Group simultaneously strengthens its information security management system, established a leading group for the Information Security Committee, published and implemented the "Beauty Farm Information Security Management Master Plan" along with its supporting company policies, such as the "Personnel Security Management System", "Software Development Security Management Specifications", "Terminal Secure Use Specifications", "Network Security Management System", and "System Security Management System", providing institutional safeguards and risk prevention and control support for digital operations.

Building Information Security

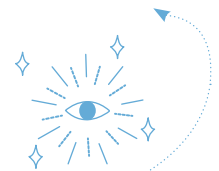
The Group consistently regards information security as one of its core priorities, comprehensively strengthening data protection and information security management to ensure that sensitive information pertaining to customers, employees, and partners remains free from threats. To this end, we have implemented a multi-layered security protection system, encompassing various aspects such as data encryption, access control, network protection, and vulnerability detection, ensuring the integrity, confidentiality, and availability of information. In terms of information management, the Group adopts standardized processes for strict data classification and control. All critical information systems utilize advanced firewalls and encryption technologies to ensure data security during transmission. Concurrently, the Group regularly conducts information security training to enhance employee awareness of data protection, ensuring that every employee adheres to the Group's security policies and prevents both internal and external threats.

The Group continuously advances the development of its information security system, building a comprehensive protection framework that covers system, data, and application layers, centered around its technological architecture and security foundational capabilities, to address increasingly complex information security risks. By introducing proactive and intelligent security defense mechanisms, the Group continuously enhances its ability to identify and protect against potential threats, thereby safeguarding the security and stability of its technological infrastructure. We have established a Web security vulnerability scanning platform to conduct regular security assessments of business systems, identify potential risks such as high-risk vulnerabilities, high-risk ports, and weak passwords, and promptly carry out remediation and reinforcement, continuously improving the overall security level of the systems.

To address evolving cybersecurity risks, the Group has established a comprehensive risk assessment mechanism, regularly conducting security vulnerability scans and system penetration tests to promptly identify potential security vulnerabilities and implement corresponding preventive measures. Regarding specific measures, we adopt a strategy of 'defense in depth and layered protection', optimizing and upgrading existing measures to achieve the objectives of effective protection, precise control, secure storage, and complete record-keeping, and supplementing measures not yet implemented based on the security roadmap.



Information Security Announcement



Safeguarding Customer Privacy

The Group fully recognizes the sensitivity of customer personal information and health data, and considers data security and privacy protection as one of its core principles. We establish a tiered authorization management mechanism in accordance with relevant laws and regulations, only authorizing trained employees who require access for work purposes to view customer information at corresponding levels, and record operation logs through the system for traceability.

In the process of customer information collection and use, we reinforce "informed consent" management, clearly indicating the purpose of information use and storage rules, and provide channels for customers to modify, update, and cancel relevant information. Furthermore, we regularly conduct data security and privacy protection training for relevant employees to enhance overall compliance awareness and professional ethics, thereby safeguarding customer trust through robust governance practices and laying a solid foundation for the Group's long-term sustainable development.

Digital Integrated Service Platform

The Group continues to increase its investment in digitalization, closely integrating digital development with its overall business strategy to ensure technological planning aligns with business development directions. While ensuring technological advancement, the Group continuously improves its digital management systems according to actual business needs, promoting the synchronized upgrading of management processes and system capabilities. Currently, the Group has established a digital integrated service platform, integrating multiple functions such as store management, information management, finance and inventory, employee training, and OA system. This platform enables cross-channel information integration, consumer preference analysis, customer communication, and end-to-end management, establishing a refined digital management system and building a sophisticated operational framework to support efficient business operations and sustainable growth.



Digitalization Enhances Service Experience

In 2025, Naturade successively launched new services across the four seasons – "Dampness and Fatigue Buster", "Primal Energy Organ Balance", "Pain Point Reliever", and the "Twelve Meridians Intelligent Conditioning" family – precisely addressing bodily needs. Concurrently, the launch of the Health Cloud Map and the All-Skin Intelligent Analyzer comprehensively enhanced the visualization and analysis capabilities of skin conditions. Warm and specific details such as "two cups of tea", "three layers of scent", and "15 minutes of relaxation" collectively converge to form beautiful healing memories.



AI Empowers Digital and Intelligent Upgrading

The Group regards Artificial Intelligence as a crucial engine for driving digital and intelligent upgrading. Through a methodological framework of "deconstructing business – matching capabilities – implementing tools", we systematically clarified the integration path of AI technology with business scenarios, defined the phased directions for AI application, and offered 15 specialized AI capability-building training courses through our corporate university.

In terms of data security management, the Group is progressively establishing a data security operation system tailored for AI application scenarios, improving data storage and cleansing standards, and standardizing data full lifecycle management. For the transmission, storage, and large model application processes involving sensitive data, we implement end-to-end security protection measures to mitigate risks such as prompt injection and data poisoning. By continuously optimizing the authorization management mechanism, strengthening sensitive data access control, we enhance the regularity and controllability of data usage.



Online Operations and Customer Insight

We explore optimizing content production and evaluation analysis processes through AI tools to empower digital marketing and customer management. For operational pain points on different platforms, we batch-generate high-quality content tailored to platform characteristics, enhancing dissemination efficiency and brand exposure. Simultaneously, AI can automatically capture and analyze multi-platform review data, generating operational optimization strategies for review and assisting in optimizing customer relationship management and service processes.

AI Intelligent Appointment Model

An AI intelligent appointment model is established to comprehensively analyze core data such as bed resources, therapist schedules, customer flow structure, appointment cancellation rates, and reception duration, forming dynamic optimization solutions. The system, through precise "person-venue-time" matching logic, identifies peak and off-peak customer flows, dynamically adjusts scheduling and resource allocation, thereby improving bed utilization and human efficiency levels.

Customer Manager Training and Sales Support

An AI-driven dynamic knowledge support system is built to promote talent development, assisting in generating communication recommendations based on customer profiles and supporting real-time retrieval of project information, thereby enhancing sales professionalism and service efficiency. Through the application of structured knowledge bases and intelligent recommendation mechanisms, the Group gradually shortens the onboarding period for new hires, improves new product training efficiency, and promotes revenue structure optimization and service quality enhancement.

Naturade Intelligent Beauty and Wellness System 2.0 Upgrade

As a significant benchmark case for the Group's AI practice, Naturade continues to advance the iterative upgrade of its intelligent beauty and wellness system. This year, we independently developed and launched the industry's first self-training large model – the "Beauty and Wellness Intelligent Brain" AI Xiaonai, assisting employees in providing efficient services.

The upcoming Intelligent Beauty and Wellness 2.0 system covers five major modules: intelligent detection, reporting, recommendation, conditioning, and feedback, fully realizing the digital management of user health data. This system has been 100% applied in core projects, significantly reducing the time required for integrating and analyzing detected data, and ensuring data traceability and long-term tracking. This system integrates modern technological means with Traditional Chinese Medicine concepts, offering customized conditioning solutions to customers and achieving the synergistic application of technology and tradition.

Digital System Performance Highlights

Core system online rate

>99.96%

43

business-related digital systems

Business system self-developed rate

>77%

Timely response rate for service requests

>98%

System monitoring coverage rate

100%

Production and R&D efficiency improvement

>30%

During the year, our digital platform achieved a record of

zero information security incidents



2.2

Innovation and R&D Ignite Market Competitiveness

To continuously enhance market competitiveness, the Group regards innovation and research & development (R&D) as core driving forces. Leveraging the "BU R&D Department Work Management System", we systematically advance multi-channel R&D efforts in the beauty and wellness and medical aesthetics sectors. We formulate multi-category R&D and new product launch plans annually, conducting monthly tracking and evaluation of project progress, and coordinating resource allocation and technological optimization through regular thematic seminars. Concurrently, the Group actively introduces external experts and professional institutions to collaborate, jointly enhancing technological R&D capabilities and professional standards, and continuously strengthening the innovation prowess of products and services to meet the continuously changing market and customer demands.

Organizational Innovation Incentives

To stimulate organizational innovation vitality, the Group has formulated a series of innovation incentive mechanisms. To encourage frontline innovation processes, the Group has established a unique technology reporting channel for upward feedback from regional clinics, allowing grassroots practical experience to be systematically accumulated, providing a realistic basis for subsequent technological R&D and optimization. Concurrently, the Group has established the title of "Technology R&D Officer" for medical aesthetic items, recognizing and incentivizing experts and doctors who achieve technological improvements, successfully translate them into practice, and create commercial value. Through institutionalized innovation incentive mechanisms, the Group continuously promotes the effective integration of technological innovation and business applications.

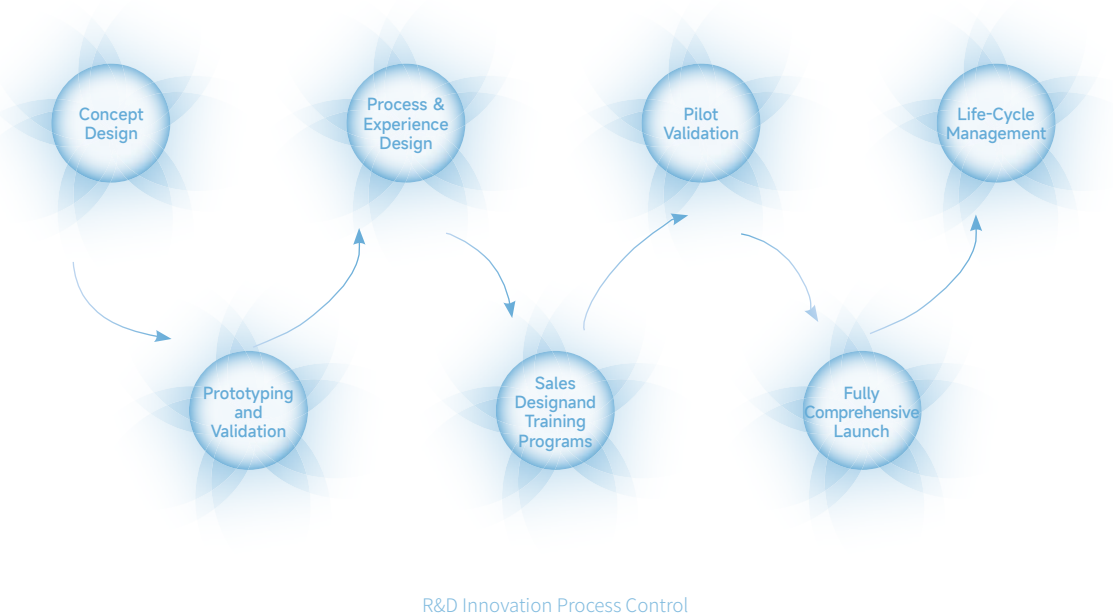
Self-developed R&D to Enhance Technical Strength

R&D Investment and Innovation Achievements

Leveraging multi-channel collaborative R&D, the Group continuously strengthens its R&D capabilities, actively fosters and promotes an internal culture of innovation. Relying on its extensive store network and deep customer insights, we have shifted from passively accepting upstream supply to proactively engaging in collaborative self-development and reverse customization, driving joint R&D with high-quality upstream resources to enhance product and service quality.

R&D New Product Management System

The Group's beauty and wellness and medical aesthetics projects all adhere to a rigorous R&D new product launch process, starting from concept design, progressing through prototyping and validation, and finally being fully introduced to the market. Through policies such as the "New Product BU Review Process and Mechanism", "New Product Traceability Process and Mechanism", "Product Testing Feedback Process and Mechanism", and "Product Research IPD Process", the Group has established a comprehensive R&D new product launch system, achieving full lifecycle management of its projects.



We are committed to promoting the improvement of women's health. Based on this objective, the Group has independently developed a series of women's menstrual cycle care projects, aiming to help women maintain optimal physical and mental well-being at various stages of their menstrual cycle through scientific and personalized care solutions. This series includes four categories of care products, specifically designed for different phases of the female menstrual cycle. Each series targets the physiological changes during the female cycle, providing precise skincare and conditioning solutions, incorporating natural plant ingredients to ensure product safety and efficacy.



Collaborative R&D to Solidify Scientific Research Foundation

Building upon its in-house research and development, Beauty Farm collaborates with suppliers and academia to jointly develop beauty projects suitable for Naturade's existing service system and clientele. In the beauty and wellness sector, we adopt a diversified expansion model of "global selection + first launch of globally renowned brands + joint innovation with international laboratories". In the medical aesthetics sector, we focus on in-depth specialized research with experienced doctors and industry experts, emphasizing the philosophy of expertise, specialized research, and a focus on native beauty. As of the end of the Reporting Period, the Group has established a multi-level scientific research cooperation system, such as partnering with Naturade and seven Traditional Chinese Medicine (TCM) institutions to establish a Women's Health Research Center, jointly building a Gynecological Collagen Research Center with Neology and Fudan-Jinbo, and setting up a Gynecological Clinical Training and Exchange Center with Medlander, thereby solidifying its scientific research foundation.



● Neology Awarded "Shanghai Huangpu District Enterprise Technology Center" Certification ●

Neology, the medical health brand under the Beauty Farm Group, has established a systematic organizational structure and cross-departmental synergy mechanism, covering R&D, operations, and marketing. It has achieved standardized management throughout the entire process from project initiation to outcome transformation. The brand's technology center is led by an expert who received the first prize in a national "14th Five-Year Plan" key project. The R&D team comprises over 20 doctors graduated from renowned domestic and international universities and over 50 professional nursing staff, demonstrating strong technical capabilities. In the past three years, Neology has accumulated 15 intellectual property rights, providing robust support for the Group's continuous innovation.

In terms of industry-academia-research collaboration, Neology Women's Special Care Center was officially established in 2022 at Yifeng Bund Source, Shanghai. In the same year, the "Fudan-Jinbo Functional Protein Education Base" was established, continuing to safeguard the health of women, and actively promoting the transformation of scientific research achievements and the cultivation of high-end talents. Both parties also conduct joint research in frontier fields such as gene recombination technology, accelerating the application and implementation of this technology in women's health, and injecting new momentum into the technological progress of the enterprise and even the industry.



● Jointly Creating a New Experience in High-End Clinic Services ●

During the Reporting Period, the Group reached a strategic cooperation with Shiseido China, becoming the first strategic launch platform for RQ PYOLOGY, Shiseido China's first technology-driven skincare brand specifically developed for Asian skin. Together, we are creating new technology-driven skincare solutions for high-end Chinese women.

Naturade, with its nationwide network of high-end commercial districts, grasps the entry point to the lifestyle of high-end women, deeply understanding customers' personalized skincare needs. Meanwhile, RQ PYOLOGY, based on its original "Skin Rhythm Score" evaluation system and full-cycle scientific product system, constructs quantifiable and verifiable professional skincare solutions. The combination of the two transforms cutting-edge technology into a tangible professional service experience, jointly providing science-based, full-lifecycle skincare solutions for high-end Chinese women.



Infrastructure Provides Hardware Assurance

The Group continuously improves its infrastructure for medical and health services. It has gathered over 200 professional physicians and, combined with the Group's over 150 patented technologies, provides solid medical backing for each service. We, through an integrated traditional Chinese and Western medicine sub-health medical system, break the boundaries of traditional beauty and wellness, and have launched multi-domain, full-cycle solutions. Relying on standardized diagnostic and treatment environments, interdisciplinary professional teams, and advanced detection and intervention capabilities, we continuously enhance the professionalism and safety of service delivery, providing solid, sustainable technical assurance for the implementation and iteration of innovative projects, thereby consolidating the foundation for the Group's long-term high-quality development.

Dual-Medical Flagship Clinic Provides Technical Support

During the year, the "Beauty Farm Medical" integrated flagship clinic, jointly created by the Group's medical aesthetics service brand CellCare, sub-health medical service brand Neology, and high-end intelligent beauty and wellness service brand Naturade, grandly opened in Guangzhou.

As the Beauty Farm Group's largest and most comprehensive dual-medical flagship clinic to date, this inauguration opens up a path for demand upgrading, further providing medical aesthetics services and sub-health medical services to beauty and wellness customers. It focuses on building an integrated traditional Chinese and Western medicine sub-health medical system, specifically establishing Traditional Chinese Medicine specialty consultation rooms. Addressing the deep demand for health preservation and wellness among customer groups like Naturade, the system integrates natural therapies such as TCM constitution identification, meridian conditioning, and medicinal diet therapy. Combined with functional medicine testing data, it provides "one-person-one-prescription" integrated anti-aging solutions. Through a nationwide interdisciplinary team of experts, it satisfies customers' dual needs for precise Western medical intervention and TCM conditioning, providing more comprehensive solutions in women's special care and chronic disease prevention.

At the opening ceremony, Medlander Group (688273.SH) and Jinbo Bio-Pharmaceutical (832982.BJ) awarded the clinic the honorary titles of "Designated Clinical Training and Exchange Center for Gynecology", "Benchmark Base for Gynecological Research and Training", and "Women's Health Management Practice Center". Concurrently, Kangnuo Bio and Meiyitian jointly bestowed upon the clinic the title of "2025 NAD+ Strategic Partner" and the qualification of "Joint R&D Strategic Cooperation Unit for Gut Microbiota".



Intellectual Property Protection

The Group highly values intellectual property management, considering it a core element of its innovation capabilities and market competitiveness. We strictly adhere to laws and regulations such as the Trademark Law of the People's Republic of China, Patent Law of the People's Republic of China, and Measures for the Administration of Internet Domain Names, implementing measures including:

Comprehensive Monitoring

Utilizing information technology means such as databases for real-time monitoring of intellectual property;

Risk Response

Proactively formulating contingency plans for trademark and patent rights protection and related work;

Legal Protection and Utilization

Ensuring that technological innovations and creative achievements are legally protected and fully utilized.

We standardize the management of various types of intellectual property, including trademarks, patents, and domain names:

- Formulating the "Intellectual Property Application System" to clarify application procedures and principles;
- Conducting intellectual property training for R&D personnel;
- Ensuring timely application for patents, trademarks, and other intellectual property rights for innovative achievements;
- Regularly conducting review and maintenance to prevent intellectual property infringement risks.

During the Reporting Period, we did not experience any severe infringement of third-party intellectual property rights, nor did we receive any notifications regarding significant intellectual property infringement or disputes.

2025 Intellectual Property Overview	2025
Registered Trademarks	620
Patents Granted (Utility Models)	83
Patents Pending (Inventions)	34
Patents Pending (Utility Models)	15
Copyrights of Software	56
Copyrights of Artworks and Other	24

2.3

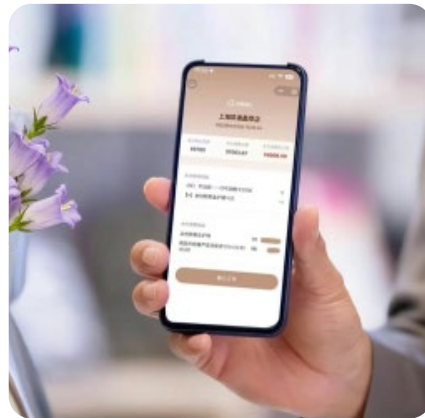
Consumer Rights Protection

The Group consistently regards consumer rights protection as an essential component of its sustainable development. We continuously enhance service transparency, dedicating ourselves to building a more open, fair, and trustworthy consumption environment. We constantly optimize service processes and digital capabilities, strengthen the safeguarding of consumers' rights to information and choice, and elevate the overall consumption experience and trust foundation. Through standardized service processes, clear fee structures, and convenient information inquiry channels, we genuinely address consumers' core concerns during the consumption process, thereby promoting a simultaneous improvement in service quality and customer satisfaction.

● Transparent Consumption – Promoting the Establishment of a Transparent Consumption Mechanism ●

To enhance the level of consumer rights protection and strengthen the transparency and traceability of the consumption process, the Group is advancing the construction of its "Transparent Consumption" system. This system aims to perfect the consumer service management mechanism by focusing on information disclosure, visible processes, and data retention.

Before consumption, the Group clearly explains service project content, price composition, and relevant rights through standardized information display and explicit notification mechanisms, ensuring consumers' rights to information and choice. During consumption, through standardized service processes and synchronized information recording mechanisms, we ensure that the service content is consistent with the agreement. Post-consumption, consumers can inquire about consumption records, project usage, and account balances via online platforms, achieving full-process retention and traceability of consumption information.



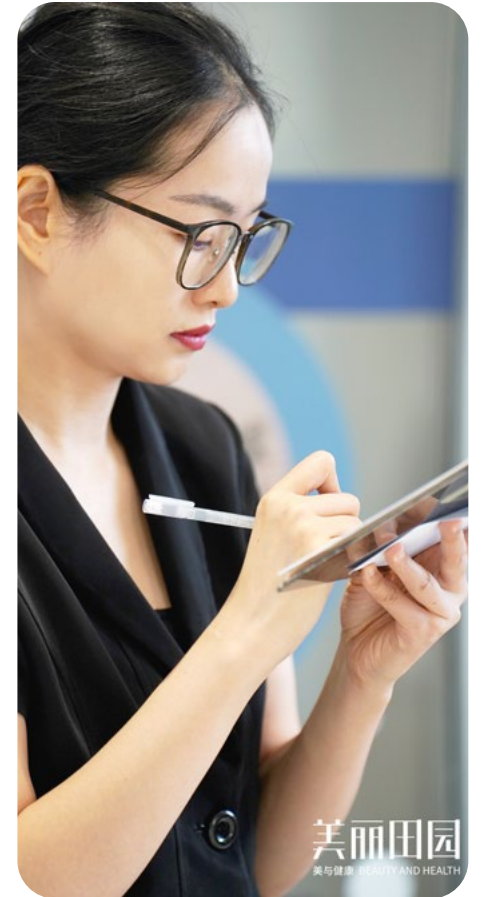
Customer Complaint Handling

Multi-channel Complaint Collection and Tiered Response Mechanism

The Group accepts customer complaints through multiple channels, including 400 hotlines, mini-programs, and third-party platforms. Related work orders are centrally managed by the Group's CRM department. Immediately after reception, the system automatically assigns them to the corresponding store manager or store supervisor. If not processed within the stipulated timeframe, they are automatically escalated to the headquarters' customer service for follow-up, ensuring timely response to customer complaints. The Group explicitly stipulates that all service-related customer complaints must receive an initial response within 24 hours and be processed within 3 working days. After processing, the headquarters' customer service conducts a follow-up call to determine whether to formally close the case based on customer feedback. Should the customer still have objections to the resolution, the work order re-enters the processing flow until the issue is properly resolved, forming a closed-loop management mechanism.

Standardized Complaint Handling System

The Group strictly classifies and handles customer complaints in accordance with the "Customer Complaint Handling Manual" and the "Customer Service After-Sales Complaint Handling POS". This covers types such as non-crisis beauty treatment handling, crisis beauty treatment handling, non-crisis medical aesthetics handling, and crisis medical aesthetics handling, ensuring efficient resolution of complaints.

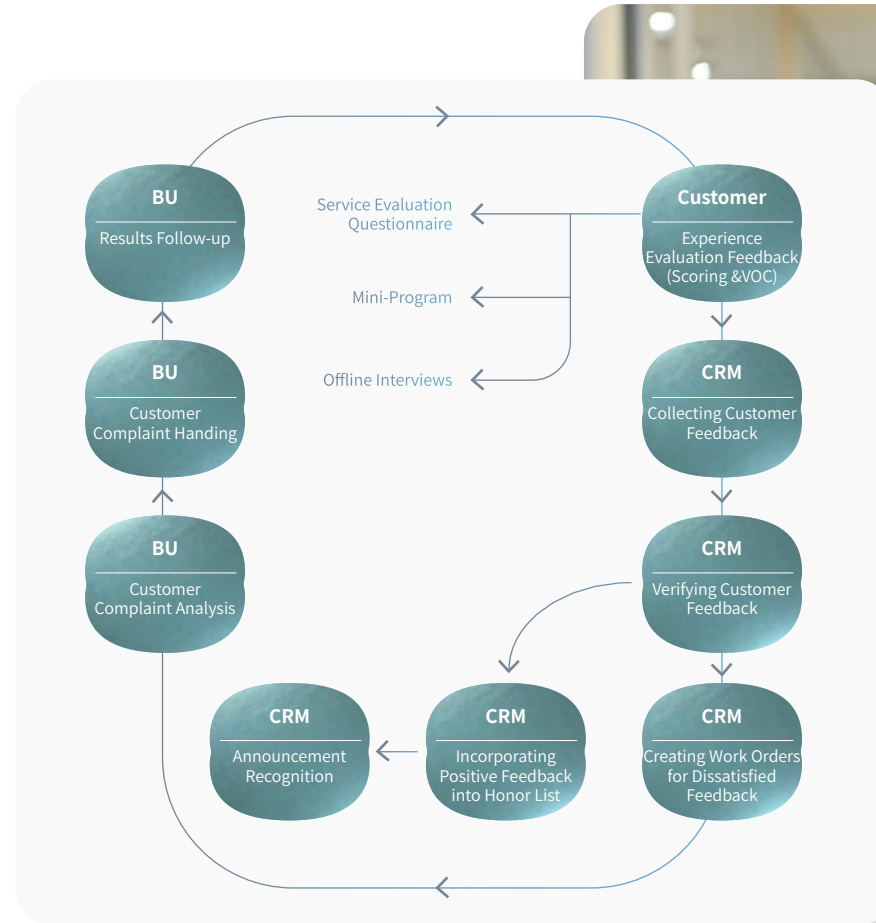


Continuous Improvement Mechanism

To mitigate the risk of customer complaints arising from inadequate communication, the Group engages experts to provide targeted guidance and training to stores. This is done through case studies and simulated scenarios, enhancing employees' ability to handle customer complaints and improve communication. Based on data collected and resolution outcomes from the Beauty Star system, the CRM department regularly focuses on problem rectification and summarizes cases. It updates the handling system and manuals, and distributes the updated content to all business departments. Concurrently, through regional and Group operational meetings, online and offline experience sharing is conducted, promoting the implementation of rectification measures and forming a continuous improvement and closed-loop mechanism for customer satisfaction management. During the Reporting Period, the Group received a total of 2,952 valid customer complaints, all of which have been closed.

During the Reporting Period

the Group received a total of **2,952** valid customer complaints **all** of which have been closed.



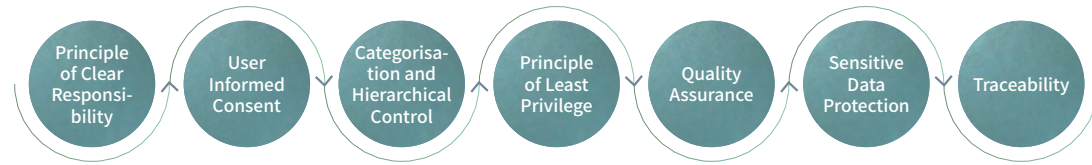
CRM Customer Feedback Handling Process



Consumer Privacy Protection

The Group places high importance on customer privacy protection, adhering to the "Information Security Protection Management Regulations". We adopt an information classification management system, combined with medical-related quality control standards and policies (details can be found in the "Medical Aesthetics Service Standardization" section), to regulate employee codes of conduct. Simultaneously, we utilize digital platforms for data storage and protection, minimizing unnecessary human access to information, thereby maximizing control over potential information disclosure from multiple perspectives.

The Group upholds seven key principles for customer information and implements multiple safeguards, such as regular system checks, enforcing password policies, recording server access, conducting network access verification, verifying user authorization, and performing data backup and recovery tests, to protect data assets and prevent unauthorized network access.



Note: For more information on the seven key principles of customer information, please refer to the Group's 2023 ESG report.



Information Classification Management

In accordance with laws and regulations and the necessity of customer information usage, we classify customer information into basic information, transaction and asset information, identity information, and personalized information for tiered management. Except for basic information, other categories of information are isolated by internal firewalls and are only accessible to consultants directly serving customers and necessary supervisors.

Employee Management

New employees receive data security onboarding training, and existing employees regularly participate in training to enhance their understanding and implementation of data security policies. Before employee departure, they are required to clear any customer information they possess and adhere to confidentiality requirements for a certain period after leaving.

Customer Information Access Permissions

Strictly adhering to the principle of least privilege, we control information collection, storage, and use, thereby reducing internal circulation. The scope of management includes both in-service personnel and outsourced service providers. We have formulated the "Information Security Outsourcing Operation and Maintenance Management System" to mitigate outsourcing risks. Third parties must sign contracts and confidentiality agreements before obtaining sensitive information, and during outsourcing activities, information is approved for use according to the "least authorization" principle.



During the Reporting Period

the Group did **not** experience any customer data leakage incidents that caused significant adverse impacts on its business, financial condition, or operating performance.

Franchise management

The Group strictly selects franchisees to ensure that their brand positioning is highly aligned with the Group's, their geographic location creates synergies with the target market, and they adopt the same operational systems as directly-operated stores. In regions with multiple franchisees, a "New Franchisee Commitment" must be signed to ensure franchisees adhere to the Group's terms regarding operations and business ethics.

Strict Management to Ensure Service Quality

Key Measures for Franchise Store Management

Selection of Franchisees

- Conduct background checks and hold discussions with potential franchisees.
- Carefully select franchisees based on several criteria:
 - Financial status;
 - Commitment to the Group's philosophy and brand concept;
 - Personal involvement in the operation of the franchise store; and
 - Relevant experience, local knowledge, and resources.

Training and Integration

- Employees working in franchise stores must undergo technical training.
- Training standards are the same as those for directly-operated stores.
- We reserve the right to retrain employees who do not qualify.

Review of Operational Performance

- Set several reference factors for franchisees' sales targets or incentive measures:
 - Monthly average product orders and turnover; and
 - Regularly review relevant operational data of franchise stores through the platform system.
- Use digital systems to monitor the rationality of business data.

Platform System

- Franchisees should use a unified membership platform system to maintain a consistent brand image and concept.
- The system provides real-time monitoring of franchise stores' business performance, inventory levels, and customer feedback.

Procurement

- Franchisees must purchase products, equipment, and consumables from us or designated suppliers.

Continuous Quality Control and Supervision

- Regularly conduct on-site visits to franchise stores and require franchisees to submit reports periodically.
- Ensure that franchise store operations comply with our standards.

Franchise Store Operations

- Franchisees should adhere to the Group's uniform decoration standards and select contractors from the Group's approved supplier list.
- Franchisees must follow the operational, service safety, and quality control standards.
- Provide guidance prices that are consistent with those of directly-operated stores.



Franchisee Support and Empowerment

The Group continuously improves its full lifecycle empowerment system. Centering on franchise strategies and talent resource allocation, it builds a systematic, replicable support mechanism to help partners achieve high-quality development. In the preparatory stage for opening, we provide franchisees with site selection analysis services based on market research and commercial district evaluation, along with a unified product and equipment distribution system, and standardized design and renovation guidance, ensuring efficient store opening. In terms of talent empowerment, the Group, relying on its two major training centers in Beijing and Wuhan, has established a full-process human resource management system from recruitment and selection to the delivery of professional talent, helping franchisees quickly build professional teams. At the operational level, the Group has created the "Omni-domain Intelligent-Driven Franchise Empowerment Engine", providing multi-dimensional support from new customer acquisition, marketing, and operations and maintenance. It also enhances stores' professional capabilities and strengthens market competitiveness through technical guidance, systematic personnel training, and promotion guidance. Concurrently, the Group has built a diversified business support platform to achieve shared brand resources and membership systems, strengthening traffic synergy effects. We also provide refined operational management support and data analysis services, helping franchisees continuously optimize their business strategies and achieve high-quality development.

As of the end of the Reporting Period

the Group had **261** franchised stores

conducted **337** third-party franchise inspections during the year

and achieved a **100%** completion rate for quality control reviews



Industry Collaboration and Co-building, Empowering Beauty Industry Ecosystem Upgrading

During the Reporting Period, the Group, in collaboration with Sihuan Pharmaceutical, jointly hosted the "Letybo X CellCare Youth Experience Day" investor event, engaging in in-depth discussions on medical aesthetics product innovation, compliant industry development, and capital market trends. The event was attended by multiple securities firms and institutional investors, promoting information sharing and strategic synergy between upstream and downstream players in the industry chain. The Group leverages its "dual beauty + dual wellness" business model and its "organic growth + M&A" dual-wheel driven strategy to unleash its leading effect. The Group strengthens cooperation with pharmaceutical companies and industry partners, exploring paths for product innovation and professional capability co-building, continuously elevating industry service standards.



New Franchised Store Operational Training Session

On September 15, 2025, PALAISPA successfully held its "3rd Operational Training Session for New Franchised Stores" in Beijing. Focusing on key aspects of new store operations, it delivered standardized and replicable operational methodologies to franchise partners from regions including Beijing, Chongqing, Wuhan, and Hangzhou. The training covered three core modules: operational practice, team building, and digital tool application, specifically addressing operational challenges during the store's cold start phase and enhancing the store's ability to quickly scale up and achieve sustainable profitability. Through the continuous implementation of such training programs, the Group continuously improves its franchisee support system, promotes synergistic development between the brand and its partners, and contributes to building a healthy beauty industry ecosystem.



2.4

Supply Chain Management

Management System and Policies

Beauty Farm places great importance on its cooperation with suppliers, working together to advance business development based on the principles of "Beauty and Health." In order to strengthen procurement management, the Group has established a Procurement Committee chaired by the Strategic Support Director, with members including board members and relevant heads of the Procurement, Finance, and Legal Departments. The Committee is responsible for formulating and implementing procurement strategies, ensuring efficient and transparent procurement processes, product compliance, and the development of green procurement policies. The Committee also has a Tender Working Group, which is specifically responsible for organizing tenders, managing the evaluation process, and supervising the execution of procedures.

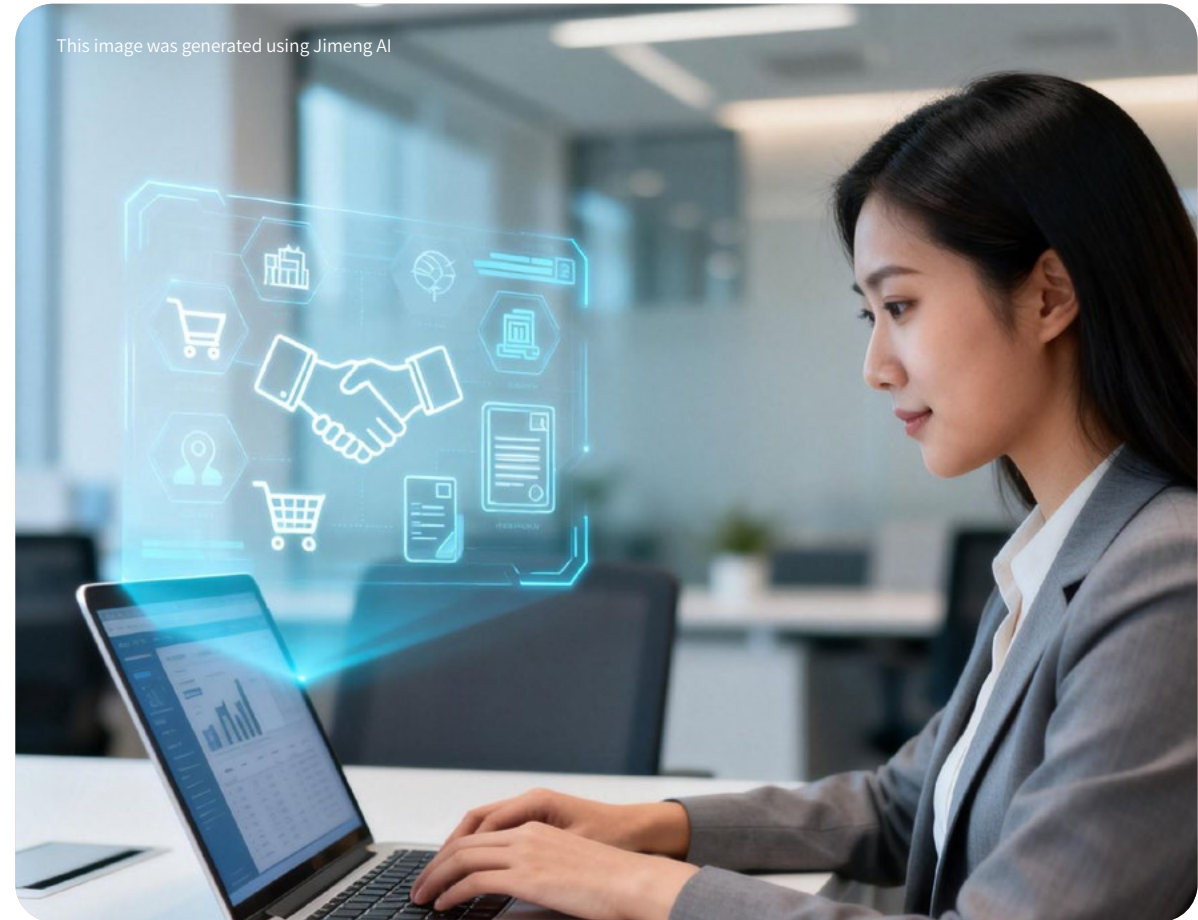
The Group has developed a series of management policies, including the "Procurement Management System", "Supplier Admission System", and "Tender Management System", which establish a comprehensive lifecycle management process for all types of suppliers, covering procurement, acceptance, payment, and exit procedures.

Supplier Review

Before selecting a supplier or service provider, we require suppliers to fill out the "Supplier Basic Information Form", which is initially reviewed by the Supply Chain Department. The content covers aspects such as environmental impact, labour conditions, fraud prevention, and sustainability performance. Each department in the Group may recommend suppliers through a fair, transparent, and public admission process, diligently carrying out the review and recommendation functions, and submitting the "Qualified Supplier Recommendation Form" to the Group's supply chain to ensure the quality of newly introduced suppliers.

To ensure the accuracy and authenticity of the data, we conduct on-site visits to suppliers as needed. Based on the "Supplier Evaluation and Assessment Management System", we complete the evaluation process across multiple aspects, from the system's objectives and scope of application to the division of responsibilities, assessment evaluation, results execution, and work requirements. Only suppliers who pass the evaluation will be included in the "Qualified Supplier List". All qualified suppliers are required to sign the "Integrity Cooperation Agreement", prohibiting any form of bribery or corruption, as well as high-cost banquets and various entertainment activities that may affect impartial performance.

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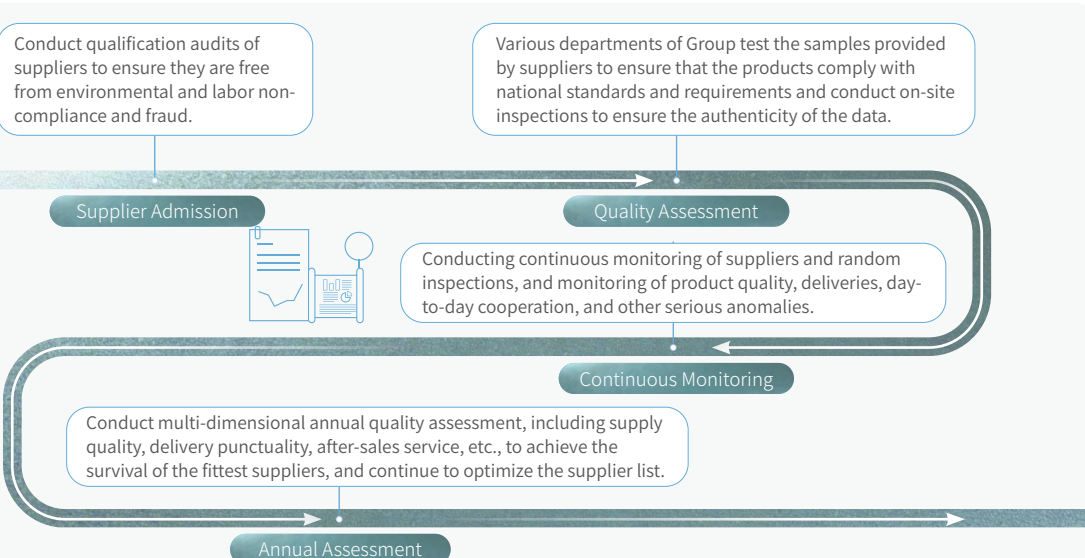
Supplier Procurement Management System

The Group relies on the ERP system and follows the processes outlined in the "Quality Management System for Imported Non-Specialised Cosmetics", "Procurement SOP", "Supply Chain Product Sampling Inspection System", "Fund Approval Authority", and other procedural norms. These processes systematically manage six key areas: procurement basic data, procurement management, outsourcing management, warehouse management, and financial management. Additionally, in accordance with the regulations, the Group conducts internal audits on procurement execution semi-annually and annually to strengthen supervision and compliance management. The Supply Chain Department continuously monitors suppliers, focusing on product quality, on-time delivery, daily cooperation, and other significant anomalies (such as fraudulent behaviour during cooperation or negative media exposure). If issues are discovered, and after

approval from the Procurement Committee, the Group will revoke the qualifications of the relevant supplier and include them in the "Non-compliant Supplier List", halting further evaluations to continuously optimise the supplier structure and ensure the stability of the supply chain.

We regard the digital strategy as the core support for efficient supply chain operation. The Group has now established a fully digital foundation with the "Planning — Procurement — Fulfilment — Support" complete supply chain system. Through utilisation efficiency. From warehousing and distribution to store sign-offs in over 100 cities, the entire process of tens of thousands of orders each year is visualised, ensuring transparent fulfilment while significantly enhancing response speed and operational reliability.

Supplier Evaluation System



Medical Device and Pharmaceutical Procurement

For suppliers cooperating in the healthcare services sector, we strictly verify their medical device manufacturing licenses, medical device operation permits, and other compliance qualifications to ensure that all qualifications are complete and accurate. At the same time, for the medical devices and pharmaceuticals procured, we confirm individually that they possess the corresponding legal qualifications, preventing any qualification flaws, and ensuring the safety and compliance of the healthcare service supply chain.

Engineering Procurement Management

The Group has developed the "Engineering Project Process Management System" to ensure the compliance of project operations and effectively safeguard the quality, safety, and investment returns of engineering projects. The system covers the processes and management requirements for project initiation, design, tendering and cost estimation, construction, completion acceptance, and additional items. The processes for project initiation and additional items are regulated as follows:

Project Initiation Process:

The Strategic Development Department gathers information to create the "Store Project Initiation Review Basic Information Confirmation Form". The investment group then reviews the project feasibility study results and makes decisions; and

Additional Item Process:

The process involves a review of the clarified requirements and post-completion acceptance of the overall project, ensuring that additional items are reasonable and costs are compliant.

Management System Verification

The Group focuses on the management system development of its partners, incorporating certification status into the evaluation of professionalism and reliability, to ensure the provision of high-quality medical services to our clients. Our partner, Beatech Healthcare, a service provider for stem cell and immune cell-related technology research and storage, has achieved triple ISO certification, meeting international top-tier standards:



ISO 9001: Quality Management System Certification



ISO 14001: Environmental Management System Certification



ISO 45001: Occupational Health and Safety Management System Certification

Responsible Procurement

Responsible procurement is a crucial component of the Group's sustainable development strategy. We are committed to integrating high standards of ESG requirements into our procurement management system. Through a standardized supply chain management mechanism, we aim to implement and enforce social and environmental responsibilities throughout the procurement process. The Group emphasizes establishing long-term, stable partnerships with suppliers, maintaining continuous communication, and clearly outlining ESG-related improvement requirements to encourage suppliers to enhance their management practices. Through collaborative efforts, we jointly promote the standardization and sustainable development of the entire industry chain.

Supplier Selection and Management

Selection Criteria

We have gradually expanded the scope of the "Supplier ESG Questionnaire" and prioritize selecting suppliers with a strong social responsibility track record and those that meet sustainable development standards, focusing on compliance in areas such as environmental protection, labor conditions, and ethical standards.

Supplier Requirements

Suppliers are required to adhere to fair trade principles, respect employee rights, avoid the use of child labor and forced labor, and encourage the implementation of environmental protection measures to reduce resource waste and carbon emissions. We also promote green procurement and the use of renewable materials.

Collaboration and Evaluation

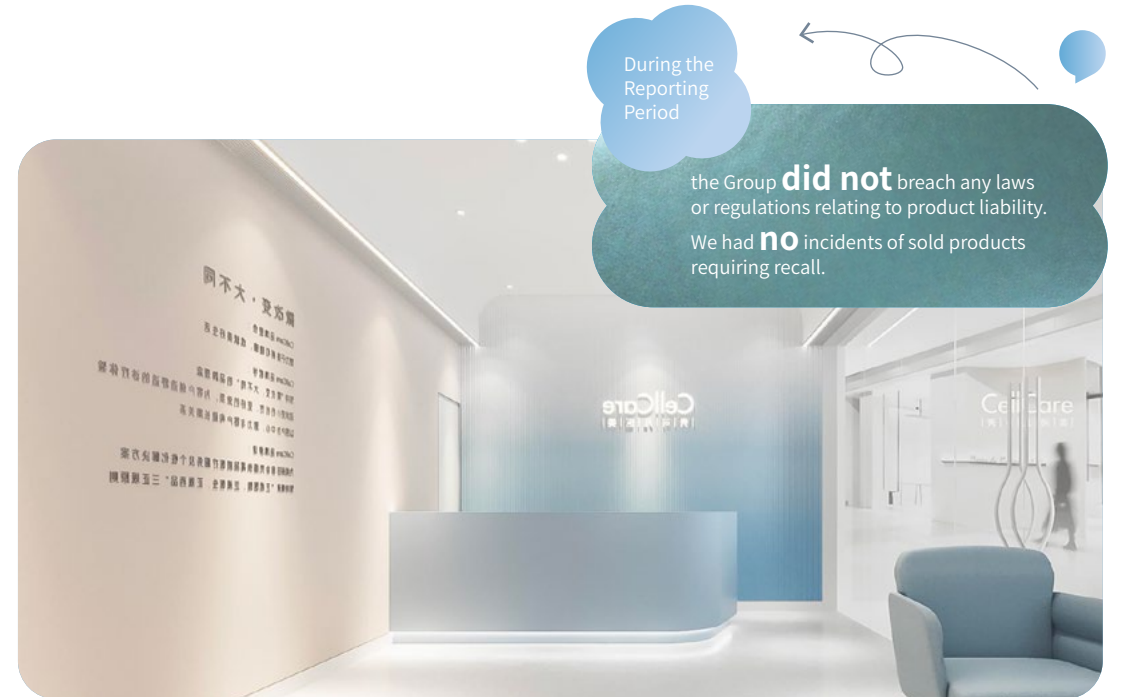
By establishing long-term cooperation and regular evaluation mechanisms, we maintain close communication with suppliers, assist them in improving their environmental and social responsibility management practices, and work together to promote the overall progress of the entire industry chain.

Co-creating Sustainable Supply Chain Value

The Group continues to advance the supply chain system towards high quality and sustainability by transforming the traditional procurement function into an integrated "procurement and innovation" model. We development, reverse customization, and co-building laboratories. This approach fosters product innovation and the efficient allocation of resources. Furthermore, by leveraging user data to drive product development, we continually optimize product performance and safety, create differentiated product systems, and shift the supply chain from a security-oriented to a value-creating model. These efforts provide strong support for the Group's long-term stable development and sustainable value creation.

Supply-chain emission-reduction practices

In supply chain emission reduction, the Group advances green logistics by optimising logistics modes and promoting packaging reuse. During the Reporting Period, we further expanded urban coverage on the existing basis and promoted the "city shuttle" delivery model in Shanghai, Beijing, Shenzhen and Chengdu, adopting a weekly consolidated delivery approach to reduce store receiving frequency and warehouse outbound frequency, thereby lowering energy consumption in transport. Meanwhile, in Shanghai and Beijing we replaced single use kraft cardboard boxes with reusable returnable transit boxes to achieve packaging circulation. This measure has improved operational efficiency while effectively reducing resource waste.



During the Reporting Period

the Group **did not** breach any laws or regulations relating to product liability. We had **no** incidents of sold products requiring recall.

Advancing with Beauty, People-oriented at Heart

03



In the development philosophy of Beauty Farm, employees are not only an essential force in enterprise operations but also the core partners driving the Group's sustained growth. We continue to improve the career development system, providing employees with a diversified growth platform to support their professional skills and personal value enhancement. We firmly believe that the collaborative progress of employees and the Group is the foundation for the long-term stable development of the enterprise.

Through systematic internal training and development planning, the Group offers employees continuous learning and skill enhancement opportunities. We attach great importance to the career development of female employees, adhering to the principle of fairness in talent management, eliminating gender barriers, improving promotion and development channels, and creating an equal and inclusive working environment, enabling female employees to fully unleash their potential and achieve career growth.

- Employment
- Remuneration System and Protection of Rights
- Beautiful Workplace, Vibrant Culture
- Work-Life Balance
- Development of Career Progression System
- Occupational Health and Safety
- Social Contribution

3.1

Employment

We strictly comply with the following employment laws and regulations of the PRC:

- the Labour Law of the People's Republic of China;
- the Labour Contract Law of the People's Republic of China; and
- the Social Insurance Law of the People's Republic of China.

To standardise recruitment management and unify recruitment criteria, the Group has promulgated the "Recruitment Management Policy". In order to prevent the illegal employment of child labour, underage workers and forced labour, job applicants are required to provide valid identity documents to the Group's human resources department, and the Group conducts background checks before and after employment to ensure that job applicants possess legal working qualifications in the locality. If any breach of labour laws or regulations is identified, the Group will immediately terminate the relevant employment contract and handle the matter in accordance with the law.

Equal opportunity: The Group is committed to equal opportunity, diversity and anti-discrimination and strives to create a fair, respectful and inclusive working environment. The Group attaches importance to gender equality and assigns positions and provides corresponding remuneration based on employees' rank, work experience and performance.

Non-discrimination policy: In our policies on recruitment, training, promotion, dismissal and retirement, no preference is given on the basis of age, gender, marital status, pregnancy, family status, disability, race, colour, descent, ethnic origin, nationality, religion or any other factor unrelated to the job.

During the Reporting Period, both the Group's labour contract signing rate and social insurance coverage rate reached **100%** and there were **no violations** of laws or regulations with a material impact on the Group

As at the end of the Reporting Period, the Group employed a total of **5,343** staff members including **5,061** female staff members and **282** male staff members

The Group's employees are mostly based in Mainland China, with another **4** staff members located in Hong Kong, Macau, Taiwan and other regions

We value diversified employment and provide re-employment opportunities to staff members who have reached the statutory retirement age. In total, we employed **20** rehired retired staff members and **133** parttime staff members

Cherishing Our Talent Pool

The Group continues to enhance its talent development and incentive mechanisms, with a strong focus on talent accumulation and team stability. Through diversified recruitment and incentive measures, we strengthen talent attraction and retention. In the course of organisational development, we have built an open talent ecosystem around the philosophy of "connecting beauty industry talents and co-creating a valuable future", facilitating reasonable talent mobility and long term development and providing human resources support for the Group's sustainable and stable growth. During the Year, we launched the Beauty Farm Talent Alliance "Tiantian Circle" system to provide staff members with convenient channels for talent communication and referral, enabling timely information transmission and efficient management.

In terms of returning staff members, we have attracted back outstanding talents with industry experience and strong identification with the Group through dedicated programmes such as "Seeking former comrades-in-arms" and "Rewarding returns". By leveraging the Tiantian Circle system, we have established a reconnection and return mechanism for former staff members. Through appropriate return incentives and job opportunities, we reinforce alignment with the Group's corporate culture and enhance team stability and the efficiency of experience inheritance.

In terms of referral recruitment, the Group has implemented an employee referral incentive scheme. By means such as "referrals with rewards", we encourage existing staff members to participate in talent introduction and, with the help of the convenient channels provided by the Tiantian Circle system, achieve rapid sharing and efficient matching of talent information. Through standardised referral procedures and

incentive arrangements, we have fostered an atmosphere in which all staff members participate in talent introduction, thereby providing strong support for the Group to continuously attract high quality talents.

In addition, we always handle matters relating to staff resignations in accordance with laws and regulations and conduct exit interviews with departing staff members to gain an in-depth understanding of their reasons for leaving. On this basis, we continuously optimise and enhance our human resources management. We actively promote the "Flowing Water Programme", under which internal transfer opportunities are provided to staff members who intend to explore new directions and development paths, helping them to identify suitable new positions in line with the Group's strategic direction and to achieve a smooth transition in their career development.



Support for Vulnerable Groups

In addition, many of Beauty Farm's frontline employees come from economically underdeveloped regions. Based on the Group's long-term development strategy and our "people-oriented" philosophy, we not only provide them with job opportunities but also strive to improve the lives of this large group and enhance their sense of self-identity and self-worth.

We are committed to supporting people with disabilities. During the year, we provided a total of 33 people with disabilities with stable job positions and equal employment opportunities and ensured that they enjoyed employee benefits such as social insurance, demonstrating the Group's care for and support of vulnerable groups in society. Looking ahead, we will continue to promote the employment of people with disabilities and help vulnerable groups realise their self-worth.

Building a Safe Workplace and Misconduct Handling Mechanisms

The Group adopts a zero-tolerance policy towards discrimination, harassment, bullying or abusive behaviour and is committed to fostering a safe, respectful and fair working environment. We encourage employees to actively report relevant issues and undertake to keep such reports confidential and conduct thorough investigations. Disciplinary actions will be taken against any conduct that breaches our equal opportunities policies to ensure that the responsible persons are appropriately sanctioned. Complaints involving criminal offences will be handled with due seriousness and in cooperation with legal procedures.



3.2

Remuneration System and Protection of Rights

The Group's performance management system is implemented in accordance with the "Beauty Farm Performance Management Policy" and provides a scientific basis for decisions relating to salary determination, promotion, demotion and termination. The system is built on five key principles, namely alignment of responsibilities and authorities, fairness, effective communication, participation by all employees and continuous improvement. The Group's remuneration system and salary standards adhere to the principles of internal fairness and external competitiveness. A quantitative performance evaluation system is established for different functions and grades, taking into account factors such as promotion or demotion, confirmation of employment, job changes, corporate performance and individual performance and capabilities. Remuneration is composed of three parts, namely basic salary, performance-based salary and allowances, thereby fully reflecting the philosophy of "more pay for better performance".

In addition, taking into account the characteristics of the beauty industry and the Group's business model, we have adopted an open and multi-dimensional remuneration structure for key frontline positions. Frontline employees such as customer managers and beauty therapists can review online their salary composition, salary percentile and promotion gaps at any time, thereby gaining an open and transparent understanding of their career development paths and prospects. In parallel, the Group has introduced a high-performance interview mechanism for store managers and conducts 360-degree interview assessments. Ratings are determined by the head office through multi-dimensional scoring and comprehensive evaluation, with a view to identifying and developing outstanding management talents and providing strong support for building the talent pipelines of store managers and regional managers. During the Reporting Period, this programme covered a total of 713 employees in Chongqing and Shenzhen, further enhancing the systematised and scientific nature of talent management.

Employee Feedback Mechanism

The Group has established and continues to implement an employee interview mechanism to understand employees' situations in a systematic manner and to safeguard their rights to appeal and express views. Human resources officers are required to conduct onboarding and exit interviews with new and departing employees and to carry out follow-up interviews with employees on a quarterly basis. Through this multi-dimensional interview mechanism, the Group extensively collects employees' views and feelings regarding their work content, management systems and career development, and continuously refines relevant management measures to enhance employee satisfaction and organisational cohesion.

To ensure the effective implementation of interview outcomes, the Group has established a dedicated human resources discussion mechanism to review, feedback and address the common and representative issues identified from the interviews, thereby promoting closed-loop management of matters of concern to employees and ensuring that issues are addressed and resolved in a timely manner.

Beauty Farm Group Employee Union

The Group continues to operate the General Employee Union and the Women's Federation, while each subsidiary establishes branch unions or union groups based on the number of employees and actual circumstances. The establishment of the employee union and the Women's Federation aims to strengthen organisational development, protect employees' rights and interests, promote gender equality and foster a harmonious relationship between the Company and its employees, thereby supporting the Group's long-term development. During the year, the employees' union focused its work on ensuring the proper feedback and handling of employees' appeals and safeguarding their rights and interests in respect of remuneration, working environment, occupational safety and welfare benefits.

In addition, the Group's employee union actively organises cultural and sports activities and external training, participates in evening classes for employees, cultural exchanges and book-sharing activities organised by regional unions and takes an active part in public welfare activities. For further details, please refer to the section headed "Social Contribution".



3.3

Beautiful Workplace, Vibrant Culture

Gender equality and diversity and inclusion are important principles in the Group's human resources management and organisational development. We are committed to providing fair development opportunities in recruitment, promotion, training and remuneration management to ensure that employees are not subject to unreasonable restrictions on the basis of gender. At the same time, as women constitute an important part of the Group's workforce, their career development and protection of rights and interests are of particular significance. Within the context of the beauty and health industry in which the Group operates, supporting the development of women is not only an important manifestation of fulfilling our social responsibilities but also a key factor in enhancing organisational resilience and governance standards.

Diverse and Inclusive Workplace

We continue to improve our support system for a diverse and inclusive workplace and have set up facilities such as "Mummy Rooms" at the Group's offices to provide private and safe spaces for breastfeeding employees, thereby enhancing our mother-and-child care mechanisms. By advancing institutional development and environmental optimisation in parallel, we strive to foster a respectful, inclusive and equal workplace atmosphere and to strengthen employees' sense of belonging and stability.

Fertility-friendly Position Practices

In active response to the pilot scheme requirements for the "fertility-friendly positions" employment model in Shanghai, the Group has explored and established a fertility-friendly employment mechanism tailored to the actual needs of employees, providing more flexible and inclusive position options for employees in the child-raising stage. During the Reporting Period, the Group created fertility-friendly positions and engaged a total of 73 female employees in the child-raising stage in part-time roles. Through flexible rosters and flexible working hours, we supported them in continuing their career development while fulfilling family care responsibilities.

Women's Leadership Development

The Group regards gender equality and the development of women's leadership as long-term development objectives and is committed to providing women with clear upward career development paths. We have established an employee diversity system and, through internal training and selection mechanisms, provide management career paths for female employees, strengthen leadership training and cross-department rotation opportunities and promote the participation of more women in management and decision-making levels.

Women's Leadership Development

Ms. Zhou Min, company secretary and chief financial officer of the Group, received the "Women's Leadership CFO" award at the 2025 Overseas-listed Companies CFO Summit and Top 100 CFOs Awards. During her tenure with the Group, Ms. Zhou has led and advanced a number of major merger and integration projects, having participated in nearly 30 merger and acquisition transactions over the past decade. Following the completion of the strategic integration of Natural Beauty, the Group further advanced its industrial integration layout and strengthened its industry synergy capabilities. The results of such integration have gradually been reflected in operating performance, with Natural Beauty's adjusted net profit margin improving from 6.5% before the acquisition to 10.5%, demonstrating the effectiveness of acquisition synergies and operational optimisation.

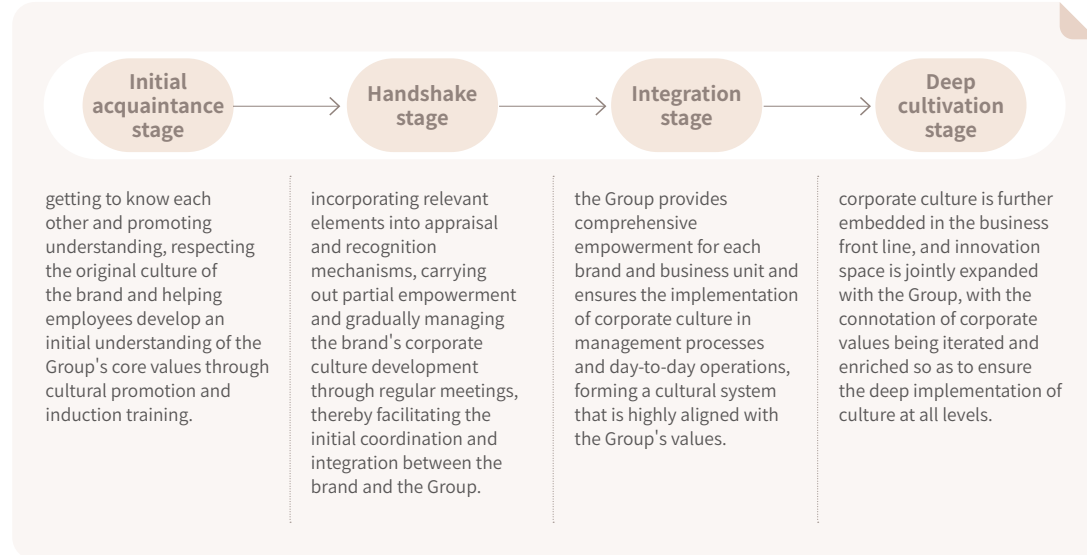


Career Culture Development

The Group adheres to its core value philosophy of "beauty and health" and is committed to building a positive, inclusive and sustainable workplace environment, continuously promoting the deep integration of corporate culture and business development. By establishing a tiered and categorised corporate culture development model and adopting differentiated empowerment mechanisms, we continuously enhance employees' cultural identification and career development capabilities and strengthen the organisational foundation for the Group's long-term development.

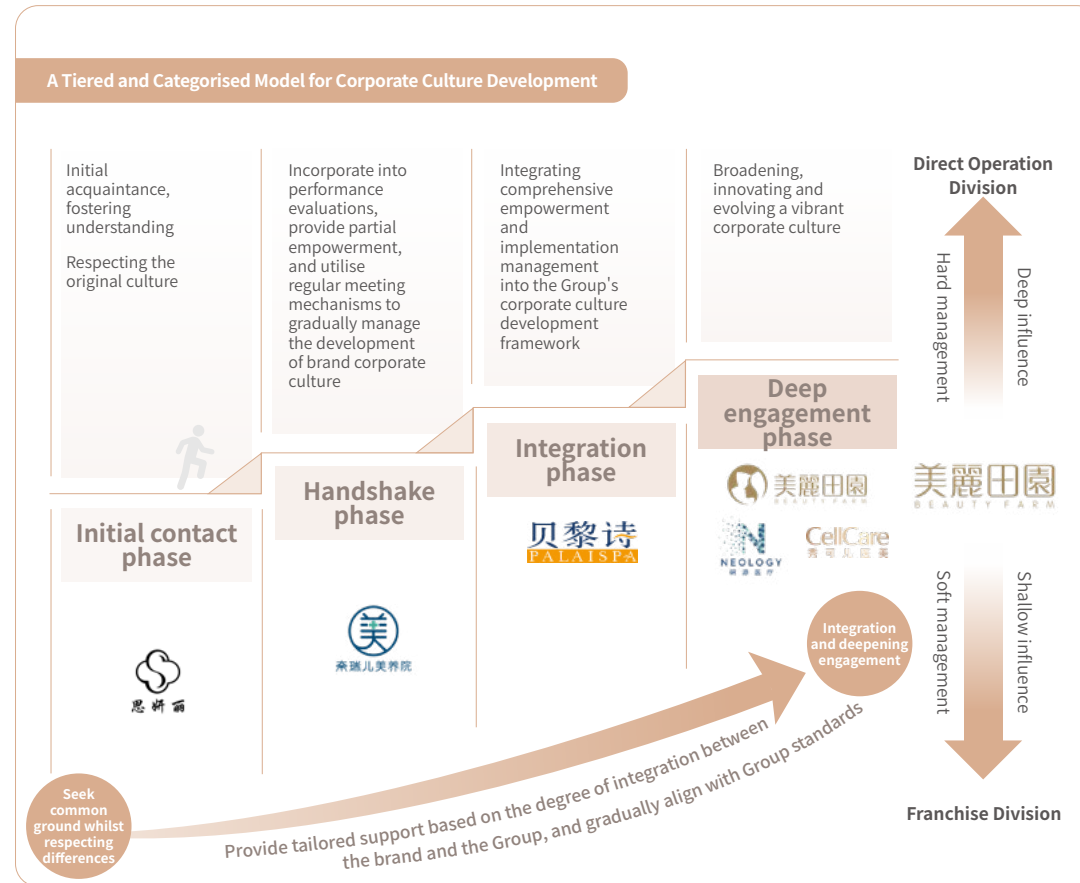
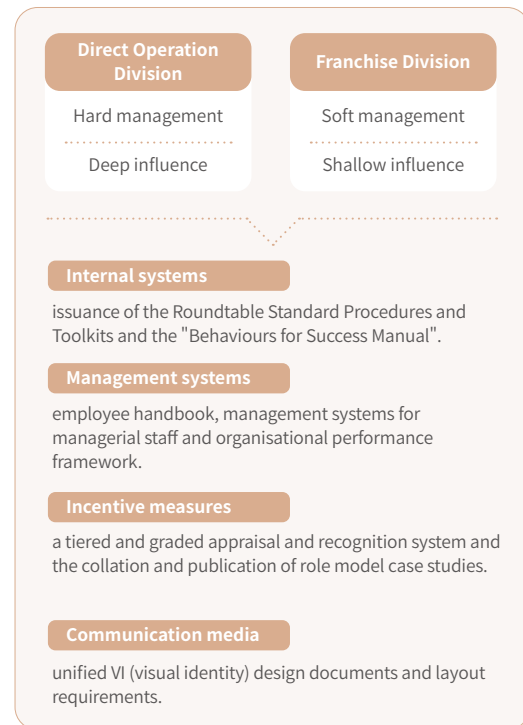
Tiered and Categorised Corporate Culture Development System

The Group has established a systematic corporate culture development model. Differentiated empowerment is provided according to the development stage and degree of integration of different business units and brands, and cultural development is advanced in phases to achieve gradual coordination and alignment:



Integrated Cultural Management Mechanism Combining "Hard" and "Soft" Measures

In the process of putting our corporate culture into practice, the Group adopts an approach that combines management and influence. While promoting cultural alignment, we adhere to the principle of "seeking common ground while reserving differences", respecting the development characteristics of different brands and realising the organic integration of diverse brand cultures with the Group's corporate culture.



Employee Empowerment and Career Development

The Group attaches great importance to employees' growth and career development and continuously improves its talent development and empowerment system:

Differentiated empowerment mechanisms: targeted training and support are provided based on the actual circumstances of each business unit and brand, thereby gradually aligning them with the Group's culture and management systems.

Career development framework: through systematic training, career development paths and capability enhancement programmes, employees are supported in continuously advancing both their professional skills and overall competencies.

Culture-driven incentive mechanisms: by integrating corporate values into employees' daily behaviours and performance management through appraisal and incentive systems, we promote the effective implementation of our corporate culture.

Through the above initiatives, the Group continuously optimises the workplace environment, fosters a fair, open and development-oriented working atmosphere and promotes the joint growth of employees and the Group, thereby further enhancing the Group's capacity for sustainable development.

3.4

Work-Life Balance

The Group respects the physical and mental well-being of its employees. The Human Resources Department has issued the "Employee Handbook", which regulates employee rights and offers excellent benefits, while advocating for a healthy work-life balance.

Holiday and Benefits

In terms of leave, the Group provides statutory and additional paid leave, including annual leave, marriage leave, prenatal examination leave, maternity leave, paternity leave, breastfeeding leave, bereavement leave, home visit leave and birthday leave. Each year, supplementary medical insurance is purchased for certain core employees, with 95% of the premiums borne by the Group, and free physical examinations are provided for certain employees every two years. For employees encountering major accidents or health issues, the Group organised a total of seven rounds of support and visits during the year.

- Team-Building Activities
- New Year "Prosperous Start" Gift
- Mid-Autumn Festival Gift Box
- Dragon Boat Festival Gift Box
- Anniversary Celebration Events
- Annual Director's Gala
- Annual Outstanding Employee Awards
- China Medical Doctor's Day
- New Employee Welcome Event
- Parent-Child Activities
- Social Networking Events
- One-on-One Psychological Counselling Services
- Meal Allowance
- Complimentary Skincare or Beauty Products
- Chinese New Year Gift Package
- International Women's Day Celebration
- Employee Care and Support
- Leadership Summit Corporate Culture and Values Recognition
- Medical Practitioners' Day and Nurses' Day Activities
- Meal and Communication Allowances

In addition, we remain attentive to employees' health and are committed to providing a comfortable working environment.

- Pantries, mother-and-child rooms, staff canteens, changing rooms, phone booths and water dispensers are provided in office areas.
- Office area washrooms have been upgraded and a "logistics supply station" has been set up to provide emergency necessities.
- Staff-only changing areas and dining areas have been set up in store areas, and a dedicated cleaning room has been provided for cleaners.
- Indoor air quality in offices and stores is closely monitored, with air purification and pest control carried out on a quarterly basis.



Employee Mental Health Platform

To prioritise employees' mental well-being, we launched the online "Soulmate" platform this year, offering psychological counselling services for those in need. The platform also features modules such as psychological courses, mental health education, and psychological assessments, helping employees understand their mental health status, address psychological concerns, and enhance their overall well-being while building a supportive network.



3.5

Development of Career Progression System

As a company in the service industry, the professional capabilities of our service personnel are the foundation for enhancing our long-term competitiveness and ensuring the stability of service quality. To this end, the Group has established a Talent Development Committee led by the chairman and the president and headed by the human resources director. A systematic talent training and development system centred on the corporate university has been put in place to continuously build a pool of professional talent for the management team and frontline employees and to support the Group's medium-to long-term development plans.

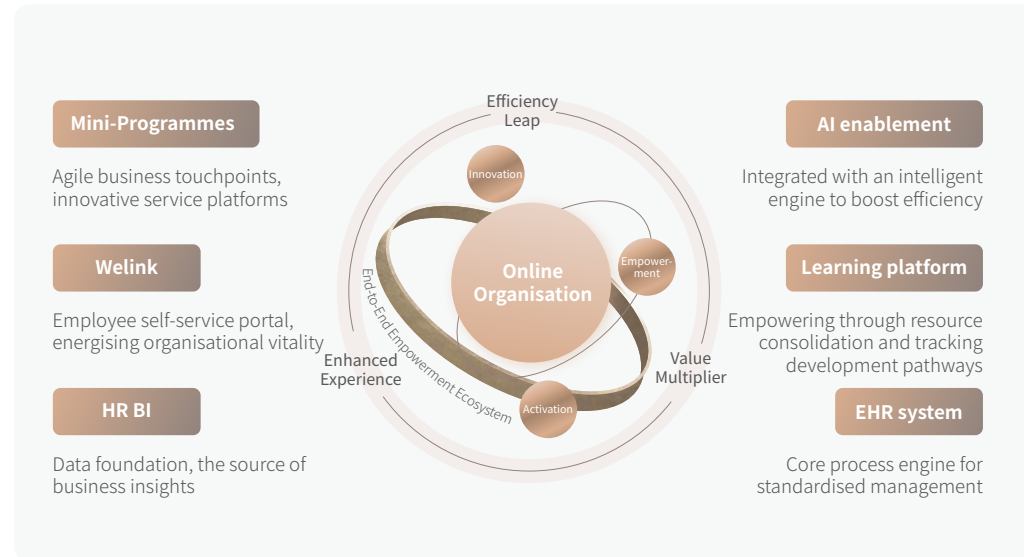
At the institutional level, the Group implements the "Employee Education and Training Policy" and the "Training Department Rules and Regulations" and has formulated separate "Class Teacher Work Manuals" for technical and sales positions. These policies and manuals clearly set out learning objectives, training tasks and course arrangements, helping employees to complete pre-employment and on-the-job training requirements in an orderly manner and ensuring that their professional capabilities match their job responsibilities.



Six-in-one Digital and Intelligent Employee Empowerment System

Empowering Personal Career Development through Digital and Intelligent Tools

The Group's human resources management is supported by a six-in-one digital and intelligent HR empowerment ecosystem. By flexibly leveraging mini-programmes, WeLink, HR BI, AI enablement, learning platforms and the EHR system in combination, we effectively enhance the efficiency of human resources management. This enables both employees and the Group to conveniently address their needs in respect of enquiries, services, management and statistics, with intelligent tools providing support for employees' employment and development.



Six-in-one Digital and Intelligent Employee Empowerment System

Academic Advancement Programme

Beauty Farm has partnered with Shanghai Second Polytechnic University to launch an academic advancement programme, providing a platform for employees to further their formal education. Through this collaboration, the programme aims to help employees improve their educational attainment and enhance their capabilities, thereby better adapting to workplace requirements and achieving personal career development and growth. Comprehensive support and guidance are provided to assist employees in achieving greater success in their career paths.

Multi-channel Development System

Dual-channel Career Development System

Centred around the "three-pronged beauty synergy" business model (beauty, medical aesthetics and medical anti-ageing), the Group has established a three-tier talent development system comprising "head office overall coordination + enabling centres as the linkage + BU-level implementation". Through comprehensive and multi-dimensional planning, this system covers management staff, functional professionals at the head office and frontline service personnel, forming a full-cycle closed loop of "selection - training - appointment - appraisal - promotion". In parallel, under the dual-channel career development system, the Group provides employees with two promotion tracks, namely management and professional, and implements career development management in accordance with role-specific policies. These multi-channel career paths offer employees diversified directions and room for growth and promotion and cater to the career planning needs of different positions and stages of development.



"Treasure Hunt Guide" Project

The Group has launched the "Treasure Hunt Guide" project with the aim of enhancing employees' skill levels. The Sailing Plan serves as a learning roadmap for each position and stage at frontline stores, facilitating talent replication across various positions within the organisational structure of the chain and ensuring consistency in operational service standards across different regions and stores. On the employee level, the program adopts a gamified approach, allowing employees to level up by completing tasks at each stage and mastering the essential knowledge and skills required at each level, thereby supporting their continuous growth and development within the Group.

	Set Sail	Brave the Rapids	Ride the Wind and Break the Waves	
Beauty Therapist	42-Day Beauty Therapy Course	Offline Short Training Course	Technical Supervision Store Mentoring	
	10-Day Accelerated Onboarding Training	2-6 Month Mentoring Handbook		
	0-1 Month Mentoring Handbook	Skills in Practice and Communication		
	3-Day Cultural Journey			
Treasure Hunt Guide	Technical Supervision Onboarding Training	Technical Supervision Further Training Technical Supervision Skill Intensive Training		
	Director Reserve Director Jade Refining Program	Target Management Coaching Subordinates		
Client Manager	Onboarding Training	Heartfelt Plan (Facial Version)	C2 Magic Journey	TimeSo Fractal Story Collection
	Mentoring Handbook	New Path Shining	Heartfelt Plan (Body Version)	Joyful Eyes Treasure Box
	The Mysterious Her Arrives at the Store	Effective Communication	Hi Customer Cultivation	
		SI53		

Enhancing Service Quality through Competition-level Professionalism

During the year, the Group organised the "Power of Beauty National Beauty Therapist PK Competition", using the competition as an opportunity to encourage employees to improve themselves and closely linking employee growth with the enhancement of service quality. The competition covered more than 100 cities nationwide. Outstanding beauty therapists were selected and formed teams with randomly selected participants to compete for individual peak awards and team awards. Training in the competition environment enabled beauty therapists to sensitively detect even minor discomfort of customers and respond promptly. Through practical testing and continuous optimisation, competition-level professionalism has gradually been integrated into everyday services, driving ongoing enhancement of the overall service experience and achieving mutual empowerment between career development and service quality.

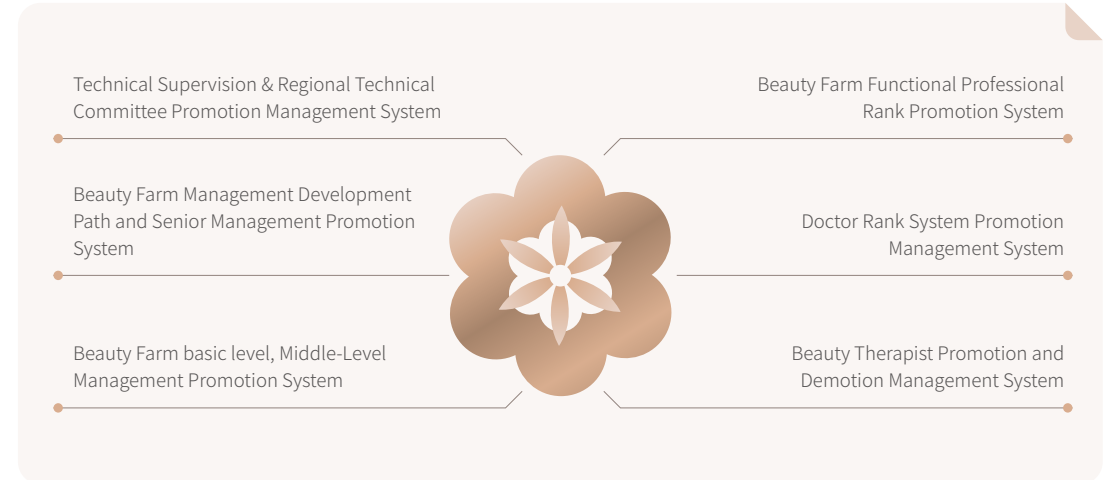


Comprehensive and Transparent Promotion Mechanism

We have designed differentiated incentive mechanisms for employees at various levels to fully stimulate their motivation and creativity.

- **Frontline Employees:** A performance-oriented comprehensive assessment mechanism has been established, with evaluation dimensions including work performance and customer satisfaction. Employees with outstanding performance are granted bonus incentives in recognition of their contributions and to stimulate their enthusiasm at work.
- **Middle Management Employees:** A regional employee shareholding platform has been specially set up to grant equity incentives and closely align employees' personal interests with the Group's long-term development. This mechanism not only serves as recognition of outstanding employees but also enhances their sense of belonging and responsibility, thereby driving the sustainable growth of regional businesses.
- **Senior Management Team:** In 2024, we adjusted the share incentive scheme (details of which are set out in the relevant section of the annual report) to further align the interests of the management team with the development of the Group. The revised assessment indicators cover revenue and profit targets for the next three years. Through these medium-to long-term incentive measures, the scheme is designed to encourage the management to contribute to the Group's sustainable operations and development and to establish a sustainable development mechanism under which the value of the management team and that of shareholders grow together. As at the end of the Reporting Period, part of the incentive awards had vested for those who had achieved their targets.

Beauty Farm Promotion System



Training System Empowering Personal Growth

We strive to build a systematic training system that supports employees' needs throughout their entire career life cycle. Leveraging the resource advantages of Beauty Farm University in areas such as expertise, experience and knowledge, our learning and development platform has become increasingly mature. While supporting employees in continuously broadening their professional horizons and clarifying their career development directions, it also provides them with opportunities for ongoing study and capability enhancement beyond formal school education. Through this systematic development, our workforce has demonstrated strong professional advantages in the industry's talent market.

For different functional positions, the Group implements customised training and, through key learning programmes, helps employees at different levels and in different roles enhance their skills and achieve their career goals. Tailored to the professional characteristics and skill requirements of each position, we provide dedicated training covering areas such as product knowledge, use of equipment and operating techniques. At the same time, to strengthen quality control management at stores, the Group launches a number of new courses each year and organises corresponding training for various special campaigns and implementation plans to ensure that relevant work is carried out in a standardised and orderly manner.

During the Reporting Period, in recognition of the Group's continuous investment and innovative practices in building its talent development system, the Group was awarded the "2024-2025 FUTURE 50 Best Practice Award in Future Management Talent Development" and was recognised as an Outstanding Talent Development Enterprise by Training magazine of Xinhua News Media Group.

Corporate University

Beauty Farm Corporate University falls under the Group's Talent Development Centre and takes "connecting with strategy, aligning with business and creating value" as its mission. Adhering to the philosophy of empowering creators of beauty and health, it continuously delivers outstanding talents who are competent in their roles and possess sustainable development potential to the Group's three major business divisions and functional support departments through talent development and talent pipeline building.

As at the end of the Reporting Period

Beauty Farm University had launched a total of **1,541** online courses, covering general courses, business and professional enhancement content and micro-classes.

Leadership Academy

Under the guidance of the Talent Development Committee, the Corporate University has been transformed to closely align with the Group's strategies and human resources strategies, and has established the Leadership Academy and the Business Academy to support strategy execution and capability enhancement through systematic training.

The Leadership Academy targets management staff at different levels and has developed a tiered and categorised training system focusing on strategic leadership, business leadership and foundational leadership. It follows four key principles:

<p>Strategic orientation</p> <p>centring on key strategic themes of the Group to ensure that management understands and executes the strategies.</p>	<p>Focused content</p> <p>covering the three dimensions of leadership and enhancing practical capabilities through case studies, scenario simulations and other methods.</p>	<p>Tiered and categorised approach</p> <p>focusing on strategy and business management for middle and senior management, and strengthening operational practice for regional managers and store managers.</p>	<p>Continuous optimisation</p> <p>establishing standardised processes and tools and, by drawing on internal experience and external consulting input, promoting piloting, roll-out and ongoing optimisation.</p>
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This system has significantly enhanced management's leadership capabilities, improved training efficiency at stores and strengthened the overall organisational capabilities, thereby providing strong talent support for the Group's sustainable development and strategy execution.



"Jade Series" Management Development Programme

In December 2025, the "Jade Series" management development programme received the "2024-2025 Best Practice Award in Future Management Talent Development" from CEIBS Business Online.

Meitian Empowerment Centre

In December 2025, the Meitian Empowerment Centre received the "Training Excellence Enterprise" award in the Organisation Category of the "2025 (15th) Talent Development Elite Awards" presented by Training Magazine.

3.6

Occupational Health and Safety

The Group is committed to providing employees with a safe and healthy working environment. We strictly comply with the Regulations on Work-related Injury Insurance, the Measures for the Determination of Work-related Injuries, the Measures for the Administration of Occupational Disease Diagnosis and Appraisal and other relevant laws and regulations of the regions in which we operate. Internal guidelines on occupational health protection and emergency management are set out in the Employee Handbook, the Beauty Therapist Training Manual and the Compilation of Medical Aesthetic Management Systems. By continuously enhancing employees' awareness of occupational safety and improving safety management measures, we ensure that all workplaces meet safety standards and have established emergency response mechanisms to effectively respond to unexpected incidents.

In respect of work-related injuries, the Group has established a standardised work-related injury management process to ensure that employees receive timely medical treatment in the event of a work-related injury. The social insurance contributions made by the Group for employees cover medical expenses arising from work-related injuries, thereby providing necessary risk protection for employees.

Workplace Safety Systems

The Group has formulated the Fire Safety Management System to standardise fire safety requirements across all stores and provide clear operating guidelines for the use and routine maintenance of fire-fighting facilities. All stores are required to obtain fire safety inspection approval before commencement of operations. During operations, fire safety inspections are carried out once every two months, covering matters such as obstruction of fire escape routes, appropriateness and sufficiency of fire-fighting equipment and records of fire safety training. The Group regularly evaluates the fire safety management performance of its stores, continuously tracks potential risk issues and organises basic fire safety training across the Group to strengthen employees' safety awareness and emergency response capabilities and ensure that store operations comply with fire safety standards.

Store Self-inspection and Self-checks

To strengthen the compliant operation management of stores, implement regulatory requirements relating to public health and fire safety and ensure stable store operations, the Group continuously conducts regular self-inspection and self-check activities. By systematically identifying potential risk points in store management, organising timely rectification and disclosing rectification results, we enhance the transparency of issues and the effectiveness of rectification and ensure that the business activities of all stores comply with relevant laws, regulations and industry standards.

Store Training

The Group organises fire safety training and drills at the Group office and all stores each year to strengthen employees' awareness of fire safety and their emergency response capabilities. In particular, in commercial premises, a comprehensive fire drill is conducted once a year, and employees of all in-mall stores are required to participate. The drills include fire safety briefings, training on the use of fire extinguishers and exercises on emergency evacuation and escape techniques. During the drills, employees follow pre-determined evacuation routes to simulate quick responses and safe evacuation operations in fire scenarios. Through these training sessions and drills, employees have mastered the correct use of fire extinguishers and are able to respond effectively to fire emergencies, ensuring orderly evacuation in emergency situations.



This image was generated by Doubao

As at the end of the Reporting Period there had been **no** work-related fatalities in the Group over the past three years

3.7

Social Contribution

Beauty Farm regards the promotion of common prosperity in society as its own responsibility and actively engages in giving back to the community while driving the steady development of its business. We maintain regular communication with government authorities, community organisations and sub-district offices in the regions where we operate to gain an in-depth understanding of local community needs and the impact of the Group's operations on the communities.

Community Support

To promote traditional Chinese culture and advocate a civilised and healthy lifestyle, the Group actively supports and participates in various community activities in the regions where it operates.

During the year, we organised employees to participate in a Baduanjin (traditional Chinese exercise) exchange activity held in the third quarter. Through systematic training and team participation, this activity enhanced employees' physical fitness and teamwork capabilities. At the same time, the Group supported the organisation of the third "Love in North Bund, Affection in Magnolia" large-scale friendship and networking event, which helped broaden communication channels for young people, meet their needs in respect of social interaction and relationships and promote new civilised and healthy social trends.

In addition, the Group actively participated in regional large-scale events such as the "Most Beautiful Walkers on the North Bund" – 2026 China Landmark · Shanghai Hongkou Urban Orienteering Outdoor Challenge. Our employees enthusiastically signed up for the event and completed a number of themed routes along the riverside, experiencing the city's culture and vitality through sports and demonstrating a positive and upbeat spirit.

By continuously taking part in diversified community activities, we deepen our engagement with local communities, actively fulfil our corporate social responsibilities and contribute to regional civilisation building and social harmony while promoting the physical and mental well-being of our employees.



Commitment to Public Welfare

The Group has always upheld the philosophy of social responsibility and continues to carry out public welfare activities for the wider community, paying close attention to the needs of vulnerable groups and frontline workers. Through concrete actions, we give back to society and promote the coordinated development of the Group and the community.

Under public welfare initiatives organised by the Women's Federation, the Group carries out targeted visits during major traditional festivals such as the Spring Festival and the Mid-Autumn Festival, focusing on elderly people living alone and disadvantaged children. By combining material assistance with emotional care, we help improve their living conditions in a tangible way. At the same time, we organise various themed activities on occasions such as Mother's Day and International Women's Day to continuously focus on the physical and mental well-being and social participation of women and to reinforce the Group's sense of responsibility in promoting gender-related care.

In addition, the Group actively participates in "Learn from Lei Feng" initiatives, encouraging employees to put the spirit of volunteerism into practice and enhance their sense of social responsibility. We also continue to carry out public welfare campaigns such as "bringing coolness in summer and warmth in winter", under which we provide heat-relief, cooling and winter-proof supplies to outdoor workers such as food delivery riders and street cleaners, thereby conveying the Group's care and fostering a warmer and more inclusive social atmosphere.



A woman with dark hair, wearing a white long-sleeved dress, stands in a vast field of tall, pinkish-red grass. She is seen from the back, looking towards the horizon. The field is dense and stretches far into the distance, creating a sense of depth and tranquility. The lighting is soft, suggesting a gentle breeze or a calm day.

Nature in Harmony, Beauty and Sustainability in Co-existence

04

- Climate-related Risks and Opportunities
- Resource and Energy Management
- Emissions Management

4.1

Climate-related Risks and Opportunities

Governance

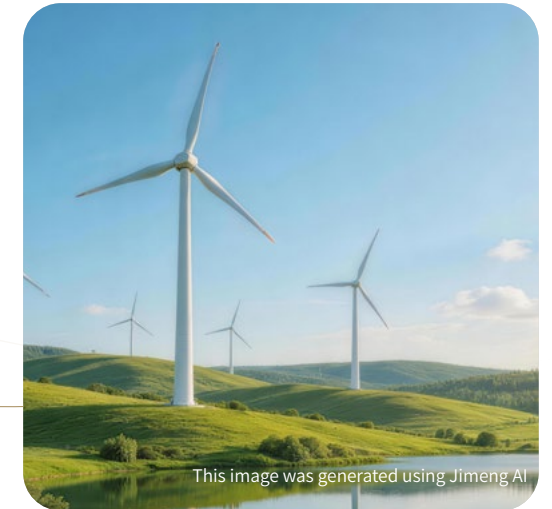
The Group attaches great importance to the potential impact of climate change on its operations and long-term development. To ensure the effective management of climate-related risks and opportunities, the Group has established a Climate and ESG Management Committee under its ESG governance structure to centrally coordinate climate-related matters and incorporate them into the overall management and supervision framework for ESG matters. We regularly assess the potential impact of climate change on our business operations and hold dedicated discussions on climate-related topics at Board meetings every two years while reviewing the implementation progress of relevant targets.

We recognise that sound governance is a prerequisite for effectively managing climate-related risks. To this end, we continue to work with third-party ESG consultants to incorporate climate risks into the corporate risk management system, and the ESG and Climate Change Committee reviews and adjusts climate-related targets on an annual basis. Through our annual ESG report, the Group discloses to the Board and stakeholders the quantitative progress of various designated key performance indicators for continuous tracking and monitoring of target achievement.

To enhance the Board's understanding of and decision-making capabilities regarding climate issues, the Group organises climate-related training for the Board and the management every two years to ensure that they are kept abreast of the latest climate information and regulatory trends and can effectively perform their oversight duties. Looking ahead, we plan to incorporate ESG- and climate-related performance indicators into the Board's remuneration policy and formulate specific implementation plans by 2030, with a view to further strengthening the linkage between climate management and incentive mechanisms.

Strategies and Risk Management

Considering our business attributes and the "Hong Kong Climate Action Blueprint 2050" alongside China's dual carbon goals, the Group has identified climate-related risks and opportunities according to short-term (up to 2028), medium-term (up to 2030), and long-term (up to 2050) timeframes, implementing corresponding responses based on these timelines. These climate-related risks and opportunities primarily focus on the impacts of policy changes on the Group's compliance and energy transition strategies.



This image was generated using Jimeng AI

Category	Risk Type	Climate-Related Risks	Impact on Business, Financials, and Value Chain	Impact Period	Risk Rating			Response Strategies and Decisions
					Likelihood	Impact	Rating	
Physical Risks	Acute	Increase in frequency and severity of extreme weather events such as typhoons, storms, and heavy rainfall	Damage to power grids, communication infrastructure, or flooding, hindering and harming the work of our employees, leading to reduced capacity and productivity.	●	Medium	Low	Low	<ul style="list-style-type: none"> The Group has implemented flexible work arrangements and preventive measures under severe or extreme weather conditions, and participates in emergency environmental accident drills for office locations and store buildings.
	Chronic	Prolonged high temperatures	Rising production costs and decreased efficiency for upstream products in the value chain; logistics delays or interruptions due to high temperatures; consumers reducing outings due to heat, impacting the Group's revenue; employee health and work efficiency affected, resulting in business interruptions, financial losses, employee injuries, or increased capital investment.	●	Medium	Low	Medium	<ul style="list-style-type: none"> Select suppliers that align more closely with low-carbon and green attributes to establish long-term stable partnerships; optimise store site selection; and provide health insurance and annual check-ups for employees.
		Rising sea levels	Damage to buildings and equipment in coastal store areas, resulting in decreased customer flow and revenue due to consumer relocation.	●	Low	Low	Low	<ul style="list-style-type: none"> Store site selection will consider relevant factors, with a focus on flood prevention measures.
Transition Risks	Policy and Regulation	Increasingly strict regulatory disclosure related to climate change	Increased risk of the Group failing to comply with relevant laws and regulations (such as the ESG Reporting Code), leading to potential legal or regulatory actions, business disruptions, reputational and/or financial losses, as well as possible increases in capital investment and compliance costs; non-compliance by upstream companies in the value chain may affect the Group's procurement and subsequently impact service delivery.	●	High	Medium	Medium-High	<ul style="list-style-type: none"> Regularly monitor existing and emerging trends, policies, and regulations related to climate to avoid increased costs, fines for non-compliance, or reputational risks due to delayed responses. Engage third-party ESG professionals to provide ESG reporting services, ensuring the quality and accuracy of the Group's ESG reporting and compliance with applicable regulations. Meet regularly with ESG professionals to stay updated on the latest ESG news and regulatory updates to take timely and appropriate actions.
				Requirements for clean energy	Increased energy costs for the Group and greater difficulty in obtaining compliant energy sources.	●	Medium	Medium
	Technology	Replacement of existing equipment with lower-energy consuming devices	Premature retirement of existing equipment.	●	Low	Low	Low	<ul style="list-style-type: none"> Take energy consumption levels into account when procuring equipment.
				Rising costs of purchased products	Increased procurement costs, leading to higher operational costs for the Group.	●	Medium	Medium
	Market	Consumers becoming more inclined towards low-carbon products and services	Shifts in consumer preferences may impact revenue.	●	Low	Low	Low	<ul style="list-style-type: none"> Source low-carbon and environmentally friendly products, integrating sustainability concepts into brand strategies.
Reputation	Rising expectations from stakeholders	Increasing scrutiny from stakeholders on the Group's ESG performance, which may lead to reputational and/or financial losses, or increased capital investment and marketing costs.	●	Medium	Medium	Medium	<ul style="list-style-type: none"> Promote the Group's sustainability investments both online and offline, engage with stakeholders to understand their evolving demands and viewpoints, and disclose relevant content in the annual ESG report. 	

● Mid-term ● Long-term

Opportunity Type	Climate-Related Opportunities	Impact on Business Model	Impact on Value Chain
Resource Efficiency	Environmentally friendly products and recycling	Procurement of non-harmful cosmetics and selection of reusable materials and packaging.	Enhances product reputation and market competitiveness.
	Reduction in water usage	Reduces operating costs and improves production efficiency.	Increases product competitiveness.
Market	Effective use of public sector incentive mechanisms	Invest in energy-saving technologies and green equipment, facilitating the green transformation of the business and meeting government or relevant department incentive mechanisms.	Establishes new supply channels.

As at the end of the Reporting Period, our business operations and financial revenue had not been materially affected by climate change or extreme weather conditions. We are working on quantifying the financial impacts of climate-related factors and will disclose them in future Reporting Periods. In addition, we have not yet applied carbon pricing in our internal decision-making processes. Although we have not yet formulated a clear transition plan at the Group level, in order to put sustainable development philosophy into practice, the Group plans to apply energy-saving lighting and water-saving faucets in all newly opened stores by 2028 and to replace the lighting systems of existing stores with energy-saving lighting by 2030. To this end, our construction department is advancing the relevant work in line with the plan and has earmarked the future expenditure budget for this project.

In assessing the risks and opportunities associated with climate change, we have adopted scenarios that align with the latest international agreements on climate change, including various scenario data from the Intergovernmental Panel on Climate Change (IPCC) and the Network for Greening the Financial System (NGFS) of central banks and regulators. These scenarios encompass a range of possible climate change pathways, including different warming scenarios and greenhouse gas

(GHG) emission scenarios, providing a scientific basis for us to identify and assess physical risks and transition risks.

The timeframe we use aligns with the classification methods for identifying risks and opportunities to ensure comprehensive coverage of climate-related risks and opportunities at different time points, in line with the "Hong Kong's Climate Action Blueprint 2050". This assessment was conducted in 2025 and covered all self-operated stores of the Group, ensuring that all business segments are brought under assessment and management and enabling a comprehensive understanding of the resilience of the Group's business model and strategies in responding to climate change.



Category	Climate-Related Risks	Relevance and Assumptions	IPCC AR6 SSP2-4.5 Scenario			IPCC AR6 SSP5-8.5 Scenario		
			Risk Value			Risk Value		
			2028	2030	2050	2028	2030	2050
Physical Risks	Increase in frequency and severity of extreme weather events such as typhoons, storms, and heavy rainfall	The scope and severity of the impact of extreme weather on the Group and the locations of its stores.	Low	Low	Low	Low	Low	Low-Medium
	Prolonged high temperatures		Low	Low	Low	Low	Low	
	Rising sea levels		Low	Low	Low	Low	Low	Low

Category	Climate-Related Risks	Relevance and Assumptions	NGFS Net Zero 2050			NGFS Current Policy		
			Risk Value			Risk Value		
			2028	2030	2050	2028	2030	2050
Transition Risks	Increased Investment in Clean Energy	Assess the impact of policy requirements on the supply of clean energy on the Group's energy expenses.	Low	Medium	Medium	Low	Low	Medium
	Replacement of Existing Equipment with Low-Energy Devices	Consider the necessity of replacing energy-efficient equipment due to policy requirements and decarbonisation strategies.	Low	Low	Medium	Low	Low	Low
	Rising Costs of Purchased Products	Anticipate that carbon emission requirements will lead to increased costs of purchased cosmetic products, resulting in higher selling prices and rising operational costs for the Group.	Low	Low	Medium	Low	Low	Low

In terms of physical risks, as the Group's businesses are mainly located in first-tier and new first-tier cities, these cities generally possess strong resilience against the impact of extreme weather events (such as typhoons, storms and heavy rainfall) in respect of rainwater drainage, building structures, telecommunications infrastructure and power grids. We therefore consider that the Group's operations are only limitedly affected directly by climate change. In addition, due to the nature of our business, we are not directly involved in manufacturing activities or large-scale product transportation. As a result, transition risks mainly arise in an indirect manner and are primarily influenced by policies and overall market conditions. Given the high degree of uncertainty involved, we closely monitor the evolving trends of such risks and adjust our response plans in a timely manner.

In seizing the opportunities brought about by climate change, we actively identify and proactively respond to them in order to promote the sustainable development of the Group and enhance our business competitiveness. We also strengthen our collaboration with suppliers and business partners to jointly drive the green upgrading of the supply chain, promote the procurement of environmentally friendly products and ensure that all aspects of our operations comply with sustainable development standards.

Against the global backdrop of promoting a green and low-carbon economy, consumers' identification with the concept of sustainable consumption has deepened. The beauty industry is also facing a significant opportunity for green transformation. How to enhance environmental effectiveness while providing high-quality services has become a crucial subject for beauty institutions. Based on this, we have proposed a green and low-carbon "Open Bidding" key scenario construction plan, aiming to lead the achievement of sustainable development goals in the beauty industry.

Through the following advanced practices, this project was selected as the 2026 Shanghai Hongkou District Green and Low-Carbon "Open Bidding" Key Scenario Solution.

- **Green upgrade of stores:** Store site selection prioritizes shopping malls or buildings with green building certifications; store renovation plans prioritize green building materials and energy-saving lighting fixtures, reducing the use of unnecessary materials and high-energy-consuming appliances.
- **Supply chain synergy:** We strengthen cooperation with suppliers, guiding them to adopt green practices such as clean production and waste reduction during their production processes.
- **Employee and customer education:** We implement training and educational activities to enhance employees' environmental awareness, and influence customers' consumption behaviors by promoting activities such as environmental recycling and circular utilization.
- **Green packaging:** We collaborate with suppliers to introduce beauty products utilizing renewable materials and eco-friendly packaging, thereby promoting green consumption.



Metrics and Targets

As of the end of the Reporting Period, the details of the Group's greenhouse gas (GHG) emissions¹ are as follows.

	Unit	2025	2024
Scope 1	tCO ₂ e	35.22	33.96
Scope 2	tCO ₂ e	9,966.50	7,707.20
Scope 3	tCO ₂ e	1,276.68	655.77

In terms of greenhouse gas emissions and climate change targets, we are committed to taking proactive measures to reduce the environmental impact of our operations and to contribute to the global response to climate change. To further address climate change, our long-term objective is to achieve net-zero carbon emissions and complete this transition by 2050 in response to relevant policy initiatives. In addition, we will actively support green transition efforts along our

supply chain by requiring suppliers and business partners to adopt sustainable production and transportation practices, thereby ensuring that the entire value chain plays a role in reducing greenhouse gas emissions. We regularly monitor and assess the progress towards our targets and, through internal reporting and external disclosure, ensure transparency and demonstrate to stakeholders our commitment and concrete actions in addressing climate change.

Note:

¹ For details of the basis for the calculation and compilation of the above indicators, please refer to the notes in the appendix to this report.

4.2

Resource and Energy Management

Beauty Farm strictly adheres to laws and regulations such as the Environmental Protection Law of the People’s Republic of China, Law of the People’s Republic of China on the Prevention and Control of Soil Pollution, Law of the People’s Republic of China on the Prevention and Control of Water Pollution, Law of the People’s Republic of China on the Prevention and Control of Solid Waste Pollution and Regulations on the Administration of Pollutant Discharge Permits. We have developed a series of environmental management and energy-saving measures to reduce emissions. Based on actual business situations, we continuously revise and improve our internal systems to ensure that pollutant emissions comply with national and local standards.

The Group has implemented the following measures in the management of offices and stores:

- Advocate for paperless office practices, promoting the use of electronic documents to replace traditional paper files;
- Encourage the reuse of courier parcels and adopt sustainable packaging materials to reduce packaging waste;
- Use smart remote sockets in office spaces, allowing for remote control of power switches via a mobile application, and monitor energy consumption in real-time;
- Advocate for turning off power when leaving, with the administrative department sending notifications via enterprise WeChat to remind staff of light-switching times in office areas, advising the last employee to leave to turn off the lights; and
- Conduct night inspections of office properties to check light-switching status to reduce energy wastage.

During this Reporting Period, we strictly complied with relevant regulations and did not encounter any environmental protection-related violations.

Environmental Targets	
Category	Content
Scope 1 and Scope 2 GHG Emissions	• Reduce the greenhouse gas emission intensity of Scope 1 and Scope 2 by 10% by 2030 compared to the 2024 baseline.
Total GHG Emissions	• Achieve carbon neutrality by 2050.
Energy Consumption	• Reduce the Group’s electricity intensity by 10% by 2030 compared to the 2024 baseline.
Resource Consumption	• Reduce the Group’s water intensity by 10% by 2030 compared to the 2024 baseline.
Emissions Management	• All newly purchased company vehicles in the future will be new energy vehicles. • Continue to maintain 100% compliant treatment of medical waste. • Reduce the total paper usage of the Group by 10% by 2030 compared to the 2024 baseline.
Board Compensation	• Incorporate the Group’s ESG and climate-related performance indicators into the senior management remuneration policy by 2030.

Energy Management

The Group’s energy consumption is primarily focused on electricity used in stores and office spaces. To enhance energy efficiency and reduce carbon emissions, the Group has currently implemented a series of energy-saving and emission reduction measures.

During this Reporting Period

the Group used approximately

18,783,454.17 kilowatt-hours of electricity.



Natural Resource Management

The Group attaches great importance to resource management and sustainable utilisation and manages the use of natural resources and energy in a systematic manner in line with the principles of conservation, standardisation and traceability. By establishing a resource usage data management mechanism, formulating internal management standards and promoting digital supervision tools, the Group is able to monitor in real time the use of key resources such as water, electricity and raw materials, thereby ensuring efficient utilisation and continuous supply of resources.

Taking into account the characteristics of different business segments, we are gradually promoting the transition from traditional paper-based documents and vouchers to paperless and electronic formats and advancing resource management in parallel at both store and office levels. This reduces resource consumption intensity while lowering overall resource use and waste generation. During the year, we launched an "Invoice Assistant" module on our internal office platform, under which processes such as expense reimbursement and contract payments have been migrated from traditional paper

documents to centralised online system-based management. Through scientific management and continuous improvement, the Group is committed to maximising resource use efficiency and minimising the environmental impact of its operations, thereby laying a solid foundation for sustainable development.

The Group's offices and stores obtain water exclusively from municipal water supplies and there is no wastewater discharge arising from production processes. Wastewater relating to medical services is treated and discharged strictly in accordance with the relevant requirements under the Compilation of "Infection Management Systems" and is subject to professional and harmless treatment prior to discharge. To achieve efficient use of water resources, the Group actively promotes water-saving measures in its daily operations. We enhance employees' water-saving awareness by means of communication and the posting of water conservation slogans. Automatic sensor faucets are installed in washrooms in office areas and some stores to control water flow, and we cooperate with property management teams to conduct regular inspection and maintenance of water facilities so as to reduce water consumption and achieve water conservation and environmental protection targets.

During the Reporting Period

the Group did not encounter any issues in obtaining water resources and used approximately

247,840.53 cubic metres of water in total.

Packaging Materials Management

The Group recognises the importance of packaging materials management to the environment and sustainable development and is committed to optimising packaging strategies and implementing environmental protection measures to reduce resource consumption and waste generation. Our goal is to gradually increase the proportion of recycled materials used in packaging so as to provide customers with more environmentally friendly options.

Packaging for beauty products is the Group's main type of packaging material. We work with suppliers to explore innovative packaging solutions and reduce resource wastage. In packaging design, we prioritise environmentally friendly design and the principle of simplification, and implement a "big bottle programme" to reduce unnecessary use of packaging materials. We have also adopted a "1+3" packaging model, under which one primary package is paired with three refill packs to reduce repeated packaging. While meeting product usage needs, this model effectively reduces the consumption of packaging materials and overall resource use and promotes reduction management in the packaging process.

During the Reporting Period

the Group used a total of

49,596.90 kilograms of packaging materials.¹



¹ The packaging materials data only cover packaging materials directly procured by the Group and do not yet include packaging provided by product suppliers.

4.3

Emissions Management

The Group's core businesses comprise the provision of various beauty, wellness and medical aesthetic services and products. Accordingly, our main types of emissions arise from the following sources:



The Group has consistently handled emissions in accordance with the relevant requirements and is committed to reducing the waste and emissions generated from its business operations so as to minimise environmental pollution and achieve co-development with the ecosystem.

Given that the Group is essentially not engaged in production activities, it does not, apart from greenhouse gas emissions, generate large amounts of pollutants (such as industrial wastewater, ammonia nitrogen compounds and chemical oxygen demand) or waste. Accordingly, no specific pollutant discharge targets have been set for the time being. Nevertheless, the Group continues to monitor its pollutant discharge, review the implementation of its emissions management policies and, where necessary (for example, where wastewater treatment fees account for a certain proportion of the Group's operating expenses), will formulate relevant emissions reduction targets. In addition, when selecting suppliers, the Group gives priority to partners that have implemented cleaner production practices.

¹ The calculation methodology for vehicle exhaust gas is mainly based on the Reporting Guidance on Environmental KPIs published by the Stock Exchange of Hong Kong.



During the Reporting Period

exhaust gas emissions¹ from the Group's use of vehicles amounted to approximately

17.72 kilograms in total

During the Reporting Period, the Group strictly complied with environmental laws and regulations promulgated by local governments in the course of its business operations and was not involved in any confirmed violations or irregularities relating to emissions that had a material impact on the Group.

comprising

16.30

kilograms of nitrogen oxides

0.21

kilograms of sulphur oxides

1.20

kilograms of suspended particulates.

Medical Waste Management

The Group does not use hazardous or dangerous substances in its business operations and does not generate toxic, hazardous or dangerous waste. However, when providing services to customers, medical aesthetic services generate medical waste such as used disposable medical supplies and equipment, including injection needles, cotton pads and other wound dressings.

We strictly comply with the Regulations on the Administration of Medical Wastes, the Measures for the Administration of Medical Wastes in Healthcare Institutions and other relevant laws and regulations, and engage third-party waste disposal companies that hold Medical Waste Operation Permits issued by local ecology and environment bureaus to regularly collect, transport (by category) and dispose of medical waste. At the same time, contingency plans have been drawn up for potential emergencies.

To effectively prevent and control the potential environmental hazards posed by medical waste, the Group has established a standardised management system focusing on three areas, namely compliant disposal, safe storage and employee education.

Compliance Handling



All medical waste generated by the Group is entrusted to a qualified third party for compliant treatment, and a hazardous waste disposal agreement has been signed for regular collection, separate transportation, and disposal.

Safe Storage



Medical waste is generally stored in stores for no more than 48 hours. Stores are equipped with leak-proof, sharps-penetration-proof special packa-ging and closed containers in accordance with regulations, with clear warning labels and regular disinfection and cleaning of the temporary storage facilities.

Employee Education



Staff are educated on the proper handling of medical waste, the management skills and knowledge of relevant operational staff are enhanced, and staff are constantly reminded to avoid excessive use of materials in daily operations and treatment processes.

The Group regularly assigns personnel from the legal function department to monitor the implementation of guidelines related to the disposal of medical waste, ensuring that the measures mentioned above are effectively enforced.

¹ The medical waste is sourced from stores providing medical services under the Neology, CellCare, and Naturade.

During this Reporting Period

the Group generated a total of **28,135.66** kilograms of medical waste

all of which were disposed of by qualified third-party waste management companies.



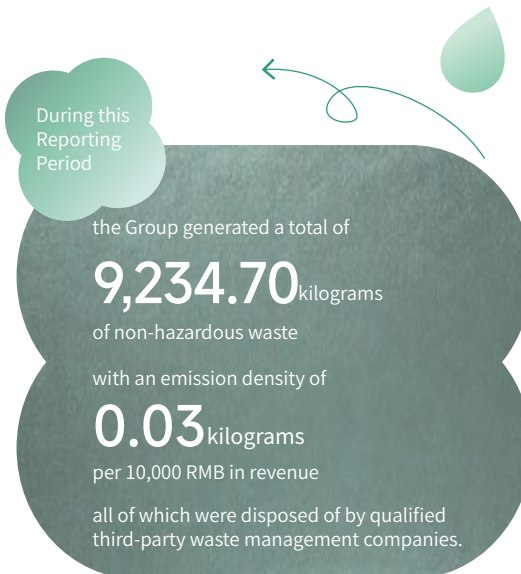
Waste Management

Most of the Group's stores are located in shopping centres, where daily operations generate waste such as paper, beauty product packaging, fluorescent tubes, used toner cartridges, and domestic wastewater. These wastes are centrally managed and disposed of by the property management company, while construction waste from new stores is handled by the construction contractors. Although the Group does not directly participate in waste disposal, we recognise the importance of waste management. We implement measures such as reduction, sorting for recycling, and reuse to decrease waste at the source, promote recycling, enhance employee awareness of environmental protection, and reduce environmental impact.

For example, when signing contracts with construction contractors, we include clauses for civil construction to control noise, dust, and construction waste during works. The strategy development department conducts regular inspections of project progress to ensure that waste disposal measures are effectively implemented. Additionally, in accordance with property management requirements, we classify and collect waste in stores, depositing it into designated recycling bins.

Turning Waste into Treasure

Naturade stores are committed to resource conservation by repurposing discarded towels into towels specifically for hot rolling. This practice avoids the need to purchase new towels, thereby reducing resource consumption and pollution associated with the procurement and production of new raw materials, lowering negative environmental impacts, extending the lifespan of products, and decreasing the frequency of replacements. Towels are only discarded when they are extensively damaged, further reducing waste and enhancing resource utilisation efficiency.



¹ The currently reported amount of non-hazardous waste primarily consists of waste paper generated in offices and stores. The Group has not yet accounted for other types of non-hazardous waste (such as used cosmetic product packaging, cardboard boxes, shopping bags, etc.). The Group will discuss various effective and feasible data collection methods with third parties to ensure more comprehensive non-hazardous waste data can be provided in future reports.

Green Leasing

The office building at the Shanghai headquarters has obtained ISO 14001 environmental management system certification and the LEED Platinum certification for green buildings. When opening new stores, preference is given to properties with LEED certification for green buildings.

Nature has an inherent appeal to human beings, which may be an instinct formed through evolution. Our attention naturally gravitates towards nature, and when we shift our focus to the natural world, tension and anxiety can be alleviated, leading to a naturally more relaxed state of mind.

— "Stress Reduction Theory"

During the Reporting Period

the Group carried out a refurbishment and upgrade of the Beijing China World Trade Center Store, using natural and safe materials to create a biophilic space and continuously providing customers with a high-quality experiential environment.



ABOUT THIS REPORT

This report is published by Beauty Farm Medical and Health Industry Inc. (referred to as "Beauty Farm", the "Group", or "we"), with stock code 2373.HK. It presents the Environmental, Social and Governance (ESG) Report for the year 2025, aiming to share the Group's management philosophy, highlights of practices, and annual performance related to environmental, social, and governance efforts.

Reporting Scope



The report covers Beauty Farm Medical and Health Industry Inc. and its subsidiaries for the year 2025, including the Group's offices, brand stores, and training schools, as well as information and data from Naturade. Since the daily operations of franchise stores are not managed by us, they are not included within the scope of this report.

Reporting Standards



This report is primarily prepared in accordance with Appendix C2 of the Hong Kong Stock Exchange's Listing Rules, titled "Environmental, Social, and Governance Reporting Code", as well as the IFRS S2 - Climate-related Disclosures.

Reporting Principles



Materiality: We continuously communicate with our stakeholders, regularly review the materiality of each sustainable development area, and conduct materiality assessments to determine critical environmental, social and governance issues. The assessment result is being approved by The Board of Directors.

Quantitative: This report explains the criteria and methodology for calculating the relevant data, accompanied by associated assumptions. The ESG key performance indicators (KPIs) are supplemented by explanatory notes to establish benchmarks where feasible.

Consistency: Unless otherwise specified, this report applies consistent methodology in preparing and presenting ESG information.

Balance: We engage external sustainability consultants to prepare the report, ensuring fair disclosure of data and a description of ESG performance.

Data Sources and Reliability Guarantee



Data and cases in this report are primarily extracted from the statistical reports and internal documents of the Group. The Group undertakes that the report contains no false representations or misleading statements, and assumes responsibility for the truthfulness, accuracy and completeness of its contents.

Reporting Period



The report covers the period from January 1, 2025 to December 31, 2025 (the "current year" or the "Reporting Period").

Acknowledgement and Approval



Upon confirmation by the management, this report was approved by the Board on March 27, 2026.

Contact Us



We attach great importance to the views of stakeholders and the public in this report. If you have any inquiries or suggestions, please feel free to contact us through email: ir@beautyfarm.com.cn.



Appendix

ESG KPIs List

Summary of Key Environmental Performance¹

	ESG Indicator	Unit	2025	2024
A1	Emissions			
	The types of emissions and respective emissions			
A1.1	Nitrogen Oxides (NO _x)	kg	16.30	15.72
	Sulfur Oxides (SO _x)	kg	0.21	0.21
	Particulate Matter (PM)	kg	1.20	1.16
	Total hazardous waste produced and intensity			
A1.3	Medical Waste	kg	28,135.66	30,399.65
	Intensity	kg/RMB'0,000 revenue	0.09	0.12
	Total non-hazardous waste produced and intensity			
A1.4	Total non-hazardous waste ²	kg	9,234.70	7,981.62
	Intensity	kg/RMB'0,000 revenue	0.03	0.03
A2	Use of resources			
	Direct and indirect energy consumption by type in total and intensity			
	Total energy consumption ³	kWh	18,924,460.37	14,498,979.43
	Intensity	kWh/RMB'0,000 revenue	63.07	56.37
	Direct energy consumption			
A2.1	Gasoline	Liter	14,549.67	14,028.49
	Intensity	Liter/RMB'0,000 revenue	0.05	0.05
	Indirect energy consumption	kWh	18,783,454.17	14,363,024.20
	Electricity	kWh	18,783,454.17	14,363,024.20
	Intensity	kWh/RMB'0,000 revenue	62.60	55.84
	Water consumption in total and intensity			
A2.2	Total water consumption	m ³	247,840.53	238,108.37
	Intensity	m ³ /RMB'0,000 revenue	0.83	0.93

	ESG Indicator	Unit	2025	2024
	Total packaging material used for finished products and intensity			
	Total packaging material ⁴	kg	49,596.90	46,135.00
	Intensity	kg/RMB'0,000 revenue	0.17	0.18
A2.5	Climate-related Disclosures ⁵			
	Greenhouse gas emissions (Scope 1) ⁶	tCO ₂ e	35.22	33.96
	Greenhouse gas emissions (Scope 2) ⁷	tCO ₂ e	9,966.50	7,707.20
	Greenhouse gas emissions (Scope 3) ⁸	tCO ₂ e	1,276.68	655.77

Notes:

- ¹ The scope of environmental KPIs data collection for the whole year of 2025 includes local offices, brand stores and training centres, excluding any franchised stores. As the Group has yet to establish systematic procedure for collecting most environmental data, the environmental data currently disclosed (excluding medical waste and wastepaper) is calculated by dividing financial data with the average unit price.
- ² The non-hazardous waste data currently reported mainly includes wastepaper generated from the offices and stores. The Group has not yet establish a system for collecting and compiling data on other non-hazardous waste (such as used beauty products packaging materials, cardboard boxes, shopping bags, etc.). The Group will discuss with third parties on various effective and feasible methods for data collection to ensure that more comprehensive non-hazardous waste data can be provided in future reports.
- ³ The total energy consumption includes energy usage mainly from gasoline and purchased electricity, with the calculation method primarily referencing "GB/T 2589-2020 Comprehensive Energy Calculation Guide" issued by the National Standardization Management Committee and the State Administration for Market Regulation, and the increase in electricity consumption and its intensity was affected by the consolidation of Naturade and was also related to the increase in store equipment, higher per-visit consumption and rising customer traffic.
- ⁴ The packaging data only includes packaging materials directly purchased by the Group and does not currently include packaging brought by the product suppliers.
- ⁵ The Group's greenhouse gas emissions accounting is primarily based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004).
- ⁶ The Group's Scope 1 greenhouse gas emissions mainly originate from direct carbon dioxide emissions from the use of company vehicles with the emission factors from the calculation tool published by the Green and Sustainable Finance Cross-Agency Steering Group.
- ⁷ The Group's Scope 2 greenhouse gas emissions primarily come from indirect carbon dioxide emissions generated by the purchased electricity used in offices and stores, with emission factors referenced from the Ministry of Ecology and Environment and the National Bureau of Statistics' announcement on the "2023 Power Carbon Dioxide Emission Factors".
- ⁸ The Group's Scope 3 greenhouse gas emissions currently only include employee business travel, specifically carbon emissions from flights and land transportation related to business activities, with emission factors referenced from DEFRA 2025.

Summary of Key Social Performance

ESG Indicator		Unit	2025	2024
Employment and Labor Standard				
B1	Employment			
	Total number of employees	Headcount	5,343	5,609
B1.1	Total workforce by gender, employment type, age group and geographical region			
Gender	Male	Headcount	282	302
	Female	Headcount	5,061	5,307
Employment Type	Full time	Headcount	5,190	5,345
	Part time ¹	Headcount	133	199
	Retired and rehired employees	Headcount	20	65
	Others	Headcount	0	0
Age Group	20 or below	Headcount	72	98
	20-35	Headcount	3,368	3,493
	35-50	Headcount	1,796	1,877
Geographical Region	50 or above	Headcount	107	141
	Mainland China	Headcount	5,339	5,607
	Hong Kong, Macau, and Taiwan	Headcount	2	1
B1.2	Others	Headcount	2	1
	Employee turnover rate by gender, age group and geographical region ²			
	Male	%	24.82	22.19
Gender	Female	%	25.25	15.90
	20 or below	%	66.67	54.08
Age Group	20-35	%	28.71	17.43
	35-50	%	16.26	11.29
	50 or above	%	38.32	26.24

Notes:

¹ In the statistics, interns are classified under the part-time category due to considerations of their work modes.² Employee turnover ratio = number of employees departed in that category/total number of employees in that category.³ Percentage of employees trained = number of trainees in that category/total number of employees in that category.

ESG Indicator		Unit	2025	2024
Geographical Region	Mainland China	%	25.23	16.21
	Hong Kong, Macau, and Taiwan	%	50.00	100.00
	Others	%	0	100.00
B2	Health and Safety			
	Number of work-related fatalities	Headcount	0	0
	Rate of work-related fatalities	%	0	0
	Work-related injury	Case	15	11
B3	Lost days due to work injury			
	Day	704	511	
B3.1 Training and Development				
The percentage of employees trained by gender and employee category ³				
Gender	Male	%	91	79
	Female	%	93	84
Employee Type	Senior Management	%	96	100
	Middle Management	%	67	86
	Employee	%	95	83
	Trainee	%	70	100
B3.2 The average training hours completed per employee by gender and employee category ^{4,5}				
Gender	Male	Hour	19.58	25.23
	Female	Hour	23.89	38.50
Employee Type	Senior Management	Hour	2.16	9.44
	Middle Management	Hour	32.39	2.48
	Employee	Hour	17.89	33.06
	Trainee	Hour	261.65	202.62

⁴ The average training hours completed = the number of hours of training in that category/the total number of employees in that category.⁵ This year, the records of training duration and participants include former employees.

ESG Indicator	Unit	2025	2024
Operation Practices			
B5	Supply Chain Management		
	Number of suppliers by geographical region		
	China	Entity	368
B5.1	Asia (Except China)	Entity	3
	Europe	Entity	8
	America	Entity	1
B6	Product Responsibility		
	The percentage of products sold or shipped that need to be recalled due to safety and health reasons		
B6.1	Recalled due to safety reason	%	0
	Number of products and service-related complaints received		
B6.2	Number of complaints/Valid complaints	Case	6,975/2,952
			8404/2739
B7	Anti-corruption		
	Number of concluded legal cases regarding corrupt practices brought against the Company or its employees during the Reporting Period		
B7.1	Cases of corruption lawsuits filed and adjudicated against issuers	Case	0
	Cases of corruption lawsuits filed and adjudicated against employees	Case	0

ESG Reporting Guide Index

KPIs	Corresponding Chapters
Environmental	
A1: Emissions	
General Disclosure	
A1.1 The types of emissions and respective emissions data.	
A1.2 [Repealed 1 January 2025]	Nature in Harmony, Beauty and Sustainability in Co-existence
A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Summary of Key Environmental Performance
A1.5 Description of emissions target(s) set and steps taken to achieve them.	
A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	
A2: Use of Resources	
General Disclosure	
A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Nature in Harmony, Beauty and Sustainability in Co-existence
A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	
A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Summary of Key Environmental Performance
A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	
A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	
A3: The Environment and Natural Resources	
General Disclosure	
A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Nature in Harmony, Beauty and Sustainability in Co-existence

KPIs	Corresponding Chapters
Social	
B1: Employment	
General Disclosure	Advancing with Beauty, People-oriented at Heart Summary of Key Social Performance
B1.1 Total workforce by gender, employment type (for example, full- or parttime), age group and geographical region.	
B1.2 Employee turnover rate by gender, age group and geographical region	
B2: Health and Safety	
General Disclosure	Advancing with Beauty, People-oriented at Heart Summary of Key Social Performance
B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	
B2.2 Lost days due to work injury.	
B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	
B3: Development and Training	
General Disclosure	Advancing with Beauty, People-oriented at Heart Summary of Key Social Performance
B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	
B3.2 The average training hours completed per employee by gender and employee category.	
B4: Labour Standards	
General Disclosure	Advancing with Beauty, People-oriented at Heart
B4.1 Description of measures to review employment practices to avoid child and forced labour.	
B4.2 Description of steps taken to eliminate such practices when discovered.	
B5: Supply Chain Management	
General Disclosure	Supply Chain Management Summary of Key Social Performance
B5.1 Number of suppliers by geographical region.	
B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	
B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	
B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	

KPIs	Corresponding Chapters
B6: Product Responsibility	
General Disclosure	Beauty with Balance, Safeguarding Responsibility and Trust Summary of Key Social Performance
B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	
B6.2 Number of products and service related complaints received and how they are dealt with.	
B6.3 Description of practices relating to observing and protecting intellectual property rights.	
B6.4 Description of quality assurance process and recall procedures.	
B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	
B7: Anti-corruption	
General Disclosure	Beautiful Mission, Governance with Craftsmanship
B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	
B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	
B7.3 Description of anti-corruption training provided to directors and staff.	
B8: Community Investment	
General Disclosure	Advancing with Beauty, People-oriented at Heart Advancing with Beauty, People-oriented at Heart Summary of Key Social Performance
B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	
B8.2 Resources contributed (e.g. money or time) to the focus area.	
Climate-related Disclosures	
Climate-related Disclosures	Nature in Harmony, Beauty and Sustainability in Co-existence Summary of Key Environmental Performance

