

WINSWAY 易大宗

E-COMMODITIES HOLDINGS LIMITED

易大宗控股有限公司

(Incorporated in the British Virgin Islands with limited liability)

Stock Code: 1733

2025

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



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ABOUT THIS REPORT

This report is the tenth Environmental, Social and Governance Report published by E-Commodities Holdings Limited (the “**Company**” or “**E-Commodities**”). The purpose is to report on the philosophy and practice of the environmental, social and governance (hereinafter referred to as “**ESG**”) responsibilities of the Company and its subsidiaries (collectively referred to as the “**Group**”, “**we**” or “**us**”) in 2025, and to respond to material issues of concern to major stakeholders.

REPORTING SCOPE

Business Overview: The Group’s businesses cover two core segments, including supply chain trading and integrated supply chain services, of which the integrated supply chain services include supply chain logistics, clean energy, innovative business and other diversified services. The Group continues to improve its ESG management system and drives the implementation of ESG work across the entire Group. For the newly acquired mining service business, the consolidation of relevant ESG data is still in progress. To ensure the accuracy and completeness of the disclosed information, the environmental and social performance data of the mining service business is not included in this report for the time being.

Time Scope: This report covers the period from 1 January 2025 to 31 December 2025 (the “**Reporting Period**”, the “**year**” or the “**2025**”). In order to enhance the integrity of the report, parts of the contents may precede or post-date the Reporting Period, as appropriate.

BASIS AND PRINCIPLES OF PREPARATION

This report is prepared in full compliance with all the mandatory disclosure requirements and the “comply or explain” provisions in the *Environmental, Social and Governance Reporting Code* (《環境、社會及管治報告守則》) (the “**ESG Code**”) in Appendix C2 to the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (《香港聯合交易所有限公司證券上市規則》) (the “**Hong Kong Stock Exchange**”), and the content indexes are set out in the appendix to this report.

When preparing this report, the principles of “materiality”, “quantitative”, “balance” and “consistency” in the ESG Code are fully followed. The details are as follows:

- “Materiality” principle: The Group has made important disclosures in this report based on the material issues identified by the stakeholder survey and materiality assessment, so as to respond to the most concerned ESG issues of the stakeholders.
- “Quantitative” principle: This report discloses key performance indicators on environmental and social aspects in a quantitative form as much as possible, and explains the standards, methods and reference sources for relevant data statistics and calculation.
- “Balance” principle: This report follows the principle of balance and objectively presents the current status and performance of the Group’s ESG management.

- “Consistency” principle: Unless otherwise stated, this report adopts statistical and calculation methods that are consistent with those in the 2024 ESG report, so as to make meaningful comparisons with the data of previous years.

APPROVAL AND CONFIRMATION

All information and data disclosed in this report are derived from the Group’s statistical reports and internal documents. This report has been reviewed by the board of directors of the Company (the “**Board**”), which is responsible for the authenticity and validity of the information contained, and for ensuring that there is no false record or misleading description in the content.

REPORT DISTRIBUTION CHANNEL

This report is published in two versions, Traditional Chinese and English. In case of any discrepancy between the two versions, the Traditional Chinese version shall prevail. This report is available for review and download on the websites of the Hong Kong Exchanges and Clearing Limited and the Company.



Official website of E-Commodities

Please scan or access:
<http://www.winsway.com>

FEEDBACK

Thank you for reading this report. The Group highly values the opinions and feedback of various stakeholders, upon which it improves its ESG management and performance. Meanwhile, the Group continuously optimizes the level of report disclosure so as to drive the Group to make corresponding contributions to the progress and harmonious development of society in the process of growing together with stakeholders.

If you have any comments and feedback, please contact the Group through the following ways:

Zhuhai Office: 19F, Sinoport Plaza, No. 258 Haojiang Road, Hengqin Guangdong-Macao Deep Cooperation Zone, PRC, (86) 756-888 1733

Hong Kong Office: Unit 1902, Floor 19, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong, PRC, (852) 2537 0111

Email: winsway@winsway.com



MESSAGE FROM THE BOARD

To all stakeholders,

On behalf of the Board of the Company, I would like to extend our most sincere gratitude to our customers, partners, employees, shareholders and friends from all sectors of society for your long-standing trust and support in the Group. We hereby formally present the 2025 ESG Report of E-Commodities to all sectors.

In 2025, the global commodity market witnessed volatile dynamics, and the domestic and international supply chain sector also faced multiple challenges and transformation opportunities. Our core strength as a leading enterprise in China's imported coking coal market lies in breaking new ground amid changes and seizing certainty in uncertainty. We have always upheld the development philosophy of "stability as the top priority, responsibility first", continuously strengthened ESG governance and disclosure, actively responded to the national call, and made solid progress in climate response, safety management, technological innovation, social responsibility and other fields, steering the high-quality and sustainable development of the enterprise with steady results.

Strengthening Governance Foundations, Driving Sustainable Development

E-Commodities aims for modern governance, continuously improves its governance system and capabilities, abides by the law-abiding and compliance criteria, strictly complies with domestic and foreign regulatory requirements, and deeply embeds compliance requirements into all business processes. We attach great importance to information disclosure, and ensure the timely, accurate and complete communication of business performance and ESG governance progress to investors and the public through standardized and regulated internal control mechanisms. In 2025, the Group comprehensively upgraded its risk management system, focusing on strengthening the capabilities to identify, assess and manage climate-related risks and opportunities throughout the process, which laid a solid foundation for responding to the complex and volatile external environment and also advanced the Group's ESG efforts in depth. Our solid governance practices have received authoritative recognition: In 2025, the Company's Wind ESG rating was upgraded to "AA", ranking among the top 5% of the industry and second among peers; S&P Global CSA score was raised to 41 points, significantly higher than the industry average of 27 points.

Driving Green Transformation with Intelligence, Building a Low-Carbon Future Together

We actively respond to the national "dual carbon" goal, restructure the commodity supply chain with green, intelligent and integrated approaches, promote the transformation of traditional energy trade and logistics to clean and efficient development, and build future-oriented core competitiveness. In 2025, the Company focused on energy conservation and emission reduction across the entire chain, optimized the transportation structure, vigorously promoted the construction of "road-to-rail" transportation, new energy heavy-duty truck transportation and integrated solar-storage-charging projects, and structurally increased the proportion of green electricity use; in warehousing, loading, unloading, transshipment and other links, we strengthened dust suppression, closed storage and intelligent scheduling, and continuously reduced the environmental impact of the entire business chain. Meanwhile, we actively expanded an ecosystem for collaborative development, deepened strategic collaboration with leading partners in autonomous driving and other fields, driven the overall carbon reduction and efficiency improvement of the industrial chain through technological innovation, and contributed to the safe, efficient and green development of the energy supply chain.

People-Centered, Building a Growth Platform Together

Talent is the core asset for the high-quality development of an enterprise. E-Commodities has always taken the talent strategy as the cornerstone of corporate development, committed to creating a diverse, inclusive, safe and healthy working environment, and providing fair and broad development space for employees of different positions and backgrounds. Relying on Winsway Training Center (永暉培訓中心), we have built a full-cycle training system covering new employee empowerment, professional skill improvement and management capability advancement, and continuously enhanced organizational capabilities guided by “business-finance integration and material-trade collaboration”. Meanwhile, we continuously optimized internal communication mechanisms, encouraged employees to offer suggestions through multiple channels such as establishing and unblocking the “President Direct Line”, and achieved long-term win-win results and common growth for the enterprise and employees.

Giving Back to Society, Fulfilling Corporate Citizenship Responsibilities

Amid the steady progress of global layout, E-Commodities has always taken “responsible operation” as the hallmark of its cross-border development. We adhere to localized operation, respect and actively integrate into local cultures, and deeply integrate corporate development with local prosperity by promoting localized employment for overseas projects and participating in public welfare activities. In 2025, the Company was awarded the “Caring Company” certification by The Hong Kong Council of Social Service, marking authoritative recognition of the Company in the field of social responsibility. We have always adhered to the coordinated development of commercial value and social value, empowered the industry through sustainable development investment, gave back to society through steady operation, and strived to be a righteous, steadfast and trustworthy commodity supply chain service provider.

Keep forging ahead, act to achieve far-reaching goals. Looking ahead, the Group will continue to uphold long-termism, advance ESG governance with higher standards, build a safe, green, efficient and resilient global supply chain system with pragmatic and determined actions, join hands with all parties to promote sustainable and high-quality development of the industry, and create long-term and stable value.

Cao Xinyi

(曹欣怡)

Chairman of the Board



ABOUT E-COMMODITIES

CORPORATE PROFILE

The Company was incorporated in the British Virgin Islands on 17 September 2007, and dedicated to providing global customers with supply chain trading and integrated supply chain services for coal and other bulk commodities. The Company was listed on the Main Board of the Hong Kong Stock Exchange on 11 October 2010 (stock code: 01733.HK) and has since grown into a leading trader in China's imported coking coal sector, as well as an integrated service provider offering full supply chain solutions for the Sino-Mongolia bulk commodity trade. Currently, the Company has established subsidiaries and offices in domestic core cities including Hong Kong (China), Macau (China), Beijing, Zhuhai, Baotou, Haikou, Nantong, etc., and overseas countries and regions including Singapore, Ulaanbaatar (Mongolia), Japan, Australia, etc.

The core business segments of E-Commodities are divided into supply chain trading and integrated supply chain services.

Supply Chain Trading Segment

With over 30 years of deep engagement in commodity trading, we have fully covered diverse domestic and international markets and customer groups, providing global procurement and sales services for commodities including coking coal, petrochemical products, and has maintained a leading position in China's imported coking coal market for many years.

Integrated Supply Chain Services

We integrate mining services, logistics services and coal washing and processing services. Empowered by the layout advantages of multiple Sino-Mongolia ports and intelligent development, we build an integrated service system that covers the entire supply chain, features combined service capabilities and supports the implementation of cross-selling.

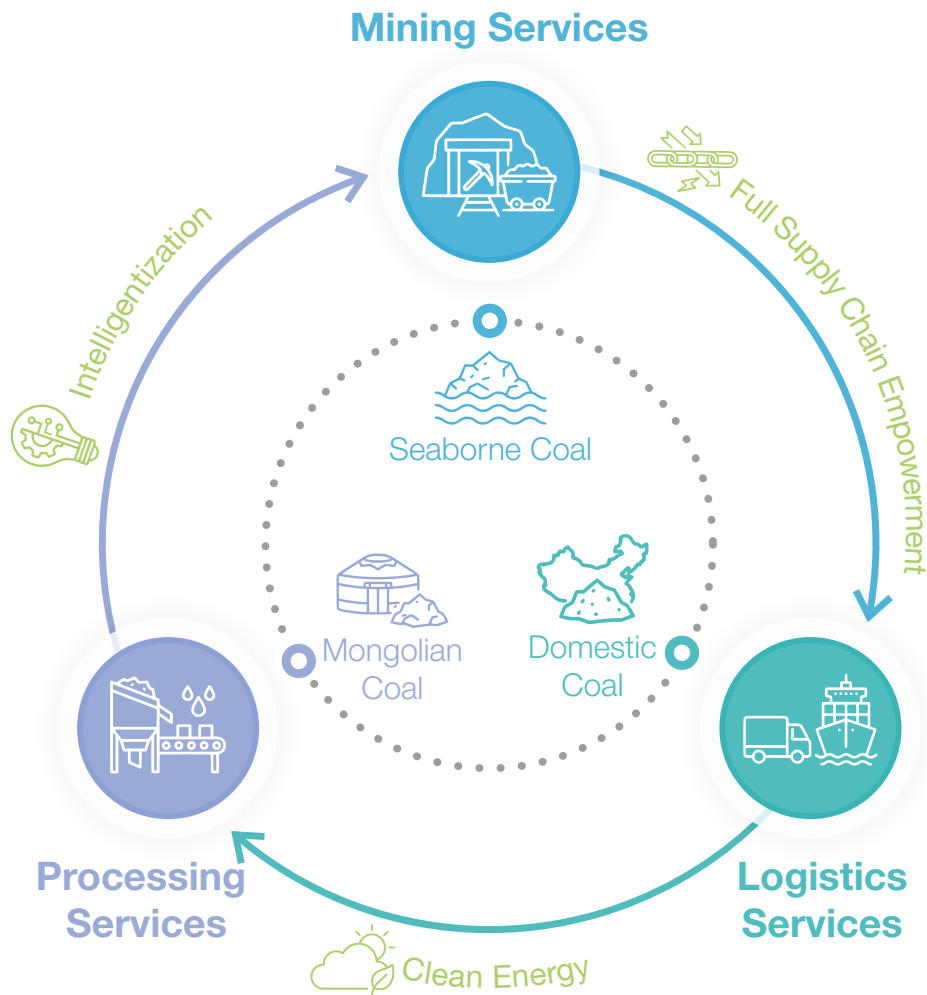
**Development
Vision**

Making commodity business easier



PRINCIPAL BUSINESS OF E-COMMODITIES

Since its inception, E-Commodities has continued to broaden its business scope and pursue diversified development. We have built an integrated supply chain service system centered on the core needs of upstream mine owners, partners, and downstream customers, encompassing “professional mining services, efficient logistics and warehousing, precision washing and processing, and industry-leading coking coal trading”. Meanwhile, the collaborative operations among business segments have achieved remarkable scale effects and operational efficiency. By collecting, integrating, and analyzing data from all supply chain links, we interconnect information flow, logistics flow and capital flow, thereby providing customers with more convenient and efficient bulk commodity trading services.





ABOUT E-COMMODITIES

BUSINESS STRENGTHS

China's Leading Imported Coking Coal Trader in the Market

20+ Countries and Regions with Business Presence

11+ Sino-Mongolia Ports Covered by Assets

2025 BUSINESS HIGHLIGHTS

Deepening Cooperation in Sino-Mongolia Port Construction

To fully implement the development philosophy of “co-construction, connectivity and sharing”, the Group continues to deepen cooperation in Sino-Mongolia port construction, actively promote the coordinated complementarity of multiple ports, and build a new pattern of cross-border economic and trade and logistics with wider coverage, smoother operation and higher efficiency.

Establishment of the Mongolian Merchants Chamber of Commerce at Wuliji Port

The Mongolian Merchants Chamber of Commerce at Wuliji Port, Alxa Left Banner, was officially inaugurated with a plaque. The Group was elected as the president. The Chamber will empower its members through comprehensive services, deepen cooperation with Mongolia, and build a new hub for regional economic and trade cooperation.



Launch of Copper Concentrate Bonded Operations at Gants Mod Port

In October 2025, the Group completed the construction of the bonded zone at Gants Mod Port. With the commencement of the first copper concentrate bonded business, the Company has further established a full-chain business loop covering “inbound storage - loading and unloading - warehousing - outbound delivery,” achieving breakthroughs in bonded warehousing and multi-category operations.



Mandula Port AGV (“Automated Guided Vehicle”) System Completed

In early 2026, the Company completed the construction of the AGV system at Mandula Port, and the first AGV vehicle successfully cleared customs in February 2026. This has accelerated the improvement of infrastructure construction at Mandula Port, providing incremental support and building a balanced cross-border supply chain system.



Accelerating Intelligent Development

Breakthroughs in New Energy and Autonomous Driving

The Company is promoting the replacement of conventional vehicles with new energy tractors and the intelligent integration of transport links along pilot transport routes. By strategically partnering with leading enterprises in the fields of autonomous driving and charging, on the one hand, it has promoted the implementation of autonomous driving technology in bulk commodity transportation scenarios and completed the initial testing; on the other hand, it has constructed and put into operation new energy charging stations, comprehensively improving the end-to-end layout of green and intelligent transportation.



Empowering Operation and Management with Internal AI Platform

The internal AI platform “Fuyao” was officially launched. As an exclusive intelligent assistant for “E-Commodities Family”, it is deeply integrated with leading large model technology in the market and can provide diversified services such as translation, data analysis and merchant-customer connection, significantly improving work efficiency and information security guarantee.





ABOUT E-COMMODITIES

Further Deepening of Core Business Capabilities and Qualification Layout

New Developments in In-Furnace Coal Business

In 2025, the Company further expanded its in-furnace coal business, strengthened coal blending R&D technologies, improved the service capabilities of high-quality in-furnace coal, and built differentiated competitive advantages.



Acquisition of Futures Delivery Warehouse Qualification

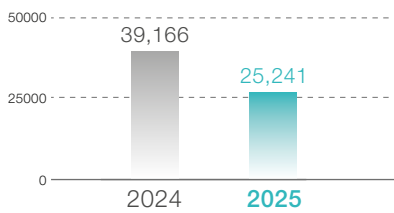
The Hebei Chun'ao Coal Washing Plant has officially been approved as a designated delivery warehouse for coking coal by Dalian Commodity Exchange, and has officially obtained the full-process standardized service capability for coking coal delivery. This qualification will enable us to further leverage the spot-futures integration business, providing risk management tools for our partners, achieving more stable operational guarantees.



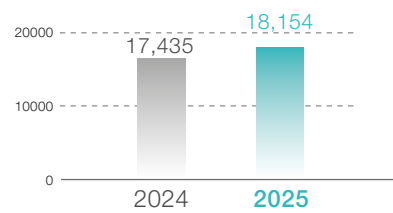
2025 FINANCIAL RESULTS



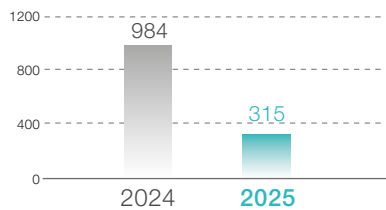
Revenue (in HK\$ million)



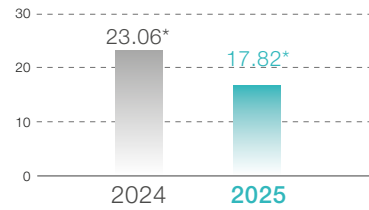
Total Assets (in HK\$ million)



Net Profit (in HK\$ million)



Trading Volume (in million tonnes)



* Excluding sales volume of Mongolian coal executed through our associate Xianghui Energy.

In 2025, faced with multiple external challenges such as the continuous escalation of global geopolitical competition, volatility in the international energy market, and the profound reshaping of the competition pattern of Sino-Mongolia cross-border ports, enterprises operated under pressure. The Group's management team kept up with the changes in the current situation and industry cycle trends, actively adjusted business strategies and strengthened risk management, thereby maintaining the stability and continuity of the business amid highly volatile market. Meanwhile, we actively respond to the national strategy of "carbon peaking and carbon neutrality" and the industry's green transformation needs, continuously deepen clean and low-carbon energy service solutions, focus on the areas of "smart cross-border transportation", "digital and intelligent supply chain management" as well as "intelligent mining services" to increase R&D and resource investment, laying a solid foundation for the long-term stable development of the Group.



ABOUT E-COMMODITIES

HONORS AND AWARDS

Major Group-Level Awards



2025 Fortune
386th among China's Top 500 Enterprises
Ranked 15th among Trading Enterprises



12th Top 100 Hong Kong
Listed Companies List
Top 50 Small Enterprise



First Awarded the
"Caring Company" in
Hong Kong



2025 Wind ESG
Evaluated as AA Enterprise for the First Time
Ranked 3rd among Peer Companies



Awarded the "Outstanding ESG Award" in
China Excellence IR Annual Award



S&P Global
CSA Score Surged to the Top 23%
in the Industry
Ranked 6th in China

Subsidiary Awards



Urad Zhongqi Yiteng Mining Co., Ltd. being Awarded the First China-Mongolia Customs Authorized Economic Operator (AEO) Mutual Recognition “Green Card” in Inner Mongolia



Awarded “Outstanding Supply Chain Enterprise” by Guangdong Procurement and Supply Chain Association



Top 20 Private Enterprises in the Service Sector in Inner Mongolia



E-Commodities (Guangdong) Supply Chain Management Co., Ltd. being Successfully Recognized as “Regional Headquarters of Multinational Corporations in Guangdong Province”

MANAGEMENT OF SUSTAINABLE DEVELOPMENT

SUSTAINABLE DEVELOPMENT ACHIEVEMENTS

Environment

- We have comprehensively advanced climate change response initiatives, and conducted climate-related information disclosure from four dimensions of governance, strategy, risk management, as well as metrics and targets in accordance with the TCFD framework, so as to meet the relevant requirements of the Stock Exchange and address the concerns of stakeholders.
- Four subsidiaries obtained the ISO 14001 Environmental Management System Certification, and one of them further achieved the ISO 50001 Energy Management System Certification, demonstrating international standards in energy efficiency management.
- We have strengthened dust pollution prevention and control to effectively reduce particulate matter emissions at the source, and built four new enclosed coal sheds at Mandula Port and Zhongqi area to further enhance environmental protection.
- We have vigorously developed container transportation in cross-border port and railway transportation, continuously optimized the transportation structure, and reduced the proportion of bulk cargo transportation, with railway container transportation accounting for 65% of the total railway transportation volume during the Reporting Period.
- We have continuously promoted railway and AGV transportation to reduce the proportion of road transportation, with railway transportation and AGV transportation accounting for 68% of the total transportation volume.
- We have established our first new energy pure electric transport fleet, and the first batch of 10 new energy heavy-duty trucks has been put into trial operation. Compared with traditional fuel vehicles, the energy consumption decreased by about 58%.
- We have continuously promoted the application of clean energy. During the Reporting Period, one distributed photovoltaic power station project has been implemented, and another one is under planning.

Society

- Four subsidiaries obtained the ISO 45001 Occupational Health Management System Certification.
- The Winsway Training Center (永暉培訓中心) has been certified under the ISO 10015 Training System. Meanwhile, we have continuously implemented the *E-Commodities Learning Sponsorship Scheme* (《易大宗學習資助制度》). During the Reporting Period, we subsidized 16 employees with a total amount of approximately HK\$249,100.
- We have applied for and obtained 10 software copyrights, covering fields such as asset management, maintenance management, warehouse management, new energy vehicle management and artificial intelligence.
- We have formulated and implemented the *Safety Management Regulations for Third-Party Entities and Special Operations* (《第三方單位及特殊作業安全管理規定》), improved the access review and safety education mechanisms for outsourcing entities, and firmly safeguarded safety in preliminary construction, daily production, storage and transportation, maintenance and other aspects.
- We have formulated and implemented the *Human Rights Commitment* (《人權承諾》) and the *Human Rights Due Diligence Procedures* (《人權盡調流程》), improved the monitoring, mitigation and remediation mechanisms, and continuously promoted the corporate responsibility practice of respecting and protecting human rights.

Operation

- Four subsidiaries obtained the ISO 9001 Quality Management System Certification.
- We have further advanced the development of the AGV cross-border transportation project, promoting the automation of port customs clearance and intelligent inspection, and achieving efficient operations.
- We have continuously promoted intelligent development, are committed to full-scenario intelligent applications, and comprehensively improved operational efficiency and sustainable competitiveness.
- We have actively expanded multi-party cooperation, deepened exchanges and collaboration with the government, enterprises and international partners, and promoted collaborative innovation and high-quality development of the industrial chain.

Governance

- We have disclosed matters relating to the integration of climate governance-related functions into the current ESG governance framework, further improving the climate governance system and strengthening the implementation of responsibilities.
- We have provided diversified risk and compliance training for employees, and comprehensively improved the safety awareness and risk prevention and control capabilities of employees at all levels and in all departments.
- Combined with external development trends and internal strategic directions, we have conducted a review of material issues to further clarify the focus and direction of the Group in sustainable development information disclosure.
- We have continuously improved the risk management system, focusing on identifying and assessing emerging risks, and dynamically tracking the progress of ESG-related risk management and control.

VISION AND STRATEGIES OF SUSTAINABLE DEVELOPMENT

The Group has regarded sustainable development as the core driving force for creating long-term value and fully integrated it into corporate strategy. We are committed to building an efficient, transparent and forward-looking governance structure to continuously enhance the efficiency of sustainable management. Through effective monitoring mechanisms and regular performance reviews, we continuously optimized our performance in the field of sustainable development to ensure the steady implementation and continuous deepening of corporate responsibilities.

MANAGEMENT OF SUSTAINABLE DEVELOPMENT

Vision of Sustainable Development

Strive for integrating ESG governance values into corporate development strategic planning, leading the corporate to become an integrated commodities supply chain services provider with the advantage of sustainable development.

Management Strategies of Sustainable Development

Integrate ESG governance values into the corporate development strategic implementation plan, achieve an effective integration of “ESG philosophy - corporate strategy - governance implementation - evaluation and review” through the overall promotion of “decision making - management - execution”, and strive to implement a scientific outlook on development characterized by people-oriented values, safety and efficiency, green and low-carbon practices.

2019

- We established the health, safety and environmental committee through a Board resolution, formally launching the framework construction for sustainable development.

- We considered and approved the renaming of the health, safety and environmental committee to the ESG Committee, further expanding its functions in ESG aspects.

2021

2023

- We released the first *ESG Management System of E-Commodities* (《易大宗ESG(環境、社會及管治)管理制度》), outlining the management guidelines and practice directions of the Company in sustainable development.

- We considered and reviewed the functions of the ESG Committee, published the terms of reference of the ESG Committee on the website of the Hong Kong Stock Exchange to integrate climate change governance into the existing framework.

- In the same year, we issued the *E-Commodities Environmental Protection System* (《易大宗環保制度》) to detail environmental protection management policies and advance the progress toward the sustainable development goals of the Company.

2024

2025

- We further improved climate-related information disclosure, conducted assessments of climate change risks and opportunities, and made qualitative judgments on the financial impacts of material climate risks and opportunities combined with climate scenario analysis to address the concerns of all stakeholders.
- We officially published the *Supplier Management Policy* (《供應商管理制度》), the *Human Rights Commitment* (《人權承諾》), and the *Human Rights Due Diligence Procedures* (《人權盡調流程》). Taking institutional building as the key focus, the Group has established a compliant, transparent and responsible supply chain management system.

SUSTAINABLE DEVELOPMENT GOVERNANCE SYSTEM

The Group has established a sound sustainable development governance structure, with the Board serving as the highest ESG decision-making body to fully coordinate and supervise the Group's sustainable development affairs and ensure the alignment of strategic direction with operational practices.

ESG objective setting and progress review

We regularly review environmental performance of all business segments, and set explicit sustainable development objectives and implementation approach, with a focus on the progress of achieving environmental management indicators. Through regular reporting from functional departments and dedicated task force mechanisms, we effectively implement sustainable development strategies.

ESG risk management

The Group incorporates ESG risks into the enterprise-wide risk management and control framework. We periodically review and analyze potential impacts of ESG and climate change-related matters to ensure we are resilient enough to cope with such impacts and proactively capture related development opportunities.

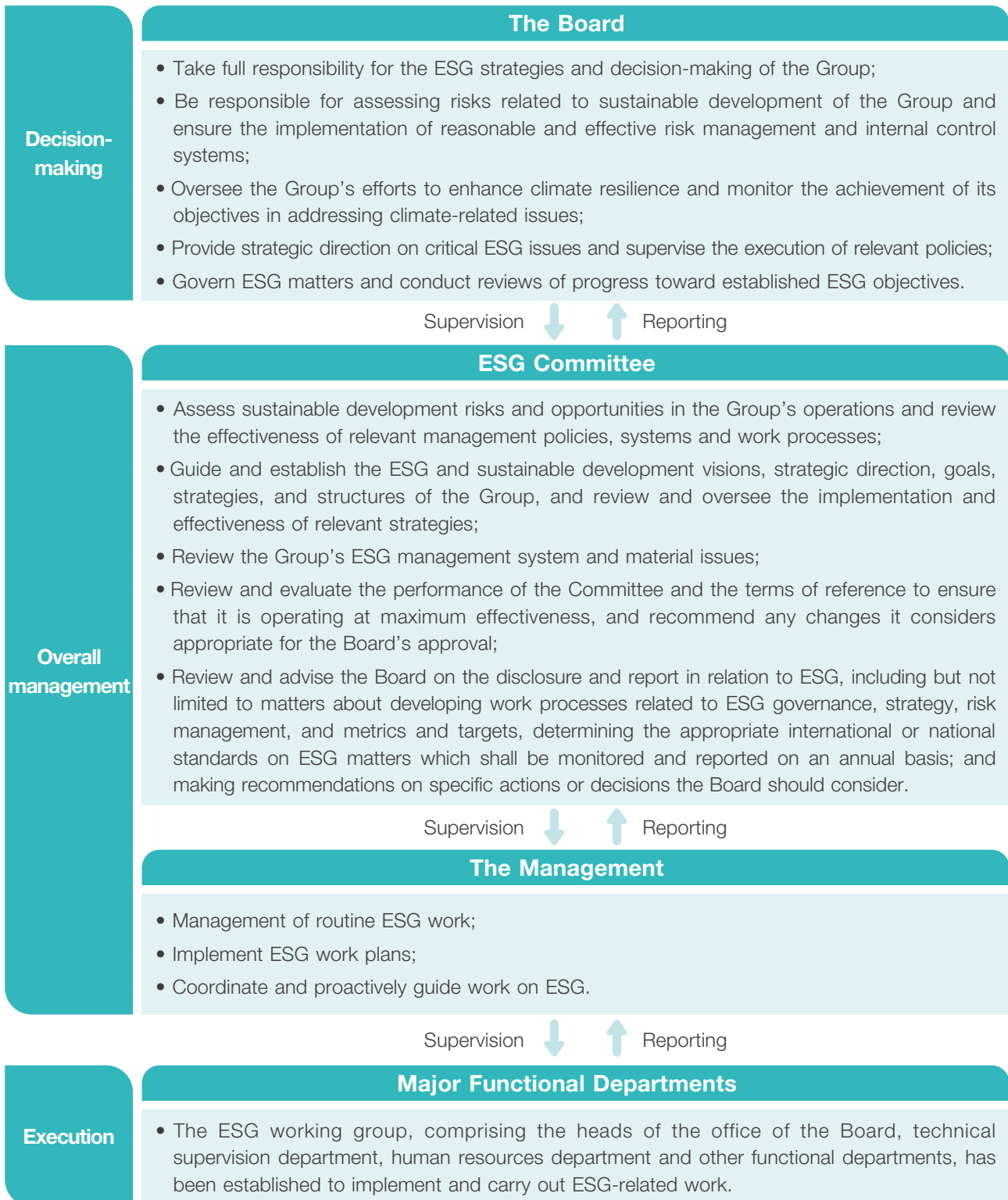
ESG meeting mechanism and decision-making management

The ESG Committee incorporates ESG and climate change-related matters into regular agendas. The Committee convenes at least one meeting for specialized discussions and strategic deployment every year.

Under the overall leadership of the Board, we have established a sound sustainable development governance system, clarified the ESG management hierarchy and responsibilities, and formulated specific implementation guidelines to promote the full integration of the sustainable development concept into daily operations and decision-making processes. Meanwhile, we continue to optimize the functions of the ESG Committee, integrate climate governance responsibilities into the ESG governance framework, and further enhance the efficiency of sustainable development management.

MANAGEMENT OF SUSTAINABLE DEVELOPMENT

SUSTAINABLE DEVELOPMENT GOVERNANCE STRUCTURE



COMMUNICATION WITH STAKEHOLDERS

We recognise that the views of our stakeholders are crucial to the Group’s ESG work and decision-making. In order to fully understand and meet the needs and expectations of our stakeholders, we have established a variety of communication channels to ensure continuous and effective communication with our stakeholders. We have identified the Group’s key stakeholders through assessment from two dimensions of “degree of influence by the enterprise” and “degree of influence on the enterprise”, and collect their feedback on the Group’s sustainability efforts through an open and transparent communication mechanism.

Stakeholders	Expectations and demands	Communication ways or channels	Key initiatives
Government and regulatory authorities	<ul style="list-style-type: none"> • Healthy and sustainable development • Compliance with laws and regulations • Steady growth in tax revenue • Serving local economy • Facilitating industry development • Safe production • Energy conservation and reduction of emissions 	<ul style="list-style-type: none"> • Information filing • Tax returns filing • Government conferences • Railway operation • Business innovation 	<ul style="list-style-type: none"> • Meet the requirements for compliance and ESG information disclosure • Advance innovative cooperation in port operations in compliance with local regulatory requirements
Shareholders and investors	<ul style="list-style-type: none"> • Healthy and sustainable development • Compliance with laws and regulations • Safe production • Transparency and information disclosure • Tax returns filing • Government conferences • Railway operation • Business innovation • Energy conservation and reduction of emissions • Risk control • Return on investment 	<ul style="list-style-type: none"> • General meeting of shareholders • Fulfill obligations on statutory information disclosure • Daily communication • Telephone conferences • Results announcement • Company website • Investor exchange meetings • Participation in industry forums 	<ul style="list-style-type: none"> • Leverage omni-channel communication platforms including general meetings of shareholders, results announcements, roadshows and investor hotlines to safeguard shareholders’ equal right to communication • Value the opinions of minority shareholders and establish an efficient feedback mechanism to ensure that relevant demands are promptly communicated to the management
Business partners and suppliers	<ul style="list-style-type: none"> • Win-win cooperation • Quality of products/services • Commitment • Supply chain security • Endorsing industrial transformation and upgrading 	<ul style="list-style-type: none"> • Open tender • Contract negotiation • Daily business communication • Supplier access management • Supplier evaluation 	<ul style="list-style-type: none"> • Deepen strategic procurement cooperation with domestic and overseas suppliers, and expand in-depth collaboration opportunities across multiple fields • Centering on the two core directions of green and low-carbon development and intelligent development, conduct regular exchanges with strategic partners to jointly build an efficient and green supply chain cooperation system

MANAGEMENT OF SUSTAINABLE DEVELOPMENT

Stakeholders	Expectations and demands	Communication ways or channels	Key initiatives
Customers	<ul style="list-style-type: none"> Quality of products/services Data security and privacy protection 	<ul style="list-style-type: none"> After-sales services Test service Quality supervision Technique benchmarking Digital platform Interaction and exchange visits 	<ul style="list-style-type: none"> Establish a comprehensive data security protection system to safeguard core data of customers and enterprises Strengthen the operation of the E-Commodities Supply Chain Platform, and through the dedicated customer manager liaison model, achieve closed-loop management covering timely feedback on customer demands, proactive listening to opinions, and proper handling of complaints, balancing both service quality and data security
Employees	<ul style="list-style-type: none"> Safe production Employees' rights and interests Training and development Occupational health Employee care 	<ul style="list-style-type: none"> Winsway Training Center (永暉培訓中心) Staff training Employee performance appraisal Staff assembly Corporate notices Employee satisfaction survey Forums with senior management "Winsway People (《永暉人》)" essay-writing competition Lunch meetings Staff birthday party Internal communication meeting of department Interdepartmental activities Employee development activities Family days Labor union "President Direct Line" complaints and feedback platform 	<ul style="list-style-type: none"> Issue institutional documents to safeguard employees' rights and interests Relying on Winsway Training Center (永暉培訓中心) to offer a diverse range of courses, empower employees to achieve the synchronous improvement of their professional capabilities and the Company's development Through channels including staff assemblies, feedback mailboxes and employee satisfaction surveys, ensure unimpeded communication mechanisms and precisely respond to employees' demands

MANAGEMENT OF SUSTAINABLE DEVELOPMENT

Stakeholders	Expectations and demands	Communication ways or channels	Key initiatives
Community	<ul style="list-style-type: none"> • Environmental protection • Community charity • Human right protection • Economy and employment development 	<ul style="list-style-type: none"> • Community public welfare • Educational promotion activities 	<ul style="list-style-type: none"> • Build communication bridges with communities through volunteer activities • Deeply integrate into local industrial ecosystems, and create employment positions through local recruitment

Assessment of Material Issues

The Group highly values all stakeholders' concerns regarding ESG issues, and identifies and prioritizes key sustainability issues through materiality assessment. In the absence of material changes to the internal and external environment, we carry out the materiality assessment process on a biennial cycle. In the first year, we conduct comprehensive identification and assessment of material issues, and in the second year, we review and verify the assessment results to confirm their continued applicability and the direction of necessary adjustments.

During the Reporting Period, the Group reviewed and examined the list of material issues in conjunction with industry development trends and internal development strategies, confirmed the material issues for 2025, and developed a materiality matrix. This further clarified the key areas of the Group in sustainability information disclosure, so as to more effectively respond to stakeholders' concerns and expectations regarding the Group.

MANAGEMENT OF SUSTAINABLE DEVELOPMENT

Preparation of Materiality Issue List

- The Group reviewed the materiality issue list of the previous reporting period, referred to the industry materiality issue guidelines issued by international authoritative institutions (including SASB, S&P Global and MSCI), and combined with the focus of our peers, and finally determined the 2025 materiality issue list.

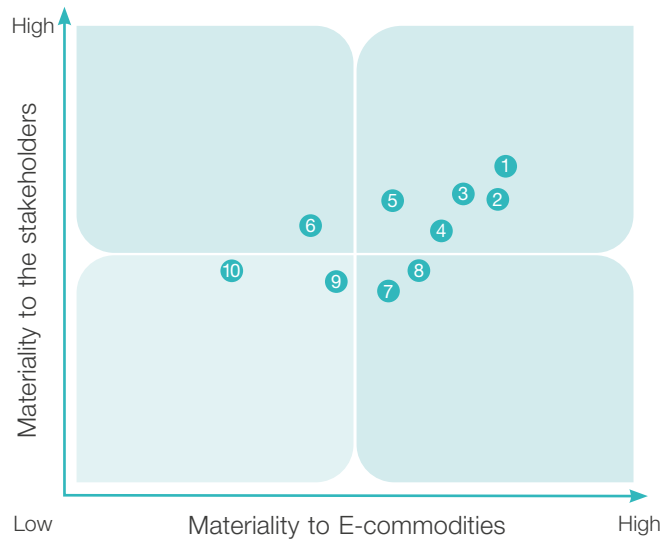
Prioritization and Matrix Construction of Materiality Issues

- Combined with industry development trends and reviewed the business development priorities during the Reporting Period, the Group prioritized the 2025 materiality issue list, and finally formed a materiality matrix to clarify the relative impact of each issue on the Group's sustainable development.

Review and Confirmation of Materiality Issues

- After the preliminary review of the assessment results by the ESG working group, they were submitted to the ESG Committee and the Board for final confirmation. A total of 8 environmental issues and 14 social issues were confirmed as material issues during the Reporting Period.

Matrix of material issues on environmental aspect



Level	Issues and rank	Level	Issues and rank	Level	Issues and rank
Higher	1 Reasonable use of resources	Medium	4 Development of clean raw materials	General	9 Emission and management of sewage
	2 Environment and natural resources protection		5 Efficient and environmentally friendly logistics		10 Generation and management of solid waste
	3 Green supply chain and procurement		6 Emission and management of air pollutant		
			7 Responding to climate change		
		8 Emission and management of greenhouse gases			

Matrix of material issues on social aspect



Level	Issues and rank	Level	Issues and rank	Level	Issues and rank	
Higher	1 Safe production	Medium	6 Employment and employees' rights	General	15 Contribution to the industry	
	2 Risk control		7 Integrity management		16 Responsible marketing and labeling	
	3 Staff training and development		8 Supply chain management		17 Community development and investment	
	4 Employee benefits and welfare		9 Occupational health and safety		18 Contribution to local economy	
	5 Compliance with laws and regulations		10 Innovative technology research and development		19 Protection of privacy	
			11 Labour standards			
			12 Products and services quality management and after-sales services			
			13 Diversity, equality and inclusion			
			14 Human rights			

INTEGRITY MANAGEMENT AND SUPERVISION

The Group abides by laws and regulations and strictly complies with anti-corruption laws and regulations including the *Criminal Law of the People's Republic of China* and the *Anti-Money Laundering Law of the People's Republic of China*. To further strengthen integrity in practice, we have formulated and implemented institutional documents including the *Anti-Fraud, Anti-Money Laundering and Anti-Bribery Policy* (《反舞弊、反洗錢、反賄賂政策》), the *Supervisory Management System* (《監察管理制度》) and the *Employee Handbook* (《員工手冊》), building a sound integrity and compliance system from three dimensions of policy principles, supervision execution and behavior management to ensure legal and transparent business operations and promote the in-depth implementation of integrity culture among all employees.

<p>Policy Principles</p>	<p>Anti-Fraud, Anti-Money Laundering and Anti-Bribery Policy (《反舞弊、反洗錢、反賄賂政策》)</p>	<p>It establishes the basic principles of integrity practice and business operation of the Group, explicitly prohibits any form of commercial bribery, improper benefit transfers and other unethical business conduct, and sets up sound mechanisms for violation reporting and internal control.</p>
<p>Supervision Execution</p>	<p>Supervisory Management System (《監察管理制度》)</p>	<p>It standardizes supervision authority and work processes, and implements supervision responsibilities through four procedures: drafting supervision outlines, compiling records, issuing supervision opinions and tracking rectification results, so as to realize reward, punishment and accountability management for violations.</p>
<p>Behavior Management</p>	<p>Employee Handbook (《員工手冊》)</p>	<p>It clearly stipulates the code of conduct for employees, including standards for business interactions and hospitality acceptance, and requires employees to participate in regular compliance training to cultivate integrity culture.</p>

Under the leadership of the Board, we have established a multi-level supervision and compliance management system. The technical supervision department, as the competent department for the Group's overall supervision work, coordinates disciplinary inspection and supervision work, proactively identifies potential risks, standardizes professional conduct at all levels, and guides the execution of special supervision such as anti-fraud, anti-bribery and anti-money laundering. The risk management department, as the decision-making and guiding body for anti-money laundering work, collaborates with risk control execution departments to promote customer due diligence and transaction monitoring, and implements compliance review and risk prevention and control requirements. All business departments must strictly abide by the Group's compliance policies, establish and improve customer files and identity verification systems, continuously conduct business compliance monitoring, and promptly identify and report suspicious transactions or behaviors, forming a full-process supervision and management system.

SOUND GOVERNANCE: STRENGTHENING THE COMPLIANCE BASELINE

To further strengthen anti-corruption work and create a clean and upright business environment, the legal affairs department of the Group coordinates anti-money laundering and integrity compliance training, organizes all employees to systematically study anti-money laundering and relevant laws and regulations, and ensures equal emphasis on training coverage and depth. Meanwhile, the Group publicizes and promotes the *Anti-Fraud, Anti-Money Laundering and Anti-Bribery Policy* (《反舞弊、反洗钱、反贿赂政策》) and supporting compliance guidelines through multiple channels, integrates legal and compliance awareness training into mandatory induction courses for new employees, focuses on strengthening special education on anti-corruption, embezzlement and theft, and guides all employees to firmly establish professional ethics of integrity and self-discipline.



Anti-Bribery and Anti-Embezzlement Compliance Training of the Group

On 19 January 2026, the Group organized the “Anti-Bribery and Anti-Embezzlement Compliance Training”. Led by the legal affairs department with the joint participation of compliance risk control, technical supervision, human resources, finance and other departments, the training focused on the *Criminal Law* (《刑法》), the *Anti-Unfair Competition Law* (《反不正当竞争法》) and the Group’s *Anti-Fraud, Anti-Money Laundering and Anti-Bribery Policy* (《反舞弊、反洗钱、反贿赂政策》). It analyzed the risks of bribery and embezzlement through typical cases, aiming to strengthen employees’ awareness of law-abiding and self-restraint, improve the integrity and compliance system, and promote the formation of a corporate culture of “law-abiding and compliance, integrity-based”. The training covered the Group’s headquarters and all subsidiaries, involving various business segments such as legal affairs, finance and human resources, with a total of 134 participants. The average learning duration of all participating employees was 2.17 hours, among which employees and supervisors accounted for more than 50%. The training had a wide coverage and comprehensive hierarchy, further consolidating the Group’s foundation of integrity and compliance management.

易大宗控股有限公司 反贿赂和反职务侵占的合规培训

目录 Contents

- 1 中国贿赂、职务侵占法律法规
- 2 典型案例
- 3 易大宗合规政策
- 4 实践挑战与风险管理

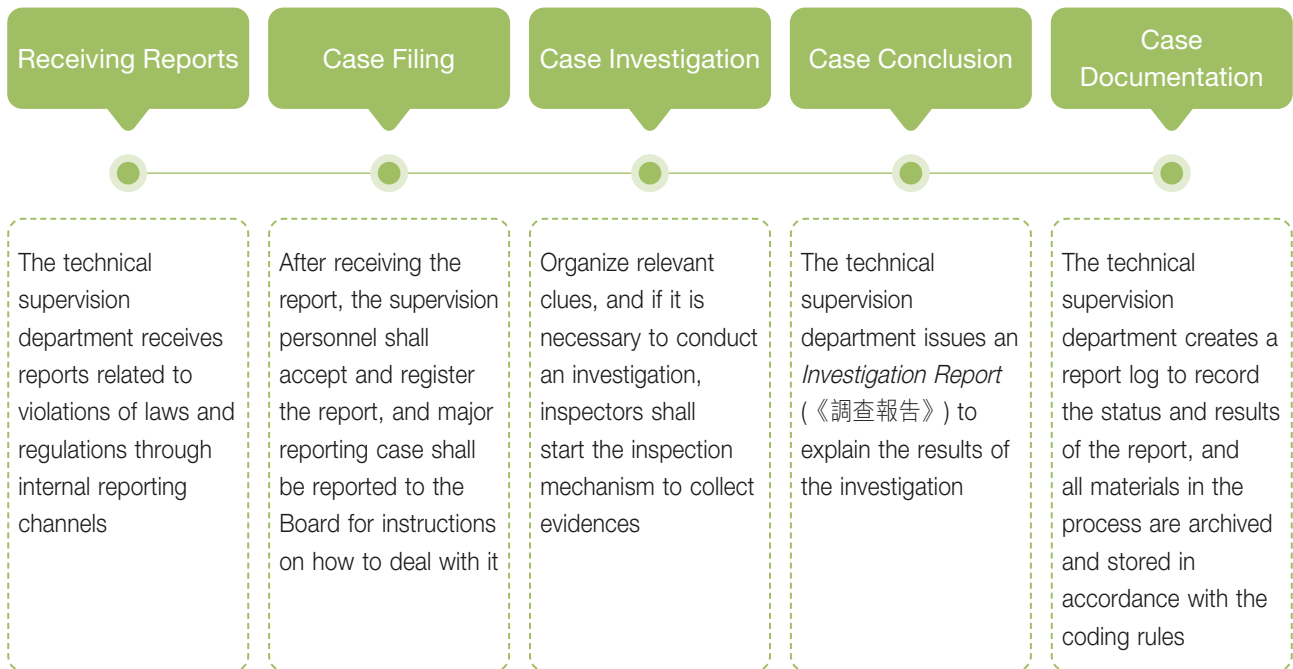
During the Reporting Period, the Group did not receive any report of events in violation of laws and regulations related to bribery, extortion, fraud and money laundering, nor was it involved in any concluded corruption lawsuit against the Group or its employees.

GOVERNANCE

SOUND GOVERNANCE: STRENGTHENING THE COMPLIANCE BASELINE

Whistleblowing System

The technical supervision department of the Group is responsible for handling reports from internal and external individuals of the Group on any acts that seek personal gains through fraud and other illegal means, damage the Company's interests, or obtain improper economic benefits through money laundering, bribery and other means. In addition to identifying potential non-compliance risks through internal audits, the Group has also established a sound internal whistleblowing mechanism including the "President Direct Line" to encourage employees to voluntarily report fraud, illegal and non-compliance acts within the Group. The reporting methods include visits, letters, reporting phone calls, emails, and other means. The technical supervision department receives and follows up in a timely manner to promote subsequent investigation and handling work, and ensure that relevant issues are timely and properly resolved.



With regard to the protection of whistleblower information, the *Anti-Fraud, Anti-Money Laundering and Anti-Bribery Policy* (《反舞弊、反洗錢、反賄賂政策》) of the Group have comprehensively covered the relevant detailed rules. We will keep all relevant materials that may reveal the identity of the whistleblower strictly confidential and anonymous. We will seriously deal with the leakage of the reported information by relevant personnel, or the illegal discrimination, retaliation or hostility to the whistleblower, in accordance with the rules and regulations, and in serious cases, transfer it to the judicial authorities for handling in accordance with laws.

RISK CONTROL AND MANAGEMENT

While pursuing development, the Group has always regarded risk control as the foundation of its survival. We have formally formulated and issued the *Risk Control System* (《風險控制制度》), establishing the “Three Principles” of risk management:

01

Comprehensive Risk Management

Covering all businesses, departments and personnel, and running through the whole process from decision-making to feedback. Ensuring a risk monitoring network with no blind spots and omissions

02

Practicality and Effectiveness

Balancing cost and efficiency and emphasizing operability. Ensuring that risk control measures can prevent risks without excessively hindering business operations

03

Independence

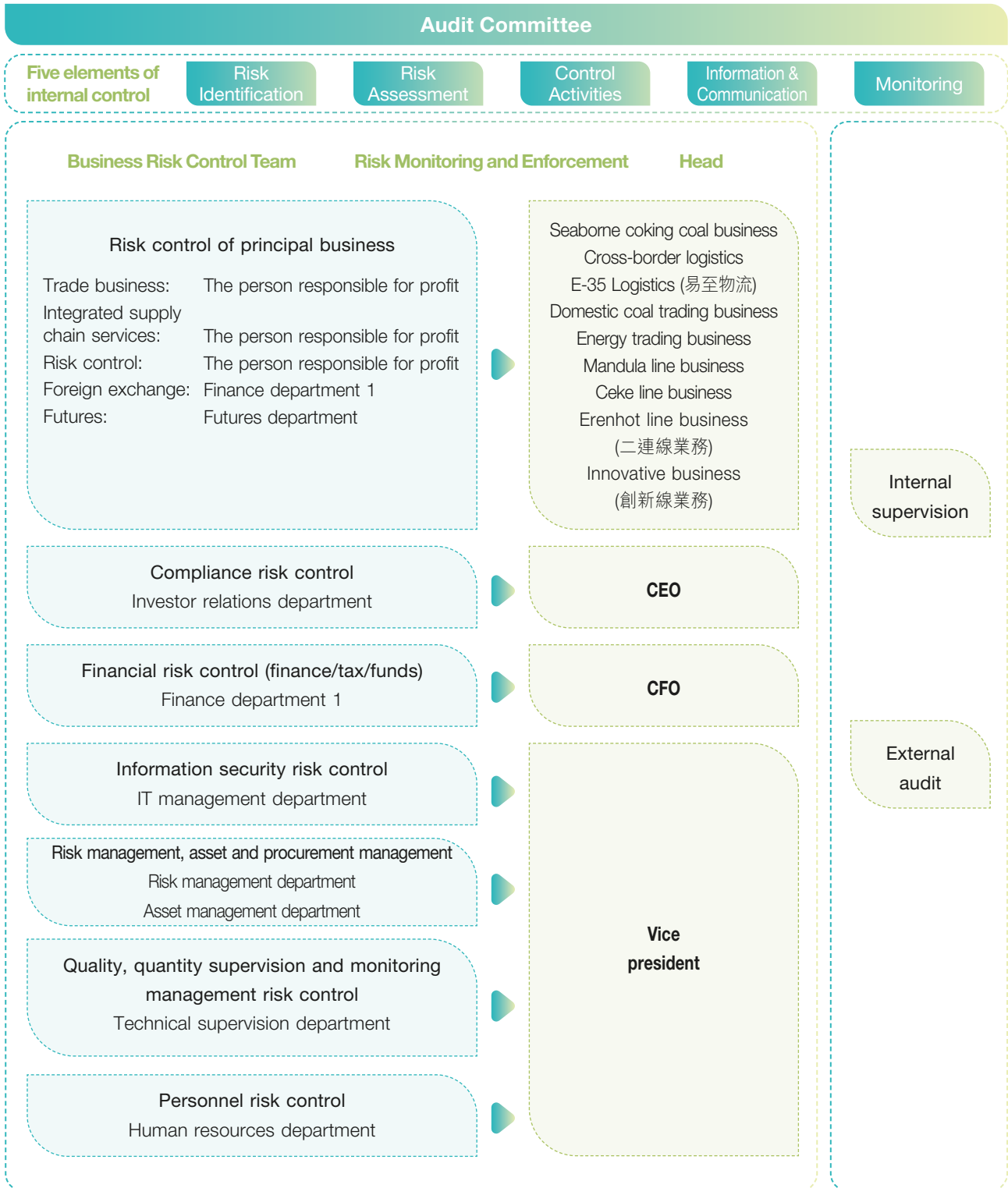
Guaranteeing the independence of risk control and management departments in systems, organizations and personnel, forming effective checks and balances to avoid conflicts of interest

With this as the core, we adhere to the business orientation of “serving the real economy” and strictly abide by the operational red lines of “no speculation, no hoarding”. We rigorously follow the management system to advance all work and control the risk control thresholds of various businesses to ensure the sustainable, healthy and stable development of the Group.

To accurately identify different risks in business, we uphold the concept of “integration of business, finance and taxation”, and give full play to the synergy between the Group's functional departments such as finance, taxation, legal affairs and risk control and relevant trade business, investment and construction departments. When risk control content involves specific work and business matters, it shall be executed by the office of the Board, risk management department, finance department 1 and technical supervision department respectively, which comprehensively evaluate the Group's internal control system, identify potential risks and put forward improvement suggestions to enhance the Company's risk address capabilities. For major or special risk control matters that reach certain risk control thresholds during execution, all business risk control team members are required to report to their respective risk control supervisors, and ultimately report to the budget committee for approval and decision-making, so as to effectively mitigate various risks, promote safe, efficient and stable business development and support the achievement of strategic objectives. In addition, to implement the “Independence” principle, we ensure that the risk management department and the technical supervision department remain independent in systems, organizations and personnel, forming effective checks and balances.

GOVERNANCE

SOUND GOVERNANCE: STRENGTHENING THE COMPLIANCE BASELINE



SOUND GOVERNANCE: STRENGTHENING THE COMPLIANCE BASELINE

Meanwhile, the Group is committed to fostering a corporate culture of “prudence and stability”. To this end, we have built a comprehensive risk training system, deeply integrating risk control framework, management system and practical cases into training at various stages including new employee induction, middle management’s business execution and senior management’s decision-making. Through normalized publicity and learning, we ensure that all employees internalize risk awareness and strictly practice the Group’s compliance requirements.



Strengthen Risk Education and Promote Business-Finance Synergy

In November 2025, the Group held the “Business-Finance Integration Exchange Meeting” with the core goal of strengthening risk education and enhancing the financial management awareness of all staff. The event invited the finance department to share professional knowledge and analysis methods, assisting business departments to deeply understand the risk considerations and cost impacts behind financial decisions. Through two-way communication, it promoted collaborative understanding between finance and business departments, further cultivated risk awareness of frontline employees, and supported our long-term development in risk prevention and control.



Risk Identification and Assessment

We have established a complete risk assessment procedure covering identification, assessment, response, monitoring, and continuous improvement. In the risk identification phase, we comprehensively identify potential risks through sorting out business process, scenario analysis, and cross-departmental discussion. In the evaluation process, we employ a risk matrix model to conduct quantitative analysis in two dimensions, namely likelihood of occurrence and impact severity, and scientifically categorize risk levels. For different risk categories, we implement differentiated management strategies. We adopt avoidance measures for critical risks, enhance controls for moderate risks, hedge transferable risks with financial instruments, and establish monitoring mechanisms for low-level risks. In addition, the Group continuously improves the rectification and feedback mechanisms through risk control monitoring and regular assessment, constantly enhances risk management capabilities, and ensures operational safety and stable corporate development.

Based on the above risk management processes, we continue to prudently identify and assess various emerging risks, comprehensively sort out and optimize the Group’s response mechanisms, ensure flexible and efficient response to the rapidly changing external environment, and safeguard the stable and sustainable development of the enterprise.

GOVERNANCE

SOUND GOVERNANCE: STRENGTHENING THE COMPLIANCE BASELINE

Emerging risks	Primary risk manifestations	Response measures
Technology and Digital Transformation Risks	<p>With the accelerated technological update and continuous advancement of digital transformation, the Group may face risks such as data security vulnerabilities, system failures and cyberattacks. The application of artificial intelligence and automation may lead to algorithm deviations or operational anomalies, and insufficient technical capabilities of employees and improper transformation management may also affect business stability.</p>	<ul style="list-style-type: none"> • Establish a multi-layered data protection and information security management system covering data encryption, intrusion detection, access control and disaster recovery mechanisms to ensure the integrity and confidentiality of key information. • Promote the standardized management of digital transformation projects and AI technology applications, set up cross-departmental coordination mechanisms, and strengthen system integration, process optimization and risk assessment of new technologies. • Strengthen the training on digital knowledge and security awareness for employees, improve internal technical operation guidelines and information protection processes, and ensure the adaptation and compliant operation of all staff in technological changes.
Market Volatility Risks	<p>The enhanced volatility of global financial and commodity markets and drastic changes in interest rates, exchange rates and commodity prices may lead to the increase of the Group's financing costs, limited capital liquidity and fluctuations in inventory value, and bring uncertain impacts on profitability and asset stability at the same time.</p>	<ul style="list-style-type: none"> • Optimize capital structure and financial arrangements, flexibly use diversified financing channels, maintain sufficient liquidity and balance capital costs. • Establish a market risk management model and early warning mechanism, regularly conduct scenario analysis and stress tests, and continuously track changes in interest rates, exchange rates and commodity prices. • Adopt hedging tools, combined with cost control and supply chain collaboration, to reduce the negative impact of market volatility on operating results.
Risks in Emerging Markets	<p>When expanding into emerging markets, we may face risks such as uncertainty in the political and economic environment, policy and exchange rate fluctuations, and differences in market regulations. Meanwhile, the local market competition is fierce, and if products and brands fail to adapt to local demands, it may affect business expansion and market performance.</p>	<ul style="list-style-type: none"> • Strengthen the research on the macro and regulatory environment of target markets, and establish a systematic market access evaluation and early warning mechanism. • Adopt a flexible market entry mode, and select joint ventures, cooperation or phased investment according to local conditions to diversify risks. • Promote localized operation and partner cooperation, cultivate local management and technical talents, and enhance market adaptability and competitiveness.

ESG RISK MANAGEMENT

During the Reporting Period, the Board and the ESG Committee conducted a comprehensive assessment and discussion on the Group’s ESG risks, identified a number of ESG risks that were most important to the Group, and formulated corresponding action plans. For details, please refer to the following table:

ESG risk factors	Impact on the Group	Corresponding chapter of coping action	Risk trend
<i>Social aspects</i>			
Safe production	Regulatory pressure, administrative penalties and legal liabilities arising from safe production incidents may adversely affect the Group’s operations and reputation.	Safe production management	Maintained
Occupational health and safety	Employee health and safety incidents may result in operation disruptions or legal liabilities.	Occupational health and safety	Maintained
Employment and employees’ rights	Non-compliance with labor standards may damage the brand reputation.	Human resource management	Reduced
Employee benefits and welfare	With rising commodity prices and inflation, in order to maintain reasonable remuneration and benefits for employees, the Group has been facing the pressure of rising labor costs.	Human resource management	Maintained

GOVERNANCE

SOUND GOVERNANCE: STRENGTHENING THE COMPLIANCE BASELINE

ESG risk factors	Impact on the Group	Corresponding chapter of coping action	Risk trend
Staff training and development	The Group faces staff turnover pressure in talent development due to the gradual retirement of founding team members.	Focus on talent cultivation	Reduced
<i>Environmental aspects</i>			
Addressing climate change	Climate-related risks (e.g., the impact of extreme weather events on the supply chain or operation facilities).	Combat climate change	Maintained
Generation and management of solid waste	Rising compliance costs associated with waste management and pollution control.	Resource utilization and emission management	Maintained
Emission and management of air pollutant	Increasing compliance costs related to air pollution control.	Resource utilization and emission management	Maintained

INFORMATION SECURITY AND PRIVACY

The Group strictly complies with the *Cybersecurity Law of the People's Republic of China* (《中華人民共和國網絡安全法》), the *Regulations on the Protection of Computer Software* (《計算機軟件保護條例》) and other relevant laws and regulations, as well as the special provisions on Internet information services and personal information protection, to establish and improve the information security governance framework, and clarifies that all employees, partners and customers have the obligation to jointly maintain information and privacy security.

Information Security Governance Framework

The Group has established a governance structure in which the Board-level ESG Committee coordinates information security matters, and the Chairperson of the ESG Committee directly assumes supervisory responsibilities. At the execution level, with the Chief Data Protection Officer (DPO) as the core and privacy liaisons set up in each business unit as support, information compliance risks are incorporated into the enterprise risk register and internal control matrix. All new business processes and systems must pass a privacy impact assessment before launch. Meanwhile, a dual supervision mechanism of internal audit (once a year) and independent third-party audit (once every two years) is implemented, and the audit results are submitted to the Board.

Information Security Management System

During the Reporting Period, the Group formulated and issued the *Personal Information Protection and Privacy Management System* (《個人信息保護與隱私管理制度》), which applies to the headquarters, all domestic and overseas subsidiaries and branches, and fully covers data processing activities in employee management, customer contract performance, end-to-end supplier management, logistics and transportation, port loading and unloading, mining area access management, and information systems such as ERP, TMS and OA. The system explicitly requires suppliers to commit to complying with equivalent privacy protection standards in contracts. For violations such as collecting sensitive information without consent, unauthorized information sharing and data leakage, a hierarchical disciplinary punishment system is established, with penalties ranging from circular criticism to referral to judicial authorities depending on the seriousness of the circumstances. Meanwhile, a special complaint channel is set up. The DPO team shall initiate an investigation within 5 working days and provide written feedback on the handling results within 15 working days. Complaint records shall be archived for at least 3 years to ensure timely and effective handling of privacy complaints.

For the management of digital intelligence platforms, the Group has built four technical systems of risk identification, security defense, security monitoring and security response through the *General Guidelines for Data Security Management of Digital Intelligence Platforms* (《數智平台數據安全管理-總指引》), to ensure data integrity and confidentiality. Meanwhile, a data security operation and control mechanism is established, including emergency plans and drills, monitoring and early warning, emergency response and disaster recovery, to realize effective monitoring and response to data security threats.

Information Security Management Measures

Scope	Specific measures
<p>Information Security Vulnerability Analysis</p>	<ul style="list-style-type: none"> • The Group has formulated and implemented the <i>Information Security Vulnerability Analysis System</i> (《信息安全漏洞分析制度》), aiming to standardize the identification, analysis, handling and tracking process of information security vulnerabilities, reduce the risk of vulnerabilities being exploited, and safeguard the security of information systems and data assets. • A full-life cycle management mechanism from vulnerability discovery, hierarchical classification, analysis and verification, handling and repair to verification and closure is clearly defined. • Vulnerabilities are classified into four levels: urgent, high, medium and low, with differentiated handling time limits, and an exceptional management process for vulnerability delay approval is established. • It covers supply chain vulnerability collaboration, third-party system access management, assessment and accountability, and continuous optimization mechanisms to ensure risk-oriented, closed-loop, controllable and compliant vulnerability management.
<p>Monitoring and Responding to Information Security Threats</p>	<ul style="list-style-type: none"> • When detecting information security threats, Alibaba Cloud Security Services sends real-time alerts and links with the Security Center to provide handling suggestions and response plans synchronously, thereby assisting the Group in timely identifying, analyzing and addressing potential security risks.
<p>Setting Information Security Requirements to Third-Party Suppliers</p>	<ul style="list-style-type: none"> • When cooperating with third-party software development suppliers, the Group has formulated clear mandatory information security requirements through the <i>Basic Security Specifications for Software Development</i> (《軟件開發的基本安全規範》) to regulate the security behaviors of suppliers in the whole process of software design, development and delivery. The relevant requirements cover effective verification of user input, encryption protection of sensitive information, identity authentication and authority management, secure design of codes and interfaces, as well as log recording, security auditing and real-time monitoring, to ensure that the system remains secure and controllable throughout the operation cycle.

SOUND GOVERNANCE: STRENGTHENING THE COMPLIANCE BASELINE

Scope	Specific measures
<p>Reporting Process for Information Security Incidents, Vulnerabilities and Suspicious Activities</p>	<ul style="list-style-type: none"> • The Group has formulated and implemented the <i>Reporting Process for Employees' Information Security Incidents, Vulnerabilities and Suspicious Activities</i> (《員工信息安全事件、漏洞及可疑活動上報流程》), aiming to ensure that employees can report in a timely and standardized manner when discovering any incidents that may affect the security of information systems, data assets or business operations. • The reporting process applies to all employees and relevant partners, covering reporting scope such as data leakage, phishing emails, account anomalies, system vulnerabilities and physical security incidents, and establishes four reporting principles: timeliness, confidentiality, integrity and no-blame culture. • Employees can report through channels such as the information security hotline, internal work order system, direct supervisor or anonymous reporting email, and urgent incidents shall be prioritized by calling the hotline. After acceptance, the information security department shall respond and handle within the time limits of 1-hour confirmation, 4-hour assessment and 24-hour feedback, and finally realize incident closure, review and publicity.
<p>Continuous Improvement of Information Systems</p>	<ul style="list-style-type: none"> • The Group continuously optimizes the security capabilities of information systems. During the Reporting Period, we focused on upgrading and improving the Web Application Firewall 3.0, Cloud Security Center and Cloud Firewall.

Employee Information Security Responsibilities

Through the formulation and implementation of the *Security Use Specifications for Personal Computers* (《個人電腦的安全使用規範》) and the *Safety Awareness Education and Training Management System* (《安全意識教育和培訓管理制度》), the Group has established clear personal information security responsibilities for all employees, and set up a normalized training mechanism to continuously enhance the security awareness and protection capabilities of all staff. In particular, the *Security Use Specifications for Personal Computers* (《個人電腦的安全使用規範》) clearly requires employees to bear direct responsibility for the security of the computer hardware, systems, networks and data they use, including properly keeping personal computers and mobile storage devices, setting complex passwords and changing them regularly, enabling system firewalls and automatic updates, carefully handling emails and network usage behaviors, and regularly backing up important data. The specifications also emphasize that those who cause information leakage or loss of the Group due to personal negligence shall be held responsible in accordance with relevant systems.

GOVERNANCE

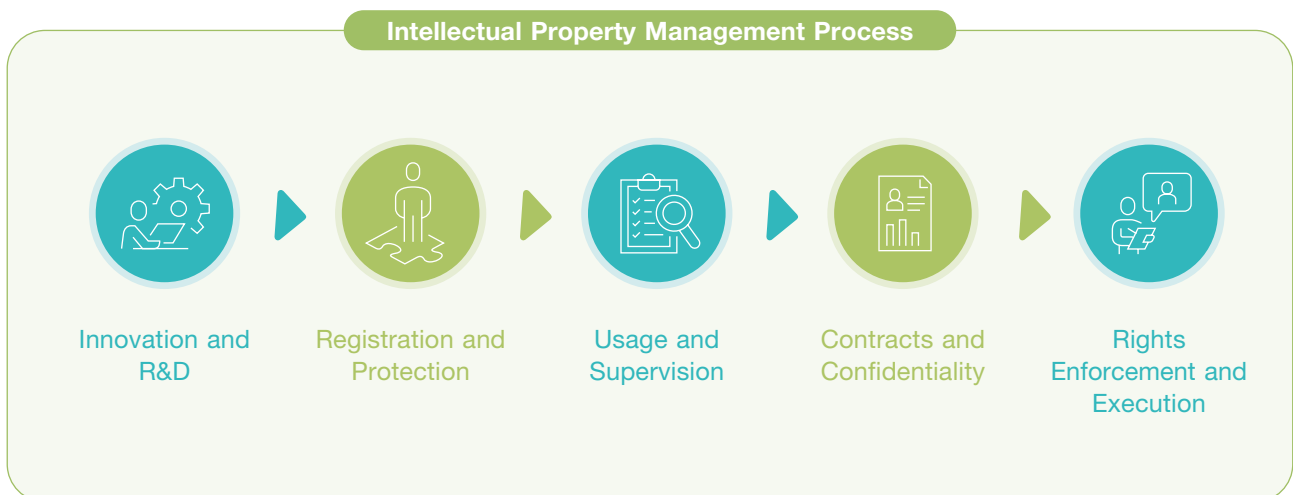
SOUND GOVERNANCE: STRENGTHENING THE COMPLIANCE BASELINE

In terms of training mechanism, the *Safety Awareness Education and Training Management System* (《安全意識教育和培訓管理制度》) stipulates that the Group shall organize a quarterly information security training and skill learning for all employees, covering basic knowledge of information security, post operating procedures, etc., and regularly communicate with security service providers to keep up with industry best practices. Assessments are conducted and recorded after training, and the assessment results serve as a reference for the appointment of key positions. Employees who violate security policies shall be subject to internal punishment according to the seriousness of the circumstances, and those with serious circumstances shall be held legally responsible in accordance with the law. The Group also formulates an annual training plan, clarifying the training methods, targets, content and time to ensure the systematic and normalized development of security education.

PROTECTION OF INTELLECTUAL PROPERTY

The Group strictly abides by the *Trademark Law of the People's Republic of China* (《中華人民共和國商標法》) and its implementation regulations, the *Anti-Unfair Competition Law of the People's Republic of China* (《中華人民共和國反不正當競爭法》), the *Intellectual Property Law of the People's Republic of China* (《中華人民共和國知識產權法》), the *Tort Liability Law of the People's Republic of China* (《中華人民共和國侵權責任法》) and other relevant laws and regulations, and fully implements the requirements for intellectual property compliance management.

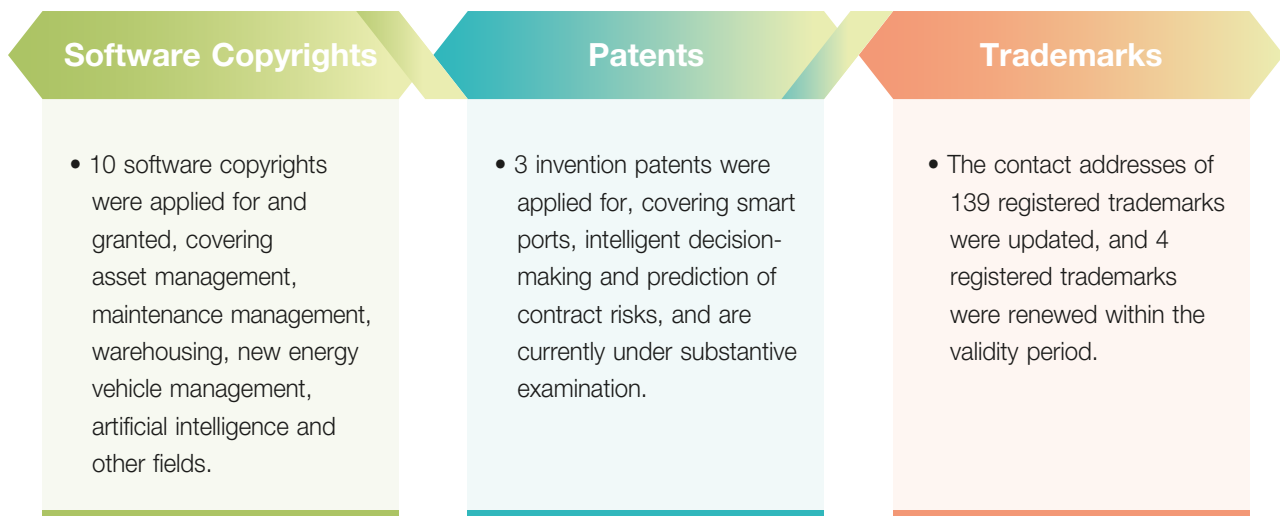
To further strengthen the protection and management of intellectual property, we have formulated and implemented the *Intellectual Property Management System* (《知識產權管理制度》), clarifying employees' responsibilities for the compliant use and protection of intellectual property in daily business activities. The Group has established a full-process intellectual property management system, coordinated by the legal affairs department and jointly implemented with the asset management department and the internet technology platform department, forming an institutionalized and professional protection mechanism. The management scope covers the development and management of software copyrights, registration of new trademarks, sorting and recording of authorized trademarks and patents, as well as the full-process management of intellectual property registration, use, maintenance and rights protection. For any act infringing the Group's intellectual property rights, the legal affairs department shall take timely measures in accordance with relevant systems and legal provisions to protect the legitimate rights and interests of the Group and ensure the continuous protection and compliant operation of intellectual property rights.



SOUND GOVERNANCE: STRENGTHENING THE COMPLIANCE BASELINE

The Group also attaches importance to the protection of patented technologies, trademarks, copyrights, technical secrets and trade secrets, and strictly manages unpublished business data, technical documents and internal information to prevent data leakage and improper use. Employees must strictly abide by the relevant systems of the Group and standardize the use of intellectual property rights. Without approval, they shall not transfer, sell, use or authorize others to use the work-related intellectual property rights of the Group in any form. The person in charge of each subsidiary and department shall take the initiative to report various intellectual property achievements obtained to the legal affairs department for unified management and overall planning. Contracts involving intellectual property matters shall be strictly implemented in accordance with the confidentiality system, and explicit intellectual property protection clauses shall be set in the contracts to reasonably define the ownership of rights and benefit distribution, so as to prevent potential disputes from the source. Before using new product names or corporate names, the handling department shall contact the legal affairs department in advance for intellectual property inquiry and risk assessment, and the department shall uniformly implement protection measures. For registered trademarks, the legal affairs department shall formulate specific usage specifications, and relevant business personnel shall strictly use them in accordance with the regulations and correctly display them in contracts, materials and physical products.

Through system construction and continuous implementation, the Group continuously improves the intellectual property governance mechanism, promotes the compliant application and value transformation of innovative achievements, and supports the high-quality and sustainable development of the enterprise.



ENVIRONMENT

INNOVATION-DRIVEN: INTELLIGENT UPGRADE OF THE INDUSTRY CHAIN

INNOVATION DRIVING THE FUTURE

Overall Strategy

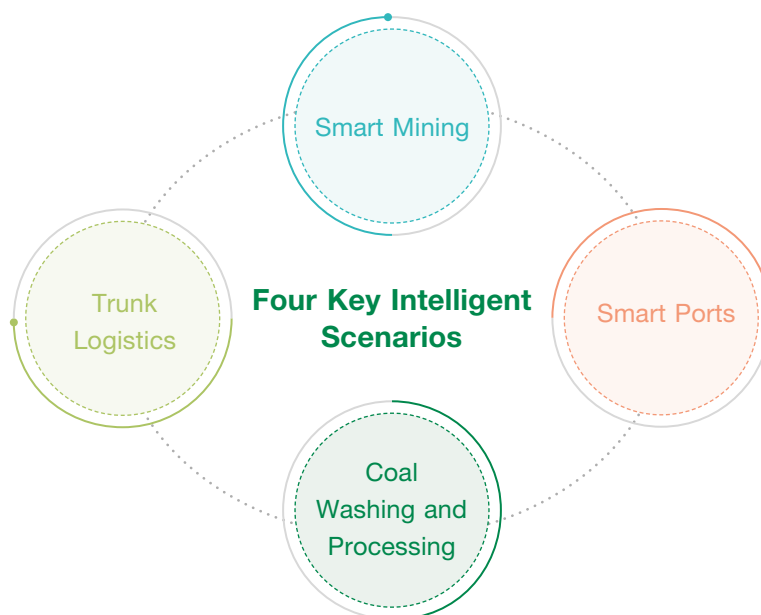
In 2025, the Group continued to take technological innovation as its core driving force, centering on core business scenarios such as mining services, cross-border logistics and coal washing and processing, steadily deepened the digital and intelligent transformation, and gradually realized the upgrade from “digitalization of business processes” to “data-driven decision-making”.

The Group adhered to business value orientation and focused on realizing scenario application. By building a unified digital intelligence platform system, it connected key processes such as transactions, logistics, warehousing and production to realize the efficient circulation and collaborative application of data. On this basis, the Group continuously promoted the in-depth integration of intelligent technologies with physical businesses, improved operational efficiency, strengthened risk management and control capabilities, and continuously optimized resource allocation capacity.

At the same time, the Group actively responded to the trend of green and low-carbon development. Combining the application of new energy with intelligent construction, it continuously explored energy-saving and carbon-reduction pathways in production and transportation processes, and promoted the transformation of business model to a higher efficiency, security and sustainability model.

Implementation of Four Key Scenarios

Focusing on the core business chain, the Group continuously advanced the construction of digital intelligence capabilities in four key scenarios: smart mining, smart ports, coal washing and processing and trunk logistics, and achieved phased application results in 2025.



INNOVATION-DRIVEN: INTELLIGENT UPGRADE OF THE INDUSTRY CHAIN

Smart Mining

The Group took production scheduling as the core entry point and continuously promoted the digital and intelligent upgrading of mining operations. In 2025, the Group completed the construction of Phase I of the mining scheduling system and put it into use. Through the systematic breakdown and data-based management of production processes, it realized the optimization of operation formation and the improvement of dynamic scheduling capacity, effectively improving mining efficiency. Meanwhile, the massive production data accumulated by the scheduling system provided key support for subsequent intelligent decision-making and operation optimization, driving mines to gradually transform into an intelligent production management model.

Smart Ports

Relying on the existing cross-border logistics infrastructure and business experience, the Group continuously promoted the digital upgrading in port customs clearance, park scheduling and cross-border transportation. Through the application of smart customs systems, intelligent checkpoints and multimodal transport platforms, the Group realized the automatic collection and declaration of customs declaration data, intelligent vehicle scheduling and coordination of customs clearance processes, improving the overall operational efficiency and traffic capacity of ports. At the same time, through the construction of digital park management and visualization systems, the Group further enhanced the transparency and security of port operations, providing stable and efficient service support for the cross-border supply chain.

Coal Washing and Processing

The Group continuously promoted the integrated development of green energy and intelligent washing. In 2025, the Group focused on advancing the construction of distributed photovoltaic projects, gradually introduced clean energy for production power in coal washing plant scenarios, so as to increase the proportion of green electricity consumption and reduce comprehensive energy costs. Meanwhile, focusing on coal quality sensing and coal blending optimization, the Group gradually explored intelligent washing capabilities. By improving the refined management level of the washing process, it improved product quality stability, reduced reliance on manual experience, and drove the development of washing and processing towards high efficiency and low carbon.

Trunk Logistics

The Group took the application of new energy as the starting point to accelerate the green and intelligent transformation of the transportation system. In 2025, we completed the construction and operation of charging facilities at coal washing plants and key transportation nodes, realizing stable energy replenishment for transport vehicles. At the same time, the new energy transport fleet was gradually put into operation, which improved energy utilization efficiency in the transportation process while reducing fuel consumption and carbon emissions. In addition, combined with the transportation scheduling system, the Group digitally managed the operating status of vehicles, improved transportation organization efficiency, and laid the foundation for the subsequent application of new transportation modes such as autonomous driving.

ENVIRONMENT

INNOVATION-DRIVEN: INTELLIGENT UPGRADE OF THE INDUSTRY CHAIN

Technology Capability Building

While advancing the realisation of digital intelligence in various business scenarios, the Group continuously strengthened the construction of key technical capabilities. Through platform-based, data-based and intelligent means, it built a core technology system supporting long-term development.

Platform and Data Capabilities

The Group took the unified digital intelligence platform as the foundation, continuously integrated data from multiple sources such as transactions, logistics, warehousing and production, and realized data connectivity and visualized management throughout the whole supply chain. Through centralized management, analysis and application of data, the Group effectively improved business collaboration efficiency and operational transparency, and provided data support for refined management.

Intelligent Decision-making Capabilities

The Group gradually introduced data analysis and algorithm models in key links such as production scheduling, logistics planning and coal blending decision-making. Through the continuous accumulation and analysis of business data, it realized the dynamic optimization of production and operation plans, and improved the scientificity and timeliness of decision-making. Meanwhile, through the application of relevant system tools, the Group continuously strengthened the ability to control costs, risks and execution processes.

Internet of Things (IoT) and Automation

The Group continuously promoted the application of sensing equipment and automation systems in scenarios such as mines, ports and coal washing plants, realized real-time monitoring and management of personnel, equipment, vehicles and goods, and improved production safety and operation efficiency. At the same time, through the application of unattended equipment and automated processes, the Group gradually reduced manual intervention and improved overall operational stability.

Green Energy and Energy Management

The Group continuously promoted the construction of photovoltaic, energy storage and charging infrastructure around mining areas and logistics scenarios, explored the source-grid-load-storage integrated energy model. By optimizing the energy structure and energy use strategy, it improved energy use efficiency and reduced carbon emission intensity. Relevant explorations not only improved energy security capacity, but also provided a practical foundation for the Group's future business expansion in the green energy field.

INNOVATION-DRIVEN: INTELLIGENT UPGRADE OF THE INDUSTRY CHAIN

Advancing Full-Scenario Intelligence

In addition to the construction of core intelligent platforms, during the Reporting Period, the Group steadily advanced the full-scenario intelligent construction, with continuously enhanced technical capabilities, continuously expanded application fields, and further optimized and upgraded multiple core business links:

Intelligent-Driven Upgrade of Production Safety and Cargo Safety Management

The Group continues to promote the intelligent construction of safety management, and integrates production safety and transportation management into the intelligent control system through the upgrade of digital systems. We have introduced a safety management system in high-risk operation scenarios such as mining areas and loading and unloading areas, to realize online visualization, controllable risks and closed-loop processes of the whole operation process, and promote the transformation of safety supervision from “manual supervision” to “technical prevention”. The system integrates functions of hidden danger investigation, operation approval, risk classification and task circulation, and electronic records and automatic early warning have significantly improved the efficiency of safety management and control. At the same time, we have established a cargo in-transit safety monitoring system in the transportation link, relying on GPS positioning, picture monitoring and data return to realize real-time tracking of vehicle status and abnormal early warning, forming a full closed-loop mechanism of “pre-event prevention, in-event monitoring and post-event traceability”. Through the wide application of intelligent safety systems, operational risks and potential risks of transportation have been effectively reduced, and the standardization and refinement level of safe operation have been improved.

AI-Enabled Knowledge Sharing Platform and Business Assistant

The Group continues to promote the digitalization and intelligent upgrading of organizational knowledge, and has built a knowledge and skill sharing platform based on the enterprise-level AI application “Fuyao” (扶搖). The platform builds a series of intelligent application assistants for corporate scenarios by integrating leading large models and connecting with corporate knowledge base, integrates scattered indicator libraries, system assistants, Winsway Training Center (永暉培訓中心) and knowledge resources of various departments, forming a unified enterprise knowledge system. Through AI technology, it intelligently analyzes and restructures massive documents, processes and experiences, transforming tacit experience into explicit knowledge with availability and interactivity. Employees can obtain system interpretations, operating procedures and historical cases in real time in business scenarios, and efficiently solve difficulties at work with the help of intelligent Q&A. This system effectively breaks down departmental barriers and information silos, promotes experience inheritance and knowledge sharing, accelerates skill improvement and organizational learning, and provides strong support for us to build a learning and innovative organization.

Meanwhile, the Group continuously promoted the in-depth integration of AI capabilities with existing business systems, covering application scenarios such as auxiliary contract interpretation and filling, procurement and sales execution progress tracking, intelligent analysis of coal sources and inventory, and automatic interpretation of test reports. This will significantly improve system operation efficiency, assist manual follow-up of business progress, timely detect potential risks, and make AI a core productivity tool empowering all employees.



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INNOVATION-DRIVEN: INTELLIGENT UPGRADE OF THE INDUSTRY CHAIN



In-Depth Integration of Full-Link Coal Source Information

As a part of continuously deepening the application of data in business, the Group focused on advancing the construction of data system designed for transaction this year. Following the logic of business middle platform, it refined and sorted out the full-chain data flow of coal products covering procurement, allocation, warehousing, processing and sales. By refining data recording and statistical granularity, restructuring and optimizing key business processes, the Group gradually established standardized standard operating procedures (SOPs) for data operations, so that data results could effectively feed back into business decisions, forming a closed loop of “using data to guide business and verifying data through business”.

On this basis, the timeliness of data update and use was significantly improved. The statistical frequency of core business data was reduced to once a day, realizing daily tracking, monitoring, analysis and suggestions of key information such as inventory dynamics, cost changes and quality indicators. Thus, it provided more real-time and accurate data support for business operations, enabling an improvement in both business response speed and decision-making quality.



Digital Upgrade of Intelligent Maintenance Management

The Group has implemented an intelligent maintenance management system in key plants, realizing a full-process closed loop of maintenance business, spare parts inventory and procurement management. The system incorporates equipment maintenance and upkeep data into the full lifecycle management of assets, realizing the automation of plan forecasting, task scheduling and resource matching. After the implementation of the management model, the average time for equipment maintenance was shortened from 4 hours to 2-3 hours, the spare parts turnover rate increased from 1-2 times to 4 times per year, effectively reducing inventory backlog, the overall maintenance efficiency was improved by 30%, and the equipment availability rate was maintained at more than 90%, ensuring production continuity and providing practical support for our cost reduction and efficiency improvement and intelligent operation and maintenance transformation.

Asset Management Advancing to a Full-Lifecycle, Intelligent New Stage

The Group is steadily advancing the intelligent transformation of asset management, moving towards full-lifecycle operation management. We have established an electronic full-lifecycle ledger for assets, realizing real-time linkage and transparent management of asset status and value; the Group-wide self-service inventory system was officially launched, compressing the overall inventory cycle to less than two weeks and doubling inventory efficiency; at the same time, we have implemented an intelligent reuse mechanism, through which the assets idle for more than one month will be automatically placed into the Group's reuse pool for priority allocation, maximizing the activation of existing assets. Through data-based management, the asset use efficiency and allocation efficiency have been significantly improved, providing solid support for the Group's intensive and refined operation.

Future Layout

Looking ahead, the Group will continue to focus on cutting-edge technologies such as artificial intelligence, autonomous driving and intelligent equipment, explore and deploy in consideration of its own business scenarios, and promote the in-depth integration of technology and industry. On the basis of ensuring the stable operation of the business, the Group will continuously promote the evolution of digital intelligence capabilities to a higher level, and build an intelligent supply chain system with sustainable competitive advantages.



ENVIRONMENT

GREEN OPERATION: ACHIEVING SUSTAINABLE DEVELOPMENT

The Group is firmly committed to green production and green operation practices to ensure the harmonious coexistence of our business growth and environmental protection. We strictly abide by the *Environmental Protection Law of the People's Republic of China* (《中華人民共和國環境保護法》), the *Water Pollution Prevention and Control Law of the People's Republic of China* (《中華人民共和國水污染防治法》), the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution* (《中華人民共和國大氣污染防治法》), the *Energy Conservation Law of the People's Republic of China* (《中華人民共和國節約能源法》), the *Measures for Environmental Surveillance* (《環境監測管理辦法》), the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Wastes* (《中華人民共和國固體廢物污染環境防治法》) and the *Regulations on the Administration of Construction Project Environmental Protection* (《建設項目環境保護管理條例》) and other appropriate laws and regulations on environmental protection in the place where it operates.

In accordance with relevant requirements, we have established a comprehensive internal environmental management system, formulated and implemented the *E-Commodities Environmental Protection System* (《易大宗環保制度》), and implemented strict management and supervision on waste discharge, prevention and control of environmental pollution accidents, energy conservation and consumption reduction, environmental impact monitoring and other matters at the institutional level. We also clearly defined the environmental protection responsibilities and implementation standards of different functional departments to ensure the efficient operation of environmental management and the achievement of the Group's environmental protection goals.

During the Reporting Period, the Group did not violate any relevant laws and regulations related to waste gas and greenhouse gas emissions, water and land pollution, waste generation and disposal, etc.

ENVIRONMENTAL GOVERNANCE POLICY

To implement national green and low-carbon development requirements, the Group continuously improves its environmental management system. With the basic principles of “law-abiding and compliance, prevention first, green innovation, and continuous improvement”, this system covers the management of wastewater, atmospheric pollutants, noise, solid waste and hazardous waste, to standardize the environmental protection, energy conservation and emission reduction work at all levels, and comprehensively improve the Group's environmental management capacity.

We adhere to the philosophy of “Green Leadership, Innovation-Driven, Full-Chain Synergy”. By integrating resources, innovating technologies and optimizing services, we accelerate the transformation and upgrading of traditional industries, promote the development of green industries such as new energy, and contribute to the national “dual carbon” goals.

GREEN OPERATION: ACHIEVING SUSTAINABLE DEVELOPMENT

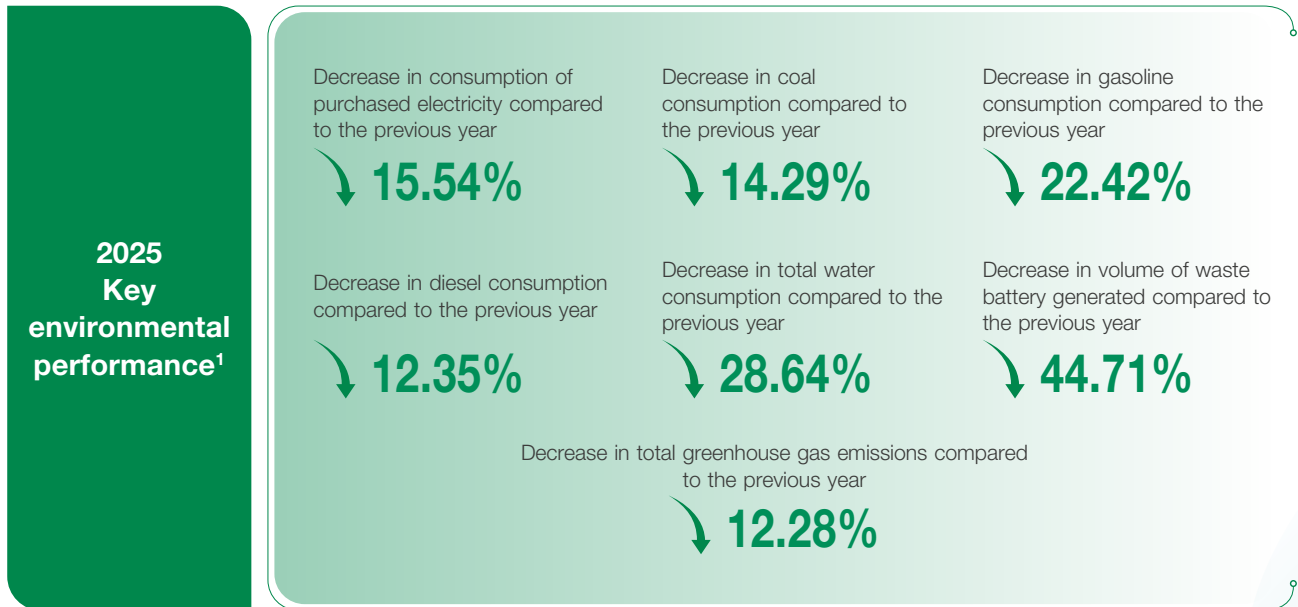
E-Commodities Green and Low-Carbon Development Plan

Green logistics	Advancing unmanned freight transport from technical verification to large-scale commercial operation and low-carbon upgrading
Green intelligent manufacturing	Focusing on promoting green intelligent manufacturing, and strengthening the synergy of energy efficiency improvement, emission reduction and efficiency enhancement
Green finance	Keeping abreast of the demand for development of circular economy with energy conservation and low carbon, exploring green finance solutions to empower the sustainable development of the Group

Key Environmental Performance and Targets

Over the past three years, the Group has continued to invest in environmental protection, energy conservation, emission reduction and resource recycling. It has strictly implemented environmental management objectives and supporting control measures, and achieved 100% of all environmental targets, fully demonstrating the Group's sound environmental governance effectiveness and continuously optimized management capabilities.

A summary of the key environmental performance for 2025 is as follows:



¹ For details, please refer to the "Environmental Performance Indicators" in the section headed "Appendix: Key Performance Indicators".

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GREEN OPERATION: ACHIEVING SUSTAINABLE DEVELOPMENT

Environmental targets	Indicator plans for each of the years 2023-2026 ²
Air pollutant emission targets	
In-plant fugitive dust emissions (maximum)	Less than 0.85 mg/m ³
Carbon monoxide emissions	Not exceeding 120,000 kg
Nitrogen oxides emissions	Not exceeding 200,000 kg
Sulfur oxides emissions	Not exceeding 6,500 kg
Greenhouse gas emission targets	
Total emission of greenhouse gases	A 2% decrease from the previous year
Intensity of total emission of greenhouse gases	Not exceeding 400 tonnes of carbon dioxide equivalent/HK\$100 million operating income
Water efficiency targets	
Water consumption intensity	Not exceeding 2,000 tonnes/HK\$100 million operating income
Water saving target	Expenses not exceeding HK\$100,000
Wastewater discharge and management targets	
Recycling rate of production wastewater	More than 75% (25% is the amount of evaporation)
Generation and management targets of solid waste	
Disposal rate of hazardous waste	100%
Environmental pollution accident	0
Enhancing energy management	
Coking coal intermediary, power consumption limit of flotation combined coal preparation	8.5 kWh/tonne
Energy saving target	Reduced consumption of standard coal is more than the average of the past three years

² In light of the actual business development of the Group, we have appropriately revised and updated the environmental targets set for the year 2023.

GREEN OPERATION: ACHIEVING SUSTAINABLE DEVELOPMENT

Environmental Risk Management Procedures

The impacts of the Group's production and operations on the environment and natural resources mainly relate to air pollution, wastewater discharge, solid waste and noise caused by the coal washing and processing process and transportation. In response to these negative impacts, we have formulated the *Administrative Measures for Safety and Environment of New Projects, Reconstruction Projects and Expansion Projects* (《新、改、擴建項目安全、環境三同時管理辦法》) to strengthen the overall management of design, construction and acceptance of new projects, renovation and expansion projects. The Group has also conducted an environmental impact assessment in accordance with laws, regulations and regulatory requirements including the *Law of the People's Republic of China on Environmental Impact Assessment* (《中華人民共和國環境影響評價法》) to ensure that our environmental information complies with regulatory standards.

Environmental responsibility structure	<ul style="list-style-type: none"> • The technical supervision department serves as the Group's central unit for coordinating and overseeing environmental protection efforts. Its responsibilities include developing and updating policies, conducting environmental inspections, providing training on relevant laws and regulations, supporting information management, and compiling and managing carbon emission data • The principal of each subsidiary shall serve as the first person of the unit responsible for environmental protection, and assumes overall responsibilities for environmental protection within the unit • On-site security and environmental protection personnel shall be responsible for implementing environmental protection measures and fulfilling corporate environmental responsibilities • Each subsidiary shall establish environmental protection regulations and rules in compliance with national laws, regulations, policies, standards, and the Group's environmental protection requirements, mainly including environmental inspections, potential risks identification, reporting and handling of environmental incidents, and other matters
Environmental monitoring management	<ul style="list-style-type: none"> • Each subsidiary shall conduct environmental inspections and potential risks identification, and handle the reporting and investigation of environmental incidents in compliance with national laws, regulations, policies, standards and the Group's environmental protection requirements • Each subsidiary shall engage legally qualified third-party institutions or its own professional departments to regularly monitor key emissions including waste gas, wastewater and noise, ensuring compliance with emission standards • Monitoring results shall be properly archived and regularly analyzed to track trends in environmental quality. In case of abnormal results, corrective measures shall be formulated immediately, responsible persons and rectification time limits shall be defined, and follow-up re-inspections shall be conducted • Each subsidiary shall carry out comprehensive environmental monitoring data management to improve basic monitoring archives and ensure the authenticity, accuracy and traceability of data
On-site environmental supervision and inspection	<ul style="list-style-type: none"> • Each subsidiary shall establish detailed inspection records covering the implementation of environmental protection systems, on-site emission monitoring and treatment, and rectification of environmental hazards, which shall be properly archived for future reference
Environmental production management files	<ul style="list-style-type: none"> • Each subsidiary shall establish a comprehensive environmental protection file management system, properly archive documents including environmental production training and education materials, meeting minutes, inspection and rectification records to ensure the completeness and traceability of such materials

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GREEN OPERATION: ACHIEVING SUSTAINABLE DEVELOPMENT

RESOURCE UTILIZATION AND EMISSION MANAGEMENT

Air Pollution Emissions Management

The Group's atmospheric pollutants mainly originate from road mobile sources (vehicles, AGV heavy-duty special equipment), non-road mobile sources (construction machinery, diesel generator sets), boilers, and exhaust gases generated by canteen cooking. To effectively control and manage air pollutant emissions, we have implemented systematic emission reduction measures focusing on three aspects: source reduction, process control, and compliance monitoring.

Source Reduction

- We have built fully enclosed eco-friendly coal sheds and added windproof and dust suppression walls to achieve fundamental control of dust emissions from stockyards.

Process Control

- In the transportation process, we have fully implemented closed operations such as containerization, canvas covering, and dust suppressant spraying to minimize fugitive emissions during the process.

Compliance Monitoring

- We have established a normalized monitoring mechanism, entrusting qualified third-party institutions to conduct regular sampling and testing in plants and dust generation sites, to ensure that all emission indicators continuously meet the compliance requirements of the *Integrated Emission Standard of Air Pollutants* (《大氣污染物綜合排放標準》).

GREEN OPERATION: ACHIEVING SUSTAINABLE DEVELOPMENT

During the Reporting Period, four new enclosed coal sheds were built in the Mandula Port and Zhongqi areas, with a total construction area of approximately 24,596 square meters. This has effectively improved the enclosed management level of coal loading, unloading, storage and transportation, and is expected to reduce dust fugitive emissions by tens of tons annually, greatly reducing the impact on the surrounding environment.



**Three Newly Built Enclosed Coal Sheds
in the Zhongqi Area**



**Newly Built Enclosed Coal Shed at
Mandula Port**

At the same time, the Group ensures that all dust removal equipment in the production areas operates normally, continuously monitors dust removal efficiency to ensure that the concentration and rate of particulate emissions stably meet the standards, and comprehensively improves the environmental management effectiveness of operation stations.

Greenhouse Gas Emissions Management

The Group's Scope 1 greenhouse gas emissions primarily originate from road mobile sources (vehicles and AGV heavy-duty special equipment), non-road mobile sources (construction machinery and diesel generator sets), boilers, canteen cooking and other gas-fired equipment, while Scope 2 greenhouse gas emissions are mainly derived from purchased electricity. Among them, land transportation stands as a major source of the Group's carbon emissions.

To effectively control and manage greenhouse gas emissions, the Group comprehensively enhances the low-carbon level of operations through transportation structure optimization and equipment upgrades, green travel and new energy transportation transformation, as well as plant area greening initiatives, laying a solid foundation for the construction of a regional green logistics and sustainable supply chain system.

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GREEN OPERATION: ACHIEVING SUSTAINABLE DEVELOPMENT

Transportation Structure Optimization and Equipment Upgrades

The Group has continuously advanced transportation structure optimization and equipment upgrades to effectively reduce carbon and pollutant emissions. We focused on the “bulk-to-containerized” transformation, actively expanding the proportion of railway container transportation and AGV intelligent transportation, and gradually shifting the transportation model from traditional road-dominated transport to containerization and multimodal transport. By optimizing the transportation layout and operational workflows, we improved cargo handling and turnover efficiency, shortened standing time, and reduced fuel consumption and dust emissions. Meanwhile, the Group continuously improved the sealing structure and protective design of containers to reduce the risk of cargo spillage and secondary pollution during transportation, further enhancing transportation safety and environmental performance.

The transport volume of railway container transportation and AGV transportation in aggregate as a percentage of the total transport volume

68%



The transport volume of railway container transportation as a percentage of the total railway transportation volume

65%

In terms of equipment upgrades, the Group accelerated the application of AGV intelligent transportation facilities. Through automated and precision operation, we improved scheduling efficiency and transportation coordination capabilities, reducing empty vehicle runs and energy consumption losses. During the Reporting Period, the Group’s AGV project maintained stable operations, and cooperated with customs and border inspection authorities to achieve an annual transport volume of 4.47 million tonnes. To further improve operational efficiency and energy utilization performance, we continuously optimized system functions, integrated the sub-card verification function into the park’s three-card system, and coordinated with government departments to remove obstacles such as light poles and electric control boxes near the traffic lanes, improving the operational environment and traffic safety. In terms of operation management, for key controllable variable costs such as fuel expenses, we have established an energy efficiency analysis and real-time optimization mechanism, and conducted energy efficiency monitoring and evaluation based on indicators such as operating hours, mileage, transport volume and fuel consumption. When anomalies occur, the central control system adjusts the scheduling mode in a linked manner, effectively reducing the emission levels of greenhouse gases and air pollutants.

AGV Unmanned Cross-Border Transportation Project

On July 18, 2025, the Group commenced the construction of the AGV unmanned cross-border transportation project at Mandula Port, which was officially put into operation on November 30 of the same year. The project has built a dedicated “one-in-one-out” enclosed channel, integrating intelligent inspection facilities such as H986 scanning, backscatter detection, radiation inspection and automatic sprinkler systems, with an operating speed of 5 meters per second. It has significantly improved customs clearance and inspection efficiency, laying a foundation for the automated, intelligent and efficient operation of cross-border transportation at the port.

GREEN OPERATION: ACHIEVING SUSTAINABLE DEVELOPMENT

Promoting Green Travel and New Energy Transportation Transformation

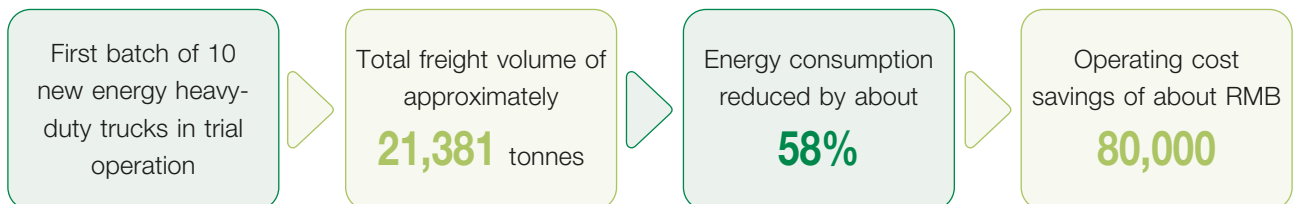
The Group continuously advances green transportation and low-carbon mobility management, and actively implements energy conservation and emission reduction measures. For official vehicles, we promote the use of hybrid-powered models, comprehensively implement management measures to reduce fuel consumption and improve energy efficiency, while encouraging employees to prioritize public transportation for travel. We also strictly enforce China VI emission standards in new vehicle procurement to reduce air pollutant and greenhouse gas emissions.

Building on green travel, we simultaneously accelerate the new energy transformation in the transportation sector. During the Reporting Period, the Group achieved a key breakthrough from zero to one in the new energy trunk transportation segment, successfully establishing the first pure electric new energy transport fleet, building the first dedicated charging station, and developing the first integrated “cargo + vehicle + electricity” intelligent transportation system. This initiative



significantly reduces unit freight energy consumption and carbon emission intensity, while improving vehicle operational efficiency and logistics turnover capacity. The first batch of 10 new energy heavy-duty trucks has been put into trial operation, completing a total freight volume of approximately 21,381 tonnes, with a total electricity consumption of about 93,113 kWh. As compared to traditional fuel-powered trucks which would consume approximately 23,000 liters of diesel for the same transport mileage, it brought an energy consumption reduction of about 58% and an operating cost saving of approximately RMB80,000.

Through new energy substitution and operational optimization, the Group has effectively reduced carbon emissions and energy consumption, marking the full transition of trunk transportation towards intelligent, clean and zero-emission operations.



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GREEN OPERATION: ACHIEVING SUSTAINABLE DEVELOPMENT

Advancing Plant Area Greening Initiatives

During the Reporting Period, the Group continuously promoted plant area greening and ecological restoration, committed to improving the office and production environment, enhancing vegetation coverage, improving atmospheric environmental quality, and promoting greenhouse gas emission reduction through practical actions. We organized employees to carry out greening and planting activities at various ports and coal washing bases, planting over 1,300 trees including species such as *Ulmus pumila* 'Jinye', wild apricot, *Prunus davidiana* and Mongolian scotch pine, as well as more than 4,100 flowers, adding approximately 15,000 square meters of green areas. By increasing vegetation carbon sinks and reducing the spread of dust and suspended particulate matter, we have further improved the air quality and ecological environment in the plant areas, playing an active role in reducing air pollutant emissions and achieving the Group's carbon reduction targets.

Sewage Discharge and Water Resources Management

The water resources for the production, operation and domestic use of the Group are managed and provided by the municipal pipe network. Due to natural environmental constraints at certain operational sites, some subsidiaries may face seasonal water shortages. To address potential water stress or temporary supply difficulties that may occur in summer, we have built facilities such as reservoirs and water tanks in advance to reserve water resources, ensuring a stable supply of water for daily operations and domestic use during periods of water supply fluctuations.

The subsidiaries of the Group have maintained water collection pits in low-lying areas of the mining site, collecting approximately 100,000 m³ of rainwater for dust suppression sprinkling within the mining area, effectively alleviating the pressure on production water use. By constructing fully enclosed coal sheds and other dust suppression facilities, we reduce the risk of dust flowing into water bodies with rainwater. At the same time, we achieve zero discharge and recycling of production wastewater, while domestic wastewater is treated and recycled in a standardized manner without external discharge, ensuring no pollution to the surface and groundwater environments.



New Rainwater Collection Pool of Baotou-City E-35 Logistics Co., Ltd.

GREEN OPERATION: ACHIEVING SUSTAINABLE DEVELOPMENT

Adhering to the principle of water conservation, the Group has fully considered the efficiency of water use and environmental impacts in each link of the production chain, and implemented systematic water management measures in strict accordance with relevant laws and regulations:

Closed-Loop Recycling of Production Wastewater	After treatment and purification, 100% of production wastewater is reused in production processes and for road spraying, achieving zero discharge.
Compliant Disposal of Domestic Wastewater	Domestic wastewater is first discharged into municipal sewage pipe network. If it does not meet municipal sewage discharge conditions, it is treated and reused internally.
Optimization of Water Use for Greening	We prioritize the use of reclaimed water or self-collected rainwater to fully replace tap water for road spraying and dust suppression.
Strengthening Water Conservation Awareness	Water conservation signs are posted to continuously enhance water conservation awareness among all employees.
Regular Inspections and Maintenance	We have improved the position inspection system to eliminate the phenomenon of “running, spraying, dripping and leaking”, and regularly inspect and maintain water supply pipe networks and equipment to promptly identify and eliminate potential leakage risks, ensuring the efficient operation of the water supply system.

Waste Discharge and Management

The Group strictly complies with laws and regulations including the *Law of the People's Republic of China on the Prevention and Control of Solid Waste Pollution* (《中華人民共和國固體廢物污染防治法》). We have established and refined the *Solid Waste Management System* (《固體廢物管理制度》) to implement full-process management and compliant disposal of solid waste generated during production and operations. We adhere to the management principles of “reduction, recycling and harmless disposal”, and comprehensively regulate the setting of storage yards, dust and seepage prevention, loss prevention, and clearance and transportation management, to ensure compliant and efficient management of all types of solid waste.

Our operations primarily generate solid waste such as gangue and coal slime from the clean raw materials sector, along with waste oil, scrap tires and parts from the supply chain logistics sector. Among them, all coal slime is sold for reuse, while gangue is properly disposed of through classified temporary storage, compliant sales, and clearance and transportation, ensuring an orderly disposal process and controllable environmental impact.

Regarding hazardous waste such as waste oils generated during vehicle maintenance, the Group has established a strict management system. We have set up dedicated hazardous waste storage areas equipped with anti-seepage facilities and target identification, ensuring that hazardous waste is classified, recycled, stored in dedicated warehouses, and not randomly discarded or discharged. Designated departments of the Group regularly inspect the hazardous waste warehouses and management conditions. All waste oils are entrusted to licensed enterprises for recycling and harmless treatment, achieving full-process supervision of hazardous waste.

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GREEN OPERATION: ACHIEVING SUSTAINABLE DEVELOPMENT

Waste Emission Reduction Measures

Source Reduction

- We strictly implement production process standards, select high-quality raw materials and clean energy, and adopt high-efficiency equipment and technologies to fundamentally minimize waste generation.

Regulated Storage and Transportation

- Hazardous waste is legally transported by licensed units with full-process control to avoid spillage and secondary pollution.
- We implement classified recycling and designated storage of solid waste, with anti-seepage and closed measures adopted in storage sites, and carry out temporary storage, sales or disposal in accordance with the law.

Classified Disposal

- Non-recyclable and non-hazardous waste is uniformly disposed of by the environmental sanitation department in accordance with local requirements.
- Recyclable materials are sent to legal recycling stations for resource recycling; domestic waste is collected by classification and delivered to government-designated collection points.

Through continuous improvement and strict implementation of systems, the Group has achieved remarkable results in solid waste management. During the Reporting Period, the Group did not experience any illegal discharge of solid waste or environmental pollution incidents.

Energy Management Improvement

The energy resources used by the Group are mainly electricity and diesel consumed in the production process of the clean raw materials sector and the supply chain logistics sector. To further improve energy use efficiency and management level, the Group has formulated and implemented the *Energy Management System* (《能源管理制度》), aiming to standardize energy use behaviors, improve energy utilization efficiency and related economic benefits. This system defines the planning, supervision, approval and execution processes for energy management, and clarifies the terms of reference of key responsible departments including the security and environmental protection department and the logistics department, ensuring that energy management responsibilities are fully implemented.

GREEN OPERATION: ACHIEVING SUSTAINABLE DEVELOPMENT

To deeply implement the energy management system and strengthen the effectiveness of energy conservation and consumption reduction, we have identified key energy-saving directions and implemented the following energy conservation and consumption reduction measures:

Energy Saving and Consumption Reduction Measures

- **Optimization of Electricity Consumption Structure:** The clean energy sector implements off-peak electricity consumption through a “peak load shifting” strategy, rationally adjusts production electricity demand, and gradually replaces old equipment with low-energy consumption devices to improve overall energy utilization efficiency.
- **Clean Heating Transformation:** Production units have replaced traditional coal-fired and gas-fired boilers with air-source heat pumps for heating and domestic hot water supply, which consumes only 25% of the electricity used by conventional electric water heaters, achieving approximately two-thirds to three-quarters of reduction in electricity consumption, effectively reducing energy costs.
- **Green Cooking Energy Substitution:** We promote the use of electric cooking stoves to replace gas and coal-fired stoves, further reducing energy consumption.
- **Strengthened Power Management:** We fully implement the “peak load shifting” and off-peak power supply strategies, combined with the renewal and upgrading of high-efficiency energy-saving equipment, to effectively control overall power consumption.
- **Promotion of Energy-Saving Equipment:** We actively select low-energy consumption, eco-friendly air conditioners, water heaters and lighting equipment to ensure continuous reduction in the energy consumption of equipment operation.
- **Promotion of New Electrical Equipment Applications:** We increase the proportion of electric-driven equipment and automated transport vehicles, replacing traditional fuel-powered methods with electric energy to optimize the energy structure.

At the same time, we are also vigorously promoting the use of clean energy, gradually increasing the proportion of low-carbon energy sources such as solar power in the overall energy mix, reducing dependence on traditional fossil fuels, and lowering carbon emissions and environmental load.

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Distributed Photovoltaic Power Station Projects

Distributed Photovoltaic Power Station Project of Hebei Chun'ao Industrial Co., Ltd.

The distributed photovoltaic power station project of Hebei Chun'ao Industrial Co., Ltd. (河北春澳實業有限公司), a subsidiary of the Group, is currently under construction. The project plans a total rooftop area of 89,492 square meters, a photovoltaic capacity of approximately 11 MWp, and an annual power generation of about 11.57 million kWh. The project is being constructed in two phases.

Phase I of the distributed photovoltaic power station has an installed capacity of approximately 6 MWp, with an annual power generation of approximately 7.32 million kWh, and all the generated electricity will be used for the coal washing and production of Hebei Chun'ao Industrial Co., Ltd. At present, the equipment installation for Phase I has been completed, and the project is awaiting the completion of grid connection procedures, with expected operation on 15 April 2026.



Distributed Photovoltaic Power Station

Distributed Photovoltaic Project of Urad Zhongqi Haotong Clean Energy Co., Ltd.

Urad Zhongqi Haotong Clean Energy Co., Ltd. (烏拉特中旗浩通清潔能源有限公司) plans to build a distributed photovoltaic project in 2026. The project plans a total rooftop area of approximately 38,200 square meters, a photovoltaic installed capacity of 5 MWp, and an estimated annual power generation of around 7 million kWh. The energy management agreement has been signed, and the photovoltaic project has been filed with the government. Construction is planned to be completed and officially put into operation in December 2026. Once operational, the project will provide stable clean electricity for production and operations, improving energy self-sufficiency rate.

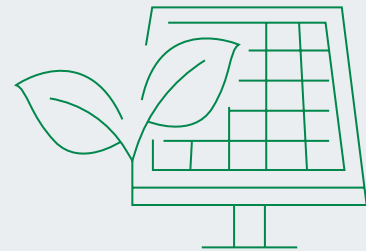
GREEN OPERATION: ACHIEVING SUSTAINABLE DEVELOPMENT

Promote Green Office

In our daily operations, the Group continuously implements the green office strategy and improves the refined energy management mechanism. The energy consumption in all office areas, including water, electricity, heating, and fuel consumption for official vehicles, is separately tracked, managed by designated personnel, and independently accounted for, to ensure the accuracy and reliability of energy management data. Each production unit may implement water and electricity energy-saving upgrades where necessary, based on actual operational conditions and economic feasibility assessments, to further improve energy utilization efficiency.

For all new construction projects, the Group strictly complies with energy-saving design and construction standards, and rationally selects building materials and equipment that meet energy-saving requirements, to ensure that the construction process complies with green building specifications. Meanwhile, we have established a target management mechanism for energy conservation and emission reduction, and release the *Targets for Energy Conservation and Reduction of Emissions* (《節能減排目標任務書》) every year, to provide a clear direction and quantitative basis for subsidiaries to deepen green operations. Taking 2020 as the reference point for energy consumption, the Group has set a series of specific energy conservation and emission reduction indicators, and requires each unit to strictly implement them:

- Annual electricity saving of **100** kWh per capita
- Annual water saving of **6** tonnes per capita
- Fuel consumption of official vehicles within **12.5** liters per 100 km
- Annual reduction of **5%** in vehicle operating costs
- Saving of office supplies consumption of RMB**100** per capita



To help employees jointly achieve the green office targets, the Group has improved relevant systems and measures, and encourages all employees to follow the guidelines of the *Notice on Advocating Environmental Protection, Energy Saving and Emission Reduction* (《關於倡導環保、節能減排的通知》) to consciously reduce resource consumption during work, and continuously improve energy utilization efficiency and environmental management levels.

Save water resources

Water supply management

- Regularly inspect and replace aging water supply pipelines and water facilities to prevent water from running, spraying, dripping and leaking.

Raise employee awareness

- Advocate for responsible water usage habits, and mandate that taps be turned off immediately after use.
- Water conservation signs are posted in the office building to raise awareness among employees.

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Save electricity

Purchase low-energy-consuming, and eco-friendly energy equipment

- Strictly enforce the national standard *Technical Guides for Evaluating the Rationality of Electricity Usage in Industrial Enterprise (GB/T 3485)* (《評估企業合理用電技術導則(GB/T3485)》) as the criteria for rational electricity usage, and make regular replacement of electrical equipment to effectively save electricity.
- The air conditioners, water heaters and other equipment of the Group are low-energy-consuming and eco-friendly products.
- The Group has been phasing in electric cooking stoves to replace gas-fired and coal-fired stoves, effectively reducing energy consumption.

Standardize employees' electricity consumption habits

- Maximize the use of natural lighting and cultivate the habit of switching off lights. The last employee departing the workplace shall verify the power-off of non-essential electrical equipment and eliminate unnecessary lighting.
- Computers, printers, electric kettles and other electrical equipment shall be promptly turned off when not in use to reduce energy consumption.
- The temperature of air conditioners is set not lower than 25 degrees in summer and not higher than 28 degrees in winter, and use energy-saving mode.

Save resources

Reduce office paper consumption

- Promote electronic office, including the use of ERP system for online process approval, and the use of online banking for financial operations, to reduce the reliance on paper documents.
- Advocate and practice double-sided printing to reduce paper usage.

Reduce waste and promote recycling

- Encourage employees to develop environmental-friendly habits such as bringing their own personal lunch boxes, drinking glasses and cutlery, and reusing packaging bags to reduce the use of disposable plastic products.
- There are designated recycling bins on each floor of the building, and our employees are encouraged to separate waste paper and other recyclables to reduce waste.

Eco-friendly travel

Business travel management

- Employees are encouraged to use environmental-friendly modes of transportation, such as public transportation, cycling, or walking.
- Reasonably plan travel routes to reduce fuel consumption and emissions.
- Prioritize the selection of vehicles meeting China VI emission standards, new energy vehicles, or low-energy consumption models in official vehicle procurement.

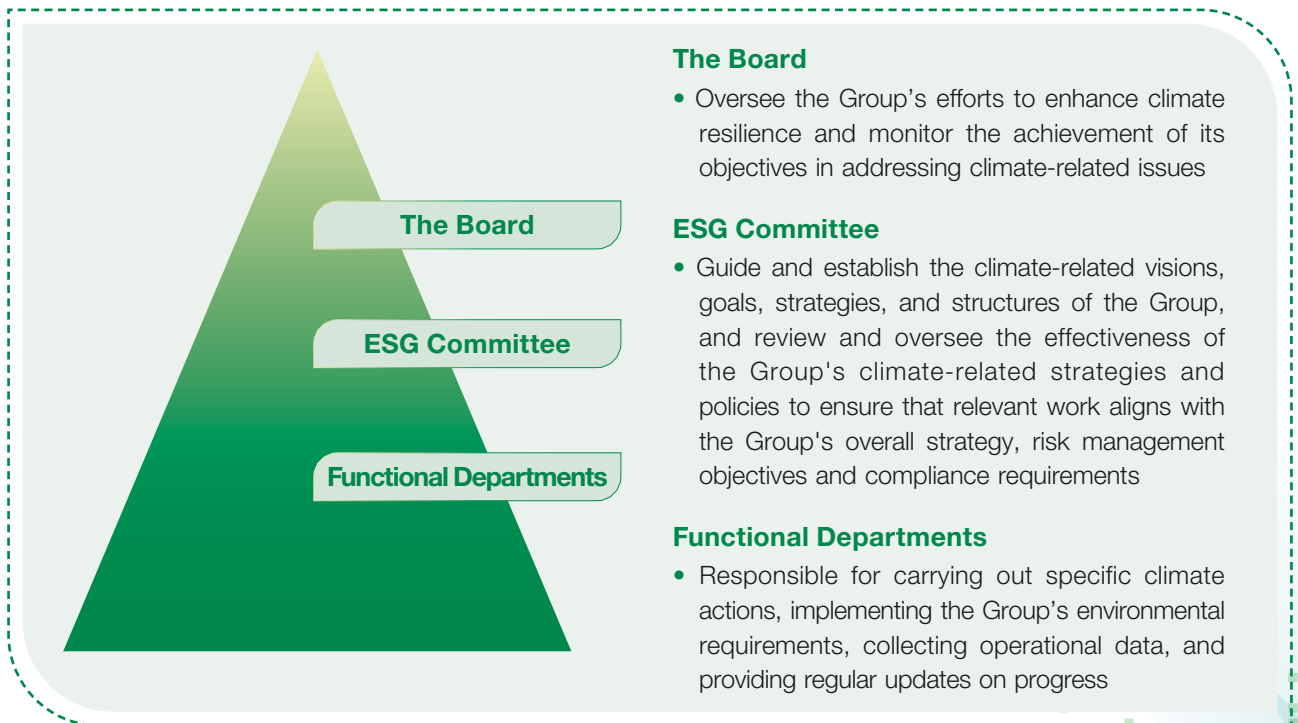
COMBAT CLIMATE CHANGE

As the impact of climate change becomes increasingly significant, addressing climate change is not only an environmental issue, but also an integral part of the Group’s sustainable development management. To implement the national goals of “achieving carbon peak by 2030 and carbon neutrality by 2060” and relevant policy requirements, the Group actively promotes climate action, demonstrating its corporate social responsibility and commitment to sustainable development. In accordance with the climate-related disclosure requirements set out in Part D of the *ESG Code* (《ESG守則》), we identify and disclose climate-related risks and opportunities closely related to the Group’s business from four core areas: “Governance”, “Strategy”, “Risk Management”, and “Metrics and Targets”, analyze their potential financial impacts, and formulate corresponding management measures and action plans, to promote the scientific management of climate issues and the continuous improvement of the transparency of information disclosure.

Governance

To further strengthen and standardize the Group’s climate change management, the Group has officially incorporated climate governance roles into the overall ESG governance framework, clarifying the management requirements and responsibility division for climate-related work. The Group’s climate governance framework features overall decision-making by the Board, coordinated promotion by the ESG Committee, and specific implementation by various functional departments, building a top-down climate management responsibility system to ensure the effective implementation of climate-related strategies, targets and actions.

The Group regularly reviews the climate risk management knowledge and training status of the Board and senior management to assess their skills and competencies in overseeing climate-related strategies. Internal and external resources will be allocated as appropriate to continuously strengthen these capabilities.





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For details on how the climate governance roles are integrated into the Group’s overall ESG governance framework, please refer to the “Sustainable Development Governance Structure” section under “MANAGEMENT OF SUSTAINABLE DEVELOPMENT” in this report.

Strategy

At the strategic level, the Group systematically incorporates climate change-related risks and opportunities into its overall development strategy and business decisions, and coordinates business layout, investment direction and operational management in alignment with the national “dual carbon” goals and industry development trends. Meanwhile, based on different climate scenarios, we further identify and analyze the potential impacts of climate risks and opportunities on business activities, and conduct relevant financial impact assessments, to enhance the resilience and capacity to address climate change, and fully support the long-term sustainable development of the Group.

Identification, Assessment and Management of Climate Risks and Opportunities

For the identification, assessment and management of climate-related risks and opportunities, the Group evaluates climate risks and opportunities based on two dimensions: “degree of impact of the risk/opportunity” and “likelihood of occurrence of the risk/opportunity”, to determine the potential impacts of various climate risks and opportunities on the business and operations. During the Reporting Period, the Group identified 1 physical risk, 2 transition risks and 3 potential opportunities as material climate risks and opportunities, and further optimized relevant management measures and response strategies to enhance the overall climate resilience of the Group.

The table below details the types of material climate risks/opportunities we have identified, the description of risks/opportunities and their potential impacts, timeframe, degree of impact, as well as the response measures adopted by the Group.

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Type of Risk/ Opportunity	Timeframe	Impact on Strategy/ Business Model	Risk Mitigation Measures/Action Plan
Physical Risk			
Acute Physical Risk: • Snowstorm/ Extreme Cold	Short-to-Medium Term	Core operations concentrated along the China-Mongolia border are vulnerable. Extreme snowstorms or severe cold can cause icy roads and reduced visibility, directly interrupt cross-border heavy truck transport or significantly lower customs clearance efficiency. Moreover, extreme cold may cause coal washing plant equipment to crack or suspend open-air yard operations, seriously affecting supply chain delivery efficiency.	<ul style="list-style-type: none"> • The Group has established a group-level climate emergency management system, issuing regulatory documents including the <i>Summer Emergency Plan on Prevention of Flood, Wind and Thunderstorm</i> (《夏季防汛、防風、防雷電應急預案》), the <i>Emergency Plan for Major Pollution Weather</i> (《重大污染天氣應急預案》), and the <i>Extreme Weather Emergency Response Manual</i> (《極端天氣應急響應手冊》), which clearly define the responsibilities of each department. We require each logistics park and coal washing plant to develop specialized response plans based on actual conditions, forming an emergency system with tiered responsibility and top-down coordination; • Enhance meteorological monitoring, early warning and risk assessment, track weather dynamics in real time, define response standards according to warning levels, establish a special emergency team, and activate corresponding disposal plans according to different warning levels; • Rationally allocate emergency supplies and equipment, and pre-stock resources such as de-icing agents and snow shovels to ensure timely and effective deployment of emergency supplies during extreme weather; • Implement anti-slip, anti-freeze and key site protection measures, drain accumulated water in idle heating systems, and set up warning signs or isolation facilities at warehouse entrances and exits and ramp areas; Use long-lasting antifreeze in vehicles, and implement thermal insulation measures such as door and window reinforcement, gap sealing and installation of cotton door curtains in key areas such as offices, warehouses and weighbridges; • Form an emergency task force for unified command and scheduling, and organize hidden danger investigation, traffic control, personnel rescue and post-disaster restoration according to the risk level, to ensure scientific, orderly and efficient emergency solution.

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Type of Risk/ Opportunity	Timeframe	Impact on Strategy/ Business Model	Risk Mitigation Measures/Action Plan
Transition Risk			
Market Risk: • Structural Contraction in Downstream Industry Demand	Medium-to-Long Term	With the advancement of China's "dual carbon" goals, downstream industries are facing pressure from capacity replacement and production reduction. If the business relies solely on coal trading and logistics, and fails to successfully expand into non-coal bulk commodities (such as copper, iron ore) or new energy-related businesses, it will face the risk of long-term decline in core business revenue.	<ul style="list-style-type: none"> • Build an integrated comprehensive service and in-depth customer binding mechanism, continuously strengthen customer communication channels and increase service added value by providing comprehensive bulk commodity solutions covering the entire supply chain, enhance customer dependence in a market environment with structural demand contraction, and consolidate the fundamentals of existing business; • Accelerate global layout to diversify regional market risks, actively explore emerging overseas markets, extend cross-border logistics and service networks, and effectively hedge the operational pressure caused by declining downstream demand in a single region through market diversification; • Promote the standardization and cross-category replication of mature business models, and rapidly expand the business model to other resource categories relying on our proven supply chain management capabilities and risk control system, to cultivate new business growth points and reduce dependence on specific downstream industries.
Technical Risk: • Low-Carbon Technology Transition Expenditure	Medium-to-Long Term	To adapt to the trend of low-carbon logistics, the Group may need to expand the scale of its electric heavy-duty truck or AGV fleet, and construct supporting charging and swapping stations and enclosed intelligent coal sheds. This will incur significant capital expenditures, and due to the rapid iteration of new energy transportation technologies, existing fuel vehicles and early-invested equipment may face the risk of early retirement and asset impairment, thereby driving up operating costs.	<ul style="list-style-type: none"> • Establish long-term strategic cooperative partnerships with core players in the industrial chain such as new energy vehicle manufacturers and charging and swapping operators, and reduce the purchase cost of electric heavy-duty trucks and AGVs through bulk centralized procurement; • Collaborate with charging and swapping enterprises to promote the co-construction and sharing of charging and swapping stations, jointly share construction and operation and maintenance expenditures based on actual usage, while reserving space for future commercial operation in the business structure. After the operation system matures, we will gradually open charging and swapping services to the outside world to broaden revenue channels;

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Type of Risk/ Opportunity	Timeframe	Impact on Strategy/ Business Model	Risk Mitigation Measures/Action Plan
Transition Risk			
Technical Risk: • Low-Carbon Technology Transition Expenditure (Continued)	Medium-to-Long Term (Continued)		<ul style="list-style-type: none"> Actively apply digital platforms to promote the implementation of full life cycle management of equipment, and establish a decommissioning assessment system for fuel vehicles. On this basis, we will phase out old fuel vehicles in batches and in an orderly manner according to the replacement pace of new energy transport capacity, and simultaneously promote the resource recycling of components of decommissioned vehicles, thereby effectively reducing the overall disposal cost.
Opportunity			
Climate Resilience	Medium-to-Long Term	Carry out climate-adaptive transformation of storage and washing facilities at China-Mongolia border ports (such as flood control, wind and sand prevention, and high temperature resistance facilities). Establish diversified customs clearance and logistics channels (such as increasing the layout of different ports) to prevent the interruption of a single channel caused by extreme weather. This can enhance the Company's continuous delivery capacity in harsh weather, and make it a stable supply chain partner in the eyes of customers.	<ul style="list-style-type: none"> Advance climate-adaptive upgrading and transformation of border port facilities, systematically install protective devices such as flood retaining, wind and sand sealing, and high temperature cooling for key facilities such as storage and washing at the China-Mongolia border, and establish a regular inspection and maintenance mechanism, to strengthen the structural safety of facilities and the operational reliability of equipment under extreme weather, and ensure the continuous operation capacity of cross-border logistics nodes under harsh weather conditions; Build a diversified and resilient cross-border logistics and customs clearance network, break the dependence on a single port, deploy a bilateral multi-channel port system, optimize multimodal transport scheduling relying on the intelligent logistics platform, and develop differentiated transport plans based on the climate risk characteristics of each channel region, to improve route planning and response adjustment capabilities, and ensure the stability and timeliness of bulk commodity cross-border transportation under climate fluctuations.

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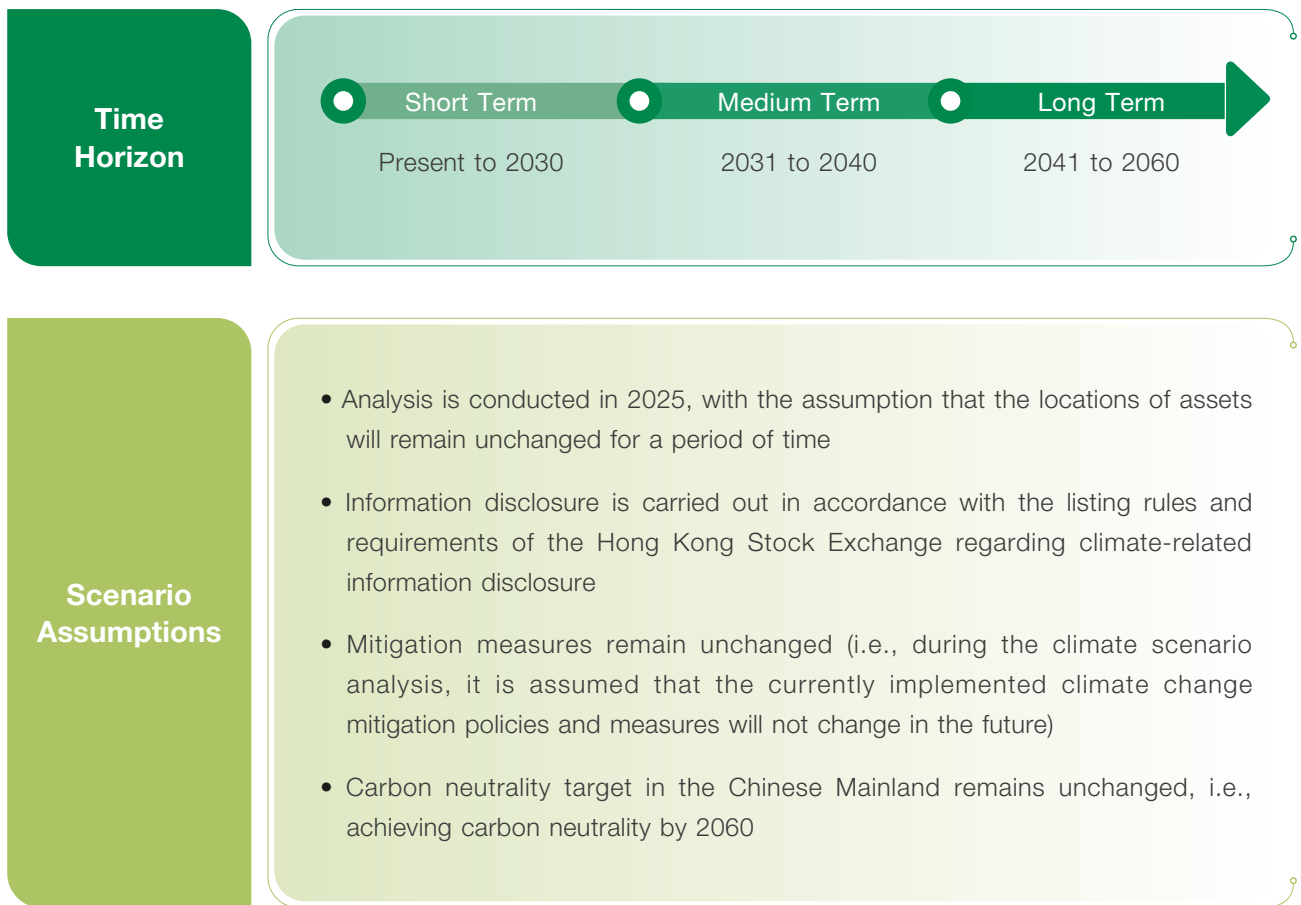
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Type of Risk/ Opportunity	Timeframe	Impact on Strategy/ Business Model	Risk Mitigation Measures/Action Plan
Opportunity			
Resource Efficiency Improvement	Short-to-Medium-to-Long Term	By vigorously developing intelligent logistics to optimize transport routes and scheduling efficiency, we can not only significantly reduce the transport energy consumption and carbon emissions per unit of cargo, but also cut fuel costs, improve logistics turnover efficiency, and enhance cost competitiveness in the cross-border supply chain.	<ul style="list-style-type: none"> • Build a smart logistics scheduling platform, relying on the powerful backend algorithms and functions of the E-Link Supply Chain Service Platform, to realize dynamic planning of transport paths, optimization of multimodal transport schemes, precise task allocation and full-process visual monitoring. Through standardized and real-time data sharing, we improve the coordination efficiency and response speed throughout the logistics process under extreme weather, and enhance the climate adaptability and operational resilience of the supply chain; • Build an intelligent container climate adaptation management system, with the number, condition and efficiency of containers as the core, to realize full-node dynamic tracking and visual analysis from container use to return, and establish intelligent control mechanisms such as “traceability management - idle container early warning”, to provide data support for container scheduling and route optimization under extreme weather, and reduce unit transport energy consumption and carbon emissions by improving loading rate and turnover efficiency.
Clean/Renewable Energy Utilization	Short-to-Medium Term	<p>The use of renewable energy and technologies can achieve multiple benefits:</p> <ol style="list-style-type: none"> 1) Mitigate risks caused by fluctuations in fossil energy prices; 2) Reduce operating expenses of non-renewable energy projects by increasing the proportion of renewable energy projects, and lower the overall operating costs of the enterprise; 3) Reduce the risk of fluctuations in carbon trading prices, thereby lowering the risk of greenhouse gas emissions. 	<ul style="list-style-type: none"> • Actively promote the construction of Integrated Photovoltaic-Storage-Charging Projects, and properly deploy photovoltaic power generation, energy storage systems and charging facilities. Meanwhile, we accelerate the large-scale replacement of new energy vehicles, develop intelligent trunk transport models, and collaborate with leading industry suppliers to jointly build an efficient and reliable charging service network.

GREEN OPERATION: ACHIEVING SUSTAINABLE DEVELOPMENT

Climate Scenario Analysis

To scientifically assess the potential impacts of climate change on the Group's business, operations and financial performance under different future pathways, the Company select internationally mainstream climate scenario models and relevant key parameters to conduct forward-looking analysis of climate-related risks and opportunities, and evaluate the degree of impact of transition risks and physical risks that may arise under different climate pathways, to support decision-making processes such as strategic planning, risk management and capital allocation.



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Scenario Selection		
Issuing Organization	Low-Emission Scenario	High-Emission Scenario
Intergovernmental Panel on Climate Change (IPCC)	Shared Socioeconomic Pathway SSP 1-2.6 ³	Shared Socioeconomic Pathway SSP5-8.5 ⁴
International Energy Agency (IEA)	NZE ⁵ (Net Zero Emission Scenario in 2050)	STEPS ⁶ (Stated Policies Scenario)

³ An optimistic sustainable development pathway within the SSP framework, designed to control global warming and limit the increase in global average temperature to within 2°C by the end of this century. The SSP1-2.6 scenario is classified as a “sustainability” pathway in terms of socioeconomic characteristics, emphasizing the sustainable development of economic growth and social well-being, while implementing proactive emission reduction and sustainable development measures.

⁴ A highly pessimistic, high-emission development pathway within the SSP framework, representing a future with a fossil-fuel-driven economic growth model and insufficient climate action. Under this scenario, the global economy continues to grow rapidly, but the energy system is heavily reliant on coal, oil and natural gas. Greenhouse gas emissions will continue to rise throughout this century, and the global average temperature is expected to increase by approximately 4°C or more above pre-industrial levels by 2100.

⁵ A pathway assumed by the IEA where the global energy sector achieves net-zero carbon dioxide emissions by 2050, consistent with the goal of limiting long-term global warming to within 1.5°C with limited overshoot (50% probability). It also aligns with the energy-related targets of the United Nations Sustainable Development Goals (SDGs), in particular, achieving universal access to modern energy services by 2030 and ensuring a significant improvement in air quality.

⁶ A pathway assumed by the IEA where the global energy system evolves in accordance with the energy and climate policies that have been enacted or formally committed by various countries. Under this assumption, global greenhouse gas emissions will remain at a high level in the coming decades, potentially leading to global warming of more than 2.5–3°C.

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Key Parameters of Low-Emission and High-Emission Scenarios		
	Low-Emission Scenario	High-Emission Scenario
Physical Environment		
Global Average Temperature Rise	Approximately 1.5°C by 2040, approximately 1.7°C by 2060, approximately 1.8°C by 2100	Approximately 1.6°C by 2040, approximately 2.4°C by 2060, approximately 4.4°C by 2100
Global Average Sea Level Rise	May reach 0.19 m by 2050 (range: 0.16–0.25 m), may reach 0.44 m by 2100 (range: 0.32–0.62 m)	May reach 0.23 m by 2050 (range: 0.20–0.29 m), may reach 0.77 m by 2100 (range: 0.63–1.01 m)
Impacts of Climate Change	Relatively stable	Significant (increased frequency and severity of floods, extreme weather events, etc.)
Socioeconomic Environment		
Economic Development	Achieve more inclusive economic development while respecting known environmental limits	Fossil-fuel-driven economic growth and technological advancement result in high greenhouse gas emissions by 2100, potentially exacerbating extreme weather events
Climate Policy	Chinese Mainland (the PRC) and Hong Kong have committed to achieving net-zero emissions and have formulated detailed near-term targets and action plans. Chinese Mainland pledges to achieve carbon peak by 2030 and carbon neutrality by 2060; Hong Kong pledges to achieve carbon neutrality by 2050	Lack of new climate policies due to institutional, political and economic barriers, i.e., policy inertia
Policy Implementation	Strict climate policies are implemented mainly by the governments of Chinese Mainland and Hong Kong, with low implementation difficulty	Lack of detailed near-term actions and implementation plans
Common Business Models	Rapid transition from a fossil-fuel-dependent economy to a renewable energy-driven economy	Profit-driven business models that fail to properly take into account environmental and social impacts
Level of Commitment	Companies commit to contributing to national and regional climate action goals, i.e., business partners work together to achieve low-carbon operations	Insufficient public awareness to drive institutional reforms

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Climate Resilience

Based on the analysis of material climate-related risks and opportunities under different scenarios, reference indicators and time horizons, the Group's climate resilience performance can be comprehensively assessed in conjunction with factors including its business characteristics and geographical environment.

The following chart shows the Group's climate resilience assessment results:

Physical Risk	Low-Emission Scenario			High-Emission Scenario		
	Short Term Present – 2030	Medium Term 2031 – 2040	Long Term 2041 – 2060	Short Term Present – 2030	Medium Term 2031 – 2040	Long Term 2041 – 2060
Snowstorm/Extreme Cold	Low	Medium	Medium	Medium	Medium	High
Transition Risk	Low-Emission Scenario			High-Emission Scenario		
	Short Term Present – 2030	Medium Term 2031 – 2040	Long Term 2041 – 2060	Short Term Present – 2030	Medium Term 2031 – 2040	Long Term 2041 – 2060
Low-Carbon Technology Transition Expenditure	Low	Low	Low	Low	Medium	Medium
Structural Contraction in Downstream Industry Demand	Low	Low	Low	Low	Medium	Medium

Risk Value⁷ Low Medium High

Opportunity	Low-Emission Scenario			High-Emission Scenario		
	Short Term Present – 2030	Medium Term 2031 – 2040	Long Term 2041 – 2060	Short Term Present – 2030	Medium Term 2031 – 2040	Long Term 2041 – 2060
Climate Resilience	Low	Medium	High	Low	Low	Low
Resource Efficiency Improvement	Low	Low	High	Low	Low	Low
Clean/Renewable Energy Utilization	Low	High	High	Low	Low	Low

Opportunity Value⁸ Low Medium High

⁷ According to the climate scenario analysis set out in the *Implementation Guidance for Climate Disclosures under HKEX ESG reporting framework*, the higher the risk value, the greater the impact of climate-related risks on the Group's potential asset value and financial condition, and the more measures the Group needs to take to enhance climate resilience.

⁸ According to the climate scenario analysis set out in the *Implementation Guidance for Climate Disclosures under HKEX ESG reporting framework*, the higher the opportunity value, the more significant the positive impact of climate-related opportunities on the Group's potential asset value and financial performance, and the higher the degree to which the Group can benefit from relevant trends.

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Financial Impact Analysis

Based on the climate scenario analysis, the Group has further carried out an assessment of climate-related financial impacts, to analyze the potential effects of the identified material climate risks and opportunities on the Group's asset value, operating costs, revenue structure and overall financial performance under different climate scenarios, providing a strong reference for the management to fully understand the relevant impacts and make prudent decisions.

Attribute of Risks/ Opportunities	Material Climate Risks/ Opportunities	Financial Impact
Acute Physical Risk	Snowstorm/ Extreme Cold	<ul style="list-style-type: none"> • Current financial effect: Under the current climate pattern, snowstorm/extreme cold mainly causes short-term disruptions to winter transportation in specific areas such as coal-producing regions, which may lead to localized logistics delays and intermittently higher-than-normal costs, but the overall impact is relatively limited. • Anticipated financial effect: An increase in the frequency and intensity of snowstorm/extreme cold may result in the disruption of key transportation routes, damage to storage facilities, and delays in supply chain response, which in turn will lead to a significant rise in logistics costs and a decline in revenue due to delivery disruptions.
Market Risk	Structural Contraction in Downstream Industry Demand	<ul style="list-style-type: none"> • There is no financial impact at present. • Anticipated financial effect: If the Group fails to successfully expand into fast-growing non-coal bulk commodities or related new energy logistics businesses, as the dual carbon transition in downstream industries deepens, the demand in the traditional coal market may see a structural decline, resulting in long-term shrinkage pressure on the core business revenue, which will further affect the overall profitability and asset value.
Technical Risk	Low-Carbon Technology Transition Expenditure	<ul style="list-style-type: none"> • Current financial effect: In the short term, the procurement of electric heavy-duty trucks/AGVs, construction of charging and swapping stations and supporting digital equipment will incur large one-time capital expenditures and depreciation/amortization pressure, resulting in pressure on free cash flow and short-term profits and losses. • Anticipated financial effect: To achieve the low-carbon logistics transformation, the Group needs to make substantial capital expenditures to procure new energy heavy-duty trucks, AGVs and supporting charging facilities, which will lead to a further increase in depreciation and financial costs. Existing fuel vehicle fleets and early-stage equipment may face the risk of accelerated obsolescence and asset impairment due to technological iteration, which will further squeeze working capital and affect profitability.

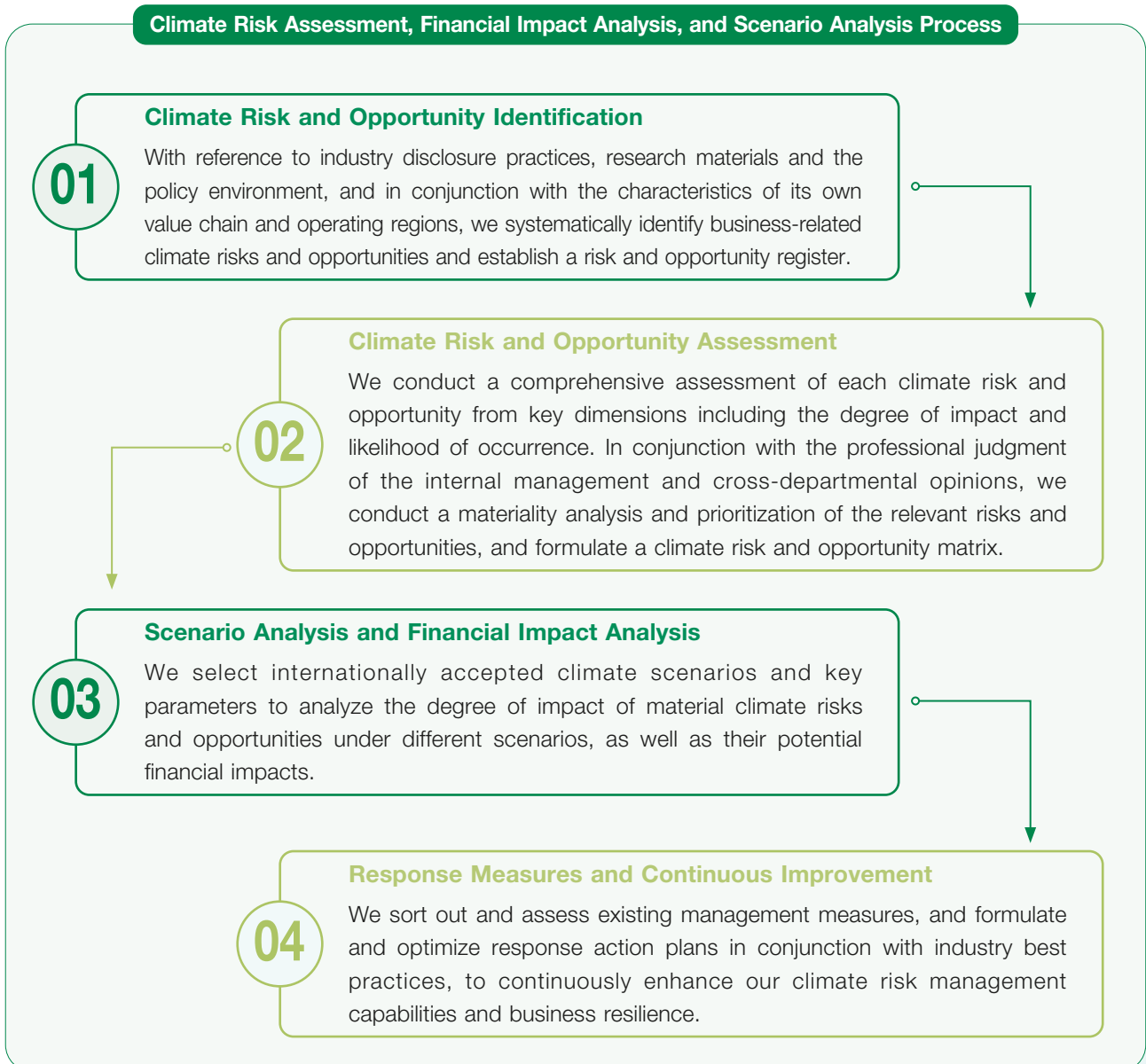
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Attribute of Risks/ Opportunities	Material Climate Risks/ Opportunities	Financial Impact
Opportunity	Climate Resilience	<ul style="list-style-type: none"> • Current financial effect: The ongoing climate adaptation transformation of port facilities and multi-port layout have led to a certain increase in capital expenditures and operating costs. At the same time, it has effectively reduced the risks of operation suspension and cargo loss caused by extreme weather, thus easing revenue fluctuations and reducing emergency expenses. • Anticipated financial effect: If we continue to advance the climate adaptation transformation of key logistics nodes and build a diversified transportation channel network, although high capital expenditures are required, it can effectively reduce constraint costs such as operational interruptions, asset losses and supply delays caused by extreme weather, thereby stabilizing revenue, improving supply security capacity and resilience, and further enhancing customer loyalty and risk-resistant service capabilities.
	Resource Efficiency Improvement	<ul style="list-style-type: none"> • Current financial effect: The deployment of the E-Link platforms and container management system requires capital expenditures and operating expenses for development, procurement and equipment investment, which may exert certain pressure on free cash flow in the short term. At the same time, the route optimization and container allocation realized by the system have effectively reduced empty mileage and fuel consumption, brought quantifiable cost savings in transportation unit consumption, and further improved the overall gross profit level. • Anticipated financial effect: With the scaled application of the intelligent logistics system, the transportation energy consumption per unit of cargo will continue to decrease, and the amount of fuel cost savings will increase significantly. This will not only directly improve the Group's profit margins, but also enhance its cost competitiveness in the cross-border bulk commodity logistics market, thereby bringing sustainable financial benefits.
	Clean/Renewable Energy Utilization	<ul style="list-style-type: none"> • Current financial effect: In the short term, advancing the integrated photovoltaic-storage-charging projects and vehicle replacement will bring significant capital expenditures and rising depreciation/financing costs, but at the same time reduce fuel procurement expenditures and short-term exposure to fossil fuel price fluctuations, thus realizing certain fuel cost savings on the operation side. • Anticipated financial effect: With the increase in the proportion of clean energy and the scaling up of projects, the Group can not only significantly reduce long-term electricity costs and exposure to fossil fuel price fluctuations, but also effectively avoid the risk of rising carbon trading prices in the future, thus realizing the optimization of operating costs in the medium term and enhancing the stability of profitability.

Risk Management

The Group has incorporated climate-related issues into its overall operational risk assessment and management system, and established a comprehensive management process for climate risks and opportunities, where it continuously carries out the identification, assessment and management of climate risks and opportunities. During the Reporting Period, the Group systematically conducted the identification and assessment of climate-related risks and opportunities, and further analyzed their potential financial impacts on this basis. Meanwhile, we conducted scenario analysis based on assumptions of different climate transition and physical risk scenarios to assess the Group's risk tolerance under various climate pathways, providing a scientific basis and decision-making support for the Group's strategic decision-making and long-term development planning.



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GREEN OPERATION: ACHIEVING SUSTAINABLE DEVELOPMENT

Metrics and Targets

The Group's greenhouse gas emissions primarily originate from transportation vehicles, non-road mobile machinery and electricity consumption. To actively respond to the national "dual carbon" goals, we take reducing greenhouse gas emissions as our core responsibility and continuously advance the green and low-carbon transformation. To further improve the effectiveness of emission reduction, the Group has formulated clear greenhouse gas emission reduction targets, and implemented a number of specific emission reduction strategies and management measures. For details, please refer to the section "Emission and Management of Air Pollutant and Greenhouse Gases" under the chapter headed "Environmental Governance Policy" in this report.

During the Reporting Period, the greenhouse gas emissions of the Group are as follows:

Greenhouse Gas Emissions	2025	2024	YoY Change
Scope 1 Greenhouse Gas Emissions	63,535.81	70,423.31	Decreased by 9.78%
Scope 2 Greenhouse Gas Emissions	31,496.13	37,907.05	Decreased by 16.91%

Looking forward, the Group will further deepen carbon reduction technologies and green operation practices, continuously improve resource utilization efficiency and environmental performance, and drive the high-quality and sustainable development of the enterprise.

ECOLOGICAL PROTECTION

The Group is fully aware of its corporate responsibility for ecological and environmental protection, and always manages the impact of project operations on the environment in a prudent manner. With regard to noise pollution control, we implement strict monitoring on plant boundaries and key noise sources to ensure that emission levels consistently comply with the requirements of the *Emission Standard for Industrial Enterprises Noise at Boundary* (《工業企業廠界環境噪聲排放標準》). Regular monitoring is conducted by qualified third-party institutions to ensure that production and business activities do not adversely affect the surrounding acoustic environment. For soil protection, we have adopted measures including the construction of new coal sheds and site hardening, and implemented fully enclosed management for the material transportation and storage links, which effectively prevents coal spillage and contact with soil, and eliminates the risk of land pollution at the source.

During the Reporting Period, Inner Mongolia Minghua Clean Energy Co., Ltd., a subsidiary of the Group, conducted waste gas and noise testing at Salaqi Coal Washing Plant, covering organized waste gas, unorganized dust and plant boundary noise, in strict compliance with the *Integrated Emission Standard of Air Pollutants* (《大氣污染物綜合排放標準》), the *Emission Standard for Industrial Enterprises Noise at Boundary* (《工業企業廠界環境噪聲排放標準》) and other rules. The test results showed that all emission indicators complied with the limit requirements of relevant national standards, indicating that the environmental management measures of the Group during production and operation are effective, and pollutant emissions are continuously under control.

During the Reporting Period, the Group organized numerous environmental protection-themed activities, including tree planting and greening, energy conservation and emission reduction promotion, and environmental protection training for employees, to enhance the ecological protection awareness of all employees and foster a cultural atmosphere for green development.

“E-COMMODITIES ESG Action: Building a Better Future Together” Tree Planting Activity

On 24 April 2025, the Group’s subsidiaries in the Baotou region organized all employees to carry out a tree planting activity themed “E-COMMODITIES ESG Action: Building a Better Future Together”, with approximately 1,700 native drought-resistant *ulmus pumila* ‘Jinye’ saplings planted. All employees actively participated in the activity, jointly adding greenery to the plant areas and the surrounding ecological environment, and practicing the concept of green development through concrete actions.



Beach Cleanup Public Welfare Activity

On 29 September 2025, the Group’s Hainan subsidiary carried out a beach cleanup public welfare activity at the beach of Rongshanliao Village, Xiuying District, Haikou City. During the two-hour activity, employees bent down to clean up the garbage on the beach, and practiced ocean protection through practical actions.



Parent-Child Handicraft Environmental Protection Activity

During the Reporting Period, the Group organized parent-child handicraft environmental protection activities, encouraging employees’ families to make handicrafts from waste materials, and deepening their understanding of ecological protection through edutainment.



SOCIETY

SAFETY FIRST: ADHERING TO OCCUPATIONAL SAFETY REGULATIONS

The Group always puts the occupational health and safety of its employees first, and attaches great importance to ensuring safe production and maintaining the physical and mental health of its employees. We act in strict accordance with the laws, regulations and administrative provisions on health and safety in the countries and regions where we operate, including but not limited to the *Work Safety Law of the People's Republic of China* (《中華人民共和國安全生產法》), the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* (《中華人民共和國職業病防治法》), the *Regulation for Prevention of Dust Lung Disease of People's Republic of China* (《中華人民共和國塵肺病防治條例》), the *Provisions on the Supervision and Administration of Occupational Health at Work Sites* (《工作場所職業衛生監督管理規定》), the *Management Rules for Labor Protection Supplies of Employers* (《用人單位勞動防護用品管理規範》), the *Regulations on Labor Protection in Workplaces Where Toxic Substances are Used* (《使用有毒物品作業場所勞動保護條例》), and the *Administrative Measures for the Supervision of Employers' Occupational Health Surveillance* (《用人單位職業健康監護監督管理辦法》).

During the Reporting Period, the Group did not record any violations of the health and safety laws and regulations mentioned above. We fully implemented the safety management objectives and indicators, strictly carried out regular inspections and calibrations of equipment, and ensured that all operational employees received periodic training and held mandatory certifications. Through robust institutional frameworks and stringent management measures, the Group effectively prevented the occurrence of fires, explosions, serious injuries and other safety incidents, and continuously enhanced workplace safety and occupational health protection. In 2025, the Group achieved full compliance with all workplace safety targets.

2025 Safe Production Objectives

0 occupational diseases



Fewer than 2 traffic accidents



0 fatalities in production in each of the years 2023, 2024 and 2025



No more than 10 minor injury incidents in production



0 incidents involving large-scale equipment or pressure vessels



100% rate of three-tier safety education



0 public health incidents



Monthly company-wide safety inspections with a rectification rate of 100%



2025 Safe Production Performance

0 employees suffered work-related fatalities or occupational disease



1 case of minor work injury



387 safety training sessions organized during the Reporting Period, reaching 19,913 participants



94 lost days due to work injury during the Reporting Period



SAFE PRODUCTION MANAGEMENT

The Group upholds the four pillars of “people-oriented, safety first, prevention-focused, and prevention-control integration”, and has established a comprehensive safe production management system and standardized system. The ESG Committee of the Group is responsible for continuously monitoring and reviewing the best industry practices and updates on laws, regulations and policies, and reporting to the Board on a regular basis, so as to continuously improve and optimize the safe production system.

Safety Management System

The Group has strictly formulated and implemented safety management standards and operating procedures, continuously strengthened the safety awareness of all employees, dedicated itself to establishing a stable, credible and sustainable atmosphere for safe production. By improving the management mechanism and institutional system, we ensure that safety work is advanced in an efficient and orderly manner and continuously optimized and improved. We have gradually established a safety management framework covering three levels: responsibility implementation, execution supervision and risk control, to promote the comprehensive institutionalization, standardization and traceability of safety management.

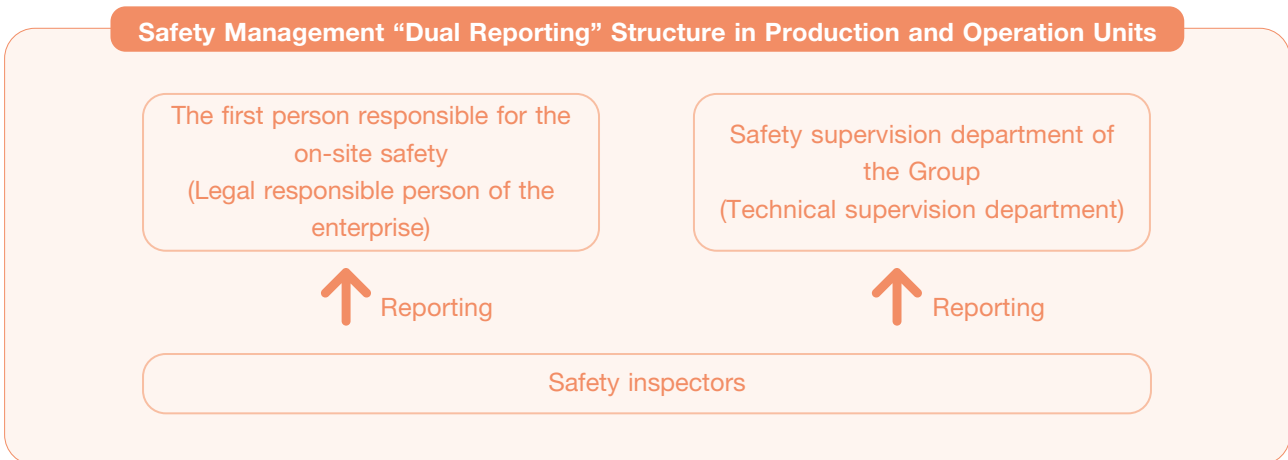
System	Level	Specific Content
Safe Production Responsibility System (《安全生產責任制度》)	Responsibility System Standards	<ul style="list-style-type: none"> • Establish a safe production responsibility system covering the Company and its subsidiaries, departments and teams, and clarify the “one post, two responsibilities” and safety accountability standards; • Formulate a checklist of post safety responsibilities, and incorporate safety education, hidden hazard inspection, and emergency disposal into daily assessment; • Ensure the top-down implementation of safety management responsibilities through responsibility transmission and hierarchical supervision mechanisms.
Notice on Further Strengthening the Safety Management of Production Units (《關於進一步強化生產單位安全管理工作的通知》)	On-Site Risk Control Standards	<ul style="list-style-type: none"> • Clarify the system of “the first person responsible for on-site safety” for production units, and implement the on-site supervision and dual reporting mechanism; • Implement daily inspection, hidden hazard rectification and risk hierarchical control, and adopt closed-loop risk management; • Establish regular safety meetings, education and training, and daily reporting systems to continuously improve safety operation and emergency response capabilities.

SOCIETY

SAFETY FIRST: ADHERING TO OCCUPATIONAL SAFETY REGULATIONS

System	Level	Specific Content
Safety Management Regulations for Third-Party Entities and Special Operations (《第三方單位及特殊作業安全管理規定》)	High-Risk Operation Management Standards	<ul style="list-style-type: none"> Implement the access review and safety education assessment mechanism for third-party entities to ensure that the safety capabilities of outsourced entities meet the standards; Implement a work permit system and on-site supervision for high-risk operations including hot work, work at height, confined space work, lifting work, temporary electricity use and excavation work; Establish a reward and punishment system and a “blacklist” management system, and impose work suspension, rectification or removal from the site on non-compliant entities.

The Group continuously optimizes its safety management structure, actively takes preventive measures to prevent accidents and hazards, and further improves the risk management system. We fully implement the “dual reporting” system, and establish a two-line reporting mechanism between the first person responsible for on-site safety and the safety supervision department of the Group. The safety supervision department of the Group deploys dedicated safety inspectors who are stationed on-site to be responsible for the identification and management of potential accident hazards and routine safety inspections. Regarding safety-related matters, these inspectors are required to report both to the first person responsible for the on-site safety and the safety supervision department of the Group.



Furthermore, all subsidiaries have established dedicated leading groups for safe production and management organizations for occupational health and safety. These subsidiaries have developed safety management programs and annual implementation plans based on unified standards of the Group and in line with their own operational characteristics. These organizations focus on responsibility implementation and risk prevention and control, promote key safety management work in accordance with local conditions, ensure the effective implementation of management measures and the implementation of safety responsibilities level by level, and further consolidate the overall safety governance foundation of the Group.

SAFETY FIRST: ADHERING TO OCCUPATIONAL SAFETY REGULATIONS

Safety Culture Development

The Group places great emphasis on cultivating employees' safety culture literacy, and regards safety education as an important cornerstone for advancing intrinsic safety management and preventive risk control. In accordance with the *Safety Publicity and Education Training System* (《安全宣傳教育培訓制度》), the Group formulates an annual training plan on safe production in a unified manner, requiring all employees of production units to attend systematic safety education and skills training, to ensure that safety awareness is internalized into daily operational behaviors. The principal persons-in-charge and safe production management personnel shall possess corresponding safe production knowledge and management capabilities, and obtain corresponding qualification certificates in accordance with the law. Special operations personnel such as those engaged in electrical work, driving special motor vehicles within the site (plant), and operating special equipment must pass specialist safety training and participate in periodic reviews, so as to ensure continuous compliance with safe operation standards. By continuously improving the training system and capability enhancement mechanism, the Group effectively strengthens employees' risk prevention and emergency response capabilities, fosters a safety culture atmosphere of full staff participation and whole-process management and control, and further reduces the risks of operational accidents and occupational injuries.

2025 Safe Production Month Activities

During the Reporting Period, to mark the 24th national “safe production month” and the “National Safety Publicity and Consultation Day” on June 16, the Group’s subsidiaries actively implemented the concept of “safe production is everyone’s responsibility”, and organized various forms of safe production month activities around the theme of “everyone stressing safety and responding to emergency, identifying hidden safety hazards around us”. The activities aim to further enhance the safety awareness and emergency response capabilities of all employees, strengthen the identification, rectification and management of hidden hazards, and effectively safeguard the life safety of employees and the safe and stable operation of the enterprise.



Safe Production Month Activities of Hebei Chun’ao Industrial Co., Ltd.



Safe Production Month Activities of Ejina Haotong Energy Co., Ltd.



Safe Production Month Activities of Erenhot Haotong Energy Co., Ltd.



Safe Production Month Activities of Inner Mongolia Minghua Clean Energy Co., Ltd.

SOCIETY

SAFETY FIRST: ADHERING TO OCCUPATIONAL SAFETY REGULATIONS

Safety Risk Prevention and Control

In daily operations, the Group strictly implements the annual safety inspection plan, and promotes the normalization and systematization of safety management through a multi-level safety inspection, hidden hazard rectification and risk assessment mechanism. Each subsidiary establishes and continuously improves the mechanism for hazard source identification, assessment and hierarchical control in accordance with the requirements of the *Safe Production Responsibility System* (《安全生產責任制度》) and the *EJSJD-202311 Notice on Further Strengthening the Safety Management of Production Units* (《EJSJD-202311 關於進一步強化生產單位安全管理工作的通知》), as well as national safe production standards and management specifications. The Group strengthens dynamic monitoring and regular review to ensure that hazard sources and key operation links are always under control, and forms a comprehensive, systematic and traceable risk prevention and control system. For potential safety risks, each unit formulates special prevention plans and emergency plans, clarifies emergency procedures, post responsibilities and information reporting requirements, and improves the emergency on-duty and on-site monitoring systems to ensure the full implementation of emergency measures and rapid response to various emergencies.

Meanwhile, the Group formulates an annual emergency drill plan, requiring each subsidiary to organize at least one comprehensive or special emergency rescue drill for safe production accidents every year, and carry out simulation training combined with typical cases and actual combat scenarios to enhance employees' risk prevention awareness and emergency response capabilities. The Group strictly enforces the principle of "Four Prohibitions". That is, unclear analysis of accident cause is prohibited, no punishing the person liable for the accident is prohibited, no implementation of rectification measures is prohibited, and no educating the person liable for the accident is prohibited. This ensures closed-loop management of accident investigation and rectification, and fundamentally strengthens the effectiveness of safety management and control.

Safety Accident Rescue Drills



Confined Space and Electric Shock Accident Actual Combat Drill of Urad Zhongqi Haotong Clean Energy Co., Ltd.



Fire Drill of Hebei Chun'ao Industrial Co., Ltd.



Fire Drill of Inner Mongolia Minghua Clean Energy Co., Ltd.



Fire Drill of Longkou Winsway Energy Co., Ltd.

By continuously deepening and optimizing the dual prevention mechanism centered on risk hierarchical control and hidden hazard identification and rectification, the Group has gradually established a safety management system with clear responsibilities, effective supervision and prevention first, and continuously improved the intrinsic safety level and risk prevention and control capabilities of the enterprise.

OCCUPATIONAL HEALTH AND SAFETY

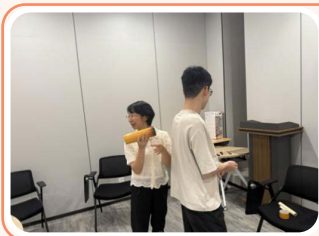
The Group always adheres to the principle of “prevention first, and combination of prevention and control”, and has established a comprehensive occupational health and safety guarantee system that is coordinated by the Group and implemented by all subsidiaries. We are committed to preventing occupational disease hazards from multiple dimensions including source control, system development and behavioral management, and fully protecting the physical and mental health and work safety of employees.

We conduct regular health checkups for employees to keep track of their health status, and regularly organize training on occupational disease prevention, mental health and safety protection, as well as health knowledge dissemination seminars, which effectively enhance the self-protection awareness and capabilities of all employees. Meanwhile, we have improved the medical security system, paid social insurance for all employees and provided additional medical insurance for key staffs, purchased unified accident insurance for the whole staff, and built a medical and risk security network covering all employees and all positions.

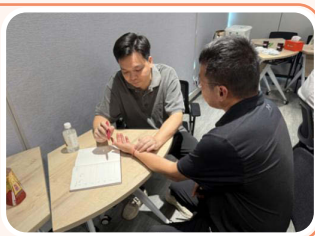
At the on-site management level, each subsidiary continuously optimizes the operating environment and protective facilities. For occupational hazard sources such as dust, noise and chemical corrosion, we improve ventilation, isolation and purification devices, and fully distribute articles for labour protection that meet the standards to ensure the safe operation of employees. We regularly conduct workplace inspections, hazard factor monitoring and third-party assessments, implement a classified ledger system for hidden hazards and closed-loop rectification, and strengthen protective measures for special operations.

In addition, the Group regularly engages professional psychological counselors to provide online and offline one-on-one guidance and stress management support, assisting employees in relieving psychological pressure. Meanwhile, low-cost, easily accessible stress-relief activities are organized on a regular basis, including spring walks, meditation, brisk walking, outdoor team-building, and various cultural and sports events, encouraging employees to relax both body and mind. Office areas are equipped with relaxation corners, complete with stress-relief equipment and books, providing employees with immediate spaces to unwind.

Winsway Training Center (永暉培訓中心) – Physical and Mental Health Care Activities



Physical Conditioning



Psychological Counseling

Through the above measures, the Group has gradually established an occupational health and safety management framework with clear responsibilities, effective implementation and strong supervision, realized full-chain closed-loop management from health protection, risk prevention to emergency response, and continuously promoted the integration of employee safety and health with the sustainable development of the enterprise.

SOCIETY

PEOPLE-ORIENTED: BUILDING EMPLOYEE HAPPINESS

The Group understands that talents are an important pillar of our operations, innovation and sustainable development. In order to fulfill our responsibilities to employees, we uphold the principle of people-oriented, strictly implement and continuously optimize the human resources system, and ensure that the legitimate rights and interests of employees are fully protected. We have been committed to creating an equal, open and inclusive working environment that supports our employees to reach their potential at work and ensures that every employee can succeed and grow in the Group. The employee development objectives for 2025 have been fully achieved.

2025 Employee Development Objectives

- Build a diversified learning system and expand training coverage through online-offline integrated models to ensure employees receive learning resources aligned with their career development
- Strengthen professional competency development, focus on industry trends and pain points in business development to design industry-specific management and specialized courses. Introduce international best practices to empower employees to address challenges in complex business scenarios
- Foster a knowledge-sharing ecosystem, and establish a learning resource base and cross-departmental communication platform to facilitate the consolidation of knowledge and information exchange, thereby cultivating a continuous learning atmosphere within the organization
- Deepen cultural cohesion initiatives by integrating cultural inheritance activities with innovative incentive mechanisms to strengthen employees' sense of identity with corporate values, unleash teamwork awareness and self-driven development motivation, and establish a sustainable closed loop of talent training

2025 Employee Development Performance

New learning resources and courses launched **540**



Person-times of participation in learning for the year **48,225**



Learning hours in total **150,236**



Training hours in total **5,706**



Total employees **2,601**



Total employee turnover rate **6.23%**



Lost-time injury frequency rate (LTIFR) per million working hours **19.38%**



Lost-time injury rate (LTIR) per 200,000 working hours **3.88%**



HUMAN RESOURCE MANAGEMENT

The Group strictly abides by the laws and regulations in relation to employment, including but not limited to the *Labour Law of the People's Republic of China* (《中華人民共和國勞動法》), the *Labour Contract Law of the People's Republic of China* (《中華人民共和國勞動合同法》), the *Labour Dispute Mediation and Arbitration Law of the People's Republic of China* (《中華人民共和國勞動爭議調解仲裁法》), the *Social Insurance Law of the People's Republic of China* (《中華人民共和國社會保險法》), the *Individual Income Tax Law of the People's Republic of China* (《中華人民共和國個人所得稅法》), the *Regulations for the Implementation of the Labour Contract Law of the People's Republic of China* (《中華人民共和國勞動合同法實施條例》), the *Regulations on the Paid Annual Leave of Employees* (《職工帶薪年休假條例》), the *Regulations for the Recruitment of Personnel for Technical Professions* (《招用技術工種從業人員規定》), the *Regulations on the Management of Employment of Foreigners in China* (《外國人在中國就業管理規定》) and the *Special Regulations for the Protection of Female Workers* (《女職工勞動保護特別規定》). On this basis, the Group has formulated and implemented the *Human Resources Management System* (《人力資源管理制度》) at the headquarters level to provide clear institutional basis and guidance principles for seven aspects: talent recruitment, remuneration, incentives, selection and deployment, training and development, cross-regional management and supervision.

During the Reporting Period, the Group did not record any violations of laws and regulations with respect to the recruitment, dismissal, remuneration, promotion, working hours, holidays, equal opportunity, diversity or anti-discrimination of employees, and there is no use of child labor or forced labor.

Remuneration

- The Group adheres to a principle of “standardized management, job-based remuneration, and leading remuneration” to manage remuneration and distribute salaries fairly. Meanwhile, we advocate the Total Rewards concept to provide employees with non-monetary rewards and benefits.
- Based on the statutory minimum wage, industry standards and cost of living, the Group ensures that its remuneration is competitive and exceeds the basic protection standards.
- The Group has formulated and implemented the *Performance Appraisal System* (《績效考核》) to establish a scientific and reasonable performance management system, ensuring that employee remuneration is closely linked to their performance.
- The Group regularly reviews and optimizes the performance assessment mechanism, and introduces big data and artificial intelligence technologies to enhance the accuracy and fairness of assessments.

Holiday benefits

- Through the *Work Hours, Social Security and Leave Survey - Summary Form* (《工時社保及休假調查表-匯總表》), the Group sorts out the implementation of employee leave management and other matters in all subsidiaries, ensures compliant and unified standard human resources management, and provides a basis for the Group's subsequent system optimization and improvement of employee benefits.
- Based on the attendance management system, we guarantee that employees in various regions can enjoy various statutory holidays stipulated by the state, as well as paid annual leave, personal leave, sick leave, marriage leave, maternity leave, paternity leave, breastfeeding leave, funeral leave, nursing leave and other holiday benefits.
- If employees need to be on duty on statutory holidays due to production needs, compensatory leave shall be arranged for them in accordance with regulations after their holiday duty.
- The Group verifies the paid annual leave of employees based on their accumulated years of service. When an employee resigns due to unemployment insurance contributions, any unused annual leave shall be prioritized for compensatory leave before resignation. If leave cannot be arranged due to objective circumstances, remuneration for unused annual leave shall be paid in accordance with relevant regulations, to effectively protect employees' rights and interests in paid annual leave.

Working hours

- The attendance system or the Employee Handbook clearly outlines the overtime implementation rules. When overtime work is required due to job demands, all departments must submit applications and go through the approval process, with corresponding compensation provided in the form of compensatory leave or overtime pay.
- The Group implements flexible working arrangements. On the premise that employees are present during core hours and the total working hours are guaranteed, employees can flexibly arrange their commute time. At the same time, the Group has established a work-from-home mechanism. In response to extreme weather or special circumstances, employees can apply to work remotely to balance work and family responsibilities, and ensure the normal operation of business through the attendance management system.
- Through the *Work Hours, Social Security and Leave Survey - Summary Form* (《工時社保及休假調查表-匯總表》), the working hour system is uniformly sorted out and supervised to ensure that all subsidiaries reasonably implement the standard working hour system, comprehensive working hour system and irregular working hour system based on job characteristics and business needs, and forced or excessive overtime work is strictly prohibited. If overtime work is required due to urgent work, an application must be submitted in advance and can only be implemented after approval.
- The Group strictly implements the compliance requirements for overtime pay, clearly defines the overtime calculation standards and control processes, to ensure that employees receive corresponding remuneration in full and in a timely manner.

PEOPLE-ORIENTED: BUILDING EMPLOYEE HAPPINESS

<p>Employment and rights and interests of labour</p>	<ul style="list-style-type: none"> • Strictly comply with various labor laws and regulations, with a contract signing rate of 100%, and pay labour reward in a timely manner. • Maintain transparent and open communication with employees, and ensure that employees can freely express their opinions and find solutions together in the event of a dispute. • The Group has established a communication mechanism combining regular and special sessions, regularly conducts face-to-face interviews with senior management to listen to employees' demands, and ensures the continuous optimization of working conditions. • The Group fully pays five types of social insurance for all employees, ensures that social insurance coverage is without omission and discrimination, and effectively protects the equal rights and interests of employees. • The Group reasonably sets up part-time positions in combination with business needs and the actual situation of employees, to ensure compliance with labour laws and regulations.
<p>Elimination of child labor and forced labor</p>	<ul style="list-style-type: none"> • To eliminate the recruitment of child labour, the Company has formulated and implemented the <i>Elimination of Child Labor and Forced Labor System</i> (《杜絕童工及強制用工制度》). • The Group incorporates age verification as a mandatory review link in recruitment and employee induction procedures, and adopts a dual-person check and document verification mechanism to ensure that hired personnel are at least 16 years old and eliminate the use of child labour. • The Group properly maintains employee employment and age verification materials, establishes complete files and updates them regularly, and conducts annual age re-verification to ensure that there is no underage labour and compliance with post suitability requirements. • The Group incorporates the prohibition of child labour and forced labour into compulsory employee courses, clearly defines the compliance responsibilities of recruitment and management personnel, and enhances the legal awareness and risk prevention capabilities of all employees. • The Group strictly signs labour contracts in accordance with the law, protects employees' right to free choice and right to resignation, does not withhold documents or collect deposits, and regularly reviews the employment system and revises it in a timely manner to comply with the latest laws and regulations. • The Group has also formulated the <i>Remedial Measures for the Discovery of Child or Forced Labor</i> (《發現童工或強制勞工採取的整治措施》), which clearly defines the emergency handling procedures and accountability mechanisms to be followed upon the identification of such cases. These include immediate suspension and reporting of the incident, health examinations, proper resettlement of affected individuals, and internal accountability processes.
<p>Equal opportunity, diversity and anti-discrimination</p>	<ul style="list-style-type: none"> • The Group is committed to fostering a working environment characterized by equality, diversity, and inclusiveness. We consistently uphold the principles of fairness and impartiality, and ensure that employees are not subjected to discrimination or differential treatment based on gender, age, race, ethnicity, religious belief, marital status, physical condition, or any other protected characteristic. • The Group adheres to the principle of equal pay for equal work, regularly analyses the remuneration data of male and female employees, adjusts discrepancies in a timely manner, and eliminates gender discrimination.

SOCIETY

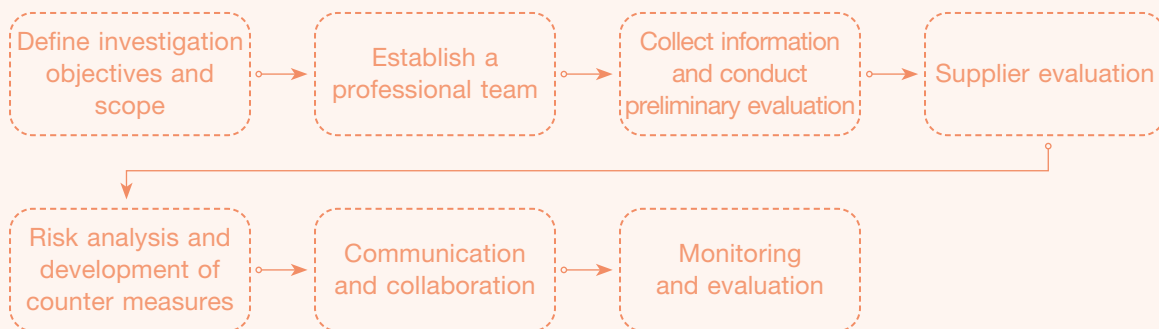
PEOPLE-ORIENTED: BUILDING EMPLOYEE HAPPINESS

Human Rights Protection and Due Diligence Process

The Group upholds the concept of respecting and protecting human rights, and has formulated the *Human Rights Commitment* (《人權承諾》) to clarify the principles and action guidelines in terms of human rights governance. We comply with international standards including the *OECD Guidelines for Multinational Enterprises* (《跨國企業準則》), the *UN Guiding Principles on Business and Human Rights* (《工商企業與人權指導原則》), and the *ILO Declaration on Fundamental Principles and Rights at Work* (《國際勞工組織基本權利與原則宣言》), strictly abide by the laws and regulations of the countries and regions where we operate, resolutely oppose any inhumane practices in our supply chains such as forced labor, child labor, discrimination and abuse, and also respect the rights of employees and suppliers to freedom of association, collective bargaining, and formation of social groups or interest groups.

Human Rights Assessment System and Procedures

The Group has established a comprehensive human rights risk identification and assessment mechanism, covering all links including raw material procurement, logistics and transportation, production and operation, and supply chain management. Meanwhile, in accordance with the *Human Rights Due Diligence Procedures* (《人權盡調流程》), we comprehensively identify potential human rights risk areas through employee interviews, supplier inquiries and external information collection, promptly conduct in-depth investigations and analysis, and formulate and implement corresponding response and remediation measures to ensure the effective implementation and sustainable results of the measures. We have also established a system of key human rights performance indicators, such as supplier compliance rates and employee satisfaction, and regularly collect and analyze relevant data to dynamically monitor human rights conditions and their changing trends, so as to drive the continuous improvement of the Group's human rights management.



Human Rights Due Diligence Procedures

Human Rights Risk Mitigation and Remediation

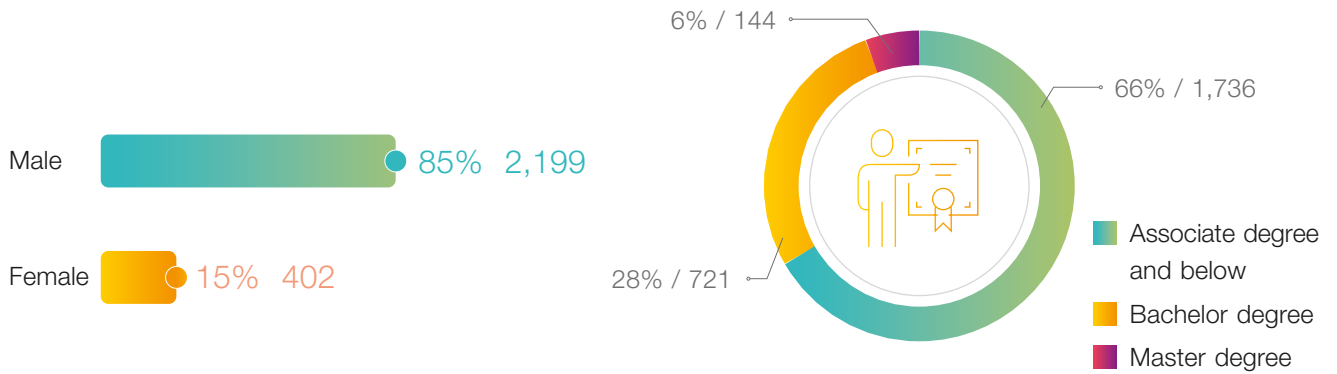
To improve human rights management, we have clearly defined the handling process after the discovery of human rights issues, including issue identification and reporting, formulation of remediation plans, implementation of remedial measures and continuous improvement. We have also established internal and external supervision and grievance mechanisms to protect the rights and interests of affected personnel.

During the Reporting Period, we did not identify any instances of non-compliance with human rights standards or regulatory requirements.

PEOPLE-ORIENTED: BUILDING EMPLOYEE HAPPINESS

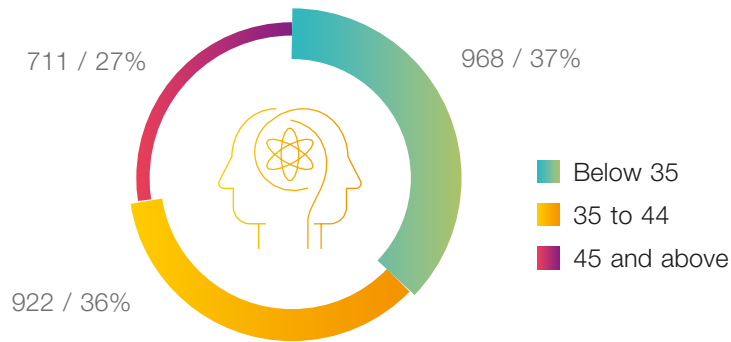
Employee Overview

During the Reporting Period, the Group had a total of 2,601 employees, all of whom were full-time employees.

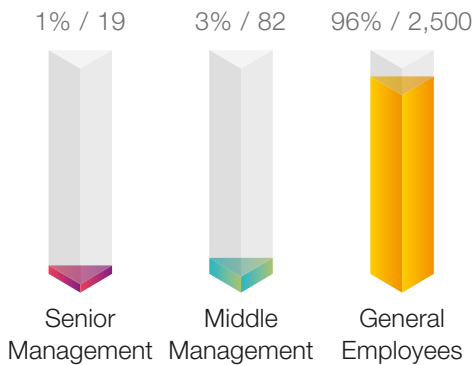


Number of employees by gender

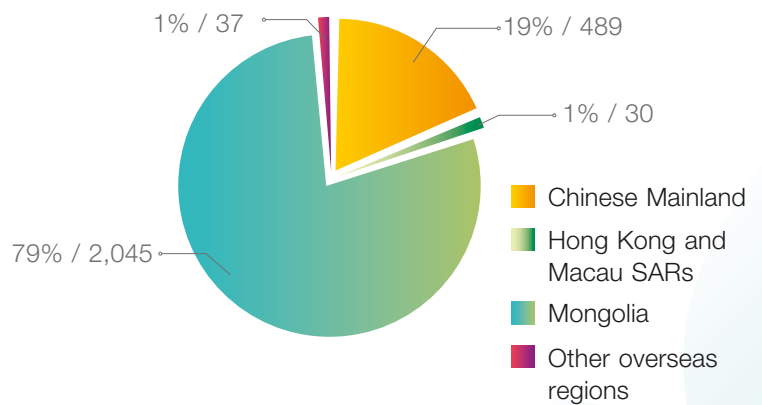
Number of employees by education level



Number of employees by age



Number of employees by employee category



Number of employees by region

FOCUS ON TALENT CULTIVATION

The growth and development of employees is the key to driving continuous progress in the enterprise. Adhering to the concept of “joining hands with employees and growing up together”, our talent training strategy not only focuses on improving employees’ professional skills, but also covers multiple dimensions such as training on leadership, motivating innovative thinking and improving teamwork ability, so as to provide employees at different levels with rich training resources, a broad development platform and sufficient practical opportunities.

Talent Echelon Construction

The Group provides clear guidance for recruitment policies in accordance with the *Talent Resources Management System* (《人才資源管理制度》), and is committed to establishing a professional, efficient and fair recruitment system to attract and select outstanding talents that fit the corporate culture and business development needs of the Group. Recruiters strictly follow the six principles of “integrity first, avoidance of relatives’ interference, teamwork, profession emphasized, open minded and scientific evaluation” to ensure the openness, fairness and impartiality of the recruitment process.

In terms of recruitment and human resource management strategies, the recruitment and personnel affairs of subsidiaries are centrally managed by the Group, primarily through local recruitment supplemented by talent deployment within the Group, to achieve flexible allocation and efficient utilization of human resources. We also encourage key employees from subsidiaries to participate in job exchange and rotation programs, which promotes experience sharing and knowledge inheritance, strengthens teamwork and cross-departmental cooperation, and creates more opportunities for personal growth and diversified development for employees. Based on the existing system, the Group has established a dynamic talent management system that fully integrates the overall development strategy and business orientation of the Group. We formulate and flexibly adjust short-term and long-term human resource plans in accordance with the medium and long-term strategic objectives and market changes of the Group, to ensure that the talent structure is consistent with the development direction of the enterprise.

In terms of performance management, the Group has formulated and implemented the *Performance Appraisal System* (《績效考核制度》), and adopted diversified evaluation methods including Management by Objectives (MBO), 360-degree feedback and competency evaluation to comprehensively evaluate employee performance and promote their continuous growth. This performance system that integrates individual objectives with the Group's corporate strategies not only enhances the Group's talent attraction and retention rates, but also ensures a high degree of alignment between talent development direction and the long-term strategy of the enterprise.

MBO

In the initial stage, employees and their superiors collaboratively establish individual work objectives and key performance indicators (KPI), and formulate corresponding action plans. During the evaluation period, superiors maintain regular communication with employees and provide feedback to know how their objectives are progressing, and offer necessary support and guidance. At the end of the period, employees are evaluated based on the achievement of objectives and will receive appropriate rewards or punishment accordingly.

PEOPLE-ORIENTED: BUILDING EMPLOYEE HAPPINESS

360-degree feedback

We adopt a multi-dimensional evaluation approach that incorporates evaluations from superiors, colleagues, subordinates, and customers. The evaluation content covers work performance, teamwork, communication skills, leadership capabilities and other aspects. Evaluations of employees from different parties are collected through online surveys or face-to-face interviews.

Competency evaluation

Employees are evaluated and scored by their direct line managers and department heads in various aspects, including professional expertise, work quality, workload, adaptability, attendance, and team integration. The evaluation results are compiled and analyzed, then fed back to employees to highlight advantages, identify disadvantages, and tailored development recommendations will be provided for personalized development planning.

Building Winsway Training Center (永暉培訓中心)

The Group, adhering to the philosophy of “joining hands with employees and growing up together”, established Winsway Training Center (永暉培訓中心), dedicated to building a professional and systematic talent training platform. Relying on the Group's industrial resources and experience advantages, the Training Center focuses on professional skills, leadership development and innovative thinking, providing employees at different levels with rich training resources, a broad development platform and sufficient practical opportunities, to achieve a win-win situation between employees' personal growth and the long-term development of the enterprise.

Professional Certification

Winsway Training Center (永暉培訓中心) aims to unleash employee potential and enhance organizational capabilities, and is committed to promoting the collaborative growth of employees and the enterprise, achieving a win-win situation between the enhancement of personal value and the long-term development of the enterprise. The Training Center has obtained ISO 10015 training management system certification, signifying that all aspects of its training management process, course design and instructor management have met international standards.

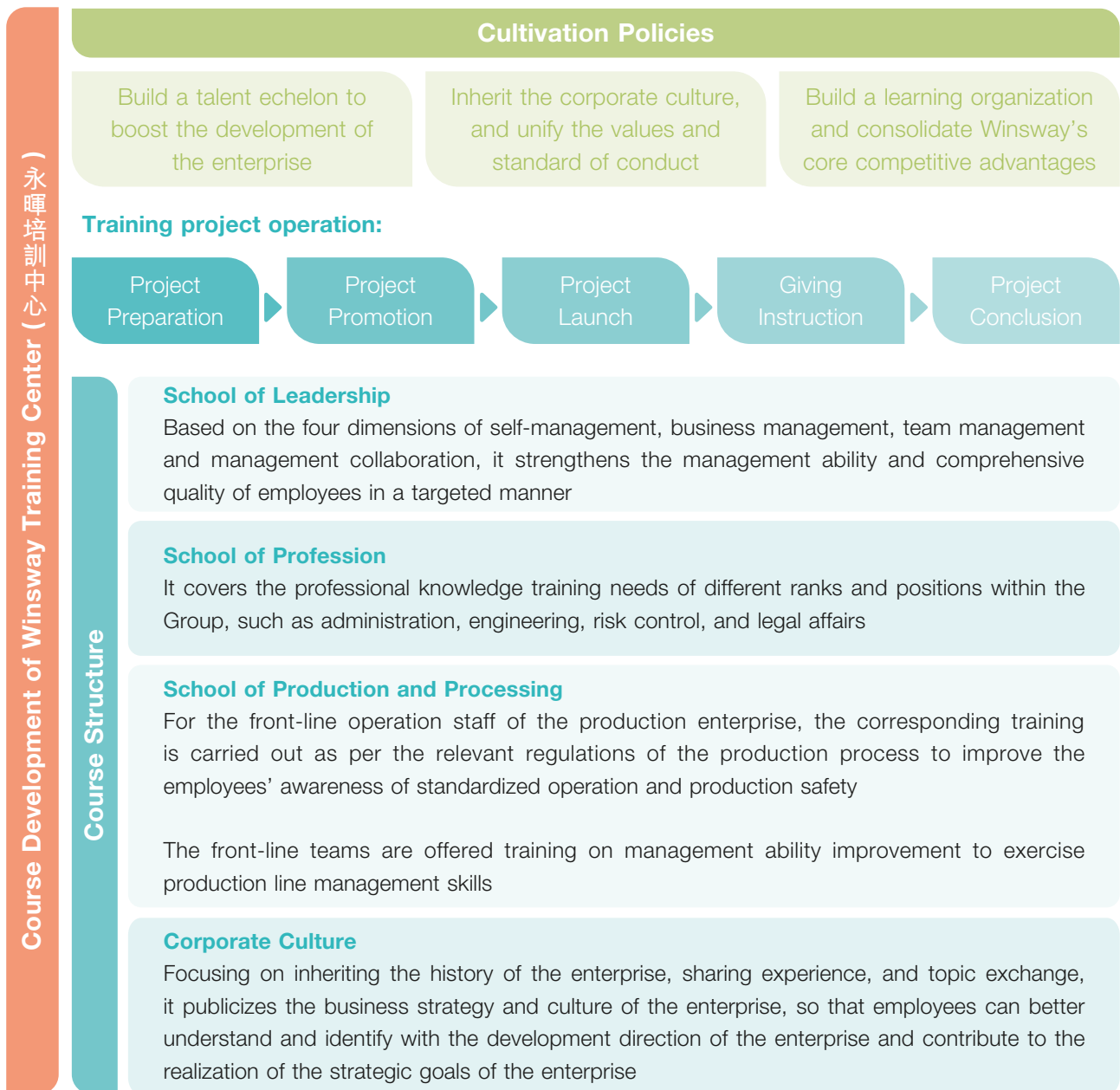


SOCIETY

PEOPLE-ORIENTED: BUILDING EMPLOYEE HAPPINESS

Training System and Policies

To comprehensively improve the professional quality of employees and the overall organizational efficiency, Winsway Training Center (永暉培訓中心) continuously improves the talent development mechanism and builds a multi-level and systematic training system.



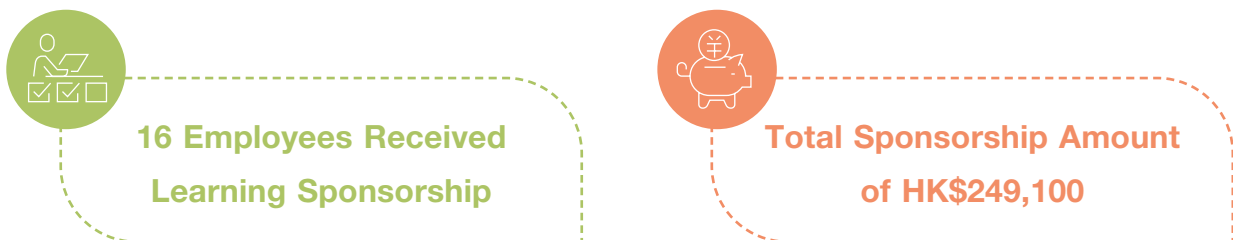
Training System Building of Winsway Training Center (永暉培訓中心)

PEOPLE-ORIENTED: BUILDING EMPLOYEE HAPPINESS

To further deepen the reform of the Group's training system, the Group has continuously optimized and improved relevant internal policies, including the *Winsway Training Center Course Recommendation Mechanism* (《永暉培訓中心課程推薦機制》) and the *E-Commodities Learning Sponsorship Scheme* (《易大宗學習資助制度》), and gradually established a long-term “professional learning-to-training transfer mechanism”. Meanwhile, we have updated and optimized the remuneration standards for internal instructors. By dispatching key employees to participate in professional learning and then conduct internal knowledge transfer, we have significantly improved training efficiency and the effectiveness of knowledge sharing, and achieved the optimal allocation of training resources. During the Reporting Period, 40 instructors delivered 41 courses, with total remuneration of approximately HK\$35,427.



At the same time, we integrated and revised the *Continuing Education Sponsorship Policy* (《繼續教育資助政策》) and the *EHR-18029 Professional Title and Vocational Qualification Examination Sponsorship System* (《EHR-18029職稱與職業資格考試資助制度》), and issued the *E-Commodities Learning Sponsorship Scheme* (《易大宗學習資助制度》), which clearly defines various subsidy standards and approval procedures. Meanwhile, we have established a course recommendation mechanism to encourage employees to actively recommend high-quality courses in professional fields, give full play to the experience and resource advantages of professional talents, and ensure that the course content is more in line with business development and learning needs. During the Reporting Period, a total of 16 employees received learning sponsorship, covering multiple professional fields such as finance, engineering, and new energy vehicle maintenance, with a total sponsorship amount of approximately HK\$249,100 (including sponsorship for the Master of Finance program).



In addition, during the Reporting Period, we established a “Training Briefing Mechanism” to uniformly sort out the training process, employee feedback and follow-up arrangements, so that the human resources department and supervisors can understand the learning situation, identify talents and improve the management of training files, making the training process more standardized and complete.

SOCIETY

PEOPLE-ORIENTED: BUILDING EMPLOYEE HAPPINESS

Training Courses

During the Reporting Period, Winsway Training Center (永暉培訓中心) organized a number of training activities in different regions and professional fields, covering IT technology, AGV engineer development, laboratory and coal quality management, internal experience sharing, business capability training, as well as legal and risk control, achieving full regional and professional coverage of training. This further improves the professional skills and comprehensive quality of employees, strengthens the construction of talent echelon, and continuously improves the overall organizational efficiency and core competitiveness.

Person-times of participation in learning for the year	7,376
Learning hours in total	13,985
Training hours in total	3,042
Training coverage	392 posts, with a coverage rate of 96%

McKinsey Problem Analysis and Resolution & Consultative Work Method Training

In March 2025, the Group launched the “McKinsey Problem Analysis and Resolution & Consultative Work Method” training. By learning the Mutually Exclusive, Collectively Exhaustive (MECE) principle, logic tree analysis and structured thinking, the training improved employees’ problem-solving and decision-making capabilities, cultivated consulting-style thinking and cross-departmental collaboration efficiency, and helped improve management effectiveness.



Logistics and Trade Collaboration Forum to Boost Business Synergy and Innovative Development

In November 2025, to strengthen the collaboration between the logistics and trade sectors, the Group held the second and third sessions of the “Logistics and Trade Collaboration Forum”. Through resource sharing and business matching, 4 actual transactions were successfully facilitated. At the same time, focusing on the 2026 business development direction, we further sorted out and formed an implementable collaboration mechanism to promote business integration and the improvement of collaborative efficiency.



AI-Embracing Learning Practices

During the Reporting Period, to adapt to the trend of digital and intelligent transformation, the Group launched company-wide learning and special training under the theme of “Embracing AI”. Through two sessions of the “21-Day AI Training Camp”, employees became familiar with the application of AI tools such as “Fuyao”. A total of 86 employees participated in the learning and discussions, 14 employees completed the 21-day challenge, and 871 pieces of learning feedback were collected, which effectively promoted the application of AI tools in daily work. At the same time, we launched special training programs such as *HR Generative AI Training Camp* and *Deepseek Empowering Finance* for different positions, helping employees master practical AI skills, driving all staff to improve efficiency through technology empowerment, and accelerating the in-depth integration of AI into business scenarios.



In addition, to address industrial transformation and climate change, the Group organized special trainings to help employees master new technologies and skills, reduce the risk of job obsolescence, and enhance awareness of green production, energy conservation and consumption reduction, and environmental compliance, so as to mitigate the impact of climate change on work. The training content included operation of new equipment, job responsibilities and specifications, vocational skills improvement, job transfer adaptation skills, as well as green production, energy conservation and consumption reduction, environmental regulations, climate change analysis and emergency protection measures, to comprehensively improve employees' capabilities and support the green transformation of the enterprise.

SOCIETY

PEOPLE-ORIENTED: BUILDING EMPLOYEE HAPPINESS

LISTENING TO OUR PEOPLE

We value our employees' opinions and are committed to fostering an open and transparent communication environment. To promote positive interaction between employees and the Group, we have established various communication channels.

Internal Communication Platform

The Group has built an internal communication platform, the E-Commodities APP, which not only supports the efficient operation of business processes, but also serves as a communication community for industrial workers in their daily work and life. Through this platform, employees can share learning insights, exchange experiences and put forward suggestions, and the Group can timely understand and respond to front-line needs, further enhancing the sense of belonging and honor of industrial workers.

Employee Communication Brand Projects

The Group has launched an employee communication brand project, the "Winsway People Space Station", which provides an open dialogue platform for employees at all levels and positions. Each session of the activity is carried out around different themes, inviting employees to share work experience and growth stories, and showcasing the corporate culture and development history from multiple perspectives. During the Reporting Period, a total of 3 sessions of the "Winsway People Space Station" activities were successfully held, which received wide acclaim.



Mandula Port – Employee Cohesion Activities



Cross-departmental Communication Activities of the General Management Department, Energy Trading Department and Innovation Business Department



"Three Lives, All Things" (《三生万物》)
– Book Club Sharing Event



TTJV – Tea Party

CARING FOR EMPLOYEE WELFARE

The Group advocates the philosophy of “happy work, happy life”, implements a workplace culture of equal address and de-hierarchization, and creates an open and respectful interpersonal atmosphere.

We encourage employees to participate in diverse physical exercises, support employees to spontaneously organize sports check-in groups, regularly reserve badminton courts, and organize group activities such as badminton and basketball games to promote teamwork. Sports activity spaces are reasonably planned in office and living areas, equipped with basketball courts, badminton rackets, table tennis tables, fitness equipment and other facilities, which are regularly maintained and updated to ensure convenient use by employees.

In terms of family care, the Group strictly abides by local labor laws and regulations, and provides employees with paid maternity leave, extended maternity leave, childcare leave, paternity leave and family care leave, to ensure that employees can balance work and family responsibilities. Taking Beijing as an example, female employees can enjoy 98 days of maternity leave and 60 days of extended maternity leave; for male employees' paternity leave, it is 15 days in Beijing and 25 days in Inner Mongolia.

At the same time, we provide free benefits for families with newborns. Taking the Mongolian subsidiary as an example, families with a single birth can receive 500,000 MNT, with incremental amounts for twins and triplets in turn. To protect the rights and interests of breastfeeding female employees, the Group has set up exclusive breastfeeding rooms in office and factory areas to ensure a well-ventilated, well-lit and private environment. Female employees with children under the age of 1 are entitled to 1 hour of breastfeeding time per day, which increases proportionally for multiple births. The breastfeeding time is counted as working hours and does not affect salary and attendance. Breastfeeding female employees can also apply for flexible working hours to balance work and family needs.



**Women's Day Event
of Hainan Office**



**Sachet Handmade Activity
of Zhuhai Office**



**Wanlv Garden Spring Outing Activity of
Legal Affairs Department, Hainan Platform,
Finance Department 1, IT Department**



**Family Day Activity of
Business Development Department I & II
and E-35 Logistics Department**

SOCIETY

PURSUIT OF EXCELLENCE: FORGING EXCEPTIONAL QUALITY

To achieve excellence in quality and customer trust, we are committed to pursuing excellence in quality and establishing a robust quality management system. Through rigorous quality control, professional customer services, and comprehensive protection of rights and interests, we persistently pursue innovation to create greater value for customers. Furthermore, we focus on building an efficient and stable supply chain network and enhancing supply chain resilience. Driven by quality and supply chain, we secure enduring market trust.



QUALITY MANAGEMENT POLICY

Adhering to quality as the foundation is the core value of the Group's development. We strictly complies with the *Law of the PRC on Road Traffic Safety* (《中華人民共和國道路交通安全法》), the *Regulations on the Administration of Railway Safety* (《鐵路安全管理條例》), the *Coal Industry Law of the PRC* (《中華人民共和國煤炭法》), the *Mineral Resources Law of the PRC* (《中華人民共和國礦產資源法》), the *Regulations on Safety Supervision over Coal Mines* (《煤礦安全監察條例》), the *Mine Safety Law of the PRC* (《中華人民共和國礦山安全法》) and other relevant laws and regulations, as well as the relevant national standards and industry standards for logistic and transportation equipment and other cross-cutting laws and regulations, to check the quality and provide customers with safe and reliable service and products. In addition, the Group has formulated the *Daily Technical Work Management System* (《日常技術工作管理制度》) and the *Technical Supervision and Management System* (《技術監督管理制度》) to strengthen our supervision, regulation and continuous improvement mechanism in the areas of quality, product health and safety.

During the Reporting Period, the Group had no incidents of violating the laws and regulations related to product and service on aspects of health and safety, advertising, labeling and privacy matters and remedies, and no products sold or shipped needed to be recalled due to safety and health concerns.

Supply Chain Logistics <ul style="list-style-type: none"> Leveraging digital and intelligent platform construction, we achieve end-to-end digital management from cargo sourcing to delivery, driving accurate and efficient logistics. Transparent operations empower customers to check the real-time transportation status of cargo via a real-time interface and feed back online, ensuring a superior customer experience. 	Clean Energy <ul style="list-style-type: none"> The plant adopts a three-stage separation process of lump coal, coarse coal slime, and flotation, tailoring optimal processing solutions based on the characteristics of Mongolian coal, Shanxi coal, and seaborne coal. From the coal mining stage, the Company monitors coal quality variations. The coal washing and blending center adjusts operations in advance to ensure long-term stable supply of premium prime coking coal to steel mills. 	Supply Chain Trading <ul style="list-style-type: none"> The trade team has a deep presence in the commodity markets, possesses profound market insights and is supported by precise data empowered by our data platform to deliver professional services to customers.
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PURSUIT OF EXCELLENCE: FORGING EXCEPTIONAL QUALITY

Adhering to the philosophy of “pursuing excellence”, the Group has always insisted on quality improvement. Through multi-dimensional initiatives including the implementation of lean management, strengthening of standardization efforts and promotion of technological innovation, we encourage full staff participation and joint improvement, and form a management atmosphere of continuous optimization. To ensure the orderly progress of all work, the Group has formulated and strictly implemented the *Technical Supervision and Management System* (《技術監督管理制度》), which not only establishes a sound quality management system, but also urges all production units to strengthen management responsibilities, improve professional capabilities, and provide customers with high-quality and reliable products and services.

5S Improvement Activity

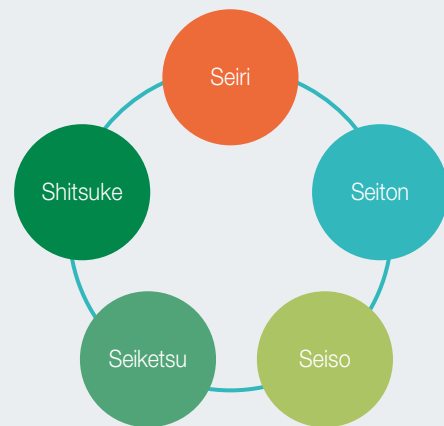
The Group launched the 5S (Seiri, Seiton, Seiso, Seiketsu, Shitsuke) improvement activity, aiming to consolidate the training results of the Career Growth Training Camp for Front-line Managers, and deepen the application of lean concepts in daily operation management.

During the Reporting Period, a total of 13 production units participated in the activity. Through the establishment of a systematic execution process, including the establishment of 5S teams, self-inspections, submission of improvement projects, spot checks by functional departments and submission of relevant records and reports, a closed-loop management system was gradually formed.

At the same time, Winsway Training Center (永暉培訓中心) further innovated and optimized the original 5S improvement activity, and added three new promotion measures:

- (1) progress tracking of improvement for production units;
- (2) special improvement initiative for visualized management;
- (3) outstanding case collection. These additions further facilitated experience sharing and knowledge consolidation, and drove wider replication and application of improvement achievements within the Group.

All 165 improvement projects submitted were completed in 2025.



SOCIETY

PURSUIT OF EXCELLENCE: FORGING EXCEPTIONAL QUALITY

Multiple Product Quality Safeguards

The Group has established a multi-dimensional coal quality evaluation system covering the entire production process. Through efficient collaboration across departments, it achieves precise evaluation and value judgement of coal quality, facilitating efficient coordination in each link of the business chain and optimal resource allocation.

Inbound Coal Supervision and Management

- The supervision and management of inbound coal shall be strictly conducted in compliance with the *E-Commodities Inbound Coal Supervision and Management Procedures* (《易大宗入庫煤種監督管理流程》), and adhere to multiple national standards, serving as the basis for quality evaluation.
- The coal must undergo scheduled inspections and verification processes. Only those accompanied by qualified product reports can be put in storage. Non-compliant products require further quality evaluation, with return or acceptance with price deductions depending on evaluation outcomes.

Outbound Product Supervision and Management Process

- All outbound products must undergo inspection in accordance with the *E-Commodities Outbound Product Supervision and Management Process* (《易大宗出庫產品監督管理流程》). Inspection indicators include total moisture content in coal, volatile matter on a dry ash-free basis, and other critical parameters to ensure the quality is in full compliance with the contract.
- Products failing inspection are prohibited from outbound shipment. The outbound department shall decide whether to reprocess the products or formulate a revised outbound plan, and the technical supervision department shall conduct full-process monitoring and oversight.

Supervision and Management of Outsourced Operations at Coal Washing Bases

- The outsourced operations of coal washing bases shall follow the *Supervision and Management Process for Outsourced Operations at Coal Washing Bases of E-Commodities* (《易大宗洗選基地外包運營監督管理流程》), and evaluations shall be performed in accordance with the contract standards signed between local branches and operating companies.
- The technical supervision department is responsible for tracking and monitoring production data from coal washing plants, randomly reviewing the evaluations of outsourced operations, and overseeing the accuracy and validity of production outsourcing evaluations across all regions.

Quality Sampling Inspection Management

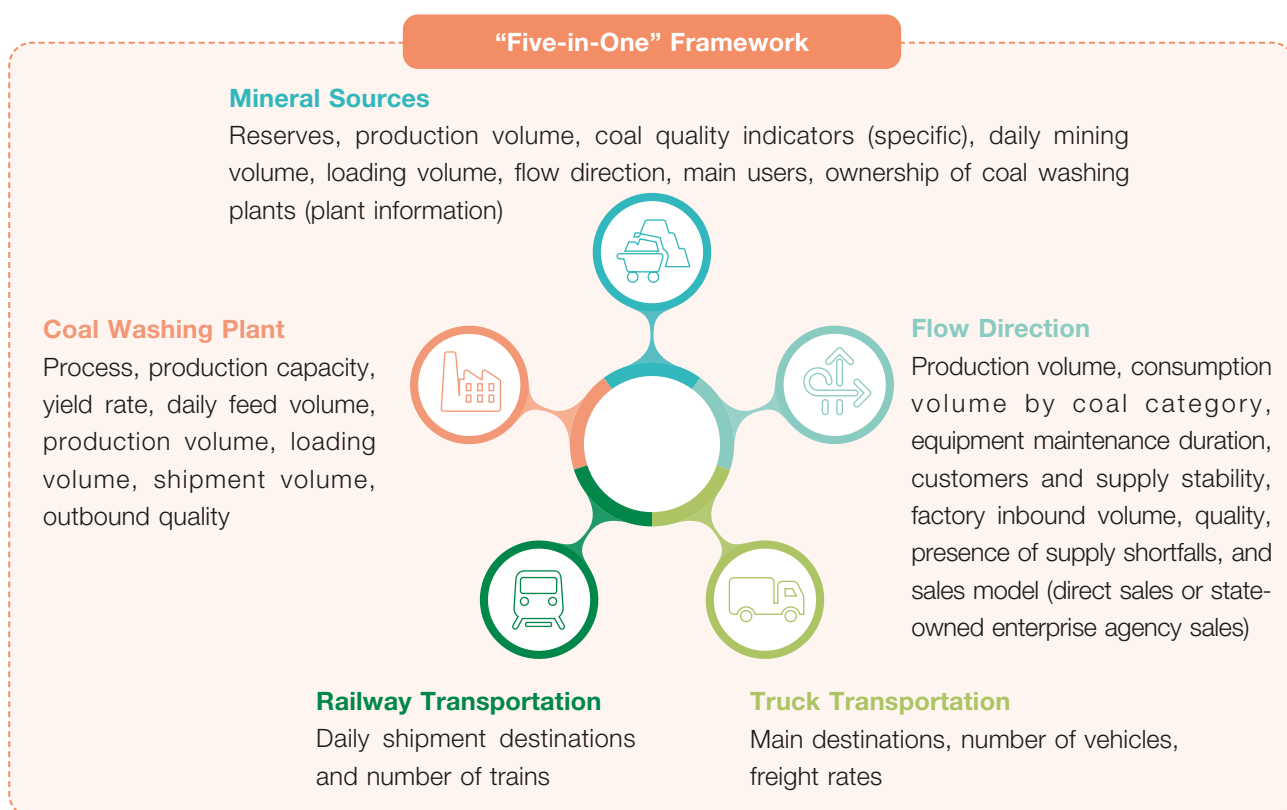
- The technical supervision department refers to the *Quality Sampling Inspection Management Process of E-Commodities* (《易大宗質量抽檢管理流程》) to supervise the on-site working processes, implementation status, and coal quality indicators at warehouses and coal washing bases of E-Commodities and conduct quality sampling inspections. The difference between the actual quality in quality sampling inspections and the quality stated in statements shall not exceed the required standard.
- The forms of sampling inspections include on-site sampling and laboratory testing as well as spot checks of retained samples, and samples shall be sent to a third party for testing when necessary.

PURSUIT OF EXCELLENCE: FORGING EXCEPTIONAL QUALITY

Excellent Customer Services

The Group has formulated and implemented the *Customer Manager System* (《客戶經理制度》). As the key hub for the unified service of the internal trade and supply chain sectors, customer managers assume dual functions. We implement the “One Customer, One Manager” system, and ensure efficient and smooth communication with customers through the exclusive docking model, so that customers can continuously obtain a professional and convenient service experience. At the same time, customer managers actively expand cooperation space and explore potential business opportunities, providing strong support for the business development and performance growth of the Group.

Since 2022, the Group has implemented the “Five-in-One” operating mode. By integrating enterprise resources, optimizing workflows and strengthening collaboration, we have created an efficient and precise service system for customers. Adhering to the principle of “Unified Services and Information Sharing”, each customer is exclusively served by a designated customer manager, to ensure the depth and precision of services, further consolidate the trust relationship with customers, and significantly improve the overall operational efficiency. At the same time, the Group provides systematic training for customer managers, covering professional skills, business knowledge and communication skills, to continuously strengthen service capabilities and promote the continuous advancement of customer service towards professionalism and precision.



In addition, the E-Commodities Supply Chain Management Platform has been officially put into operation. With the core orientation of “extending services to customers and creating value for customers”, the platform realizes full-chain digital empowerment, further improves the intelligent level of supply chain trade and comprehensive services, and comprehensively enhances service efficiency and customer experience.

PROTECTION OF CUSTOMER RIGHTS AND INTERESTS

Customer Complaints Handling Process and Recalls

The contracts between the Group and customers explicitly stipulate specific terms and conditions, ensuring that customer rights and interests are fully protected. Moreover, according to the *Customer Manager System* (《客戶經理制度》) of the Group, customer managers serve as the primary contact persons, responsible for the immediate acceptance, registration and reporting of complaint matters, to ensure that customers' needs are fully met. For feedback involving product quality or service objections, the Group will assign it to the relevant functional departments or the technical supervision department for investigation according to a hierarchical mechanism, and major incidents will be reported to the Board for coordinated handling.

At the same time, we promise to strictly keep the information of complaints and reports confidential, provide rights protection for whistleblowers and relevant investigation personnel, and prohibit any form of retaliation. All processing results must be recorded in a unified ledger and archived for a long time, for subsequent quality analysis and system improvement, to ensure the continuous optimization of product and service management.

The Group implements strict quality control procedures for product sales and outbound delivery, and its business does not involve product recall procedures. During the Reporting Period, the Group received no complaints regarding its products or services, and there were no safety or health-related recall incidents involving the coal chemical products sold under agency arrangements.

Marketing Management and Advertising Compliance

The Group strictly complies with relevant laws and regulations including the *Advertising Law of the People's Republic of China* (《中華人民共和國廣告法》), the *Regulations on Advertising Management* (《廣告管理條例》), the *Trademark Law* (《商標法》), the *Regulations for the Implementation of the Trademark Law* (《商標法實施條例》) and the *Anti-Unfair Competition Law* (《反不正當競爭法》) and has always maintained lawful and standardized brand operation and marketing promotion activities. We also require all employees to strictly abide by the Group's systems to ensure the provision of truthful and accurate information to customers, further safeguarding the Group's integrity image and brand reputation. During the Reporting Period, the Group did not have any incidents of violating relevant laws and regulations.

On the basis of compliance, the Group has established and strictly implemented a brand image management system, formulated unified standards for logo colors, trademarks and Logos, business card formats, promotional material design, fonts and font colors, to ensure the standardization and consistency of the brand image from the source. In April 2024, the Group officially issued the *Notice on the Unified Brand Visual Identity of the Company* (《關於公司統一品牌視覺形象的通知》), which explicitly requires all departments and business units to uniformly use the new version of the Company's logo, and promotes the application of the new Logo on the Group's official website, official WeChat accounts, promotional carriers and internal documents, to further enhance brand recognition. In addition, trademark management has been included in the routine inspection scope of the technical supervision department and carried out simultaneously with safety inspections, which consolidated the core concept of "brand is experience" and demonstrated the in-depth integration of professionalism and execution through meticulous details.

Mascot “Fuyao” Brand Building

The Group continuously advances the integration of corporate culture and brand spirit. The Group’s mascot “Fuyao” is also a proprietary AI platform of the Group developed based on the leading large AI models in the market, which embodies the enterprise’s commitment to “AI empowerment” and “cultural innovation”, conveys the core concept of “finding direction and finding passion”, and underscores the Group’s strong focus on shaping its brand image and building cultural value throughout its digital and intelligent transformation journey.



Customer Privacy Protection

The Group attaches great importance to customer privacy protection. In the process of collecting and using customer information, we strictly follow the principles of legality, legitimacy and necessity, only collect data necessary for the performance of services, and explicitly restrict the acquisition of irrelevant information. Our E-Link service platform implements a “one customer, one code” security management mechanism, and clearly explains the scope of data use and protection measures to customers through the *User Privacy Policy* (《用戶私隱政策》). When a user applies for account cancellation, the system will immediately delete the relevant information, effectively preventing improper retention or leakage of data. In addition, the Group has signed the *Confidentiality Agreements* (《保密協議》) with all employees to regulate employee behavior at the system level and further strengthen the protection of customer privacy.

Customer Data Collection

Fulfill the obligation of clear notification by explicitly explaining the purpose of data collection. Sensitive information must be emphasized and require explicit consent from customers in collection. After reasonably defining the scope of necessary business-related information, collect data solely through lawful and legitimate means. If data is collected through third parties, strictly regulate the entire collection process.



Customer Data Usage

Set out strict restrictions on the use of data for the declared purposes, and internal handling must adhere to confidentiality principles. Third-party sharing will only occur with explicit customer consent, and ensure the recipient’s lawful access and confidentiality obligations. Sharing under special circumstances requires strict review and the signing of a confidentiality agreement. Cross-border data transfers are strictly conducted in compliance with regulations, and undergo rigorous risk control reviews, with protective safeguards.

CO-BUILDING A RESPONSIBLE SUPPLY CHAIN

Supply chain technologies and services are core businesses of the Group. To standardize the material procurement processes and operations of domestic and overseas subsidiaries, and comprehensively improve the internal control and supervision system, the Group has formulated and implemented the *E-Commodities Material Procurement Management System* (《易大宗物資採購管理制度》), which aims to standardize the domestic and overseas material procurement processes of the Group, strengthen management and supervision, ensure smooth production and operation, and reduce procurement risks. Procurement activities follow the principles of openness, fairness and impartiality, implement centralized and transparent procurement, take “optimal performance-price ratio and lowest total cost” as the goal, strictly implement the inquiry and price comparison system, and restrict irregular and black-box operations.

Supplier Selection

The Group primarily conducts procurement through enquiry, supplemented by targeted procurement and strategic procurement. Suppliers are selected upon ensuring full price competition and comprehensive horizontal comparisons to enhance procurement efficiency. In addition, procurement personnel utilize historical procurement big data from the ERP system to enhance procurement efficiency.

Supplier Selection Criteria

Suppliers access must meet basic requirements, including a good track record of contract fulfillment, compliance with national regulations on labor protection, energy conservation, emission reduction, and ecological and environmental protection, as well as a robust integrity culture. Depending on the nature of the project, we also comprehensively review the qualifications of suppliers in multiple areas. Among them, we focus on performance in aspects of environmental management system certifications (e.g., ISO 14001 environmental management system), 5S practices, governance, safety management facilities, transparency in disclosing government penalties, and labor disputes, all of which are integrated into the scoring framework for supplier selection.

Supplier Inspection

The procurement supervision team consists of members from the Company’s technical supervision department and risk management department, and relevant internal audit personnel. This team is responsible for overseeing the processes before, during and after procurement, supervising the selection of procurement methods, and conducting annual evaluations of suppliers. Evaluation contents include product quality, price and cost, production capacity, technical merit, financial conditions, on-site management, and after-sales service. The team prioritizes procurement from suppliers with higher evaluation scores.

Communication with Suppliers

We cooperate with suppliers through a “mentoring, supervising, and guiding” approach. Procurement contracts serve as a critical link in our cooperation with suppliers, where we establish clear communication channels and provide guidance. For high-risk materials or equipment such as hazardous chemicals and special equipment, we additionally sign safety and environmental protection agreements to clarify management responsibilities of both parties in safety and environmental protection. When suppliers encounter issues, we promptly provide assistance and oversee their corrective actions to ensure non-recurrence. Meanwhile, we guide suppliers to leverage their strengths based on their unique characteristics, thereby working together to establish a cooperative model that maximizes value for both parties.

Supplier Risk Management

The Group has formulated the *Supplier Code of Conduct and Screening Criteria* (《供應商行為準則和篩選標準》) to comprehensively manage environmental and social risks in the supply chain, covering five major areas: compliance with laws and regulations, employee rights and interests, health and safety, business ethics, and environmental protection:

Compliance with laws and regulations	Suppliers must strictly abide by the laws and regulations of the location and relevant industries, and ensure that they have legal operation and contract performance qualifications
Employee rights and interests	Protect the legitimate rights and interests of employees, prohibit forced labor and child labor, and ensure fair remuneration, equal treatment and a safe working environment
Health and safety	Establish a sound occupational health and safety management system to prevent accidents and occupational diseases, and ensure a safe and reliable workplace
Business ethics	Adhere to the principle of integrity, eliminate corruption, fraud and conflicts of interest, respect intellectual property rights and confidentiality obligations, and maintain fair competition
Environmental protection	Promote energy conservation, emission reduction and resource recycling, prevent and control pollution, and attach importance to biodiversity and green and sustainable production

In the supplier management system, we continuously promote the construction of a digital supplier management system, and rely on the digital functions of the intelligent dashboard system of the Group's supply chain management platform to achieve precise identification and dynamic supervision of environmental and social risks, and continuously enhances supply chain management capabilities.

Digital Full-Cycle Supply Chain Risk Management	
Five-in-One and Client Mapping	The E-Coking Coal (易焦煤) trading management system employs the “Five-in-One and Client Mapping” approach to build a holistic profile of clients. By building a scoring model for client information integrity, we reinforce risk prevention and control barriers at the initial stage of transactions.
Life Cycle Management	The risk control management of the Group adheres to a philosophy of full life cycle management before, during and after events. It screens potential risks before the event, detects abnormal signals during the event and responds swiftly to mitigate risk impacts, and follows up the handling and optimization process after the event. This management model has fully covered domestic coal trade, Mongolian coal trade and other businesses, achieving the closed-loop operation of the risk defense system, and continuously strengthening risk resilience across all business segments while ensuring stable operations.

Supplier Assessment Standards

The Group has established an ESG-centered supplier evaluation and assessment system. Through diversified means, including on-site inspections, questionnaire surveys, stakeholder information collection, external databases and public opinion monitoring, as well as the introduction of third-party professional audits, we conduct a comprehensive evaluation of suppliers to ensure that they comply with the Group's ESG management policies and compliance requirements. For suppliers that have committed red-line violations such as major environmental accidents, infringement of employee rights and interests, or violation of anti-corruption clauses, the “circuit breaker mechanism” will be activated immediately to suspend and terminate cooperation, ensuring the clean, safe and sustainable operation of the supply chain from the source, and promoting the construction of a healthy, green, responsible and efficient supply chain ecosystem. The ESG assessment of suppliers adopts graded management:

Total score rate	$\geq 80\%$	$\geq 60\%$	$< 60\%$ or 0 score for key items
Rating	Excellent	Pass	Fail

Suppliers who fail the assessment will have their cooperation suspended and be required to submit a rectification plan. Suppliers who still fail to meet the standards after three rounds of rectification will be blacklisted.

Green Procurement Practices

The Group is committed to promoting green procurement practices, deeply integrating environmental protection concepts into the whole chain of supplier and product screening, to build a healthy, green and sustainable supply chain ecosystem.

In the product selection stage, especially for wear parts, we establish clear material and brand specifications, and give priority to the procurement of products with recyclable characteristics. For instance, the tail drum of a scraper conveyor can undergo localized repair through welding processes when worn, so that it can be reused to reduce resource waste and replacement costs, achieving the dual benefits of cost saving and efficiency improvement. In the packaging stage, we optimize outer packaging design and implement reusable solutions on the basis of a full assessment of transportation risks and product integrity. Taking accessories such as sieve baskets as an example, the Group has co-innovated the structural design with partners to make them reusable, which greatly reduces the use of disposable packaging materials, and promotes the green transformation of the packaging process and the improvement of resource utilization efficiency.

PURSUIT OF EXCELLENCE: FORGING EXCEPTIONAL QUALITY

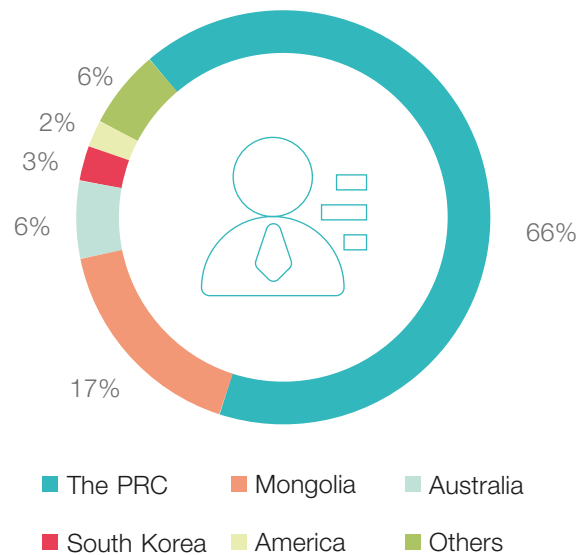
To ensure the efficient implementation of green procurement measures, we make clear provisions on environmental protection requirements for suppliers through contract terms, and conduct environmental protection, energy conservation and quality tests on products provided by suppliers in accordance with the contract requirements, and strictly return non-compliant products and services. At the same time, we encourage internal teams to summarize innovative experience and explore new methods of energy conservation and consumption reduction, recognize and incentivize suppliers and internal teams that have outstanding performance in green procurement practices, to promote the in-depth implementation and continuous improvement of green concepts in the whole procurement process.

Supplier Overview

During the Reporting Period, the Group had a total of 293 cooperative suppliers. The specific distribution of suppliers is as follows:

Region	Number of suppliers
The PRC	194
Mongolia	49
Australia	18
South Korea	8
America	6
Others ⁹	18

Number of suppliers by geographical region



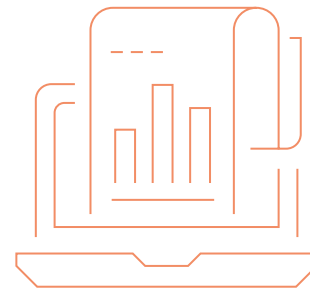
⁹ Others include suppliers from Indonesia, Canada, Colombia, Japan, Mozambique, and New Zealand.

SOCIETY

GIVING BACK TO SOCIETY: HELPING PEOPLE'S LIVELIHOOD AND WELL-BEING

The Group fully recognizes that the steady development of the enterprise is inseparable from the support and integration of the community. As a responsible corporate citizen, we actively integrate into community development, continuously carry out diversified public welfare and co-construction activities, and strive to become a model for promoting community prosperity and sustainable development. The Group focuses on maintaining a long-term and open communication mechanism with the community, and jointly explores a sustainable development path of collaborative symbiosis through exchanges and cooperation. At the same time, on the solid foundation of lawful and compliant operation, the Group and its subsidiaries strictly abide by national tax regulations, faithfully fulfill tax obligations, actively participate in regional economic construction, and deeply integrate into the local industrial ecosystem. By promoting industrial collaboration, facilitating employment and creating shared value, we continuously contribute to the high-quality development of the local economy, and achieve value co-creation and ecological win-win for the enterprise, the community and the society.

Tax paid in 2025 (HK\$'000) (excluding customs value-added tax and customs duties paid during the import process)	
Inner Mongolia	95,855
North China	11,426
South China	91,191
East China	8,873
Northeast China	2,057



During the Reporting Period, we indirectly created 881 employment positions in regions including Inner Mongolia, Shanxi, Shandong, Liaoning, Heilongjiang, Zhejiang, Hainan, and Guangdong, effectively boosting the local economy.

PUBLIC WELFARE AND EDUCATION SUPPORT

The Group has always firmly believed that education is the core driver of social progress and sustainable development. We actively devote ourselves to public welfare education, pay attention to the educational needs of students in remote areas and disadvantaged situations, and support the balanced development of educational resources. Through scholarship and financial aid programmes, educational facility construction and talent development projects, the Group has enabled more young people to access growth and development opportunities.

Donation to Children's Education Fund

The Group has long paid attention to the cause of children's education and development, and donates SGD10,000 every year to continuously support the educational and development projects of the POSB Passion Kids Fund. The Fund focuses on providing educational and development support for children under the age of 16, helping children from low-income families, children with disabilities and at-risk youth access more equitable learning and development opportunities. Since its establishment, the Fund has benefited more than 1.2 million children.



Support for Educational Facility Construction

During the Reporting Period, the Group's subsidiary Duut Nuur Khugjil LLC assisted in the reconstruction of the playground of a local kindergarten, creating a safer and more comfortable play and learning environment for children.



PUBLIC WELFARE DONATION INITIATIVES

In the face of diverse needs and unexpected challenges in social development, the Group always upholds the concept of "from the society, for the society", actively gives back to society through practical actions, and participates in community co-development. We pay special attention to vulnerable groups and disaster-affected people, and continuously invest in natural disaster emergency rescue, relief donations, livelihood improvement in operating regions, and long-term support and care for underprivileged families and individuals.

SOCIETY

GIVING BACK TO SOCIETY: HELPING PEOPLE'S LIVELIHOOD AND WELL-BEING

Caring for Children With Special Needs

During the Reporting Period, the Group's subsidiary Urad Zhongqi Haotong Clean Energy Co., Ltd. actively responded to the public welfare initiatives launched by the Urad Zhongqi Federation of Industry and Commerce (General Chamber of Commerce) and the Banner Education Bureau, and participated in the consolation activities carried out by the school in Deyushan Town. During the activities, the consolation team went deep into the families of students with special needs, learned about the children's physical rehabilitation and learning progress, encouraged them to face life challenges with a positive attitude, and provided the students with consolation grants and school supplies.



Flood Disaster Relief

During the Reporting Period, Tumd Right Banner suffered severe flood and waterlogging disasters caused by once-in-a-century sustained heavy rainfall. The Group's subsidiary Inner Mongolia Minghua Clean Energy Co., Ltd. responded promptly to the flood emergency by immediately donating HK\$16,606.5 in disaster relief funds to the affected area. With the fastest response speed and practical support measures, we fulfilled our corporate social responsibility, provided critical support for protecting the safety of people's lives and property, and helped the disaster area fight against the flood, winning high praise and sincere thanks from the Tumd Right Banner Committee, the banner government and the people of the whole banner.



Donation of Office Supplies

E-Commodities (Beijing) Supply Chain Management Co., Ltd. actively fulfills its social responsibilities by donating 50 office chairs, 4 desktop computer main units and 2 laptops to the Jianguomen Subdistrict Office of Dongcheng District, Beijing and the Shijiyang Village Committee. This donation aims to improve the office conditions of grassroots units by supplementing key office equipment, and provide strong support for the daily operation of the subdistrict and community governance services.



Mid-Autumn Festival Supplies Donation

During the Reporting Period, Baotou-city E-35 Logistics Co., Ltd. donated a number of Mid-Autumn Festival supplies, including mooncakes and various daily necessities, to the welfare institute, sending festive greetings and warmth to the welfare institute, and demonstrating the enterprise's social responsibility.



APPENDIX

KEY PERFORMANCE

The environmental and social performance indicator calculation system of the Group comprehensively covers four core business segments, namely supply chain trading, supply chain logistics, clean energy, and innovation business, incorporating the performance of 75 wholly-owned subsidiaries (2024: 74 subsidiaries). Given the increasingly stable reporting scope, we disclose environmental performance data for three consecutive years for the first time to provide a more comparable analysis foundation.

ENVIRONMENTAL PERFORMANCE INDICATORS

Name	Unit	Amount in 2025	Amount in 2024	Amount in 2023
Emission of air pollutant ¹⁰				
Nitrogen oxides (NOx)	kilograms	149,606.72	170,770.31	146,720.06
Sulfur oxides (SOx)	kilograms	3,442.27	3,301.22	5,979.95
Carbon monoxide (CO)	kilograms	101,241.68	104,858.48	84,253.10
Fine particulates (PM2.5)	kilograms	3,646.52	3,240.61	2,283.22
Respirable particulate matter (PM10)	kilograms	4,055.94	3,567.24	2,515.21
Smoke and dust	kilograms	4.16	1.43	8.42
Resource consumption and intensity ¹¹				
Total electricity consumption	kWh	59,331,941.49	70,248,323.43	83,578,749.69
Intensity of electricity consumption	kWh/ HK\$'00,000,000 operating income	235,061.77	179,360.47	205,925.03

¹⁰ The calculation scope of air pollutant emissions includes road mobile sources (vehicles, AGV heavy-duty special equipment), non-road mobile sources (construction machinery, diesel generator set), boilers and canteen cooking. The calculation method of emission data is based on the *Technical Guidelines for the Preparation of Emission Inventory from Road Motor Vehicles (Trial)* and the *Technical Guidelines for the Preparation of Emission Inventory from Non-road Mobile Source (Trial)* published by the Ministry of Ecology and Environment of the People's Republic of China, the *Manual of Accounting Method and Coefficient of Pollutant Discharge from Domestic Sources*, the *Second National Survey of Pollution Sources on Urban Waste Source Discharge Coefficients Handbook* and the *Second National Survey of Pollution Sources on Industrial Pollution Source Discharge Coefficients Handbook* issued by the State Council. The calculation scope of air pollutant data does not include a small amount of emissions associated with office cooking gas in Japan.

¹¹ The calculation method of intensity is: consumption/HK\$'00,000,000 operating income. In 2025, the Group recorded a revenue of HK\$25.241 billion.

Total consumption of liquefied petroleum gas	kilograms	11,071.43	8,080.10	14,079.96
Intensity of liquefied petroleum gas consumption	kilograms/ HK\$'00,000,000 operating income	43.86	20.63	34.69
Total coal gas consumption ¹²	cubic metres	675.82	217.58	484.10
Intensity of coal gas consumption	cubic metre/ HK\$'00,000,000 operating income	2.68	0.56	1.19
Total coal consumption	tonnes	540.00	630.00	1,030.00
Intensity of coal consumption	tonnes/ HK\$'00,000,000 operating income	2.14	1.61	2.54
Total petrol consumption	litres	306,231.53	394,728.33	476,199.37
Intensity of petrol consumption	litre/ HK\$'00,000,000 operating income	1,213.23	1,007.83	1,173.28
Total diesel consumption	litres	22,636,499.66	25,826,382.03	24,601,414.87
Intensity of diesel consumption	litre/ HK\$'00,000,000 operating income	89,681.47	67,180.29	60,614.03
Total energy consumption	MWh	321,841.42	436,203.39	425,692.71
Intensity of energy consumption ¹³	MWh/ HK\$'00,000,000 operating income	1,275.07	1,113.90	1,048.84
Volume and intensity of water consumption				
Total water consumption	tonnes	469,217.72	657,511.31	475,657.90
Intensity of total water consumption	tonne/ HK\$'00,000,000 operating income	1,858.95	1,678.78	1,171.95

¹² During the Reporting Period, coal gas consumption increased, primarily due to the addition of a new business travel reception property by the Group's subsidiary in Japan and the increase in customer reception activities.

¹³ During the Reporting Period, the Group's total energy consumption decreased, mainly due to the reduction in purchased electricity consumption.

APPENDIX

KEY PERFORMANCE

Volume and intensity of greenhouse gases emission				
Scope 1 ¹⁴	tonnes of carbon dioxide equivalent	63,535.81	70,423.31	67,944.66
Scope 2 ¹⁵	tonnes of carbon dioxide equivalent	31,496.13	37,907.05	47,674.33
Total emission of greenhouse gases	tonnes of carbon dioxide equivalent	95,031.94	108,330.36	115,618.99
Intensity of total emission of greenhouse gases	tonne of carbon dioxide equivalent/ HK\$'00,000,000 operating income	376.50	276.59	284.06
Volume and intensity of hazardous wastes generated				
Volume of waste battery generated	kilograms	9.40	17.00	6.22
Intensity of waste battery generated	kilograms/ HK\$'00,000,000 operating income	0.04	0.04	0.02
Waste ink cartridges generated	boxes	362.00	359.00	390.00
Intensity of waste ink cartridges generated	box/ HK\$'00,000,000 operating income	1.43	0.92	0.56
Volume and intensity of non-hazardous wastes generated				
Volume of waste plastic bottles generated	kilograms	104.80	42.00	10.00
Intensity of waste plastic bottles generated	kilograms/ HK\$'00,000,000 operating income	0.42	0.11	0.02

¹⁴ The calculation scope of greenhouse gases (Scope 1) includes the Group's road mobile sources (vehicles, AGV heavy-duty special equipment), non-road mobile sources (construction machinery, diesel generator set), boilers, canteen cooking and gas use in Japan. The calculation method of emission data is based on the *Greenhouse Gas Emissions Accounting Methodology and Reporting Guidelines for Land Transport Enterprises (Trial)*, the *Technical Guidelines for the Preparation of Non-road Mobile Source Air Pollutant Emission Inventory (Trial)*, the *Enterprise Greenhouse Gas Emissions Accounting and Reporting Guidelines - Other Industries (Trial)*, and the *Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions of Enterprises - Power Generation Facilities* published by the Ministry of Ecology and Environment of the People's Republic of China, and the *Calculation Method and Emission Factor List in Calculation/Reporting/Publication System* (《計算/報告/公佈系統中的計算方法和排放因子清單》) issued by the Ministry of the Environment of Japan, and the *Calculation Tool for Greenhouse Gases Emissions from Combustion of Transport or Mobile Sources* of the Greenhouse Gas Protocol.

¹⁵ The calculation scope of greenhouse gases (Scope 2) includes the use of purchased electricity by the Group. The calculation method of emission data is based on the *Calculation Tool for Greenhouse Gases Emissions from Purchased Electricity* of the Greenhouse Gas Protocol, and the data of the electricity emission factors published by the official organizations in various regions (Chinese Mainland, Hong Kong and Macau regions, Japan, Singapore and Mongolia).

Volume of waste paper generated	tonnes	4.37	4.50	81.00
Intensity of waste paper generated	tonne/ HK\$'00,000,000 operating income	0.02	0.01	0.20
Volume of domestic waste in office generated	tonnes	4,476.75	2,160.34	889.49
Intensity of domestic waste in office generated	tonne/ HK\$'00,000,000 operating income	17.74	5.52	4.37
Disposed office supplies	kilograms	40.32	3.00	2.00
Intensity of disposed office supplies generated	kilograms/ HK\$'00,000,000 operating income	0.16	0.01	1.45
Volume and intensity of solid waste ¹⁶ generated				
Volume of combustion residue generated	tonnes	-	-	78.00
Intensity of combustion residue generated	tonne/ HK\$'00,000,000 operating income	0.00	0.00	0.23
Volume and intensity of sewage generated				
Volume of sewage generated	tonnes	61,625.00	52,443.45	31,586.80
Intensity of sewage generated	tonne/ HK\$'00,000,000 operating income	244.15	133.90	77.82

¹⁶ Since the Group will sell the by-products coal slime and gangue, coal slime and gangue will not be included in the statistical scope of solid waste.

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KEY PERFORMANCE

SOCIAL PERFORMANCE

Indicators	Unit	Amount in 2025
No. of Employees		
By gender		
Male	person	2,199
Female	person	402
By age group		
Below 35	person	968
35 to 44	person	922
45 and above	person	711
By region		
Chinese Mainland	person	489
Hong Kong and Macau regions	person	30
Mongolia	person	2,045
Other overseas regions	person	37
Employee turnover rate ¹⁷		
By gender		
Male	percentage	5.59%
Female	percentage	9.70%
By age group		
Below 35	percentage	7.54%
35 to 44	percentage	6.07%
45 and above	percentage	4.64%

¹⁷ The formula for calculating the turnover rate of each category of employees is: the number of employees who quit in this category/total number of employees in this category × 100%.

By region		
Chinese Mainland	percentage	16.97%
Hong Kong and Macau regions	percentage	6.67%
Mongolia	percentage	3.57%
Other overseas regions	percentage	10.81%
Percentage of employees trained		
By gender ¹⁸		
Male	percentage	84.54%
Female	percentage	15.46%
By employee category		
Senior management	percentage	0.73%
Middle management	percentage	3.15%
General employees	percentage	96.12%
Average training hours of employees ¹⁹		
By gender		
Male	hour	3.20
Female	hour	2.10
By employee category		
Senior management	hour	4.00
Middle management	hour	3.00
General employees	hour	3.20

¹⁸ The formula for calculating the percentage of employees trained of relevant category is: number of employees trained of relevant category/total number of employees trained x 100%.

¹⁹ The formula for calculating the average training hours of employees in each category is: total training hours of employees in this category/total number of employees in this category.

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Mandatory Disclosure Requirements	Content	Reference Section
Governance Structure	<p>A statement from the board containing the following elements:</p> <ul style="list-style-type: none"> (i) a disclosure of the board's oversight of ESG issues; (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 (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. 	Management of Sustainable Development
Reporting Principles	<p>A description of, or an explanation on, the application of the following reporting principles in the preparation of the ESG report:</p> <p>Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement.</p> <p>Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.</p> <p>Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.</p>	About This Report
Reporting Boundary	<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>	About This Report

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A. Environmental			
Items	Description	Reference Section	
Aspect A1: Emissions			
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 air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	Environmental Governance Policy	
Key Performance Indicators	A1.1	The types of emissions and respective emission data	Key Performance
	A1.2	Repealed 1 January 2025	/
	A1.3	Total hazardous waste produced (in tonnes) and (where appropriate) intensity (e.g., per unit of production volume, per facility)	Key Performance
	A1.4	Total non-hazardous waste produced (in tonnes) and (where appropriate) intensity (e.g., per unit of production volume, per facility)	Key Performance
	A1.5	Description of emission target(s) set and steps taken to achieve them.	Environmental Governance Policy Resource Utilization and Emission Management
	A1.6	Description of how hazardous and non-hazardous waste are handled, and a description of reduction target(s) set and steps taken to achieve them.	Environmental Governance Policy Resource Utilization and Emission Management

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Aspect A2: Use of Resources

General Disclosure		Policies on the efficient use of resources, including energy, water and other raw materials	Environmental Governance Policy Resource Utilization and Emission Management
Key Performance Indicators	A2.1	Direct and/or indirect energy consumption by type in total and intensity (e.g. per unit of production volume, per facility)	Key Performance
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Key Performance
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Environmental Governance Policy Resource Utilization and Emission Management
	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.	Environmental Governance Policy Resource Utilization and Emission Management
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	The Group's operations do not involve packaging material

Aspect A3: The Environment and Natural Resources

General Disclosure		Policies on minimizing the issuer's significant impact on the environment and natural resources	Environmental Governance Policy Ecological Protection
Key Performance Indicators	A3.1	Description of the significant impacts of activities on the environment and natural resources and the action taken to manage them	Environmental Governance Policy Ecological Protection

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B. Social			
Items	Description		Reference Section
Aspect B1: Employment			
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		Human Resource Management
Key Performance Indicators	B1.1	Total workforce by gender, employment type, age group and geographical region	Key Performance
	B1.2	Employee turnover rate by gender, age group and geographical region	Key Performance
Aspect B2: Health and Safety			
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		Safe Production Management
Key Performance Indicators	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Safe Production Management
	B2.2	Lost days due to work injury	Safe Production Management
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Occupational Health and Safety
Aspect B3: Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities		Human Resource Management Focus on Talent Cultivation
Key Performance Indicators	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	Key Performance
	B3.2	The average training hours completed per employee by gender and employee category	Key Performance

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Aspect B4: Labour Standards

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 preventing child and forced labour		Human Resource Management
Key Performance Indicators	B4.1	Description of measures to review employment practices to avoid child and forced labour	Human Resource Management
	B4.2	Description of steps taken to eliminate such practices when discovered	Human Resource Management

Aspect B5: Supply Chain Management

General Disclosure	Policies on managing environmental and social risks of the supply chain		Co-Building a Responsible Supply Chain
Key Performance Indicators	B5.1	Number of suppliers by geographical region	Co-Building a Responsible Supply Chain
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Co-Building a Responsible Supply Chain
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Co-Building a Responsible Supply Chain
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Co-Building a Responsible Supply Chain

Aspect B6: Product Responsibility

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		Quality Management Policy Protection of Customer Rights and Interests
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Key Performance Indicators	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Quality Management Policy Protection of Customer Rights and Interests
	B6.2	Number of products and service related complaints received and how they are dealt with	Quality Management Policy Protection of Customer Rights and Interests
	B6.3	Description of practices relating to observing and protecting intellectual property rights	Protection of Intellectual Property
	B6.4	Description of quality assurance process and recall procedure	Quality Management Policy Protection of Customer Rights and Interests
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	Quality Management Policy Protection of Customer Rights and Interests
Aspect B7: Anti-corruption			
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		Integrity Management and Supervision
Key Performance Indicators	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	Integrity Management and Supervision
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Integrity Management and Supervision
	B7.3	Description of anti-corruption training provided to directors and staff	Integrity Management and Supervision
Aspect B8: Community Investment			
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		Giving Back To Society: Helping People's Livelihood and Well-being
Key Performance Indicators	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Public Welfare and Education Support Public Welfare Donation Initiatives
	B8.2	Resources contributed (e.g. money or time) to the focus area	Public Welfare and Education Support Public Welfare Donation Initiatives

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Part D: “comply or explain” principles Climate-related Disclosures		Reference Section
(I). Governance		
19 (a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about:		Combat Climate Change: Governance
i)	how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	Combat Climate Change: Governance
ii)	how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	Combat Climate Change: Governance
iii)	how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer’s strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	Combat Climate Change: Governance
iv)	how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35); and	Combat Climate Change: Governance The Group has not yet included climate-related performance indicators in its remuneration policy. Going forward, we will prudently evaluate the feasibility of their inclusion.
19 (b) management’s role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities:		Combat Climate Change: Governance
i)	whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	Combat Climate Change: Governance
ii)	whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Combat Climate Change: Governance

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(II). Strategy

Climate-related risks and opportunities		
20 (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;		Combat Climate Change: Strategy
20 (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;		
20 (c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term; and		
20 (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		
21 (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		Combat Climate Change: Strategy
21 (b) a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated.		
Strategy and decision-making		
22(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.		Combat Climate Change: Strategy
i)	current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities;	
ii)	current and anticipated adaptation and mitigation efforts (whether direct or indirect);	
iii)	Any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and	
iv)	how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and	
22 (b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).		
23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).		



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Financial position, financial performance and cash flows		
Current financial effect		
24 (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and		Combat Climate Change: Strategy
24 (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.		The Group has currently disclosed the qualitative impacts of material climate-related risks and opportunities, as the relevant quantitative financial data were not fully prepared as of the reporting date. At the current stage, only reasonably obtainable information is available, and qualitative disclosure has been made in accordance with the reasonable data exemption. The Company will continuously improve the evaluation and disclosure of current and anticipated financial effects.
Anticipated financial effect		
25 (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:		Combat Climate Change: Strategy
i) its investment and disposal plans; and		The Group has currently disclosed the qualitative impacts of material climate-related risks and opportunities, as the relevant quantitative financial data were not fully prepared as of the reporting date. At the current stage, only reasonably obtainable information is available, and qualitative disclosure has been made in accordance with the reasonable data exemption. The Company will continuously improve the evaluation and disclosure of current and anticipated financial effects.
ii) its planned sources of funding to implement its strategy; and		
25 (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.		

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Climate resilience		
26 (a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of:		Combat Climate Change: Strategy
i)	the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis;	
ii)	the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and	
iii)	the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;	
26 (b) how and when the climate-related scenario analysis was carried out, including:		
i)	information about the inputs used, including: (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis);	
ii)	the key assumptions the issuer made in the analysis; and	
iii)	the reporting period in which the climate-related scenario analysis was carried out.	
(III). Risk Management		
27 (a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about:		Combat Climate Change: Risk Management
i)	the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);	Combat Climate Change: Strategy, Risk Management
ii)	whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks;	
iii)	how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria);	
iv)	whether and how the issuer prioritises climate-related risks relative to other types of risks;	
v)	how the issuer monitors climate-related risks;	
vi)	whether and how the issuer has changed the processes it uses compared with the previous reporting period;	
27 (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		Combat Climate Change: Risk Management
27 (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.		Combat Climate Change: Strategy, Risk Management



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(IV). Metrics and Targets

Greenhouse gas emissions

<p>28. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO₂ equivalent, classified as:</p> <ul style="list-style-type: none"> (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions. 	<p>Combat Climate Change: Metrics and Targets Key Performance: Environmental Performance</p> <p>The Group has completed the disclosure of Scope 1 and Scope 2 greenhouse gas emissions data, and will further assess and establish a Scope 3 greenhouse gas emissions management system in the future to improve the greenhouse gas disclosure system.</p>
<p>29 (a) measure its greenhouse gas emissions in accordance with the <i>Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004)</i> unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;</p>	<p>Combat Climate Change: Metrics and Targets</p>
<p>29 (b) disclose the approach it uses to measure its greenhouse gas emissions including:</p> <ul style="list-style-type: none"> i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions; ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes; 	<p>Combat Climate Change: Metrics and Targets Key Performance: Environmental Performance</p> <p>The Group has completed the disclosure of Scope 1 and Scope 2 greenhouse gas emissions data, and will further assess and establish a Scope 3 greenhouse gas emissions management system in the future to improve the greenhouse gas disclosure system.</p>
<p>29 (c) disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and</p>	<p>The Group has completed the disclosure of Scope 1 and Scope 2 greenhouse gas emissions data, and will further assess and establish a Scope 3 greenhouse gas emissions management system in the future to improve the greenhouse gas disclosure system.</p>
<p>29 (d) disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the <i>Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)</i>.</p>	<p>The Group has completed the disclosure of Scope 1 and Scope 2 greenhouse gas emissions data, and will further assess and establish a Scope 3 greenhouse gas emissions management system in the future to improve the greenhouse gas disclosure system.</p>

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Climate-related risks, opportunities and carbon prices	
30. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	The Group has identified the scope of potential impacts of climate-related risks and opportunities on key financial indicators, and has not yet quantified the specific amounts or percentages. The Group will carry out relevant data collection and economic impact calculation in the next step, to gradually improve the quantitative disclosure.
31. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	
32. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	
33. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	The Group is continuously improving its mechanisms for the collection and management of climate-related data. At present, the capital expenditures, financing, or investment amount related to climate-related risks and opportunities are still being compiled and are not yet ready for disclosure; we will provide further disclosures in due course as progress is made.
34 (a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and	The Group has not yet adopted an internal carbon pricing mechanism, mainly because the coverage of the domestic carbon market and the applicable industry rules are still being improved. The Group is continuously monitoring policy trends and industry practices, and assessing the feasibility of introducing a carbon pricing mechanism.
34 (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	

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Remuneration	
35. An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	The Group has not yet included climate-related performance indicators in its remuneration policy. Going forward, we will prudently evaluate the feasibility of their inclusion.
Industry-based metrics	
36. An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	Key Performance: Environmental Performance
Climate-related targets	
37. An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:	<p>Combat Climate Change: Metrics and Targets</p> <p>The Group has formulated and implemented a series of specific energy-saving and consumption reduction targets, and will further assess the feasibility of formulating climate-related quantitative targets in the future, so as to continuously strengthen climate performance management.</p>
(a) the metric used to set the target;	
(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	
(c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region);	
(d) the period over which the target applies;	
(e) the base period from which progress is measured;	
(f) milestones or interim targets (if any);	
(g) if the target is quantitative, whether the target is an absolute target or an intensity target; and	
(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	

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<p>38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:</p>	
<p>(a) whether the target and the methodology for setting the target has been validated by a third party;</p>	
<p>(b) the issuer's processes for reviewing the target;</p>	
<p>(c) the metrics used to monitor progress towards reaching the target; and</p>	
<p>(d) any revisions to the target and an explanation for those revisions.</p>	
<p>39. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.</p>	
<p>40. For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose:</p>	
<p>(a) which greenhouse gases are covered by the target;</p>	
<p>(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;</p>	
<p>(c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target;</p>	
<p>(d) whether the target was derived using a sectoral decarbonisation approach; and</p>	
<p>(e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose:</p> <p>(i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;</p> <p>(ii) which third-party scheme(s) will verify or certify the carbon credits;</p> <p>(iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and</p> <p>(iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).</p>	<p>The Group has not yet purchased or used any carbon credits to achieve greenhouse gas emission reduction or net-zero targets.</p>
<p>Applicability of cross-industry metrics and industry-based metrics</p>	
<p>41. In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics and industry-based metrics.</p>	<p>Not Applicable</p>

WINSWAY 易大宗

E-COMMODITIES HOLDINGS LIMITED

易大宗控股有限公司

