

Shinelong Automotive Lightweight Application Limited

勳龍汽車輕量化應用有限公司

(Incorporated in Cayman Islands with limited liability)

Stock Code : 1930

**2025**

ENVIRONMENTAL, SOCIAL  
AND GOVERNANCE REPORT



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# About This Report

Shinelong Automotive Lightweight Application Limited (“Shinelong”, the “Company”) together with its subsidiaries (the “Group”) is pleased to present its Environmental, Social and Governance (“ESG”) Report (this “Report”) to our stakeholders. The Report outlines our sustainability strategies, policies and performance over the past year.

## Reporting Scope and Period

The reporting period (“Reporting Period”) of this Report is from 1 January 2025 to 31 December 2025. Unless otherwise stated, the reporting scope of this Report covers the Group’s principal businesses, including the below entities:

- Shinelong Intellectual Manufacture Precision Applied Materials (Suzhou) Company Limited (“Shinelong Intellectual Manufacture”)
- Qingdao Xunzhan Molding Technology Company Limited
- Xunhou Laser Technology (Suzhou) Company Limited
- Kunshan Longjun Management Consulting Company Limited

Unless otherwise stated, the monetary figures in this Report are denominated in Renminbi (“RMB”).

## Basis of Preparation

This Report is prepared in compliance with the Environmental, Social and Governance Reporting Code under Appendix C2 to the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”), and referred to four key reporting principles of “materially”, “quantitative”, “balance” and “consistency”.

**Materiality** During the preparation of this Report, through stakeholder engagement and taking into account the nature and development of the business, the Group has identified the sustainability issues that are material to it.

**Quantitative** This Report presents the key performance indicators (the “KPIs”) on environmental and social aspects in the form of quantitative data. The measurement criteria, methodologies, assumptions and/or calculation tools adopted for the KPIs in this Report, as well as the sources of conversion factors applied, are stated in relevant sections.

**Balance** This Report presents both positive and negative information objectively to ensure that the content reflects our sustainable development performance in an impartial manner during the Reporting Period.

**Consistency** The data disclosed in this Report are compiled using statistical methods consistent with those applied in previous years. Any specific changes have been explained to ensure adherence to the principle of consistency.

# About This Report

## Statement of the Board

The board of directors (the “Board”) takes overall responsibility for the Group’s Environmental, Social and Governance strategy and related reporting. As the highest decision-making body for ESG governance of the Company, the Board is not only responsible for formulating the Group’s sustainability policies, strategies and targets, but also committed to establishing and continuously improving ESG risk management and internal control systems. In addition, the Board is also responsible for approving the annual ESG report and overseeing the preparation and release process to ensure the transparency and accuracy of the Report. In order to further strengthen ESG governance structure, the Company established the Environmental, Social and Governance Committee (“ESG Committee”) in 2020, which is specifically tasked with assisting the Board in supervising the implementation and management of ESG-related matters. ESG Committee is responsible for reviewing the implementation progress of the ESG policies, identifying ESG risks and opportunities for the Group, and ensuring the effective operation of relevant risk management mechanisms. The ESG Working Group under the ESG Committee is responsible for the collection, analysis of daily data and the preparation of reports and regularly reports to the ESG Committee to ensure the achievement and continuous improvement of ESG targets.

We recognise the critical importance of the potential impact of ESG-related risks and opportunities on our business operations and long-term development, and have integrated ESG risk management into the Group’s overall risk management framework. The ESG Committee is responsible for overseeing the implementation of the ESG risk assessment and ensuring that the Group has established sound and efficient risk management and internal control mechanisms, capable of responding to the evolving external environment and the expectations from stakeholders.

We have established the Group’s sustainable strategy and targets, covering key areas such as air and greenhouse gas emissions, waste management, energy efficiency and water resources management. These targets are regularly assessed and reviewed to ensure that they are aligned with the Group’s overall strategic direction and to effectively drive improvements of environmental performance. The ESG Committee regularly reports to the Board on the progress of the targets and recommends necessary adjustments based on the actual circumstances, ensuring the continuous improvement and excellence in the Group’s sustainable development.

This Report discloses in detail the Group’s progress and achievements in ESG during 2025. The content of the Report is true, accurate and complete, and no false records, misleading statements or material omissions. The Board assumes full responsibility for the content contained in this Report. This Report was reviewed and approved at the Board meeting on 24 March 2026.

## Access of this Report

This Report is available in traditional Chinese and English for readers. In case of any inconsistency between two versions, the Chinese version prevails. The electronic version of this Report is available on the websites of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Group ([www.shinlone.com.cn](http://www.shinlone.com.cn)).

## Feedback

We value and carefully consider feedback from our stakeholders to drive continuous improvement. If you have any opinions on the Group’s sustainability performance or this Report, you are welcomed to contact us via email.

Email address: [sophia@shinlone.com.cn](mailto:sophia@shinlone.com.cn)

## About Us

The Company's shares have been listed on the main board of the Hong Kong Stock Exchange since 28 June 2019. The Group is a major developer and supplier of precision moulds in the People's Republic of China (the "PRC"), and we are committed to providing our customers with excellent products and services, focusing on customised moulds for the production of automotive parts to cater to the growing trend of automotive lightweight application and electrical appliances and other parts. We are dedicated to providing our customers with comprehensive mould service and solutions, covering product analysis, mould design and development; mould manufacturing, assembly, testing and adjustment; trial production; and after-sales services.

Being a professional "intellectual manufacturer" in the mould industry with over 20 years of operation history, the Group upholds the principle of innovative development and actively expands its business. We have set up factories in Kunshan and Qingdao in the PRC. Equipped with strong technology and knowledge, the subsidiary of the Group, Shinelong Intellectual Manufacture, has been awarded with high and new technology enterprise Certification, indicating our position in the industry.

## Honors and Awards



Awarded the title of "Key Enterprise in China's Precision Injection Mould Industry" by China Die & Mould Industry Association



Recognized as a "Specialized and Sophisticated Small and Medium-sized Enterprise in Jiangsu Province" by Industry and Information Technology Department of Jiangsu Province

# About Us

## Corporate Culture

Mission: To contribute to China to become an intelligent manufacturing power in the world

Vision: To become a model of happy enterprise in China

Values: To help customers and employees succeed

## Sustainability Governance

The Board is the highest decision-making body for ESG governance in the Group, and is responsible for overseeing and managing the Group's sustainable development affairs. In order to ensure the effective implementation of the sustainability vision, strategy and targets, the Board has delegated the authority for specific implementation and oversight duties to the ESG Committee. The ESG Committee guides and supervises the daily operations of the ESG Working Group, and regularly reports to the Board on progress and results, to ensure that the Group's sustainability strategy is closely integrated with the business strategy and daily operations.

The Group is committed to deeply incorporating the concept of sustainable development into the Group's overall strategic planning and operational practices, and promoting the continuous progress in environmental protection and social responsibility through robust oversight and management mechanisms. We firmly believe that this comprehensive sustainability framework will not only enhance the Group's long-term competitiveness but also create value and generates positive social impact for stakeholders.

### Sustainability Management Structure



# About Us

## Sustainability Risk Management

The Group regards risk management as an inseparable core component of daily operations and robust corporate governance. Through a sound risk management mechanism, we can effectively assess and mitigate various risks that may hinder the Group from achieving its business objectives in a dynamic business environment characterized by evolving economic, industry, regulatory and operating environments. During the Reporting Period, we conducted a comprehensive assessment of ESG-related risks, covering key areas such as climate change risks and ESG risks of the supply chain. Based on ESG trends, industry dynamics, stakeholder feedback and the nature of the business, we identified potential ESG risks faced by the Group and prioritized them according to their potential impact and likelihood of occurrence.

For significant ESG risks, We have formulated corresponding strategies and relevant control measures, regularly assess the effectiveness of such measures to ensure that they effectively mitigate risks. The Board regularly reviews the effectiveness of existing measures and proposes improvements where necessary, ensuring continuously optimization of the risk management system. For detailed information on the Group's risk management methods, please refer to the Corporate Governance Report section of the 2025 annual report.

# About Us

## The United Nations Sustainable Development Goals

The Group upholds the philosophy of responsible environmental and social governance, and collaborates with stakeholders to advance sustainable development. We focus our efforts on five core areas: Responsible Operation, Intellectual Manufacturing, Staff Cohesion, Green Operation, and Social Contribution, actively aligning with the United Nations Sustainable Development Goals (UNSDGs) and setting 2030 as our target horizon to strive to protect the planet, eradicate poverty, and contribute to a peaceful and prosperous future for human society.

During the Reporting Period, we identified six core and relevant SDGs and deeply integrated them into the five focus areas, driving the implementation of sustainable development goals by formulating concrete action plans.

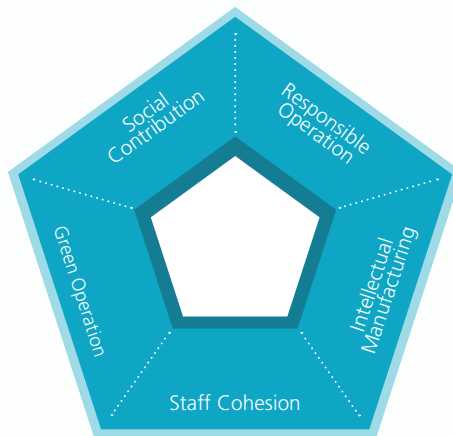
Goals

Beautify the surrounding community through volunteer activities, and help those in need to eradicate poverty



Goals

Conduct risk assessment on environmental and social risks of key suppliers, identify suppliers with material risks and require timely rectification, thereby fostering a sustainable supply chain



Goals

Prioritize more advanced and environment-friendly facilities for the Company's main production equipment to reduce energy consumption



Goals

Keep abreast of the market demands, such as developing customers in new energy vehicle parts to expand the customer base

Goals

Rigorously implement occupational safety and health measures to reduce the risk of workplace injuries and safeguard staff well-being



# Stakeholder Engagement

## Stakeholder Communication

It is vital to listen to and adopt stakeholders' opinions in promoting the Group's sustainable development. We have established regular communication channels with stakeholders and maintain close engagement with government and regulatory authorities, shareholders and investors, customers, suppliers and business partners, employees, and communities, so as to understand their views and expectations on the Group and respond in a timely manner, and seek to work with them to promote sustainable development.

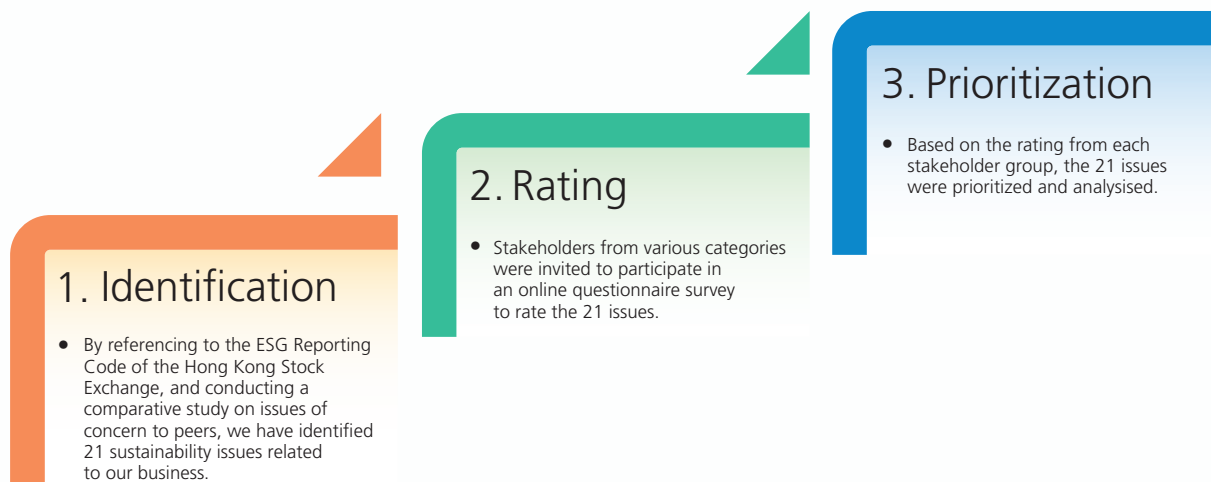
Stakeholders	Issues of Concern	Methods of Communication	Frequency
<b>Government and Regulatory Authorities</b>	Policy impact	Policies and regulations	Irregular
	Compliance operation	Interview	
	Risk control	Report	
<b>Shareholders and Investors</b>	Compliance operation	General meeting	Regular
	Risk control	Announcement	
<b>Customers</b>	Customer relationship	Customer feedback	Irregular and regular
	Customer privacy	Company website	
	Product and service quality	Visit	
		Email	
		Telephone	
<b>Suppliers and Business Partners</b>	Supply chain management	Purchasing information and contracts	Irregular
	Product quality	Consultations	
<b>Employees</b>	Employees' rights and interests	Professional training	Irregular and regular
	Staff training and development	Employee activities	
	Health and safety	Internal communication	
	Remuneration and rights of employees	Labour union	
<b>Community</b>	Charity	Community activities	Irregular
	Maintenance of community relationships		

# Stakeholder Engagement

## Materiality Assessment

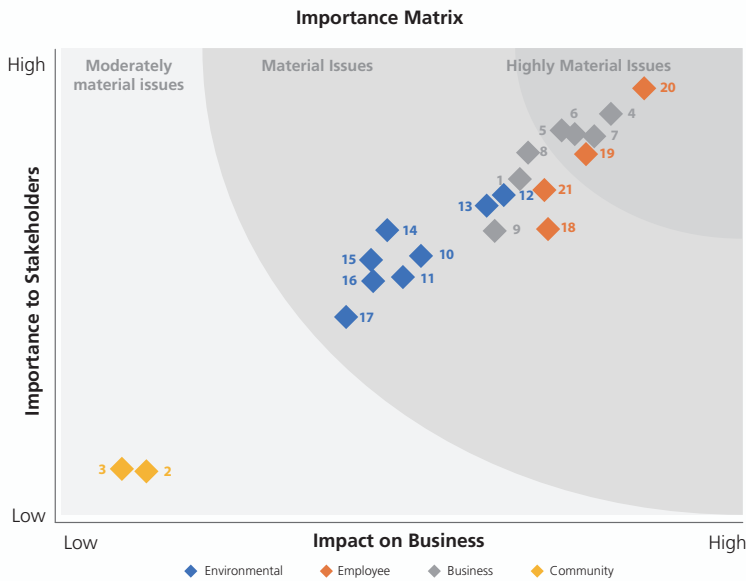
In order to gain a deeper understanding of stakeholders' concerns and expectations on the Group's material sustainability issues, we engage an independent third-party consultant to conduct an annual materiality assessment. By inviting key stakeholders to rate the sustainability issues related to the Group, we can effectively identify issues that have a significant impact on the Group's operations and development and incorporate them into focus of our oversight and management.

The specific steps of the materiality assessment are as follows:



# Stakeholder Engagement

The following materiality matrix presents the results of the materiality assessment conducted during the Reporting Period. The six issues located in the top right of the matrix are the material issues identified in this assessment, namely: occupational health and safety, management of product and service quality, anti-corruption management, protection of intellectual property, protection of customer privacy, and compensation and benefits. This Report will focus on disclosing the management policies and performance of these issues.



No.	Issue
1	Corporate governance
2	Community contribution and charity
3	Community communication
4	<b>Management of product and service quality</b>
5	<b>Protection of customer privacy</b>
6	<b>Protection of intellectual property</b>
7	<b>Anti-corruption management</b>
8	Supplier management
9	Environmental and social risks of suppliers
10	Energy consumption
11	Management of water resources
12	Management of pollutant emissions
13	Waste management
14	Reduction in the impact of production and operation on the environment
15	Climate change risk
16	Management of greenhouse gas emissions
17	Management of packaging materials
18	Fair employment
19	<b>Compensation and benefits</b>
20	<b>Occupational health and safety</b>
21	Development and training of employees

# Responsible Operation

## Anti-corruption

The Group strictly abides by applicable laws and regulations related to anti-corruption, including but not limited to the Criminal Law of the PRC, the Anti-Money Laundering Law of the PRC, the Anti-Unfair Competition Law of the PRC, and the Company Law of the PRC. We are committed to upholding business ethics and integrity, and fostering a healthy corporate culture of integrity. To ensure the achievement of this goal, the Company has set up a sound management mechanism, and through policies and systems such as the Anti-fraud and Anti-corruption Management Regulations and the Whistleblowing Policy, all of which require employees to uphold the highest ethical standards at all times, and to prevent any fraud, bribery, extortion, money laundering and other illegal behaviour.

To further strengthen integrity management, senior and middle-level management, as well as relevant employees engaged in external business dealings are required to sign the Individual Integrity Commitment. In addition, we require suppliers to sign the Anti-Commercial Bribery Commitment to ensure that no commercial bribery or other corrupt practices occur in the course of business dealings. According to the Whistleblowing Policy, employees and those who deal with the Group may report any suspected misconduct or fraud to the Group through email. Our company secretary and internal audit office will promptly investigate and provide feedback within five business days to protect the rights and interests of the Group and employees. The identities of whistle-blowers will be kept confidential.

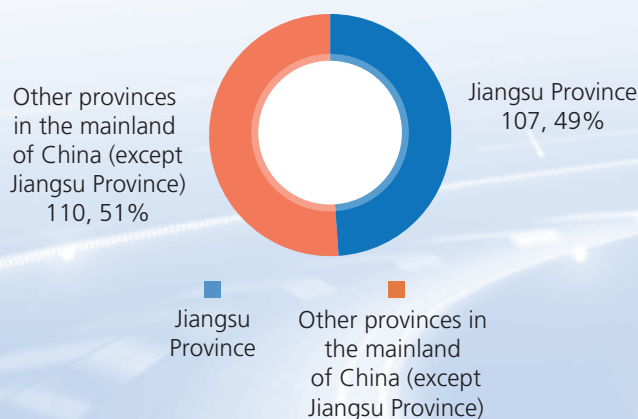
In order to enhance the awareness of business ethics and integrity among management and employees, we regularly conduct training sessions covering key topics such as the concepts, types, behaviors, applicable laws and regulations, internal policies and whistleblowing channels related to fraud and corruption. During the Reporting Period, a total of six anti-corruption training sessions were held, further strengthening employees' integrity awareness and compliance capabilities.

During the Reporting Period, we did not receive any cases or reports of corruption, extortion, fraud, money laundering that violated any laws or regulations.

## Supply Chain Management

During the Reporting Period, the Group has cooperated with 217 suppliers providing raw materials, accessories and consumable hardware parts etc. The distribution of suppliers by location is as follows:

### Distribution of Suppliers by Location



# Responsible Operation

We are committed to exerting our influence to promote sustainability across the supply chain, and have adopted the following measures to promote environmental sustainability within the supply chain:

- requiring key suppliers to provide environmental impact assessment reports to ensure that their operations do not involve significant environmental risks;
- prioritizing suppliers that offer environment-friendly products to reduce the negative impact on the environment;
- prioritizing local suppliers to reduce greenhouse gas emissions generated during transportation.

Furthermore, we also focus on minimizing the environmental impact of transportation management by the following measures:

- Conducting regular vehicle maintenance to ensure that key components such as engines and tires remain in good condition, thereby supporting efficient vehicle operation;
- Implementing more rational scheduling and route planning to reduce transportation distances and decrease empty load rates.

We conduct regular risk assessments on key suppliers to identify their environmental and social risks. The Board and management are responsible for overseeing the overall environmental and social risks within the supply chain, reviewing the effectiveness of management measures, and continuously improving the risk management system. During the Reporting Period, no high-risk suppliers were identified following the assessments.

In terms of supplier management, we adopt a comprehensive and rigorous management procedure to safeguard the quality of their products and services. When selecting new raw material suppliers, we conduct qualification evaluations and on-site visits, with a focus on reviewing their performance including quality control, management capacity, processing and production capabilities, product development, quality assurance systems and employee training. For existing suppliers, we conduct quarterly and annual reviews to assess indicators including product quality, service standards, price and on-time delivery rates. Based on the results, suppliers are classified into four classes: A, B, C and D. Class C suppliers are required to undertake immediate corrective actions, and any supplier rated class C twice consecutively or rated class D will be removed from the qualified supplier list and the cooperation will be terminated.

# Intellectual Manufacture

As a nationally recognised high and new technology enterprise, we are committed to providing high-quality products and services to our customers. We have developed comprehensive quality control measures to rigorously manage product quality and continuously improve the quality of our services. We have obtained the certificate of ISO9001:2015 Quality Management System and strictly abide by applicable laws and regulations related to the health and safety of products and services, as well as privacy.



During the Reporting Period, the Group was not aware of any material violation of laws and regulations related to the health and safety of products and services, and privacy, including but not limited to the Product Quality Law of the PRC, the Patent Law of the PRC, the Copyright Law of the PRC and the Advertising Law of the PRC.

## Quality Management

Our mould production business has obtained the certification of ISO9001:2015 Quality Management System. To ensure product quality, we have established a comprehensive Quality Manual and implemented strict standards in terms of the procedures of incoming inspection, manufacturing and delivery, including:

- “Incoming Inspection Management Procedure”: raw materials are strictly inspected upon procurement, with non-conforming products promptly addressed and followed up;
- “In-process Inspection Guide”: production processes including machining, manufacturing, and assembly are standardized, with inspections and tests conducted to ensure product structure, dimensions, and performance meet specified standards; and
- “Outgoing Inspection Standards”: products are inspected for dimensions, labeling, appearance, and other aspects prior to shipment to ensure compliance with specifications before being sold to customers.

# Intellectual Manufacture

## Product Innovation

We strictly abide by laws and regulations including the Copyright Law of the PRC and the Patent Law of the PRC, while protecting our own intellectual property rights and respecting those of others. In order to promote product innovation and consolidate the Group's position in the industry, we continuously invest resources to support the R&D team in innovation to meet the ever-changing needs of the market and customers. For our research and development achievements, we will apply for patents in due course. As at 31 December 2025, the Group's patents are as follows:

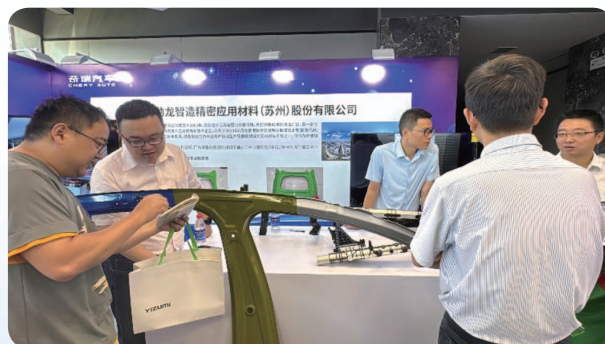
Type of patent	Total as at 31 December 2025	Total number of patent applied in 2025
Invention patent	23	2
Design patent	0	0
Utility patent	42	11
<b>Total</b>	<b>65</b>	<b>13</b>

## Industry Participation

To drive high-quality and sustainable development within the industry, the Group takes technological R&D and innovation as a core driver, and actively participates in various industry association exchanges, professional technical seminars, and industry exhibitions. By deepening industrial collaboration and resource sharing, we promote technological upgrading, experience exchange and synergistic development across the industrial chain, jointly fostering a sound industrial ecosystem. During the Reporting Period, the Group participated in two major exhibitions.

### Chery's Advanced Technology Exchange Day in July

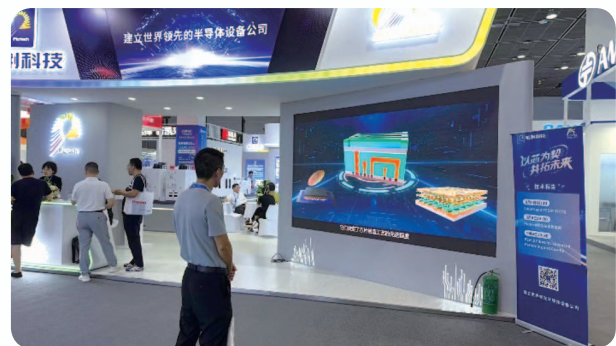
Four employees of the Group were invited to attend the "Advanced Process Technology Exchange Day" hosted by Chery Automobile Co., Ltd. The event focused on cutting-edge manufacturing processes and innovative technologies in the automotive industry, bringing together industry experts, supply chain partners and R&D professionals for knowledge sharing. The Group's representatives engaged in in-depth discussions with all participants on the upgrading of automotive manufacturing processes, and gained insights into advanced technical practices.



# Intellectual Manufacture

## The 13th Exhibition on Semiconductor Equipment, Core Components and Materials in September

Two employees of the Group participated in the 13th Semiconductor Equipment Exhibition under the theme “Strengthening China’s Chips, Embracing a Chip-driven World”. The exhibition brought together over 1,000 enterprises across the semiconductor industry chain, covering the entire ecosystem including equipment, components, materials, testing and services. Leveraging our expertise in high-precision mould manufacturing, we focused on advanced manufacturing technologies and industrial demands for high-precision components of semiconductor equipment. Through exchanges with upstream and downstream partners on key technical requirements, we explored opportunities for technical collaboration and industrial linkage, and contributed to consolidating the foundational technologies of the industrial chain.



## Customer Service

Apart from adhering to product quality, we also strive to maintain high-quality service and improve customer experience through the following measures:

- If any product quality or design issues are identified, customers may require repair within approximately one year after purchase. We will repair the defective products in a timely manner and conduct a follow-up investigation;
- Conducting customer satisfaction surveys regularly and inviting customers of household appliance injection mould, automotive injection mould and automotive hot-stamping mould to rate performance in terms of product delivery, product quality, packaging quality, staff attitude, coordination and after-sales services;
- Establishing a complaint handling procedure to ensure that complaints submitted via email, telephone or other channels are addressed in a timely and sincere manner.

Given the nature of our business, advertising and product labeling are not among the material issues of the Group.

During the Reporting Period, the Group did not record any products sold or shipped subject to recalls for safety and health reasons, nor did it receive material complaints relating to its products and services. A small number of customer comments regarding product quality were received during the period. Through proactive communication and coordination, all related issues were duly resolved, fully demonstrating the Group’s capacity for timely and effective customer service.

## Staff Cohesion

The Group has consistently adhered to a people-oriented principle and strictly abides by employment-related laws and regulations, including but not limited to the Labour Law of the PRC, the Labour Contract Law of the PRC. We are committed to building a fair, healthy and harmonious workplace where employees can grow together with the Group. During the Reporting Period, we were not aware of any material violations of laws and regulations with respect to remuneration and dismissal, recruitment and promotion, working hours, leave, equal opportunity, diversity, anti-discrimination and other benefits and welfare.

### Employment Overview

The Group adheres to the principle of “valuing both integrity and competence, and prioritizing merit”, and is dedicated to fostering a diverse and high-caliber workforce. We recruit suitable talents that meet the development needs of the Group through various channels including new media, human resources market, campus recruitment and internal referral. We advocate equal opportunities and firmly oppose any form of discrimination in the workplace, including but not limited to race, nationality, religion and gender, and ensure that all employees enjoy equal rights and opportunities within the Group.

In order to attract and retain outstanding talent, we offer our employees a competitive remuneration and benefit system. In addition to statutory benefits such as basic salary, social insurance and housing fund, we also provide additional benefits such as year-end awards, long service awards, Woman’s Day gifts, birthday gifts, health check, reflecting our commitment to human-centric care. Meanwhile, we strictly abide by national laws and regulations, and provide employees with comprehensive vacation arrangements, including but not limited to personal leave, sick leave, marriage leave, funeral leave, maternity leave, breastfeeding leave and annual leave to ensure that employees maintain a work-life balance. We have developed a sound internal Promotion Management System, which aims to provide employees with fair and transparent promotion channels and development opportunities. Through regular performance evaluations, training and development programs, we encourage our employees to continuously improve their skills and professionalism to contribute to the sustainable development of the Group.

To encourage our employees to participate in innovation, we have taken a series of measures:

- rewarding employees who participate in innovation and obtain patent authorization;
- recording a merit for employees who make improvement and innovation in their work that result in actual cost reduction and efficiency improvement, and including this merit in their performance appraisal.

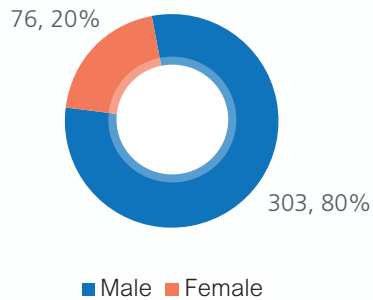
We strictly abide by the Provisions on the Prohibition of Child Labour and the Law of the People’s Republic of China on the Protection of Minors, and uphold the principle of human rights protection in all aspects of recruitment, compensation, promotion and training. We firmly oppose child labour and forced labour. When recruiting new employees, we verify their identity documents to ensure that they meet the statutory age requirements. Meanwhile, our Employee Handbook and other human resources policies clearly stipulate arrangements for working hours, compensation, benefits, leave, and resignation to prevent forced labour. If child labour or forced labour is identified in the workplace, we will immediately take action to take them away from the workplace and properly handle the matter according to law to ensure compliance with the relevant laws and regulations, including the Labour Law of the People’s Republic of China.

During the Reporting Period, the Group did not identify any child labour and forced labour.

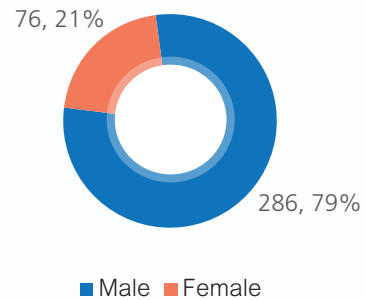
# Staff Cohesion

As at 31 December 2025, the Group employed a total of 379 full-time employees, all located in Mainland China. The chart below shows the distribution of employees by gender, function and age group, as well as the turnover rate at the end of the Reporting Period and in 2024. These data reflect the effectiveness of our efforts in optimizing our employee structure and retaining talent.

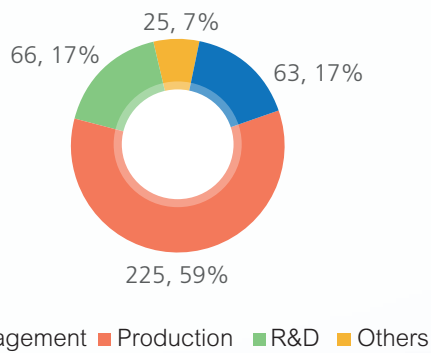
Employees by Gender in 2025



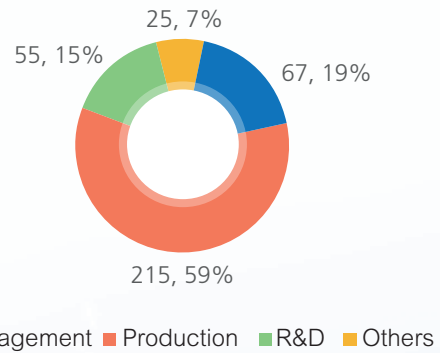
Employees by Gender in 2024



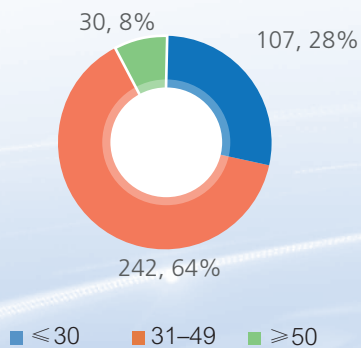
Employees by Function in 2025



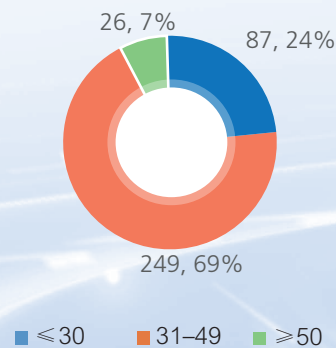
Employees by Function in 2024



Employees by Age Group in 2025



Employees by Age Group in 2024



## Staff Cohesion

Turnover Rate <sup>1</sup>	2025	2024
<b>Total</b>	32%	30%
<b>By Gender</b>		
Male	37%	32%
Female	9%	21%
<b>By Function</b>		
Management	12%	18%
Production	39%	37%
R&D	28%	21%
Others	24%	20%
<b>By Age Group</b>		
≤30	51%	48%
31–49	24%	24%
≥50	29%	24%

### Employment Communication and Care

Upholding a people-oriented philosophy, the Group continuously enhances employees' sense of belonging and team cohesion through mutual communication mechanisms and diverse care initiatives.

To facilitate open communication channels for employee voice and gain in-depth insights into employee needs, we conduct regular employee interviews and exit interviews, gathering feedback on topics such as benefits and career development, which enables us to respond promptly to employee concerns and optimize our management system.

<sup>1</sup> Employee turnover rate is calculated by dividing the number of departed employees in the category during the Reporting Period by the average number of employees in the category for the year (calculated as the average of the figures at the beginning and the end of the year).

# Staff Cohesion

During the Reporting Period, the Group planned and implemented a wide range of employee care initiatives.

## Inclusive Employee Benefits

We have launched a series of benefit activities covering all employees, including the year-end party, festival gifts, heat-relief supplies, Mid-Autumn Festival barbecue and garden party, employee gatherings etc.



the Year-end Party



Mid-Autumn Festival Barbecue and Garden Party



Mid-Autumn Mooncake Distribution

## Staff Cohesion



Women's Day Appreciation Gifts



Heat-Relief Supplies Distribution

## Cultural and Sports Activities

We have organized a variety of cultural and sports events, including film screenings, spring and autumn marathons, the "Golden Autumn Joy Run — Fitness Together" training, the "Green Trail" hiking, and basketball matches, in addition to quarterly staff birthday parties.



Spring Marathon in 2025

## Staff Cohesion



“Golden Autumn Joy Run — Fitness Together” Event



Basketball Matches



Staff Birthday Parties

# Staff Cohesion

## Charity and Culture

The Group organized a series of environmental protection and public welfare activities, such as waste clean-up activity, to advocate green concepts. Furthermore, biweekly reading clubs and monthly study sessions were held to enrich the spiritual and cultural life of employees.



Waste Clean-up Activity



Reading Club



The Analects Study Sessions

The integration of communication mechanisms and care initiatives strengthen the emotional bond between employees and the Group, effectively enhance employees' sense of belonging and team cohesion, and lay a solid talent foundation for the Group's sustainable development.

# Staff Cohesion

## Training and Development

We continue to invest resources in promoting employee training and development, helping employees enhance their professional capabilities and achieve career growth. Meanwhile, through a systematic training mechanism, we consolidate the foundation for ESG governance and facilitate the effective implementation of environmental, social, and governance goals.

During the Reporting Period, the Group developed targeted training plans aligned with employees' job requirements, business development strategies, and ESG compliance obligations. Both internal and external training programs were coordinated, covering a wide range of topics including governance and compliance, health and safety, skill enhancement, professional competency and operation management. The core courses covered themes such as anti-corruption and anti-fraud advocacy, compliance framework and regulatory priorities for Hong Kong-listed companies, directors' duties and risk prevention in the performance of their roles, information disclosure norms, and integrated risk and internal control management. Skill-based training included employee orientation, programming, operational specifications for press, welding machines and blue laser equipment, mould design and debugging, process analysis and defect improvement. In addition, comprehensive courses such as AI empowerment and lean management, PDCA Closed-Loop Management, fiscal and tax policies, marketing strategies and supply chain management were also offered to comprehensively enhance employees' professional knowledge and management capabilities.

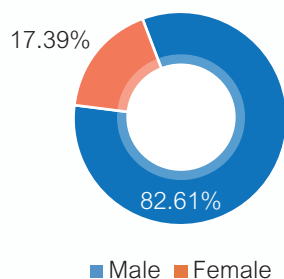


AI-Driven Innovation Growth Bootcamp

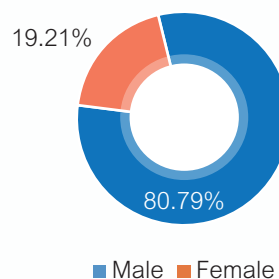
## Staff Cohesion

The training ratio<sup>2</sup> (unit: %) and average training hours<sup>3</sup> (unit: hours) by gender and function during the Reporting Period and in 2024 are as follows:

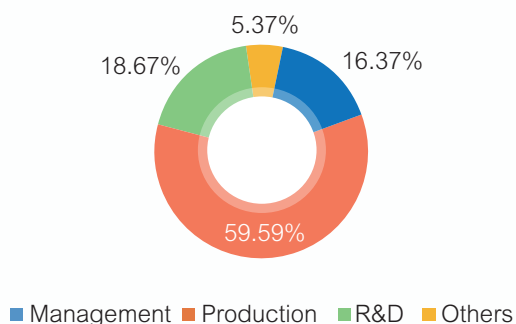
Training Ratio by Gender in 2025



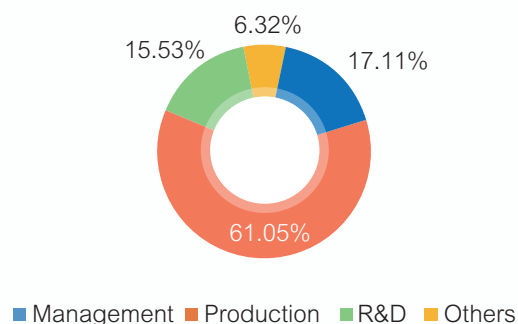
Training Ratio by Gender in 2024



Training Ratio by Function in 2025



Training Ratio by Function in 2024

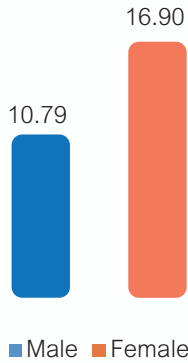


<sup>2</sup> The training ratio for a given category is calculated as the number of trained employees in that category divided by the total number of trained employees during the Reporting Period, reflecting how trained employees are distributed by gender and employee category.

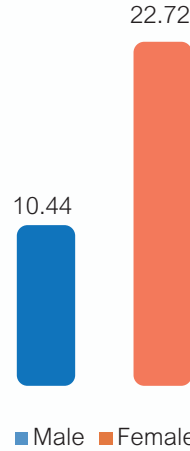
<sup>3</sup> The average training hours are calculated by dividing the total training hours of employees in a given category during the Reporting Period by the total number of employees (including those who left) in that category, to reflect the scale of training resources actually invested by the Group during the Reporting Period.

# Staff Cohesion

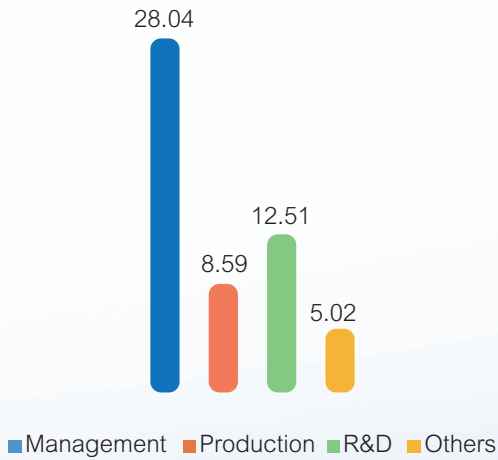
Average Training Hours by Gender in 2025



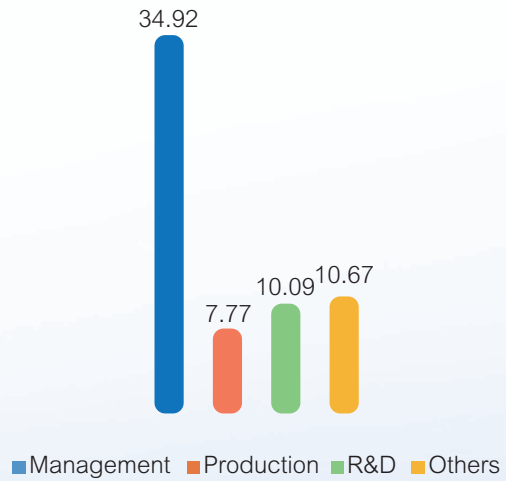
Average Training Hours by Gender in 2024



Average Training Hours by Function in 2025



Average Training Hours by Function in 2024



## Staff Cohesion

In addition, the Group attaches great importance to employees' career development and sets up dual career paths for vertical promotion and horizontal development, providing diversified growth opportunities. We have formulated the "Management Measures for Employee Promotion" and conduct regular performance assessments based on criteria such as work attitude, teamwork capability, management performance and professional competence.

Upon completion of the annual performance review, each department manager will conduct a one-on-one meeting with each employee to discuss individual performance and career planning, and clarify future development goals and direction. We also provide promotion opportunities for outstanding employees to support their long-term career advancement within the Group.

## Health and Safety

Ensuring the well-being of employees is one of our top priorities. The Group abides by the relevant laws and regulations related to occupational health and safety, and strives to minimise the possibility of exposure to occupational safety and health risks by the implementation of a management system. Our occupational safety and health measures include:

<b>Health</b>	<ul style="list-style-type: none"><li>• Arranging a free health check for all employees every year, and providing special medical examinations for employees specifically exposed to hazardous factors such as noise and dust;</li><li>• Analyzing the health status of employees according to the overall physical examination data, and adjusting employee welfare policies, improving the working environment or introducing more appropriate health promotion measures accordingly;</li><li>• Arranging training sessions on occupational health and safety incident prevention;</li><li>• Engaging suppliers with qualified occupational health technical service to conduct testing of the occupational hazard factors across the Company's operations and provide an assessment report.</li></ul>
<b>Safety</b>	<ul style="list-style-type: none"><li>• Conducting regular safety risk inspection of workshops and workplaces, and requiring the corresponding departments to provide rectification and management plans for identified hazards and issues, and to implement them conscientiously;</li><li>• Organizing fire safety knowledge training and fire drills for employees to learn the operation of fire extinguishers and other fire-fighting equipment, and strengthen the awareness of fire safety and emergency response capabilities;</li><li>• Displaying safety warning signs in appropriate locations to alert employees to potential risks;</li><li>• Providing employees with personal protective equipment, including workwear, safety helmets, safety shoes, goggles and gloves.</li></ul>

## Staff Cohesion



Fire Drills



Occupational Health and Safety Accident Training

During the Reporting Period, the Group purchased dry powder fire extinguishers for the plant to further strengthen safety protection measures in production areas, ensuring a prompt and effective response to fire risks in case of emergency, safeguarding both production operations and personnel.

	2025	2024
<b>Quantity of dry powder purchased (kg)</b>	1,523	1,582

During the Reporting Period, the Group was not aware of any violations of laws and regulations related to the provision of a safe working environment and the protection of employees from occupational hazards, including but not limited to the Prevention of Occupational Diseases Law of the PRC, the Work Safety Law of the PRC and Regulations of the PRC on Work-related Injury Insurance.

In 2025, the Group recorded a total of 6 work-related injuries among its employees, resulting in a total of 139 lost workdays. We place high importance on this matter and will continue to strengthen our occupational health and safety management. During the Reporting Period, we conducted work injury prevention training for employees at all levels.

The Group continuously improves its safety management system by regularly updating and optimizing work safety regulations and operating procedures, and ensures the effective implementation of these requirements through routine inspections and on-site supervision. Meanwhile, the Group reinforces the maintenance and inspection of equipment, machinery and workplaces to ensure a safe, clean and orderly working environment, thereby mitigating potential risks.

Looking ahead, the Group will continue to improve the safety management responsibility system, strengthen the safety-first culture, comprehensively enhance the effectiveness of safety management, and ensure the health and safety of employees while maintaining the steady operation of the Group.

	2025	2024	2023
<b>Work-related fatalities during the past three years (people)</b>	0	0	0

	2025	2024
<b>Work-related accidents (people)</b>	6	4
<b>Working days lost due to injury (days)</b>	139	226

# Staff Cohesion

## Privacy Protection

We place great importance on the protection of personal data privacy. Upon onboarding, in addition to the employment contract, employees are required to sign a Confidentiality Agreement, which mandates the careful handling of company confidential information and knowledge to prevent unauthorised disclosure.

In addition, we are committed to safeguarding data security to protect the interests of the Group, customers and employees. Upon receipt of customer orders, we convert them into internal job codes to ensure the confidentiality of order information. Relevant drawings and data provided by customers will be stored in the internal server of the Company, and no unauthorised access or retrieval of such data is permitted. The personal information of employees is also confidential, and we have formulated the “Code of Practice for the Management of Personnel Files of Employees” to ensure the compliant storage of personal data. If exceptional circumstances require access to or off-site use of such records, prior approval from the authorised supervisor is needed. Any violation of the relevant record-keeping and confidentiality regulations will result in disciplinary action in accordance with established policies. To further reinforce data security, our servers are managed through a tiered access rights system, with data properly classified. System logs are maintained to track access and review the personnel involved as well as the content retrieved.

## Green Operation

We actively manage the environmental performance of our operations to address climate change-related challenges. We comply with relevant national laws and regulations, including but not limited to the Law of the PRC on Prevention and Control of Air Pollution, the Environmental Protection Law of the PRC, the Law of the PRC on the Prevention of Water Pollution, the Water Law of the PRC, the Soil Pollution Prevention and Control Law of the PRC, the Noise Pollution Prevention and Control Law of the PRC, the National Catalogue of Hazardous Wastes, the Measures for the Management of Hazardous Waste Transfer and the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste.

We continuously assess the Group's emissions and resource consumption. Therefore the Company has formulated and implemented a rigorous "Environmental Protection Management System", including the approval of renovation and expansion projects, routine environmental management, and other related areas. This system is designed to guide our employees to follow the principles of reducing emissions and rational resource utilisation throughout our operations and production processes.

During the Reporting Period, we were not aware of any material violations of laws and regulations environment-related.

# Green Operation

## Addressing Climate Change

### Governance

In order to effectively address climate-related risks and opportunities, we have integrated climate-related initiatives into the Group's sustainable development governance structure, establishing a three-level governance system that forms a top-down accountability mechanism.

<b>Decision-Making Level</b>	<p>The Board serves as the highest decision-making body for ESG matters and assumes ultimate accountability for the Group's climate-related strategies, policies and risk management. Its core responsibilities include:</p> <ul style="list-style-type: none"><li>• Approving and formulating climate-related ESG strategies, policies, annual targets and major resource allocation plans;</li><li>• Overseeing the identification, assessment and management effectiveness of climate-related risks and opportunities, ensuring alignment with overall business strategy;</li><li>• Coordinating cross-departmental climate action and resolving significant implementation barriers.</li></ul>
<b>Management Level</b>	<p>The coordination team comprising the ESG Committee acts as the executive hub for climate-related ESG initiatives. Its core responsibilities include:</p> <ul style="list-style-type: none"><li>• Tracking the progress on core issues such as carbon emission management, energy-efficient technology development and low-carbon transformation of the supply chain;</li><li>• Reporting regularly (at least annually) to the ESG Working Group on work performance, implementation challenges and significant matters that need to be escalated.</li></ul>
<b>Execution Level</b>	<p>Comprising the ESG Working Group, it undertakes the following specific responsibilities:</p> <ul style="list-style-type: none"><li>• Assisting in the formulation of climate-related implementation guidelines, targets and assessment metrics;</li><li>• Monitoring emerging climate-related risks and opportunities, including extreme weather events, changes in regulatory policies, and the application of renewable energy;</li><li>• Collecting, consolidating and analysing climate-related data such as greenhouse gas emissions, energy consumption and waste treatment;</li><li>• Coordinating internal cross-departmental collaboration and aligning climate actions with external partners.</li></ul>

# Green Operation

## Strategy

The Group regards climate change as a key factor affecting its long-term business development and financial performance. We systematically identify and assess transition risks and physical risks, and analyse their potential impact on the Group's revenue structure, operating costs and capital expenditures. Our assessments are currently conducted across three time horizons: short-term (1–3 years), medium-term (3–7 years) and long-term (more than 7 years), which are aligned with our internal business planning.

We are progressively adjusting our business and operational strategies. This includes prioritising the adoption of energy-efficient equipment and design in both new and renovated plant facilities to reduce electricity and fuel consumption, thereby lowering operating costs and carbon emissions. Through process optimisation and intelligent transformation, we continue to improve energy efficiency per unit of output, positioning ourselves to respond to potentially tighter emissions and energy performance regulations. We are also exploring and assessing market opportunities related to green products and energy-saving services, capturing growing customer demand for low-carbon supply chains and environmentally friendly solutions, and transforming climate-related opportunities into new drivers of growth.

# Green Operation

## Risk Management

Type of Risk	Description of Risk	Time Horizon	Financial Impact	Response to Risk
<b>Physical risk</b>				
Impact of extreme weather on production facilities and supply chain	Increasing frequency of extreme weather events, including typhoons in East China and strong winds in northern regions, may disrupt facility operations, interrupt logistics, and result in damage to inventory, equipment or moulds.	Short-term	Disruption to production capacity; delivery delays; increased costs from overtime and expedited logistics; losses from equipment and inventory damage; heightened risk of penalties for breach of contract with customers.	<ul style="list-style-type: none"> <li>The Group has purchased appropriate insurance coverage for its production facilities and major equipment to mitigate the financial impact of asset damage caused by extreme weather events, and continuously reviews its disaster prevention and maintenance plans;</li> <li>Contingency plans for extreme weather events and backup capacity arrangements have also been established.</li> </ul>
Impact of rising temperatures and heatwaves on equipment and product quality	High temperatures and frequent heatwaves in summer may affect the stability of production processes such as injection and stamping, leading to increased defect rates and equipment failure.	Medium-term	Increased costs from scrap and rework, decreased yield rate, and higher repair and maintenance costs, leading to delivery disruptions and adverse impact on customer satisfaction.	<ul style="list-style-type: none"> <li>Rescheduling temperature-sensitive production processes to cooler periods during early mornings and late evenings.</li> </ul>

# Green Operation

Type of Risk	Description of Risk	Time Horizon	Financial Impact	Response to Risk
<b>Transition risk</b>				
Rising costs driven by carbon and energy-related policies	With the advancement of China's roadmap for carbon peaking and carbon neutrality, requirements for energy efficiency and emissions are being tightened, which may lead to rises in prices of electricity and fossil fuels as well as increased costs for waste and hazardous waste disposal.	Short-term to medium-term	The increase in energy and compliance costs exerts pressure on gross profit margins; potential order attrition if regulatory or customer requirements are not met.	<ul style="list-style-type: none"> <li>Continuously monitoring and promptly responding to relevant national and industry regulations and policy developments; integrating climate-related requirements into the Group's corporate governance and compliance framework; proactively planning necessary resources and technological upgrades to ensure sustained compliance in our operations.</li> </ul>
Growing customer expectations regarding low-carbon supply chain requirements	Automotive OEMs and international brands have gradually adopted science-based carbon reduction targets, requiring mould and component suppliers to disclose their carbon footprints and emission reduction plans, and the traditional high-energy-consuming mould production models are facing competitive pressures.	Medium-term	Growing public and customer focus on environmental protection and climate issues is driving increased market demand for low-carbon equipment and energy-saving measures. This trend may elevate the prices of related raw materials and equipment, thereby compressing the Group's profit margins.	<ul style="list-style-type: none"> <li>Establishing and maintaining long-term, stable partnerships with core suppliers to enhance procurement bargaining power and ensure supply stability;</li> <li>Prioritising the adoption of facilities and processes with higher energy efficiency and lower environmental impact, thereby reducing energy consumption per unit.</li> </ul>

## Green Operation

Type of Risk	Description of Risk	Time Horizon	Financial Impact	Response to Risk
<b>Opportunity</b>				
Demand growth driven by lightweighting and new energy vehicles	Increasing application of aluminium alloys, composites, and other advanced materials driven by automotive lightweighting, electrification, and intelligent technologies, is leading to new demand for high-precision and complex-structured moulds.	Medium-term to long-term	The growth in orders for high-value-added moulds results in an improvement in revenue and profit structure, enhancing the bargaining power in the automotive industry chain.	<ul style="list-style-type: none"> <li>Continuously monitoring changes in market demand for new energy vehicles and related components, actively developing customers in the new energy vehicle parts sector, expanding its customer base, and converting the demand for low-carbon transformation into business growth opportunities.</li> </ul>
Market advantages of green and energy-saving production processes	Growing customer focus on supplier environmental performance means that mould manufacturers with energy-saving and emission-reduction capabilities are more likely to secure long-term cooperation and procurement preference.	Short-term to medium-term	Enhancing medium to long-term customer loyalty and bid win rates, strengthening corporate brand image and supporting valuation premium.	<ul style="list-style-type: none"> <li>Systematically collating existing energy-saving and emission-reduction measures to develop verifiable case studies and performance data;</li> <li>Proactively disclosing energy efficiency and emission performance in bidding and customer evaluation;</li> <li>Exploring the enhancement of the green factory image through third-party certification.</li> </ul>

The Group has established a regular climate risk monitoring mechanism, conducting periodic assessments annually to systematically identify emerging risks. Based on the evaluation outcomes, we adjust our response strategies in a timely manner and regularly review the effectiveness of risk management at the Board level, ensuring a forward-looking approach to risk governance.

# Green Operation

## Metrics and Targets

In 2021, the Group established four environmental targets covering areas such as air and greenhouse gas emissions, waste management, energy consumption, and water usage. These targets are designed to strengthen the management of our environmental performance, with regular reviews and progress monitoring to ensure alignment between our operations and environmental objectives. We have actively implemented various energy-saving and carbon reduction measures in pursuit of these targets. The progress during the Reporting Period is as follows:

Category	Environmental Targets	Progress during the Reporting Period
Air and Greenhouse Gas	Reduce air and greenhouse gas emissions, and gradually lower the Group's carbon footprint.	During the Reporting Period, the Group prioritised the adoption of energy-efficient equipment and processes in its production operations to reduce energy consumption and associated emissions. In terms of vehicle usage, we gave preference to new energy vehicles and actively promoted green commuting and low-carbon lifestyles. Although our emissions for the year increased compared to those in 2021, which is primarily attributable to business expansion and the new inclusion in emissions of scope 3, we have continuously reviewed our energy efficiency performance and identified further reduction opportunities, thereby laying the groundwork for the subsequent setting and achievement of emission reduction targets.
Waste	Promote source reduction and recycling to minimise waste generation.	During the Reporting Period, the non-hazardous waste generated by the Group consisted primarily of metal scrap from production processes, accounting for approximately 98% of the total. All such waste was entrusted to recyclers for recovery and reuse. The hazardous waste generated by the Group mainly included waste cutting fluid and grinding sludge. We have implemented oil-water separation treatment for cutting fluid to enhance the reuse rate and thereby reduce the volume of hazardous waste requiring final disposal. Although total waste generation increased during the year, the Group has continued to conduct systematic reviews of process optimisation and material utilisation efficiency, with the aim of further advancing waste reduction and resource recovery capabilities.

## Green Operation

Category	Environmental Targets	Progress during the Reporting Period
Energy	Improve energy efficiency and reduce avoidable energy consumption across operations.	<p>The Group's energy consumption is primarily attributable to electricity used in production and office operations. During the Reporting Period, we continuously reviewed production processes and techniques, assessed equipment energy demand, and prioritised the selection of energy-efficient equipment models. In office areas, LED lighting and other intelligent lighting systems were widely adopted to improve electricity efficiency. Meanwhile, we introduced rooftop photovoltaic projects at our new facilities, gradually increasing the proportion of clean energy in our energy mix. Although overall energy consumption increased during the year due to the commissioning of new production capacity and business growth, the Group remains committed to further optimising energy efficiency management and controlling energy consumption per unit of output.</p>
Water	Improve water efficiency and minimise water consumption.	<p>The Group's water consumption is primarily attributable to domestic use. During the Reporting Period, we continued to promote water conservation awareness among employees, reminding them to turn off taps promptly after use, and conducted regular inspections and maintenance of water outlet fixtures to reduce leakage and wastage. Water consumption during the Reporting Period decreased compared to 2021, mainly attributable to the implementation of the "Sponge City Project" at our new facilities, which enhances the site's water circulation and ecological balance through efficient rainwater collection and storage design. The Group will continue to strengthen water conservation awareness among employees to further improve overall water use efficiency.</p>

# Green Operation

## 2030 Medium-Term Targets

To further implement climate action and contribute to the UNSDGs, the Group established a 2030 medium-term environmental targets during the Reporting Period. With 2025 as the baseline year, we are committed to continuously reducing our environmental impact across various dimensions, driving carbon emission reductions, and promoting our green transformation.

Category	2030 Targets (Based on the Year 2025)
Greenhouse gas	Reduce greenhouse gas emissions intensity by 2% by 2030.
Waste	Reduce waste generation intensity by 2% by 2030.
Energy	Reduce energy consumption intensity by 2% by 2030.
Water	Reduce water consumption intensity by 2% by 2030.

The Group will continue to monitor the progress of various indicators, regularly review implementation progress, and assess more ambitious targets for carbon reduction and resource management in order to achieve the vision of green transition and sustainable development.

## Resource Saving

Based on the nature of our business, we consume purchased electricity to support the power needs of our operational sites, as well as gasoline and diesel for company vehicles. To reduce the Group's carbon footprint, we actively promote energy conservation concepts and strive to reduce energy consumption while enhancing energy efficiency through the following measures:

- Continuously reviewed production processes and procedures, assessed the energy requirements of equipment, and sought applicable methods to optimize and reduce energy consumption;
- Prioritized energy-efficient models to enhance energy performance when purchasing production equipment such as CNC machines, hot stamping and debugging line, as well as other office facilities;
- Maximized the use of energy-saving lighting, phased out certain high-energy-consumption air conditioners and other obsolete equipment to improve electricity efficiency;
- Installed rooftop photovoltaic systems to utilize clean energy in our new plant, thereby greening our power sources and reducing carbon emissions;

## Green Operation

- Planted diverse plants in our new plant, with green coverage accounting for approximately 15.50% of the total area;
- Implemented the “Sponge City Program” in our new plant to achieve efficient water collection and ecological balance;
- Launched a corporate Didi Chuxing system, using its electric vehicles and carpooling services to promote low-carbon travel patterns;
- Posted notices in the workplace to remind employees to save electricity.

Our water is supplied by the municipal water supply company, and we have obtained a permit for the discharge of urban sewage into drainage pipelines. During the Reporting Period, we did not encounter any issues in accessing water. We actively promote the concept of water conservation and request employees to conserve water.

## Green Operation

As the Group is involved in manufacturing operations, we also consume packaging materials for finished products, such as wooden cases, cartons, plastic films, bubble film, and mirror protective film. The Group's resource consumption data for the Reporting Period and 2024 are presented below:

Indicators		Unit	2025	2024
Energy consumption	Gasoline	MWh	112.92	155.14
	Diesel	MWh	90.69	137.98
	Purchased electricity	MWh	8,172.23	6,356.27
	Total consumption	MWh	8,375.85	6,649.40
	Intensity of comprehensive energy consumption <sup>4</sup>	KWh/RMB10,000 revenue	278.57	279.80
Water consumption	Total water consumption	M <sup>3</sup>	16,337.00	21,190.00
	Water consumption intensity	M <sup>3</sup> /RMB10,000 revenue	0.54	0.89
Office paper consumption	Total office paper consumption	Kg	2,945.40	2,503.60
	Office paper consumption intensity	Kg/RMB10,000 revenue	0.10	0.11
Packaging materials consumption	Wooden cases	Tonnes	102.53	69.55
	cartons	Tonnes	3.69	3.06
	plastic film, bubble film, and mirror protective film	Tonnes	2.02	1.47
	Total packaging material consumption	Tonnes	108.24	74.08
	Packaging material consumption intensity	Kg/RMB10,000 revenue	3.60	3.12

<sup>4</sup> The Group's revenue for the year 2025 amounted to approximately RMB300.67 million, compared to RMB237.65 million for the year 2024. This data will also be used to calculate other intensity metrics.

# Green Operation

## Emission Reduction

In addition to resource conservation, we also pay close attention to air, greenhouse gas and waste emissions. Our air and greenhouse gas emissions come from the minimal exhaust gases generated by cutting fluids and electrical discharge machining oils, direct greenhouse gas emissions from gasoline and diesel consumed by company's vehicles, and indirect greenhouse gas emissions resulting from purchased electricity.

Based on the nature of our operations, the hazardous waste we generate includes waste cutting fluids, cutting oils, waste lubricating oils, and grinding sludge. We require our employees to conduct regular inspections of the hazardous waste storage areas to ensure that all hazardous waste is properly sorted, collected, and transported to prevent any leakage. Such hazardous waste is entrusted to qualified third parties for disposal. In addition, we also generate industrial waste and domestic waste. These are properly sorted, collected, and disposed of. To reduce waste generation and minimize our environmental impact, we have implemented the following measures:

- Separate the oil and water from cutting fluid for recycling purposes;
- Continuously review production processes and carry out optimization, with the aim of reducing industrial waste;
- Promote the concept of a paperless office and use electronic channels as far as possible to reduce the consumption of paper.

## Green Operation

The emission data of the Group during the Reporting Period and 2024 are as follows:

Indicators		Unit	2025	2024
Air emissions	Nitrogen oxides	Kg	126.89	160.36
	Sulphur oxides	Kg	0.31	0.44
	Particulate Matter	Kg	12.62	16.11
Greenhouse gas emissions <sup>5</sup>	Direct emissions (scope 1)	Tonnes CO <sub>2</sub> e	53.36	76.57
	Indirect emissions (scope 2) <sup>6</sup>	Tonnes CO <sub>2</sub> e	3,775.73	3,611.98
	Other indirect greenhouse gas emissions (scope 3) <sup>7</sup>	Tonnes CO <sub>2</sub> e	37.91	33.30
	Greenhouse gas removal (scope 1) <sup>8</sup>	Tonnes CO <sub>2</sub> e	0.78	1.66
	Total greenhouse gas emissions	Tonnes CO <sub>2</sub> e	3,866.22	3,720.19
	Greenhouse gas emissions intensity	Tonnes CO <sub>2</sub> e/RMB10,000 revenue	0.13	0.16
Non-hazardous waste	Total non-hazardous waste	Tonnes	676.76	423.81
	Non-hazardous waste intensity	Kg/RMB10,000 revenue	22.51	17.83
Hazardous waste	Total hazardous waste	Tonnes	14.02	7.81
	Hazardous waste intensity	Kg/RMB10,000 revenue	0.47	0.33

<sup>5.</sup> Greenhouse gas emissions data are presented in carbon dioxide equivalent and have been calculated with reference to, among others, the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard* published by the World Resources Institute and the World Business Council for Sustainable Development, the *Appendix II: Reporting Guidance on Environmental KPIs* issued by The Stock Exchange of Hong Kong Limited, and the Global Warming Potential values from the Sixth Assessment Report of the Intergovernmental Panel on Climate Change.

<sup>6.</sup> For electricity emissions in the China region, the emission factors published in the *Announcement on the Release of 2023 Electricity Carbon Dioxide Emission Factors* (jointly issued by the Ministry of Ecology and Environment and the National Bureau of Statistics) and the *2024 National Electricity Carbon Footprint Factors* are used for calculation.

<sup>7.</sup> Since the year 2024, we have included the “waste generated in operations” and “business travel” categories in our Scope 3 carbon emissions. These have been calculated using the emission factors set out in the *Carbon Audit Toolkit for Small and Medium Enterprises in Hong Kong* jointly published by The University of Hong Kong and the City University of Hong Kong, and reported in accordance with the results derived from the International Civil Aviation Organization (ICAO) Carbon Emissions Calculator.

<sup>8.</sup> During the Reporting Period, the Group has newly incorporated greenhouse gas removals arising from tree planting.

# Green Operation

## Environmental Protection

The Group's operations do not involve significant emissions or pollution. Although we have not identified any operating activities with significant adverse impacts on the environment, we place great emphasis on environmental performance, including greenhouse gas emissions, air emissions, energy and water consumption, and waste management. We are committed to integrating environmental protection concepts into all operational and production processes. The Group requires employees to strictly comply with the *Urban Appearance and Environmental Sanitation Management Regulations*, the *Measures for the Management of Municipal Solid Waste*, as well as the Group's internally established Environmental Protection Management System and other relevant measures. When procuring production and office facilities, priority is given to energy-efficient products and models, thereby enhancing energy performance while protecting the environment.

# Social Responsibility

The Group firmly believes that corporate success is inseparable from the support and trust of the community. As a member of the community, we actively give back to society by engaging our employees in diverse charitable activities to promote the sustainable development of the communities in which we operate. During the Reporting Period, the Group has dedicated resources primarily through volunteer services and charitable contributions, continuously strengthening our social responsibility practices.

## Volunteer Activities

The Group encourages employees to participate in voluntary services during their leisure time, taking concrete actions to fulfill social responsibilities and contribute to community environmental improvements. During the Reporting Period, a total of 44 employees took part in the “Community Environmental Clean-Up Initiative,” assisting in the cleaning of public areas such as parks, streets, and green belts through activities including weeding and litter collection, while also sorting recyclables to reduce the environmental burden of waste.



The Activity of Trash Pickup and Weeding

## Social Responsibility

Through such activities, the quality of the community environment was significantly enhanced, while also deepening employees' environmental awareness and team cohesion, fully demonstrating the Group's commitment to actively fulfilling its environmental and social responsibilities. In addition, during the Reporting Period, 13 employees voluntarily participated in blood donation activities, extending care to patients in need and fostering a culture of giving back to society that continues to be passed on among employees.



Blood Donation Activities

### Charitable Donation

The Group upholds the philosophy of "taking from society and giving back to society" by actively engaging in various charitable initiatives. During the Reporting Period, we donated a total of RMB42,233 to projects including disaster relief and educational research and development, supporting post-disaster recovery and advancing educational development.

Looking ahead, the Group will continue to broaden and deepen its participation in public welfare initiatives, encouraging more employees to engage in voluntary actions and collaborating with communities and partners to jointly build an inclusive, mutually supportive, and sustainable society.

# HKEX Environmental, Social and Governance Reporting Code Index

This report has been prepared in accordance with the Environmental, Social and Governance Reporting Code as set out in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Part B: Mandatory Disclosure Regulations	Section/Notes
<b>Governance Structure</b>	
<p>A statement from the board containing the following elements:</p> <ul style="list-style-type: none"> <li>(i) a disclosure of the board’s oversight of ESG issues;</li> <li>(ii) the board’s ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer’s businesses); and</li> <li>(iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer’s businesses.</li> </ul>	<p>About This Report — Statement of the Board</p>
<b>Reporting Principles</b>	
<p>A description of, or an explanation on, the application of the Reporting Principles (materiality, quantitative, and consistency) in the preparation of the ESG report.</p>	<p>About This Report — Basis of Preparation</p>
<b>Reporting Boundary</b>	
<p>A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.</p>	<p>About This Report — Reporting Scope and Period</p>

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Part C: “Comply or explain” Provisions		Section/Notes
<b>A. Environmental</b>		
<b>Aspect A1: Emissions</b>		
General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p> <p>Note: Air emissions include NO<sub>x</sub>, SO<sub>x</sub>, and other pollutants regulated under national laws and regulations.</p> <p>Hazardous wastes are those defined by national regulations.</p>	Green Operation
KPI A1.1	The types of emissions and respective emissions data.	Green Operation, Emission Reduction, Addressing Climate Change
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	
KPI 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.	

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Part C: “Comply or explain” Provisions		Section/Notes
<b>Aspect A2: Use of Resources</b>		
General Disclosure	<p>Policies on the efficient use of resources, including energy, water and other raw materials.</p> <p>Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</p>	Green Operation, Resource Saving, Addressing Climate Change
KPI 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).	
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	
KPI 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.	
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	
<b>Aspect A3: The Environment and Natural Resources</b>		
General Disclosure	Policies on minimising the issuer’s significant impacts on the environment and natural resources.	Green Operation, Resource Saving, Environmental Protection
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	

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Part C: “Comply or explain” Provisions		Section/Notes
<b>B. Social</b>		
<b>Employment and Labour Practices</b>		
<b>Aspect B1: Employment</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Staff Cohesion
KPI B1.1	Total workforce by gender, employment type (for example, full- or part time), age group and geographical region.	Staff Cohesion — Employment Overview
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	
<b>Aspect B2: Health and Safety</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to providing a safe working environment and protecting employees from occupational hazards.	Staff Cohesion — Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	
KPI B2.2	Lost days due to work injury.	
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	

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Part C: “Comply or explain” Provisions		Section/Notes
<b>Aspect B3: Development and Training</b>		
General Disclosure	<p>Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities.</p> <p>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</p>	Staff Cohesion — Training and Development
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	
KPI B3.2	The average training hours completed per employee by gender and employee category.	
<b>Aspect B4: Labour Standards</b>		
General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to preventing child and forced labour.</p>	Staff Cohesion — Employment Overview
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	
<b>Operating Practices</b>		
<b>Aspect B5: Supply Chain Management</b>		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Responsible Operation — Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	
KPI 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.	
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	

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Part C: “Comply or explain” Provisions		Section/Notes
<b>Aspect B6: Product Responsibility</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Intellectual Manufacture
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Intellectual Manufacture — Customer Service
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual Manufacture — Product Innovation
KPI B6.4	Description of quality assurance process and recall procedures.	Intellectual Manufacture — Customer Service
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Intellectual Manufacture

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Part C: “Comply or explain” Provisions		Section/Notes
<b>Aspect B7: Anti corruption</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to bribery, extortion, fraud and money laundering.	Responsible Operation — Anti-corruption
KPI 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.	
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	
KPI B7.3	Description of anti-corruption training provided to directors and staff.	
<b>Community</b>		
<b>Aspect B8: Community Investment</b>		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities’ interests.	Social Responsibility
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Social Responsibility — Charitable Donation

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Part D: Climate-related Disclosures		Section/Notes
<b>(I) Governance</b>		
(a) the governance body(s) responsible for oversight of climate related risks and opportunities.		Green Operation — Addressing Climate Change — Governance
(b) management’s role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities		
<b>(II) Strategy</b>		
Climate-related risks and opportunities	(a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer’s cash flows, its access to finance or cost of capital over the short, medium or long term;	Green Operation — Addressing Climate Change — Strategy — Risk Management
	(b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk	
	(c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons — short, medium or long term — the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	
	(d) explain how the issuer defines ‘short term’, ‘medium term’ and ‘long term’ and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	
Business model and value chain	(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer’s business model and value chain; and	
	(b) a description of where in the issuer’s business model and value chain climate related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	
Strategy and decision-making	(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation.	
	(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	

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Part D: Climate-related Disclosures		Section/Notes
<b>Financial position, financial performance and cash flows</b>		
Current financial effect	(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and	Green Operation — Addressing Climate Change — Strategy — Risk Management
	(b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	
Anticipated financial effect	(a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	
	(b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	
Climate resilience	(a) the issuer’s assessment of its climate resilience as at the reporting date.	In future reports, we will conduct climate-related scenario analysis and disclose relevant content.
	(b) how and when the climate-related scenario analysis was carried out.	
<b>(III) Risk Management</b>		
(a)	the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks;	Green Operation — Addressing Climate Change — Risk Management
(b)	the processes the issuer uses to identify, assess, prioritise and monitor climate related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	
(c)	the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer’s overall risk management process.	

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Part D: Climate-related Disclosures	Section/Notes
<b>(IV) Metrics and Targets</b>	
Greenhouse gas emissions	Green Operation — Emission Reduction
Climate-related transition risks	Green Operation — Addressing Climate Change — Risk Management
Climate-related physical risks	
Climate-related opportunities	
Capital deployment	
Internal carbon prices	We have not yet integrated internal carbon pricing into our decision-making processes. We will explore the application of internal carbon pricing in the future.
Remuneration	We will explore the feasibility of incorporating climate-related metrics into remuneration considerations for senior management.

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Part D: Climate-related Disclosures	Section/Notes
Industry-based metrics	We will review internal data and disclose this key performance indicator at an appropriate time to ensure transparency and compliance.
Climate-related targets	Green Operation — Addressing Climate Change-Metrics and Targets
Applicability of cross-industry metrics and industry-based metrics	Not applicable