

2025

Environmental, Social and Governance (ESG) Report

Lianhe Aigen Pharma Co., Ltd.

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About the Report

This Report is the 2025 Environmental, Social and Governance (ESG) Report (hereinafter referred to as "the Report") published by Lianhe Aigen Pharma Co., Ltd. (Duqiao Site)*. It aims to disclose to stakeholders the Company's sustainability philosophy, approaches, practices and achievements throughout 2025.

Reference Standards

The relevant standards, frameworks and principles adopted for the preparation of this Report are as follows:

- *Sustainability Reporting Standards* (GRI Standards 2021) issued by the Global Sustainability Standards Board (GSSB)
- Compliant with the Standards of the Sustainability Accounting Standards Board (SASB)
- United Nations Sustainable Development Goals (UN SDGs)

Scope of the Report

Time Period: The Report covers our activities undertaken from January 1, 2025 to December 31, 2025. For the purpose of enhancing the comparability and completeness, certain information may include data from prior years and extended periods.

Organizational Scope: The organizational scope of this Report is consistent with the business scope of Lianhe Aigen Pharma Co., Ltd. (Duqiao Site).

Designations

Due to business relevance, certain content in this Report may refer to "Lianhe Aigen Pharma Co., Ltd." and "Lianhe Chemical Technology Co., Ltd.". For clarity of reading, we hereby specify the relevant designations.

Full Name	Abbreviations
Lianhe Aigen Pharma Co., Ltd. (Duqiao Site)	"Duqiao Site", "the Company", "We"
Lianhe Aigen Pharma Co., Ltd.	"Lianhe Aigen"
Lianhe Chemical Technology Co., Ltd.	"Lianhetech" (the controlling shareholder of Lianhe Aigen)

*Lianhe Aigen Pharma Co., Ltd. (Duqiao Site) is a production base of Lianhe Aigen Pharma Co., Ltd., located at No.3 Donghai 8th Avenue, Toumengang New District, Linhai, Taizhou City, Zhejiang Province.

Data Sources

All data disclosed in this Report are sourced from the Company's official website, official WeChat account, work reports and statistical statements of relevant business departments. Unless otherwise specified, the data in the Report are measured in metric system and the currency is denominated in RMB.

Public Form

This Report is published in electronic format.

Reliability Statement

We promise that there is no false record, misleading statement, or significant omission, and we will assume full liabilities for its authenticity, accuracy, and completeness.

Third-Party Assurance

We entrust a qualified institution to conduct independent third-party assurance, so as to ensure the accuracy and reliability of the information and data contained in this Report. Please refer to the "Assurance Statement" Chapter for further details.

Contact Information

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Message from Senior Management



Dear partners, friends from all walks of life, and all employees, Greetings!

On the official release of the 2025 ESG Report, on behalf of the Company's management, I would like to extend our sincere gratitude to all stakeholders who have long cared for and supported the development of the Company, and send warm regards to all employees who have remained dedicated to their posts and fulfilled their responsibilities.

In 2025, the Company adhered to a development strategy of steady operation and sustainable growth, and fully embraced the integrated development philosophy of environmental, social and corporate governance. We have fully embedded ESG requirements across daily operations, safety and environmental management, internal management and other core work. Staying true to our industrial roots and upholding sound business principles, the Company has steadily advanced the sound and orderly development of all its businesses.

In terms of environmental protection, we have driven the green transition guided by science-based carbon targets, joined the SBTi and achieved validation of our science-based carbon targets. Our

standardized and quantifiable commitments demonstrate our determination and confidence for low-carbon transition. We have integrated green chemistry principles throughout the entire life cycle of process development and production, actively adopting cutting-edge green technologies such as flow chemistry and enzymatic catalysis. We have also promoted the use of clean energy, upgraded wastewater treatment systems, and implemented full-process control of hazardous waste. Through carbon footprint verification, we have established a full life cycle environmental management system. Technological innovation has facilitated the coordinated reduction of pollution and carbon emissions, creating replicable and scalable practical experiences for the industry's green transition.

In terms of social responsibility, we always uphold a "people-oriented" approach and prioritize employee health and safety. We have increased investment in safety and environmental protection, built a comprehensive and intelligent safety monitoring and training system, and strengthened the occupational health and safety defense line. We have improved talent development mechanisms and diversified our talent structure to help every employee achieve personal value and career development alongside the corporate development. We adhere to strict quality and compliance standards, complying with the highest industry standards including China's NMPA, the US FDA and Japan's PMDA. We safeguard the health of patients worldwide with zero-defect products, fulfilling the social responsibilities of a pharmaceutical enterprise. We have extended ESG philosophies across the supply chain, establishing an ESG access and evaluation system for suppliers, to advance collaborative and sustainable industrial chain development based on "joint construction, joint governance and shared benefits".

In terms of corporate governance, we have further refined the ESG governance structure and incorporated ESG appraisal indicators into the overall performance system to clarify responsibilities across all levels and ensure a closed-loop management accountability. We have continuously improved internal management systems, clarified job responsibilities, enhanced supervision and evaluation mechanisms, and conducted regular risk assessments to mitigate operational, safety and environmental risks. Uphold the bottom line of compliant operation, abide by business ethics and codes of integrity in employment, standardize business cooperation practices, and foster a sound business environment. Meanwhile, strengthen the development of the information security system, improve data confidentiality and access control mechanisms, and effectively protect the core information security of the Company and its customers. In addition, we have standardized information disclosure and transparency management, continuously improve quality and efficiency, and steadily enhance enterprises' comprehensive modern governance capabilities.

Our journey ahead will be a long and arduous one. But as long as we press ahead with a sense of perseverance, there will be much to expect. Upholding the mission of pharmaceutical practitioners, the Company will continue to be guided by ESG principles and driven by innovation. We will contribute our wisdom and strength to the advancement of global pharmaceutical and healthcare, and work hand in hand with all stakeholders to build a better sustainable future!

General Manager of Lianhe Aigen Pharma Co., Ltd.

About Lianhe Aigen



Company Profile

Lianhe Aigen Pharma Co., Ltd., formerly known as Lianhe Chemical Technology (Taizhou) Co., Ltd., was established in April 2010, located at No.3 Donghai 8th Avenue, Taizhou Bay Economic and Technological Development Zone. It covers an area of 458 mu (approximately 30.53 hectares), with a registered capital of RMB 195.36766 million. As a key subsidiary focusing on the pharmaceutical business of Lianhetech, it has been certified as a national high-tech enterprise.

Lianhe Aigen is mainly engaged in the research, development and manufacturing of advanced API intermediates and active pharmaceutical ingredients (APIs). It obtained the *Pharmaceutical Production License* (No.: Zhejiang 20170011) in August 2017.

Lianhe Aigen's quality management system is established in accordance with ICH Q7, EU GMP, US 21 CFR and China's *Good Manufacturing Practice for Pharmaceutical Products* (Revised 2010). It has passed audits by top European and American Fortune 500 pharmaceutical companies including Novartis, AstraZeneca, Boehringer Ingelheim, Eli Lilly, Hovione and Lonza, gaining consistent customer recognition. The system meets the production and quality management requirements for APIs and advanced intermediates, and successfully passed the FDA inspection in 2023.

The Company is mainly engaged in the research, development, production and sales of intermediates and registered advanced intermediates for autoimmune drugs, antifungal drugs, hypoglycemic drugs, cardiovascular drugs, anti-tumor drugs, antiviral drugs, synthetic nucleic acid products, neurological drugs and geriatric disease medicines. The Company currently operates production lines including: 300 tons per year of Chunnidamine (LT228), 150 tons per year of LT132, 15 tons per year of AMTB, 300 tons per year of Fluxapyroxad Acid (LT968), 800 tons per year of Cyanoaminobenzamide (LT822), 300 tons per year of Ticagrelor Ester (LT305), 500

tons per year of Methoxyphenylboronic Acid (LT204), 300 tons per year of Benzidine Tetrazole (LT526), 20 tons per year of MACC, 300 tons per year of Oxcarbazepine Acid (LT285), 130 tons per year of Oxcarbazepine (OKXP), 10 tons per year of TMEDA, 20 tons per year of Pyrimidine Amide (LT292), 50 tons per year of Vebicorvir Intermediate (LT346), and 80 tons per year of Formylindole (LT289).

The Company was certified as a Provincial Level II Work Safety Standardization Enterprise in 2020, passed the re-inspection for Level II Work Safety Standardization Enterprise in December 2023, and was awarded Silver Medal in EcoVadis Sustainability rating for the first time in 2024. Adhering to the core value of prioritizing SHEQ&C, the Company always regards safety as the top priority, places safety, health, environmental protection and quality first, complies with relevant laws and regulations without compromise, and pursues high standards. The Company has further improved its responsible care management system, built up a process safety management system covering the entire product life cycle, fostered a robust safety culture, enhanced emergency preparedness and response capabilities, ensured safe transportation and distribution, and promoted safe production across all aspects of operations.

The Company has long been committed to building a corporate culture centered on its core values, uniting employees in working collaboratively toward corporate development goals, preserving the strong entrepreneurial spirit of the enterprise, and striving to build a workforce with core market competitiveness. Guided by a "people-oriented" management philosophy, the Company recruits outstanding graduates from universities nationwide every year for systematic training and career development. A core team of hundreds of key employees has been formed, which constitutes the most valuable asset of Lianhe Aigen.

Corporate Culture

	Mission	>>>	Empower Global Innovative Medicines and Contribute to Human Health
	Vision	>>>	Become the World-leading CRDMO Providing Integrated Solutions to Pharma Industry
	Core Values	>>>	SHEQ&C First Lianhe Aigen always complies with the laws and regulations of safety, health, environmental protection, and quality to ensure sustainable development of the Company. >>> Integrity & Trust Keep promises, respect difference and trust each other. >>> Inspiring Dedication The Company supports hard-workers and shares the fruits of their outcome. Employees should show initiative and take responsibility to challenge with a sense of ownership. >>> Result Orientation Focusing on process control towards results, we pursue high standards and efficiency to achieve our goals. >>> Continuous Innovation Continuously create and integrate new technologies with new thinking, expand the boundaries of applications and provide innovative solutions. >>> Win-win Cooperation Unite stakeholders with common goals and missions, establish business partnerships, strengthen teamwork, and integrate advantageous resources for mutual development.

ESG Governance



ESG Management

The Company regards ESG governance as an endogenous driver of sustainable development, and has established a three-level governance framework consisting of the "ESG Strategy Committee-the ESG Working Team-the ESG Liaison Team". It clearly defines the boundaries of responsibilities and management authorities of each level to facilitate systematic and professional ESG management, laying a solid governance foundation for the Company's high-quality and sustainable development.



ESG Governance Structure

With a global development vision, the Company actively aligns with international sustainability standards and responds to the United Nations Global Compact (UNGC), the Science Based Targets initiative (SBTi) and the Responsible Care Global Charter. It integrates advanced international sustainability concepts deeply into its overall ESG strategy and daily operations. The Company joined the UNGC on December 8, 2025, and adheres to core principles of the UNGC covering human rights, labor, environment and anti-corruption, so as to standardize its own operations and supply chain management.



Type:	Company
Country:	China
Sector:	Pharmaceuticals and Biotechnology
Sub-sector:	Pharmaceuticals
Ownership:	Privately Held
Global Compact Status:	Active
Participant Since	08 December 2025
Letter of Commitment	
Next Communication on Progress (COP) due on:	31 July 2026

Communication with Stakeholders

The Company has established and refined a regular communication mechanism for diverse stakeholders. Adhering to an open, transparent and inclusive communication philosophy, we actively respond to the concerns and demands of key stakeholders including government and regulatory authorities, customers and employees. Meanwhile, we have built an efficient feedback and suggestion system, integrating the reasonable expectations of all parties into corporate decision-making processes. We continuously transform external oversight and reasonable suggestions into practical measures for sustainable development, so as to improve corporate governance efficiency and overall value creation capacity.

Stakeholder Identification and Communication

Stakeholder Type	Concerned Topics	Response Methods
 Government and Regulatory Authorities	• Pay taxes in accordance with the law • Anti-corruption • Fair competition • Environmental compliance management	• Pay taxes in full • Promote integrity development • Uphold business ethics • Improve the environmental management system
 Customers	• Premium quality • High-quality service • Product innovation • Customer rights and interests • Privacy protection	• Improve product quality and service standards • Enhance innovation capacity • Protect customer rights, interests and privacy
 Employees	• Rights and interests protection • Compensation and welfare • Equality and inclusion • Career development • Health and safety	• Safeguard employees' rights and interests • Offer competitive compensation and welfare • Anti-discrimination and anti-harassment • Strengthen employee training • Smooth career development pathways • Provide a safe working environment and health protection
 Suppliers and Other Partners	• Fair and integrity cooperation • Win-win cooperation • Sustainable supply chain development	• Integrity & trust, fair competition • Establish long-term effective partnerships • Build a sustainable supply chain together
 Communities and the Public	• Community engagement • Public welfare initiatives	• Volunteer services • Support vulnerable groups

Material Topics Management

The Company follows the double materiality principle, conducting systematic identification and assessment across two dimensions of financial materiality and impact materiality. It accurately identifies key material topics that have a significant impact on the Company's sustainable development and are of high concern to stakeholders, laying a scientific foundation for subsequent ESG management and information disclosure.

Material Topics Management Process

Understand Corporate Background and Value Chain

The Company systematically reviews its core business structure, key operational processes, regional layout and supply chain system. It accurately identifies potential material environmental and social impacts across all business links, as well as business activities, partnerships and risk scenarios that could materially affect the Company's financial performance and operational resilience.

Identify Stakeholders and Their Concerns

The Company identifies key stakeholders and adopts regular communication mechanisms including questionnaire surveys, interviews, communications and operational feedback channels to fully understand their core concerns and expectations, laying a solid foundation for subsequent topic selection and priority determination.

Establish a Topic Library

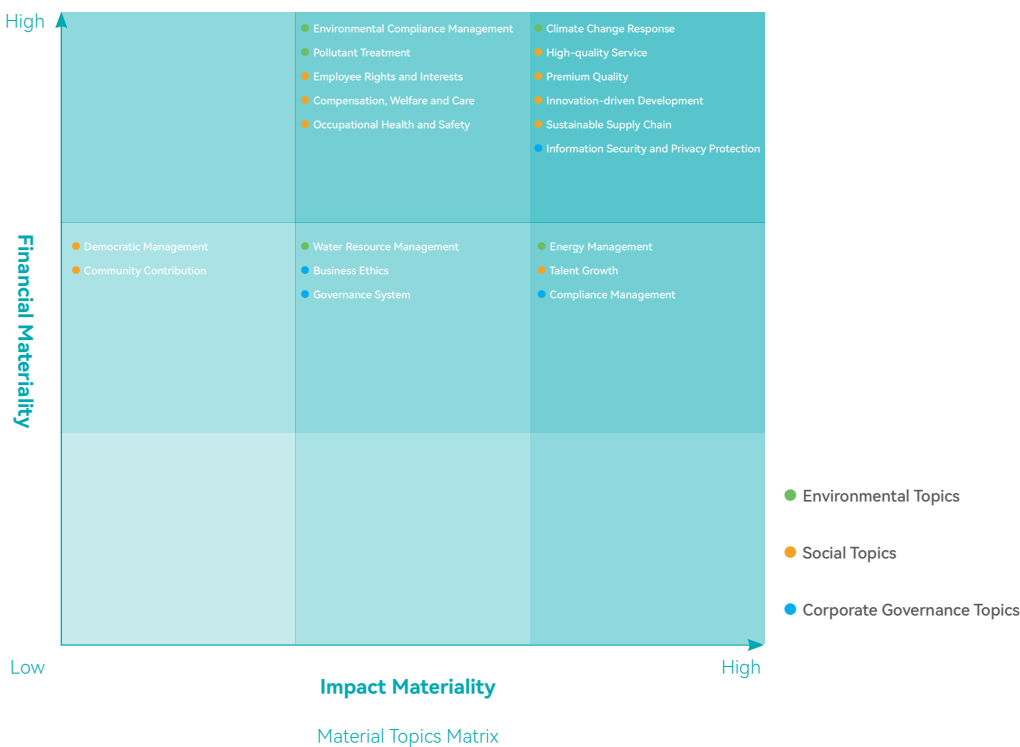
Guided by globally recognized ESG standards such as the GRI Standards, and referencing industry development trends and peer sustainability benchmarks, the Company systematically develops a comprehensive material topics list covering environmental, social and governance dimensions.

Conduct Double Materiality Assessment

Impact Materiality: Assesses whether the Company's performance on each topic creates actual or potential significant impacts on the economy, environment and society.

Financial Materiality: Assesses whether the topic is expected to significantly affect the Company's business model, operating results, financial status, cash flows, financing channels and costs over the short, medium and long term.

During the assessment process, the Company conducts systematic analysis based on internal data, supporting evidence, management experience, risk scenario analysis and stakeholder feedback. A final list of material topics is created and prioritized, to support the development of the material topics matrix and the core information disclosures.



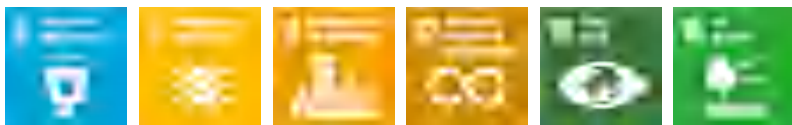
United Nations Sustainable Development Goals (SDGs)

SDGs	Our Actions	Chapters
	- The Company always prioritizes the protection of employees' rights and interests in business operations. It continues to deepen the implementation of social responsibility practices covering key dimensions including the prohibition of child labor, prohibition of forced labor, anti-discrimination and anti-harassment, practice of diverse and equal employment, support for vulnerable employees, and safeguarding employees' rights to freedom of association and collective bargaining. The Company strives to foster a fair, respectful, harmonious and stable labor relations environment. - The Company conducts regular industry and local compensation surveys, as well as internal compensation equity reviews. Taking full account of living expenses including housing, meals, healthcare, education, transportation, daily necessities and communications, the Company dynamically adjusts compensation standards based on regional living costs and consumer price levels, to maintain market competitiveness and local adaptability of compensation. - Focusing on employee care, the Company is committed to developing a diversified and comprehensive welfare security system to continuously enhance employees' sense of belonging, happiness and career security. - The Company fully complies with the <i>Law of the People's Republic of China on the Prevention and Control of Occupational Diseases</i> and relevant laws and regulations. Following the core principle of "prevention first, combined prevention and treatment", the Company systematically improves the occupational health management system, and carries out regular occupational health surveillance, workplace environment control, health education and risk inspections, so as to build a robust occupational health safety defense line, effectively prevent occupational disease risks. - The Company regards work safety as the lifeline of corporate development, firmly upholds the philosophy of safety-driven development, and strictly adheres to the safety bottom line.	Rights and Interests Protection Compensation, Welfare and Care Occupational Health and Safety
	Through training needs analysis across three dimensions of "organizational development, job requirements, and individual capabilities and needs", the Company identifies the training requirements of new hires, job rotation/transfer staff, and employees requiring competency development. Customized training programmes are developed and incorporated into the annual training plan, covering general skills and compliance, technical skills, production and operations management, and other relevant fields. This ensures the annual training plan aligns with corporate development requirements and meets competency improvement needs of all employees across all positions.	Talent Growth
	- Throughout recruitment, compensation assessment, career promotion, skills training and all other procedures, the Company adheres to the fundamental principle of gender equality and fully implements the equal pay for equal work system. - In strict compliance with national laws and regulations, the Company delivers comprehensive labor protection for female employees during pregnancy, maternity leave and breastfeeding periods. Lactation rooms are available on-site, and care initiatives including exclusive physical examinations and health education sessions for women are provided. - A Women Employees Committee has been established to create dedicated communication and support channels for addressing female employees' work and life demands in a timely manner. The Company also organizes special events such as themed activities for International Women's Day on a regular basis to enrich female employees' spare time, cultivating a harmonious workplace atmosphere that respects and cares for women and upholds gender equality.	Rights and Interests Protection
	We strictly comply with the Water Law of the People's Republic of China, the Regulations of Zhejiang Province on Water Resources and other relevant laws and regulations. Adhering to the principle of water conservation, we have established a complete set of management systems for water withdrawal, consumption and saving. Extensive publicity and company-wide training are conducted to raise employees' awareness of water conservation and improve water use efficiency.	Water Resource Management
	Comprehensive Utilization of Renewable Energy: The Company purchases "Green Electricity Certificate Transaction Vouchers" for carbon emission verification and emission reduction evidence, complying with emission reduction policies and green supply chain standards, and supporting the development of the national renewable energy industry.	Energy Management

SDGs	Our Actions	Chapters
	- The Company organizes a diverse range of cultural and sports activities, including celebrations for traditional festivals such as the Dragon Boat Festival, Mid-Autumn Festival and Lantern Festival. It also hosts various sports events like mini-marathons and basketball competitions, as well as special activities such as galas and themed team-building events. These activities enrich employees' spare time and fully satisfy their diverse spiritual, cultural, leisure and social needs. - The Company has established multi-dimensional employee communication channels and regular feedback mechanisms, including email, regular departmental meetings, monthly meetings, on-site notice boards and other diverse communication platforms. These fully safeguard employees' right to voice opinions and submit reasonable suggestions, encouraging staff to actively contribute ideas for corporate management and long-term development. - Adhering to the talent-first development philosophy, the Company has established a scientific, comprehensive, diversified and smooth career development system. It opens up multiple development channels including vertical promotion, horizontal job rotation and skill advancement, and improves the linkage mechanism covering training, performance appraisal and promotion. The Company precisely matches employees' competencies with job requirements, builds all-round growth platforms and broadens development space for employees, supports employees in career planning and comprehensive capability building, and facilitates the coordinated and aligned progress of employees' personal growth and the high-quality development of the enterprise.	Compensation, Welfare and Care Employee Communication Talent Growth
	Adhering to the "Quality by Design" principle, the Company has established six core GMP management systems centred on the overall quality system. It continuously optimizes production processes, improves product quality and safeguards patient safety.	Quality Management
	- The Company actively responds to the national "carbon peaking and carbon neutrality" strategy, integrates climate change response actions into its ESG governance framework, and builds a top-down governance system. - The Company's short-term and long-term science-based carbon reduction targets, as well as corporate net-zero emissions target, have been officially validated and certified by SBTi, fully aligning with the science-based carbon reduction standard consistent with the 1.5° C global warming pathway.	Climate Change Response
	- The Company regards ESG governance as an endogenous driver of sustainable development, and has established a three-level governance framework consisting of the "ESG Strategy Committee-the ESG Working Team-the ESG Liaison Team". It clearly defines the boundaries of responsibilities and management authorities of each level to facilitate systematic and professional ESG management, laying a solid governance foundation for the Company's high-quality and sustainable development. - Adhering to high standards and stringent requirements principles, the Company continuously improves its business ethics management system and strives to foster a clean, fair and transparent business environment. - The Company establishes a comprehensive information security management system, formulates full-process information security control measures, and earnestly implements all work relating to information security and user privacy protection.	ESG Governance Compliant Operation
	- The Company has established and refined a regular communication mechanism for diverse stakeholders. Adhering to an open, transparent and inclusive communication philosophy, we actively respond to the concerns and demands of key stakeholders including government and regulatory authorities, customers and employees. - The Company has built an efficient feedback and suggestion system, integrating the reasonable expectations of all parties into corporate decision-making processes. We continuously transform external oversight and reasonable suggestions into practical measures for sustainable development, so as to improve corporate governance efficiency and overall value creation capacity. - Guided by customer demands, the Company has built a full-process, full life cycle customer service system. Adhering to professional, efficient, rigorous and pragmatic service standards, we ensure steady progress of customer projects, consolidate long-term partnerships and pursue mutually beneficial growth. - The Company has formulated a <i>Sustainable Procurement Policy</i>, and integrated the sustainable procurement management system into daily full process of production and operations. While pursuing economic benefits in procurement decisions, the Company systematically conducts environmental and social impact assessments to reduce the environmental loads and adverse social impacts of procurement activities at the source.	ESG Governance Quality Management Sustainable Supply Chain

02

Environmental Responsibility



Environmental Management

Environmental Protection Policy

The Company fully implements its *Environmental Protection Policy*, strictly complies with ecological and environmental laws, regulations and industry standards, and firmly adopts the philosophy of green and low-carbon development. Environmental management is embedded across all aspects of daily operations, project construction and technological R&D activities. We continuously improve the environmental control system, strengthen source prevention, in-process control and end-of-pipe treatment. Through standardized, refined and routine environmental management, we safeguard ecological safety and advance the Company's sound, green and sustainable development.

Lianhe Aigen Environmental Policy Targets

Core Area	2026-2030 Targets
Energy and Water Resources	Using 2025 as the baseline, reduce energy consumption per unit product by 3% and water consumption per unit product by 3% by 2027.
Greenhouse Gas Emissions	Using 2025 as the baseline, reduce Scope 1 and Scope 2 greenhouse gas emissions by 19% and Scope 3 greenhouse gas emissions by 38% by 2030 (intensity targets based on unit revenue).
Waste Management	Using 2025 as the baseline, achieve 100% coverage of classified waste treatment and reduce the solid waste emission intensity per unit of industrial added value by 5% by 2027.
Air Pollution	Using 2025 as the baseline, reduce VOC emission intensity per unit of industrial added value by 5% by 2027.
Chemical Management	Using 2025 as the baseline, maintain 0 hazardous chemical spills by 2027; prioritize environmentally friendly materials during process development.
Emission Monitoring	Using 2025 as the baseline, maintain 100% implementation rate of the self-monitoring plan under the pollutant discharge permit, 100% compliant treatment rate of waste gas, wastewater and solid waste, and 100% compliance rate of factory boundary noise emissions by 2027.
API Management and Control	Using 2025 as the baseline, reduce the environmental impact of APIs generated from production activities to 0 by 2030.
Product Carbon Footprint	Using 2025 as the baseline, achieve 100% coverage of product carbon footprint studies and related information disclosure by 2035.

In February 2025, CDP (Carbon Disclosure Project) released the 2024 climate change ratings for disclosing companies. Lianhe Aigen achieved a full B score across Climate Change, Water Security and Forests for the first time. This result represents high recognition from an internationally authoritative institution of Lianhe Aigen's progress in four key areas of environmental governance, strategic planning, risk management, and indicators and targets. It also demonstrates the Lianhe Aigen's ongoing commitment and exemplary practices in environmental transparency, green low-carbon transition and sustainable development.

Environmental Management System

The Company has established an environmental management system in accordance with the ISO 14001 standard, the environmental management manual and relevant supporting documents. The system covers key elements including the identification and control of environmental aspects of construction projects and daily operations, pollution prevention and control, environmental monitoring, and environmental emergency response. We conduct regular internal audits and management reviews to continuously improve the system performance. As of the end of the reporting period, the Company has maintained valid ISO 14001 environmental management system certification.



Environment Management System Certificate

Environmental Risk Control

The Company has established a sound environmental risk identification, assessment and control mechanism, and formulated corresponding prevention and mitigation measures to prevent environmental risks at the source. We continuously enhance our environmental risk prevention capacity through standardized daily environmental management, upgrading environmental protection facilities, and improving emergency response capabilities for sudden environmental incidents.

During the reporting period, no environmental pollution incidents or regulatory penalties related to environmental violations occurred.

Environmental Impact Assessment

The Company strictly complies with the *Environmental Protection Law of the People's Republic of China*, the *Environmental Impact Assessment Law of the People's Republic of China*, the *Regulations on Environmental Protection Management of Construction Projects*, other relevant laws, regulations and standards, as well as the "three simultaneities" management requirements for construction projects. Environmental factors such as compliance with industrial policies and standardization of pollution prevention are fully incorporated into project feasibility studies and construction plan reviews. We engage professional experts to conduct environmental impact assessments, prepare assessment reports and submit them for review and approval by local regulatory authorities.

Over the long term, **100%** of our new, reconstruction and expansion construction projects have completed environmental impact assessments and obtained approvals from environmental regulatory authorities.

Environmental Training

The Company provides environmental training covering environmental protection concepts, relevant laws and regulations, environmental management systems, pollution treatment and other related topics for all employees. The training helps employees understand environmental regulations and the Company's environmental management requirements, as well as improve their environmental awareness and environmental protection capabilities.

During the reporting period, the staff participation rate in environmental training reached **100%**.

Environmental Emergency Response

In accordance with applicable laws and regulations as well as the Company's actual production and operation conditions, we have formulated emergency response plans for sudden environmental incidents and filed them with local regulatory authorities. A complete environmental emergency response and command system has been established with adequate emergency supplies and resources in place. Regular emergency drills are conducted to ensure all employees are familiar with emergency response procedures, enabling prompt and effective response action in the event of any sudden environmental incident.



Emergency Drill for Sudden Environmental Incidents (n-Butyllithium Leakage and Combustion · 5 December 2025)

Environmental Monitoring

The Company strictly abides by ecological and environmental laws, regulations and regulatory requirements, and has established a systematic and regular environmental monitoring mechanism. We adopt a combined model of self-monitoring and third-party commissioned monitoring, standardizing the entire process management including sampling, sample submission, data analysis and record filing. Environmental monitoring results are reported to environmental regulatory authorities in a timely manner and disclosed publicly. Standardized and regulated environmental monitoring measures will strengthen the defense line for environmental risk management and control.

Pollution and Waste Treatment

The Company complies with environmental protection laws and regulations as well as regulatory requirements including pollutant discharge permits, and carries out comprehensive treatment of wastewater, waste gas, waste and other pollutants in light of actual production and operational conditions with a systematic concept. We continuously upgrade basic production facilities, innovate manufacturing processes, renovate pipelines and auxiliary equipment, and improve pollutant treatment and monitoring systems. We explore intensive and synergistic pollution treatment solutions, and build a closed-loop system featuring source emission reduction, in-process control and end-of-pipe treatment. We strictly ensure compliant discharge standards, improve overall pollution treatment efficiency, and lay a solid foundation for green production and compliant operations. During the reporting period, no administrative penalties or legal litigation cases arose from non-compliant pollutant discharges.

The control of active pharmaceutical ingredients (APIs) is a core priority of our pollutant treatment. We have formulated the *Active Pharmaceutical Ingredient (API) Environmental Discharge Management Policy*. We dynamically assess environmental risks based on PEC (Predicted Environmental Concentration)/PNEC (Predicted No Effect Concentration) ratio evaluations, and establish a full-process closed-loop control mechanism for API pollutants. We implement enclosed isolation and zoned management at the production source, collect, transport and treat API-containing wastewater, waste gas and waste separately via dedicated routes, conduct regular monitoring, concentration tracing and data analysis, and precisely optimize treatment procedures and control measures. This enables refined, standardized and systematic treatment of API-specific characteristic pollutants.

Wastewater Treatment

Separation of Rainwater and Sewage

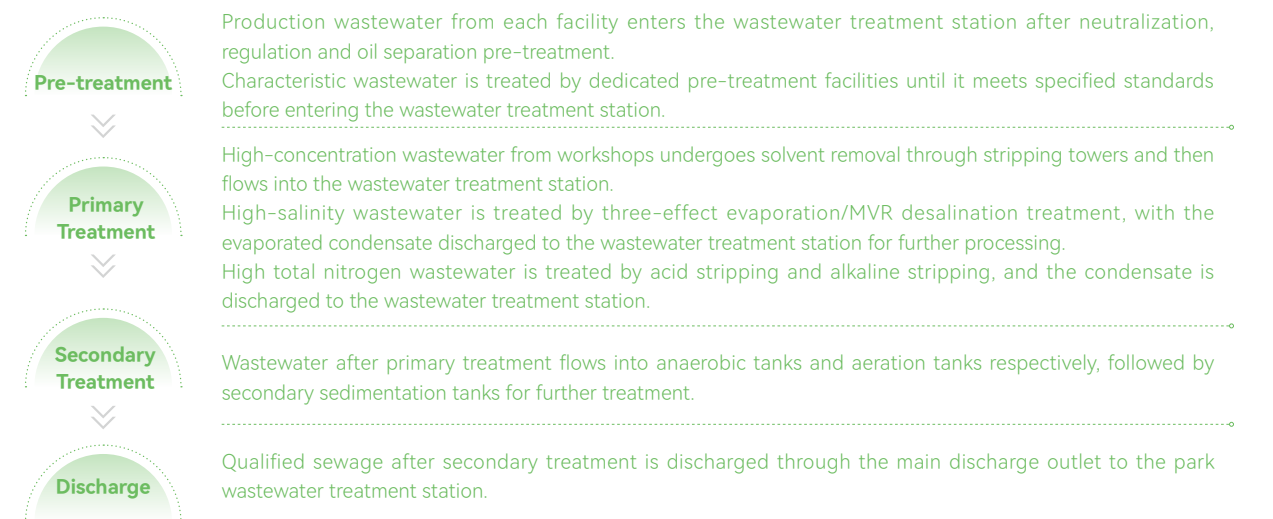


Adhering to the basic principle of "separating clean water from sewage and rainwater from sewage", the Company carries out scientific pipe network layout and continuous improvement based on actual production and operational conditions. Separate pipe networks are installed for rainwater and sewage to achieve physical isolation and independent transportation of production wastewater, domestic sewage, regular rainwater and accidental emergency wastewater, preventing cross-contamination at the source. We have constructed dedicated initial rainwater collection tanks and intercepting facilities. All initial rainwater is collected, pre-treated and then fed into the central sewage treatment system. Subsequent clean rainwater is collected through the rainwater pipe network, treated via sedimentation tanks, bar screens and other pre-treatment facilities to remove impurities, and then discharged into the park rainwater pipe network in compliance with standards. A regular inspection, dredging and anti-seepage monitoring mechanism for pipe networks is implemented to ensure the stable operation of the separation of rainwater and sewage system.

Sewage Treatment



The Company has built a comprehensive sewage treatment system to treat different types of sewage according to their respective characteristics:





Sewage Treatment Facilities



Wastewater Monitoring

The Company has established a comprehensive wastewater monitoring and testing mechanism:

- Daily sampling and analysis are conducted at key monitoring points of the wastewater treatment system to track its operational status at each stage. Abnormal data points are analyzed and addressed promptly to ensure wastewater quality meets relevant requirements throughout the treatment process;
- Discharged wastewater is subject to online monitoring and can only be sent to the park wastewater treatment station after passing compliance testing;
- Entrusted qualified third-party institutions conduct regular annual wastewater testing and issue official inspection reports.

In 2025, all wastewater test results are complied with relevant standards and regulatory requirements.

Wastewater Reduction



The Company focuses on wastewater reduction management across the entire production process. By continuously optimizing production processes, upgrading equipment operation modes and improving classified wastewater treatment routes, we reduce wastewater generation and pollutant loads at the source. Through refined process control and technological upgrades, we steadily achieve wastewater volume reduction, pollutant emission reduction and standardized harmless disposal.

Case Toluene Recovery and Reuse



Toluene is used as the primary solvent in one of the Company's projects. A combined pre-treatment + rectification process is adopted to recover and reuse toluene. The recovered solvent meets production requirements after testing and is steadily reused in post-treatment and crystallization processes. In 2025, 1,091.5 tons of toluene-containing waste liquid were processed, yielding 907.5 tons of qualified recycled toluene for full internal recycling, replacing an equivalent volume of virgin toluene. This saved approximately RMB 4.09 million in raw material costs for the year and reduced the volume of toluene-containing wastewater requiring treatment.

Case Resource Recovery from Iodine-Containing Layered Wastewater



For another project, iodine-containing layered wastewater is recycled through an oxidation-reduction process. Iodine waste is purified to produce sodium iodide for internal production recycling, while the by-product cuprous oxide is sold externally in compliance with relevant regulations. In 2025, the project treated 199.5 tons of iodine-containing wastewater and yielded 25.32 tons of sodium iodide. This practice reduces reliance on purchased iodine resources and cuts production costs. Additional revenue is generated through the external sales of by-products, and the environmental burden caused by wastewater discharge is alleviated. The integration of environmental, economic and social benefits is thereby achieved.

Waste Gas Treatment

The Company strictly complies with environmental laws, regulations and pollutant discharge permit requirements. Based on the characteristics of waste gas generation and emissions from production processes, we have established a full-process waste gas treatment system featuring source prevention, control, enclosed collection, staged treatment and online monitoring. By optimizing production processes, upgrading treatment facilities and strengthening fugitive emission control, we implement targeted measures to treat various process waste gases, continuously improve waste gas collection and treatment efficiency, ensure stable compliant emissions, and effectively prevent atmospheric environmental risks.

Fugitive Waste Gas Treatment

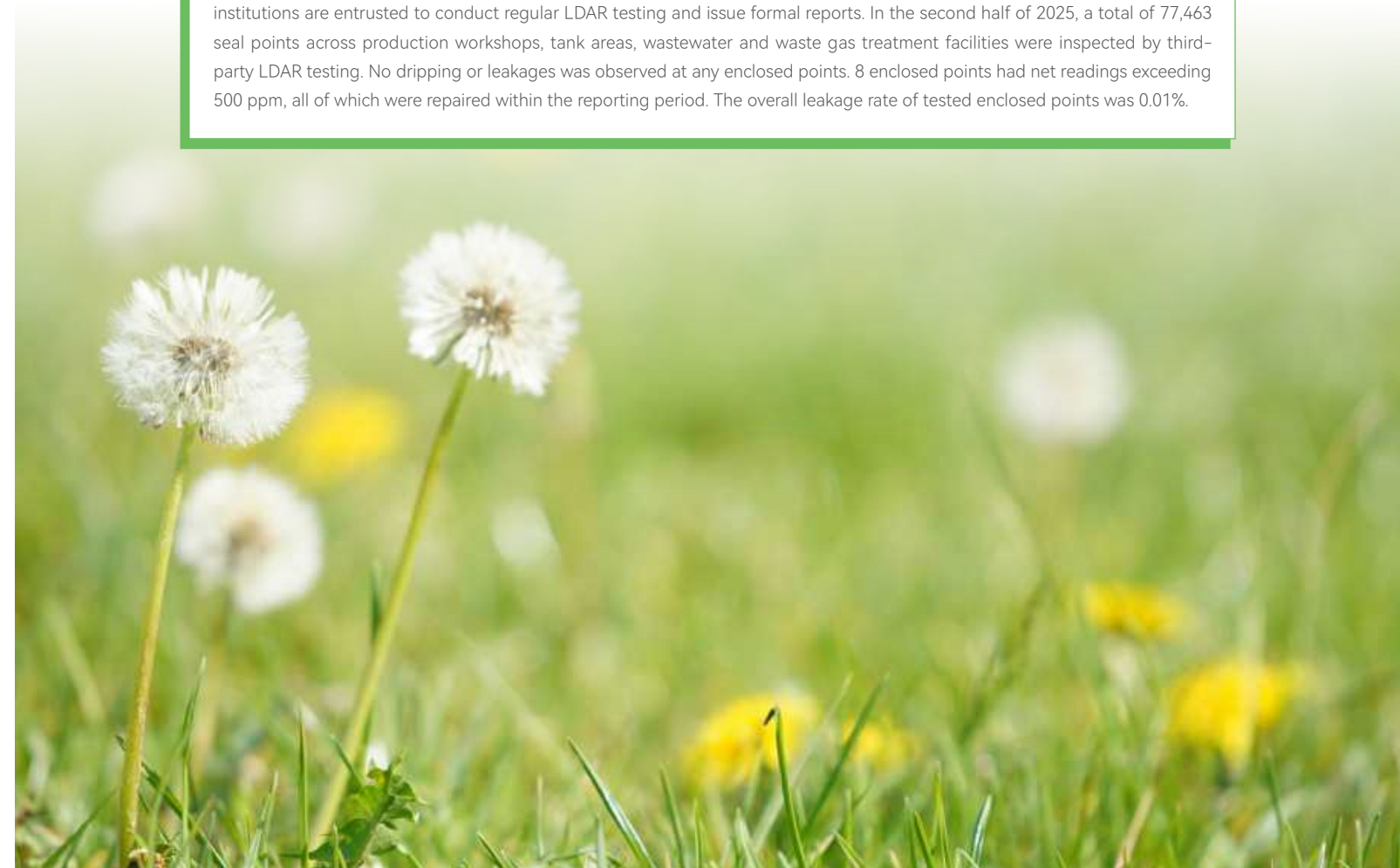
The Company focuses on systematic comprehensive treatment of fugitive waste gas across key areas including production workshops, equipment areas, material storage and transportation facilities, as well as warehouse storage areas:

- Fully implement enclosed upgrading of equipment; carry out sealing renovation on production units, material transfer connections, storage tanks and loading/unloading areas to reduce the volatilization and dispersion of waste gas at the source.
- Optimize negative pressure gas collection layouts in workshops. Using enclosed barriers, sealed equipment renovates, regional negative pressure extraction and dedicated pipework, fugitive waste gas are efficiently captured and discharged, converting fugitive waste gas into organized waste gas for further purification by dedicated treatment facilities.
- Implement refined on-site management, standardize the entire process management of material transfer and temporary storage, conduct a regular inspection and investigation mechanism, and dynamically inspect and rectify fugitive emission hazards. Multi-dimensional measures including source prevention and control, enclosed control, gas collection and routine inspections are adopted to effectively curb the unorganized diffusion of fugitive waste gas.

Case LDAR Testing



The Company uses high-sensitivity (PPb level) handheld VOCs detectors for regular on-site inspections and self-monitoring at key locations, and maintains a leak log to record leak points and rectification measures. In addition, qualified third-party institutions are entrusted to conduct regular LDAR testing and issue formal reports. In the second half of 2025, a total of 77,463 seal points across production workshops, tank areas, wastewater and waste gas treatment facilities were inspected by third-party LDAR testing. No dripping or leakages was observed at any enclosed points. 8 enclosed points had net readings exceeding 500 ppm, all of which were repaired within the reporting period. The overall leakage rate of tested enclosed points was 0.01%.



Organized Waste Gas Treatment

The Company has constructed complete enclosed collection and pipeline transportation systems for fixed emission points of production processes and supporting facilities, enabling fixed-point collection, enclosed transportation and centralized treatment of waste gas. We implement targeted classified treatment based on differences in waste gas composition and concentration, adopting appropriate professional purification technologies to control various air pollutants precisely. The main processes, technologies and measures for organized waste gas treatment include:



Automatic control instruments are deployed to autonomously regulate reaction pressure, supplemented by safety designs including nitrogen blanketing for reactions. This measure minimizes the concentrations of solvents, light reaction fractions and other substances in tail gas requiring treatment at the source, substantially lowering the load on downstream waste gas treatment facilities and cutting VOCs emissions.



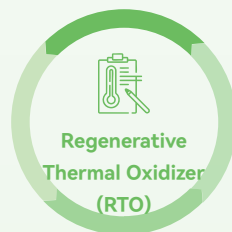
Multi-stage gradient condensers and other equipment are adopted. Cryogenic recovery technology is applied to solvent recovery systems involving high solvent consumption, high volatility or strong odor generation, so as to boost solvent recovery efficiency and reduce VOCs generation.



A dichloromethane recovery unit is deployed to treat halogen-containing tail gas (macroporous resin adsorption), with various absorption towers equipped for the pre-treatment of diverse inorganic and organic tail gas streams.



Wet electrostatic precipitators and other equipment as well as water film ash cleaning technologies are adopted to efficiently capture and treat dust and particulate matter.



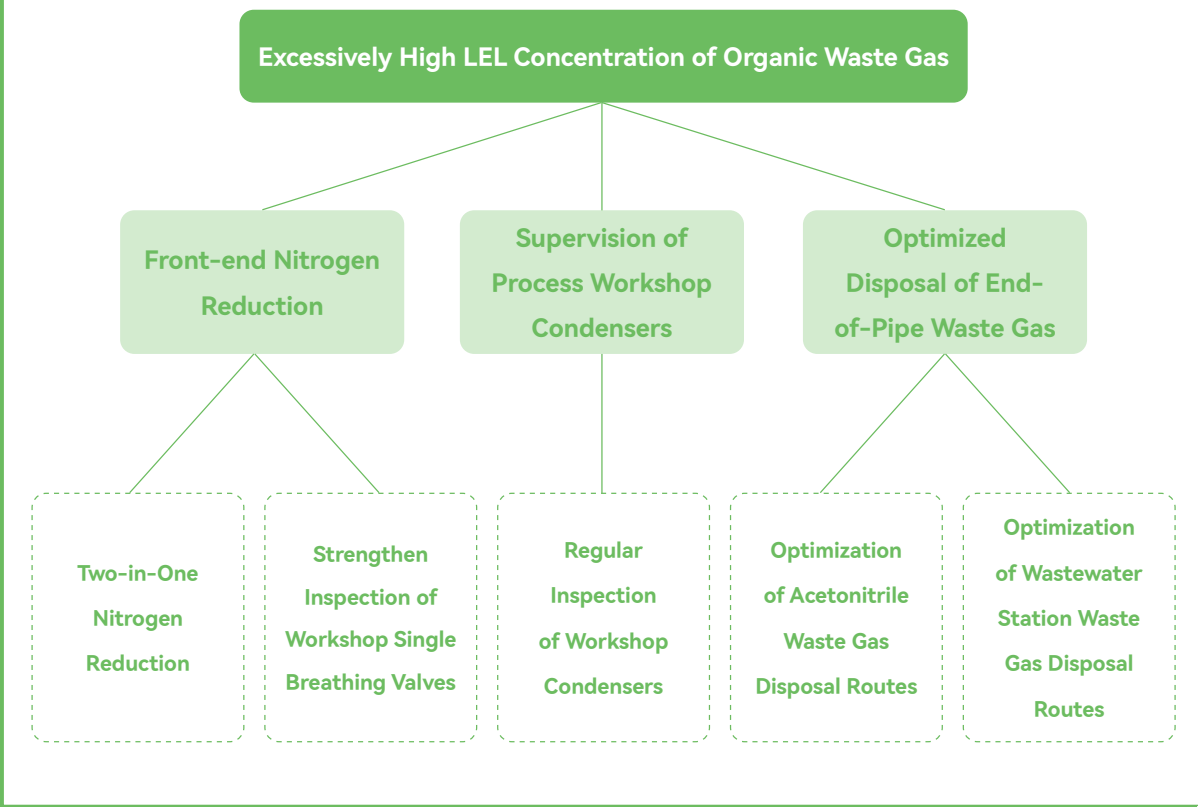
Organic neutral waste gas shall undergo condensation and water spray absorption treatment before incineration through RTO systems; organic acidic waste gas shall be subject to condensation and alkaline spray absorption prior to RTO incineration; amine/ammonium-containing waste gas shall be treated by condensation and dilute sulfuric acid spray absorption, followed by RTO incineration; halogen-containing waste gas shall pass through condensation and halogen pre-treatment facilities before entering RTO incineration.



Biotrickling filter units are used to biologically decompose waste gas emitted from wastewater tanks. Biogas generated in anaerobic tanks is treated through a combined process of biogas pressurization & mixing, wet desulfurization and flare purification, which reduces odor concentration and ensures discharge complies with relevant standards.

Case Comprehensive Optimization of the RTO System

Faced with rising production capacity and mounting pressure on organic waste gas treatment, the Company conducted a comprehensive optimization and improvement project for its RTO systems in 2025. Starting with addressing excessive LEL concentrations of waste gas, the Company adopted multiple measures including tapping emission reduction potential at the source, optimizing end-of-pipe treatment and strengthening process control to comprehensively boost the organic waste gas treatment efficiency of RTO systems. This ensures a consistently high removal rate of organic pollutants and enables coordinated progress in capacity expansion and environmental governance.



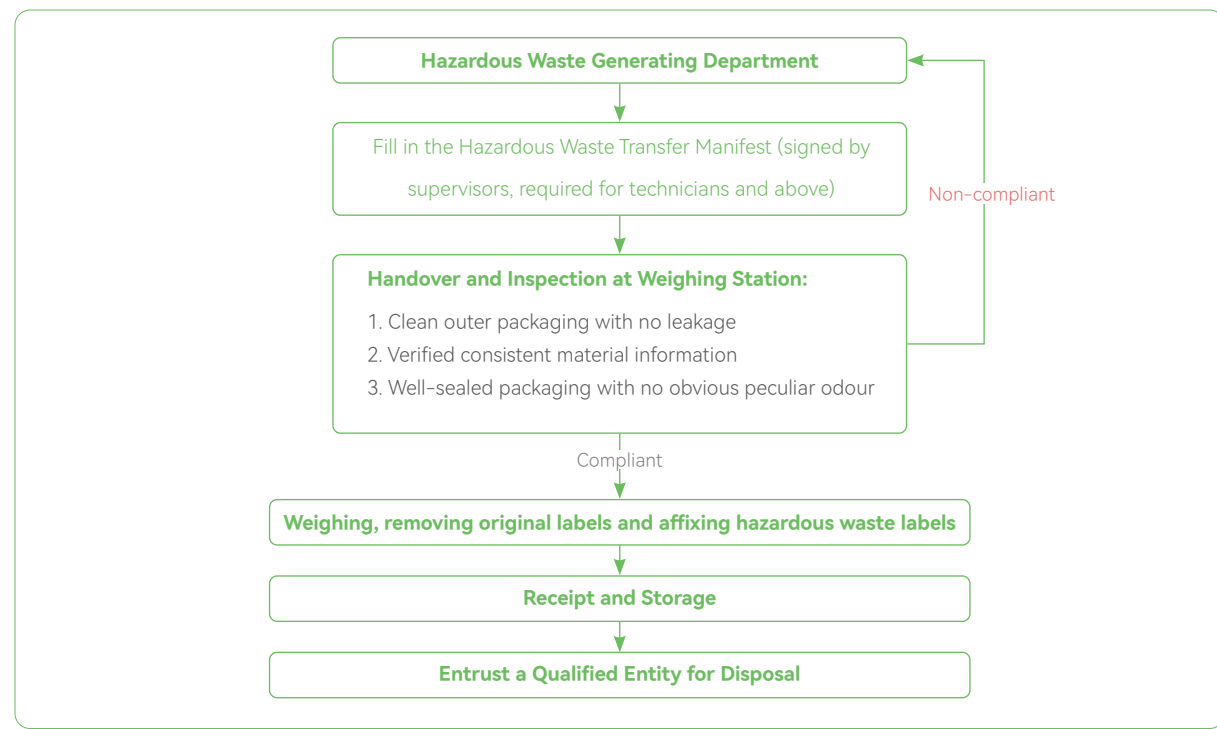
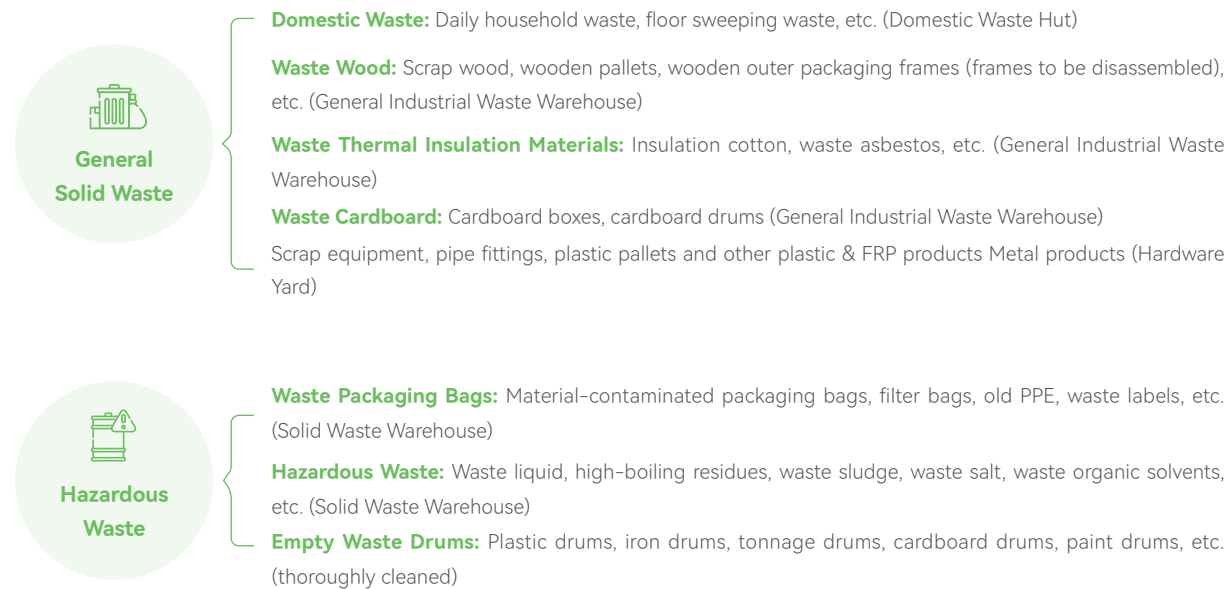
The Company has established a regular facility maintenance and management system, including daily equipment inspections, consumable replacement, pipeline maintenance and monitoring instrument calibration. We also improve spare parts inventory management and operational records to ensure the stable and efficient operation of waste gas treatment facilities. Online monitoring systems are installed at all discharge outlets to monitor emission parameters and equipment operating conditions in real time, forming a closed-loop management system covering treatment, maintenance and supervision, so as to maintain consistent and compliant waste gas emissions.

All waste gas monitoring results in 2025 met relevant standards and regulatory requirements.



Waste Treatment

The Company strictly complies with the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* and other applicable laws and regulations. Following the principles of "reduction, recycling and harmless", we have formulated internal rules including the *Solid Waste Management Procedure*, and built a full-responsibility system covering the generation, collection, storage, transportation, recycling and disposal of solid waste. We implement comprehensive and full life cycle management for hazardous waste, general industrial solid waste and domestic waste.



Classification and Disposal Process of Solid Waste

The Company has established solid waste management ledgers to record in detail the types, quantities, destinations and disposal status of solid waste, enabling full traceability of solid waste from generation, collection and temporary storage to transportation and final disposal. The Company strictly selects cooperating entities with legal qualifications for solid waste disposal, standardizes the signing of solid waste disposal agreements, and rigorously implements the hazardous waste transfer manifest system to ensure all types of solid waste are disposed of in full compliance with laws and regulations. The Company regularly carries out inspections on environmental risks arising from solid waste storage, transportation and disposal processes, delivers specialized training to employees covering solid waste classification and standardized operation, and raises all employees' awareness and practical capabilities regarding solid waste environmental management.

The Company constructed hazardous waste temporary storage areas in strict accordance with the *Standard for Pollution Control on Hazardous Waste Storage* (GB 18597-2023), and built storage zones for general industrial solid waste as supporting facilities. Pollution prevention facilities such as anti-seepage, rainproof, anti-runoff and anti-dust scattering installations, as well as prominent warning signs, are installed in all waste storage areas to effectively prevent environmental risks including solid waste seepage, runoff and fugitive dust scattering.

The Company actively practices the concept of circular economy and vigorously promotes the resource utilization of solid waste. For recyclable general industrial solid waste generated during production, comprehensive utilization is prioritized through compliant channels. Specialized recovery and disposal are implemented for production by-products and recyclable materials to maximize resource utilization efficiency, reduce the generation and external disposal volume of solid waste at source, and achieve synergistic benefits between resource utilization and pollution prevention and control.

Noise Treatment

Noise generated during the Company's operation mainly stems from high-noise auxiliary production equipment such as air compressors, water pumps and fans, as well as operational noise from production units. The Company adopts the following key measures for comprehensive noise treatment:

On the premise of meeting process design requirements, low-noise and low-vibration equipment models complying with international standards are selected as far as possible to reduce noise source intensity;

Independent enclosures are constructed for high-noise auxiliary production equipment including air compressors, water pumps and fans, equipped with acoustic hoods, silencers and other noise reduction accessories;

All production equipment is arranged inside the plant building, with foundation vibration reduction, building sound insulation and other measures adopted to mitigate noise emissions;

Strengthen daily management; conduct regular maintenance and servicing of mechanical equipment and noise reduction facilities, and enhance lubrication to ensure the normal operation of all facilities.

The Company requires all personnel entering high-noise areas to wear proper personal hearing protection such as earplugs and earmuffs, and comply strictly with working hour limits to reduce noise exposure. Regular noise protection publicity is carried out to improve employees' self-protection awareness and effectively prevent occupational noise hazards.

The Company has formulated noise monitoring plans and protocols to regularly monitor noise emissions at the plant boundary. During the reporting period, all monitoring results verified that the plant boundary noise levels fully meet relevant standards and emission regulatory requirements.

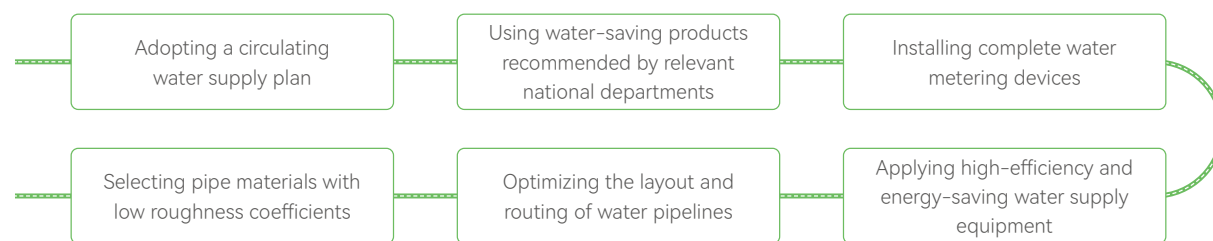
Water Resource Management

The Company is located in Taizhou Bay Economic and Technological Development Zone. Water supply is provided by the local municipal water utility, with abundant water resources and a sound municipal water supply network, resulting in an extremely low water supply risk for the Company.

The Company's water consumption consists of process water and domestic water. We strictly comply with the *Water Law of the People's Republic of China*, the *Regulations of Zhejiang Province on Water Resources* and other relevant laws and regulations. Adhering to the principle of water conservation, we have established a complete set of management systems for water withdrawal, consumption and saving. Extensive publicity and company-wide training are conducted to raise employees' awareness of water conservation and improve water use efficiency.

The Company carries out regular water balance analysis. We systematically review process water, auxiliary water, domestic water and circulating water, and conduct full accounting of water intake, consumption, reuse and discharge volumes, so as to clarify the full water balance of inflow, consumption, reuse and outflow across all water-consuming units. Water balance inspections help identify inefficient water use links and tap potential for water conservation and emission reduction. We continuously optimize water allocation and improve intensive water use efficiency, providing scientific data support for corporate water conservation management, wastewater reduction and environmental compliance control.

The Company prioritizes institutional management and clarifies water conservation responsibilities. We formulate water consumption plans, implement target assessment systems, upgrade water facilities and conduct regular inspections and maintenance to eliminate water waste caused by "running, leakage, dripping, spillage". The regular water-saving measures adopted by the Company include:



Guided by green production and intensive water utilization principles, the Company focuses on all water-consuming processes. We adopt multiple technical measures including optimizing production water processes, upgrading water consumption equipment, improving water recycling systems and refining water use process management, to maximize internal water-saving potential, reduce fresh water intake and consumption, and steadily improve the overall efficiency of water resource utilization. The key water-saving initiatives implemented in 2025 are as follows:

A cooling tower overflow recovery tank was added on the roof of the East and West Zones of the Power Workshop to reduce tap water consumption, saving 7,000 tons of water in 2025.



Plant steam condensate is recovered and reused as makeup water for the waste liquid incinerator cooling tower, replacing fresh water consumption and achieving dual benefits of water conservation and energy recovery. A total of 12,000 tons of steam condensate were recycled in 2025.



The intermediate water tank for the three types of waste (waste water, waste gas, and solid waste) uses recovered plant steam condensate instead of fresh water. A total of 76,794 tons of steam condensate were recycled in 2025.



Chemical Management

In accordance with the *Regulations on the Control over Safety of Hazardous Chemicals*, the *Measures for the Administration of Registration of Hazardous Chemicals*, the *General Rules for the Hazardous Chemicals Warehouse Storage* (GB 15603-2022) and other applicable regulations and standards, the Company has formulated internal management systems including the *Regulations on the Administration of Precursor Chemicals* and the *Regulations on the Administration of Explosive Precursor Hazardous Chemicals*. These systems strictly regulate safety management throughout the full life cycle of chemicals, including procurement, transportation, storage, loading/unloading, usage and waste disposal, so as to prevent and mitigate health, safety and environmental risks associated with chemical incidents.

The Company adopts a dedicated professional management system for chemicals, and provides ongoing training for staff on chemical knowledge and standard operating procedures, to improve risk control awareness and operational capabilities.

Suppliers are required to provide Safety Data Sheets (SDS) for all incoming chemicals, enabling full risk identification and development of targeted management plans. We also provide SDS and related documentation to customers, fully disclosing the physicochemical properties, health, safety and environmental risks of our products.

The Company has established formal procedures including the *General Warehouse Management Rules*, *Receipt and Inspection Application Procedures for Purchased Materials*, *Operating Procedures for Receiving, Storing and Issuing Tank Farm Materials*, *Warehouse Classification and Temperature & Humidity Control Specifications*, and *Material Handling and Loading/Unloading Operating Procedures*, to strictly manage chemical receipt, storage and issuance, and prevent environmental pollution and safety risks during operations. The Company has established and refined management systems for chemical transport vehicles, covering incoming factory inspection, outgoing factory inspection, as well as document verification and registration. These systems ensure that the whole processes of incoming chemical raw materials and outbound finished product delivery fully comply with environmental protection and safety regulatory requirements. All key sites, facilities and equipment handling chemicals are equipped with pollution prevention and control measures against seepage, runoff and fugitive scattering. In case of seepage, runoff or fugitive scattering of hazardous substances, containment facilities, drip-catching devices and anti-seepage containment systems shall be deployed to block pollutants from entering the external environment. The Company carries out periodic testing of all containment facilities and systems to promptly and effectively identify hidden risks and implement rectification without delay.

The Company installs hazard "notification boards", "warning signs" and "risk identification boards" at conspicuous locations in all chemical-related areas, and provides relevant operation manuals to guide operators in identifying hazard sources and risk factors, preventing operational risks, raising safety awareness and complying with operational specifications.

We conduct reviews of the qualifications of hazardous chemical transportation entities and the credentials of drivers and escorts. We also enter into safety agreements with relevant entities, attaching the *Transporter Safe Transportation Code* and *Cargo Transportation Safety Agreement* as annexes to clarify liabilities for safety incidents and environmental pollution arising during chemical transportation.



Energy Management

The Company strictly complies with the *Energy Conservation Law of the People's Republic of China* and other relevant laws and regulations, and follows the *Guidelines for Energy Management in Industrial Enterprises* (GB/T 15587-2008). It has formulated the *Energy Management System* as well as internal rules including the energy-saving target management responsibility system, energy management post responsibility system, energy procurement and approval management system, and energy conservation reward and penalty system, establishing a sound energy conservation management system with clear powers and responsibilities, and standardized workflows.

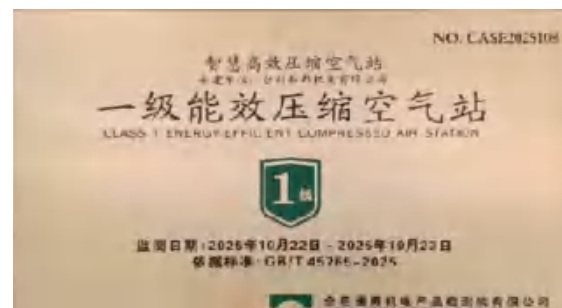
Energy-saving control targets are broken down and implemented at all levels, with clear energy management responsibilities defined for each department and position. Regular energy consumption statistics, monitoring and dynamic analysis are conducted. Energy conservation performance is included in daily performance appraisal with corresponding reward and penalty mechanisms in place. Regular energy conservation promotion activities and professional training are organized to foster an energy conservation awareness across all staff, standardize energy usage practices, tap further energy conservation potential and improve overall energy utilization efficiency.

The Company entrusts qualified third-party institutions to conduct annual energy audits. The audits cover overall energy management practices, energy consumption patterns and workflows, energy metering and statistics, energy consumption structure, operational efficiency of energy-consuming equipment, comprehensive and physical energy consumption per unit product, energy costs, and energy conservation technical renovation projects. These audits help assess the Company's energy management performance, identify existing problems and weak links in energy utilization, explore further energy conservation opportunities, reduce energy consumption and production costs, and improve economic benefits.

Energy conservation measures are integrated into all aspects of production and operations. Through system development, management improvement, metering upgrades, technological upgrades, process optimization and structural adjustments, the Company achieves steady and rational reduction in energy consumption and improves the overall benefits of energy conservation.

Case Certification as a First-Class Energy Efficiency Compressed Air Station

In 2025, the Company completed the upgrade and renovation of its compressed air equipment. 2 sets of first-class energy efficiency centrifugal air compressor units were adopted, which fully cut down the power consumption for air production while meeting the demand for compressed air supply. Compared with the situation prior to the renovation, approximately 1.64 million kWh of electricity can be saved annually. The Company's compressed air station has become the first first-class energy efficiency station in Taizhou.

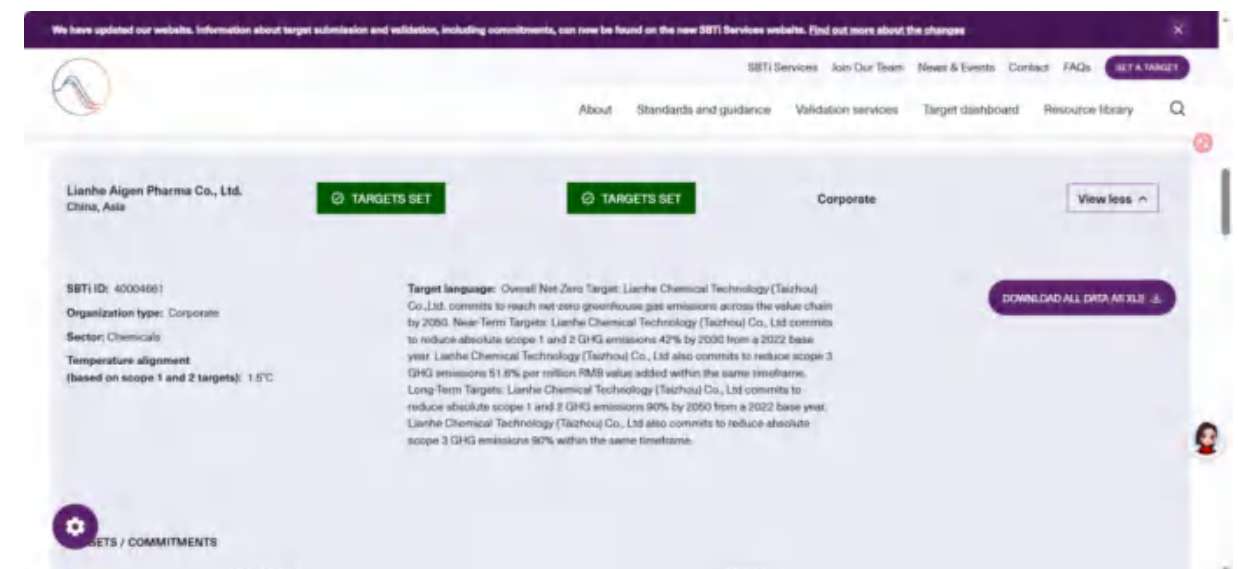
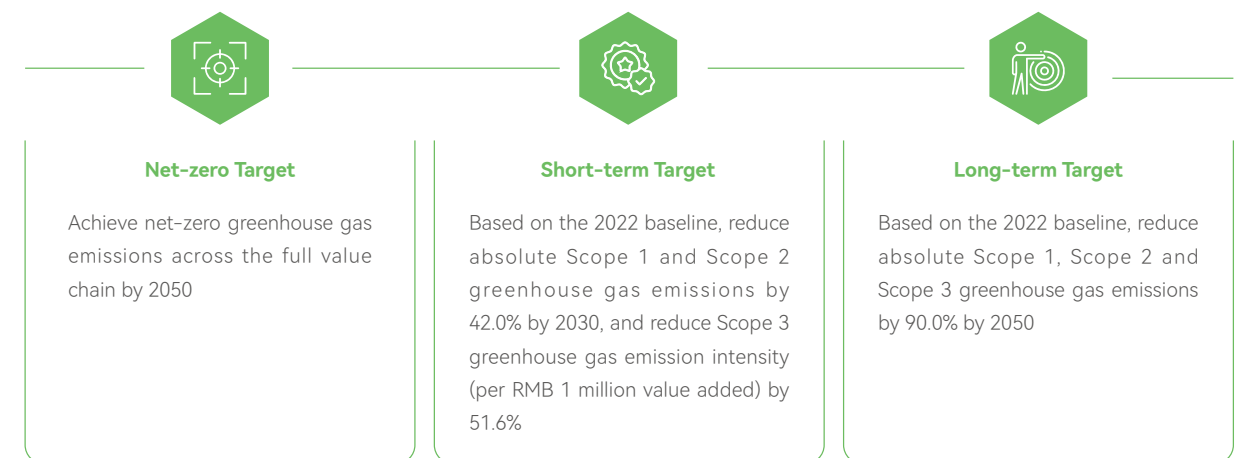


Climate Change Response

The Company actively responds to the national "carbon peaking and carbon neutrality" strategy, integrates climate change response actions into its ESG governance framework, and builds a top-down governance system. When formulating and executing operational plans, climate change topics are embedded in key decision-making processes. The Company identifies and analyses climate-related risks and opportunities, develops targeted climate change strategies and actions aligned with actual operations, and enhances climate resilience across its own operations and the upstream and downstream value chains.

Emission Reduction Targets

The Company has formally joined the Science Based Targets initiative (SBTi). Its short-term and long-term science-based carbon reduction targets, as well as corporate net-zero emissions target, have been officially validated and certified by SBTi, fully aligning with the science-based carbon reduction standard consistent with the 1.5° C global warming pathway.



Emission Reduction Governance

Improve Governance System



The Company has set up a greenhouse gas emission reduction project management committee chaired by the General Manager to oversee overall carbon reduction initiatives. The committee consists of four working groups of the Carbon Target Validation Team, the Green Energy Team, the Process Emission Reduction Team, and the Supplier Management Team. These teams are responsible for carbon target formulation and assessment, energy conservation and energy structure adjustment, technical and process improvement, and supply chain decarbonization respectively. The Company has formulated internal rules including the *Greenhouse Gas Management Regulations*, clarifying carbon reduction job responsibilities, operational standards, control procedures and reward-and-penalty mechanisms. This ensures clear accountability across all production lines, providing solid organizational and institutional support for meeting emission reduction targets and achieving the medium-term and long-term low-carbon development vision.

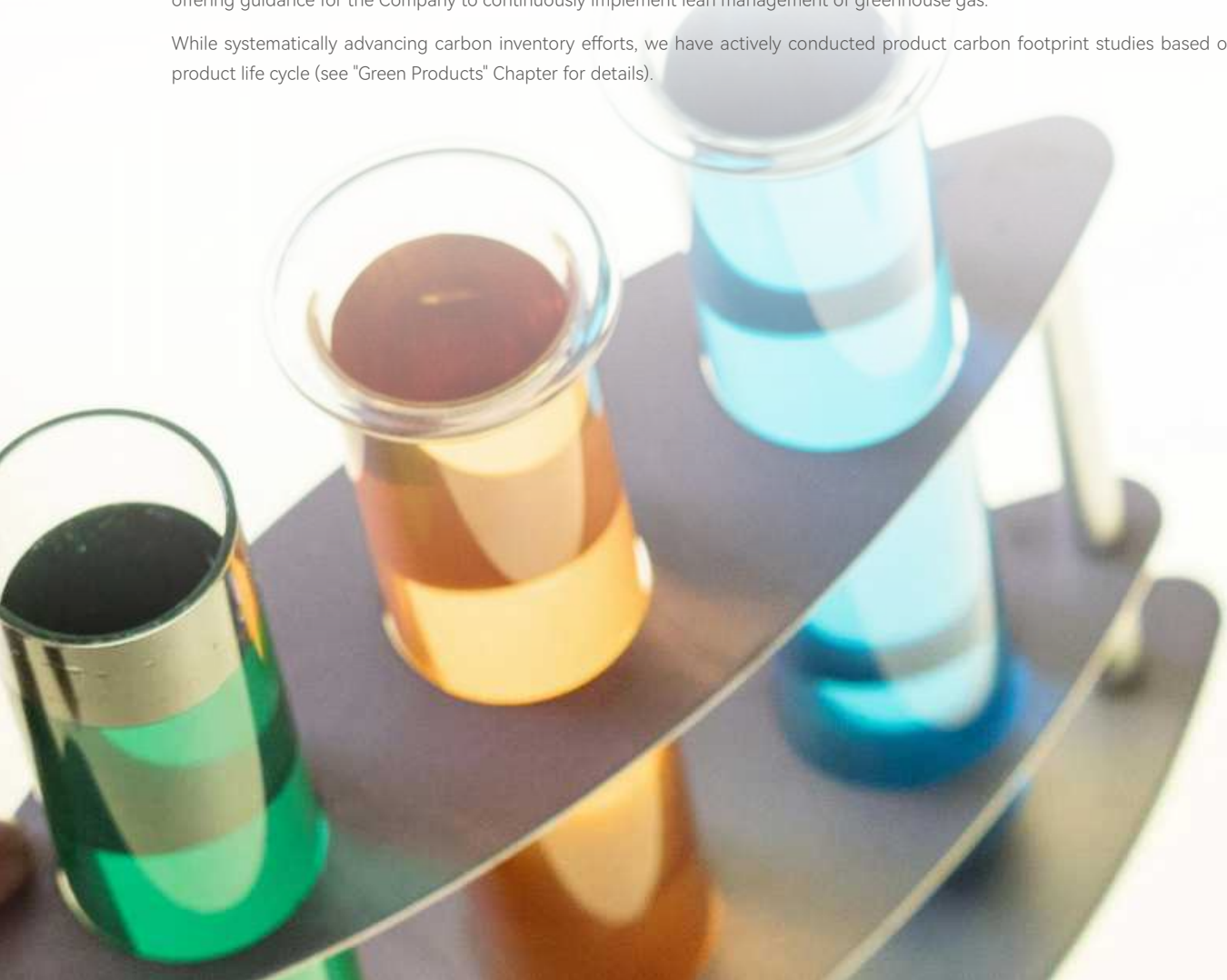
Greenhouse gas management knowledge and operational requirements are incorporated into regular training systems. Specialized training covering greenhouse gas management standards, emission reduction measures, compliance rules and risk control is delivered to raise overall carbon emission management awareness and build practical carbon management capabilities of all employees.

Greenhouse Gas Inventory



In line with the ISO 14064 standard and the actual production and business conditions, the Company regularly updates its greenhouse gas inventory list and conducts systematic greenhouse gas inventory. Qualified third-party institutions are engaged to verify the greenhouse gas inventory results, confirm compliance with relevant standards and validate data authenticity and accuracy, while offering guidance for the Company to continuously implement lean management of greenhouse gas.

While systematically advancing carbon inventory efforts, we have actively conducted product carbon footprint studies based on the product life cycle (see "Green Products" Chapter for details).



Strengthen Energy Management



Adhering to the principles of energy conservation first and efficiency-driven development, the Company integrates energy conservation practices throughout all production and business processes, carries out lean energy management continuously and improves energy efficiency, taking practical energy conservation actions to support the delivery of "dual carbon" goals (see the "Energy Management" Chapter for details).

While strengthening energy management, the Company actively promotes the adjustment and transition of its energy structure:

Comprehensive Utilization of Renewable Energy

The Company purchases "Green Electricity Certificate Transaction Vouchers" for carbon emission verification and emission reduction evidence, complying with emission reduction policies and green supply chain standards, and supporting the development of the national renewable energy industry. Advance green logistics initiatives: Prioritize the use of electric or hybrid vehicles to cut fossil fuel consumption; optimize transportation scheduling and delivery routes to improve logistics operational efficiency and lower transportation energy consumption and carbon emissions; promote recyclable, lightweight and eco-friendly packaging materials to reduce the use of single-use packaging and waste generation; select logistics partners with proven green operation capabilities as the first choice to strengthen low-carbon management over transportation links.

Synergistic Pollution Reduction and Carbon Mitigation

Fuel savings achieved via incineration facilities (a total of 312 tons of diesel saved in 2025); waste solvent recycling in resource utilization workshops to raise waste solvent recovery rates, boost the comprehensive utilization volume of waste solvents and waste salts, and cut incineration and land-filling volumes (11,600 tons of waste solvents and 900 tons of waste salts were comprehensively recycled in 2025).

Deepen Supply Chain Collaboration



The Company maintains regular communication with supply chain partners on climate change-related matters and consistently exerts impacts on suppliers, including but not limited to the following actions: incorporating clauses concerning "natural resource conservation and climate protection" into the Supplier Code of Conduct and Procurement Contract; distributing climate-related questionnaires to key suppliers; assisting suppliers in establishing standardized greenhouse gas (GHG) inventory mechanism; collecting GHG emission performance data from suppliers; and offering preferential procurement incentives for suppliers that adopt new energy conservation and emission reduction processes. Drawing on its own climate governance practices, the Company drives the energy-saving and low-carbon transformation of the entire supply chain, and collaborates with all partners to build a sustainable industrial ecosystem featuring green coordination and win-win development.



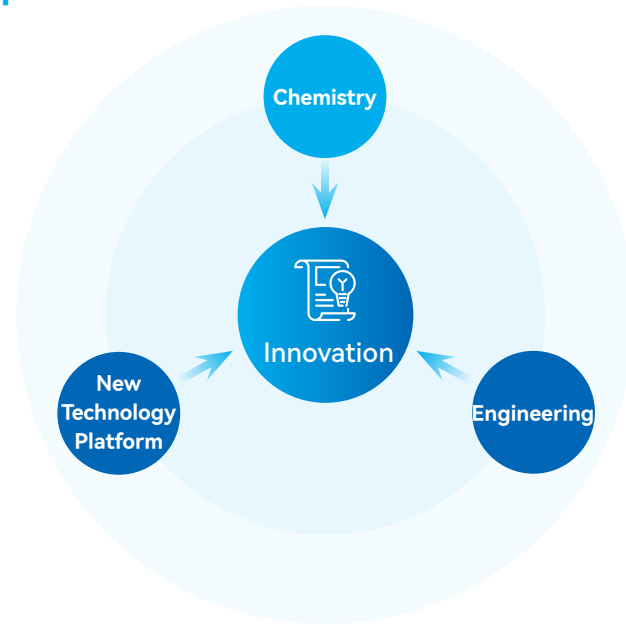
03

Product Responsibility



Scientific and Technological Innovation

Innovation System



Chemistry



Acylation Reaction	Alkylation Reaction	Cyanation Reaction
Catalytic Reduction Reaction	Chlorosulfonation Reaction	Grignard Reaction
Decarboxylation Reaction	Friedel-Crafts Reaction	Sandmeyer Reaction
Hydrogenation Reaction	Nitration Reaction	Benzoylation Reaction
Amoxidation Reaction	Condensation Reaction	Cyclization Reaction
Fluorination Reaction	Phosgenation Reaction	Halogenation Reaction

New Technology Platform



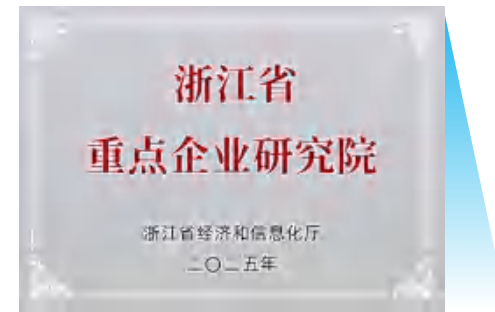
Continuous Flow Platform	Oligonucleotide Platform	Amino Acid, Polypeptide Platform	ADC/PROTAC Sub-platform
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Engineering



High-standard Design	Prioritize SHE	Membrane Separation	Base Engineering Experience
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The Company takes innovation as its core driver, focusing on key areas including green synthesis, process optimization and intelligent manufacturing of pharmaceutical intermediates and APIs. It has systematically established a comprehensive scientific and technological innovation system, continuously upgraded R&D pathways and technical methodologies, refined supporting guarantee measures, fully unlocked the internal momentum for technological R&D, and promoted the in-depth integration of cutting-edge technologies and industrial production. Through systematic, regular and long-term innovation layout, the Company empowers its high-quality and sustainable development. During the reporting period, Lianhe Aigen was accredited as a "Key Enterprise Research Institute of Zhejiang Province".



Key Enterprise Research Institute of Zhejiang Province

We have set up a New Product Development Guidance Committee led by the Company's principal person-in-charge and jointly composed of R&D, Responsible Care, Operations and functional departments to coordinate all scientific and technological innovation activities across the Company. We have formulated internal norms including the *Administrative Systems for Scientific Research Projects* and *Detailed Implementation Rules for the Administration of Scientific Research Projects*, establishing a full-process management framework covering project initiation, expert review, R&D tackling, pilot scale-up, process verification, achievement commercialization and patent filing. The Company implements hierarchical and categorized control over research projects as well as full-cycle nodes assessment. Meanwhile, supporting mechanisms such as intellectual property protection, rewards for scientific and technological achievements, and incentives for R&D talents have been refined to ensure the institutionalized, standardized and regular advancement of scientific and technological innovation.

During the reporting period, **3** invention patent applications were submitted and **1** invention patent was granted. As of the end of 2025, the Company held a total of **34** authorized invention patents.

The Company deeply integrates SHE management into the whole process of scientific and technological innovation. The Responsible Care department participates in relevant assessments from the very beginning of project initiation, conducting pre-judgment and risk control covering process safety, occupational health, ecological environmental protection and three types of waste disposal. Compliance requirements for safety and environmental protection are set as mandatory preconditions for research project approval. Throughout all links including lab-scale R&D, process optimization, pilot scale-up and industrialization launch, the Company simultaneously carries out safety hazard identification, environmental feasibility demonstration and occupational health impact assessment. It prioritizes screening green synthetic routes, low-pollution reaction processes and inherently safe technical solutions. The Company strictly enforces the "three simultaneous" principle, under which safety, environmental and occupational health facilities shall be designed, constructed and commissioned synchronously with scientific research projects. A linkage mechanism linking technological innovation with SHE risk management has been established to realize in-depth integration and coordinated progress of technological innovation with safe development, green development and Responsible Care.

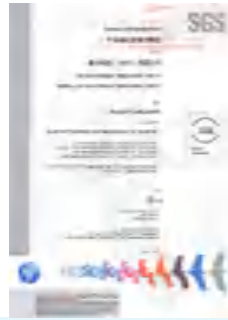
In 2025, the Company successfully launched **25** new research projects, among which **3** projects passed the provincial new product application review.

Green Products

Supported by a sound product innovation system, the Company adheres to the ESG philosophy of "Responsibility, Environmental Protection and Safety". It prioritizes enhancing the environmental friendliness, health attributes and safety of products throughout research, design and development. Full life cycle environmental factors, safety risks and health impacts are assessed at the early R&D stage. With systematic design methodologies and rigorous R&D management, the Company has established a full life cycle product assurance system spanning R&D, manufacturing, product application and end-of-life disposal, to deliver safe, reliable, healthy and eco-friendly high-quality products to customers.

Carbon Footprint Research

In accordance with standards including *Greenhouse Gases—Carbon Footprint of Products—Requirements and Guidelines for Quantification* (ISO 14067: 2018), the Company regards environmental impact research as a fundamental part of R&D and innovation, and conducts regular product carbon footprint research. These assessments aim to maximize resource conservation and greenhouse gas reduction, drive ecological improvement of products and accelerate the green transformation of the industry.



Product Carbon Footprint Certificate

Raw Material Risk Management and Control

The Company implements classified management of raw materials, identifies key materials, and assesses risks related to supply availability, regulatory compliance, price volatility and market reputation. Risks are managed and controlled systematically through supplier diversification, establishment of safety stock, development of alternative technologies, recovery process R&D, and compliant traceability practices.

The Company strictly complies with domestic and international product quality and safety regulations and standards, embeds compliance requirements into the full product life cycle, and strengthens hazardous substance control. Self-testing and third-party verification are conducted to ensure products are safe, environmentally sound, reliable and meet market access requirements.

Green Product Design

Source Pollution Reduction and High-efficiency Quality Improvement

The Company optimizes synthetic processes and eliminates highly toxic, high-risk and high-cost raw materials to fundamentally reduce the three types of waste generation. For example, low-dosage copper-based catalysts are used to replace precious metal palladium catalysts, and inexpensive, low-toxic dibromohydantoin is adopted instead of costly NBS brominating agents. These changes reduce heavy metal pollution and production costs while improving material utilization efficiency. Common raw materials such as piperazine are used to optimize reaction routes, combined with solvent recovery and reuse technologies, greatly cutting resource consumption and wastewater discharge. Meanwhile, process innovation suppresses by-product formation and simplifies waste treatment procedures, enabling green manufacturing across the entire production cycle from raw material feeding to final product output.

Upholding the Bottom Line of Safety

The Company works to eliminate high-risk processes such as high-pressure hydrogenation in process design, and avoids the use of flammable, explosive and highly hazardous materials including hydrogen and nitro intermediates. Mild low-temperature and atmospheric pressure reaction conditions are applied to mitigate the risk of process runaway. Relying on special equipment such as airtight tubular continuous flow reactors, the Company realizes fully enclosed material transfer and reactions to eliminate hidden risks of volatilization and leakage. Combined with conventional low-risk acid-base and solvent systems, production management and control are simplified. The Company builds a robust safety defense line covering both hardware design and raw material selection.

Focus on Occupational Health

Upgrades for enclosed and continuous production lines cut the frequency of direct contact between operators and chemical materials. The Company phases out highly irritating and highly toxic auxiliaries, optimizes workshop working environments, mitigates hazards posed by dust and harmful volatile substances, and eliminates risks of occupational poisoning and chronic physical injuries. Meanwhile, streamlined process flows remove high-risk stationary monitoring operations to reduce the physical and mental burden on front-line staff, delivering dual guarantees of production efficiency and occupational health protection.

End-of-Life Product Disposal

The Company complies strictly with relevant GMP regulations and standards, following the "identification-isolation-assessment-disposal" framework. It actively explores approaches and pathways to shift end-of-life product management from "harmless disposal" to "resource recovery". Supported by relevant policies and technologies, the Company develops sustainable paths to advance circular economy development and green transformation within the pharmaceutical industry.

Quality Management

Quality System

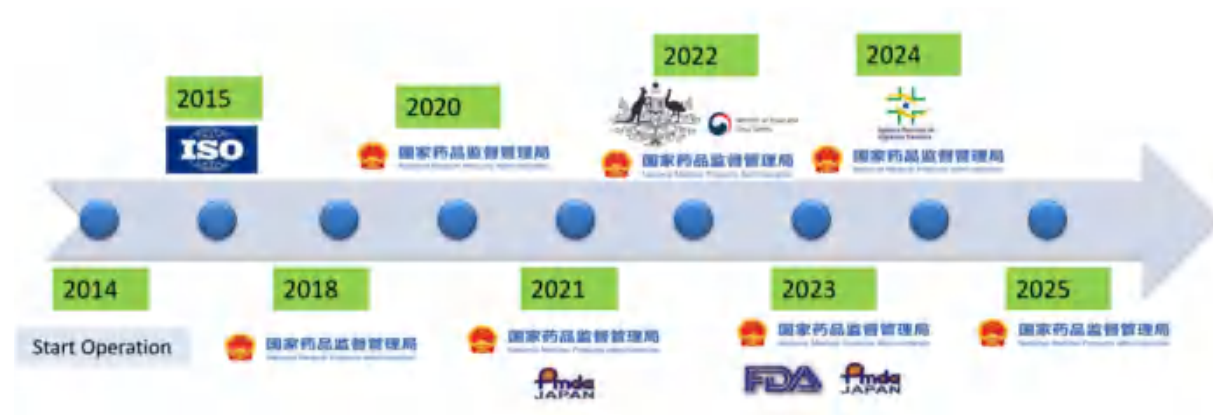


Quality Management Model

Quality Assurance Capabilities

- A quality management system covering the entire product life cycle
- A digital platform for storing operational data of the quality system
- An efficient mechanism for customer demand response and customer service assurance
- Regular company-wide quality training sessions
- Experienced quality specialists to oversee the effective operation of the quality management system
- A dedicated intelligence collection team to track the latest regulatory and standard requirements in a timely manner
- A full range of advanced high-end laboratory testing facilities, equipment and tools

Adhering to the "Quality by Design" principle, the Company has established six core GMP management systems centred on the overall quality system. It continuously optimizes production processes, improves product quality and safeguards patient safety. The Company's quality systems, production lines and equipment have successfully passed inspections and obtained approvals from regulatory authorities including the FDA, NMPA, EMA, PMDA, TGA and KFDA.



The Company has successfully passed inspections and obtained approvals from national and major global food and medical regulatory authorities



Quality Management System Certificate

Quality Responsibility

The Company always focuses on customer needs, regards quality responsibility as a core principle for fulfilling contracts, complies with industry codes and regulatory standards, and implements quality control across the full value chain including R&D, process, production and delivery. With rigorous process management, consistent quality output and reliable delivery capabilities, the Company provides solid quality assurance to continuously create value for customers.

Product Safety Notice

The Company has formulated internal specifications including the *Administrative Measures for Chemical SDS and Safety Labels*. It communicates information such as health and safety risks as well as physicochemical properties of its products to customers by supplying Safety Data Sheets (SDS). When delivering products to customers, we attach supporting documents including chemical SDS and corresponding safety labels to guarantee full transmission of product health and safety information. This assists customers in adopting standardized protective measures during product handling, safeguarding personal safety and production safety.

Product Recall

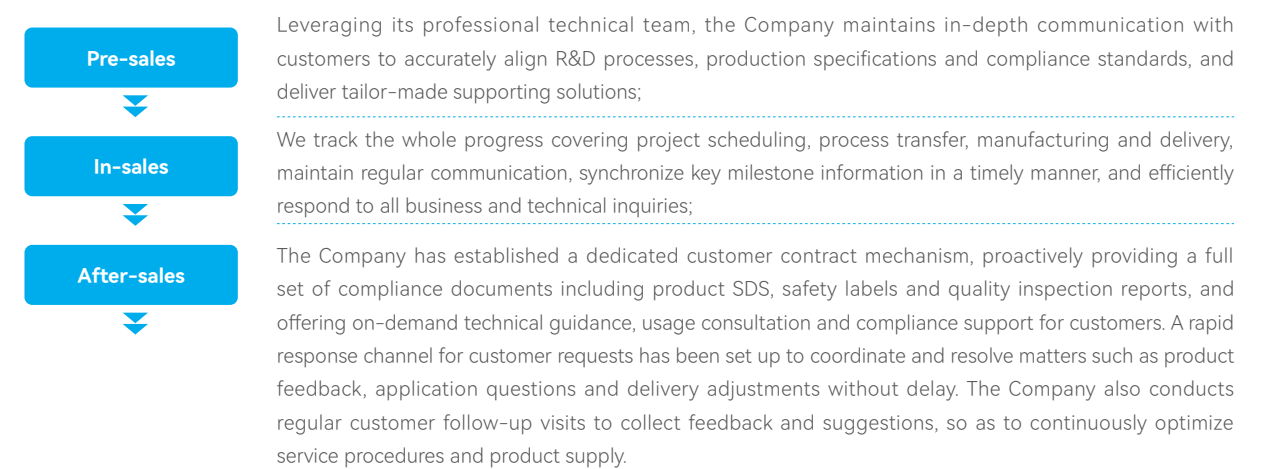
The Company has formulated internal specifications including the Product Recall Inspection and Disposal Procedures for Returned and Recalled Products in compliance with applicable laws, regulations and standards. It has established and refined a full-process management mechanism covering issue identification, grading judgment, recall initiation, isolation control, inspection and evaluation, classified disposal, as well as post-event review and improvement. Clear responsibilities and disposal workflows are defined for each department to standardize all operations involving receipt, inspection, sequestration, evaluation, rework and destruction of recalled products. Meanwhile, the Company has improved the full-chain product traceability system to enable rapid response to quality abnormalities and timely investigation of potential risks. Such institutional and procedural arrangements build a solid line of defense for product quality and safety, effectively mitigate quality risks, and safeguard customers' safe product use and compliant market operation.

No product recall incidents have occurred in the past three years.

The Company regularly organizes simulated product recall drills that replicate real scenarios such as abnormal product quality and market-reported risks, with coordinated participation from all relevant departments. Through regular practical drills, the Company verifies its emergency response speed, cross-departmental collaboration efficiency and standardization of process execution. It identifies loopholes in a timely manner, optimizes disposal workflows and improves product recall response plans, continuously boosting organizational capacity and handling proficiency for product recalls to firmly uphold the bottom line of product quality and safety. In February 2025, the Company carried out a scheduled simulated product recall drill.

Customer Service

Guided by customer demands, the Company has built a full-process, full life cycle customer service system. Adhering to professional, efficient, rigorous and pragmatic service standards, we ensure steady progress of customer projects, consolidate long-term partnerships and pursue mutually beneficial growth.



The Company has established a regular customer satisfaction survey mechanism, conducting comprehensive evaluations covering product quality, delivery timeliness, technical services, response efficiency, compliance support and other dimensions. Customer satisfaction is taken as an important benchmark for process optimization, quality improvement and service upgrading. The Company continuously addresses service deficiencies and refines service details. Through iteratively upgraded service capabilities, it consolidates partnership stickiness and boosts customers' overall satisfaction as well as trust for long-term cooperation.



Quality Culture

The Company is committed to cultivating and building a robust quality culture, embedding quality principles throughout all production and business activities, and fostering a workplace culture where every employee values quality, takes responsibility for quality, and upholds quality standards. We conduct regular quality training sessions, regulatory and standard awareness publicity, and warning education based on typical cases for all staff across all levels and positions, to continuously strengthen the overall quality awareness and accountability of every employee.

The Company integrates quality requirements into post operating procedures, daily operational practices and management systems, defines quality responsibilities for all links, and guides employees to conscientiously comply with process standards and rigorously control operational details to prevent potential quality risks at the source. It sets outstanding quality role models to promote a rigorous, pragmatic and pursuit-of-perfection work ethic, and encourages employees to take initiative in process optimization, quality improvement and hazard identification. Through multi-dimensional and regular cultural cultivation, the Company enables all staff to internalize quality awareness and transform it into practical actions, laying a solid foundation for the enterprise's quality-driven development with a profound quality culture.

Case The Company Conducted QC Knowledge Competition

To further implement the quality culture of "From SOP, To SOP" and enhance overall quality awareness and professional skills of all employees, the Company held a QC Knowledge Competition on July 31, 2025. The event greatly boosted staff enthusiasm and initiative for learning GMP guidelines.



Case The Company Conducted 2025 Quality Culture Promotion & "2nd Quality Month Campaign"

In September 2025, the Company successfully conducted the "2nd Quality Month Campaign", including regulatory knowledge spot checks, summer quizzes, quality-themed video contests, QC skill competitions, and GMP knowledge challenges. The campaign encouraged employees to shift from "passive participation" to "active ownership", transforming quality management from ad-hoc activities into a systematic and regular programme.



Sustainable Supply Chain

The Company incorporates the development of a responsible and sustainable green supply chain system into its core operational strategy. It comprehensively identifies and assesses material sustainability risks arising from suppliers' operations and procurement processes. The Company explicitly requires its cooperative suppliers to abide by environmental protection norms and safeguard employees' basic human rights and legitimate rights and interests throughout their production and operation, so as to continuously enhance the value and resilience of the supply chain.

Supplier ESG Management

The Company has formulated a *Sustainable Procurement Policy*, and integrated the sustainable procurement management system into daily full process of production and operations. While pursuing economic benefits in procurement decisions, the Company systematically conducts environmental and social impact assessments to reduce the environmental loads and adverse social impacts of procurement activities at the source. In addition, the Company defines clear management objectives and core principles for sustainable procurement, standardizes procurement criteria, and guides the whole supply chain to align with sustainable development philosophies.

Supplier Access

Prior to supplier selection, the Procurement Department, together with the Quality Department, Responsible Care Department and other relevant departments, conducts specialized audits on prospective suppliers regarding product quality and social responsibility in strict accordance with internal policies including the *Procurement Management Policy* and *Sustainable Procurement Policy*. The audit focuses on core areas such as labor rights, business ethics, environmental protection, and occupational health and safety. Suppliers are required to submit relevant certification documents and sign the *Supplier Code of Conduct*. The Company also maintains a comprehensive supplier record management system to fully archive compliance commitments and audit records, enabling full traceability management throughout the process.

Supplier Assessment

The Company incorporates ESG management requirements into the supplier performance appraisal system, and evaluates suppliers' overall environmental and social performance through regular and irregular assessments. A rigorous audit mechanism applies to key suppliers: at least one online ESG audit per year and one on-site audit every three years, to verify the compliant operation of their management systems, with ongoing follow-up to ensure corrective actions are fully implemented in a closed-loop manner.

Suppliers that deliberately employ child labor, engage in forced labor, seriously violate labor laws and regulations, or act in breach of business ethics shall have their cooperation terminated immediately and be placed on the supplier blacklist. For suppliers with minor non-compliance issues relating to environmental control, occupational health and safety, and social responsibility, the Company provides professional capacity-building training to support and guide them in conducting self-inspections and rectification. If a supplier fails to complete rectification to the required standard within the prescribed time limit, refuses to cooperate with rectification work, poses hidden dangers of severe environmental pollution or work safety accidents, or has already caused major environmental or safety incidents, the Company shall implement control measures including reducing purchase orders and scaling back business cooperation. Suppliers that severely hinder contract performance and compliant operation will be added to the suspended cooperation list; those with egregious violations will be directly blacklisted as suppliers.



Supplier Incentives

The Company has established and refined an ESG incentive mechanism for suppliers. Diversified positive incentives are offered to outstanding suppliers that operate in full compliance and deliver outstanding performance with continuous improvement across environmental management, occupational health and safety, social responsibility, information security, business ethics and other dimensions. Recognition and preferential treatment are provided by means of increasing procurement share, upgrading suppliers' comprehensive ratings and granting priority consideration in bidding, so as to guide supply chain partners to continuously elevate their ESG performance.

Supplier ESG Training

The Company organizes ESG training and publicity for partner suppliers to systematically communicate its sustainable procurement policies, Supplier Code of Conduct and full life cycle cooperation requirements, as well as clarify standards and specifications covering environmental protection, occupational health and safety, labor rights protection, business integrity and compliance. On November 19, 2025, the Company held an ESG presentation and training for suppliers, covering the background of the ESG era and relevant ESG requirements. It also shared cutting-edge industrial ESG governance experience and best practice cases to help suppliers build systematic ESG management thinking. Through regular capacity-building training and two-way communication, the Company continuously raises all suppliers' awareness of sustainable development and guides them to integrate ESG concepts into the entire production and operation process.



Supplier ESG Presentation and Training Materials

ESG Empowerment for Purchasers

The Company focuses on upgrading the professional capabilities of its procurement team by organizing sustainable procurement training for all procurement staff, further clarifying their job responsibilities and compliance management requirements for sustainable procurement. Taking the procurement side as a starting point, the Company drives coordinated optimization and green upgrading of the upstream and downstream supply chain. On November 30, 2025, the Company delivered a training session on corporate social responsibility and sustainable procurement with comprehensive coverage of key modules including the core definition of sustainable procurement, industrial and market development context, environmental sustainability control criteria, and supply chain social responsibility standards. The training helps procurement personnel build systematic thinking on sustainable procurement, strengthen compliance awareness and practical capabilities for green purchasing, and lay a solid professional foundation for standardizing procurement workflows, screening high-quality green suppliers, and deepening collaborative ESG governance across the supply chain.

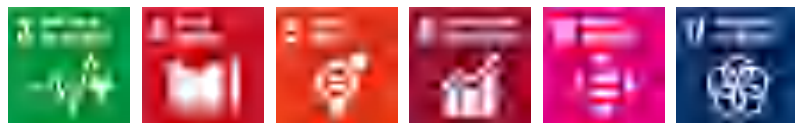


Corporate Social Responsibility and Sustainable Procurement Training Materials

In addition, the Company incorporates sustainable procurement indicators into the performance appraisal system for procurement staff, including the signing rate of the *Supplier Code of Conduct* and completion status of sustainable procurement training. Quantitative assessment metrics are applied to enforce and guide compliance with ESG requirements throughout the entire procurement process, thereby advancing sustainable supply chain management.

04

Employee Responsibility



Rights and Interests Protection

The Company adheres to the core philosophy of compliant employment and strictly complies with national laws and regulations including the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*. Benchmarking against international social responsibility codes such as SA 8000, the Company has established a sound and comprehensive labor compliance management system. The Company always prioritizes the protection of employees' rights and interests in business operations. It continues to deepen the implementation of social responsibility practices covering key dimensions including the prohibition of child labor, prohibition of forced labor, anti-discrimination and anti-harassment, practice of diverse and equal employment, support for vulnerable employees, and safeguarding employees' rights to freedom of association and collective bargaining. The Company strives to foster a fair, respectful, harmonious and stable labor relations environment.

The Company conducts regular human rights risk assessments for labor, carrying out comprehensive screening covering risk modules including recruitment, career development, forced labor, discrimination, working hours, disciplinary measures, compensation and benefits, freedom of association, and community engagement. The assessment process adopts a two-dimensional evaluation method based on Probability (P) + Consequence (C) to accurately grade the risk level of each item. Targeted prevention, control and rectification implementation measures are formulated item by item for risks of different grades. The Company continuously improves the labor rights protection system to prevent and mitigate human rights-related compliance risks at the source.

Prohibition of Child Labor



The Company strictly prohibits the recruitment and employment of any person under the age of 16. A rigorous pre-employment age verification process is implemented, together with regular reviews of employees' personnel files, to eliminate the risk of child labor through institutional rules and operational procedures.

We have defined remedial measures for child labor incidents: once the employment of a child laborer is detected, the Company shall immediately terminate all work assignments and assign dedicated staff to accompany the child laborer to a medical institution for a comprehensive physical examination, while notifying the local labor administrative department without delay. If the physical examination confirms the child laborer is in good health, upon obtaining written approval from the labor administrative department, dedicated Company personnel will escort the child back to the residence of their parents or legal guardian, with all associated round-trip transportation, accommodation and catering expenses borne fully by the Company. Should the child laborer suffer illness or personal injury arising from employment, the Company shall cover all medical expenses and living allowances incurred during treatment in full. Meanwhile, the Company will conduct a thorough root-cause investigation into the erroneous recruitment incident, refine recruitment review and employment control mechanisms, implement rectification actions, and strictly prevent the recurrence of similar violations.

Prohibition of Forced Labor



The Company prohibits all forms of forced labor and firmly rejects servitude, human trafficking and other related practices. Any measures restricting employees' personal freedom are banned. All employees are recruited and employed on a voluntary basis, and the entire labor employment process complies with individuals' free will and applicable laws and regulations.



Voluntary Resignation

Employees have the statutory right to resign freely and terminate their employment with reasonable notice.



No Detention of Personal Documents

After verifying the original identity documents of employees, only copies are kept for filing, and all original documents are returned promptly. No personal documents shall be detained or withheld under any circumstances.



Voluntary Overtime

All overtime work strictly follows the principle of voluntariness to protect employees' physical and mental health. Mandatory overtime, document detention, and wage deductions used to restrict employee freedom are strictly prohibited. Employees have the right to refuse unlawful overtime work. The Company maintains working hour and overtime management rules to standardize application, approval and execution procedures. All overtime must be voluntarily applied for by the employee and approved by the relevant department. Overtime pay or compensatory leave is provided in accordance with applicable laws to fully safeguard employees' legitimate rights and interests.



Respect for Employees

Corporal punishment, mental and physical coercion, verbal abuse and other inappropriate conduct are strictly forbidden and will not be tolerated. No employee shall be treated in a cruel or inhumane manner;

Regular education and inspections are conducted for security staff to regulate their conduct and prevent the use of force to restrict employees' personal freedom.



Remedial Procedures for Forced Labor Cases

Clearly inform affected individuals of all their legal rights and respect their personal choices, whether to return to their place of origin or seek other legitimate employment under safe conditions, while providing other comprehensive support:

- **Legal support:** Provide free legal assistance to help victims pursue liability against illegal intermediaries and perpetrators.
- **Financial compensation:** Full compensation shall be provided for any withheld or unpaid wages, and transitional financial assistance shall be offered as appropriate.
- **Psychological counselling:** Provide professional psychological counseling to facilitate recovery from trauma.
- **Safe repatriation:** If the victim chooses to return home, the Company shall cover all transportation expenses for safe return and assist with family reunification.

Anti-Discrimination and Anti-Harassment



The Company is committed to providing equal development opportunities for all employees. Throughout all processes including recruitment and hiring, job promotion, position transfer, benefit distribution, compensation, vocational training and employment contract termination, any form of differential treatment or discrimination based on race, color, nationality, language, wealth, social status, age, gender, sexual orientation, ethnicity, disability, maternity status, religious belief, political affiliation, trade union participation or marital status is strictly prohibited. The Company firmly opposes all forms of workplace harassment and endeavors to foster a civilized, healthy and inclusive working environment. Office space layout is rationally planned to avoid overly isolated or private workstation arrangements.

The Company incorporates anti-harassment and anti-discrimination issues into employee training to strengthen all employees' awareness of equality and inclusiveness. Meanwhile, it has established and improved support and remedial mechanisms for harassment and discrimination incidents. For employees subjected to harassment or discrimination, the Company provides timely professional psychological counseling and emotional guidance to help relieve their mental stress. It also carries out specialized assessments of the working environment to safeguard employees' workplace safety as well as their physical and mental health. The Company conducts regular reviews of its anti-harassment and anti-discrimination management systems, dynamically optimizes policy provisions and implementation procedures, and ensures effective implementation of the systems to align with management requirements.

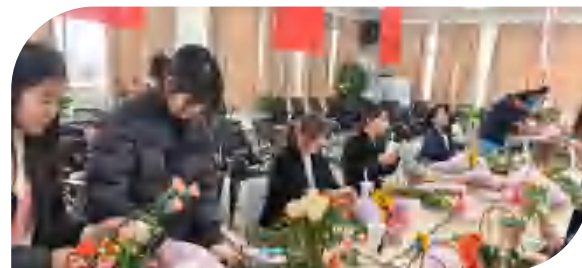
Practice of Equal and Diverse Employment



The Company upholds the values of equality and inclusiveness, respects the individual characteristics and diverse differences of every employee, and strives to enhance all employees' sense of identity and collective belonging. The Company actively recruits ethnic minorities and persons with disabilities, fully respects the customs and habits of all ethnic groups, and equips disabled employees with suitable working conditions, thoughtful assistance and necessary support safeguards, fostering a diverse, inclusive, warm and friendly workplace atmosphere.

In 2025, the Company employed a total of **92** ethnic minority employees and **15** employees with disabilities.

The Company effectively safeguards the legitimate rights and interests of female employees and fully ensures they receive equal treatment and promotion opportunities for career development in the workplace. Throughout recruitment, compensation assessment, career promotion, skills training and all other procedures, the Company adheres to the fundamental principle of gender equality and fully implements the equal pay for equal work system. In strict compliance with national laws and regulations, the Company delivers comprehensive labor protection for female employees during pregnancy, maternity leave and breastfeeding periods. Lactation rooms are available on-site, and care initiatives including exclusive physical examinations and health education sessions for women are provided. A Women Employees Committee has been established to create dedicated communication and support channels for addressing female employees' work and life demands in a timely manner. The Company also organizes special events such as themed activities for International Women's Day on a regular basis to enrich female employees' spare time, cultivating a harmonious workplace atmosphere that respects and cares for women and upholds gender equality.



International Women's Day Activities

Support for Vulnerable Employees



The Company carries out support work for employees in need in accordance with the *Trade Union Welfare System*. It has established complete files for disadvantaged employees under dynamic management and conducts regular visits and surveys every six months. Temporary financial assistance is provided promptly to employees encountering sudden hardships, while customized specialized relief plans are formulated for extremely needy employees. Support mechanisms combine routine allowances with festival subsidies, as well as general hardship grants with special hardship grants to deliver targeted and comprehensive support. The Company distributes annual condolence grants to extremely impoverished employees to effectively improve their living conditions and convey the enterprise's thoughtful care.

Safeguard Employees' Rights to Freedom of Association and Collective Bargaining



The Company fully respects employees' legal rights to freedom of association and collective bargaining. A Trade Union Committee has been established in compliance with applicable laws and regulations, with formalized channels for employee participation and voice expression. Regular meetings with employee representatives are held to gather feedback and address workplace demands, ensuring the effective operation of democratic management systems and consistent open communication channels.



Trade Union Work Reporting

The Company consistently improves the Employee Representative Congress system and convenes the Congress on a regular basis to fully exercise its functions of democratic deliberation and democratic decision-making. The Congress conducts collective deliberation focusing on compensation adjustment schemes, reward and punishment distribution measures, occupational health and labor protection measures, employee incentive rules, and major corporate rules and regulations. It also holds specialized deliberations and enforces corresponding resolutions on major welfare matters closely related to employees' vital interests, such as the utilization plan of the employee welfare fund and the allocation of staff dormitories and other living resources, so as to fully guarantee employees' rights to information, participation and decision-making.



Employee Handbook Review

The Company actively implements an equal collective bargaining mechanism. Adhering to the principles of equality, voluntariness, mutual benefit and win-win results, it has signed two collective bargaining agreements with the Trade Union Committee, namely the *Collective Bargaining Agreement* and the *Specialized Collective Agreement on the Protection of Female Employees' Rights and Interests*. These agreements strike a balance between the Company's operational development and employees' legitimate labor rights and interests, with dedicated provisions to strengthen protections for female employees in employment, occupational health, special welfare and other aspects, thereby building a harmonious, equitable and stable labor relations and workplace environment.

Labor and Human Rights Audit



The Company conducted a labor and human rights management audit in March 2025, carrying out systematic screening and assessment covering core labor and human rights domains, specifically including prohibition of child labor, compensation and hour management, freedom of employment, compensation and welfare, freedom of association, freedom of movement, anti-discrimination, anti-forced labor, anti-human trafficking, women's protection, and humane treatment. During the audit, the Company adopted multiple approaches to identify deficiencies in labor and human rights management and sort out compliance risk points, effectively integrating the concept of labor and human rights protection into all operational processes.

Labor and Human Rights Grievance and Reporting



To ensure timely and fair resolution when employees believe their human rights have been violated, the Company has established a diverse, accessible grievance and reporting system. Employees may submit complaints and evidence through designated channels such as phone and email.

The Company conducts specialized investigations into complaints and reports submitted by employees in strict compliance with confidentiality principles, protecting the personal information of informants and relevant parties throughout the entire process to prevent information leakage. Where investigations confirm acts infringing on employees' human rights, the Company shall impose corresponding disciplinary measures in accordance with laws and internal regulations based on the severity of the misconduct, including criticism and education, warning, demotion of position, downgrading of rank, and termination of employment contracts, so as to effectively safeguard employees' legitimate rights and interests. If relevant acts are suspected of illegal or criminal offenses, the Company shall refer the case to public security authorities without delay and resolutely pursue the legal liabilities of the persons concerned.

Meanwhile, the Company explicitly prohibits any discrimination, retaliation or similar acts against complainants, informants and relevant witnesses. Anyone engaging in such misconduct shall be severely dealt with in accordance with applicable laws. The Company is committed to building a safe, fair and human rights-respecting workplace and establishing a solid line of defense for the protection of employees' human rights.

Labor and Human Rights Training



The Company provides systematic labor and human rights training for all employees, covering core topics including the prohibition of child labor, prohibition of forced labor, workplace anti-discrimination, anti-sexual harassment and all other forms of workplace harassment. Relevant laws, regulations and internal corporate rules are interpreted in detail, specifying concrete standards, code of conduct and accountability requirements for the protection of labor rights and interests. The training enables all employees to clearly understand their own labor rights and obligations, establish a correct concept of labor and human rights, and lay a solid foundation for building a fair, equitable, safe and harmonious workplace.



Compensation, Welfare and Care

Compensation Management

To attract, motivate and retain core talents, fully stimulate all employees' work enthusiasm and innovative creativity, and align talent development with corporate strategy, the Company has established a fair, standardized and well-structured compensation system that offers industry-competitive compensation packages to employees. Employee compensation consists of base salary, seniority pay, year-end performance bonuses and other components. The Company adheres to its payroll commitments and never delays wage payments. If the regular payday falls on a statutory holiday, salaries will be disbursed in advance. Employees may check their payroll information via the self-service module in the E-HR system, electronic payslips sent by email, or confidential printed payslips available from the Human Resources Department.

The Company conducts regular industry and local compensation surveys, as well as internal compensation equity reviews. Taking full account of living expenses including housing, meals, healthcare, education, transportation, daily necessities and communications, the Company dynamically adjusts compensation standards based on regional living costs and consumer price levels, to maintain market competitiveness and local adaptability of compensation. Meanwhile, the overall compensation structure is reviewed and optimized annually to reflect market changes and employee development needs.

In support of the Company's medium-term and long-term strategy and to strengthen team cohesion, an equity incentive plan has been implemented to boost employee motivation and enable shared value creation among shareholders, employees and all stakeholders.

Welfare and Care

Focusing on employee care, the Company is committed to developing a diversified and comprehensive welfare security system to continuously enhance employees' sense of belonging, happiness and career security. The trade union performs its duties in strict accordance with the *Trade Union Constitution* and fully implements welfare and care initiatives for its members. It strives to build a warm home for union members, further consolidate team centripetal force and strengthen employee cohesion.

Welfare System

- ◆ Social insurance and housing provident fund
- ◆ Leave entitlements including sick leave, personal leave, marriage leave, maternity leave, paternity leave, parental leave, only-child parental care leave, breastfeeding leave, bereavement leave, and annual leave
- ◆ Annual physical examinations, summer heatstroke prevention subsidies or cooling supplies, travel funds
- ◆ Various subsidies
- ◆ Festival gifts or allowances for Mid-Autumn Festival and Spring Festival, birthday allowances
- ◆ Wedding grants, bereavement grants, annual special hardship allowances for vulnerable employees, and retirement benefits



The Company organizes a diverse range of cultural and sports activities, including celebrations for traditional festivals such as the Dragon Boat Festival, Mid-Autumn Festival and Lantern Festival. It also hosts various sports events like mini-marathons and basketball competitions, as well as special activities such as galas and themed team-building events. These activities enrich employees' spare time and fully satisfy their diverse spiritual, cultural, leisure and social needs.



- ① ② New Year's Day Activities
- ③ ④ Lantern Festival Activities
- ⑤ ⑥ Dragon Boat Festival Activities
- ⑦ ⑧ National Day Evening Party
- ⑨ ⑩ Basketball Competition
- ⑪ ⑫ Fun Sports Meeting

Employee Communication

The Company has established multi-dimensional employee communication channels and regular feedback mechanisms, including email, regular departmental meetings, monthly meetings, on-site notice boards and other diverse communication platforms. These fully safeguard employees' right to voice opinions and submit reasonable suggestions, encouraging staff to actively contribute ideas for corporate management and long-term development. A closed-loop resolution mechanism is adopted for all employee requests and feedback, ensuring timely responses, end-to-end follow-up and effective improvements, so that every employee request is properly addressed and resolved.

Regular cross-departmental coordination meetings are held to break down internal information barriers, streamline workflows, enable efficient collaboration across all positions and hierarchical levels, boost overall operational efficiency and strengthen team cohesion.

An annual employee satisfaction survey is conducted, covering career satisfaction, workplace environment and resources, interpersonal relationships, compensation and welfare, work-life balance, personal growth and development, corporate reputation and culture, psychological safety and other key dimensions. The survey accurately identifies employee needs and pain points. Based on the results, the Company optimizes management systems, improves welfare systems, upgrades the physical and cultural workplace environment, and continuously enhances employees' sense of belonging, happiness and engagement.

Talent Growth

Employee Training

The Company has formulated the *Training Management Policy* and other relevant employee training regulations. Through training needs analysis across three dimensions of "organizational development, job requirements, and individual capabilities and needs", the Company identifies the training requirements of new hires, job rotation/transfer staff, and employees requiring competency development. Customized training programmes are developed and incorporated into the annual training plan, covering general skills and compliance, technical skills, production and operations management, and other relevant fields. This ensures the annual training plan aligns with corporate development requirements and meets competency improvement needs of all employees across all positions.

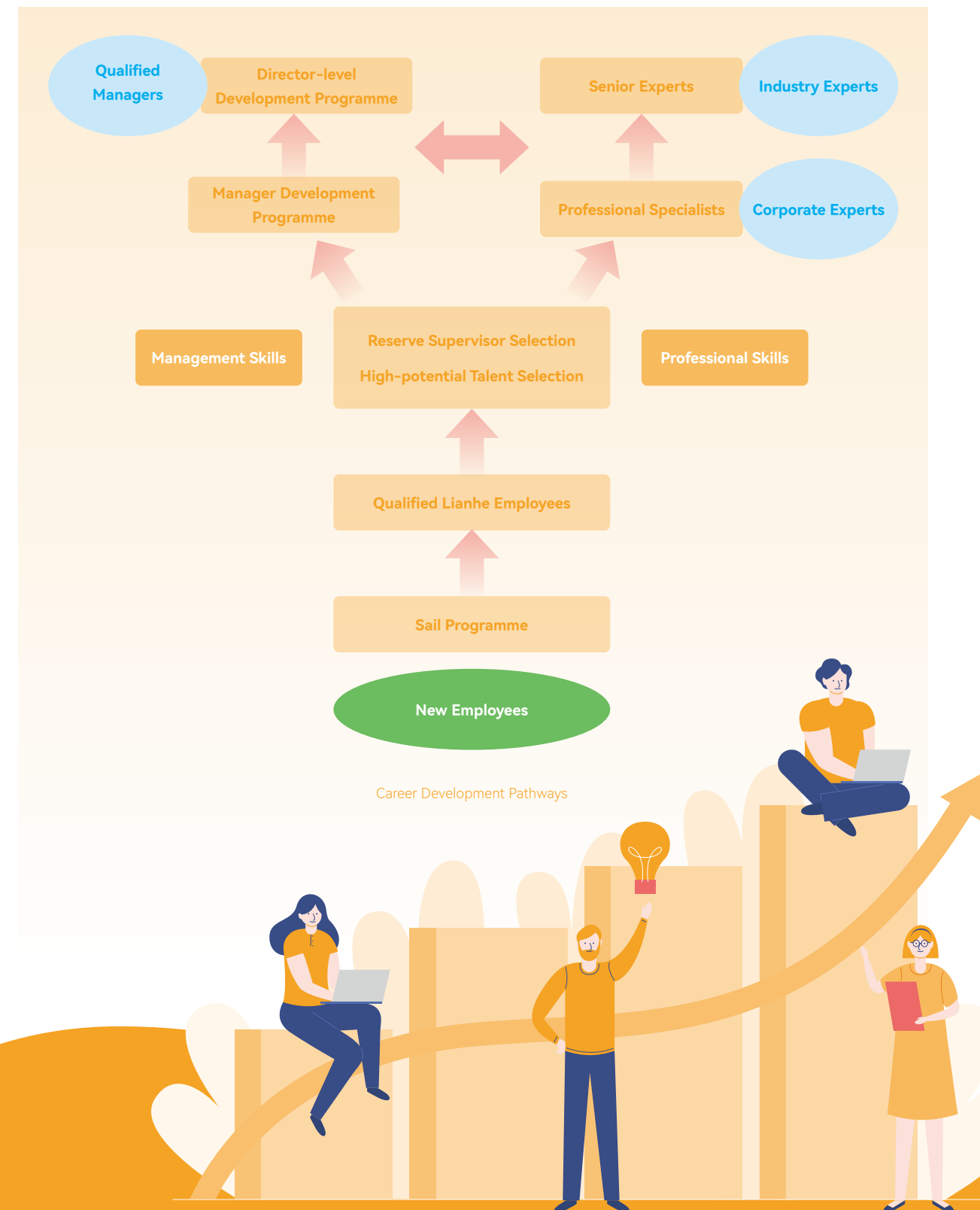
In 2025, the Company delivered **3,479** training sessions, with a total of **117,586** training hours across all employees, representing an average of **80** training hours per employee.

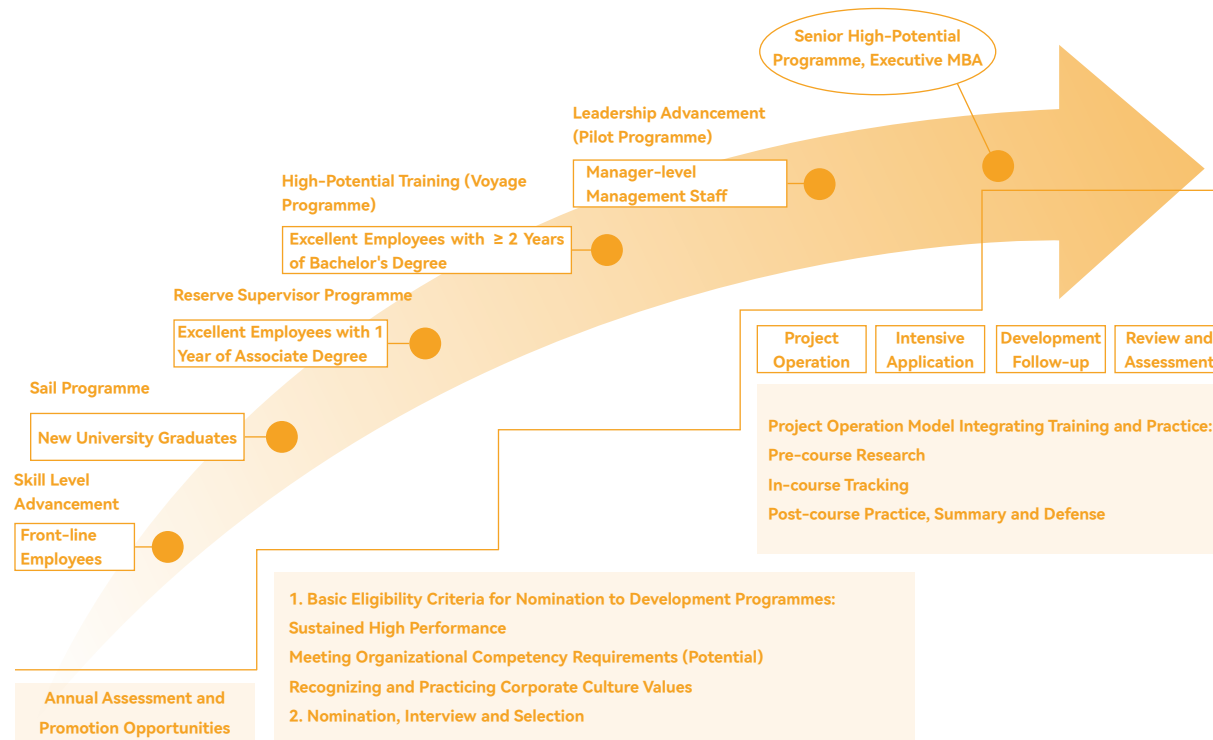


Employee Training

Talent Cultivation

Adhering to the talent-first development philosophy, the Company has established a scientific, comprehensive, diversified and smooth career development system. It opens up multiple development channels including vertical promotion, horizontal job rotation and skill advancement, and improves the linkage mechanism covering training, performance appraisal and promotion. The Company precisely matches employees' competencies with job requirements, builds all-round growth platforms and broadens development space for employees, supports employees in career planning and comprehensive capability building, and facilitates the coordinated and aligned progress of employees' personal growth and the high-quality development of the enterprise.





Employee Cultivation Programme



Reserve Supervisor Programme



High-Potential Programme



Sail Programme



Leadership Cultivation Programme

Individual Development Plan (IDP)

The Company builds a standardized, personalized and closed-loop talent cultivation system based on the Individual Development Plan (IDP). Aligned with corporate strategy layout and job development requirements, tailored IDP growth plans are formulated for reserve employees according to their job competency, capability gaps, development aspirations and career goals. Multiple cultivation forms including mentor-ship, cross-functional rotation, project experience and specialized training are adopted to fill competency gaps effectively, improving the professional skills, comprehensive quality and job performance of reserve talents. A full-cycle reserve talent management mechanism covering selection, hierarchical cultivation, progress management, assessment and appointment is established to optimize the talent management mechanism and consolidate the foundation of talent cultivation.

Self-Assessment and Positioning

Supervisors shall objectively assess their strengths and weaknesses, clarify their roles within the organization, so as to better leverage strengths and improve weaknesses.

Establish Growth Targets

Supervisors shall define their career development targets, including job promotion, competency improvement and professional expansion, and formulate corresponding action plans.

Set Phased Targets

To achieve long-term development goals, supervisors shall set short-term and medium-term targets to fulfill personal development plans step by step.



IDP Cultivation Model

Performance Management

Following the principles of "aligned goals, performance orientation, fairness, transparency and continuous improvement", the Company has formulated internal policies including the *Performance Management Handbook*, and implemented a company-wide performance appraisal system linking employee growth, individual performance and corporate business results. The Company collaborates with employees to set clear, specific and challenging goals. Performance appraisal results serve as the basis for evaluating work outcomes and professional capabilities, as well as for compensation adjustments, job transfer, professional title assessments and promotions. Monthly performance reviews are conducted for all employees, alongside a comprehensive annual assessment and review. Annual bonuses are distributed based on appraisal results, and outstanding teams and employees are formally recognized.



Performance Management Summary

Performance Plan Formulation

The Company and departments develop strategy maps and balanced scorecards / Employees formulate individual performance plans

Ongoing Follow-up and Feedback

Performance goal achievement status Follow-up, Feedback and Guidance

Rewards and Recognition

Grant rewards based on performance appraisal results

Formal Performance Assessment

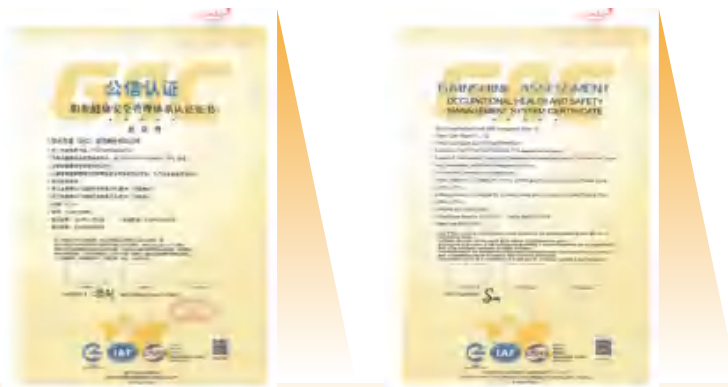
Measure performance results through formal assessment

Performance Review Process

Occupational Health and Safety

Occupational Health and Safety Management System

The Company adheres to the management policy of "safety first, prevention foremost, and comprehensive management", and strictly complies with the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, the *Work Safety Law of the People's Republic of China* and other relevant laws, regulations and regulatory requirements. It has formulated policy documents including the *SHEQ Manual* and the *Annual SHEQ Objectives and Plans Management Procedure*, and fully implemented the occupational health and work safety management system. Through sound management systems and regular company-wide safety training, the Company reinforces work safety defense line and fully safeguards employees' occupational health and personal safety. As of the end of 2025, the Company maintains valid ISO 45001 Occupational Health and Safety Management System certification.



Occupational Health and Safety Management System Certificate

The Company has formulated and implemented the *Management System for System Audit and Continuous Improvement*, and regularly organizes internal audits of the occupational health and safety management system to comprehensively verify the compliance and effectiveness of the system's daily operation, ensuring all management activities align with system standards and control requirements. Upon completion of each audit, dedicated personnel are assigned to oversee rectification follow-up work, coordinate the advancement and full implementation of corrective actions for all non-conformities, and conduct rigorous reviews of rectification plans and supporting documents submitted by all responsible departments and production workshops. For systematic and prevalent non-conformities, as well as cases with questionable rectification records or insufficient supporting evidence, follow-up staff shall carry out on-site inspections to physically verify the implementation effectiveness and improvement quality of corrective measures. Rectification materials that fail review shall be returned with a mandatory deadline for rework. Once rectification is verified as completed to standard with complete and compliant documentation, closed-loop management of the relevant non-conformities is finalized.

The Company has established a full-cycle safety, health and environmental review management procedure for construction projects, covering the entire life cycle of new, renovated and expanded facilities from project approval, design and construction to commissioning and post-operation. Phased systematic reviews are carried out for process safety, occupational health and environmental protection, with cross-departmental teams conducting risk assessments, clarifying departmental responsibilities and documentation requirements. Review recommendations are fully implemented, and periodic re-assessments of facilities are performed to ensure the safety, environmental protection and regulatory compliance of projects.

In addition, the Company strictly follows the *Incident and Accident Management Procedure*, covering all safety, environmental, security and process incidents within the site (including those involving contractors). It defines incident classification criteria, reporting deadlines, investigation workflows and closed-loop rectification requirements. Root cause analysis, accountability confirmation and preventive measures are implemented in accordance with the "Four No-Leave" principles. The Company standardizes incident statistics, records management and information disclosure, and improves safety and environmental protection performance through experience sharing and system optimization, so as to protect employee health, property assets and ensure compliant operations.

Case The Company Continuously Improved the Occupational Health and Safety Management

In 2025, based on preliminary hazard identification and risk assessment, the Company prepared a series of manuals including the *General Post Risk Operation Standard Guidelines*, *Work Permit Visualization and Supervisor Responsibilities Guidelines*, *Emergency Response Manual*, *Standardized Manual for Typical Process Operations*, and *Health Management Manual*. These documents cover daily routine operations, special work activities, process operations, emergency response, employee health management and other key areas, providing comprehensive and practical operational guidelines for all employees, and further addressing gaps in occupational health and safety management.



Occupational Health Protection

The Company fully complies with the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and relevant laws and regulations. Following the core principle of "prevention first, combined prevention and treatment", the Company systematically improves the occupational health management system, and carries out regular occupational health surveillance, workplace environment control, health education and risk inspections, so as to build a robust occupational health safety defense line, effectively prevent occupational disease risks, avoid adverse occupational health incidents, and fully protect the physical and mental health as well as labor rights and interests of all employees.

Occupational Hazard Factors Detection

The Company regularly entrusts qualified third-party institutions to conduct occupational hazard monitoring, covering key indicators such as noise and hazardous chemical substances. Based on independent and objective professional monitoring data, the Company accurately identifies position health hazards and dynamically assesses occupational health risks, providing a scientific basis for improving working environment, optimizing personal protective measures, and safeguarding employees' occupational health rights and interests.

Occupational Health Surveillance

The Company strictly complies with relevant specifications for occupational health surveillance, and conducts regular full-coverage occupational health and physical examinations for newly recruited, on-the-job and departing employees. Special attention is paid to personnel in special posts such as hazardous operation and shift work, ensuring that all eligible employees receive required examinations without exception. The Company also establishes occupational health files for employees under standardized one-file-per-person management, fully retaining key information including physical examination records, job transfers and follow-up records for abnormal health conditions. This enables traceable, dynamic closed-loop management of all occupational health documents.

For employees with abnormal health indicators identified in physical examinations or diagnosed with occupational contraindications, the Company arranges re-examinations and medical diagnoses in a timely manner, reasonably transfers them to suitable job positions, provides professional health guidance, and continuously follows up on their health improvement and recovery progress. In case employees suffer sudden occupational health discomfort, the Company immediately coordinates medical check-ups, arranges temporary staff coverage for their posts, and conducts follow-up health visits to comprehensively consolidate the bottom line of employees' occupational health protection.

During the reporting period, the coverage rate of occupational health physical examinations and the completeness rate of employee health files both met internal control standards, with no confirmed cases of occupational diseases recorded throughout the year.

Exposure Reduction



The Company adopts a multi-pronged approach to continuously reduce employees' exposure to occupational disease hazards. The Company has formulated the *Management Policy on the Control, Use and Maintenance of PPE*, which clarifies workflows and departmental responsibilities covering procurement, acceptance inspection, distribution, usage, maintenance, scrapping and recycling. PPE including safety helmets, safety goggles, safety shoes, respiratory protection and hand protection are allocated in accordance with post-specific risks. The Company rigorously enforces standards governing PPE use, maintenance and scrapping, restricts off-site PPE usage and the transfer of contaminated hazards, and effectively mitigates employees' occupational health exposure risks through compliant provision and standardized deployment of PPE.

Case The Company Reduces Employee Exposure to Highly Toxic and Highly Allergenic Chemicals



The Company formulated the *Management Policy for Highly Toxic, Highly Active and Highly Allergenic Chemicals*. The Design and Engineering Department carries out systematic and comprehensive protective control designs for work processes involving such chemicals based on risk levels. The design scope covers key links including the enclosure of equipment bodies and material conveying systems, hazardous waste disposal, and optimization of indoor heating, ventilation and air conditioning (HVAC) systems.

Local exhaust ventilation units, fume hoods and sealed glove boxes are comprehensively deployed as engineering prevention and control measures. Laminar flow hoods and other protective equipment are specially installed at exposure points of pharmaceutical dust. Meanwhile, a dedicated safety assessment for protection design is carried out simultaneously to ensure the compliance and controllability of the design scheme.

Workshops and relevant departments fulfil primary management responsibilities to ensure that occupational poisoning prevention facilities, emergency rescue equipment and alarm systems remain fully functional. Regular maintenance, inspections and performance testing are performed to ensure stable operation of PPE and mitigate occupational hazard risks caused by chemical exposure.

Mental Health Care



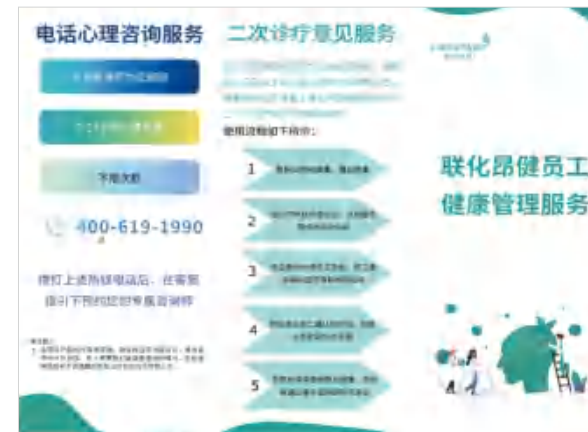
The Company integrates employees' psychological development into the core of humanistic management and adopts a multi-pronged strategy to carry out specialized psychological care initiatives. Diversified channels including an employee mental health counseling room, general manager's mailbox and trade union service platform have been established to smooth the channels for employees to voice their demands, ensuring employees' feedback is delivered promptly and addressed effectively. Meanwhile, an employee activity center has been built to provide a space for colleagues to communicate, interact and relieve emotional stress. The Company guides employees to release negative emotions in a timely manner and prevents minor emotional issues from building up and escalating. Through comprehensive, all-inclusive psychological care measures, the Company effectively reinforces employees' psychological defense lines, enabling every employee to truly feel the care and recognition from the enterprise.



To address common psychological issues such as workplace stress and anxiety, the Company holds themed lectures on mental health. Professional psychological counselors are invited to deliver popular science and guidance covering stress adjustment, emotion management, sleep improvement, and workplace interpersonal communication. The sessions equip employees with scientific and practical psychological adjustment techniques, helping them effectively release negative emotions, enhance their stress resistance and emotional self-control capabilities, and engage in work and life with a more positive and healthy mindset.



To effectively protect employees' privacy and security, the Company has partnered with a professional medical platform to provide one-stop health management services for employees and their immediate family members. The services cover a wide range of offerings including online video consultations and 7×24 telephone psychological counseling. Under strict privacy protection protocols, the Company delivers all-round safeguards for the physical and mental well-being of employees and their families, laying a solid foundation that allows staff to work with peace of mind and live comfortably.



Work Safety Management

The Company regards work safety as the lifeline of corporate development, firmly upholds the philosophy of safety-driven development, and strictly adheres to the safety bottom line. It fully implements the work safety responsibility system and establishes a well-structured leading system for safety management with clear hierarchical responsibilities: the General Manager serves as the primary person responsible for work safety; the Deputy General Manager of Safety takes charge of overall safety administration; the Deputy General Manager of Production is responsible for production safety management; the Engineering and Maintenance Department coordinates the safety management of equipment and instruments; the Deputy Director of the Quality Department leads quality safety management; and the Assistant to the General Manager oversees environmental safety management. In coordination with safety administrators at workshop and team levels, the Company enforces control requirements level by level, integrating work safety management into the entire production process and all front-line positions.

The Company has established a management system for work safety expenses. Based on the actual operating income of the previous year, work safety expenses are drawn monthly on an average basis via the excess progressive regressive approach. Such funds are exclusively allocated to compliant expenditures including safety protection facilities, emergency rescue, hazard rectification, safety training, PPE, inspection and testing, as well as work safety liability insurance, so as to consolidate the foundation of safety management.

Digital Work Safety Management

The Company has built an integrated information management platform for work safety to advance the upgrading of safety governance through digital transition. The Company coordinates the construction of a five-in-one information platform and a dual prevention mechanism management platform. By integrating digital technologies including the Internet of Things, cloud computing and internet technology, the platform transforms the work safety management mode from post-incident disposal to a system featuring pre-incident prevention, in-process control and closed-loop governance.

Among them, the five-in-one platform integrates functions including personnel positioning, risk early warning and standardized safety management. Relying on full-domain sensing devices to collect real-time data on man, machine, environment and management at production sites, the platform realizes dynamic supervision of operations and early warning of high-risk hazards. Through quantified tasks and implemented standards, it promotes lean and traceable safety management. The dual prevention management platform implements risk hierarchical control and hazard rectification mechanism via digital tools, forming a full closed-loop workflow covering risk identification, early warning notification, hazard rectification, and post-event review, so as to prevent safety risks at the source.

The two platforms realize interconnection and data integration. Leveraging their strengths of centralized integration, quantified indicators and intelligent collaboration, they break down barriers between various business data and eliminate information silos, enabling intensive governance of safety data and online collaborative operations for all employees. The Company has established an integrated "Internet + Safety" management model featuring full-factor monitoring, intelligent hazard analysis, emergency coordination, and training & education, which comprehensively improves the efficiency of safety control.



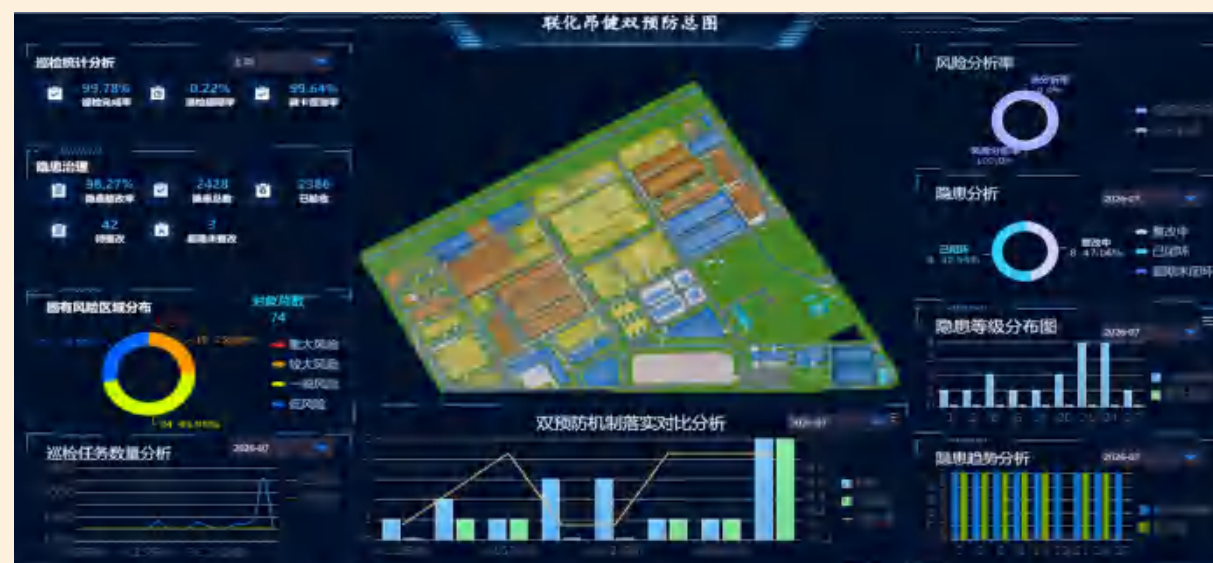
Integrated Risk Map



Integrated Hazard Inspection Map



Personnel Location Map



Dual Prevention General Map

Dual Prevention Mechanism



The Company adheres to risk pre-control and shifting management focus to the front end, and accelerates the upgrading of the dual prevention mechanism consisting of hierarchical safety risk control and hazard identification and rectification. To sustain the effectiveness of risk management and control, the Company has specially formulated the *Regulations on Continuous Improvement of the Dual Prevention Mechanism*. It explicitly requires all departments to conduct at least one annual assessment on the operational effectiveness of the dual prevention mechanism. The assessment mainly targets the suitability, adequacy, effectiveness and operability of risk control measures and hazard inspection tasks, so as to fully identify weak links in the implementation of relevant systems. Based on assessment outcomes, all departments conduct in-depth analysis of institutional loopholes and management deficiencies, update risk lists in a timely manner, supplement and refine risk control measures, re-optimize the arrangement of hazard inspection tasks, and revise relevant management systems. These efforts continuously enhance the capacity for risk prevention and control as well as the overall work safety management level.

Hierarchical Safety Risk Control

In accordance with the *Risk Assessment Management Procedure and Hierarchical Risk Control Regulation*, the Company applies 7 professional risk assessment methodologies: Hazard and Operability Study (HAZOP), Layers of Protection Analysis (LOPA), Job Hazard Analysis (JHA), Job Safety Analysis (JSA), Safety Checklist (SCL), What-If Analysis, and Occupational Safety Post Risk Assessment. Risk assessments are conducted regularly for all potential risks across the Company's products, activities and services, in full compliance with work safety laws, industry codes and internal safety standards, to enable early risk detection and control. Risk assessment follows a four-step workflow of "defining risk analysis units, identifying and assessing risks, developing control measures, and implementing hierarchical management". Risks are classified by potential severity, with targeted control measures deployed to prevent safety incidents at the source.

Hazard Identification and Rectification

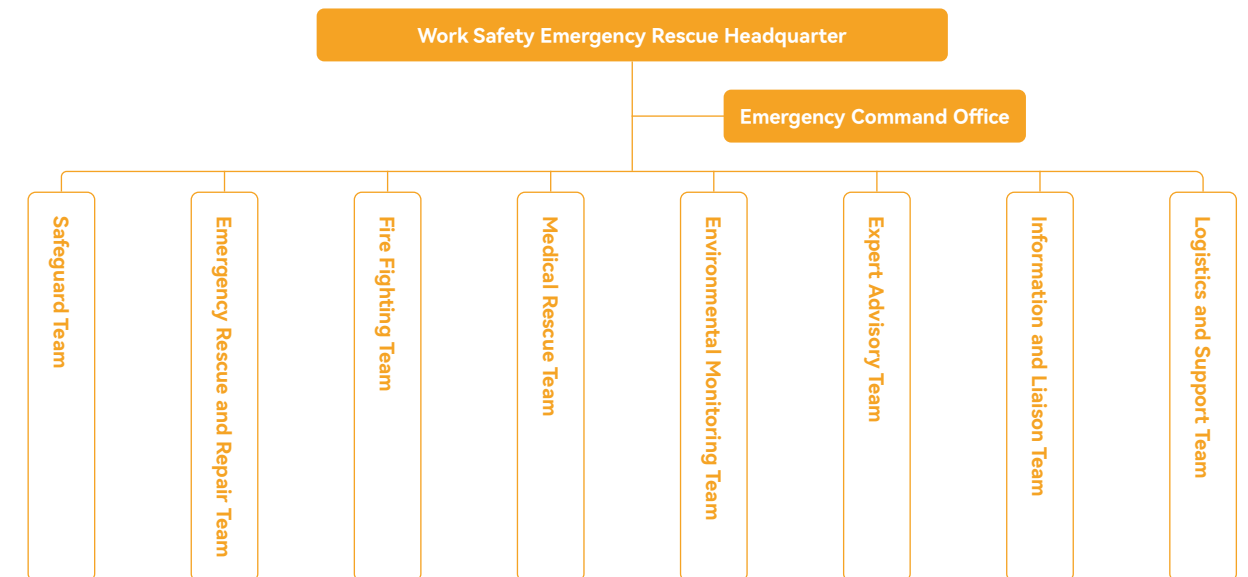
The Company has established the *Hazard Identification and Rectification Management Regulation*, forming a full-cycle closed-loop hazard management system with company-wide participation and hierarchical classification. In line with regulatory and industry requirements, hazards are classified into three levels which are general, major and critical, covering ten core categories including basic safety management, process management, equipment and facilities management, electrical systems, instrument systems, hazardous chemicals, storage and transportation systems, fire protection systems and utility systems. Multiple inspection modes are adopted, including daily checks, comprehensive audits, professional reviews, seasonal inspections, holiday checks, resumption audits and expert audits. The "Five Assignments"* principle is enforced to clarify accountabilities and closed-loop requirements. Critical hazards are managed with dedicated "individual files" that are permanently archived. A hazard reporting incentive scheme is also implemented to encourage proactive hazard identification and report potential safety hazards, fully mobilize their enthusiasm for workplace safety, and strengthen the overall safety defense system.

*Confirm root cause analysis, define corrective actions, assign responsible persons, confirm funding sources, and set rectification deadlines.

Emergency Safety Management



The Company has formulated the *Work Safety Emergency Response Plan*, established a professional emergency rescue organization structure with clear hierarchical roles and well-defined responsibilities, and consolidated the foundation of work safety emergency management. In addition, the Company maintains adequate emergency supplies and professional rescue equipment, and implements regular inspection, maintenance and replacement mechanisms to ensure all emergency resources remain in a ready and usable condition at all times.

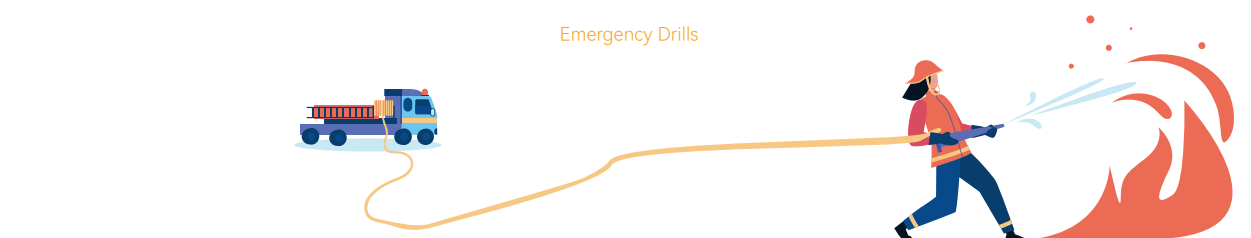


Work Safety Emergency Rescue Organizational Chart

To enhance overall emergency response literacy of all employees, the Company regularly conducts emergency knowledge training, hands-on skill drills and dedicated emergency drills. These activities strengthen employees' risk awareness, emergency response and on-site handling capabilities, and improve the overall coordinated response to unexpected incidents. In 2025, the Company revised and optimized its emergency response plans in line with actual production conditions and regional safety regulatory requirements, and established an emergency coordination mechanism with neighbouring enterprises. This enables regional emergency resource sharing and joint rescue operations, forming a comprehensive and integrated emergency safety protection system.



Emergency Drills



Case The Company Conducted Toluene Leakage and Fire Emergency Rescue Drill in the Tank Farm

In July 2025, the Company conducted a comprehensive emergency drill simulating a toluene leakage and fire incident in the tank farm under high-temperature conditions. The drill covered the full response process including alarm activation, site evacuation, fire fighting and leak stoppage, medical rescue, environmental monitoring and wastewater control. It effectively verified the emergency response plan and command coordination system, improving the on-site capability of the emergency team as well as employees' self-rescue and mutual rescue skills.



Safety Training Management

The Company has established a safety training and education management system covering all employees and the entire workflow. It rigorously implements three-level safety education, annual re-training, re-employment training for staff absent from work for more than three months, job transfer training, and four-new training*, accident case training and occupational health training for workers to comprehensively improve employees' awareness of safety and health as well as operational skills. Personnel in key positions including safety administrators, special operation personnel and special equipment operators receive dedicated training, pass relevant assessments and work with valid certificates. This ensures they possess the required post safety competency and emergency response capability, thus reinforcing the safeguard line for work safety and occupational health.



*Targeted safety retraining for relevant personnel when the Company adopts new processes, new technologies, new materials or new equipment.

Safety Culture Development

The Company firmly upholds the development philosophy of safety priority and requires all employees to sign safety performance commitment letters, urging personnel at all levels to standardize operational behaviors and foster sound safe working habits. Through visual forms such as posting safety publicity posters, the Company strengthens employees' awareness of work safety and raises the whole workforce's attention to safety risks. Based on phased analysis of work safety performance, the Company has launched a series of safety-themed campaigns including "Abnormal Condition Reporting", "Territorial Safety Management", "Implementation of Full Staff Safety Responsibilities" and "Zero-Error Safety Improvement". Supported by activities such as the "Safe Production Month", systematic safety education activities are organized for all employees to establish a long-term safety culture development system.



Safety Publicity Posters

Case The Company Conducted "Safe Production Month" Series Activities

In June 2025, the Company conducted a series of "Safe Production Month" activities under the theme "Everyone Talks About Safety, Everyone Masters Emergency Response—Identify Hidden Hazards Around Us". Through preliminary research and preparation, opening ceremonies, hands-on training, safety competitions and other diverse initiatives, comprehensive safety education was delivered to all employees, effectively improving staff safety awareness and emergency response capabilities, and laying a solid foundation for overall safety management.



Opening Ceremony

Hands-on Training

Hands-on training sessions were provided for new employees, covering the practical operation of fire extinguishers, positive pressure air respirators and the site fire protection system, to fill safety competency gaps for new employees.



Safety Competitions

Three activities were held: a safety knowledge competition, a hazard identification game, and a company-wide hazard inspection, attracting more than 15,000 participants in total. These competitive activities improved employees' ability to identify potential safety hazards.



Emergency Responses

An emergency response skills relay race and a blind-box emergency response challenge were organized. The relay race included cardiopulmonary resuscitation (CPR), fire suit and air respirator donning, and hands-on fire-fighting drills. The blind-box challenge simulated 10 common on-site accident scenarios to strengthen employees' on-site emergency handling capabilities.



Contractor Safety Management



The Company standardizes contractor safety management covering scenarios including project construction, equipment maintenance and overhaul, and labor subcontracting, spanning the full life cycle of contractor access, on-site operations, process supervision, performance evaluation and exit management. The Company clearly defines the management responsibilities of relevant departments including the Procurement Department, Operation Department and the Emergency & Security Department. It rigorously reviews contractors' qualifications, safety track records and valid certificates of their operators, and signs specialized safety management agreements in accordance with applicable laws. Closed-loop management is achieved through routine on-site inspections, monthly performance assessments and annual compliance audits. A dynamic management mechanism of contractor blacklist and whitelist is established to continuously strengthen hierarchical risk control for on-site work and emergency response capacity for unexpected incidents. All contractors and their full work processes are incorporated into the Company's integrated SHE management system, effectively safeguarding on-site operational safety and environmentally compliant operations, and preventing and mitigating safety and compliance risks arising from third-party operations.

Procurement Department

- While signing engineering contracts, arrange for contractors to study the requirements specified in the *Contractor Safety Management Agreement* and the *Rules for Penalties for Contractor Violations*.

Contractor Supervisory Departments/Project Managers

- Organize and coordinate with area departments to deliver basic safety training and pre-job safety briefings for contractor personnel, and inspect pre-work safety measures;
- Ensure contractor supervisors provide construction workers with compliant and necessary PPE;
- Guide and supervise contractor activities, conduct routine inspections, and ensure compliance with the Company's safety, quality and other relevant requirements;
- Coordinate on-site activities among multiple contractors working in the same area, and sign work-overlap safety agreements;
- Participate in incident investigations involving contractors and oversee the rectification of identified hazards.

Operation Department

- Grassroots safety training prior to entering process units and pre-work safety technical briefings (e.g., notification of on-site hazard sources, prohibition on opening enclosed equipment under pressure) shall be implemented. It is specified that risk analysis must be carried out before commissioning of all equipment; commissioning shall not be conducted beyond the designed pressure of equipment, and relevant records shall be filed for archiving;
- Coordinate the issuance of work permits and assigning supervisors along with providing necessary PPE;
- Conduct full-process safety and quality supervision of on-site operations;
- In emergency situations, organize contractor employees for emergency evacuation and provide them with necessary PPE.

Emergency & Security Department

- Responsible for implementing a health, safety, and environment (SHE) management qualification access system for contractors, regularly conducting evaluations of their SHE performance, and maintaining contractor profiles;
- Responsible for signing the *Contractor Safety Management Agreement* and the *Detailed Rules for Penalties for Contractor Violations and Disciplinary Offenses* with the contractor;
- Organize plant-level training for contractors and oversee safety briefings with them before starting work in the workshop.



05

Social Public Welfare

Upholding the philosophy of social responsibility, the Company actively engages in social welfare initiatives and gives back to the society and spreads warmth through concrete actions. Focusing on areas including elderly and children support as well as emergency relief, the Company carries out diverse activities such as charitable donations and volunteer services to help improve people's well-being. Meanwhile, the Company encourages employees to participate in public welfare practices, pooling public welfare efforts of all employees to promote regular and systematic public welfare initiatives. By fulfilling corporate social responsibilities, the Company contributes to sustainable social development and fosters a harmonious and inclusive social ecosystem.

Safeguard Lives Through Blood Dedication

Responding actively to the public welfare initiative for voluntary blood donation issued by Taizhou Bay Economic Development Zone, the Company organized employees to participate in the charity blood donation campaign on 9 December 2025. The activity followed the principle of voluntary participation. A large number of employees signed up enthusiastically and responded positively. They practiced corporate social responsibility with concrete actions and conveyed warmth for life through blood donation, fully demonstrating the positive ethos of the Company's employees who are passionate about public welfare and dedicated to contribution.



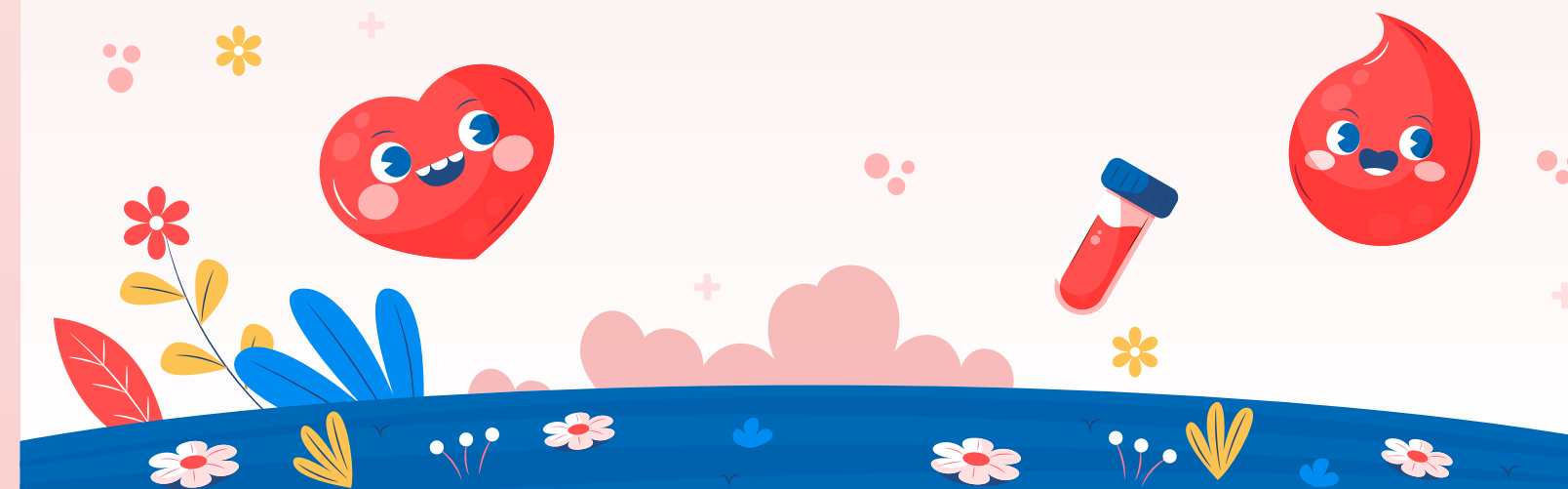
Voluntary Blood Donation Campaign

Support Seniors and Children With Kindness

On 18 December 2025, the Company conducted a public welfare campaign themed "Warm Winter for Safety · Caring for the Elderly and Children with Health Support". Targeting Duqiao Town Nursing Home and Taizhou Welfare Institute, the Company carried out multiple initiatives simultaneously, including donations of caring supplies covering daily living, healthcare and learning needs, environmental cleaning support, as well as electrical and fire safety hazard inspection services leveraging the Company's professional expertise. The campaign was implemented through divided responsibilities among the Company's Emergency & Security, Administration, HR, EM teams and volunteers. Full-process arrangements covering preparation, on-site execution and support as well as budget control were clearly defined. By exercising its professional strengths to fulfill corporate social responsibilities, the Company helps improve community well-being and the protection of vulnerable groups.



"Warm Winter for Safety · Caring for the Elderly and Children with Health Support" Themed Public Welfare Campaign



06

Governance



Improve Governance System

Guided by standardization, efficiency and clear division of powers and responsibilities, the Company consistently improves its modern corporate governance system, and continuously optimizes the governance structure and full process management mechanisms aligned with its strategic layout and business development. By scientifically defining the boundary of powers and responsibilities for governance entities, strictly standardizing decision-making procedures for major matters, and strengthening rigid constraints on system implementation, the Company promotes scientific decision-making, efficient execution and regular supervision. It achieves organic connection, mutual checks and coordinated efforts among all links of decision-making, implementation and supervision. On this basis, the Company further deepens internal management upgrading, strengthens risk prevention and control as well as compliant operation, and steadily elevates corporate governance efficiency, refined management capability and sustainable development capacity, so as to provide robust institutional guarantee and governance support for the high-quality development of the enterprise.

Compliant Operation

Compliant operation serves as the core cornerstone enabling the enterprise to forge ahead steadily and sustainably. Anchored firmly in the philosophy of compliant development, the Company fully integrates compliance requirements into strategic decision-making, daily operations and all business workflows. It continuously iterates and improves its compliance management structure and institutional system to systematically advance the implementation of compliance management. Aligned with overall business objectives, the Company sets well-defined compliance targets, elaborates supporting implementation measures one by one, allocates dedicated resources, clarifies responsible parties and timelines, and establishes a verification mechanism to deliver effective implementation of compliance management through closed-loop assurance. As at the end of 2025, the Company maintained the validity of its ISO 37301 Compliance Management System certification.



ISO 37301 Compliance Management System Certificate

Internal Audit of Compliance Management System

The Company has formulated the *Internal Audit Procedures for Compliance Management System*. Led by the Securities and Legal Affairs Department, annual internal audits are conducted covering a full range of areas including finance and taxation, anti-commercial bribery, anti-monopoly, environment, safety, quality, employment, intellectual property rights, data compliance, anti-money laundering and commercial cooperation. Adopting standardized procedures such as plan formulation, audit preparation, on-site verification, rectification of non-conformities and follow-up verification, the Company ensures the sustained and effective operation of the compliance system, laying a solid assurance for ESG governance, risk management and sustainable development.

Compliance Risk Management and Control

The Company has established a compliance risk identification and evaluation system covering key areas such as anti-commercial bribery, fair competition, information disclosure, data compliance, intellectual property rights and third-party management. Led by the Securities and Legal Affairs Department, the Company identifies, assesses and classifies various compliance risks by adopting the likelihood-impact severity matrix method, and develops clear risk lists and ledgers for major compliance risks.

To address high-level compliance risks including commercial bribery, embezzlement, corruption and improper benefits received by procurement personnel, the Company has formulated specialized supporting management systems and improved control measures governing business hospitality and gift management, complaint and reporting, whistleblower protection and internal audit. Implementation is strengthened through integrity clauses in contracts, company-wide supervision and process control to ensure compliance with the *Criminal Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China* and relevant international anti-corruption rules.

The Company has established mechanisms for dynamic monitoring, periodic review and continuous improvement. It conducts timely reassessment of risks upon updates to laws and regulations, adjustments to business models and internal & external inspections, and carries out comprehensive review and optimization of the compliance risk system every three years. By combining system improvement, training publicity, process control, supervision and accountability, the Company effectively guards against compliance risks such as legal sanctions, economic losses and reputational damage.

Compliance Incidents and Accident Investigation Control

The Company has established and improved control procedures for compliance incidents and accident investigations, specifying standardized full-process management covering incident reporting and response, hierarchical investigation, root cause analysis and rectification, investigation report compilation and closed-loop management. The Company rigorously implements a full-chain closed-loop management mechanism spanning incident occurrence, traceability analysis, formulation of rectification plans, implementation of optimization measures, follow-up verification of outcomes and standardized filing of documents.

Core Mechanism for Investigating Control Systems

Incident Reporting and Response	All employees are authorized to report incidents; on-site protection personnel must report immediately. Major incidents shall be reported to the competent authorities and administrative bodies within 24 hours.
Hierarchical Investigation	Minor incidents or light-injury accidents shall be investigated and filed by the department where the incident occurs. For major incidents, an investigation team led by the Securities and Legal Affairs Department will cooperate with government authorities, with efforts to secure witness statements, physical evidence, scene documentation, and photographs to identify the root causes.
Root Cause Analysis and Corrective Actions	The Four No-Leave principles shall be followed to identify primary and secondary causes and clarify corresponding liabilities. Corrective and preventive measures shall be formulated, and relevant employee training shall be conducted.
Investigation Report Compilation and Closed-Loop Management	Prepare a written investigation report detailing the process, causes, corrective measures, and disposal recommendations; complete case closure and archiving to ensure full traceability throughout the entire process.

Internal Audit

The Company designates the Securities and Legal Affairs Department as the dedicated internal audit body, which operates independently of the Finance Department. It reports to and is accountable to the Chief Compliance Officer. In accordance with national laws, regulations and internal policies, the Department conducts comprehensive internal control audits covering all functional departments, wholly-owned subsidiaries, holding subsidiaries and participating companies with significant impact. Audits focus on risk management, the effectiveness of internal controls and corporate governance, covering high-risk areas such as revenue and expenditure, business cycles, material investments, connected transactions, external guarantees, use of raised funds and information disclosure. The Department supports the establishment of an anti-fraud mechanism to ensure compliant operations, authentic financial information and standardized information disclosure.

The Company has established a standardized audit workflow encompassing planning, notification, on-site implementation, report issuance, rectification follow-up and file management. It submits audit plans and audit reports within prescribed cycles, and urges rectification and carries out closed-loop follow-up on internal control deficiencies identified during audits. Meanwhile, the Company implements mechanisms governing auditor qualification and recusal, confidentiality and filing rules, as well as reward and sanction mechanisms. Through independent and objective audit oversight, the Company continuously improves its internal control system and enhances governance efficiency.

Business Ethics

Adhering to high standards and stringent requirements principles, the Company continuously improves its business ethics management system and strives to foster a clean, fair and transparent business environment. The Company prohibits employees from taking advantage of their positions to illegally solicit or accept property and improper benefits offered by any entity or individual. It also prohibits the transfer of benefits to any parties by improper means such as bribery in pursuit of business opportunities or competitive advantages.

Business Ethics Audit

The Company has established a regular business ethics audit mechanism and conducts specialized audits periodically to continuously verify and ensure the suitability, adequacy and operational effectiveness of the business ethics management system. From 20 to 21 March 2025, the Company completed a specialized business ethics audit. The audit scope comprehensively covered anti-corruption and anti-bribery, information protection, intellectual property protection, fair dealings, anti-unfair competition, integrity and good faith, anti-unfair gains, information disclosure, anti-fraud, anti-money laundering, whistleblower protection and other areas. The audit carried out comprehensive screening of compliance risks and sorted out management deficiencies, further consolidating the foundation of the Company's integrity governance.

Corruption Risk Identification and Assessment

The Company conducts comprehensive daily identification of corruption and bribery risks, focusing on acceptance of gifts, external travel arrangements, expense reimbursement, interactions with suppliers and interactions with customers. The Company sorts out risk points for each business scenario one by one, evaluates risk levels comprehensively, and implements hierarchical and categorized control. Differentiated prevention and control measures are formulated for risks of varying levels. Through institutional constraints, process approvals, regular inspections, integrity warning education and other approaches, targeted prevention and control measures are implemented to forestall and curb corrupt and bribery practices at the source.

Corruption and Bribery Risk Identification, Prevention and Control Measures Form

Risk Category	Specific Risk Type	Risk Level	Prevention and Control Measures
Gifts & External Travel Risks	Acceptance of gifts, cash, prepaid cards, securities and other valuables from business partners, affiliated entities or individuals;	High	Formulate and strictly implement the <i>Business Hospitality and Gift Management Procedures</i> to regulate the entire process management of business transactions and gift exchanges;
	Acceptance of non-compliant business travel, banquets, entertainment and other activities arranged by external entities, which harms the Company's interests.		Standardize external business travel approval and prohibit acceptance of irregular business travel, banquets and similar arrangements provided by external parties.
Expense Reimbursement Risks	Falsified claims, fraudulent reimbursement and misappropriation of expenses; Reimbursement of expenses that are not related to work.	Medium	Improve expense reimbursement management policies, clarifying the scope, standards, and review procedures for reimbursement claims; Conduct regular specialized inspections to identify improper reimbursement practices; Hold personnel accountable for irregular expense reimbursements.
Customer Interaction Risks	Solicitation of money, kickbacks or other improper benefits from customers through abuse of position; Collusion with customers that harms the Company's interests.	High	Standardize customer reception and cooperation processes, explicitly prohibiting the solicitation or provision of improper benefits; Establish a compliance review mechanism for customer cooperation and conduct regular verifications of cooperative activities; Strengthen integrity management for sales staff and customer-facing personnel, and conduct regular warning education.
Other Corruption & Bribery Risks	Seek improper benefits for relatives, friends or related parties by taking advantage of one's position; Abuse power, conduct unauthorized approvals and decision-making, and facilitate corrupt and bribery practices.	High	Clarify the powers and responsibilities of each position, establish a power restriction mechanism, and standardize approval and decision-making procedures; Carry out regular integrity inspections to detect and handle irregularities in a timely manner.

Integrity in Employment



The Company always regards integrity education as a vital measure to consolidate the line of integrity and self-discipline and lay a solid foundation for work-style development, and promotes all integrity education initiatives on a regular and institutionalized basis. Adhering to overall planning and targeted measures, the Company formulates a specialized annual integrity education and training plan that defines training content, class hour requirements and implementation pathways to ensure the orderly implementation of educational activities. All employees receive integrity education and training at least once every year via offline collective sessions. The training focuses on interpreting core documents including business ethics policies and the Code of Conduct for Integrity in Employment. Combined with typical cases, it conducts in-depth analysis of the hazards and consequences of illegal and irregular acts, so as to strengthen all employees' awareness of the rule of law and compliance disciplines.

For employees in key positions, the Company delivers on-site specialized training. Centering on position-specific integrity risks, the training elaborates on integrity requirements and codes of conduct in the performance of duties, further strengthening awareness of integrity in employment among employees in key posts and effectively reducing the risk of illegal and irregular acts arising from such positions. To enhance the effectiveness of education, the Company innovates educational forms and gives full play to the warning and deterrent effect of adverse cases. By organizing employees to study typical adverse cases, employees can directly perceive the authority of the law, draw lessons, and gain an in-depth understanding of the importance of integrity and self-discipline.

On 18 April 2025, the Company held the training session entitled "Integrity Education—Awareness Enhancement and Self-Protection". The training covered the significance of integrity in employment, integrity risks and prevention, and an introduction to business ethics policies. It guided employees to fully recognize the importance of integrity to the Company's sustainable development, brand reputation and the rights and interests of stakeholders, helped them improve their capability to guard against integrity risks, and promoted the integration of integrity principles into daily work.



Integrity Education

Fair Competition



A market environment featuring fair competition serves as an important cornerstone for the efficient and stable operation of the market economy mechanism. The Company abides by all applicable laws and regulations relating to anti-unfair competition and anti-monopoly. It conducts market operations under the principles of compliant operation and fair participation, firmly rejects eliminating or suppressing competitors by improper means, and prohibits infringing upon the legitimate rights and interests of industry competitors through fabricating facts, disseminating false information or other approaches.

The Company firmly resists all types of monopolistic conduct. It will not enter into exclusive monopolistic agreements with any institution or individual, and opposes any concentration of undertakings and irregular business activities that have or may have the effect of eliminating or restricting market competition. Meanwhile, the Company extends fair competition standards to supply chain management, requiring suppliers and all types of partners to strictly adhere to the philosophy of compliant competition, jointly safeguard a sound and orderly industry ecosystem, and support sustained sound development of the industry. No violations related to unfair competition or anti-monopoly occurred within the Company in 2025.

Complaint and Reporting Mechanism



The Company continues to improve its complaint and reporting management system. It accepts reports from employees and business partners on corruption, irregularities, workplace infringements, business ethics and other issues through multiple channels including telephone, email, mail and in-person visits. All reports are handled in a closed-loop manner covering the full workflow of acceptance and registration, clue handling, preliminary verification, reporting and feedback, investigation and evidence collection, decision determination, rectification follow-up, and filing. This ensures efficient, fair and traceable handling of reported matters.



Complaint and Reporting Channels

- Reporting Email: tousu@lianhe-aigen.com
- Reporting Hotline: 15990622309 (Dedicated Reporting Hotline)
- Address: No.3 Donghai 8th Avenue, Toudengang New District, Linhai, Taizhou City, Zhejiang Province, China (PC.317016)

The Company strictly implements the whistleblower protection mechanism and imposes full confidentiality management on reporting information. Disclosure of whistleblowers' identities and reporting contents is strictly prohibited. The Company firmly prevents and puts an end to all acts of retaliation, effectively safeguards the legitimate rights, interests and personal safety of whistleblowers, and fosters a sound governance atmosphere featuring integrity, compliance and willingness to conduct supervision.

Information Security

The Company strictly complies with relevant laws and regulations including the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China* and the *Personal Information Protection Law of the People's Republic of China*. It establishes a comprehensive information security management system, formulates full-process information security control measures, and earnestly implements all work relating to information security and user privacy protection. In 2025, no verified information security incidents occurred, nor did the Company receive any customer complaints arising from significant privacy information leakage.

Information Security Risk Assessment



The Company has established an annual information security risk assessment mechanism, incorporating intellectual property protection and personal privacy protection into core assessment scope. It focuses on key risk scenarios including breaches of confidentiality agreements, acquisition through improper channels and unauthorized use of patents, leakage of confidential information, as well as illegal collection and abuse of personal information. The Company categorizes various information security risk incidents by impact type, conducts quantitative scoring based on two dimensions which are likelihood of occurrence and severity of impact, and defines high, medium and low risk levels according to scoring results. Differentiated control strategies are formulated for risks of different levels, with corresponding rectification measures, control requirements and responsible parties implemented. Hierarchical and categorized closed-loop management is adopted to continuously improve the risk prevention and control system covering information security, intellectual property rights and personal privacy.

Information Security Risk Assessment, Prevention and Control Measures Form

Risk Category	Specific Risk Type	Risk Level	Prevention and Control Measures
Intellectual Property Protection Risks	Breach of confidentiality agreements and leakage of core technologies, trade secrets and other confidential intellectual property	High	Conduct regular training and warning education on confidentiality agreements to strengthen employees' confidentiality awareness; Formulate formal management procedures for confidential information, and standardize the storage, transmission and destruction of confidential documents and technical materials; Establish a confidentiality inspection mechanism and regularly review potential confidential information risks.
	Unauthorized acquisition of patent rights, improper use of third-party patents or the Company's own patents	High	Clarify patent ownership, scope of use and access permissions; Regulate patent authorization channels and prohibit the acquisition of patent rights through illegal or improper approaches; Carry out regular patent compliance inspections to identify non-compliant use.
Personal Privacy Protection Risks	Unauthorized collection, storage and transmission of employee and customer personal privacy information	Medium	Define the scope and permissions for personal privacy information collection, and prohibit excessive collection; Standardize the storage methods of personal privacy information and adopt encryption technologies to safeguard information security; Strictly control information transmission processes and prohibit the transmission of privacy information via non-confidential channels.
	Leakage, tampering and misuse of employee and customer personal privacy information	High	Deploy confidentiality systems to guard against risks of information leakage and tampering; Conduct regular training on personal privacy protection to standardize employees' operational practices; Establish an emergency response mechanism. In the event of a privacy breach, take timely loss containment measures, submit reports and assume corresponding liabilities.
Other Information Security Risks	Attacks on the Company's information systems and data breaches caused by improper employee operations (such as clicking malicious links or using weak passwords)	Medium	Conduct regular information security training to raise employees' awareness of defending against cyberattacks and preventing information leakage; Standardize password management for information systems Establish a system emergency response mechanism to timely handle system attacks and data breach incidents.

Third-Party Information Security Due Diligence



The Company conducts information security due diligence on third-party partners including information service providers. It focuses on verifying core management practices such as software change control procedures, implementation of software validation plans and full process management throughout the software development life cycle. The Company rigorously assesses third parties' information security compliance capabilities and risk management proficiency, mitigates potential supply chain information security risks at the source, and reinforces the overall information security protection framework.

Third-Party Information Security Protection



The Company commits to rigorously protecting third-party information security and strictly preventing unauthorized access, retrieval, abuse and improper disclosure of third-party data. The Company has established comprehensive access and permission control mechanisms for office premises, IT systems, data media and all types of information carriers that host, store and transmit confidential information. Meanwhile, relevant personnel who know, access and use confidential information receive compliance and confidentiality training and are required to sign confidentiality agreements.

The Company shall not, in any form, make unauthorized copies, extracts, restatements or compilations of any confidential information. In the event of loss, leakage or unauthorized disclosure of confidential information, the Company shall notify the disclosing party promptly, bear relevant expenses on its own, and fully cooperate with such party in incident investigation, risk inspection as well as subsequent remediation and rectification.

Information Security Emergency Management



To strengthen information security emergency management, the Company has set up an Emergency Command Team for server computer rooms and built an all-round, multi-layered information and cybersecurity assurance system. Centered on the core objective of security protection, the team enhances risk early-warning capabilities, with a primary focus on the protection of basic information networks and critical information systems that bear on information security and system stability. Efforts span the full workflow of prevention, monitoring, emergency response and emergency support. Multiple initiatives covering management models, technical support and staffing arrangements are implemented to mobilize resources from all relevant links and foster a collaborative, joint governance framework for security work.

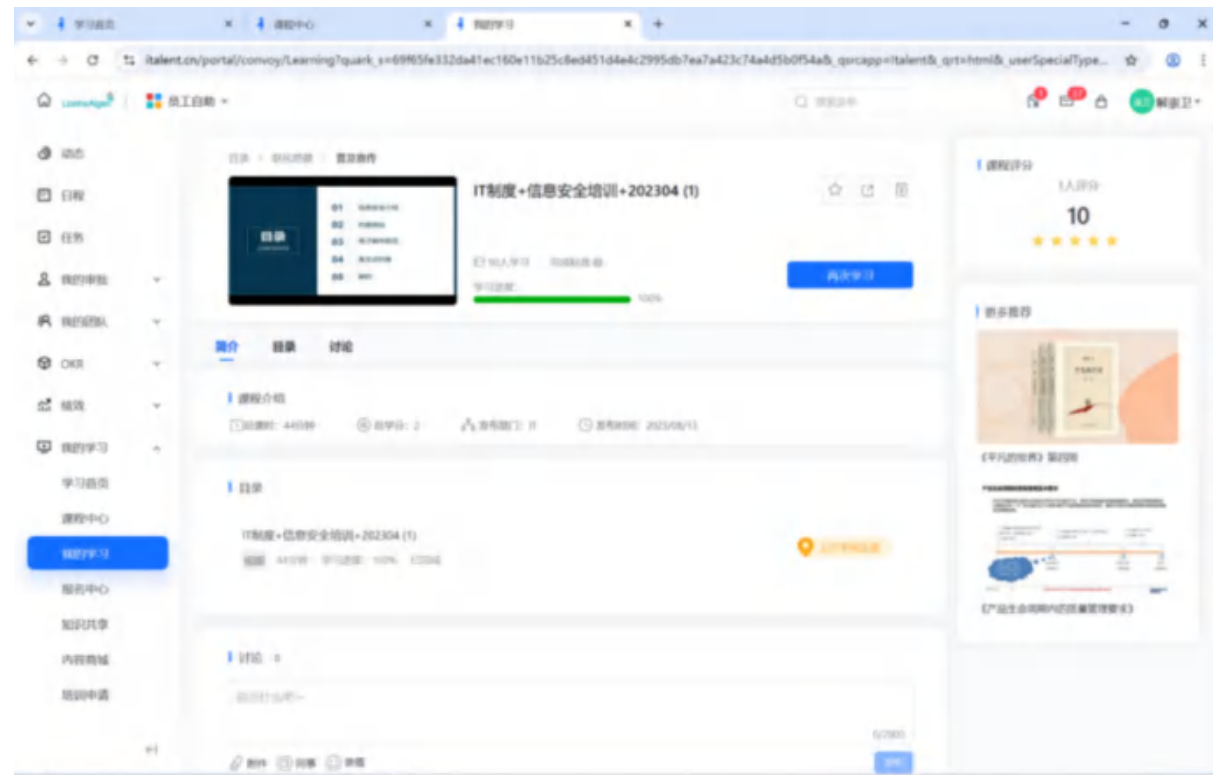
To enhance emergency response capabilities and ensure efficient handling of emergencies, the Emergency Command Team continuously strengthens technical reserves, further improves and standardizes emergency response measures and operational procedures, and organizes regular drills of emergency plans. Such drills verify the feasibility and operability of the plans, enable timely identification and rectification of weak links, and ensure effective implementation of emergency plans. The Company aims to achieve scientific, procedural and standardized emergency management for public emergencies concerning cybersecurity and information security, and minimize losses arising from unexpected security incidents.

Meanwhile, the Company has formulated the *Business Continuity Management Procedure*, which conducts a detailed analysis of various risk events that may cause business interruption, including but not limited to power outages, sabotage by external personnel, fires, mountain floods, heavy rain, earthquakes and equipment damage due to moisture. In light of the characteristics and impact severity of each type of risk incident, the Company develops targeted prevention and control measures and response plans, clarifies responsibility allocation, handling procedures and response time-frames, so as to provide solid assurance for business continuity.

Information Security Training



The Company attaches great importance to fostering employees' information security awareness and building their protection capabilities, integrates information security culture into the daily governance system, regularly organizes specialized training sessions and promotional campaigns on information security, and actively cultivates a cultural atmosphere where "everyone is a guardian of information security". In December 2025, the Company conducted a specialized comprehensive training covering IT policies and information security. Centering on core contents including policy specifications, risk identification, confidentiality management and compliant operations, the training further strengthens all employees' sense of responsibility for information security, reinforces internal information security control lines of defense, and elevates the overall standard of information security governance.



Online Information Security Training



Information Security Training Materials

Information System Verification



To comprehensively and objectively assess the effectiveness of internal controls over the Company's information systems, accurately grasp the actual operation status of information systems, guard against risks associated with information systems, and ensure the security of the Company's information assets and orderly business operations, Lianhetechnology entrusts a professional third-party institution to conduct information system verification. In accordance with relevant standards and the Company's actual conditions, the third-party institution carries out verification work via system investigations, process reviews, data verification and other means, and compiles an *Information System Verification Report* based on the findings. The report serves as professional reference for the Company to optimize information system management and improve the internal control system.

Information Security Incident Reporting



The Company has established a reporting mechanism for information security issues. Employees who discover information security incidents or detect relevant potential risks may report to the Company's Trade Secret Protection Office (TSP) or the Human Resources Department. In the event of an information leakage incident, the person in charge of TSP shall immediately activate emergency response and take the lead in organizing the involved department to conduct specialized in-depth investigations without delay. Meanwhile, the Company strictly complies with the *Complaint Acceptance and Investigation Workflow*, implements confidentiality protection mechanisms, and effectively safeguards the legitimate rights and interests of whistleblowers.

Comprehensive traceability investigations will be carried out during the inquiry to identify the root causes of information leakage, based on which targeted and implementable rectification measures will be formulated. Where necessary, the person in charge of TSP will collaborate with relevant departments including the Legal and Compliance Department and Human Resources Department to jointly develop sound and feasible emergency response plans. The entire process will be standardized, rigorous and closed-loop. Final investigation conclusions and progress of disposition will be promptly and accurately reported to the Lianhetechnology Trade Secret Management Committee.



ESG Data

Environmental Data

Environmental Compliance Management				
Indicator	Unit	2023	2024	2025
Environmental Protection Investment	RMB 10,000	9,415	5,700	6,187
Percentage of Employees Received Environmental Training	%	100	100	100
Percentage of Operational Sites Received Environmental Risk Assessments	%	100	100	100
Percentage of Operational Sites with ISO 14001 Environmental Certification	%	100	100	100
Number of Emergency Drills for Sudden Environmental Incidents	Time	2	2	2
Number of Participants in Emergency Drills for Sudden Environmental Incidents	Person-times	430	317	389
Number of Environmental Pollution Accidents	Time	0	0	0
Number of Environmental Regulatory Violations	Case	0	0	0
Number of Biodiversity-Related Regulatory Violations	Case	0	0	0
Greenhouse Gas Emissions				
Indicator	Unit	2023	2024	2025
Greenhouse Gas Emissions (Scope 1)	tCO ₂ e	3,037.90	4,076.38	3,524.02
Greenhouse Gas Emissions (Scope 2) - Location-Based	tCO ₂ e	/	/	79,998.16
Greenhouse Gas Emissions (Scope 2) - Market-Based	tCO ₂ e	/	/	28,563.43
Greenhouse Gas Emissions (Scope 3)	tCO ₂ e	58,858.31	57,469.67	68,610.01
Greenhouse Gas Emissions (Scope 3) Total Downstream Emissions	tCO ₂ e	1,210.51	1,673.84	0.00
Greenhouse Gas Emissions (Scope 3) Total Upstream Emissions	tCO ₂ e	57,647.81	55,795.83	68,610.01
Energy				
Indicator	Unit	2023	2024	2025
Purchased Electricity	kWh	74,224,270.00	83,338,770.00	93,491,921.00
Total Purchased Green Electricity	kWh	6,296,160	24,223,000	88,960,000
Quantity of Purchased Green Electricity Certificates	kWh	0	0	15,000,000
Percentage of Purchased Electricity in Total Energy Consumption	%	55.18	57.72	57.80
Gasoline	Liter	11,287.46	7,375.00	8,564.10

Indicator	Unit	2023	2024	2025
Diesel	Liter	450,931.14	369,796.17	171,294.12
Steam	Ton	71,441.00	73,723.00	88,666.44
Total Energy Consumption	GJ	484,239.65	519,758.74	582,271.57
Total Renewable Energy Consumption	GJ	22,666.18	87,202.80	266,256.00
Percentage of Renewable Energy in Total Energy Consumption	%	4.68	16.78	43.25
Water Resource				
Indicator	Unit	2023	2024	2025
Percentage of Water Consumption in Areas of High Baseline Water Pressure	%	0	0	0
Number of Non-Compliance Incidents Related to Water Permits, Standards and Regulations	Case	0	0	0
Total Water Consumption	m ³	466,514	462,956	444,050
Total Recycled and Reused Water	m ³	28,734	53,498	51,320
Total Wastewater Discharge	Ton	285,232	408,557	348,450.89
Chemical Oxygen Demand (COD) Discharge	Ton	86.49	121.48	102.52
Ammonia Nitrogen Discharge	Ton	1.42	1.11	0.57
Waste Gas				
Indicator	Unit	2023	2024	2025
Total Air Pollutant Emissions	Ton	22.82	18.03	28.41
Volatile Organic Compounds (VOCs) Emissions	Ton	5.98	4.26	8.03
Nitrogen Oxides (NOx) Emissions	Ton	15.26	12.94	19.08
Sulphur Oxides (SOx) Emissions	Ton	0.79	0.20	0.05
Particulate Matter Emissions	Ton	0.79	0.64	1.25
Waste				
Indicator	Unit	2023	2024	2025
Total Waste Generated	Ton	20,574.70	22,776.21	27,365.28
Total Recycled Waste	Ton	806.86	405.86	482.77
Non-Hazardous (General) Waste Generated	Ton	147.38	234.83	431.38
Hazardous Waste Generated	Ton	20,427.32	22,541.38	26,933.90
Percentage of Total Operational Waste Transferred from Landfills	%	0	0	0

Social Data

Employee Diversity				
Indicator	Unit	2023	2024	2025
Total Number of Employees	Person	1,302	1,394	1,612
Number of Male Employees	Person	895	971	1,158
Number of Female Employees	Person	412	423	454
Percentage of Female Employees	%	31.64	30.34	28.16
Number of Ethnic Minority Employees	Person	81	82	92
Number of Employees with Disabilities	Person	0	15	15
Percentage of Vulnerable Group Employees	%	6.22	6.96	6.64
Number of Female Senior Managers	Person	12	20	16
Percentage of Female Senior Managers	%	17	17.7	13.11
Number of Ethnic Minority Senior Managers	Person	4	5	7
Percentage of Ethnic Minority Senior Managers	%	5.6	4.4	5.73
Percentage of Female Board Members	%	25	25	20
Labor Practices				
Indicator	Unit	2023	2024	2025
Percentage of Employees with Labor Contracts	%	100	100	100
Five Basic Social Insurance Coverage Rate Including Social Insurance and Medical Insurance	%	100	100	100
Ratio of Total Annual Compensation of Highest-Paid Individual to Median Annual Total Compensation of All Employees	%	1,211	1,128	1,107
Unadjusted Average Gender Compensation Gap	%	7.75	6.45	7.22
Verified Discrimination and Harassment Incidents	Case	0	0	0
Verified Discrimination and Harassment Incidents	Case	0	0	0
Verified Forced Labor Incidents	Case	0	0	0
Number of Human Rights Related Reports	Case	0	0	0
Collective Agreement Coverage Rate	%	100	100	100
Percentage of Employees Receiving Diversity, Equity and Inclusion Training	%	100	100	100
Percentage of Operational Sites Subject to Human Rights Impact or Risk Assessments	%	100	100	100
Percentage of Operational Sites with ISO 45001 Labor and Human Rights Certification	%	100	100	100

Employee Training and Development				
Indicator	Unit	2023	2024	2025
Number of Employee Training Sessions	Session	3,553	3,635	3,479
Percentage of Employees Who Received Training	%	100	100	100
Percentage of Employees Who Received Skill-Related Training	%	100	100	100
Percentage of Male Employees Who Received Training	%	100	100	100
Percentage of Female Employees Who Received Training	%	100	100	100
Total Employee Training Hours	Hour	115,978	119,884	117,586
Average Employee Training Hours	Hour	76	86	80
Average Training Hours for Male Employees	Hour	101	96	89
Average Training Hours for Female Employees	Hour	62	63	60
Percentage of Employees Receiving Regular Performance and Career Development Assessments and Reviews	%	100	100	100
Total Promoted Employees (Manager Level and Above)	Person	19	15	18
Number of Promoted Male Employees	Person	15	10	14
Number of Promoted Female Employees	Person	4	5	4
Occupational Health and Safety				
Indicator	Unit	2023	2024	2025
Work Safety Investment	RMB 10,000	2,037.36	2,004.02	1,470.99
Percentage of Workplaces with Occupational Health and Safety Risk Assessments	%	100	100	100
Occupational Health Examination Coverage Rate	%	100	100	100
Number of New Employees Diagnosed with Occupational Diseases	Person	0	0	0
Number of Fatalities Due to Work-Related Safety Accidents	Person	0	0	0
Number of Work-Related Injuries	Person	4	3	5
Days Lost Due to Work Injuries, Fatalities and Poor Health	Day	12	11	35
Total Employee Working Hours	Hour	3,505,152	3,150,288	3,868,800
Number of Work Safety Emergency Drills	Time	127	107	87
Number of Participants in Work Safety Emergency Drills	Person-times	5,329	4,016	5,816
Number of Occupational Health and Safety Training Sessions	Session	57	95	115
Total Participants in Occupational Health and Safety Training	Person-times	13,208	19,448	23,434

Indicator	Unit	2023	2024	2025
Employee Coverage Rate of Health and Safety Training	%	100	100	100
Number of Work Stress and Mental Health Themed Training Sessions	Session	1	1	4
Number of Contractor Safety Training Sessions	Session	196	180	196
Total Participants in Contractor Safety Training	Person-times	770	1,005	1,218
Product Operation				
Indicator	Unit	2023	2024	2025
Number of Product Recall Incidents	Case	0	0	0
Number of Product Recalls Due to Health and Safety Incidents or Adverse Impacts	Time	0	0	0
Volume of Recalled Products Due to Consumer Health and Safety Impacts	Ton	0	0	0
Non-Compliance Incidents Relating to Health and Safety Impacts of Products/Services	Case	0	0	0
Percentage of Unused or Expired Medicines Collected for Recycling or Waste Disposal Against Total Product Sales Volume	%	0	0	0
Responsible Procurement				
Indicator	Unit	2023	2024	2025
Total Number of Suppliers	Number	65	64	67
Suppliers Within Zhejiang Province	Number	16	13	15
Suppliers Outside Zhejiang Province	Number	43	44	46
Overseas Suppliers	Number	6	7	6
Percentage of Suppliers that Have Signed Supplier Code of Conduct	%	60.00	77.42	100.00
Percentage of Suppliers with Contracts Including Environmental, Labor and Human Rights Clauses	%	41.54	77.42	100.00
Percentage of Suppliers Subject to Regular Social Responsibility Assessments	%	84.62	77.42	100.00
Percentage of Suppliers with CSR Assessments (e.g. Questionnaires)	%	84.62	77.42	100.00
Percentage of Suppliers with On-site CSR Audits	%	5.00	8.00	82.00
Number of Environmental and Social Training Sessions for Suppliers	Session	1	1	1
Number of Suppliers Participating in Environmental and Social Training	Number	98	70	67
Number of Anti-Corruption Training Sessions for Suppliers	Session	1	1	1
Number of Suppliers Participating in Anti-Corruption Training	Number	98	70	67
Percentage of Purchasers Receiving Sustainable Procurement Training	%	100	100	100

Governance Data

Business Ethics and Information Security				
Indicator	Unit	2023	2024	2025
Number of Business Ethics Violations Reported through Internal or External Reporting Channels	Case	0	0	0
Percentage of Operational Sites with Internal Audits/Risk Assessments on Business Ethics	%	100	100	100
Percentage of Risk Trading Partners Covered by Anti-Corruption and Information Security Due Diligence Processes	%	100	100	100
Number of Anti-Corruption Training Sessions for Employees	Session	2	2	2
Average Anti-Corruption Training Hours per Employee	Hour	2	2	2
Employee Coverage Rate of Anti-Corruption Training	%	100	100	100
Verified Corruption-Related Regulatory Violations	Case	0	0	0
Number of Anti-Unfair Competition Training Sessions for Employees	Session	2	2	2
Average Anti-Unfair Competition Training Hours per Employee	Hour	2	2	2
Employee Coverage Rate of Anti-Unfair Competition Training	%	100	100	100
Verified Unfair Competition-Related Regulatory Violations	Case	0	0	0
Number of Information Security Training Sessions for Employees	Session	1	1	1
Average Information Security Training Hours per Employee	Hour	2	2	2
Employee Coverage Rate of Information Security Training	%	98.38	99.84	100
Verified Incidents Related to Customer Privacy Breaches and Information Security	Case	0	0	0
Percentage of Operational Sites with Certified Information Security Management System	%	100	100	100

Indicator Content Index

GRI Content Index

Statement of Use		The Company has reported the information cited in this GRI content index for the period from January 1, 2025, to December 31, 2025 with reference to the GRI Standards.	
GRI 1 Used		GRI 1: Foundation 2021	
GRI Standard		Disclosure	Chapters
GRI 2: General Disclosures 2021	The organization and its reporting practices	2-1 Organizational details	About Lianhe Aigen
		2-2 Entities included in the organization's sustainability reporting	About the Report
		2-3 Reporting period, reporting frequency, and contact point	About the Report
		2-5 External assurance	About the Report Assurance Statement
	Activities and workers	2-6 Activities, value chain and other business relationships	About Lianhe Aigen
		2-7 Employees	Employee Responsibility
	Governance	2-16 Communication of critical concerns	Communication with Stakeholders
		2-25 Processes to remediate negative impacts	Complaint and Reporting Mechanism
	Stakeholder engagement	2-29 Approach to stakeholder engagement	Communication with Stakeholders
		2-30 Collective bargaining agreements	Rights and Interests Protection
GRI 3: Material Topics 2021		3-1 Process to determine material topics	Material Topics Management
		3-2 List of material topics	Material Topics Management
		3-3 Management of material topics	Material Topics Management
GRI 205: Anti-corruption 2016		3-3 Management of material topics	Compliant Operation
		205-2 Communication and training about anti-corruption policies and procedures	Compliant Operation
		205-3 Confirmed incidents of corruption and actions taken	Compliant Operation
GRI 302: Energy 2016		3-3 Management of material topics	Energy Management
		302-1 Energy consumption within the organization	ESG Data
		302-4 Reduction of energy consumption	Energy Management
GRI 303: Water and Effluents 2018		3-3 Management of material topics	Water Resource Management
		303-1 Interactions with water as a shared resource	Water Resource Management
GRI 303: Water and Effluents 2018		303-2 Management of water discharge-related impacts	Pollution and Waste Treatment
		303-3 Water withdrawal	ESG Data
		303-4 Water discharge	ESG Data

GRI 305: Emissions 2016	3-3 Management of material topics	Climate Change Response
	305-1 Direct (Scope 1) GHG emission	ESG Data
	305-2 Energy indirect (Scope 2) GHG emissions	ESG Data
	305-3 Other indirect (Scope 3) GHG emissions	ESG Data
GRI 306: Waste 2020	3-3 Management of material topics	Pollution and Waste Treatment
	306-1 Waste generation and significant waste-related impacts	Pollution and Waste Treatment
	306-2 Management of significant waste-related impacts	Pollution and Waste Treatment
	306-3 Waste generated	ESG Data
GRI 401: Employment 2016	306-5 Waste directed to disposal	ESG Data
	3-3 Management of material topics	Rights and Interests Protection
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Compensation, Welfare and Care
		Compensation, Welfare and Care
GRI 403: Occupational Health and Safety 2018	3-3 Management of material topics	Occupational Health and Safety
	Occupational health and safety management system	Occupational Health and Safety
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety
	403-5 Worker training on occupational health and safety	Occupational Health and Safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety
	403-9 Work-related injuries	Occupational Health and Safety
	403-10 Work-related ill health	Occupational Health and Safety
GRI 404: Training and Education 2016	3-3 Management of material topics	Talent Growth
	404-1 Average hours of training per year per employee	ESG Data
	404-3 Percentage of employees receiving regular performance and career development reviews	ESG Data
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topics	Rights and Interests Protection
	405-1 Diversity of governance bodies and employees	Rights and Interests Protection
GRI 406: Non-discrimination 2016	3-3 Management of material topics	Rights and Interests Protection
	406-1 Incidents of discrimination and corrective actions taken	Rights and Interests Protection
GRI 414: Supplier Social Assessment 2016	3-3 Management of material topics	Sustainable Supply Chain
	414-1 New suppliers that were screened using social criteria	Sustainable Supply Chain
	414-2 Negative social impacts in the supply chain and actions taken	Sustainable Supply Chain
GRI 416: Customer Health and Safety 2016	3-3 Management of material topics	Quality Management
	416-1 Assessment of the health and safety impacts of product and service categories	Quality Management
	416-1 Incidents of non-compliance concerning the health and safety impacts of products and services	ESG Data

SASB Content Index

Topic	Metric	Code	Chapters
Greenhouse Gas Emissions	Gross global Scope 1 emissions (percentage covered under emissions limiting regulations)	RT-CH-110a.1	ESG Data
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	RT-CH-110a.2	Climate Change Response
Air Quality	Air pollutant emissions (NOX, SOX, VOCs, and HAPs)	RT-CH-120a.1	ESG Data
Energy Management	Total energy consumed, percentage grid electricity, percentage renewable and total self-generated energy	RT-CH-130a.1	ESG Data
Water Management	Total water withdrawn, total water consumed (percentage of each in regions with High or Extremely High Baseline Water Stress)	RT-CH-140a.1	ESG Data
	Number of water quality violations	RT-CH-140a.2	ESG Data
	Water management risks and mitigate strategies	RT-CH-140a.3	Pollution and Waste Treatment Water Resource Management
Hazardous Waste Management	Amount of hazardous waste generated and percentage recycled	RT-CH-150a.1	ESG Data
Community Relations	Discussion of engagement processes to manage risks and opportunities associated with community interests	RT-CH-210a.1	ESG Governance
Workforce Health & Safety	Total recordable incident rate (TRIR) and fatality rate (direct employees and contract employees)	RT-CH-320a.1	ESG Data
	Long-term health risks assessment and mitigation measures	RT-CH-320a.2	Occupational Health and Safety
Product Design for Use-phase Efficiency	Revenue from efficiency resource efficient design products	RT-CH-410a.1	n/a
Safety & Environmental Stewardship of Chemicals	Chemicals management strategies and alternatives development	RT-CH-410b.2	Chemical Management
Genetically Modified Organisms	Percentage of products by revenue that contain genetically modified organisms (GMOs)	RT-CH-410c.1	n/a
Management of the Legal & Regulatory Environment	Corporate positions on environmental and social regulations affecting the industry	RT-CH-530a.1	Environmental Responsibility Product Responsibility Employee Responsibility
Operational Safety, Emergency Preparedness & Response	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	RT-CH-540a.1	ESG Data
	Number of transport incidents	RT-CH-540a.2	ESG Data

Assurance Statement



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Independent Assurance Statement

Regarding the 2025 ESG Report of LIANHE AIGEN PHARMA CO., LTD. (DUQIAO SITE)

Purpose of Assurance

Benchmarks Company Limited (hereinafter "Benchmarks" or "we"), upon the engagement of LIANHE AIGEN PHARMA CO., LTD. (DUQIAO SITE) (hereinafter "LIANHE AIGEN DUQIAO SITE"), conducted an independent assurance of LIANHE AIGEN DUQIAO SITE's 2025 Environmental, Social and Governance (ESG) Report (hereinafter "the Report"). The purpose of this assurance is to provide an independent evaluation of the accuracy and objectivity of the key environmental, social, and governance data and information disclosed in the Report, based on our professional expertise and assurance methodology.

We did not participate in the preparation of the Report. This Assurance Statement is based solely on the information provided by LIANHE AIGEN DUQIAO SITE and the results of our assurance procedures.

Scope of Assurance

The scope of this assurance included the following:

- The accuracy and objectivity of ESG data and information disclosed in the Report, as well as their supporting management systems, during the reporting period from January 1, 2025, to December 31, 2025;
- Evaluation of data and information management processes, including collection, compilation, analysis, and review;
- On-site assurance conducted at the actual operating premises of No.3 Donghai 8th Avenue, Toudengang New District, Linhai, Taizhou City, Zhejiang Province, China

The following content was not included in the scope of assurance:

- Information related to activities outside the defined reporting period;
- Statements concerning the company's beliefs, positions, goals, future intentions, or commitments;
- Financial data and information already audited by an independent third-party financial auditor.

Assurance Methodology

The assurance process followed by Benchmarks included, but was not limited to, the following activities:



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- Conducting an on-site visit to LIANHE AIGEN PHARMA CO., LTD. (DUQIAO SITE).
- Interviewing relevant personnel responsible for ESG data provision and management;
- Reviewing documentary evidence including management system documents, internal records, and data supporting the Report;
- Sampling and verification of key performance indicators (KPIs) disclosed in the Report;
- Applying the AA1000 Assurance Standard, the report has been assessed against the disclosure requirements of the GRI Standards for **accuracy, balance, clarity, timeliness, comparability, and completeness.**

Assurance Conclusion

Based on the assurance work performed and evidence obtained, we conclude the following:

1. The ESG information and data disclosed in the Report are accurate and reliable, with no material misstatements or significant errors identified;
2. The Report presents ESG-related content in a clear, understandable, and verifiable manner, meeting the transparency requirements for public disclosure;
3. The Report provides a reasonably balanced overview of LIANHE AIGEN DUQIAO SITE's ESG practices and performance across key topics.

In accordance with the AA1000 and GRI principles, our findings are summarized as follows:

- **Accuracy:** The Report discloses relevant and verifiable quantitative and qualitative data, enabling stakeholders to understand the company's performance.
- **Balance:** Both achievements and challenges in ESG areas are objectively reported, presenting a fair and neutral picture.
- **Clarity:** The use of multiple presentation formats—including narrative descriptions, tables, charts, photos, and case studies—facilitates understanding by a wide range of stakeholders.
- **Timeliness:** All data and content in the Report are consistent with the defined reporting period and remain valid and current during that time.
- **Comparability:** Historical data and trend analyses of performance indicators are provided, enhancing comparability across different reporting years.
- **Completeness:** The Report covers all material ESG topics within the identified boundaries, reflecting the organization's significant economic, environmental, and social impacts.

Findings and Suggestions



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Good practices observed during the assurance process, along with recommendations for continuous improvement, have been documented in an internal management report and submitted to the relevant departments of LIANHE AIGEN DUQIAO SITE for reference.

Declaration of Independence, Impartiality, and Competence

Since its establishment in 1993, Benchmarks Company Limited has been committed to delivering independent, impartial, and professional third-party audit and certification services. The members of the assurance team involved in this project have no vested interests or conflicts of interest with LIANHE AIGEN PHARMA CO., LTD. (DUQIAO SITE). All assurance activities were conducted in accordance with the principles of objectivity, fairness, and professional integrity.



Technical Director

Benchmarks Company Limited

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July 22, 2026

Feedback



Dear Readers,

Thank you for reading the *2025 Environmental, Social and Governance (ESG) Report of Lianhe Aigen Pharma Co., Ltd.* To help us continuously improve our sustainability and ESG management as well as report preparation, please share your comments and suggestions generously. Please fill out the feedback form and send it to us by post or email. We sincerely appreciate your valuable feedback!

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Your identity:

- ☐ Government and Regulatory Authority ☐ Shareholder ☐ Employee ☐ Customer ☐ Partner/Supplier ☐ Local Community
- ☐ Media/NGOs ☐ Others

2.Your overall evaluation of this Report:

- ☐ Very Good ☐ Good ☐ General ☐ Poor ☐ Very Poor

3.Your evaluation regarding the accuracy and completeness of the disclosed information, indicators and data in this Report:

- ☐ Very Good ☐ Good ☐ General ☐ Poor ☐ Very Poor

4.Your evaluation of the Company's philosophy, measures, and performance in sustainable development and ESG reflected in this Report:

- ☐ Very Good ☐ Good ☐ General ☐ Poor ☐ Very Poor

5.Your evaluation regarding the content structure of this Report:

- ☐ Very Good ☐ Good ☐ General ☐ Poor ☐ Very Poor

6.Your evaluation regarding the design of this Report:

- ☐ Very Good ☐ Good ☐ General ☐ Poor ☐ Very Poor

7.What additional information would you like this Report to disclose?

8.Do you have any comments or suggestions regarding this Report and the Company's ESG initiatives?



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