

Wison Engineering Services Co. Ltd.

(Incorporated in the Cayman Islands with limited liability Stock Code: 2236)



Wison Engineering **Builds a Better World**



**Environmental, Social and
Governance Report
2024**

Wison Engineering Services Co. Ltd.

Environmental, Social and Governance Report 2024





CONTENTS



MANAGEMENT/CHAIRMAN'S MESSAGE	2
ABOUT THIS REPORT	4
ANNUAL ESG PERFORMANCE	6
AWARDS AND HONOURS	7
1. A CLOSER LOOK AT WISON ENGINEERING	9
1.1 AN OVERVIEW OF WISON ENGINEERING	9
1.2 GOVERNANCE STRUCTURE	13
1.3 PRACTICING SUSTAINABLE DEVELOPMENT	17
2. CONTINUOUS INNOVATION AND DEVELOPMENT	29
2.1 INNOVATIVE R&D	29
2.2 CORE COMPETITIVENESS	33
3. COMPREHENSIVE QHSE MANAGEMENT	34
3.1 RIGOROUS MANAGEMENT SYSTEM	34
3.2 SAFETY FIRST	37
3.3 QUALITY FIRST	43
3.4 LOW-CARBON OPERATION	47
4. PROMOTING MUTUAL BENEFIT	67
4.1 QUALITY CUSTOMER SERVICE	67
4.2 SUSTAINABLE SUPPLY CHAIN MANAGEMENT	70
4.3 SPIRIT OF COOPERATION AND WIN-WIN	74
5. CARING FOR AND NURTURING EMPLOYEES	77
5.1 EQUALITY, OPENNESS, AND INTEGRATION	77
5.2 TRAINING AND DEVELOPMENT PLANNING	81
5.3 EMPLOYEE BENEFITS	86
6. CONTRIBUTING TO THE COMMUNITY	91
APPENDIX I LIST OF MAJOR APPLICABLE LAWS AND REGULATIONS	93
APPENDIX II CONTENT INDEX OF HKEX ESG REPORTING GUIDE	95
APPENDIX III GRI STANDARDS CONTENT INDEX	101
APPENDIX IV GREENHOUSE GAS VERIFICATION STATEMENT	108



MANAGEMENT/CHAIRMAN'S MESSAGE

During the Year, under the complex and volatile global economic situation, the advancement of global green transformation still promoted the green and low-carbon development of the petrochemical energy industry, bringing unprecedented challenges and opportunities. Against this backdrop, Wison Engineering adhered to its mission of "Technological Innovation Leads to a Better Future". The Group embraced new challenges and opportunities by continuing to accelerate its international transformation, intensifying its refined management, strengthening its risk control, and enhancing its digitalization and modularization capabilities. We continued to develop our core competence in energy and chemical engineering, while expediting our expansion into the new energy and new materials sectors to create value for our customers. Over the past year, we have not only maintained our industrial advantages in key product areas such as ethylene and crackers, propane dehydrogenation (PDH), methanol to olefins (MTO) and ammonia, but also enhanced our investment in new energy business, vigorously developing emerging technologies and products such as degradable plastics (PGA), methyl methacrylate (MMA), carbon emission reduction, green alcohol and green ammonia, butadiene process technology, and catalysts, etc.. Currently, we have achieved significant progress in these areas, promoting the Company's internationalised development and the upgrading and restructuring of our new quality business.

To further strengthen the quality, health, safety and environment (QHSE) management and optimise the management system, Wison Engineering sticks to the principle of "pursuing the whole life cycle of the project", aiming to enhance the standardisation of project QHSE management, design modularisation, prototyping, and digitalisation level. Additionally, it strives to build a "1+3" system of QHSE management with the project constructors, suppliers, and construction contractors, fostering a win-win situation and creating a positive ecosystem. In addition, while providing high-quality products and services to our customers, we have also implemented various measures for the occupational health and safety of our employees and environmental protection. We have successfully accomplished all the HSE-related targets set at the beginning of the year, with HSE performance comparable to that of first-class international engineering companies.

We are actively responding to and mitigating climate change. During the Year, we conducted verification of our direct and indirect GHG emissions through an independent third party in accordance with ISO 14064-3:2019, which is in line with the requirements of ISO 14064-1:2018 and ensures the accuracy of our GHG emissions data. We also conducted an inventory of GHG emissions (Scope 3) to gain a more comprehensive understanding of the carbon footprint in the value chain, so that we can formulate more effective low-carbon emission reduction strategies. During the Reporting Period, we joined hands with Wison Clean Energy to organise a series of activities on World Environment Day, such as a presentation and a quiz session on low-carbon practices and environmental protection for employees. These activities aimed to further enhance their awareness of low-carbon and environmental protection encouraging them to actively implement ESG principles and sustainable development concepts.



MANAGEMENT/CHAIRMAN'S MESSAGE

In the area of green energy, focusing on the “dual-carbon” goal, we made significant breakthroughs in a number of projects during the Year. These included the conversion of green hydrogen to green ammonia, green power electrolytic water to green hydrogen, biomass to methanol, and ethylene production from ethane oxidation and dehydrogenation. These advancements are accelerating the promotion of the strategic decarbonization pathway for traditional energy projects and the standardization of new energy projects. Among them, our EPC contract for the CO₂ hydrogenation to methanol project in the new energy field was signed with a successful commissioning, which marked an important symbol of the Company's transformation from a traditional chemical engineering contractor to a green energy integrated service provider. In the face of the challenges and opportunities brought about by climate change, we are committed to promoting the transition to low-carbon operations using green energy. We have established the Green Hydrogen Product Technology Centre in this Year, focusing on the integration of Proton Exchange Membrane (PEM) electrolytic baths and Balance of Plant (BOP) systems, as well as the design and promotion of standardised and modular products. We have signed cooperation agreements with a number of leading companies in the industry to deepen and advance our strategic energy transformation.

Wison Engineering focuses on the “Three-horsepower Transformation” talent strategy, which is centred on organisation and talent enhancement, culture building and rule optimisation, and long-term incentives and compensation plans. It implements the strategy of talent recruitment and internal training to introduce high-calibre, competent talents specialised in different areas. At the same time, it strengthens the localised development of overseas talent and implements a range of training programs tailored to different talent types. These initiatives aim to empower employee growth, align performance with rewards, and establish a strong human resources foundation to support the Company's development and progress.

The year 2025 marks the conclusion of China's “14th Five-Year Plan”. In active response to the country's energy technology reforms, Wison Engineering will promote the industrialisation of hydrogen energy, with focus on the four core products, including green hydrogen, green ammonia, green alcohol, and sustainable aviation fuel. In addition, it will proactively implement and advance its ESG management, while maintaining open and effective communication channels with stakeholders to embrace the challenges and opportunities in ESG. The goal is to achieve sustainable and healthy development of the Company in the long term.

Zhou Hongliang

Executive Director and Chief Executive Officer



ABOUT THIS REPORT

REPORT OVERVIEW

Wison Engineering Services Co. Ltd. (the “Company”, together with its subsidiaries, hereinafter referred to as the “Group” or “Wison Engineering” or “we” or “us”) is pleased to present the annual environmental, social and governance report for year ended 31 December 2024 (the “ESG Report” or “this Report”) to highlight the Group’s policies, efforts and performance in environmental, social and governance aspects, demonstrating our contribution to sustainable development and corporate social responsibility.

SCOPE OF REPORT

The policies and data contained in this Report cover the Group and its wholly-owned and controlled subsidiaries, with some contents relating to Wison Group Holding Limited (hereinafter referred to as “Wison Holdings”). The scope of data disclosure is from 1 January 2024 to 31 December 2024 (the “Reporting Period” or the “Year”), with some additional related information incorporated that may have occurred outside the Reporting Period. Unless otherwise specified, the currency used in this Report is Renminbi (“RMB”).





BASIS OF PREPARATION

This Report is prepared based on the Environmental, Social, and Governance Reporting Guide (the “Guide”) in Appendix C2 to the Rules Governing the Listing of Securities (the “Listing Rules”) issued by the Stock Exchange of Hong Kong Limited (the “Stock Exchange” or “HKEX”) with reference to the GRI Standards issued by the Global Sustainability Standards Board (the “GSSB”).

The content covered in this Report complies with the mandatory disclosure provisions, “comply or explain” clause, and requirements of four Reporting Principles (i.e. materiality, quantitative, balance, and consistency) of the Guide.



ABOUT THIS REPORT

Materiality 	Quantitative 	Balance 	Consistency 
This Report has clearly identified and disclosed the process of significant ESG topics and the principles on which such topics are chosen, as well as the description of identified key stakeholders and the process and results of stakeholder engagement.	The statistical criteria, methods, assumptions, and/or calculation tools used to report emissions/energy consumption (if applicable) in this Report, as well as the sources of conversion factors, are all explained in the Report.	The Report provides a fair and objective picture of the Company's performance during the Reporting Period and avoids selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the Report readers.	The statistical methods used to disclose information in this Report are consistent with those used last year. Any changes will be clearly stated in the Report.

SOURCE OF AND RELIABILITY GUARANTEE FOR DATA

The data and cases in this Report mainly come from Wison Engineering's statistical reports and relevant files. The Board of Directors of the Group solemnly undertakes that the Report does not contain any false statements or misleading records, and is responsible for the authenticity, accuracy, and completeness of its content.

ACCESS AND RESPONSE TO THIS REPORT

This Report is available in both traditional Chinese and English versions for readers' reference. In case of any discrepancy, the traditional Chinese version prevails.

The electronic version of the report is available in the section headed "Financial Statements/Environmental, Social and Governance Information" on the website of the Stock Exchange (www.hkexnews.hk) or on the official website of Wison Engineering (www.wison-engineering.com).

We attach great importance to the suggestions of stakeholders and welcome readers to contact us using the following contact information. Your suggestions will help us further improve this Report and enhance the overall sustainability performance of Wison Engineering.

Tel.: 852-21164313

Fax: 852-21169273

Address: Room 2507, 25th Floor, Central Plaza, 18 Harbour Road, Wan Chai, Hong Kong



ANNUAL ESG PERFORMANCE

ENVIRONMENTAL PERFORMANCE

Identification and calculation of new GHG emissions (Scope 3) in the Year to gain a more comprehensive understanding of carbon footprint and develop more effective emission reduction strategies	Material environmental pollution and violation incidents 0	Successful demonstration of China's first methanol production project from power plant flue gas (carbon capture)	Awarded the first EPC contract for a demonstration project of CO₂ hydrogenation to methanol with a capacity of 10,000 tonnes
--	---	---	---

SOCIAL PERFORMANCE

Fatality rate in the past three years 0%	Lost workdays due to work-related injuries during the Year 0 days	Safety training rate for projects under construction 100%	Coverage rate of suppliers signing the "Letter of Commitment to Integrity" 100%
---	--	--	--

GOVERNANCE PERFORMANCE

Corruption or bribery cases 0	Coverage rate of anti-corruption training for directors and employees 100%
--------------------------------------	---



AWARDS AND HONOURS

Wison Engineering has been widely recognised for its quality engineering design, research and development (R&D) of innovative technology, and excellent consultancy results over the years. During the Reporting Period, Wison Engineering once again won a number of awards and honours, which indicated a high level of recognition and acknowledgement from all walks of life.

Awarded projects	Awards	Awarding institutions
Outstanding design results		
75,000 Nm ³ /h Hydrogen Production and 300,000 Tonnes/year Synthetic Ammonia Plant for Phase II of the 400,000 Tonnes/year Polyamide Integrated Project of Fujian Shenyuan New Material Co., Ltd.	First Prize of Excellent Exploration and Design Awards in Henan Province for 2024	Survey and Design Association of Henan Province
Best Practice Cases of Industry-University-Research Collaborative Innovation in Engineering Construction Industry		
Research and Experimental Project of Key Technologies for CO ₂ Capture and Resource Utilization in the Waigaoqiao No. 3 Power Plant	Best Practice Cases of Industry-University-Research Collaborative Innovation in Engineering Construction Industry for 2024	China Construction Enterprise Management Association
Excellent consultancy results		
Feasibility Study Report on the 1.2 Million Tonnes/year Ethylene and Downstream High-end Polyolefin Project of Wanhua Chemical Group Co., Ltd.	First Prize of 2024 Excellent Engineering Consultancy Awards in Henan Province	Association of Engineering Consultation of Henan Province
Feasibility Study Report on the 21,000 Tonnes/year High-end Optical New Material Project of Zhejiang Tuoxi Optical New Material Co., Ltd.	First Prize of 2024 Excellent Engineering Consultancy Awards in Henan Province	Association of Engineering Consultation of Henan Province
Feasibility Study Report on the Demonstration Project of Flue Gas CO ₂ Capture and Methanol Production in the Waigaoqiao No. 3 Power Plant	Second Prize of 2024 Excellent Engineering Consultancy Awards in Henan Province	Association of Engineering Consultation of Henan Province



AWARDS AND HONOURS

Awards	Awardees	Awarding institutions
Other awards		
Shanghai Design Innovation Centre (2024–2026)	Wison Engineering (China) Limited	Shanghai Municipal Commission of Economy and Informatization
2024 China Petroleum and Chemical Industry Technology Innovation Demonstration Enterprise	Wison Engineering (China) Limited	China Petroleum and Chemical Industry Federation
2024 Model Cases for Enhancing the International Competitiveness of Shanghai's Key Industries	Wison Engineering (China) Limited	Yangtze River Delta Industrial Park International Competitiveness Cooperation Alliance
Class-A Engineering Consulting Qualification Certificate	Wison Engineering (China) Limited	China Engineering Consulting Association





1. A CLOSER LOOK AT WISON ENGINEERING

1.1 AN OVERVIEW OF WISON ENGINEERING

Company Profile

Founded in Shanghai, China, in 1997 and listed on the Main Board of Hong Kong in 2012, Wison Engineering (Stock Code: 2236.HK) is a world-leading, one-stop energy and chemical engineering company. Adhering to the corporate mission of “Better Technology, Better Life”, we are committed to the values of “putting customers first and acting in good faith”, and insisting on innovation-driven development. We have established service areas covering five major markets: petrochemicals, coal chemicals, oil refining, new energy, and new materials. Through years of resource and expertise build-up, Wison Engineering has grown into a leading provider of energy and chemical EPC (engineering, procurement, and construction management) services and technologies in China. We integrate our service technologies into our world-leading HSE (health, safety, and environment) management system to continuously provide our customers with excellent, safe, and comprehensive solutions.



Project consulting and industrial park master planning	Comprehensive engineering design	High-quality procurement services
<ul style="list-style-type: none">Customized solutions provided by engineering and technical expertsTaking into account technical, economic, environmental, and social factorsProject Lifecycle Solutions developed by experts throughout the entire project lifecycle	<ul style="list-style-type: none">A team of top-notch professionals with a proven track record in designA sound engineering project design execution system and advanced design toolsAdvanced software and hardware packages and digital design platformsSophisticated module design processesExtensive experience in overseas project execution	<ul style="list-style-type: none">Diversified procurement modesNormative procurement processesStringent supplier enrolment and managementStandardized quality and schedule controlDigital software tools and systems
High-quality construction management	Professional project management	Digital solution
<ul style="list-style-type: none">Project quality assurance through whole-process construction managementEstablishing a project construction quality management system to effectively manage and supervise construction subcontractorsApplying a sound quality, health, safety, and environment (QHSE) management system to the day-to-day work of personnel at construction sitesDeveloping the proactive construction management system (PCMS) to monitor project status and progress in real time	<ul style="list-style-type: none">Comprehensive QHSE managementProject risk control throughout the entire processDynamic project schedule managementSuccessful commissioning and start-up servicesIndependently developed project information management	<ul style="list-style-type: none">Digital integration of engineering design for data interactionCloud3D visual platform for easy information retrieval and collaborationDigital procurement to improve efficiency and agilityDigital delivery facilitating data integration and multi-disciplinary collaboration



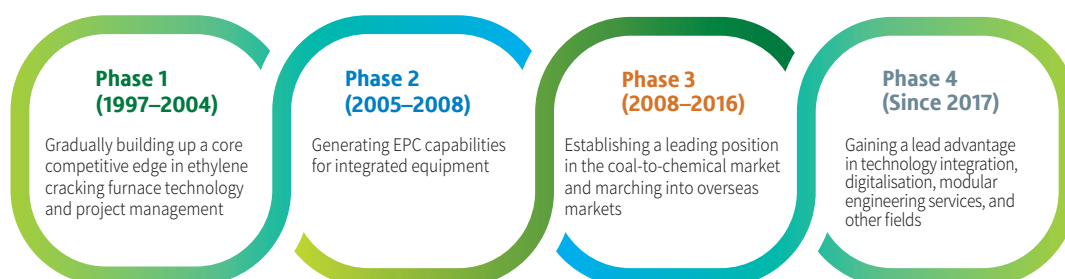
1. A CLOSER LOOK AT WISON ENGINEERING

Key industry qualifications obtained and fields for which solutions could be customised:

Industry qualifications	Fields for which solutions could be customised
<ul style="list-style-type: none"> GB/T 19001/ISO 9001 Quality Management System GB/T 24001/ISO 14001 Environmental Management System GB/T 28001/OHSAS 18001 Occupational Health and Safety Management System Grade A Engineering Design Qualification in Chemical, Petrochemical and Pharmaceutical Industries Grade A Engineering Consulting Qualification in Petrochemical, Chemical and Pharmaceutical Industries China Petroleum and Chemical Industry Technology Innovation Demonstration Enterprise and Shanghai High-Tech Enterprise Grade I Petrochemical EPC Qualification Special Equipment Production License (Pressure Vessel Design) (Pressure Pipeline Design) 	<ul style="list-style-type: none"> Petrochemicals, coal chemicals Oil refining Natural gas Salt chemicals New materials Green hydrogen, green ammonia and green methanol Sustainable aviation fuel Carbon capture

Development Context

Wison Engineering was incorporated in Shanghai in 1997 and its development has gone through four phases. In the first phase (1997–2004), we gradually established our core competence in ethylene cracking furnace technology and project management, and secured our first ethylene cracking furnace revamp contract. In the second phase (2005–2008), we obtained a number of relevant qualifications in the petrochemical field and continuously developed our EPC capabilities for complete plants. In the third phase (2008–2016), breakthroughs were made in Wison Engineering's core technologies, the scope of projects undertaken continued to expand overseas, and we were successfully listed in Hong Kong in 2012, which further strengthened our leading position in the coal chemical market. The Group is now in its fourth phase of development (since 2017). During this phase, we achieved for the first time the licensing of our proprietary technology overseas, successively established execution centres in the Middle East and North America, delivered a number of flagship projects, and are gradually building a leading edge in such business areas as technology integration, digitisation, and modularisation.





1. A CLOSER LOOK AT WISON ENGINEERING

As of 31 December 2024, the Group established business presence in regions such as the Middle East, Eurasia, Southeast Asia, and Africa. The business scope covers the storage and utilisation of basic energy resources such as coal, oil and natural gas, and downstream chemical new materials. At the same time, the Group increased the efforts in the research and development of green low-carbon technologies and promoted the development of new energy businesses, striving to become a world-class energy and chemical engineering company.

Core Values and Mission

Wison Engineering has always adhered to the corporate mission of “Better Technology, Better Life”, and continues to deepen its efforts in the field of energy and chemical services, committed to providing customers with solutions for the entire project life cycle, driving innovation with technology, leading the development of the engineering service industry, and constantly creating greater value for shareholders, customers and even society.

The Company has long practiced the values of “Putting Customers First and Acting in Good Faith”, taking customer needs as the guide for our development and progress, vigorously supporting scientific and technological innovation, and with an honest and responsible attitude, delivering high-quality products and services to customers.





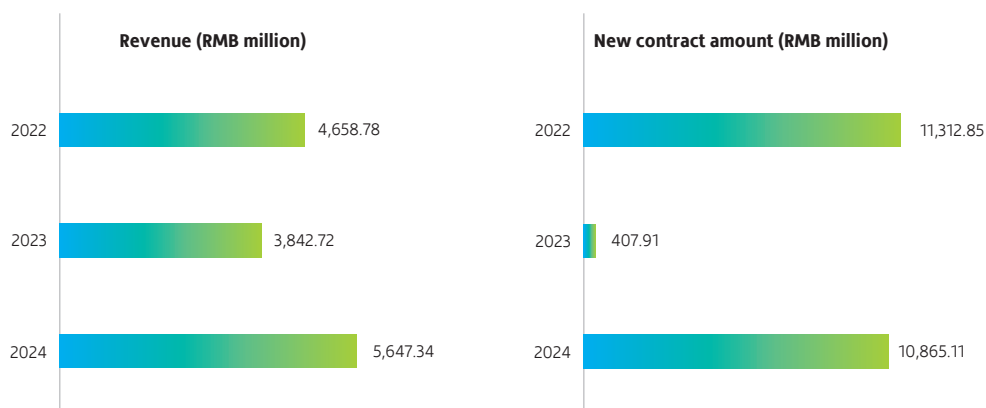
1. A CLOSER LOOK AT WISON ENGINEERING

Wison Engineering attaches great importance to environmental, health and safety (EHS) management, puts the life, health and safety of employees first, applies advanced HSE concepts in decision-making and production activities, takes standardized response and handling measures to ensure the health and safety of our stakeholders, such as employees, customers, contractors and suppliers, and sets a good example of safe and responsible engineering.

Financial Performance

In 2024, the Company streamlined its structure, strengthened fine management, tightened risk control, enhanced its digital and modular capabilities, and consolidated its core competitiveness. In the face of new challenges and opportunities, the Company is further developing the energy and chemical engineering fields, while accelerating its presence in new energy and new materials to seize the initiative in expanding into new markets. Despite the significant increase in the complexity, severity and uncertainty of the external environment, the Chinese economy has shown strong resilience in the complex and volatile international environment, with overall stable operation and steady progress.

As of 31 December 2024, Wison Engineering secured revenue of RMB5,647.34 million, representing an increase of 47.0% over 2023. Our gross profit amounted to approximately RMB445.22 million, representing an increase of 96.0% over 2023. In 2024, the Group secured new contracts with a total value of approximately RMB10,865.11 million, representing an increase of 2,563.6% over 2023.



In 2024, Wison Engineering continued to consolidate its core business market, maintaining a leading position in traditional competitive products such as ethylene, cracking furnaces, propane dehydrogenation (PDH), coal gasification, methanol-to-olefins (MTO), and synthetic ammonia. Wison Engineering continued to further explore emerging fields, strengthen research and development of new energy and new materials technology, accelerate the expansion into new markets, and made continuous breakthroughs in the fields of oxidative dehydrogenation of ethane (ODH) to ethylene, degradable plastics (PGA), methyl methacrylate (MMA), carbon emission reduction, green coal chemical industry, butadiene process technology and catalysts.



1. A CLOSER LOOK AT WISON ENGINEERING

1.2 GOVERNANCE STRUCTURE

Wison Engineering is well aware that a scientific and effective institutional management system is the cornerstone of the Company's sound operation. Therefore, we strictly abide by the Company Law of the People's Republic of China, the Corporate Governance Code as set out in Appendix C1 to the Listing Rules and other applicable laws and regulations. The Group continues to improve its corporate governance structure and system and has formed a management system with the Board of Directors as the core of leadership. Under the Board of Directors, the Nomination Committee, the Audit Committee and the Remuneration Committee are set up, with clearly defined division of responsibilities for each committee to share internal management responsibilities with the Board of Directors, such as risk management, internal control supervision, compliance audit, human resources and remuneration. The establishment of these governance structures has enhanced the transparency and efficiency of the Company's internal operations and provided a fundamental basis for us to continuously create value.





1. A CLOSER LOOK AT WISON ENGINEERING

Risk Management

The long-term sustainable development of an enterprise depends on a comprehensive risk management system. With reference to the Enterprise Risk Management-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) under the U.S. Securities and Exchange Commission, Wison Engineering has formulated internal risk control systems such as the Risk Management Manual, the Rules for Risk Management in the Early Stage of Engineering Projects and the Risk Management Procedures for Implementation of Engineering Projects. Combined with years of practical experience, we have established a risk management database and gradually built a risk control structure that covers all the Group's businesses and the entire process of risk identification, assessment, control and monitoring to assess the degree of risk and safeguard the interests of stakeholders. With the continuous improvement of various internal systems, we are able to make full use of this risk management mechanism to conduct coherent risk control over our daily business.

The Audit Committee of the Group, which consists of three independent non-executive directors, is responsible for reviewing and supervising the implementation of the Group's risk management and internal control systems and providing regular advice and recommendations on risk management to the Board to ensure that the Company's risk management and internal control work are effectively implemented. At the same time, the Group's management and various business departments cooperate with the Board of Directors to promote risk management work. Internal audit functions such as risk identification, risk assessment, risk response, and follow-up are conducted on a regular and irregular basis every year to continuously improve the effectiveness of risk management. In addition, after the risk handling process is completed, we will also inspect and evaluate the process and results, report the evaluation results to the Board of Directors, and take relevant actions to prevent risks or minimize losses, so as to escort and protect the Company.



Risk Management Checklist



1. A CLOSER LOOK AT WISON ENGINEERING

Operation with Integrity

Wison Engineering attaches great importance to maintaining integrity in business activities and strictly implements relevant policies such as anti-bribery, anti-extortion, anti-fraud and anti-money laundering. We adopt a “zero tolerance” attitude towards relevant violations, which is consistent with the values we have always upheld. We have formulated and implemented a series of internal rules and regulations in accordance with the Prevention of Bribery Ordinance of the Hong Kong Special Administrative Region, the Company Law of the People’s Republic of China, the Anti-Unfair Competition Law of the People’s Republic of China, the Interim Provisions on Prohibition of Commercial Bribery, and other national laws and regulations in the places where the Company operates, including the Management Policy for Anti-corruption, Anti-bribery, and Anti-money Laundering, the Interim Provisions on Business Entertainment and Gift-giving Management, the Souvenirs Management Rules and the Employee Conduct and Reward and Punishment Management Rules, so as to plug the loopholes of violations institutionally. In order to strengthen employees’ awareness of integrity, promote the steady and compliant development of the Company’s business and maintain a fair and transparent environment both internally and externally, we continue to improve Party conduct and integrity and combat corruption and require third-party business partners to sign the Letter of Commitment to Integrity so as to promote the integrity and sustainable development of our business value chain with the Group’s influence and we adhere to treating all our clients and business partners with integrity. As of 31 December 2024, the Group did not involve or find any violation of anti-bribery, anti-corruption, anti-competition, and anti-trust related laws and regulations.



Acts Prohibited by the Code of Business Conduct



1. A CLOSER LOOK AT WISON ENGINEERING

Anti-corruption Training

In order to effectively avoid the risk of corruption and create a clean and upright corporate atmosphere, we regularly conduct a series of anti-corruption training for the Company's directors and employees. In the Year, we organized compliance training for directors and all employees on "Building a Strong Line of Defense and Adhering to the Bottom Line — On Preventing Commercial Bribery and Duty Crimes in Enterprises", covering the Group's Compliance Manual, basic knowledge of anti-corruption laws, the hazards of fraud, and reporting channels. We have also compiled compliance and integrity training materials such as the Policy for Managing Recusal due to Conflict of Interest and the Compliance Management Policy to help directors and employees access and understand the Company's relevant rules and regulations at any time, safeguard the red line of integrity and compliance, and maintain vigilance in their daily work.

Whistleblowing Channels

Wison Engineering is committed to creating a clean and fair work environment. In order to strengthen supervision and management, and encourage informed individuals to report any corruption, bribery, or other illegal activities, we provide a variety of reporting channels, including our official website, email address, telephone number, and mailbox. All reporting channels are anonymous. After receiving a report, we will strictly review and investigate the information according to relevant regulations. If any violation is verified, we will handle it seriously according to the rules and regulations, and take actions to safeguard the interests and reputation of the Company.

Whistleblowing email: report2compliance@wison.com



1. A CLOSER LOOK AT WISON ENGINEERING

1.3 PRACTICING SUSTAINABLE DEVELOPMENT

Principles of Sustainable Development

Wison Engineering aims to become a world-class energy and chemical engineering company, and practicing the concept of sustainable development is a crucial path to achieve this goal. Through years of practical experience, we have gradually developed a sustainable development strategy supported by five core pillars: continuous innovation and development, comprehensive QHSE management, promoting mutual benefit, caring for and nurturing employees, and actively giving back to society, guiding the Group to make continuous breakthroughs in the field of sustainable development:



Board's Statement

Wison Engineering understands that sustainable development is an important guarantee for the long-term and steady progress of an enterprise. Therefore, we continuously optimize our sustainability governance structure and workflow, establishing a management system with the Board of Directors as the core leadership of the Group, integrating ESG governance, risk management, and internal control. This system is comprehensively responsible for all aspects of the Group's sustainable development initiatives, including overseeing the identification and assessment of ESG and climate-related risks and opportunities, and ensuring that the Group's reporting disclosures comply with the Environmental, Social and Governance Reporting Guide as set out in the Listing Rules. The Board of Directors has also established a Social Responsibility Executive Committee, which is required to regularly report to the Board on the latest progress in ESG management. The Committee is entrusted with the important task of identifying the Group's material ESG topics and key risks, submitting these topics and risks to the Board for deliberation and approval.



1. A CLOSER LOOK AT WISON ENGINEERING

Wison Engineering actively responds to the national “dual carbon” strategic deployment. By examining its own business characteristics and current situation, the Company has identified a series of guiding targets related to the environment and closely monitors the implementation progress of these targets. Under the leadership and supervision of the Board of Directors, we have deeply rooted the concept of sustainable development in the Group’s management policies, strategic planning, business model, and various decision-making processes. We actively formulate targeted emission reduction strategies based on local policies to effectively address climate change and environmental challenges, respond to the expectations and requirements of all sectors of society for our sustainable development, and achieve our established sustainable development goals.

ESG Governance Structure

To better fulfil its corporate social responsibilities and integrate ESG principles and the concept of sustainable development into its daily operations, Wison Engineering has established a three-tier ESG management system from management to grassroots levels. This system is directly led by the Board of Directors, which is responsible for making decisions on major issues and formulating strategies. The Social Responsibility Executive Committee serves as the core of governance, responsible for identifying material ESG issues, coordinating objectives, engaging with stakeholders, and working with the Board of Directors to promote the implementation of ESG-related initiatives. Various departments within the Group, including the Finance Department, the Personnel Department, the Project Management Department, the Risk Control Department, the Quality Safety Department, and the Market Department, act as the executive level to assist the Board and the Social Responsibility Executive Committee.

To address the potential risks that climate change may pose to our supply chain, fixed assets, health and safety, among others, we have incorporated sustainability factors into our existing risk management system. This helps us identify and assess ESG risks encountered during our operations in a timely manner, prioritize these issues, and take corresponding preventive and responsive measures. The Company’s Board of Directors is fully responsible for assessing and determining material ESG risks, taking timely actions to avoid potential risks or minimize losses to the Company.





1. A CLOSER LOOK AT WISON ENGINEERING

Social Responsibility Governance Structure and Functions

Decision-making level: Board of Directors

- To discuss major ESG affairs and future development
- To review the ESG work plan and achievements
- To review ESG strategies and policies
- To review the effectiveness of ESG management

Coordination level: Social Responsibility Executive Committee

- To identify material ESG topics and major risks of the Group
- To formulate ESG plans and manage targets
- To coordinate ESG management and disclosure
- To formulate ESG strategies and approaches
- To coordinate and arrange communication with stakeholders
- To report the status of ESG management to the Board on a regular basis

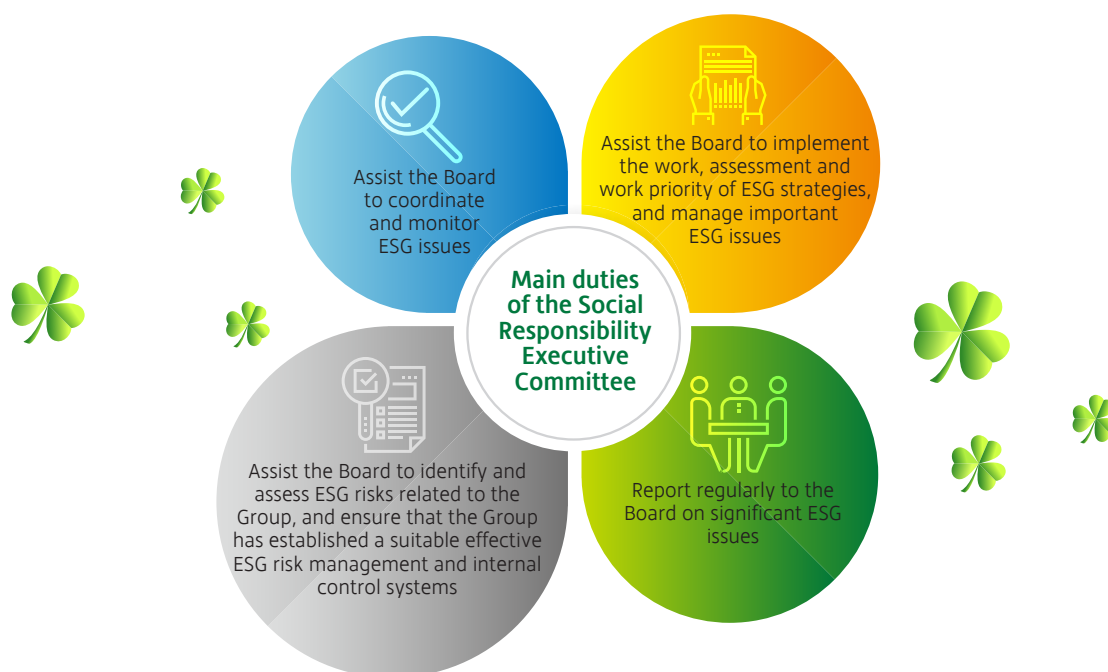
Implementation level: ESG coordinators of departments

- To implement ESG information and policy management
- To support the tasks of the Social Responsibility Executive Committee





1. A CLOSER LOOK AT WISON ENGINEERING



- The Social Responsibility Executive Committee is responsible for ESG risk identification and assessment, and assessing, establishing and updating relevant management policies accordingly. We have put in place effective monitoring mechanisms to ensure that our ESG risk management policies are implemented effectively and that the effectiveness and appropriateness of the policies are tracked on an ongoing basis.
- The Social Responsibility Executive Committee identifies and selects four environmental areas greenhouse gas (GHG) emissions, waste generation, energy use, and water use by reviewing information on the Group's key environmental factors, significant environmental risks, materiality issues, and operations. It sets directional targets for these environmental areas and develops action plans or related measures for the targets.
- The Social Responsibility Executive Committee conducts a materiality assessment by inviting internal and external stakeholders to participate in a questionnaire to help the Company identify materiality topics and develop an initial framework for reporting on these topics to address stakeholder expectations.

ESG Risk Management System

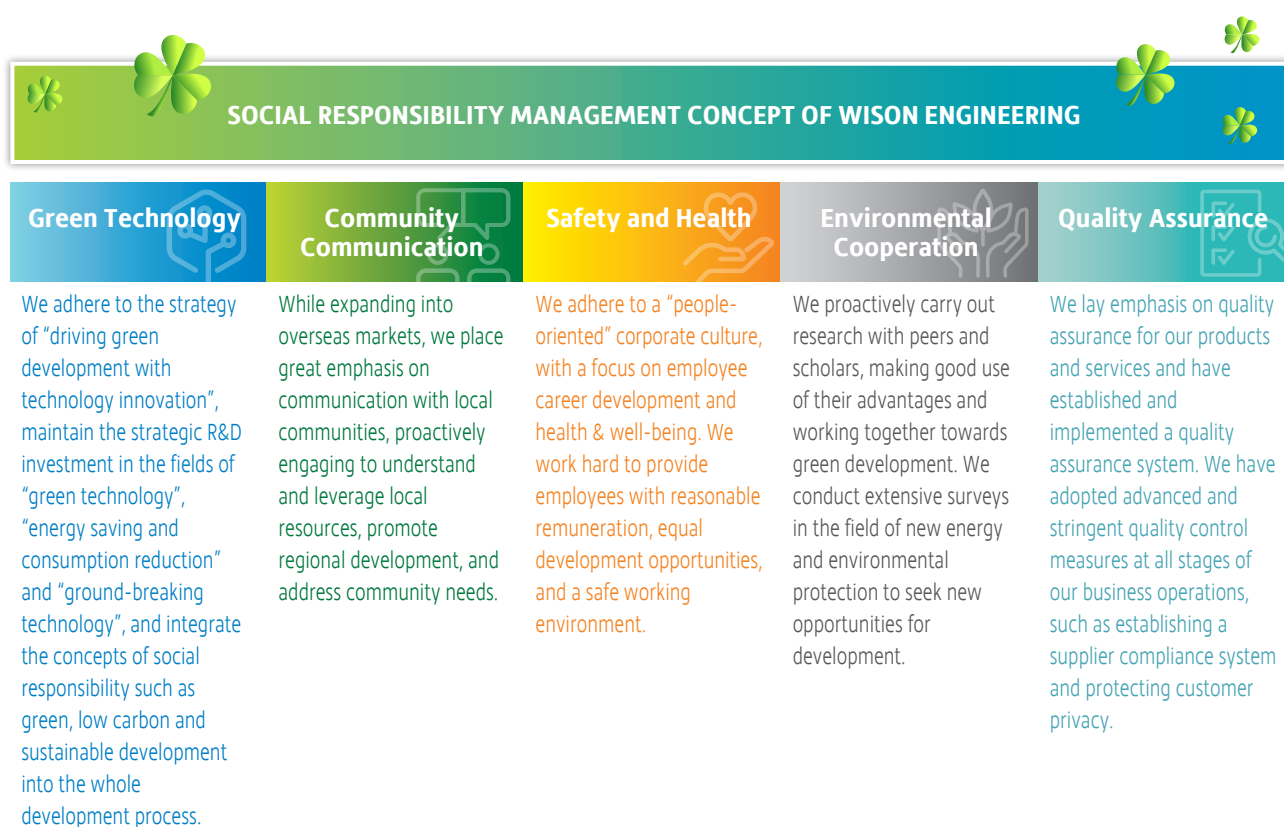
A stable and effective risk management regime is essential for Wison Engineering. Based on the existing sound risk management system, the Group has incorporated sustainability into the management scope to identify and assess the ESG risks that may be exposed in the course of operation, so as to prioritise and manage them in a timely manner. Meanwhile, the Board is fully responsible for assessing and confirming the material ESG risks associated with the Company. These measures are designed to guarantee the effectiveness of risk management and internal control systems, and to ensure that we can act appropriately in the face of ESG challenges.



1. A CLOSER LOOK AT WISON ENGINEERING

Social Responsibility Management Concept

While focusing on the energy and chemical engineering sector, Wison Engineering also attaches great importance to its social responsibilities as a corporate citizen. Integrating our business attributes and characteristics, we have developed the corporate social responsibility governance concept with “green technology, community communication, safety and health, environmental protection cooperation, and quality assurance” at its core. Together with our long-standing quality, health, safety, and environment (QHSE) management system, this concept is embedded in the Company’s management decision-making system. We are committed to building a leading engineering enterprise that values both professionalism and social responsibility.



Assessment, Reporting, and Disclosure

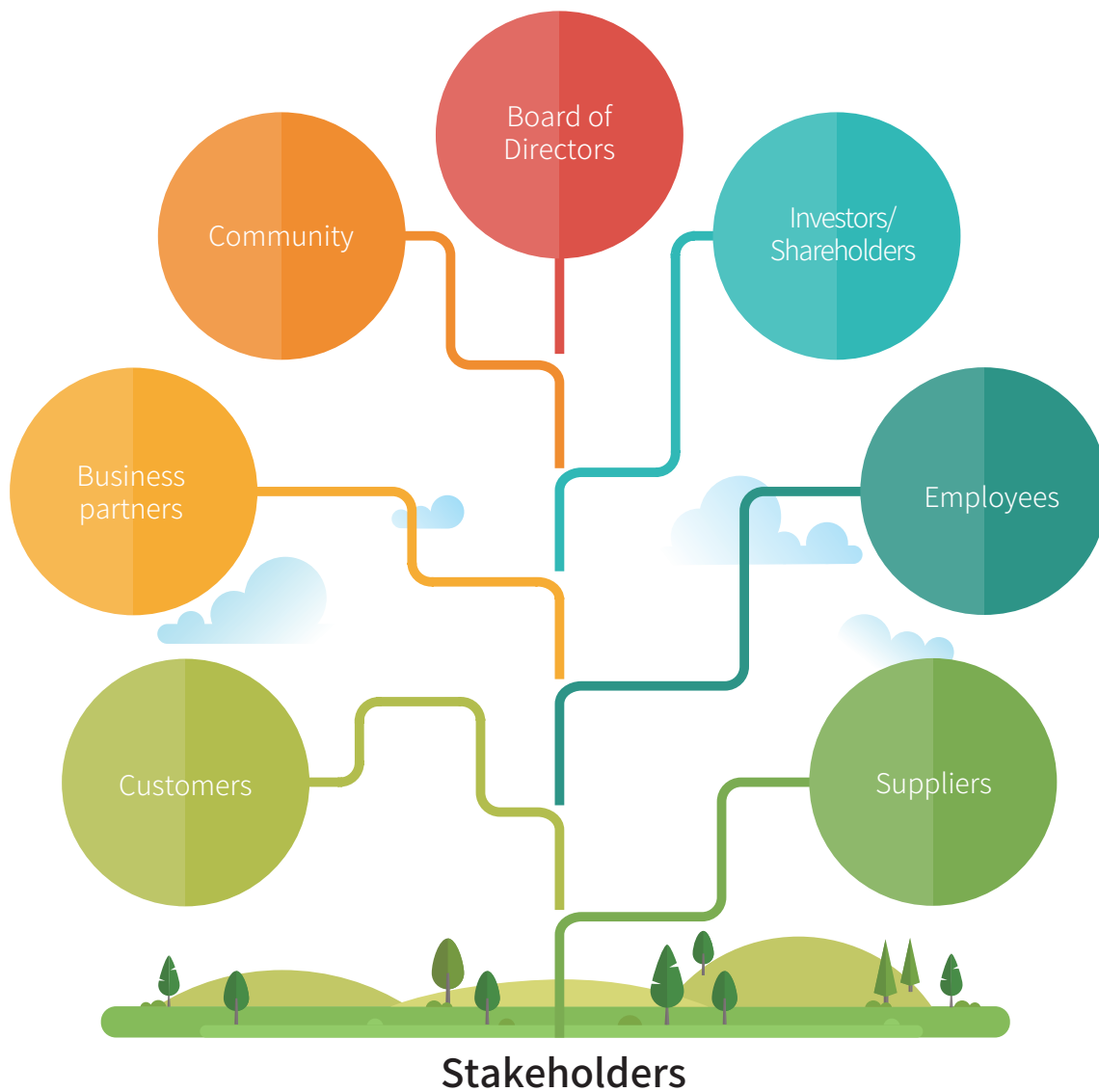
To facilitate timely evaluation and feedback on our corporate social responsibility initiatives, and to adjust subsequent work arrangements accordingly, we have established a Social Responsibility Executive Committee. This Committee regularly reports to the Board of Directors on the company’s corporate social responsibility performance and achievements, providing a basis for the Board to refine, update, and follow up on relevant measures. In addition, our ESG and social responsibility performance are also truthfully disclosed to the public through the Company’s website, annual reports, and ESG reports, among other methods, thereby subjecting ourselves to the scrutiny of the public and various stakeholders. This Report was confirmed and approved by the Board on 27 March, 2025.



1. A CLOSER LOOK AT WISON ENGINEERING

Communication with Stakeholders

Stakeholders are participants, witnesses and sharers in the development of our enterprise, their concerns and expectations are often closely related to the future development direction of the Company, and their views and demands may change with social hotspots and trends. Therefore, we are constantly opening up diversified channels to maintain smooth communication with various types of stakeholders, follow up on identified issues and suggestions, and conduct timely review and feedback. The chart below sets out the key stakeholders with whom the Group communicate, including customers, investors/shareholders, employees, suppliers, business partners, and the community.





1. A CLOSER LOOK AT WISON ENGINEERING

Stakeholders of Wison Engineering

Stakeholders	Issues of concern to stakeholders	Response of Wison Engineering	Communication and feedback channels	Communication frequency
Customers	<ul style="list-style-type: none"> Develop green technology Protect customers' privacy Protect intellectual property rights Improve the quality of products and services 	<ul style="list-style-type: none"> Follow the low-carbon and sustainability policy of the State and the industry, guarantee the strategic investment in the R&D of green chemical engineering technology and energy saving & emission reduction technology, and develop a number of green processes and catalytic technologies independently and together with other parties to promote sustainable business development. Earnestly protect customer privacy and intellectual property rights (IPRs), take the initiative to sign confidential agreements with customers, and carry out routine maintenance of customer information in an orderly and secure way through a sound customer information management system. Continuously optimise the quality management system, introduce the standardised management of projects, and adopt rigorous quality management measures in all stages of business operations, including project planning and control, procurement, design, and construction management. 	Contract negotiation	Before entering a contract
			Customer satisfaction survey	Regular
			Customer communication	Regular
			Customer service	Regular
			Interviews	Regular
Investors/ Shareholders	<ul style="list-style-type: none"> Business development and financial performance Compliant operations Safeguard the rights and interests of shareholders 	<ul style="list-style-type: none"> Maintain a sound financial position in the face of internal and external challenges, and share our business results and breakthroughs in domestic and overseas markets with investors via various channels. 	Annual and interim reports	Regular
			Annual general meeting	Regular
			Results announcement	Regular
			Business communications such as letters to shareholders, circulars and notices of meetings	Ad hoc
			Interviews	Ad hoc



1. A CLOSER LOOK AT WISON ENGINEERING

Stakeholders	Issues of concern to stakeholders	Response of Wison Engineering	Communication and feedback channels	Communication frequency
Employees	<ul style="list-style-type: none"> Talent training and development Salary and welfare Healthy and safe work environment Well-established employee grievance mechanism 	<ul style="list-style-type: none"> Continuously establish and improve the employee training system and strengthen employee training to promote the personal career development of employees. Regularly review the employee salary and benefits policy to ensure that all employees enjoy fair and competitive remuneration and benefits, and strive to improve employee compensation. Establish a sound occupational health and safety management system, review it regularly to ensure the effective implementation of safety measures, and endeavour to create a safe and healthy work environment. Value the two-way communication with employees, and provide different channels internally for employees to voice their opinions freely and furnish feedback in a timely manner. 	Labour contract	Before induction
			Routine meetings of the Group and departments	Regular
			Appraisal of work performance	Regular
			Internal announcements	Regular
			Internal forums	Often
			Interviews and surveys	Ad hoc
			Education and training	Ad hoc
			Employee Intranet	Regular
Suppliers	<ul style="list-style-type: none"> Establish a steady and long-term cooperation relationship Manage suppliers' social responsibility Improve occupational health and safety management 	<ul style="list-style-type: none"> Develop rigorous supplier access and assessment criteria and effectively implement the green procurement policy for suppliers. Strengthen day-to-day supply chain management through ad hoc supplier evaluation and management at different levels. Establish and improve the occupational health and safety management system to ensure the effective implementation of relevant policies and measures. Carry out regular supervision and inspection to ensure the construction safety of engineering projects. 	Contract negotiation	Before entering a contract
			Inspection and evaluation on site	Ad hoc
			Supplier/Contractor evaluation system	Regular
			Education and training	Ad hoc
			Regular meetings	Regular
			Regular meetings	Ad hoc



1. A CLOSER LOOK AT WISON ENGINEERING

Stakeholders	Issues of concern to stakeholders	Response of Wison Engineering	Communication and feedback channels	Communication frequency
Business partners	<ul style="list-style-type: none"> Business development and financial performance Actively develop green technology Reduce resources consumption and pollution Improve internal anti-corruption management 	<ul style="list-style-type: none"> Maintain a sound financial position in the face of internal and external challenges, and achieve better-than-expected business results in domestic and foreign markets. Strive to rapidly grasp the knowledge in related fields and achieve breakthroughs in green technology through independent R&D and cooperation with external scientific research institutions. Develop and apply green technology to provide production technology with low energy consumption and high efficiency, and reduce resources consumption during operation. Fully implement the Management Policy for Anti-corruption, Anti-bribery, and Anti-money Laundering, strengthen the internal anti-corruption supervision, and set up transparent whistleblowing channels to encourage employees to directly report their integrity concerns to the Group. We also incorporate integrity education activities into the annual training programme, with a view to deepening the Group's integrity culture. 	Multi-channel cooperation and technical research	Long-term
			Contract negotiation	Before entering a contract
			Regular meetings	Regular
			Interviews	Regular
Community	<ul style="list-style-type: none"> Impact on the community environment Care about and respond to community needs 	<ul style="list-style-type: none"> Conduct an environmental risk assessment on the construction site and surrounding communities prior to the construction of each project, and minimise the impact of construction on the local environment based on the principle of balancing construction and environmental protection during construction. Actively get involved in the community near the project to learn about the needs of the community, and invest and participate in issues of concern to the community to help the community improve the quality of life, such as organising various educational, cultural and environmental activities. 	Participate in and organise public welfare activities	Ad hoc



1. A CLOSER LOOK AT WISON ENGINEERING

Materiality Matrix of ESG Topics

The Group keeps collecting and responding to the demands and expectations of stakeholders and conducts a materiality assessment based on the feedback received. We engaged a third-party consulting firm to sort out the ESG material topic pool and identify the highly important, moderately important, and generally important topics for the Company based on stakeholder feedback, the HKEX's Guide, the Sustainability Accounting Standards Board (SASB)'s Materiality Map, and peer best practices. Finally, we will take actions to address these topics to guide the Company's future development.

Below are main steps for materiality assessment:

Identifying sustainability topics	Summing up opinions of stakeholders	Conducting materiality assessment	Verifying material topics
<ul style="list-style-type: none"> Reviewing and finalising a list of material topics of relevance to the Group's business, which included 34 topics covering environmental, social, employment, and operation. 	<ul style="list-style-type: none"> Designing an online questionnaire based on the identified topics and inviting internal and external stakeholders to rate the materiality of each topic to them. 	<ul style="list-style-type: none"> Collecting and analysing views of stakeholders, dividing the identified topics into those of high, moderate, and general materiality, and compiling a materiality matrix for the year. 	<ul style="list-style-type: none"> Handing over the materiality matrix to the Group's management for reviewing, validating, and finalising the prioritisation of material topics.

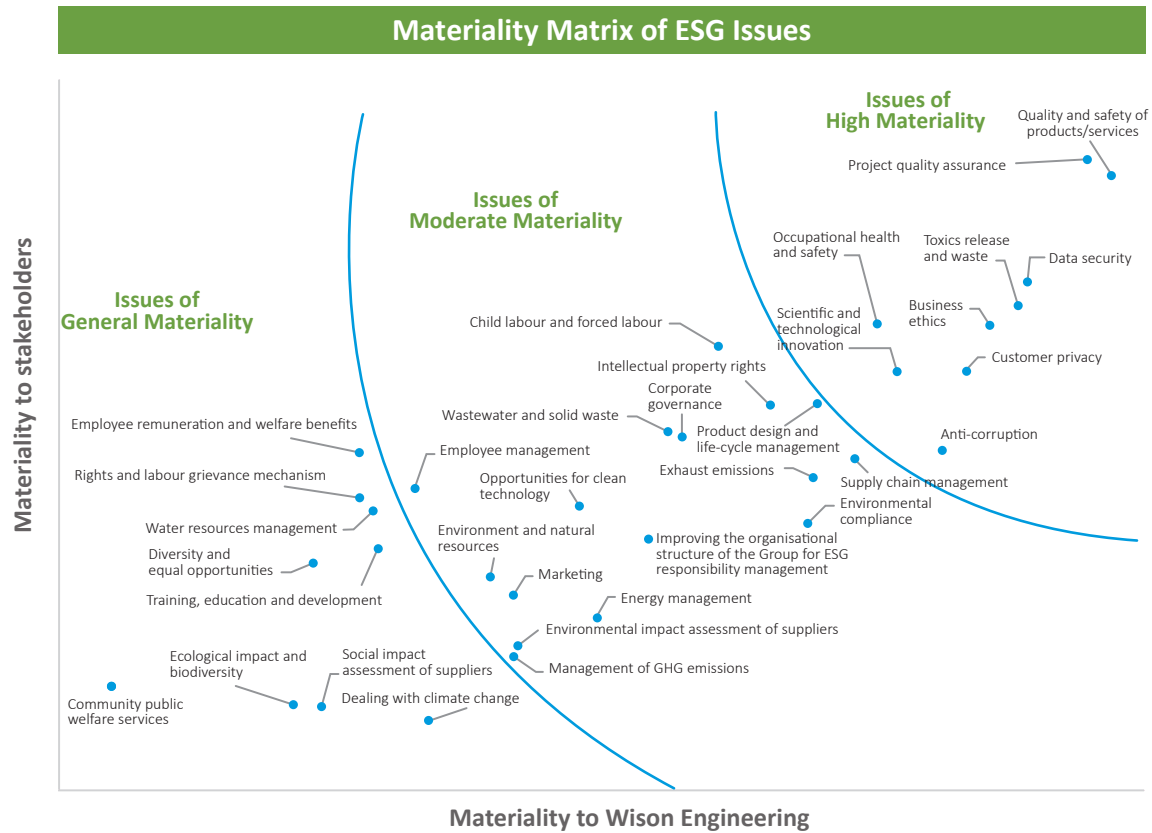
According to the feedback from stakeholders in their questionnaires and in light of the operating conditions of the Group, we ranked the 34 material ESG topics and finally arrived at 9 highly material topics, 16 moderately material topics, and 9 generally material issues.

In the Year, the Group reviewed the material ESG topics of the previous year. As no significant changes occurred to the Group's business and operating environment and the results of the previous year's materiality assessment could still address the expectations of our stakeholders, the Board has confirmed that the results of the previous year's materiality assessment remain applicable in this year.



1. A CLOSER LOOK AT WISON ENGINEERING

The results of materiality assessment for the Year are set out below:





1. A CLOSER LOOK AT WISON ENGINEERING

According to the materiality matrix, Wison Engineering has identified the focus areas for material environmental, social and governance issues, including continuous innovation development, comprehensive QHSE management, promotion of mutual benefit, care and development of employees, and active giving back to society. We have responded to the ESG topics material to stakeholders in this Report and focused on the highly material topics to reflect our ESG contributions in the following chapters/sections of this Report:

Topics of high materiality	Chapter/Section in this Report
Quality and safety of products/ services	3.2 Safety First 3.3 Quality First
Project quality assurance	3.3 Quality First
Data security	4.1 Quality Customer Service
Toxics release and waste	3.4 Low-carbon Operation
Business ethics	1.2 Governance Structure
Customer privacy	4.1 Quality Customer Service
Occupational health and safety	3.2 Safety First
Scientific and technological innovation	2. Continuous Innovation and Development
Anti-corruption	1.2 Governance Structure



2. CONTINUOUS INNOVATION AND DEVELOPMENT

We always believe that technological innovation is the key to promoting sustainable development. We are actively engaged in R&D, applying cutting-edge energy and chemical technologies, and providing our customers with innovative and efficient solutions. We are committed to supporting national policies, promoting green transformation of industries, and contributing to a sustainable future.

2.1 INNOVATIVE R&D

We place great importance on innovative R&D and actively explore emerging fields while consolidating our core businesses. The Group's design team is growing. To strengthen the design team and enhance its overall design execution capabilities, we restructured the design organization this year by establishing a design centre with a design management department and specialist offices. To further enhance our competitiveness and explore new opportunities, we also established the Green Hydrogen Product Centre of Excellence, focusing on the system integration and standardization of proton exchange membrane (PEM) electrolyser balance of plant (BOP), modular product design, and related product development.

Wison Engineering successfully undertook the trial operation of the first 10,000-ton CO₂ capture and hydrogenation to methanol project from power plant flue gas in China

Wison Engineering signed an EPC contract with Shanghai Waigaoqiao No. 3 Power Generation Co., Ltd. ("Waigaoqiao No. 3 Power Plant"), a subsidiary of Shenergy Company Limited, for a 10,000-ton demonstration project of CO₂ hydrogenation to methanol, which is the first 10,000-ton pilot plant undertaken by Wison Engineering for CO₂ capture and hydrogenation to methanol from power plant flue gas in China (the "Plant"). This project serves as a supporting initiative for the "Carbon Neutrality Joint Laboratory" jointly established by Shenergy Company Limited and East China University of Science and Technology. It is also the first industrial-scale demonstration project in Shanghai for producing methanol from pure carbon dioxide and hydrogen, which is being conducted at the Waigaoqiao No. 3 Power Plant. The Plant successfully passed the performance test after 72 hours of continuous operation. This significant milestone marks a decisive breakthrough for this cutting-edge technology in the pilot phase and lays a solid foundation for the development of CO₂ capture and utilization in China's power plants.

The project's core technology was jointly developed by East China University of Science and Technology and Shenergy Company Limited. Wison Engineering, leveraging its outstanding professional expertise, comprehensively oversees the entire process management from secondary development of process packages, design, procurement, construction, to facility operation. The plant integrates a highly efficient capture unit for CO₂ in power plant flue gas and an innovative CO₂ hydrogenation to methanol process unit. The initial commissioning and trial run were successful, and the plant was quickly optimized to meet the design capacity requirements, smoothly producing a methanol aqueous solution, demonstrating the technical strength and execution capabilities of the project team.



2. CONTINUOUS INNOVATION AND DEVELOPMENT

The China Petroleum and Chemical Industry Federation organized experts to conduct an on-site operational assessment. The assessment results showed that all key performance indicators of the system met the design requirements. The average CO₂ capture rate was higher than 95%, and the highest capture rate reached over 99%. The conversion rate of hydrogen (H₂) and carbon dioxide (CO₂) was over 99%, and the methanol selectivity was over 99%. Compared with the traditional coal-to-methanol process, energy consumption was reduced by over 70%, and the above indicators are at the leading level in the industry. This achievement not only verifies the feasibility and advancement of the technology, but also provides an important reference for future large-scale promotion and application, further promoting technological innovation and industrialization of CO₂ capture and utilization in China.

In recent years, Wison Engineering has actively aligned with the national “Dual Carbon” strategy, focusing on green hydrogen energy and sustainable energy solutions, and working with partners within and outside the industry to promote the construction of a green and low-carbon energy system, laying a solid foundation for the Company’s sustainable development.





2. CONTINUOUS INNOVATION AND DEVELOPMENT

Wison Engineering Signed Strategic Cooperation Agreement with BriHynergy

On 16 October, 2024, Wison Engineering and BriHynergy signed a strategic cooperation agreement in Shenzhen, embarking on in-depth cooperation in the field of PEM electrolysis hydrogen production. According to the agreement, BriHynergy is responsible for developing highly efficient PEM electrolyzers, while Wison Engineering focuses on developing BOP systems suitable for these electrolyzers, aiming to create a complete PEM electrolysis hydrogen production solution and standardized products. The two companies hope to leverage their complementary advantages and collaborative innovation to jointly expand domestic and international markets, promote the application of green hydrogen technology, and help customers achieve a carbon-neutral future.





2. CONTINUOUS INNOVATION AND DEVELOPMENT

Driving Green Transformation: The Strategic Vision of Wison Engineering

Against the backdrop of global trends toward green energy transformation and new-quality development, we actively respond to the international community's call for zero-carbon and low-carbon development, committing ourselves to promoting green and intelligent re-engineering to accelerate new business development. Green and low-carbon transformation has become an important consensus in addressing climate change. Wison Engineering has embraced this trend, rapidly transforming into a company oriented towards customer and market needs.

To adapt to the new trend, the Group has adjusted its organizational structure and established a product and technology centre focused on exploring new businesses, technologies, and products. We actively grasp the pulse of the global energy and chemical transformation, systematically analysing the needs and technological bottlenecks in the transition from traditional chemical industries to new energy sources, especially the shift from "resource-driven" to "technology innovation-driven" paradigms. At the same time, we are paying close attention to the development of cutting-edge technologies such as electricity-hydrogen coupling, green ammonia and methanol, carbon capture and utilization, and deepening research and production cooperation with international partners.

Wison Engineering not only prioritizes the introduction of technical experts and core talents but also establishes specialized teams to systematically carry out research on deep decarbonization technologies for products such as hydrogen, ammonia, methanol, and sustainable aviation fuel (SAF). We strive to participate in the strategic global energy transformation and national development of disruptive productive forces in an early, rapid, and professional manner, promoting the formation of new business and product lines dealing with renewable energy technology services and delivery.

Protecting IPRS

We strictly comply with IPR-related laws and regulations in China, such as the Patent Law of the People's Republic of China, the Trademark Law of the People's Republic of China, and the Advertising Law of the People's Republic of China, and have formulated a number of internal documents including the Patent Management Rules and the Rules on the Management of Technical Research and Development Results, to protect the legitimate rights and interests of IPR owners and combat all kinds of infringement.

We are continuously striving to enhance innovation. The Group improves incentive mechanisms to support employees' creativity and raise its own innovation level. Our specialized management system oversees all stages related to patents, including application, acquisition, transfer, protection, and rewards, ensuring the standardization of these processes. In addition, the Group has established clear guidelines for the classification, grading, promotion, and incentivization of technological research achievements. In the Year, we filed 15 new patent applications and obtained 13 newly authorized patents. A number of technologies have made significant progress, contributing to our intellectual property assets and technology reserves. Currently, our patent portfolio includes 197 patent applications, 28 authorized patents, and 150 software copyrights, reflecting our innovation capabilities and competitive advantages.



2. CONTINUOUS INNOVATION AND DEVELOPMENT

2.2 CORE COMPETITIVENESS

Digital Transformation: Wison Engineering's Path of Innovative Management

We are committed to accelerating the construction of a digital integrated project management system to enhance refined management capabilities. During the Reporting Period, the first phase of development of our project management platform and design management platform has been successfully completed and put into operation, providing visualized and data-based progress analysis for project management. These platforms enable advance prediction and early warning, helping to achieve real-time control over the entire project execution process.

During the Reporting Period, Wison Engineering continuously improved its digital design and delivery capabilities, promoting the construction of the project management system. The Engineering Data Warehouse (EDW) achieved 100% design data matching in the SIBUR project, enhancing delivery quality and efficiency. The Abu Dhabi SRU project completed the integration of piping and electrical data, and Smart Plant 3D (SP3D) integration was completed in May 2024, ensuring high-standard delivery. The digital delivery of SIBUR's and Huayi's MTO projects has achieved advanced levels both domestically and internationally. At the same time, the ECOSYS system has achieved online management of budget, cost, and contracts, enhancing project execution capabilities. In addition, the digital construction management system has been applied in multiple projects, strengthening the monitoring and management of the construction process and promoting the Group's international transformation.



3. COMPREHENSIVE QHSE MANAGEMENT

3.1 RIGOROUS MANAGEMENT SYSTEM

Wison Engineering strictly complies with the ISO 14001 Environmental Management System, the ISO 45001 Occupational Health and Safety Management System, and the ISO 9001 Quality Management System to ensure that our business operations meet the highest environmental, health, and quality standards. Through the implementation of refined management, focusing on the details of each link, and enhancing overall efficiency and effectiveness, Wison Engineering has established a comprehensive quality, health, safety and environment (QHSE) management system after analysing the needs of employees, customers, and society to support its vision of sustainable development. Wison Engineering pursues an overall business strategy to develop innovative technologies, focus on chemical and energy businesses, and promote global development. We are committed to continuously promoting technological advances and seeking innovative solutions in a bid to meet market needs and enhance competitiveness.



ISO 14001
Environmental Management
System Certificate



ISO 45001
Occupational Health and
Safety Management System
Certificate



ISO 9001
Quality Management
System Certificate





3. COMPREHENSIVE QHSE MANAGEMENT

QHSE Policy

Customers Oriented	Excellent Systems
Safety First	Prevention is Key
Care for Health	Protecting the Environment
People-oriented	All member management
Sustainability	Better Life

The Group actively strengthens lean management with the aim of enhancing safety, quality and efficiency. We strive to enhance employees' understanding of QHSE concepts, continuously optimize and adjust QHSE policies and management, and improve employees' ability to respond to emergencies. In view of this, Wison Engineering compiled the Work Safety Responsibility System to standardise the project process. In addition, we continue to utilize the functionalities of the intelligent QHSE Management Platform. Through this platform, the engineering team will be able to more efficiently monitor and manage quality, health, safety, and environmental issues within projects, thereby enhancing the efficiency of QHSE management.

Achievement of Annual QHSE Management Objectives by Wison Engineering





3. COMPREHENSIVE QHSE MANAGEMENT

3.2 SAFETY FIRST

We attach great importance to the life safety and health of its employees and other stakeholders, and fully understand the importance of safety management. Wiscon Engineering strictly abides by the Law of the People's Republic of China on Work Safety and the Administrative Regulations on the Work Safety of Construction Projects, to ensure that our operations comply with national standards. We have adopted a series of measures to ensure the effectiveness of safety management. We adopt internationally advanced safety management methodologies to create a secure work environment for our employees. These include Hazard and Operability Analysis (HAZOP), Safety Integrity Level Certification (SIL), and Job Hazard Analysis (JHA) to ensure the effectiveness of our safety management practices. With these policies, we can identify potential hazards and risks and adopt appropriate preventive measures. To effectively minimize the possibility of accidents, we encourage our employees to actively participate in safety training and emphasize compliance with safety procedures. During the Reporting Period, the Group did not receive any complaint or litigation regarding the violation of health and safety laws.



Work Safety Permit

Work Safety Permit

The Group has established a series of safety-related guidelines and regulations, including the "Laboratory Management Regulations", "Hazardous Chemical Safety Management System" and "Hazardous Waste Safety Management System", among others. These documents delineate the requirements and measures for safety management, effectively reducing the risk of safety incidents and enhancing the level of safety production management. By strictly enforcing these policies, we ensure that every aspect of our work meets safety standards, thereby protecting the lives and health of our employees and other stakeholders. In addition, the Company has significantly increased its investment in safety by equipping itself with modern safety equipment and protection supplies. By providing the necessary tools and safety equipment, we ensure that our employees can effectively identify and guard against potential hazards and risks during their work. We are committed to safeguarding the lives and property of every employee and other stakeholders. During the Reporting Period, the Group invested RMB34.99 million in Health, Safety and Environment (HSE). Over the past three years, we have not experienced any work-related fatalities. The lost time injury frequency rate (LTIFR) per 200,000 man-hours was 0.029, and the total recordable incident rate (TRIC) was 0.058, which fully demonstrates our effectiveness and commitment in safety management.



3. COMPREHENSIVE QHSE MANAGEMENT

Workplace Safety

Wison Engineering is committed to ensuring the safety and health of its employees in the workplace. We have established a systematic management process and relevant documentation to reduce occupational health and safety risks and promote the effective management of health, safety and environment (HSE). To ensure the safety of employees in the workplace, we have developed various documents to comprehensively regulate occupational health and safety, such as the "Occupational Health Management Procedures", "Accident Reporting and Emergency Management", and "Regulations on High (Low) Temperature, Dust, Toxins, and Noise Management". We have established monitoring systems and inspection mechanisms and continuously promote their operation. In terms of employee health management, we have established an occupational health management system to regularly monitor and manage employees' health conditions, including creating employee health records and organizing periodic employee physical examinations, focusing on and managing employees' health to reduce the likelihood of occupational health risks. We have established documents such as "HSE Hazard Identification, Assessment, and Control" to identify hazards and assess risks in all stages of the production process, including engineering project design, construction, and management of living facilities, and have formulated corresponding risk control measures. We adhere to the safety production policy of "being people-oriented, putting safety first", conducting regular inspections, monitoring the control of hazards and environmental factors, and ensuring on-site construction safety. Through these inspections, we ensure that various risks on the worksite are properly controlled, protecting the safety of employees and the environment, and identifying and eliminating potential risks in operations.

Risk Prevention and Control

We strictly comply with relevant laws and regulations such as the "Production Safety Law of the People's Republic of China" and the "Emergency Response Law", and have formulated a series of emergency plans, including the "Wison Engineering Comprehensive Emergency Plan", "Wison Engineering Headquarters Emergency Plan", and "Emergency Plans for Branches and Project Departments". These plans cover all levels of organizations and units, forming a three-tier safety emergency mechanism, enhancing employees' on-site emergency response capabilities and the safety emergency management abilities of various project departments. Our plans outline the organizational structure, responsibility allocation, and emergency procedures for emergency management, enabling employees to respond quickly and orderly in emergencies according to the established procedures, thereby minimizing losses and protecting employee safety to the greatest extent. To ensure the effective implementation and practical application of emergency plans, we conduct regular inspections and evaluations while continuously strengthening training and drills to enhance employees' emergency response capabilities, ensuring the effectiveness and adaptability of our emergency plans to better handle potential emergencies.

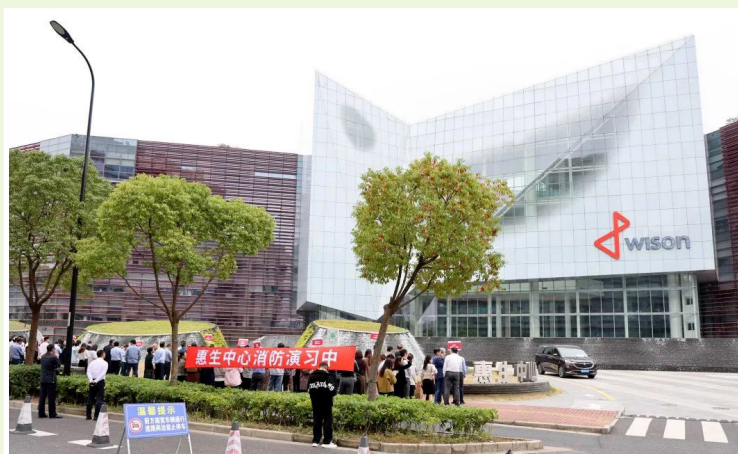


3. COMPREHENSIVE QHSE MANAGEMENT

“Prevention is Key and Eliminate Fire Hazards in Advance” — 2024 Annual Fire Emergency Drill

On 14 November, 2024, our group, together with all tenants, jointly conducted this year's fire emergency evacuation drill. The emergency command centre issued instructions to initiate the emergency evacuation drill. Volunteer firefighters on each floor acted swiftly, guiding all personnel in their areas to evacuate in an orderly manner. The alert team, evacuation team, and rescue team each performed their duties with coordinated efficiency, ensuring the smooth execution of the drill. In this drill, the shortest evacuation time was just 6 minutes, with both the evacuation speed and orderliness setting the best record in recent years. A total of 86 units and departments participated in the drill, with 3,237 people attending, and the drill was successfully completed.

The drill not only enhanced employees' awareness of the importance of fire safety but also comprehensively tested the Group's fire management work. We will continue to optimise the emergency response plan system, continuously improve fire safety management, and strive to create a safer, healthier, and more comfortable work environment for our employees.



Safety Culture Development

We attach great importance to the well-being and safety of our employees and are committed to fostering a healthy, safe, and harmonious work environment. To ensure that critical safety information is effectively communicated to employees at all levels, enhance their awareness of HSE, and improve their ability to implement the occupational health and safety management system, we actively conduct various safety promotion and training activities. We provide onboarding safety training for new employees to ensure they are familiar with safety regulations and guidelines from the outset, guaranteeing that mandatory training compliant with legal and regulatory requirements is provided to employees. Additionally, we offer specialized training on crane safety programs, equipping employees with the necessary knowledge and skills in areas such as accident and emergency management and hazardous chemical management, ensuring they can apply what they've learned to their actual work. We regularly evaluate the effectiveness of our training and improve the content of training, hence guaranteeing the constantly enhanced professionalism of our employees in occupational safety and related management.



3. COMPREHENSIVE QHSE MANAGEMENT

Safeguarding Life Channels, Building up Safety Bottom Line

1. Raising Safety Awareness among Employees

June 2024 marks the 23rd "National Safety Production Month". Leveraging the "National Safety Production Month", the Group organized a series of themed activities around the national theme of "Everyone Emphasizes Safety, Everyone Knows Emergency Response — Ensuring Smooth Life Channels" and the Company's theme of "Safeguarding Life Channels, building up Safety Bottom Line", further promoting the Company's safety production and corporate safety culture development, and enhancing the safety awareness of all employees.

2. Presidential Address Kicks Off "Safety Production Month" Campaign

Mr. Zhou Hongliang, President of Wison Engineering, delivered a safety speech, kicking off the "Safety Production Month" campaign with a keynote speech entitled "Safeguarding Life Channels, Building up Safety Bottom Line", reviewing the "Wison's Ten Safety Concepts", emphasizing that the Company's safety philosophy is the fundamental principle of and attitude towards our safety management, and introducing the Company's next steps in formulating carbon reduction targets, carbon reduction roadmap, and fulfilling low-carbon-related social responsibilities.

3. "Safety Production Month" Launching Ceremony

Before June 1st, all project departments under construction of the Group held the "Safety Production Month" launching ceremonies, and organized a signing ceremony for all employees to pledge their commitment to safety during the ceremonies. This solemn signing ceremony further strengthened the sense of safety responsibility of all participants, laying a solid foundation for creating a safer work environment.

It is worth mentioning that this year, foreign employees of several key overseas projects of the Company, including the Farabi LAB4 project, the Saudi Aramco DPCU project, and the Qatar EPC-4 project, also simultaneously launched the Safety Month launching ceremony and safety commitment signing activities. Foreign employees actively participated in these activities, deeply feeling Wison Engineering's high attention and rigorous attitude towards safety management.

4. Promotional Activities

In accordance with the Safety Month activity plan, starting from 1 June, 2024, the welcome screens in the lobby of the Company's headquarters, the TV screens in the canteen, the bulletin boards at project sites, and the desktop wallpapers of employees' computers were all replaced with the Group's 2024 Safety Production Month theme posters. At the same time, each project department also customized and hung banners and posters with the theme of "Safety Production Month", further creating a strong safety culture atmosphere.

In addition, each project department also carried out safety promotion activities in various forms, including organizing all employees to watch the safety education film "Ensuring Smooth Life Channels", holding emergency safety knowledge discussion meetings for all employees, and inviting construction managers to share their safety management experience.

All project departments under construction actively organized special events on "Safety Consultation Day" closely following the theme of "Everyone Emphasizes Safety, Everyone Knows Emergency Response — Ensuring Smooth Life Channels". For example, the Liaoning Panjin Sanli Project Department held a "Safety Publicity and Consultation Day" event on June 18th, popularizing emergency common sense to employees by printing and distributing safety leaflets; The Huayi Project organized a Wenjuanxing safety knowledge quiz event with the participation of 303 people, further enhancing employees' safety awareness and emergency response capabilities.



3. COMPREHENSIVE QHSE MANAGEMENT

Safeguarding Life Channels, Building up Safety Bottom Line

5. "Safety Production Month" Special Training

Centred around the theme of this year's "Safety Production Month", we specially invited an external professional team to conduct a special training on "Cardiopulmonary Resuscitation (CPR) + Automated External Defibrillator (AED) + Heimlich First Aid". 72 trainees from various departments of the Company and the front desk reception participated in this practical training and successfully obtained first-aid certificates. Through the training, the trainees gained proficiency in the operating procedures of cardiopulmonary resuscitation and automated external defibrillator, laying a solid foundation of skills for responding to emergencies that pose a threat to life.

Each project under construction carried out 16 special trainings based on their specific circumstances, including those covering lifting operations, excavation operations, construction power supply, safety experience sharing by construction managers, and special safety training for project management personnel. These training activities have effectively enhanced the safety expertise of operational personnel while further strengthening the safety responsibility awareness of management at all levels, providing a solid foundation for the safe and efficient progress of the projects.

6. Special Safety Inspections

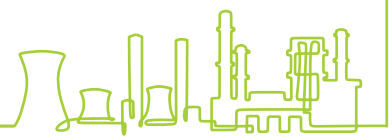
During the Safety Month, the Group conducted special safety inspections in office areas, laboratories, and canteens, identifying a total of 17 problems and potential hazards. Rectification measures were implemented for each issue to ensure the elimination of safety hazards.

At the same time, various project departments organized a series of special inspection activities according to their actual conditions, including inspections of work at heights, green and civilized construction, camp safety, temporary electricity usage, heatstroke prevention and cooling measures, on-site amenity facilities, and the preparedness of emergency supplies. Through these inspections, we identified and rectified a total of 386 non-conformities, providing a strong guarantee for on-site construction safety during the Safety Month and further consolidating the foundation of safe production.

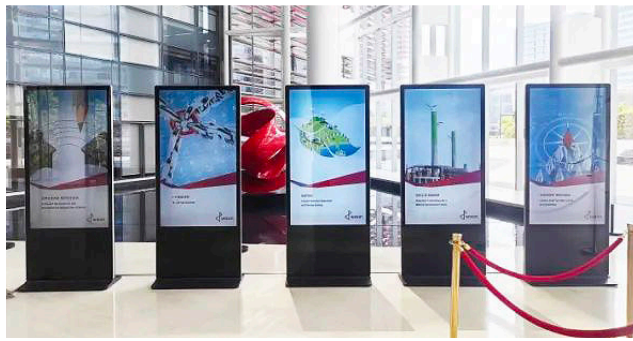
7. Project Emergency Drills

The Group headquarters meticulously planned and implemented three emergency drills, including a special emergency drill for laboratory burn incidents conducted by the Product Technology centre, a fire emergency evacuation drill organized by the canteen service provider, and a flood control emergency drill conducted by the property management unit.

At the same time, various project departments also actively conducted 7 special drills, including fire drills, heatstroke prevention and cooling drills, and emergency evacuation drills. These drills not only enhanced employees' awareness of emergency response but also significantly improved the ability of employees at all levels to handle emergencies, laying a solid foundation for building a safer work environment.



3. COMPREHENSIVE QHSE MANAGEMENT





3. COMPREHENSIVE QHSE MANAGEMENT

3.3 QUALITY FIRST

High-quality Engineering Projects

While enhancing project execution and delivery capabilities, the Group consistently adheres to the principle of meticulous management, continuously optimising all aspects of work to enhance efficiency and improve the overall quality of projects. During the Reporting Period, with the concerted efforts and expertise of all departments, Wison Engineering successfully completed a number of major projects. These projects not only met the high standards of our clients but also received high recognition from them for their delivery quality. Adhering to its own advantages, Wison Engineering is committed to meeting the needs and expectations of its customers. By accumulating a wealth of achievements and a good reputation, Wison Engineering has laid a solid foundation for the Company's sustainable development.

In terms of project quality supervision, Wison Engineering strictly adheres to the ISO 9001 Quality Management System standard to ensure the high-quality delivery of every project. We have developed and implemented a comprehensive quality system management procedure, which comprises 20 key management documents, covering every stage from project initiation to completion and acceptance. These management documents not only regulate the construction process but also clearly define the specific requirements for quality inspection and control. By strictly implementing these procedural documents, the Company can systematically monitor project quality, identify and rectify potential issues in a timely manner, thereby effectively preventing quality accidents. In addition, the Company regularly organizes internal audits and management reviews to continuously improve and optimize the quality management system, enhance the level of project quality supervision, and provide customers with better and more reliable engineering projects.

Quality Objectives Setting and Strict Monitoring

Each project department formulates its quality objectives in accordance with the requirements of the project contract and with reference to the Company's quality objectives. This year's project quality monthly reports reflect that all quality objectives have been met. For example, the approval and implementation rate of ITP for important equipment materials was 99.15%, and the one-time acceptance rate of single projects was 100%. Project quality is generally under control.

Enhanced Quality Awareness

During the 2024 Quality Month, the Group launched a series of quality activities under the theme of "Strengthening Quality Support and Empowering Wison's Transformation". These activities included displaying "Quality Month" posters on the electronic screen in the headquarters lobby, internal auditor training, design management, sharing procurement cases, online Q&A, collecting rationalization suggestions, and conducting comprehensive quality inspections of project entities. These diverse activities aimed to continuously improve the quality management level of project entities, create a positive quality management environment, and enhance employees' quality awareness.



3. COMPREHENSIVE QHSE MANAGEMENT



On-site quality inspection of FARABI project



Inspection of equipment module assembly of DPCU project



Stress test inspection of process piping for Yang Coal Project



Inspection and acceptance of embedded parts installation for Huayi Project



Construction Contractor Site Visit and Observation Organized for Wanhua Project



Valve inspection and clearance for SIBUR project



3. COMPREHENSIVE QHSE MANAGEMENT

Standardized Processes

We attach great importance to safety management and continue to improve the QHSE management system, including the QHSE management module for projects. To strengthen the Group's quality management, the Group has set the following quality management objectives.

Quality Management Objectives



All projects in the year were operated smoothly and no projects or products were returned for quality, safety or health reasons.

Standardised Project Construction

- The standardisation of all projects under construction was inspected and supported
- Over 100% implementation rate of applicable projects in the Project Standardisation Atlas of domestic projects under construction in 2024
- All ongoing projects fully met the management requirements of quality and safety standardisation



3. COMPREHENSIVE QHSE MANAGEMENT

Implementation of Quality Model Projects

- The number of model projects increased by 3 to 53 this year after the compilation of model projects for guiding processes and standards was updated and upgraded, and the reuse rate of quality model projects of each project reached 96%
- The project ITP (Inspection and Test Plan) was soundly implemented, and project departments established an ITP ledger, with an inspection pass rate of 99.15%

Specific outcomes of model project work this year

This year, with continuous efforts made to improve the management of model projects and special processes in all projects, the specific outcomes of model project work are as follows:

- Twenty-five reuse measures were planned for the Wanhua ethylene cracking furnace project and the Guangxi Huayi MTO project, 24 of which have been successfully completed
- Eight new measures were created, seven of which have been completed, with an overall completion rate of 93%, all meeting the established standard (80%)
- For overseas projects, the first piece inspection and testing method was mainly adopted to strictly control the process quality. For example, in the FARABI project, 11 physical first-piece model inspections were carried out in a number of processes, including plastering of buildings, painting, ceiling installation, waterproofing, structural fire protection, sandblasting and painting of pipes, equipment insulation, non-metal pipe bonding, and HVAC duct installation, and all inspections were passed

Special Management of Project Quality

- The Rules on the Management of Special Construction Processes of Engineering Projects was strictly followed to regulate the special process management of engineering projects
- The Company identified special construction processes prior to construction and recorded all procedures in a strict compliant manner, and better identified the main factors affecting special processes in accordance with relevant design standards
- The special monitoring process was improved continuously and the Special Process Implementation Plan was implemented in parallel with the construction process



3. COMPREHENSIVE QHSE MANAGEMENT

By earnestly analysing and formulating quality improvement measures, we have implemented model projects and special processes on all fronts, advanced and improved QHSE standards and processes, and thus improved our quality management level remarkably. At the same time, all departments have continued to improve the quality of their products and services and continuously improved work quality through improvement and innovation.

3.4 LOW-CARBON OPERATION

To respond to China's progress in achieving carbon peaking and carbon neutrality, the Group has continued to deepen its green concept, actively promoted the integration of sustainable development and environmental protection in the process of project implementation, practised green operations, reduced greenhouse gas emissions, and implemented energy conservation and consumption reduction and renewable energy application initiatives, contributing to the construction of an environment-friendly society. By adopting low-carbon production methods and technological innovations, Wison Engineering implements green policies in every aspect of construction to achieve sustainable development and reduce environmental footprint.

In actively responding to national policies, we strictly adhere to relevant laws and regulations, such as the Environmental Protection Law of the People's Republic of China and the Regulations on Environmental Protection Management of Construction Projects. The Group strives to comply with its internal regulations in business operations, such as the Environmental Protection Management Procedures, the Rules on the Management of Energy and Resource Consumption, and the Rules on Waste Management, which set out clear management requirements for emissions, waste, energy, and water resources, ensuring that we promote sustainable development while striving to achieve our environmental goals. During the Reporting Period, the Group was not aware of any cases of violating environmental protection laws or regulations.

Wison Engineering has set up a dedicated environmental management team responsible for environmental supervision at each project department. The team works at the project construction sites alongside dedicated environmental management personnel appointed by construction subcontractors to ensure the effective implementation of environmental management guidelines, protection facilities, and pollution prevention and control measures. This has improved resource utilisation efficiency and made significant efforts to reduce environmental pollution. To create a low-carbon work environment, we have established an energy conservation and emission reduction team to oversee energy consumption in the office areas, convening energy conservation and emission reduction meetings and reducing energy consumption in daily operations.

The Group has set environmental targets related to emissions, waste, energy efficiency, and water efficiency and has confirmed that these targets are still applicable for the current year. The Group vigorously implemented its policies and measures to reduce GHG emissions, save energy and water, and reduce waste. In the future, we will maintain or gradually reduce the intensity of GHG emissions (Scope 1 and Scope 2), waste intensity, and electricity and water consumption intensity while maintaining a similar level of operations. We reviewed progress against our targets with good progress made this Year, confirming that these targets remain relevant.



3. COMPREHENSIVE QHSE MANAGEMENT

Mitigating Climate Change

The Group fully understands that climate change is not only an environmental issue, but also has a profound social and economic impact on stakeholders. The Chinese government's encouragement for the elimination of outdated production capacity and acceleration of the application of new energy sources (such as hydrogen energy, wind power and photovoltaic power) have brought new opportunities to the engineering services market. Therefore, the Group is working in tandem with the Chinese government's Carbon Peaking and Carbon Neutrality policy and taking advantage of this opportunity to explore a carbon-neutral implementation path that can achieve balanced development in response to environmental, social, and economic challenges, aiming to achieve the goal of carbon neutrality in a pragmatic and fair manner.

We are actively responding to global warming, striving to improve climate resilience in our operations, and reducing greenhouse gas emissions for society. During the year, we identified the impacts brought by climate change, including physical risks, transition risks and opportunities, and incorporated climate change adaptation factors into our business decisions and strategic focus areas of expansion. Wison Engineering is engaged in technology development and research in areas such as the hydrogen energy industry chain, industrial exhaust gas capture, and CO₂ chemical carbon fixation, promoting the application and transformation of clean energy, striving to reduce carbon emissions, and contributing to the achievement of sustainable development goals.

Governance

The Board of Directors has established a Social Responsibility Executive Committee to oversee ESG-related work, including addressing climate change. This Committee leads relevant functional departments in identifying and addressing climate change risks and taking measures, under the overall supervision of the Board of Directors. For more information about our ESG governance, please refer to section "1.3 Practising Sustainable Development" in this ESG Report.

Strategy

The Group closely monitors changes in the climate environment and market regulations and has compiled a list of physical and transition risks associated with climate change, categorized by risk level. We have adopted countermeasures based on our current business conditions to minimize the potential impact of climate change. The details are as follows:



3. COMPREHENSIVE QHSE MANAGEMENT

Climate change risk

Type of risk	Climate risk	Risk level	Potential risks/ opportunities	Potential financial impact	Responses
Physical risk	Acute risk (e.g. typhoons, floods)	Moderate	Increase in extreme weather conditions such as typhoons and rainstorms may cause damage to infrastructure facilities, delays in construction progress, and supply chain disruptions	<ul style="list-style-type: none"> Potential damage to existing infrastructure may cause increasing maintenance expenditure Supply chain disruptions may cause the shortage of raw materials and the decrease in operating income Operation may be interrupted and other problems involving breach of contract, compensation and legal liabilities may arise during extreme weather 	<ul style="list-style-type: none"> Develop extreme weather contingency plan Arrange extreme weather training among employees Keep the electronic version of relevant documents for backup and the backup data centre should be in other place Adopt the most advanced engineering techniques and build to the highest standards, and take into account maximum affordability Deploy in advance by the project department and activate the emergency plan against typhoons; reinforce the project office area, material supply warehouse and other areas; conduct safety inspections to the construction area, identify risk and hidden danger in the project site to reinforce the safety management and control of the project construction. Take geographical location into account when selecting site, and provide special protection for operations in coastal zone Regularly check whether buildings are compliant with the latest local building standards and carry out necessary repairs Add back-up power and water storage facilities Have early discussion with suppliers and logistics companies on emergency measures in extreme weather (including discussion with owners on contingency plans and timely communication on relevant matters such as additional budgets, overtime arrangement, and additional equipment on site (water pumps)) Adopt the most advanced engineering techniques and build to the highest standards, and take into account maximum affordability
	Chronic risk (e.g. extreme high temperature, water scarcity)	Low	Extreme hot weather may increase the demand for cooling and threaten the health of employees working outdoors	<ul style="list-style-type: none"> Operation cost may increase due to increased resource and energy usage as a result of rising temperature 	<ul style="list-style-type: none"> Provide appropriate health and safety training and heatstroke prevention measures for employees Adopt additional low-cost emission reduction measures, which is favourable to the environment, and reduces potential risk of energy price increase Use renewable sources of energy to reduce energy consumption (i.e., increasing the use of PV power) Optimise the operational efficiency of heating and air conditioning systems to minimise power consumption



3. COMPREHENSIVE QHSE MANAGEMENT

Type of risk	Climate risk	Risk level	Potential risks/ opportunities	Potential financial impact	Responses
Transition risk	Market Risk	Low to moderate	Growing concern of stakeholders on sustainability	<ul style="list-style-type: none"> As the market tends to select low-carbon products and services, failure to meet market requirements may result in lower profits and reduce operating income 	<ul style="list-style-type: none"> Respond to national policies and international trends by focusing on new energy business and energy saving & emission reduction measures Get informed of the latest policy requirements by communicating with clients, industry associations, and government organs and enhance staff training on these requirements Proactively implement energy conservation and consumption reduction and cleaner production to decrease carbon emissions Take climate-related factors into account in business operation and consider the feasibility for using new and alternative energy sources
	Technical Risk	Low to moderate	Increase relevant R&D costs and investments in technology innovation for the transition to a low carbon economy	<ul style="list-style-type: none"> Increase relevant R&D costs and investments in technology innovation for the transition to a low carbon economy 	<ul style="list-style-type: none"> Develop new and clean energy sectors such as solar power, wind power, hydrogen energy, and CO₂ integrated use Follow the development and application of new technologies in the industry, e.g., developing carbon capture and equipment to reduce carbon emissions during production Study on the feasibility and benefits for applying the latest low-carbon and energy-saving technologies to operations
	Policy and regulatory risks	Low to moderate	China is resolutely implementing the "Dual Carbon" policy, promoting advanced technology and factory transformation and upgrading, and encouraging the use of new energy sources and the development of new materials	<ul style="list-style-type: none"> Increase in compliance costs Increase in R&D costs 	<ul style="list-style-type: none"> Keep abreast of the latest climate change related laws and regulations and integrate them into business management strategies Accelerate the pace of penetration into new energy business, and give full play to the advantages in independent R&D and engineering technologies Incorporate the "3060 Dual Carbon Goal" into the staff training program Increase investment in the development of technologies and projects in low-carbon and emission reduction
	Reputational Risk	Low to moderate	As higher standards on climate actions are requested by the stakeholders, failure to respond effectively could jeopardize the reputation of the business	<ul style="list-style-type: none"> Additional costs will occur from transformation to a low emission production process Investors may cancel or reduce their investment to the Company 	<ul style="list-style-type: none"> Proactively respond to the national call for "Dual Carbon" by actively communicating with stakeholders, formulating and disclosing emission reduction targets Pay more attention on climate change, including strengthening the identification, management and planning of climate change risks Publicly disclose the Company's GHG emissions data and its efforts on low-carbon operations, etc. in ESG reports, to effectively maintain its corporate image Establish all-round communication channels with stakeholders, to regularly communicate with stakeholders and provide timely feedback on the measures and actions taken by the Company on climate issues.



3. COMPREHENSIVE QHSE MANAGEMENT

Risk Management

To effectively address the impact of climate risks on our business, the Group has implemented rigorous climate risk management. Based on our existing risk management system, we have incorporated climate risk considerations. By reviewing records of major natural disasters at each operating location, assessing regional physical risks, and considering regulations and market policies, we have identified various climate change risks. We continue to optimize our risk management system to ensure our measures can effectively avoid or mitigate the impact of climate change.

We identify and assess climate-related risks through the following steps:

- Identify climate change risks that may affect business operations, including physical risks (such as extreme weather events) and transition risks (such as changes in policies and regulations), by leveraging historical data, scientific research, and industry reports;
- Conduct qualitative assessments of identified risks to determine their potential impact and probability of occurrence;
- Classify risks into high, moderate, and low risk levels based on their nature and potential impact, facilitating the development of appropriate response strategies.

We have integrated the climate-related risk management process into our overall risk management system to ensure collaboration among departments and effectively address the challenges posed by climate change. Specific measures include extreme weather emergency plans and providing employees with training on responding to extreme weather, to raise awareness of climate risks and enhance their response capabilities, ensuring that all employees are involved in risk management; Following the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), we regularly disclose information on climate-related risk management, including risk identification, assessment, and management measures, to enhance transparency and build stakeholder trust.

Metrics and Targets

We regularly collect and disclose our greenhouse gas (GHG) emissions and emission intensity, closely monitor relevant metrics, and implement a series of emission reduction and carbon reduction measures to ensure that we can achieve our emission reduction targets while growing our business. During the Reporting Period, we conducted verification of our direct and indirect GHG emissions through an independent third party in accordance with ISO 14064-3:2019, which is in line with the requirements of ISO 14064-1:2018 and ensures the accuracy of our GHG emissions data (details of which are set out in Appendix IV Greenhouse Gas Verification Statement). To gain a more comprehensive understanding of our carbon footprint, including indirect emissions in the value chain such as upstream and downstream activities, this year we have further expanded the identification and calculation of GHG emissions (Scope 3). This allows us to better understand the main sources



3. COMPREHENSIVE QHSE MANAGEMENT

of carbon emissions and develop more effective emission reduction strategies. Our Scope 3 GHG emissions cover Category 1 Purchased Goods and Services, Category 2 Capital Goods, Category 3 Fuel and Energy Related Activities, Category 4 Upstream Transportation and Distribution, Category 5 Waste Generated in Operations, Category 6 Business Travel, Category 7 Employee Commuting, Category 8 Upstream Leased Assets, and Category 13 Downstream Leased Assets.

- Our objective: to proactively implement the Group's policies and measures to reduce GHG emissions, we will maintain or gradually reduce the intensity of GHG emissions (Scope 1 and Scope 2) in the future while maintaining a similar level of operations.
- This year, our GHG emission intensity (Scope 1 and Scope 2) has decreased compared to last year, as detailed below:

Type of emission	Unit	Emission load in 2023	Emission load in 2024
GHG emissions (Scope 1) ¹	tonnes of CO ₂ e	3,882.83	6,638.79
GHG emissions (Scope 2) ²	tonnes of CO ₂ e	7,890.23	3,080.11
GHG emissions (Scope 3) ³	tonnes of CO ₂ e	/	511,104.03
Total GHG emissions (Scope 1 and 2)	tonnes of CO ₂ e	11,773.07	9,718.90
Intensity of GHG emissions (Scope 1 and 2)	tonnes of CO ₂ e/ten-thousand-yuan revenue	0.03	0.02
Total GHG emissions (Scope 1, 2 and 3)	tonnes of CO ₂ e	/	520,822.93
Intensity of GHG emissions (Scope 1, 2 and 3)	tonnes of CO ₂ e/ten-thousand-yuan revenue	/	0.92

¹ The GHG emissions (Scope 1) of the Group primarily stem from fuel consumption, the use of fuel in vehicles under its name, and fugitive emissions generated from human activities.

² The GHG emissions (Scope 2) of the Group primarily stem from electricity consumption during operations.

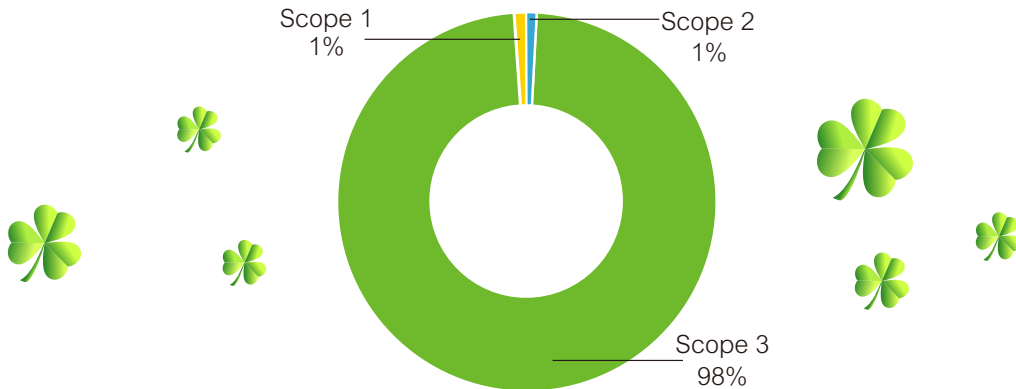
³ Due to the nature of the business, the Group does not involve Category 9 Downstream Transportation and Distribution, Category 10 Processing of Sold Products, Category 11 Use of Sold Products, Category 12 End-of-Life Treatment of Sold Products, Category 14 Franchises, or Category 15 Investments under Scope 3 and therefore, no quantification was carried out.



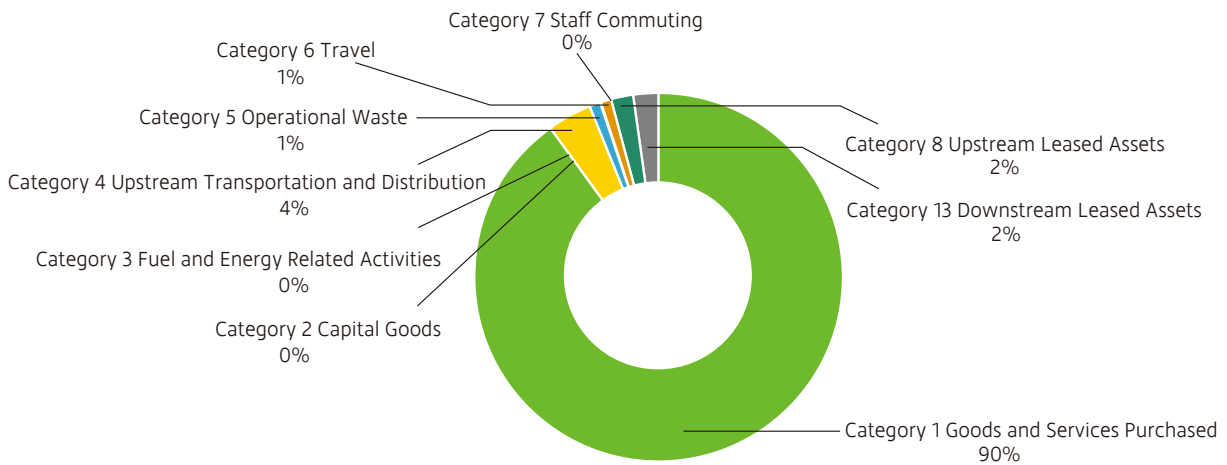
3. COMPREHENSIVE QHSE MANAGEMENT

The following is the breakdown of the Group's GHG emissions by Scope 1, Scope 2, and Scope 3, as well as by category within Scope 3:

**Distribution of GHG emissions
(Scope 1, 2 and 3)**



**Distribution of GHG emissions
by category in Scope 3**





3. COMPREHENSIVE QHSE MANAGEMENT

Emissions and Waste Management

The Group strictly complies with the pollutant discharge laws and regulations of the countries and regions in which it operates, and has proactively taken a series of pollution reduction and control measures. The Group has formulated the Rules on the Management of Solid Waste, Waste Steam (Gas), and Wastewater and the Rules on Waste Management to manage and dispose of solid waste, exhaust gas, and wastewater generated within the scope of engineering projects. We are committed to reducing pollutant emissions during operations and managing our environmental footprint in all aspects.

Our Rules on Waste Management classify waste according to its nature, source, and form, and reduce waste generation by controlling raw materials and inventory, thereby promoting resource recycling and strengthening waste management.

To regulate environmental protection work in the Group's business activities, we have established the Environmental Management Procedures, implemented the responsibilities of different departments, such as the Quality Safety Department, the General Management Department, and project departments, to ensure the effective management of environmental factors. By identifying and evaluating environmental factors, the Company has formulated environmental management objectives to ensure that pollutant emissions/discharges comply with national standards and to further reduce emissions and waste.

Air Pollutant Management

The Group has formulated the Rules on the Management of Solid Waste, Waste Steam (Gas), and Wastewater, which clearly define our air pollutant emission management during operations.

Our waste gas management is mainly divided into management at construction sites and in office and living areas. The project department and construction contractors are responsible for the management of waste gas at the construction site, ensuring that non-hazardous waste gas is discharged into designated sewage ditches through dedicated pipelines. The waste gas emission noise must be controlled in accordance with relevant regulations. For hazardous waste gas, construction contractors are responsible for its disposal and emission. If they do not have the capacity for treatment, it must be handed over to a qualified service provider for treatment, with the HSE management team of the project department supervising the process.



3. COMPREHENSIVE QHSE MANAGEMENT

In office and living areas, waste gas is also discharged into the sewage system designated by the client through dedicated pipelines, or after being treated harmlessly. The administrative team is responsible for management, and the HSE management team is responsible for supervision and inspection. The goal is to ensure the safe emission of waste gas in compliance with relevant laws and regulations and environmental protection requirements. At the same time, we actively promote green construction methods, applying various green processes and technical solutions to reduce air pollutant emissions.

During the Reporting Period, the data for air pollutant emissions⁴ from vehicles of the Group are set out below:

Type of emission	Unit	Emission load in 2023	Emission load in 2024
Nitrogen oxides (NO _x)	kg	2,425.50	9,652.51
Sulphur oxides (SO _x)	kg	5.48	7.03
Particulate matter	kg	226.03	955.10

During the Reporting Period, the wastewater discharge data of the Group are set out below:

Type of discharge	Unit	Discharge amount in 2023	Discharge amount in 2024
Total wastewater discharged	tonne	124,155.86	187,607.67
Intensity of waste water discharge	tonnes/ten-thousand-yuan revenue	0.32	0.33

At the same time, the Group continues to invest in R&D and design to reduce and treat air pollutants, actively seeking new green, environmentally friendly, and efficient processes and technologies, striving to address environmental problems and promote green development.

⁴ We calculate the Group's vehicle air pollutant emissions with reference to the Stock Exchange's "How to Prepare an Environmental, Social and Governance Report — Appendix II: Reporting Guidance on Environmental Key Performance Indicators".



3. COMPREHENSIVE QHSE MANAGEMENT

R&D in pollutant emissions control measures	R&D in clean production processes
The Company strictly complied with the emission standards for nitrogen oxides (NO _x) in the Emission Standards for Petrochemical Industry (GB 31571-2015), and committed itself to reducing the emission of NO _x and air pollution through making NO _x reduction transformations to the burners and adopting SCR/ SNCR denitration process.	The Company searched for alternatives to similar foreign technologies to reduce foreign exchange incurred in the introduction of foreign technologies, improve the strength of China's environmental protection technology in the international arena, accelerate the application of denitration technology in China, and develop a flue gas purification industry suitable for national conditions.

Waste Management

Our Group has formulated relevant management standards, such as the Rules on Waste Management and the Rules on the Management of Solid Waste, Waste Steam (Gas), and Wastewater to provide clear guidance for the handling of all waste within the Group, ensuring compliance with relevant laws and regulations while minimizing environmental impact. This regulation applies to all departments of the Company and all personnel and external contractors involved in the generation, treatment, transportation, or disposal of waste. By defining responsibilities and processes, we ensure the efficient management and treatment of waste.

We categorize waste based on its nature into Hazardous Waste and Non-Hazardous Waste and further classify it into categories such as Chemical Waste, Biological Waste, Industrial Waste, and Domestic Waste. We have strict procedures for the collection, storage, and transportation of each category of waste, including using compliant containers and clear labelling. All waste must be disposed of by a licensed disposal service provider. The head of the department must ensure that employees are fully aware of the procedures and standards for waste disposal and conduct training regularly. When external contractors handle waste on the Company's premises, they must comply with this regulation and designate personnel for supervision to ensure compliance with environmental protection requirements and mitigate potential risks.



3. COMPREHENSIVE QHSE MANAGEMENT

Below are the five principles of waste management:

Categorised management	Reduction at source	Reuse	Outside disposal	Outside disposal
Waste is collected by category and treated uniformly in accordance with the regulations and standards in the place where a project is located	Effective measures are adopted to reduce the amount of waste generated at source, such as raw material control, inventory control and management, and substitution of raw materials	Materials or products are put back into the production process in their original form	Waste is recycled as resources or by-products to reduce the amount of waste generated	Waste is transported outside and disposed of at a designated site or handed over to a qualified waste contractor/service provider for disposal

Below are specific measures for waste disposal:

Specific disposal measures and rules		
All garbage generating units need to set up containers such as garbage bins for the temporary storage of waste in construction sites, offices, living quarters, and other areas. The colour and marking of garbage bins should comply with the requirements of regulations and standards.	If a customer has clear regulations on the disposal of waste within the construction scope of a project, the waste should be disposed of in accordance with the customer's disposal rules with approval from the local administrative authority. Otherwise, we have to determine specific disposal methods and disposal sites with the customer before handling waste. It is strictly prohibited to dispose of, discharge, or bury waste on site without authorisation.	We have a waste disposal ledger to monitor the effectiveness of waste management procedures, including the categorisation of waste, monthly waste generation, management plan verification, and waste disposal contractors.



3. COMPREHENSIVE QHSE MANAGEMENT

Through regular inspections and audits, we ensure that all aspects of waste management comply with regulatory requirements. The amount of waste generated, the disposal methods and disposal locations must be accurately recorded and archived. For the management of hazardous waste, we require detailed waste disposal records to ensure traceability at each stage of handling. Any violation of waste disposal regulations must be reported immediately and corrective actions taken.

Below is solid waste generated by Wison Engineering during the Reporting Period:

Type of waste	Unit	Waste in 2023	Waste in 2024
Food waste	tonne	878.14	326.66
Domestic waste	tonne	269.25	167.82
Recyclable waste	tonne	370.94	148.80
Total non-hazardous waste ⁵	tonne	1,518.33	643.28
Intensity of non-hazardous waste	tonnes/ten-thousand-yuan revenue	0.00	0.00
Construction waste	tonne	9,697.20	3,168.06
Disposal volume of hazardous waste	tonne	652.32	14.65
Disposal intensity of hazardous waste	tonnes/ten-thousand-yuan revenue	0.00	0.00
Total waste	tonne	11,867.85	3,825.99
Waste intensity ⁶	tonne	0.03	0.01

⁵ Total non-hazardous waste = Total food waste, domestic waste, and recyclable waste.

⁶ Total waste was significantly lower than the same period last year as most of the projects were in the design and procurement phase in 2024.



3. COMPREHENSIVE QHSE MANAGEMENT

Energy management

To regulate and improve energy management, we implement the "Rules on the Management of Energy and Resource Consumption". By defining the scope of management and associated responsibilities, we ensure that all departments are accountable for their energy usage, thereby effectively controlling energy consumption. We optimize resource allocation and reduce unnecessary energy consumption by implementing energy-saving designs and procuring energy-efficient equipment. For instance, the design centre must consider energy-saving measures during the engineering design process, while the procurement department must ensure that the purchased equipment meets energy efficiency standards. By establishing green procurement channels, project departments and construction contractors can continuously monitor and adjust energy use during execution. We are able to effectively promote energy management policies.

Construction Sites

- Actively explore ways to reduce carbon dioxide emissions and turn carbon dioxide into a resource through the researches on energy-saving and emission-cutting technologies for petrochemical and coal chemical plants
- Optimise or refine the researches on the ethylene cracking furnace technology and devise energy-saving solutions for ethylene quenching and separation
- Improve the environmental, energy-efficient, technical, and safety standards of projects by meeting green construction indicators through proper planning, design, construction, and optimisation
- Continuously improve the green supplier management system by means of reviewing suppliers' offer documents, technical negotiations and confirmation, etc., and check whether equipment and materials can comply with environmental indicators
- Develop resource utilisation and environmental protection technologies with the aim of developing green construction innovatively
- Make full use of resources to establish and improve management methods for the promotion, restriction, and elimination of construction programmes



3. COMPREHENSIVE QHSE MANAGEMENT

Office Areas

- Make zero-cost or low-cost-per-day energy-saving retrofits and promote energy-efficient products and technologies by establishing a mechanism for tracking, monitoring, and evaluating energy-saving programmes
- Electricity: We adopt energy-efficient new processes, equipment, materials and technologies, such as photoconductive lighting. In addition, employees are encouraged to set office air conditioners to 26 degrees Celsius or higher in summer and 20 degrees Celsius or higher in winter in order to use less electricity. Strictly control the number of lights turned on in the case of good lighting. Moreover, Wison Engineering has always watered greenery with surface water, made ice at night in summer using peak-time electricity price, and enabled the underfloor heating system in winter
- Water: Conduct water-saving renovations and regular inspections in areas with high water demand, such as offices and canteens. In addition, promote the use of water-saving appliances and equipment, such as setting tap valve volumes to reduce the maximum water flow from taps
- Energy: Priority is given to energy-efficient vehicles, the “one fuel card for one single vehicle” system is implemented, and public transport or non-motorised transport is advocated among employees
- Paper: Double-sided printing and electronic documents are used as far as appropriate



3. COMPREHENSIVE QHSE MANAGEMENT

Below is energy consumed by Wison Engineering during the Reporting Period:

Type of energy	Unit	Consumption in 2023	Consumption in 2024
Gasoline	tonne	156.70	125.82
Diesel	tonne	887.15	1,597.86
Natural gas	m ³	94,713.57	34,735.35
Electricity purchased	kWh	13,529,337.66	5,740,043.14
Intensity of electricity purchased	kWh/ten-thousand-yuan revenue	35.21	10.16
Direct energy consumption	GJ	48,930.49	75,823.17
Indirect energy consumption	GJ	48,705.62	20,664.16
Total energy consumption intensity	GJ/ten-thousand-yuan revenue	0.25	0.17



3. COMPREHENSIVE QHSE MANAGEMENT

Water resources management

Wison Engineering is committed to raising awareness of water conservation, actively increases the application of water-saving technologies and the comprehensive use of wastewater recycled, and continues to strengthen water-saving management measures during projects and operations. Our goal is to use water more efficiently and save water. We have no problem in sourcing suitable water sources.

Green Construction

Improving Water Use Efficiency	<ul style="list-style-type: none"> Use construction techniques that conserve or recycle water, such as rationally designing equipment and piping pressures and recycling water for pressure testing repeatedly;
	<ul style="list-style-type: none"> Rationally arrange the temporary water supply network at a construction site in light of its water consumption;
	<ul style="list-style-type: none"> Install meter gauges on water mains at construction sites and arrange regular manned inspections and repairs to reduce leakage;
	<ul style="list-style-type: none"> Set up a system for collecting, treating, and reusing reusable water at construction sites and collect and treat water used for pressure testing, flushing, and concrete curing at such sites to recycle water resources;
	<ul style="list-style-type: none"> Set up recycled water devices for machinery, equipment, and vehicle washing;
	<ul style="list-style-type: none"> Determine water quota indicators for domestic water and engineering water and measure and manage them separately.
Utilising Non-traditional Water Sources	<ul style="list-style-type: none"> Advocate reclaimed water mixing and maintenance for civil engineering construction water in areas where the conditions for using reclaimed water are met;
	<ul style="list-style-type: none"> Prioritise the use of the groundwater extracted as the construction water that does not require high water quality at construction sites in the stage of foundation pit dewatering;
	<ul style="list-style-type: none"> Prioritise non-traditional water sources for water used in machinery, equipment, vehicle washing, road spray, and greening;
	<ul style="list-style-type: none"> Build a rainwater harvesting and utilisation system at large construction sites, especially those in areas with abundant rainfall, to collect rain for suitable construction and living places.



3. COMPREHENSIVE QHSE MANAGEMENT

Green Office

Water-saving Management Measures	<ul style="list-style-type: none">• The general management department should urge the property management company to regularly check the valves, fire hydrants, pipes, and other water supply facilities in valve wells and promptly eliminate defects such as running out, spraying, dripping and leaking;
	<ul style="list-style-type: none">• If employees find that there are drips or leaks in domestic water facilities such as sinks and toilet flushing tanks, they should promptly eliminate them or contact the employee service centre for repairs;
	<ul style="list-style-type: none">• Faucets or valves should be shut off in time after use. Prolonged unnecessary water flow is prohibited;
	<ul style="list-style-type: none">• Water-saving banners are posted in the pantry to raise related awareness. According to the data, water consumption during the Reporting Period was 10% lower than the previous year.

Below is water consumed by Wison Engineering during the Reporting Period:

Type of water resource	Unit	Usage in 2023	Usage in 2024
Municipal water supply	m ³	143,315.16	215,462.18
Surface water	m ³	9,600.00	9,600.00
Underground water	m ³	847.00	0.00
Total water consumption	m ³	153,762.16	225,062.18
Water consumption intensity	m ³ /ten-thousand-yuan revenue	0.40	0.40

Green Construction

To achieve green construction goals, we adhere to the Rules on the Provisions on the Administration of Civilized Construction of Engineering Projects to ensure that our project sites meet the requirements of green and civilized construction. We actively take measures to reduce the environmental impact of the construction process, including energy conservation, waste reduction, and rational use of resources to improve construction efficiency and reduce energy consumption.



3. COMPREHENSIVE QHSE MANAGEMENT

In terms of green construction, we always adhere to the core principles of "putting people first, adapting to local conditions, giving priority to environmental protection, and making efficient use of resources". We strictly comply with national laws and regulations and give priority to adopting environmentally friendly new technologies, equipment, materials, and processes. By constantly promoting the development of innovative green construction technologies, we work to reduce the negative impacts on the environment and the pressure on energy consumption caused by our project construction.

We strive to minimize the impact of project construction on soil, water, and air quality, ensuring the harmonious coexistence of our projects with the surrounding environment. These measures not only reflect our commitment to environmental protection but also promote the practice of sustainable development.

Before Construction

- Relevant departments inspect a construction site to know the existing surrounding environment. Then, the environmental management team develops risk mitigation measures based on assessment results. These measures include formulating green construction management programmes and technical requirements and explicitly listing steps for resource conservation.
- The environmental management team proposes project-specific programmes, and green construction programmes, such as an energy conservation and use programme, to ensure that energy consumption is minimised during construction. Meanwhile, programmes for disposing of solid waste (including construction waste) will be developed to make sure that such waste can be disposed of properly, hence minimising negative impacts on the environment.

During Construction

- We assist construction contractors to adopt resource-efficient and eco-friendly construction processes and techniques and eliminate or restrict those that are energy-intensive and not eco-friendly.
- When formulating construction programmes and green construction programmes, and organising operations, we develop effective management and control measures in respect of soil protection, waste disposal, dust/smoke control, noise control, and so on. Besides, we also set up car washing machines and fog guns in plant areas and cover bare soil with dust nets to exercise effective dust control.
- We ensure the construction site environment management complies with the pertinent laws and regulations, and carry out energy and materials consumption management by formulating and implementing measures to make better use of energy and reduce resource waste.



3. COMPREHENSIVE QHSE MANAGEMENT

Green Construction Case Study

Xinjiang Weigerui Project

- To prevent soil and groundwater contamination, we followed design specifications in constructing the anti-seepage layer for the heat transfer station storage tank area. This involved laying a 2mm thick high-density polyethylene membrane, protected by a layer of long-filament non-woven geotextile both above and below. All construction processes are strictly carried out in accordance with the design and construction specifications to ensure that no leakage during the production process causes pollution to the soil and groundwater.
- **Strict On-site Dust Control:** To ensure civilized construction practices on-site, all construction units are required to implement dust suppression measures such as covering with dense mesh nets, road watering, and installing spray devices on the upper part of temporary enclosures.

Panjin Sanli Project

- **Soil protection:** Construction of underground pipe networks and roads was prioritised to allow for organised drainage of rainwater through the underground pipe network during the construction process. Bare soil was properly covered, and gravel was laid or vegetation planted wherever conditions permitted.
- **Selection of environmentally friendly and energy-saving insulation materials:** instead of rock wool products, more energy-efficient and environmentally friendly aluminium silicate pipe casings were used for insulation.
- **Water Consumption Reduction:** By utilizing pipeline and booster pump circulation for repeated use, as well as rationalizing the work sequence, such as conducting the settlement test and tank pressure test simultaneously after the installation of the internal floating roof, water consumption is reduced.
- **Strict On-site Dust Control:** sprinkler trucks were deployed on site to regularly spray water. Roads were regularly swept by dedicated personnel.
- **Hazardous Waste Disposal:** chemical cleaning wastewater from oxygen pipelines was temporarily stored in designated tanks and treated uniformly when wastewater treatment conditions were met, ensuring both environmental compliance and cost savings.



3. COMPREHENSIVE QHSE MANAGEMENT

Guangxi Huayi Project

- Soil protection: A three-proof cloth was laid in anti-corrosion areas to prevent ground contamination, or harden the ground surface. Pollutants from underground facility construction were promptly cleared.
- Selection of Environmentally Friendly Materials: Eco-friendly materials were chosen for exterior wall coatings. A new type of environmentally friendly waterproof membrane was used for roof waterproofing.
- Water Recycling: Rainwater pools/wells were used to collect rainwater, and submersible pumps were used to pump it to sprinkler trucks or water hoses were connected for road and ground maintenance, and for dust suppression.
- Strict On-site Dust Control: bare soil was covered with green nets. Sprinkler trucks were used for dust suppression and cleaning. Trucks transporting construction waste were covered with automatic tarpaulins, and a car wash station was set up at the entrance to the plant area.
- Hazardous Waste Disposal: insulation waste was temporarily stored in designated solid waste collection pools with proper cover and protection. Qualified service providers were regularly engaged for its removal and disposal.



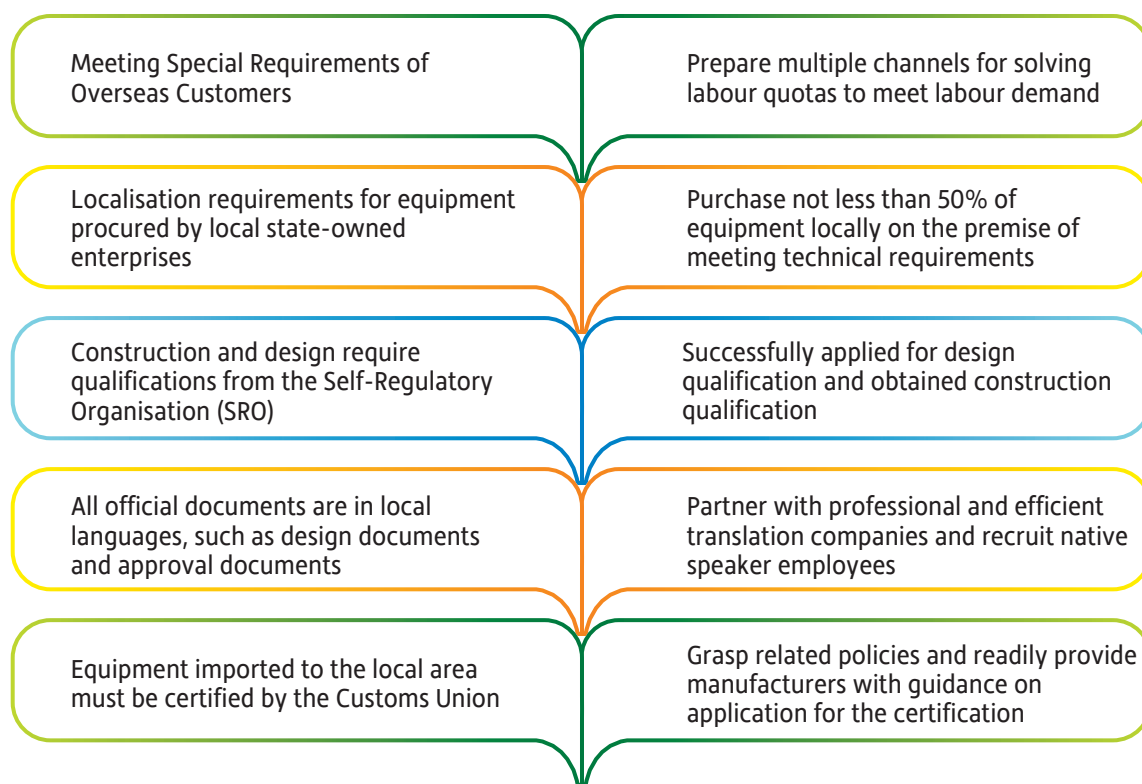
4. PROMOTING MUTUAL BENEFIT

4.1 QUALITY CUSTOMER SERVICE

To provide high-quality customer service, Wison Engineering is committed to maintaining good customer relationships. Our Group is customer-centric and maintains close communication with each client. We hope to establish long-term and stable customer relationships to ensure customer satisfaction and loyalty. We conduct regular Customer Satisfaction Surveys and make visits from time to time to customers to collect feedback and suggestions in a timely manner. We attach great importance to these opinions and incorporate them into our service improvement considerations to continuously optimize our services. We have not received any complaints about our products and services during the Year.

Communication and Advice

Wison Engineering is committed to optimizing customer service and formulating service standards. Whether serving local or overseas customers, our Group continuously strives to be customer-centric and continuously improve service levels. We optimize customer communication channels, provide diversified customer service and complaint handling methods, and formulate clear service standards to ensure high-quality and efficient services to our clients. In terms of serving overseas clients, we pay special attention to meeting their specific needs. We actively take various measures to respond to customer needs with our best efforts and provide practical and feasible solutions.



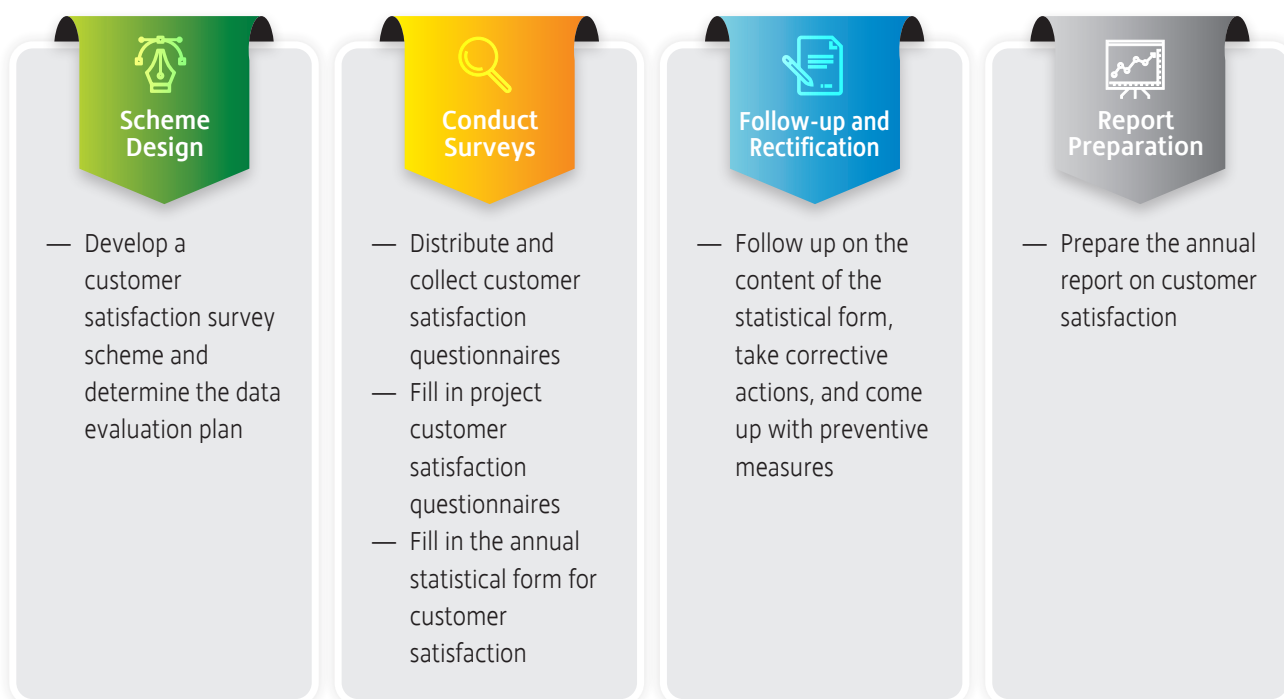
Meeting Special Requirements of Overseas Customers





4. PROMOTING MUTUAL BENEFIT

Customer satisfaction survey

We attach great importance to customer satisfaction and have specifically compiled the Customer Satisfaction Measurement Procedures as a reference to continuously enhance the customer service experience. We listen carefully to our clients' opinions and feedback and regard them as resources for improving our services and enhancing the quality of management. To this end, we regularly conduct Customer Satisfaction Surveys, including carefully designed survey plans, and collect customer evaluations and suggestions on our services through various channels. In our daily interactions with customers, we always communicate proactively, in a friendly and enthusiastic manner, to ensure that they receive satisfactory answers and support. In addition, we hold regular project progress meetings to maintain effective communication with customers and strive to provide them with a better service experience.



Customer Satisfaction Survey Process

9 Design Elements	7 Subcontracting Projects
<ul style="list-style-type: none"> • Evaluation dimensions: Fourteen dimensions, such as integrity and self-discipline, professionalism, design quality, and start-up support • Average satisfaction score: 9.52 	<ul style="list-style-type: none"> • Evaluation dimensions: Project management, design, procurement, QHSE, construction, and peers • Average satisfaction score: 9.22 

2024 Customer Satisfaction Survey Results



4. PROMOTING MUTUAL BENEFIT

Ensuring Information Security

As a responsible enterprise, Wison Engineering strictly complies with relevant laws and regulations such as the “Consumer Rights Protection Law of the People’s Republic of China” and the “E-Commerce Law of the People’s Republic of China”, firmly upholding the bottom line of customer information security and privacy protection. Being aware of the sensitivity of our customers’ information, we are committed to building a safe and reliable information environment for customers by formulating the Information Identifier Processing and Management Procedures and taking effective measures at all levels. We provide employees with professional privacy protection training to enhance their legal awareness and confidential operation skills, and strictly prohibit any form of information leakage. Meanwhile, we have set up a dedicated customer information management team to establish a sound information archive management system. The team strictly adheres to the Information Identifier Processing and Management Procedures and is responsible for the filing and storage of customer information to ensure that such information is properly kept and accessible at any time. We always keep in mind our responsibility to protect customer privacy and strive to create a harmonious and responsible work environment. We put customer interests first and earnestly fulfil our social responsibility to safeguard customer rights. We are committed to providing customers with a more secure service experience by improving information protection measures.

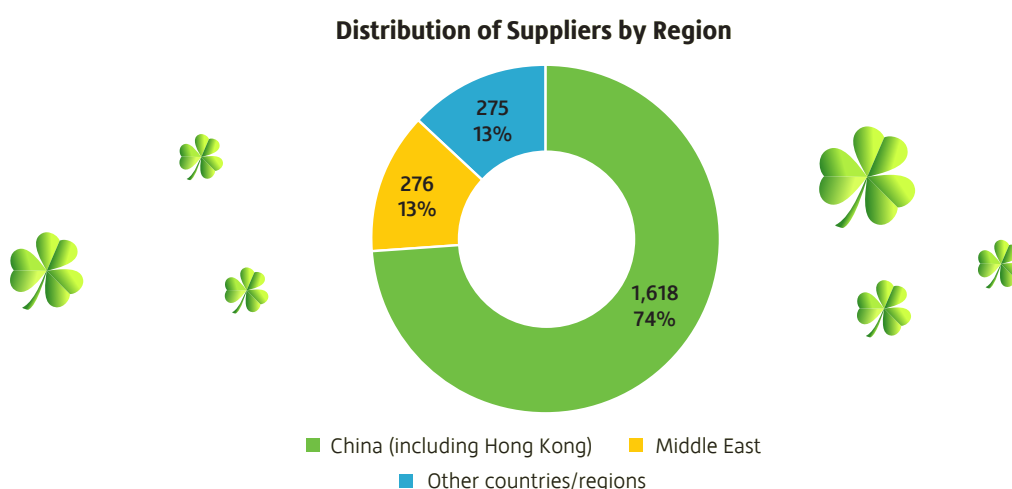
Before Project	After Project
<ul style="list-style-type: none">• Sign confidentiality agreements with customers• The agreement stipulates that only project employees have the privileges to use customer data• Any data or information provided by customers cannot be disclosed without their permission	<ul style="list-style-type: none">• Strictly prohibit disclosure of the following customer-related information to third parties or the public without the permission from customers: projects, other suppliers, project or production equipment photos, capital, organisational structure, and employees• Check with owners before releasing news on new projects, and confirm with all parties involved before releasing press releases on contracts and cooperation



4. PROMOTING MUTUAL BENEFIT

4.2 SUSTAINABLE SUPPLY CHAIN MANAGEMENT

With our profound professional and technical background and cost control capabilities, the Group is dedicated to providing customers with efficient and high-quality procurement services. To continuously enhance the quality of customer service, we will continue to implement stable, compliant and sustainable procurement practices, and constantly optimise the processes and systems for supplier access and evaluation. We are committed to ensuring that all procurement activities are conducted in accordance with our commitment to environmental protection, product quality, and social responsibility. At the same time, we focus on providing stable supply quality and long-term high-quality services to meet the highest standards of QHSE requirements, and maintain close and effective communication with suppliers to establish a sustainable supply chain system. Currently, the Group has 2,169 suppliers, including 551 overseas suppliers. Our partner suppliers are distributed geographically as follows.



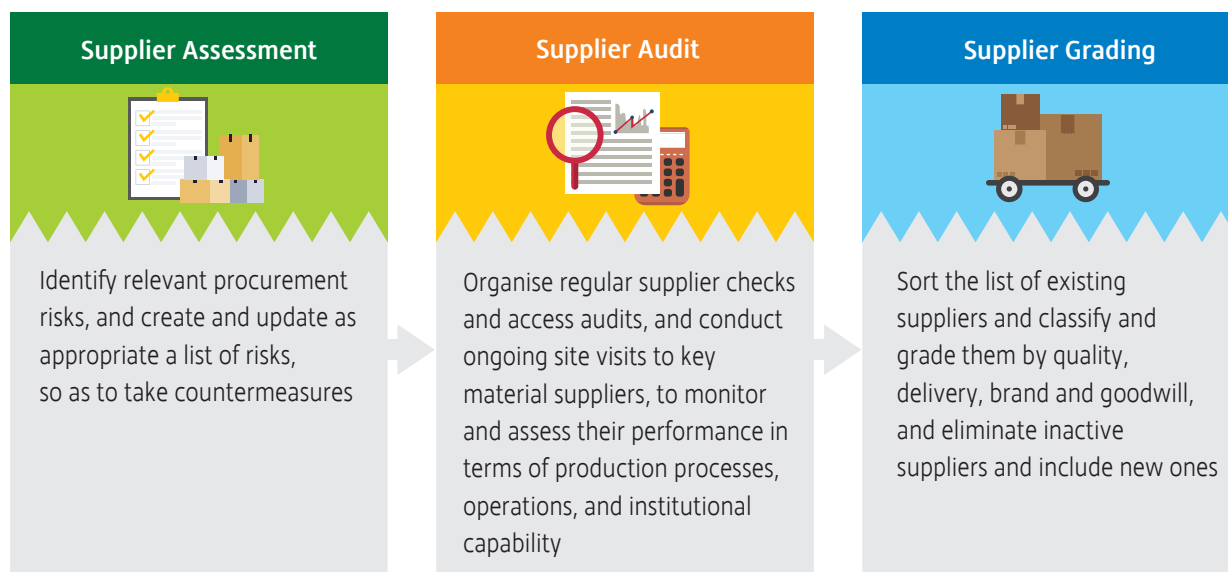
Supplier Assessment and Audit

We are committed to upholding the principles of fairness, impartiality, openness, and transparency in the process of supplier selection and evaluation. To strengthen supplier resource management, the Company has formulated the "Supplier Management Measures", which clearly outlines the principles for categorised supplier management and define the processes and management requirements for supplier onboarding, selection, assessment, dynamic management, incentivisation, and development. These standards ensure that cooperation with suppliers is based on consistent standards, enabling us to select high-quality suppliers. We have also established standardized procedures for supervising construction subcontractors, design subcontractors, and suppliers of materials and services. Through the supplier evaluation and supervision mechanism, our Group can effectively control and manage the quality and performance of suppliers, ensuring that the Company's business development and operations meet high-quality standards.



4. PROMOTING MUTUAL BENEFIT

Supplier Assessment, Audit, and Categorisation



We adopt a combination of real-time and annual assessments. Suppliers with significant quality or progress issues during contract execution, or those who violate integrity requirements, are placed on the Unqualified List after departmental approval. Unqualified suppliers are strictly prohibited from participating in bidding. We conduct on-site inspections of suppliers as needed and expedite and supervise at the supplier's factory during contract execution to ensure the quality of the products supplied.

Environmental and Social Requirements for Suppliers

Wison Engineering attaches great importance to the Code of Conduct for Corporate Social Responsibility, including aspects such as labour standards, health, safety, and environmental protection. We are committed to establishing long-term and stable cooperative relationships with suppliers who value social responsibility. To ensure comprehensive compliance, we strictly adhere to relevant laws and regulations of the People's Republic of China, including the Anti-Unfair Competition Law, Civil Code, and Tendering and Bidding Law. In addition, we have established internal management systems, such as the Management Policy for Anti-corruption, Anti-bribery, and Anti-money Laundering, and the Contract Negotiation Management Measures, to strengthen internal controls and management.



4. PROMOTING MUTUAL BENEFIT

When cooperating with suppliers, we require them to fully understand, sign, and comply with the HSE Management Requirements for Projects of Wison Engineering and the Equipment Packaging, Labelling and Shipping Requirements. Furthermore, to ensure the quality management level of our suppliers, we require them to obtain ISO 9001 Quality Management System certification. Under equal conditions, we give priority to suppliers who have obtained certifications such as ISO 14001 Environmental Management System, OHSAS 18001/ ISO 45001 Occupational Health and Safety Management System, and ISO 27001 Information Security Management System. We encourage suppliers to value and strengthen environmental protection and occupational health management activities to further enhance the overall quality and social responsibility of the supply chain.



HSE Management Requirements for Suppliers

To ensure integrity and increase transparency in our business activities, we strictly require all suppliers to sign the Letter of Commitment to Integrity before cooperating with us, ensuring both parties comply with laws and regulations in business cooperation and completely avoid any form of illegal operations or improper exchange of interests. We believe that signing this letter helps safeguard the Group's reputation and promotes a fair competition environment, ensuring that business dealings between us and our suppliers comply with ethical and legal standards. Our Group has achieved a 100% signing rate for the Letter of Commitment to Integrity, further ensuring the integrity and ethical foundation of our partnerships.





4. PROMOTING MUTUAL BENEFIT

Green Procurement Policy

As a responsible company, Wison Engineering attaches great importance to mitigating the environmental impact of its supply chain and continuously enhances the environmental management capabilities of the entire supply chain. In terms of raw material and product procurement, we prioritize the use of environmentally friendly materials or products that conserve energy, water, and resources, such as High-efficiency Motors, to minimize negative environmental impacts. For projects that require environmental compliance, we stringently select suppliers of equipment for desulfurization, denitrification, and wastewater treatment, and promote the use of recyclable and environmentally friendly packaging materials. We require suppliers to provide energy-saving, environmentally friendly, and safe products in our contractual and technical agreements. We clearly specify in our contract terms, packaging standards, and labelling requirements that product packaging must comply with relevant national regulations for packaging materials and prohibit the use of any packaging materials that may cause environmental pollution. Meanwhile, we prioritize establishing long-term cooperative relationships with suppliers who possess a strong sense of social responsibility, jointly promoting the green development of the supply chain. We clearly state our environmental protection and social responsibility requirements in our standard contract template. In the transportation link, we focus on optimizing logistics solutions to reduce transportation costs and energy consumption. For instance, we adopt more efficient transportation models, such as centralized procurement, which not only reduces procurement costs but also implements green supply chain management.

Communication and Cooperation with Suppliers

We strengthen communication with suppliers to ensure that the expectations and needs of both parties are accurately understood, fostering a good cooperative relationship. To achieve this goal, we assist suppliers in strengthening their production and operation levels and improving their supply capabilities through targeted training and guidance. At the same time, enhanced communication allows us to better control and prevent supply chain risks originating from suppliers, helping us enhance our supply chain management capabilities.

Quality Control	Cooperation Support
<ul style="list-style-type: none">• Implement the standardised procurement processes• Strictly control supplier onboarding and dynamically manage, evaluate, and monitor suppliers• Monitor the quality and progress of equipment and materials manufactured throughout the entire process 	<ul style="list-style-type: none">• Develop an online business system for suppliers to register in order to facilitate the acquisition and management of various data flows between the two parties, such as workflows and fund flows• Sign long-term strategic cooperation agreements with suppliers to ensure that resources and benefits can be shared to provide steady technical support and production capacity 



4. PROMOTING MUTUAL BENEFIT

4.3 SPIRIT OF COOPERATION AND WIN-WIN

We understand that cooperation is essential to achieving mutual benefit and win-win situations, and we proactively collaborate with experts from various sectors, leveraging knowledge sharing to complement each other's strengths. Upholding the principle of open collaboration, Wison Engineering actively works with partners, thereby enhancing the Company's professional expertise and competitiveness while driving the joint development of its partners.

Standard Setting

We are committed to developing and adhering to relevant standards to ensure the continuous progress of Wison Engineering and prevent unfair competition. We actively participate in industry events and conferences to facilitate the sharing of experience with peers and closely monitor the development of industry standards, ensuring that our conduct aligns with the latest requirements.

Cooperation on Advanced Technology

The Group is committed to maintaining the progress and competitive edge of Wison Engineering by continuously advancing independent research and development as well as external collaborations, thereby leading in innovative technologies and engineering fields. We are actively establishing partnerships with external parties to promote resource sharing and realize a win-win situation.



4. PROMOTING MUTUAL BENEFIT

Wison Engineering Signed Strategic Agreement with Schneider Electric

On 6 November, 2024, Wison Engineering and Schneider Electric signed a strategic agreement to deepen their collaboration in new energy and energy chemical sectors, such as green hydrogen integration innovation, EPC digital transformation, supply chain decarbonization, EPC project internationalization, and electrical solutions for offshore floating engineering. This partnership aims to jointly promote the development and application of intelligent solutions, assisting both parties in comprehensively upgrading their energy transition strategies.

The collaboration with Schneider Electric will provide solid technical support for our solution innovation in fields such as new energy electro-hydrogen-ammonia integration, chemical engineering digital twins, and supply chain decarbonization. Through this strategic collaboration, we look forward to further enhancing our global customer service capabilities, working hand in hand with clients to achieve collaborative development amidst the wave of energy transition and jointly forge a sustainable future.





4. PROMOTING MUTUAL BENEFIT

Wison Engineering Signed Strategic Agreement with Clariant

Wison Engineering signed a strategic cooperation agreement with Clariant International Ltd. This strategic collaboration will deeply integrate Wison Engineering's extensive experience in chemical engineering with Clariant's expertise in catalytic technologies. It will focus on R&D and application in multiple cutting-edge technological fields, encompassing green and sustainable chemical industries, clean fuels, and new carbon reduction technologies.

Adhering to the core concept of "innovative catalysis, carbon reduction, and efficiency enhancement", Clariant Catalysts will collaborate with Wison Engineering on such basis to jointly promote the R&D and engineering application of high-efficiency process technologies. This powerful alliance is dedicated to providing superior products and solutions, injecting strong impetus into the energy transformation and high-quality development of the chemical industry, and jointly composing a new chapter of green and sustainable development.





5. CARING FOR AND NURTURING EMPLOYEES

Our people-oriented approach is the key to our success. We regard employees as the Group's most valuable asset. As part of our commitment to talent management, we strictly adhere to relevant laws and regulations, upholding the principles of equality, diversity, and inclusion in our recruitment process, welcoming talented individuals from all backgrounds. At the same time, we continuously improve our talent management and skills development system, actively attracting and nurturing outstanding talent, fostering the growth of both employees and the Company. While driving sustainable business development, we demonstrate genuine care for our employees, safeguarding their legitimate rights and interests, to achieve mutual success for both the enterprise and its workforce.

5.1 EQUALITY, OPENNESS, AND INTEGRATION

The Group is committed to promoting comprehensive and shared growth for both employees and the Company. We continuously optimize and enhance the equality and compliance of our employment system to ensure fair treatment for all employees. Guided by the merit-based recruitment philosophy and equal hiring standards, the Group strives to implement its corporate employment policies from start to finish. We believe that systematic personnel management makes sure that human resources can be fully developed and utilised. The Group creates a healthy and stable work environment to encourage employee innovation and growth. As a world-leading energy and chemical engineering company, our vision is to become a driving force for economic and social progress. Guided by the core values of "Upholding Integrity, Putting Customers First, Remaining Innovative and Inclusive, and Achieving Win-win Results Through Cooperation", our Group will continue to optimize talent management and strengthen management in areas such as employee supervision, service quality, and training, dedicated to achieving its corporate mission of "Better Technology, Better Life". It is for continuous optimization of talent management.



5. CARING FOR AND NURTURING EMPLOYEES

Compliant and Fair Employment

Our Group considers employees as the cornerstone of the Company's success. We strictly abide by relevant labour and employment laws and regulations, including the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, the Social Insurance Law of the People's Republic of China. We have established a fair, just, and transparent talent selection system. We have developed an Employee Handbook that clearly outlines internal policies and operating procedures, stipulating that employees comply with relevant human resource policies and codes of conduct. Our Employee Recruitment Management Rules optimize the Company's human resource allocation and establish standards and procedures for various aspects of the recruitment process. This includes the application and announcement of recruitment needs, interview and selection criteria and processes, as well as onboarding and regularization procedures and regulations for successful candidates.

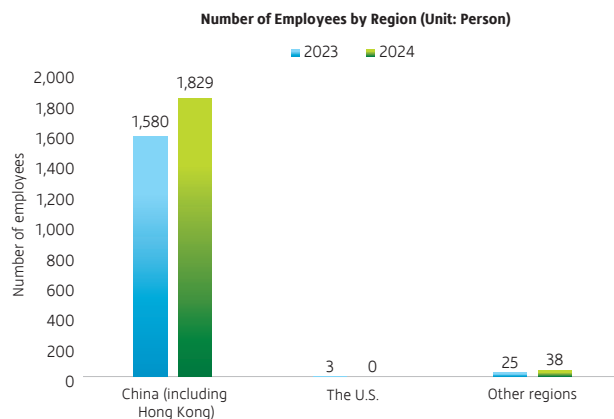
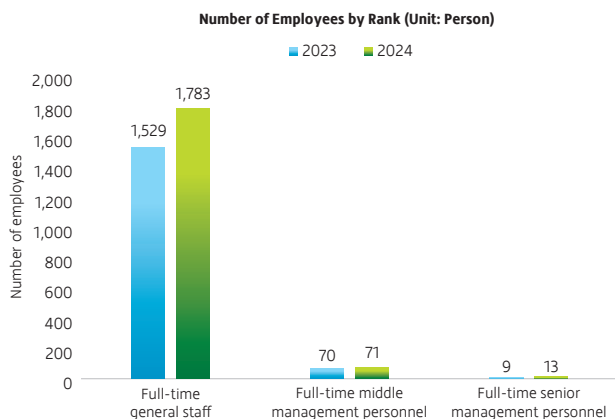
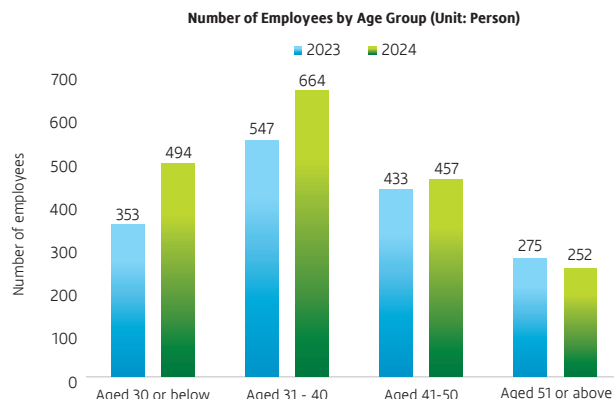
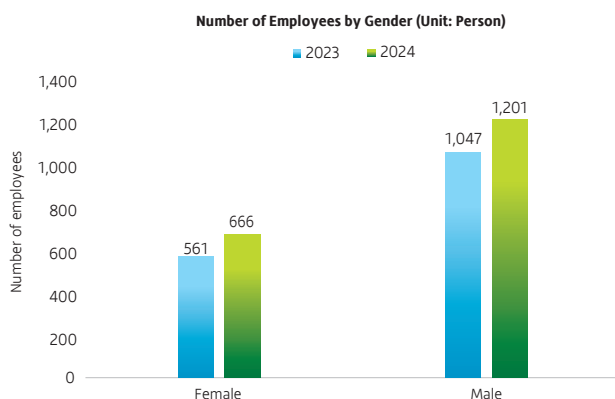
During the recruitment process, Wison Engineering conducts strict verification of applicants' identity documents, relevant certificates, and work experience. We require employees to sign a Commitment upon Joining, pledging to refrain from any acts of false representation, submission of fraudulent documents, or concealment of facts. Any violation of these terms will result in the revocation of the employment offer. We strictly prohibit the employment of child labour. Should any loopholes be identified, we will immediately launch an investigation and implement remedial measures to prevent the recurrence of such incidents. The Company has established clear working hours and break regulations, firmly opposing forced labour. For signing labour contracts, we adhere to the principles of legality, fairness, mutual agreement, and good faith. We have clearly defined work and rest hours to eliminate forced labour completely. If overtime work is required due to business needs, employees must submit an overtime application form beforehand, stating the reasons and duration of overtime, and obtain approval from relevant supervisors. Only then can overtime work be considered authorized and be implemented in accordance with relevant laws and regulations. We continuously improve our management systems, determining salaries based on employee qualifications, positions, and company remuneration standards, ensuring that employee compensation, benefits, and leave entitlements are protected through standardized management.



5. CARING FOR AND NURTURING EMPLOYEES

Recruiting Outstanding Talent

We constantly enhance our human resources arrangements, continuously recruiting professional talents to improve overall business performance. As of 31 December 2024, we had a total of 1,867 employees (all being full-time staff). The breakdown of employees by gender, age group, job level, and geographical region is as follows:





5. CARING FOR AND NURTURING EMPLOYEES

Our Human Resources department employs various recruitment strategies depending on the job requirements. For instance, we utilize internal channels such as the Company intranet and email for internal recruitment, posting job openings to existing employees, while also attracting external candidates. For crucial, technical, or urgent positions, we engage professional recruitment agencies as needed.

During the Reporting Period, the total employee turnover rate⁷ of the Group was 6.62%. The employee turnover rates by gender, age group, and region are set out below:

Employee Turnover Rate	Turnover in 2023	Turnover in 2024
Total employees	9.81%	6.62%
Male	10.12%	5.07%
Female	6.24%	1.55%
30 or below	4.53%	0.63%
31–40	9.32%	2.88%
41–50	15.47%	3.63%
51 or above	2.55%	1.32%
Mainland China and Hong Kong	8.73%	6.16%
Other regions	7.14%	0.46%

Both the Group and its employees have the right to terminate the employment relationship. We have established clear resignation procedures in the Employee Handbook. When an employee submits their resignation, they need to strictly adhere to these procedures and formally notify the Company in writing. We conduct exit interviews with departing employees and, if necessary, refine and enhance our talent management system based on their feedback. We require employees to hand over their work, transfer relevant data, return company property, and address any outstanding issues stipulated in the employment contract upon resignation, to safeguard the rights of both the Group and the employee.

⁷ Total employee turnover rate = Number of employees who left during the Reporting Period, excluding those proactively optimized by the Company ÷ Average number of employees per month during the Reporting Period × 100%.



5. CARING FOR AND NURTURING EMPLOYEES

Diversity, Equality and Inclusion

Wison Engineering provides diversified services, with business operations extending to Southeast Asia, South Asia, the Middle East, Africa, North America, and South America, among other regions worldwide. We are committed to promoting employee diversity and localization during our expansion, embracing local cultures and contributing to local economic development and employment rates. This also helps to cultivate the growth of our company culture and business. Employees from different backgrounds will be more innovative and creative in a mutually supportive workplace. We are committed to creating an equal, diverse, and respectful work environment where every employee can fully demonstrate their talents and value. We firmly believe that this cultural atmosphere will inspire employees' creativity and enthusiasm for work, and promote sustainable development. Furthermore, we resolutely oppose any form of discrimination or harassment, ensuring that every employee can thrive and develop in a safe and supportive environment.

The Group upholds the principles of equal opportunities and respect for differences in diversity and inclusion, striving to create a fair and just work environment. We have formulated the Employee Handbook, which outlines the Group's zero tolerance policy for any form of discrimination, harassment, or unfair treatment, ensuring that all employees are treated equally regardless of their race, colour, gender, age, marital status, cultural background, or religious beliefs. We have developed comprehensive internal policies and operational procedures that prohibit child labour and forced labour, and promote respect and cooperation among employees through an open work environment and a culture of integration. We regularly conduct training sessions and promotional activities that advocate the concept of inclusiveness and mutual assistance, ensuring that employees can develop and innovate in an inclusive and supportive environment.

5.2 TRAINING AND DEVELOPMENT PLANNING

Training and development is a crucial part of our human resources strategy. We are committed to nurturing professional talents in pursuit of excellence and driving innovation. We provide diversified training opportunities through a series of methods such as the Employee Training Management Rules and the Wison Academy to help employees improve their professional competence and vocational skills constantly. We offer a diverse range of training opportunities to help our employees enhance their professional capabilities and vocational skills. These trainings cover skills training, management training, and leadership development, supporting employees in steadily advancing along career and project management development pathways. We will provide suitable internal and external training courses to our employees in accordance with the training needs of different departments and the Group's operating objectives. We provide multi-channel career advancement opportunities through our performance management and career development system, stimulating talent innovation and creativity as well as team vitality. We are committed to creating an environment conducive to employee growth, which also enhances overall competitiveness.



5. CARING FOR AND NURTURING EMPLOYEES

Vocational Training Programme

To cultivate talent and promote our corporate culture, we continue to improve the Wison Academy platform. Through this platform, we convey our corporate values in domestic and international projects and marketing efforts, while also optimizing employee mobility. During the Reporting Period, we organized diverse employee training programs and invited internal and external experts to give lectures, stimulating employees' enthusiasm for learning and fostering a culture of continuous improvement. During the Reporting Period, company-level training totalled 1,439 person-times and 18,638 hours, including 305 person-times and 6,131 hours of new employee training; 708 person-times and 6,079 hours of vocational skills training; 104 person-times and 2,820 hours of qualification certificate training. 1,306 person-times and 14,525 hours of internal training; and 133 person-times and 4,113 hours of external training. 1,457 person-times of online learning through Wison Academy, totalling 12,751.87 hours.

Below are some of the key training programs we organized for employees this year:

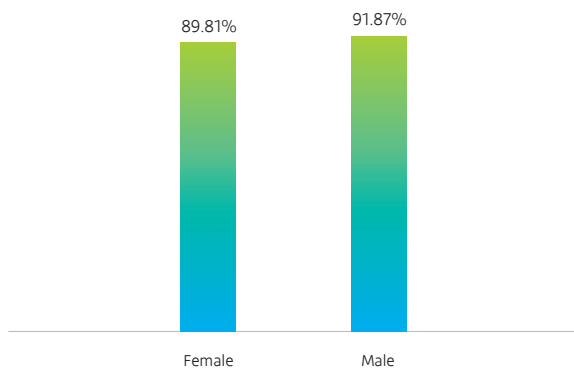
Training Programs		Training Attendance	Training Hours
Basic learning	Fresh graduate training	116	32
	New employee induction training	150	16
Leadership	Leadership development and strategic transformation for middle and senior management	40	24
	CEIBS EMBA and General Manager Programme	6	320
Professional Development	Training on the capabilities and qualities of project managers and design managers	100	24
	External training — industry norm evolution, industry developments, and professional knowledge training	50	60
	Wison Academy	200	20
Qualifications	Qualifications and continuing education	200	20
Other	Online English learning, micro-course development and training activities	1,500	10



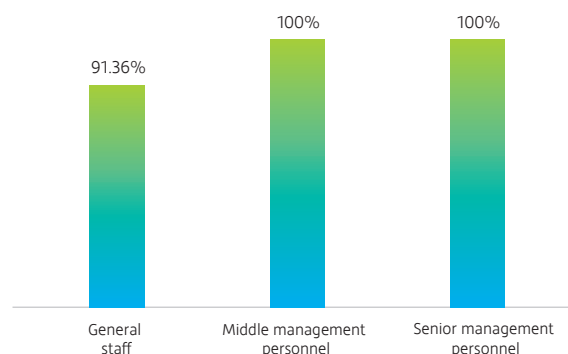
5. CARING FOR AND NURTURING EMPLOYEES

The following are the data of employees trained during the year:

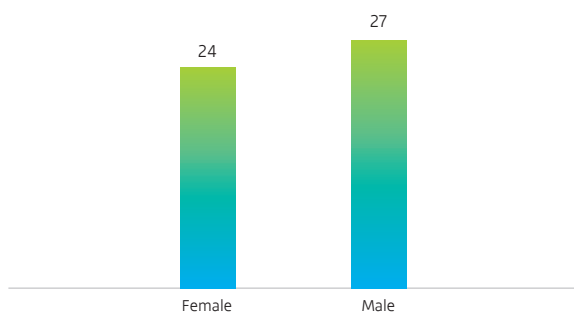
Percentage of Trained Employees⁸ by Gender



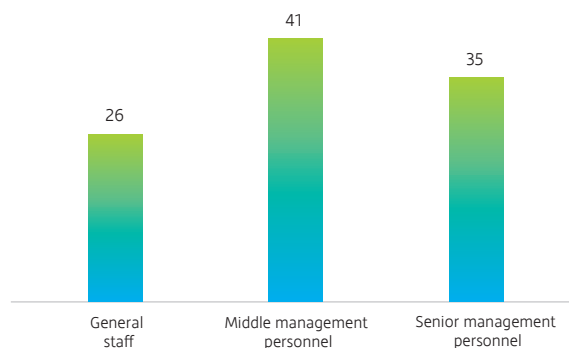
Percentage of Trained Employees⁸ by Rank



Average Number of Training Hours⁹ of Employees by Gender (Hour/Person)



Average Number of Training Hours⁹ of Employees by Rank (Hour/Person)



To help employees acquire new knowledge and enhance their personal skills, our Group continues to promote training across all levels, departments, and projects. We utilize our comprehensive and well-established management systems, including project management system, information security management system, and intellectual property management system, to effectively guarantee the quality and effectiveness of our training programs. With these management systems in place, the Human Resources Department can promptly and objectively assess employees' personal development and provide corresponding suggestions and improvement plans.

⁸ Percentage of employees trained = Employees trained in the category/Number of employees in the category x 100%.

⁹ Average training hours of employees = Training hours of employees trained in the category/Number of employees in the category x 100%.



5. CARING FOR AND NURTURING EMPLOYEES

“Dream New Wison, Create New Future”: 2024 Training Camp for Fresh Graduates

In 2024, focusing on “renewal”, the Personnel Department helped 79 new employees quickly integrate into the work environment through an innovative points-based competition model and multi-scenario training. The training camp not only expanded the scope of participation, but also facilitated communication and exchange between new and old employees by allowing all employees to participate in voting through video presentations. Meanwhile, the voting session attracted the attention of more than 5,000 employees and their families, further enhancing Wison’s employer brand image. In addition, Wison Engineering invited outstanding trainees to serve as campus recruitment ambassadors for the first time, participating in campus recruitment to help the Company attract more outstanding talents.



Apart from training new hires, Wison Engineering also attaches importance to its existing managerial personnel at the junior, middle, and senior levels. Below are our training policies and programmes for all levels of managerial personnel:

Junior Managerial Personnel

The Group conducts a training programme for project managers and backup project managers (twice a year), as well as a training programme for design managers. As a result, the reserve of project managers and design managers will continue to expand and make up the bulk of the employees selected across the Company for job rotation and intensive training. These training programmes are aimed at improving the professional competence and leadership skills of project managers and design managers.

Middle and High-level Managerial Personnel

This year, we provided leadership training for our middle and senior management personnel. The training focused on enhancing their management capabilities and fundamental competencies, aiming to comprehensively improve and supplement the leadership skills and professional expertise of our middle and senior management team.



5. CARING FOR AND NURTURING EMPLOYEES

Senior Managerial Personnel

We promote master-level technical training across the Company and work with technical departments to conduct annual sharing and training sessions for deputy chief engineers at the company level and in professional lines at the Wison Academy. These sessions are designed to enhance the professional competence and knowledge of our technicians.

We are committed to enhancing employees' professional and technical skills through a series of measures, providing them with a favourable platform for career development. Additionally, our systematic talent cultivation mechanism and active promotion of corporate culture further strengthen our competitiveness.

Career Paths

We offer three promotion channels for employees to foster their career growth. The promotion channels are technical, management, and project management. Firstly, within the technical channel, employees can advance from Assistant Engineer to Professor-level Senior Engineer. The Company annually encourages employees to obtain relevant qualification certificates and provides learning opportunities and incentive policies. Secondly, within the management channel, employees can gradually progress from grassroots positions to management roles. Lastly, the project management channel encourages employees to develop from engineering roles to positions such as reviewers, design managers, or project managers. These channels offer employees diverse development opportunities.

We have established an incentive system framework based on position, capability, and performance, integrating job position, performance, and remuneration. We regulate salary management based on market positioning, job evaluation, and employee capability and performance assessments. Performance results and job changes can also influence job levels. Promotion in job level motivates employees' professional growth, and outstanding performers are eligible for higher remuneration. At the same time, job level and salary grade will be adjusted accordingly with position adjustments and changes in job responsibilities. Annual evaluations will be conducted on employees' job levels and salary situations. By implementing a clear incentive mechanism and reasonable evaluation criteria, we ensure that the efforts and contributions of each employee are duly recognized and rewarded, thereby enhancing team cohesion and overall performance.

To support the Company's strategic development, our Group has established a career development system, offering two parallel career paths: Professional & Technical and Integrated Management. The Professional & Technical path is for all professional and technical personnel, covering multiple professional sequences such as design, procurement, construction management, etc., emphasizing skill accumulation and enhancement. The Integrated Management path, on the other hand, focuses on personnel management, categorized into project management and administrative management, and emphasizes achieving business objectives through motivation and resource allocation. Employees can develop interchangeably between the two paths, realizing overall planning for their careers.



5. CARING FOR AND NURTURING EMPLOYEES

5.3 EMPLOYEE BENEFITS

We have always regarded our employees as our most valuable asset and highly value and recognize their contributions. We consistently prioritize the physical and mental well-being of our employees, as well as their needs at work and in life. We strive to create a healthy and safe work environment to ensure their welfare. Simultaneously, we emphasize the significance of communication and are committed to establishing effective communication channels, attentively listening to employees' suggestions and needs, and providing timely feedback. Our Group values the opinions and contributions of our employees and actively takes measures to improve the work environment and meet their needs, thereby creating a corporate culture that cares for employees and values their worth and well-being.

Employee Communication

We respect the voices of our employees, proactively listen to their suggestions, and establish multi-channel communication bridges between management and employees. To promote teamwork, enhance work efficiency, and increase employee job satisfaction, we consistently advocate open communication and strive to build harmonious relationships between internal management and employees, fostering an efficient, open, and trusting work environment. Our Group is committed to reducing misunderstandings in information transmission and ensuring the accuracy of communication. At the same time, Wison Engineering emphasizes the establishment of multi-directional communication channels characterized by mutual respect and support, ensuring that the Company can listen to and fully leverage the talents and perspectives of each employee, thereby achieving effective and accurate implementation of solutions.

Top-down Communication	Bottom-up Communication	Two-way Communication
In order to help employees understand our development philosophy and strategic decisions more effectively, we make sure heads of various departments receive the opinions of the Senior Management and then communicate such opinions within their respective departments at regular meetings. Meanwhile, we interpret the management's decisions on the official website and WeChat Official Account of the Company from time to time to strengthen internal communication.	In order to enable senior executives to better understand the real needs and ideas of primary-level employees, we have launched the activity of "Issues Concerned by Wison's Employees" on our mobile platform to collect the issues concerned and demanded by primary-level employees. We also hold a Spring Festival seminar and a staff assembly for face-to-face dialogues, thus enhancing sense of belonging among employees and effectively helping them to solve their problems.	The minutes of the weekly management meetings are also uploaded to the website to ensure that every employee is kept informed of the Company's strategy and progress of various projects, and can voice their personal views to their superiors.



5. CARING FOR AND NURTURING EMPLOYEES

Below are employee communication channels of Wison Engineering:

Online Communication	Off-line Communication
Internal publications, WeChat Official Account, online employee questionnaires, and meeting minutes release	Performance reviews, staff meetings, fresh graduate and all-employee forums, team-building activities, and regular departmental meetings

Employee Benefits and Support

Wison Engineering is committed to improving employee relations, enhancing employee satisfaction, and strengthening their sense of belonging and team cohesion. Firstly, we provide diverse benefits, including holiday bonuses and regular medical check-ups for employees at different levels, to enhance their sense of affiliation. At the same time, Wison Engineering sends blessings to employees on special occasions, such as their birthdays, to enhance their sense of happiness. Additionally, to promote the physical and mental health of our employees, Wison Engineering pays close attention to the difficulties they may face at work and provides corresponding support and assistance. For example, we implemented initiatives such as fitness programs and employee care plans to foster a harmonious and positive work environment, thereby enhancing overall cohesion and solidarity.

Employee Benefits	Helping Those in Need	Employee Activities
Five social insurances and one housing fund, salary adjustments and analysis, baby care rooms, regular medical check-ups, complimentary health check-ups, leave system, work-related injury insurance and additional commercial insurance	Assistance provided by trade union, consolatory visits to overseas employees' families, and visits to retired employees	Birthday greetings and activities, organisation of public welfare activities, organisation of cultural, sports and recreational activities, employee forums, and distribution of company souvenirs

We are dedicated to building a more caring and supportive work atmosphere to enhance employees' work happiness and overall satisfaction, further deepening their sense of affiliation with the Group.



5. CARING FOR AND NURTURING EMPLOYEES

Welfare and Assistance

We strictly comply with the law and actively implement employee benefits. We strictly implement national and provincial/municipal labour protection policies and improve various social insurance schemes for our employees. We pay endowment insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, and housing provident fund for our employees in full and on time, and provide multiple assistance measures such as enterprise annuity and employer's liability insurance for eligible employees. For employees engaged in occupations with a high incidence of occupational diseases or high occupational disease risks, in addition to social security, we purchase additional commercial insurance for them to safeguard their personal safety during work; At the same time, we have established an Annuity Plan for all employees, implemented with particular consideration for actual cost and budget conditions, making approvals more flexible than in previous years when facing special circumstances. We continue to send new year greetings to employees working away from home during the new year period and their families to express our gratitude and care.

- During the Reporting Period, 12 employees were recommended to apply for subsidies from critical illness aid and livelihood aid programmes.

Care for Employee

We are attentive to the physical and mental well-being of our employees and are committed to helping them achieve a work-life balance. We actively organize various employee activities, such as sports meetings, knowledge contests, and family events to help employees relieve work pressure and build a healthy and positive mindset. At the same time, these activities also cultivate a healthy and energetic team atmosphere, thus promoting the well-being and sustainable development of the Company. These activities help build employees' interpersonal networks and communication within the industry, allowing them to exchange work experiences and insights.



5. CARING FOR AND NURTURING EMPLOYEES

Wison Engineering formed three teams to participate in the 10km team health run around Disneyland

On 9 November 2024, the Shanghai Pudong New Area Enterprise Investment and Financing Association held the “Bank of Shanghai Cup” 10km team health run around Disneyland. As an important member of the association, Wison Engineering actively responded to this event, attracting 15 employees who are long-term running enthusiasts to quickly form three teams within half a day. In the end, Wison Team 1 finished seventh and won the Team Spirit Award, and many teammates broke their personal records in the competition. This event not only sparked a greater passion for sports and health among our employees but also served as a vivid demonstration of our commitment to fulfilling our social responsibility and promoting healthy living.





5. CARING FOR AND NURTURING EMPLOYEES

A Special Lecture on Peking Opera

On 9 November 2024, Wison Group and Wison Art Centre held a special lecture on Peking Opera by the renowned national first-class actor, Mr. Fu Xiru, at Wison Centre. Through a combination of lecture and performance, the event showcased the charm and wisdom of Peking Opera, allowing our employees to experience the revival and vitality of this ancient art form in modern life.





6. CONTRIBUTING TO THE COMMUNITY

Wison Engineering has always adhered to the mission of “Technological Innovation Leads to a Better Future”. In addition to providing world-class energy and chemical engineering services and technologies to our clients, we also actively fulfil our corporate social responsibility by undertaking various environmental protection, education, and social welfare activities, thereby contributing to the well-being of society and building a better future for the world.

Wison as a Lighthouse for Youth from the World — Wison Engineering’s First International Student Open Day

To provide young students with a better understanding of Wison Engineering’s development, work environment, and internationalization efforts, and to cultivate a younger generation with a greater understanding of and interest in energy and chemical engineering services, new energy, and new materials, we collaborated with the International Education School of East China University of Science and Technology to organize the “First Wison Engineering International Student Open Day” event on 11 October 2024. 36 international students from 18 countries participated in the event, visiting Wison Centre to experience the Group’s culture and learn about Wison Engineering’s development.

Mr. Zheng Shifeng, Senior Vice President of Wison Engineering, introduced the Company’s history, globalization strategy, and future development goals to the students. He encouraged the international students to pay attention to Wison Engineering’s development and welcomed them to actively participate in the Company’s international business.

Ms. Li Fang, Deputy General Manager of the Project Management Department, shared Wison Engineering’s international business with the students. She provided a comprehensive introduction to the Company’s business model, development advantages, overseas business expansion, domestic and international project implementation cases, and international team building. This allowed international students from diverse backgrounds to gain a clearer understanding of Wison Engineering’s strengths and characteristics.

During the event, the international students also visited the Wison corporate exhibition hall and the calligraphy exhibition at the Wison Art Centre. The students showed great interest in and recognition of Wison’s cultural atmosphere, work environment, and internationalization efforts. Many students expressed their willingness to intern or work at Wison. The event concluded in a pleasant atmosphere.





6. CONTRIBUTING TO THE COMMUNITY

Wison Engineering and Wison Clean Energy Jointly Organize World Environment Day Events

To enhance the environmental awareness of our employees and strengthen the Group's and employees' implementation of energy conservation and emission reduction in their daily operations and lives, Wison Engineering and the QHSE team of Wison Clean Energy organized a series of World Environment Day events, aligning with this year's theme in China, "Building a Beautiful China in All Respects".



The events featured a lecture on low-carbon environmental protection by an SGS expert. The expert provided an in-depth and easy-to-understand explanation of the current situation regarding carbon emissions, energy consumption, and the environment, the importance of low-carbon environmental protection, and how businesses and individuals can achieve energy conservation and emission reduction in their daily operations and lives. This training session deepened employees' understanding of greenhouse gas emissions and environmental impacts while equipping them with practical knowledge and skills related to low-carbon environmental protection.

At the event, a quiz on low-carbon environmental protection was organized, covering nine major themes: green new energy, low-carbon travel, green planting, water and electricity conservation, reduction of disposable items, energy saving and emission reduction, food takeaway, purchase of organic food, and waste sorting. The engaging environmental quiz allowed employees to deepen their understanding and retention of low-carbon environmental protection knowledge in a relaxed and enjoyable atmosphere. It also stimulated their enthusiasm for environmental protection, creating a positive environment where everyone cares about and participates in environmental protection.

Through the concerted efforts of the Wison Engineering and Wison Clean Energy QHSE teams, we successfully organized a series of World Environment Day events, enhancing employees' awareness of low-carbon environmental protection and advocating for the active practice of ESG and sustainable development concepts, contributing to the construction of a beautiful China.



APPENDIX I LIST OF MAJOR APPLICABLE LAWS AND REGULATIONS

List of Major Applicable Laws and Regulations
Enterprise Risk Management-Integrated Framework (《企業風險管理整合框架》)
Foreign Corrupt Practices Act 1977 of the United States (《美國1977年反海外腐敗法》)
Bribery Act 2010 of the United Kingdom (《英國2010年反賄賂法》)
Prevention of Bribery Ordinance of the Hong Kong Special Administrative Region (《香港特別行政區防止賄賂條例》)
Company Law of the People's Republic of China (《中華人民共和國公司法》)
Criminal Law of the People's Republic of China (《中華人民共和國刑法》)
Anti-Unfair Competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》)
Interim Provisions on Prohibiting Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》)
Law of the People's Republic of China on the Protection of Consumer Rights and Interests (《中華人民共和國消費者權益保護法》)
Electronic Commerce Law of the People's Republic of China (《中華人民共和國電子商務法》)
Law of the People's Republic of China on Work Safety (《中華人民共和國安全生產法》)
Law of the People's Republic of China on Emergency Response (《中華人民共和國突發事件應對法》)
Fire Protection Law of the People's Republic of China (《中華人民共和國消防法》)
Administrative Regulations on the Work Safety of Construction Projects (《建設工程安全生產管理條例》)
Regulations on Safety Management of Dangerous Chemicals (《危險化學品安全管理條例》)
Law of the People's Republic of China on Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》)
Regulations on Work-Related Injury Insurance (《工傷保險條例》)
Regulations on the Administration of Overseas Public Safety (《境外公共安全管理規定》)
Regulations on the Reporting, Investigation and Handling of Work Safety Accidents (《生產安全事故報告和調查處理條例》)
Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》)



APPENDIX I LIST OF MAJOR APPLICABLE LAWS AND REGULATIONS

List of Major Applicable Laws and Regulations

Law of the People's Republic of China on Prevention and Control of Environmental Noise Pollution (《中華人民共和國環境噪聲污染防治法》)

Water Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國水污染防治法》)

Law of the People's Republic of China on the Prevention and Control of Air Pollution (《中華人民共和國大氣污染防治法》)

Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》)

Law of the People's Republic of China on Environmental Impact Assessment (《中華人民共和國環境影響評價法》)

Management Regulations on the Environmental Protection of Construction Projects (《建設項目環境保護管理條例》)

Bidding Law of the People's Republic of China (《中華人民共和國招標投標法》)

Labour Law of the People's Republic of China (《中華人民共和國勞動法》)

Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》)

Special Provisions on Labour Protection of Female Employees (《女職工勞動保護特別規定》)



APPENDIX II CONTENT INDEX OF HKEX ESG REPORTING GUIDE

Major scope, aspect, general disclosure and key performance indicators (KPI)		Sections in the Report
A. Environmental		
Aspect A1: Type of emission		
General Disclosure:	Information relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	3.4 Low-carbon Operation
KPI A1.1	Types of emissions and respective emissions data.	3.4 Low-carbon Operation
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	3.4 Low-carbon Operation
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	3.4 Low-carbon Operation
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	3.4 Low-carbon Operation
KPI A1.5	Description of the emission target(s) and steps taken to achieve them.	3.4 Low-carbon Operation
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	3.4 Low-carbon Operation



APPENDIX II CONTENT INDEX OF HKEX ESG REPORTING GUIDE

Major scope, aspect, general disclosure and key performance indicators (KPI)		Sections in the Report
Aspect A2: Use of Resources		
General Disclosure:	Policies on the efficient use of resources, including energy, water and other raw materials.	3.4 Low-carbon Operation
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	3.4 Low-carbon Operation
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	3.4 Low-carbon Operation
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	3.4 Low-carbon Operation
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	3.4 Low-carbon Operation
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The Group does not involve packaging materials due to the nature of the business
Aspect A3: Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	3.4 Low-carbon Operation
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	3.4 Low-carbon Operation
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	3.4 Low-carbon Operation
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	3.4 Low-carbon Operation



APPENDIX II CONTENT INDEX OF HKEX ESG REPORTING GUIDE

Major scope, aspect, general disclosure and key performance indicators (KPI)		Sections in the Report
B. Social — Employment and Labour Practices		
Aspect B1: Employment		
General Disclosure	Information relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	5. Caring for and Nurturing Employees
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	5.1 Equality, Openness, and Integration
KPI B1.2	Employee turnover rate by gender, age group, and geographical region.	5.1 Equality, Openness, and Integration
Aspect B2: Health and safety		
General Disclosure	Information relating to providing a safe work environment and protecting employees from occupational hazards: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	3.2 Safety First 5.3 Employee Benefits
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	3.2 Safety First
KPI B2.2	Lost days due to work injury.	3.2 Safety First
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	3.2 Safety First 5.3 Employee Benefits



APPENDIX II CONTENT INDEX OF HKEX ESG REPORTING GUIDE

Major scope, aspect, general disclosure and key performance indicators (KPI)		Sections in the Report
Aspect B3: Development and training		
General Disclosure	Information relating to policies and training activities on enhancing employees' knowledge and skills to perform their job duties.	5.2 Training and Development Planning
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	5.2 Training and Development Planning
KPI B3.2	The average training hours completed per employee by gender and employee category.	5.2 Training and Development Planning
Aspect B4: Labour Standards		
General Disclosure	Information relating to preventing child and forced labour: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	5.1 Equality, Openness, and Integration
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	5.1 Equality, Openness, and Integration
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	5.1 Equality, Openness, and Integration



APPENDIX II CONTENT INDEX OF HKEX ESG REPORTING GUIDE

Major scope, aspect, general disclosure and key performance indicators (KPI)		Sections in the Report
B. Social — Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	4.2 Sustainable Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	4.2 Sustainable Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	4.2 Sustainable Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	4.2 Sustainable Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	4.2 Sustainable Supply Chain Management
Aspect B6: Product Responsibility		
General Disclosure	Information relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	3.2 Safety First 4.1 Quality Customer Service Due to the nature of the business, the advertising and labelling of the group's products and services is not applicable.
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	3.3 Quality First
KPI B6.2	Number of products and services related complaints received and how they are dealt with.	4.1 Quality Customer Service
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	2.1 Innovative R&D
KPI B6.4	Description of quality assurance process and recall procedures.	3.3 Quality First
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	4.2 Customer Care and Communication



APPENDIX II CONTENT INDEX OF HKEX ESG REPORTING GUIDE

Major scope, aspect, general disclosure and key performance indicators (KPI)		Sections in the Report
Aspect B7: Anti-corruption		
General Disclosure	Information relating to bribery, extortion, fraud and money laundering: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	1.2 Governance Structure
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	1.2 Governance Structure
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	1.2 Governance Structure
KPI B7.3	Description of anti-corruption training provided to directors and employees.	1.2 Governance Structure
B. Social — Community		
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	6. Contributing to the Community
KPI B8.1	Focus areas of contribution (e.g. education, environment, labour needs, health, culture, sports).	6. Contributing to the Community
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	6. Contributing to the Community



APPENDIX III GRI STANDARDS CONTENT INDEX

Statement of use	Wison Engineering Services Co., Ltd. reported the information cited in this GRI Content Index for the period from 1 January 2024 to 31 December 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Indicators	Details	Chapter Index
GRI 2: General Disclosure 2021		
The Organisation and its Reporting Practices		
2-1	Organisational details	1.1 An Overview of Wison Engineering
2-2	Entities included in the organisation's sustainability reporting	1.3 Practicing Sustainable Development
2-3	Reporting period, frequency, and contact point	About this Report — Scope of the Report About this Report — Access and Response to the Report
Activities and Workers		
2-6	Activities, value chain, and other business relationships	1.1 An Overview of Wison Engineering 4.1 Quality Customer Service 4.2 Sustainable Supply Chain Management
2-7	Employees	5. Integrated Talent Development
Governance		
2-9	Governance structure and composition	1.2 Governance Structure 1.3 Practicing Sustainable Development
2-11	Chair of the highest governance body	1.2 Governance Structure 1.3 Practicing Sustainable Development
2-12	Role of the highest governance body in overseeing the management of impacts	1.2 Governance Structure 1.3 Practicing Sustainable Development
2-13	Delegation of responsibility for managing impacts	1.2 Governance Structure 1.3 Practicing Sustainable Development



APPENDIX III GRI STANDARDS CONTENT INDEX

GRI Indicators	Details	Chapter Index
2-14	Role of the highest governance body in sustainability reporting	1.3 Practicing Sustainable Development
2-15	Conflicts of interest	1.3 Practicing Sustainable Development
2-16	Communication of critical concerns	1.3 Practicing Sustainable Development
2-18	Evaluation of the performance of the highest governance body	1.2 Governance System 1.3 Practicing Sustainable Development
Strategy, Policies, and Practices		
2-22	Statement on sustainable development strategy	1.3 Practicing Sustainable Development
2-27	Compliance with laws and regulations	1.2 Governance Structure 3.2 Safety First 3.4 Low-carbon Operation 4.1 Quality Customer Service 4.2 Sustainable Supply Chain Management 5.1 Equality, Openness, and Integration
Stakeholder Engagement		
2-29	Approach to stakeholder engagement	1.3 Practicing Sustainable Development
2-30	Collective bargaining agreements	The Group does not have a formal collective bargaining agreement, but has established clear and open channels of communication for employees to express their views (please see 5.3 Employee Benefits for details).



APPENDIX III GRI STANDARDS CONTENT INDEX

GRI Indicators	Details	Chapter Index
GRI 3: Material Topics 2021		
Disclosures of material topics		
3-1	Process to determine material topics	1.3 Practicing Sustainable Development
3-2	List of material topics	1.3 Practicing Sustainable Development
3-3	Management of material topics	1.3 Practicing Sustainable Development
GRI 201: Economic Performance 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	1.1 An Overview of Wison Engineering
201-1	Direct economic value generated and distributed	1.1 An Overview of Wison Engineering
GRI 205: Anti-corruption 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	1.2 Governance Structure
205-2	Communication and training about anti-corruption policies and procedures	1.2 Governance Structure
205-3	Confirmed incidents of corruption and actions taken	1.2 Governance Structure
GRI 206: Anti-competitive Behaviour 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	1.2 Governance Structure
206-1	Legal actions for anticompetitive behaviour, anti-trust, and monopoly practices	1.2 Governance Structure
GRI 301: Materials 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	3.4 Low-carbon Operation
301-1	Materials used by weight or volume	3.4 Low-carbon Operation



APPENDIX III GRI STANDARDS CONTENT INDEX

GRI Indicators	Details	Chapter Index
GRI 302: Energy 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	3.4 Low-carbon Operation
302-1	Energy consumption within the organisation	3.4 Low-carbon Operation
302-3	Energy intensity	3.4 Low-carbon Operation
302-4	Reduction of energy consumption	3.4 Low-carbon Operation
GRI 303: Water and Effluents 2018		
GRI 3: Material Topics 2021	3-3 Management of material topics	3.4 Low-carbon Operation
303-1	Interactions with water as a shared resource	3.4 Low-carbon Operation
303-2	Management of water discharge-related impacts	3.4 Low-carbon Operation
303-3	Water withdrawal	3.4 Low-carbon Operation
303-4	Water discharge	3.4 Low-carbon Operation
303-5	Water consumption	3.4 Low-carbon Operation
GRI 305: Emissions 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	3.4 Low-carbon Operation
305-1	Direct (Scope 1) greenhouse gas emissions	3.4 Low-carbon Operation
305-2	Energy indirect (Scope 2) greenhouse gas emissions	3.4 Low-carbon Operation
305-4	Greenhouse gas emissions intensity	3.4 Low-carbon Operation
305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	3.4 Low-carbon Operation



APPENDIX III GRI STANDARDS CONTENT INDEX

GRI Indicators	Details	Chapter Index
GRI 306: Waste 2020		
GRI 3: Material Topics 2021	3-3 Management of material topics	3.4 Low-carbon Operation
306-1	Waste generation and significant waste-related impacts	3.4 Low-carbon Operation
306-2	Management of significant waste-related impacts	3.4 Low-carbon Operation
306-3	Waste generated	3.4 Low-carbon Operation
GRI 401: Employment 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	5.1 equality, openness, and integration 5.3 Employee Benefits
401-1	New employee hires and employee turnover	5.1 equality, openness, and integration
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.3 Employee Benefits
GRI 403: Occupational Health and Safety 2018		
GRI 3: Material Topics 2021	3-3 Management of material topics	3.2 Safety First 5.3 Employee Benefits
403-1	Occupational health and safety management system	3.2 Safety First
403-2	Hazard identification, risk assessment, and incident investigation	3.2 Safety First
403-3	Occupational health services	3.2 Safety First 5.3 Employee Benefits
403-4	Worker participation, consultation, and communication on occupational health and safety	3.2 Safety First 5.3 Employee Benefits
403-5	Worker training on occupational health and safety	3.2 Safety First



APPENDIX III GRI STANDARDS CONTENT INDEX

GRI Indicators	Details	Chapter Index
403-6	Promotion of worker health	3.2 Safety First 5.3 Employee Benefits
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.2 Safety First
403-8	Workers covered by an occupational health and safety management system	3.2 Safety First
403-9	Work-related injuries	3.2 Safety First
GRI 404: Training and Education 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	1.3 Practicing Sustainable Development
404-1	Average hours of training per year per employee	5.2 Training and Development Planning
404-2	Programs for upgrading employee skills and transition assistance programs	5.2 Training and Development Planning
GRI 405: Diversity and Equal Opportunity 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	5.1 Equality, Openness, and Integration
405-1	Diversity of governance bodies and employees	5.1 Equality, Openness, and Integration
GRI 406: Non-discrimination 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	5.1 Equality, Openness, and Integration
406-1	Incidents of discrimination and corrective actions taken	There were no relevant incidents of non-compliance during the Reporting Period.



APPENDIX III GRI STANDARDS CONTENT INDEX

GRI Indicators	Details	Chapter Index
GRI 413: Local Communities 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	6. Contributing to the Community
413-1	Operations with local community engagement, impact assessments, and development programmes	6. Contributing to the Community
GRI 416: Customer Health and Safety 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	1.3 Practicing Sustainable Development
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No relevant incidents of non-compliance occurred in the Group during the Reporting Period.
GRI 418: Customer Privacy 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	4.1 Quality Customer Service
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	During the Reporting Period, the Group received no substantiated complaints concerning breaches of customer privacy and losses of customer data.



APPENDIX IV GREENHOUSE GAS VERIFICATION STATEMENT

Statement of Conformity CN25/00001422

SGS

Greenhouse Gas Verification Statement

The inventory of Greenhouse Gas emissions in
01 Jan. 2024 to 31 Dec. 2024 of

Wison Engineering Ltd.

Business address: No. 699, Zhongke Road, China (Shanghai) Pilot Free Trade Zone
Organization boundary: Detail organization boundary information has been listed in Annex,
for multi-site statement

has been verified in accordance with ISO 14064-3:2019 as meeting the requirements of

ISO 14064-1:2018

Direct Emissions
6,638.79 tonnes of CO₂e

Indirect Emissions
514,184.14 tonnes of CO₂e

Total Emissions Quantified
520,822.93 tonnes of CO₂e

The specific categories of indirect greenhouse gas emissions are detailed in the
appendix of this statement, which is an integral part of this statement



Authorised by
David Xin
Sr. Director - Business Assurance
DATE: 03 Mar. 2025

SGS-CSTC Standards Technical Services Co., Ltd.
16F Century YuHui Mansion, No. 73 Fucheng Road, Beijing, P.R. CHINA 100142
t +86 (0)10 58251188 www.sgsgroup.com.cn



This document is an authentic electronic certificate for Client' business purposes use only. Printed version of the electronic certificate are permitted and will be considered as a copy.
This document is issued by the Company subject to SGS General Conditions of certification services available on [Terms and Conditions](#) | SGS. Attention is drawn to the limitation of
liability, indemnification and jurisdictional clauses contained therein. This document is copyright protected and any unauthorized alteration, forgery or falsification of the content or
appearance of this document is unlawful.

Page 1 of 5

Wison Engineering Services Co. Ltd.

Room 5408, 54th Floor, Central Plaza, 18 Harbour Road,

Wanchai, Hong Kong

Tel: 852-21164313

Fax: 852-21169273

www.wison-engineering.com