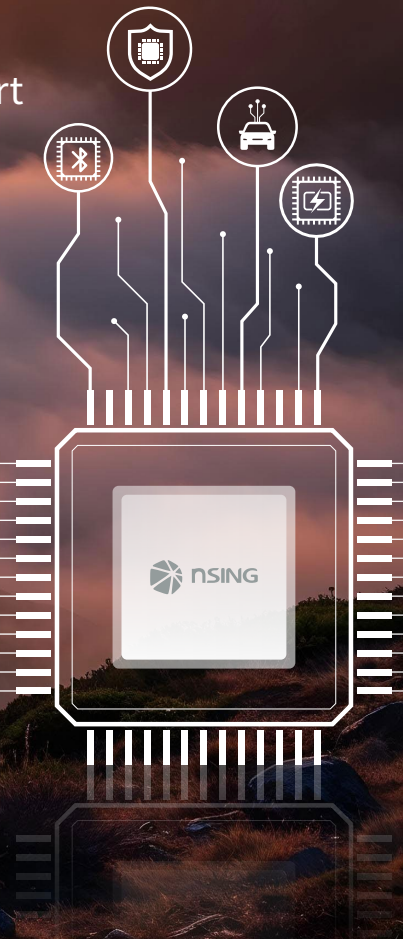




2025

NSING Technologies Inc.

2025 Environmental, Social and Governance Report





Contents

About the Report 01

Board Statement 02

ESG Management 03

About the Company 04

Stakeholder Communication 06

Double Materiality Analysis 07

Support for UN Sustainable Development Goals 14

Key Performance Indicators (KPIs) 62

Report Index 67

01

Low-Carbon Development for a Green Future

Improved Environmental Management 17

Green Operations 18

Climate Change Response 24

Biodiversity Conservation 28

02

Collaborative Innovation for a Shared Future

Innovation-Driven Development 30

Product Liability 38

Sustainable Value Chain 42

Human Capital Development 45

Industry and Social Development 51

03

Robust Foundations for Sustainable Growth

Corporate Governance 54

Risk Management and Internal Control 55

Business Ethics and Integrity 58

Information Security and Privacy Protection 60

About the Report

Time Range

This is an annual report, covering the period from January 1 to December 31, 2025 (the "Reporting Period"). To enhance the completeness of the report, certain data falls outside the above range, subject to the specific dates indicated.

Organizational Scope

This report covers NSING Technologies Inc. and its subsidiaries. In this report, "NSING Technologies Inc." is referred to as "NSING TECH", "the Company" or "we"; its subsidiary "Inner Mongolia Sinuo New Material Technology Co., Ltd." is referred to as "Inner Mongolia Sinuo", and "Hubei Sinuo New Material Technology Co., Ltd." is referred to as "Hubei Sinuo".

References

This report has been prepared in accordance with the Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation) issued by the Shenzhen Stock Exchange, as well as Appendix C2, Environmental, Social and Governance Reporting Code ("ESG Code") to the Rules Governing the Listing of Securities on the Main Board and GEM of The Stock Exchange of Hong Kong Limited ("HKEX"). Meanwhile, reference has also been made to the Sustainability Reporting Standards (GRI Standards 2021) issued by the Global Sustainability Standards Board (GSSB), the IFRS Sustainability Disclosure Standards 2 – Climate-related Disclosures (IFRS S2) issued by the International Sustainability Standards Board (ISSB), and the United Nations Sustainable Development Goals (SDGs), among other standards and guidelines.

Reporting Principles

- **Materiality**

We identify key ESG topics through stakeholder engagement and materiality assessment, and provide corresponding disclosures in this ESG report.

- **Balance**

The content of this report reflects objective facts, ensuring impartial disclosure of both positive and negative information related to the Company during the reporting period.

- **Quantification**

This ESG report has disclosed the standards, methods and sources of conversion factors adopted for the emission and energy data.

- **Consistency**

The statistical methods adopted for the data disclosed in this report are consistent with those used in the Company's previous ESG reports. Any changes, if any, will be explained and stated in the report.

Report Access

The simplified Chinese, traditional Chinese, and English versions of this report are available on the Company's official website (<https://www.nsingtech.com/>). In case of any inconsistency between the traditional Chinese version, the English version and the simplified Chinese version, the simplified Chinese version shall prevail.



Board Statement

We are keenly aware that ESG (Environmental, Social and Governance) is fundamental to the long-term, sustainable and high-quality development of an enterprise. We embed the ESG philosophy into every aspect of the Company's strategies and daily operations, and actively respond to the expectations of all stakeholders.

The Board of Directors of NSING TECH commits that the Company and the Board will comply with all requirements specified in the Code of Corporate Governance for Listed Companies in China issued by the China Securities Regulatory Commission, the Self-Regulatory Guidelines for Listed Companies No. 17 – Sustainable Development Report (for Trial Implementation) issued by the Shenzhen Stock Exchange, and the Environmental, Social and Governance Reporting Code (the "ESG Code") of the HKEX, and will continuously drive improvements of the ESG management system, strengthen the Board's oversight and participation in the Company's ESG affairs, and actively integrate ESG considerations into the Company's development strategy, major decisions and business operations.



ESG Management

As the highest decision-making body for the Company's ESG management, the Board of Directors has developed clear short-term objectives and medium-and long-term strategic plans and reviewed them on a regular basis, to drive substantial progress on key ESG topics. During the Reporting Period, the Company continued to advance the establishment of an ESG governance framework with a clear organizational structure and well-defined responsibilities, clarify the duties and accountability mechanisms for each level, department and position, and provide effective support for improving the Company's ESG performance by strengthening governance implementation and supervision.



About the Company

Company Profile

NSING Technologies Inc. (Stock Codes: 300077.SZ / 02701.HK) was founded in 2000. The Company was listed on the ChiNext in 2010 and on the Hong Kong Stock Exchange in 2026. It is a leading provider of MCUs and security chips, as well as a national high-tech enterprise. Headquartered in Shenzhen, it has branches in Beijing, Shanghai, Wuhan, Xi'an, Chongqing, Hong Kong, Singapore, Austin (USA), Tokyo (Japan), and other locations.

Business Layout

We focus on the "general + security" market, specializing in the R&D of general MCUs, security chips, RF chips, power management chips, among other core technologies. We boast end-to-end design and mass production technology for integrated circuits, and have built up expertise and R&D strengths in multiple technologies, such as microprocessors, trusted computing, Bluetooth, and BMS. In addition, we also operate a lithium-ion battery anode materials business, focusing on artificial graphite while exploring other materials including silicon carbon and hard carbon. These materials have been widely applied to new energy vehicles, energy storage systems, and portable devices.

Performance highlights

Company established in

2000

Operating income

RMB **1,360,265,600**

R&D team

309 members



History

2025

- Breaking Boundaries with New Chips to Realize Dual-Core Intelligent Control | China's First Arm® Cortex® M7 + M4 Heterogeneous Dual-Core MCU Released
- The Company issued foreign capital shares (H Shares) listed overseas and received filing approval from the China Securities Regulatory Commission (CSRC)

2024

- The fourth-generation trusted computing chip NS350 v30 passed the CC security function test and assurance evaluation by THALES/CNES, an internationally authoritative third-party testing agency, and obtained the CC EAL4+ certificate issued by the French National Cybersecurity Agency (ANSSI).

2023

- The Company passed the ISO 26262 ASIL-D automotive functional safety process certification.

2022

- The Company launched large-scale R&D of automotive-grade MCUs, BMS chips, and ultra-high-performance MCUs.
- The Company launched an integrated project for 100,000-ton anode materials in Suizhou, Hubei Province.

2021

- MCU products were honored with the 16th "China Chip" Outstanding Product Award.

2020

- MCU products won the Gold Award at the 8th China Information Technology Expo.
- Security chip N32S032 passed the CNITSEC EAL5+ security certification.

2019

- The Company unveiled new MCU products.

2018

- The Company became the first enterprise to pass the acceptance inspection for the project of "R&D and Industrialization of Dual-Interface Financial Card SoC Chips" as part of the national "Core Electronic Devices, High-End General Chips, and Basic Software Products" program.

2017

- The core patent for RCC technology was awarded China's top honor in intellectual property.
- The domain-limited communication technology based on 2.24GHz and domestic cryptographic algorithms, which was independently developed by the Company, officially became a national standard.

2015

- The Company participated in the formulation and promotion of the TPM2.0 standard for the commercial cryptography algorithm system, which was officially adopted as an ISO/IEC standard.

2013

- The Company established the first independent enterprise-level security chip attack-defense technology laboratory in China, which was recognized as a key enterprise laboratory in Shenzhen by the Shenzhen Science and Technology Innovation Commission.

- The Company founded the first commercial cryptography industry association in China.

2010

- The Company was listed on the ChiNext Board of the Shenzhen Stock Exchange (Stock code: 300077), and began to serve as the vice president of the China Association for Public Companies.

2001

- The Company became one of the first designated suppliers of commercial cryptographic products in China.

2000

- The Company was established, and undertook the national "909" Very Large Scale Integration Circuit Project.

Stakeholder Communication

NSING TECH attaches great importance to communication with stakeholders, incorporates the concerns and expectations of all stakeholders into its environmental, social and governance practices, and continuously enhances the transparency of information disclosure and the effectiveness of communication, so as to achieve common development.

Key Stakeholders	Topics of Concern	Communication Channels
Governments and regulators	Corporate governance	Active tax payment
	ESG management	Acceptance of supervision
	Compliance and risk management	Work reports
	Anti-corruption and business ethics	Press releases/public reports
	Data security and privacy protection	
Customers	Product quality and safety	Customer satisfaction survey
	Customer rights protection	Customer complaints and feedback (hotline, email, etc.)
	Innovation-driven development	
	Climate change response	
	Energy management	
	Resources utilization and circular economy	
Employees	Employment and employee rights protection	Employee satisfaction survey
	Employee development and training	Employee feedback
	Occupational health and safety	Cultural & sports and employee care activities (e.g., joint birthday celebrations for employees)
		Professional skills training opportunities
Suppliers and partners	Supply chain management	Public disclosure of bidding and tendering information
	Product quality and safety	Supplier performance evaluation
		Supplier empowerment training
Shareholders and investors		Distributor sales reports and performance evaluation
		Industry technical seminars
	Corporate governance	Public reports
	Compliance and risk management	Shareholders' meetings
	Climate change response	
Communities and non-governmental organizations	Community investment and social contribution	Community environmental protection
	Climate change response	Support for community infrastructure construction
	Environmental compliance management	Support and donation activities
	Resources utilization and circular economy	
	Energy management	
	Pollutants and emissions management	
	Ecosystem protection	

Double Materiality Analysis

Through policy analysis, peer benchmarking, expert evaluation and other methods, NSING TECH learns about the concerns and expectations of a wide range of internal and external stakeholders, and identifies and evaluates the topics of double materiality with reference to relevant disclosure requirements including GRI 3: Material Topics and IFRS S1 General Requirements for Disclosure of Sustainability Related Financial Information.

Evaluation of Impacts, Risks and Opportunities

No.	Topic	Impacts	Impact scope					Impact period			Risks, opportunities and potential financial impacts
			Upstream value chain	Self-operation	Downstream value chain	Community		Short term	Medium term	Long term	
1	Climate change response	The Company reduces greenhouse gas emissions and enhances climate resilience by improving energy efficiency, installing rooftop PV facilities, and purchasing green electricity and renewable energy certificates, thereby contributing to global climate governance and the "carbon peaking and carbon neutrality" goals.	✓	✓	✓	✓			✓	✓	Risks: Extreme weather events (e.g., floods and hurricanes) may damage production bases and disrupt logistics, leading to operational suspension and asset losses. Carbon tariffs and carbon footprint requirements will increase compliance costs. Rising energy prices will push up operating costs. Opportunities: The use of green electricity and improved energy efficiency will lower long-term energy costs. The Company gains access to green finance support, and meets the low-carbon supply chain requirements of downstream customers (such as new energy vehicle enterprises), which will enhance its market competitiveness.
2	Environmental compliance management	The Company strictly abides by environmental protection regulations, and has established the ISO 14001 environmental management system, effectively controlling pollutant emissions, protecting the surrounding ecosystem and community environment, and mitigating environmental risks.		✓		✓		✓	✓	✓	Risks: In case of any violation of environmental protection regulations, the Company will face administrative penalties, production suspension for rectification, litigation and reputational damage, which will directly affect production continuity and financing capability, and increase compliance remediation costs. Opportunities: Compliance operation improves customer trust and government relations, facilitating project approval and market access; it also promotes the upgrade of clean production technologies, improves process efficiency and resource utilization, and lowers long-term operating costs.

No.	Topic	Impacts	Impact scope				Impact period			Risks, opportunities and potential financial impacts
			Upstream value chain	Self-operation	Downstream value chain	Community	Short term	Medium term	Long term	
3	Resources utilization and circular economy	The Company reduces resource consumption and waste emissions through upgrading water-saving technologies, reusing reclaimed water, and disposing of waste by categories, among other measures, to promote the development of circular economy, reduce dependence on natural resources, and protect the ecological environment.		✓	✓	✓	✓	✓	✓	Risks: The increase in resource prices will raise production costs, and low resource utilization efficiency may lead to reduced risk resilience of the supply chain when fluctuations occur, thus undermining production stability. Opportunities: Through reclaimed water reuse and waste resource utilization, the Company can reduce water use and waste disposal costs, enhance supply chain resilience, meet the needs of downstream customers for a green supply chain and thus strengthen market competitiveness.
4	Energy management	By implementing energy-saving technological renovations, deploying smart electricity meters, recovering waste heat and other measures, the Company improves energy efficiency, and reduces fossil fuel consumption and carbon emissions, thereby contributing to the global energy transition and climate goals.	✓	✓	✓		✓	✓	✓	Risks: Rising energy prices will increase operating costs; high reliance on fossil fuels may restrict production. Opportunities: Promoting energy-saving technological renovations will reduce energy consumption and energy costs in production; driving energy transition and building a green brand image will deliver brand premiums.
5	Pollutants and emissions management	The Company strictly controls the discharge of waste gas, wastewater and solid waste, achieving zero wastewater discharge and compliant disposal of hazardous waste, and reducing impacts on the surrounding environment and communities.		✓		✓	✓	✓	✓	Risks: Failure to meet discharge standards for waste gas, wastewater or solid waste may result in penalties from regulatory authorities, mandatory rectification or operational restrictions, increasing operating costs and affecting production stability. Pollution control may also give rise to environmental remediation costs, further adding to financial pressure. Opportunities: By improving pollution control efficiency and reducing the discharge of waste gas, wastewater and solid waste, the Company can lower treatment costs; building a sound relationship with the governments and communities will facilitate the smooth implementation of projects.

No.	Topic	Impacts	Impact scope				Impact period			Risks, opportunities and potential financial impacts
			Upstream value chain	Self-operation	Downstream value chain	Community	Short term	Medium term	Long term	
6	Ecosystem protection	The Company follows the "three-simultaneities" principle in project construction, to avoid encroaching on ecological red lines and natural habitats and protect biodiversity. It also reduces negative impacts on ecosystems by promoting the use of renewable energy and strengthening resource recycling.		✓		✓	✓	✓	✓	Risks: Ecological damage caused by project development may lead to project suspension, government intervention or legal proceedings, resulting in project delay or cancellation, disrupting production continuity and increasing operating costs. Opportunities: Active participation in biodiversity conservation can help the Company obtain special subsidies or green finance support, enhance its social image and public trust, and unlock new business cooperation opportunities.
7	Innovation-driven development	The Company continues to increase R&D investment in cutting-edge technologies such as MCUs, BMS and lithium battery anode materials, to promote industrial technological progress and intelligent upgrading, and provide downstream customers with efficient, safe and green products and solutions.	✓	✓	✓		✓	✓	✓	Risks: With the accelerated iteration of technology, slow R&D may lead to declining product competitiveness and loss of market shares, thereby affecting operating income. Opportunities: High-performance, innovative products (e.g., high-performance MCUs, fast-charging graphite materials) will enhance premiums and expand the sources of income. The Company can establish technological barriers to consolidate the core competitiveness of products, and participate in standard formulation to amplify its voice in the industry.
8	Product quality and safety	The Company has passed the certification of ISO 9001, IATF 16949, among other quality management systems, and strictly controls quality throughout the product lifecycle, to ensure product safety and reliability, protect consumer rights, and enhance user trust.	✓	✓	✓		✓	✓	✓	Risks: Product quality problems may lead to customer complaints, returns, recalls, litigation, and damage to brand reputation, thereby affecting sales revenue and market share. Opportunities: High-quality products enhance customer loyalty and market share; meeting strict access requirements for automotive and industrial-grade markets helps acquire high-end customers and obtain premium income.

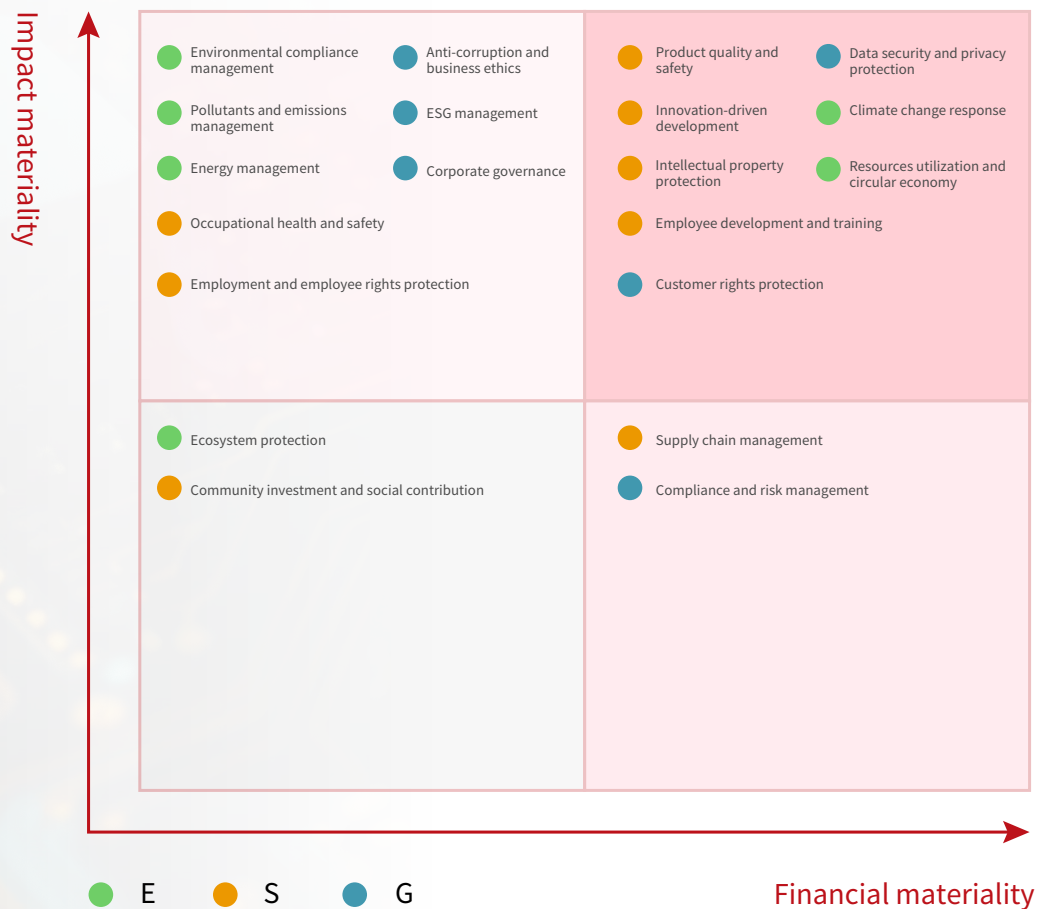
No.	Topic	Impacts	Impact scope				Impact period			Risks, opportunities and potential financial impacts
			Upstream value chain	Self-operation	Downstream value chain	Community	Short term	Medium term	Long term	
9	Customer rights protection	The Company has established a complete customer service system, providing 24/7 technical support and fast response to complaints, to safeguard customers' legitimate rights and interests, and improve customer satisfaction and loyalty.		✓	✓		✓	✓	✓	Risks: Improper handling of customer complaints may result in customer churn, negative word of mouth, damage to brand image and sales revenue, as well as higher customer acquisition costs. Opportunities: High customer satisfaction will drive repeated purchases and recommendations, thus increasing revenue. Optimized service systems will boost operating efficiency, while reducing customer churn rate and after-sales costs.
10	Supply chain management	The Company integrates ESG factors into supplier access, assessment and empowerment processes, pushing suppliers to improve their performance in environmental protection, employment and business ethics, so as to promote the sustainable development of the industrial chain and reduce the risk of supply chain disruptions.	✓	✓			✓	✓	✓	Risks: Violations by suppliers in environmental protection or employment may be transmitted to the Company, causing reputational damage, supply chain disruptions or legal risks, and increasing procurement and emergency response costs. Opportunities: Green supply chain management will enhance customer trust and brand image. Supplier empowerment will improve product quality and delivery stability, reducing procurement risks and operating costs.
11	Employment and employee rights protection	The Company strictly abides by labor laws and regulations, protects employees' legitimate rights and interests, provides a fair and inclusive working environment, promotes employees' well-being, and enhances employees' sense of belonging and stability.		✓		✓	✓	✓	✓	Risks: Labor disputes or discrimination incidents may lead to legal proceedings, fines and reputational damage, increase recruitment and training costs, and affect production efficiency. Opportunities: Sound employee relations will improve production efficiency and innovation capacity, reduce recruitment and training costs, and enhance the Company's appeal and operating stability.
12	Employee development and training	The Company has established a systematic training system, and offers dual-channel career pathways and equity incentives to support employee growth and improve employees' professional skills and competitiveness.		✓		✓	✓	✓	✓	Risks: Insufficient employee training may lead to technological backwardness and talent attrition, affecting innovation capability and production efficiency. Opportunities: Talent cultivation will enhance organizational capability, strengthen technological innovation and market responsiveness. Equity incentives will motivate employees, reduce the attrition rate of core talents, and ensure business continuity.

No.	Topic	Impacts	Impact scope				Impact period			Risks, opportunities and potential financial impacts
			Upstream value chain	Self-operation	Downstream value chain	Community	Short term	Medium term	Long term	
13	Occupational health and safety	The Company has passed the ISO 45001 occupational health and safety management system certification and implemented work safety, occupation disease protection and emergency response drills, to protect employees' safety and health and reduce work-related injuries.		✓		✓	✓	✓	✓	Risks: Safety incidents may lead to production shutdowns, compensation claims, fines and reputational damage, affecting production efficiency and increasing insurance and medical costs. Opportunities: Guaranteeing employee safety can reduce accident rates and insurance costs, strengthen trust among customers and investors, and enhance the corporate image.
14	Community investment and social contribution	The Company gives back to society through public welfare activities, community development, and rural revitalization initiatives, etc. promoting community harmony and enhancing its social image.				✓			✓	Risks: Tense community relations may lead to project suspension and public protests, affecting operating stability and project progress. Opportunities: Sound community relations will facilitate project implementation. Contribution to society will improve brand reputation, strengthen cooperation with the government and the public, and accelerate project advancement.
15	Corporate governance	The Company has established a standardized board structure, internal control system and information disclosure mechanism to protect shareholders' rights and interests, and improve corporate transparency and scientific decision-making.		✓				✓	✓	Risks: Inadequate corporate governance or unclear definition of responsibilities may lead to decision-making errors, ineffective strategy implementation, reduced organizational management efficiency and adverse impacts on the overall development direction. Opportunities: Sound governance will enhance investor confidence and reduce financing costs. Standardized operations will strengthen the Company's risk resilience and long-term value creation capability.
16	ESG management	The Company has established an ESG management system, integrating sustainability into its strategy and daily operations, disclosing ESG information on a regular basis, and addressing the concerns of stakeholders.	✓	✓	✓	✓		✓	✓	Risks: Lagging ESG management may cause negative evaluations by investors, customers and regulators, affecting financing and market access. Opportunities: Outstanding ESG performance will attract green investment, boost ESG ratings, enhance brand competitiveness and meet the requirements of international customers.

No.	Topic	Impacts	Impact scope				Impact period			Risks, opportunities and potential financial impacts
			Upstream value chain	Self-operation	Downstream value chain	Community	Short term	Medium term	Long term	
17	Compliance and risk management	The Company has established a comprehensive compliance and internal control system as well as a risk management mechanism to identify, assess and respond to various risks, ensuring lawful and compliant operations and safeguarding business continuity.		✓			✓	✓	✓	Risks: Compliance risks may result in fines, litigation and business restrictions, thus increasing compliance costs. Insufficient risk identification or response may lead to significant losses. Opportunities: A sound compliance and risk control system will enhance risk resilience, enhance trust from investors and customers, reduce operational uncertainties, and ensure operation stability.
18	Anti-corruption and business ethics	The Company has established an anti-corruption system as well as integrity commitment and corruption reporting mechanisms, and organized compliance training to foster an honest and transparent business environment and safeguard fair competition.	✓	✓	✓		✓	✓	✓	Risks: Corruption incidents may lead to legal sanctions, fines and reputational damage, and undermine partner trust and business cooperation, thus increasing compliance costs. Opportunities: Integrity-based operations will strengthen trust among customers and suppliers and enhance corporate image. An integrity-based culture will reduce the risk of internal fraud, safeguard asset security and improve operating efficiency.
19	Intellectual property protection	The Company has established an intellectual property management system to standardize the management of software licenses, patents, integrated circuit layout designs and other forms of intellectual property, and conducts relevant training to protect innovation achievements and promote technology sharing.		✓				✓	✓	Risks: Intellectual property infringement may lead to litigation, compensation and technology leakage, impair innovation capability and market competitiveness, increase compensation costs, and reduce long-term profitability. Opportunities: Intellectual property protection will strengthen technological barriers and increase product added value. Patents will help generate licensing revenue and gain market dominance, thus enhancing the Company's voice in the industry.
20	Data security and privacy protection	The Company has established an information security management system and taken measures such as technical protection, emergency response and staff training, to safeguard the data security of customers and employees and prevent data leakage.		✓	✓		✓	✓	✓	Risks: Data leakage may result in litigation, fines, customer churn and reputational damage, affecting business continuity. Opportunities: Strong data security capabilities will enhance customer trust and help expand domestic and international customer bases. The establishment of an information security system will improve operating resilience and reduce security risks.

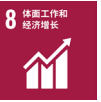
Double Materiality Topics

In 2025, NSING TECH identified the following 20 material topics, comprising six environmental topics, eight social topics and six governance topics. Among them, eight topics reflect both financial materiality and impact materiality to the Company's business operations.



Support for UN Sustainable Development Goals

NSING TECH integrates the UN Sustainable Development Goals (SDGs) into its corporate strategy and daily operations in a systematic manner. The Company identifies the sustainable development goals most relevant to itself and its value chain, and steadily advances the sustainable development process through targeted initiatives.

	SDGs	NSING TECH's Response Actions
	Good Health and Well-Being Ensure healthy lives and promote well-being for all at all ages	Strictly implement the occupational health and safety management system, and provide regular physical examinations for all employees to safeguard employees' health and well-being.
	Quality Education Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Establish a systematic training system covering new employee onboarding, professional skills and management competence, and collaborate with top scientific research institutions on industry-university-research initiatives to foster a continuous learning organizational climate and support the orderly development of talents.
	Clean Water and Sanitation Ensure availability and sustainable management of water and sanitation for all	Improve the Company's water management system, build the reclaimed water reuse system in production and operations, and implement water conservation management and recycling measures to protect and responsibly use water resources through concrete actions.
	Affordable and Clean Energy Ensure access to affordable, reliable, sustainable and modern energy for all	Provide new energy-oriented anode battery materials to the society, actively pursue green operations, build rooftop distributed photovoltaic power stations, and steadily increase the green electricity ratio to reduce carbon footprints at the source.
	Decent Work and Economic Growth Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Provide employees with competitive remuneration and comprehensive social security, establish dual-channel promotion mechanisms for "management + technology" positions and equity incentive plans, and support employees' career development and value creation through a systematic performance management system.
	Industry, Innovation and Infrastructure Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	Keep investing more in R&D projects, explore cutting-edge technologies, and participate in the formulation of national and industrial standards to drive technological progress and ecosystem prosperity in the industry.

SDGs

NSING TECH's Response Actions



Responsible Consumption and Production

Ensure sustainable consumption and production patterns

Set targets for resource and emission management, promote zero wastewater discharge and compliant waste disposal, actively advocate green office practices, extend environmental requirements to supply chain management, and guide partners to jointly implement sustainable production and consumption concepts.



Climate Action

Take urgent action to combat climate change and its impacts

Proactively address the challenges of climate change, systematically identify and manage risks and opportunities arising from extreme weather and low-carbon transition, and enhances the Company's climate resilience through technical upgrades, energy substitution and the establishment of an emergency management system.



Peace, Justice and Strong Institutions

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

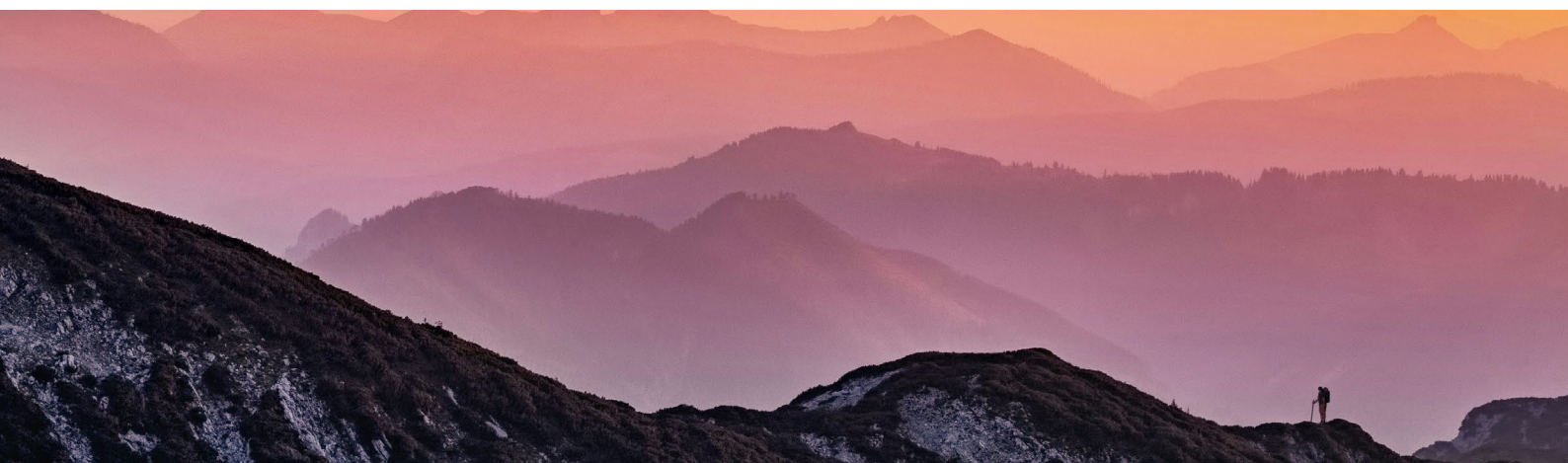
Establish sound anti-corruption, compliance and internal control systems, set up independent reporting mechanisms and reporting channels, and conduct regular business ethics training to build an honest and transparent business environment.



Partnerships for the Goals

Strengthen the means of implementation and revitalize the global partnership for sustainable development

Actively engage in technical exchanges and cooperation with industrial chain partners and research institutions, participate in the formulation of industrial standards, and provide training to empower suppliers to jointly build a collaborative, innovative and sustainable industrial ecosystem.



01

Low-Carbon Development for a Green Future

NSING TECH embeds the philosophy of green development into the entire process of production and operations. By improving the environmental management system, and advancing green operations and low-carbon technological innovation, the Company continuously reduces resource consumption and carbon emissions, and protects the ecological environment in a responsible manner, contributing to global energy transition and sustainable development.

6 Clean Water & Sanitation



7 Affordable & Clean Energy



12 Responsible Consumption and Production



13 Climate Action



Improved Environmental Management

NSING TECH attaches great importance to environmental management. In strict accordance with relevant laws and regulations, including the Law of the People's Republic of China on Prevention and Control of Soil Contamination, the Standards for Pollution Control on Hazardous Waste Storage, the Integrated Emission Standard of Air Pollutants and the Technical Guidelines for Environmental Impact Assessment, the Company has formulated the Environmental Protection Management System and Control Procedure, the Environmental Operation Management System and other internal systems to ensure its compliant operations in line with environmental protection requirements. During the Reporting Period, both Inner Mongolia Sinuo and Hubei Sinuo obtained the ISO 14001 Environmental Management System certification.



ISO 14001 certificates

Under an environmental management framework, NSING TECH has set up an Environmental Protection Committee composed of persons in charge of various departments. In particular, R&D, process, quality, and production departments have fulfilled their respective responsibilities for environmental protection on all fronts.

In terms of environmental emergency management, NSING TECH has formulated the Environmental Emergency Response Plan, the Emergency Management Guidelines, the Environmental Factor Identification and Assessment Control Procedure, the Environmental Emergency Response Plan, and other internal systems, establishing robust emergency response mechanisms. The Company has set up an emergency command center with rescue, evacuation, early warning and support teams under it, and organized environmental factor risk identification and assessments, as well as emergency drills on a regular basis.



Case study Inner Mongolia Sinuo organizes environmental emergency drills

In 2025, Inner Mongolia Sinuo organized two environmental emergency drills, which simulated accidental leakage scenarios involving waste tar barrels and desulfurization liquid respectively. All departments of the Company launched a rapid response, and completed collection and cleanup of leaked tar with high efficiency, effectively enhancing employees' response capabilities to environmental emergencies.



Clean up tar leakage



Cover leaked liquid with sand and soil

Performance highlights In 2025

Number of major environmental accidents

0 times

Number of environmental administrative penalties

0 times

Green Operations

Energy and Resource Management

Energy Management

In strict compliance with the Law of the People's Republic of China on Conserving Energy and other relevant laws and regulations, NSING TECH has formulated the Resource and Energy Conservation Control Rules, the Energy Management System, the Energy Metrology Management System, and other internal systems. In addition, the Company has established a leading group for energy management to clarify energy management responsibilities of various departments and relevant personnel, continuously improving energy metrology and energy efficiency.

For the Company's integrated circuit business, energy is primarily consumed in office operations, with electricity being the main energy source. For the lithium battery anode material business, energy is mainly used in production processes, with a small portion consumed in office operations; the main energy sources include electricity, natural gas and diesel.

NSING TECH prioritizes energy conservation and emission reduction. By strengthening energy metrology, adopting clean production technologies, and enhancing process control, the Company has continuously reduced the energy consumption per unit of product. In response to the Company's energy management goal of reducing energy consumption, its subsidiaries Inner Mongolia Sinuo and Hubei Sinuo have further refined the energy management targets in light of their actual production conditions. In 2025, we achieved all of our energy management targets.

Target	Progress in 2025
Inner Mongolia Sinuo: Annual comprehensive energy consumption $\leq 38,000$ tce; energy consumption per unit of product ≤ 1.60 tce/t	Inner Mongolia Sinuo: Achieved (comprehensive energy consumption: 23,967.18 tce; energy consumption per unit of product: 1.54 tce/t)
Hubei Sinuo: Energy consumption per unit of product ≤ 1.52 tce/t	Hubei Sinuo: Achieved (comprehensive energy consumption: 28,231.87 tce; energy consumption per unit of product: 1.07 tce/t)

Energy Conservation Initiatives



Strengthen energy metrology

Install intelligent electricity meters and gas meters in key production stages for real-time monitoring and data collection; gradually establish a digital system covering carbon data collection, accounting, reporting and monitoring, so as to identify key areas for emission reduction.

Adopt clean production technologies

Introduce the high-efficiency graphitization process to enhance waste heat recovery and energy management systems.

Strengthen energy metrology

Strengthen lighting and HVAC management, and reduce electricity consumption by utilizing natural light, adopting time-controlled lighting switches, and setting reasonable air conditioning temperatures.

NSING TECH actively advances the green and low-carbon energy transition by developing rooftop distributed photovoltaic grid-connected power generation systems. In 2025, the Company further expanded the area of distributed photovoltaic installations, with an installed capacity of rooftop distributed photovoltaic power of 6 MW at the plant area of Inner Mongolia Sinuo, which is expected to come into operation in 2026. By purchasing green electricity and green certificates, it further increased renewable energy ratio, and reduced its reliance on fossil fuels.



Distributed photovoltaic power generation facilities

Performance highlights In 2025

Comprehensive energy consumption

52,240.59 tce

Comprehensive energy consumption intensity

0.38 tce per RMB 10,000 revenue

Gasoline consumption

25,531.90 L

Diesel consumption

102,957.38 L

Natural gas consumption

688,665.20 m³

Purchased grid electricity*

420,874,311.00 kWh

Green electricity certificates

12,396,000.00 kWh

Self-generated and self-consumed green electricity

34,226.40 kWh

Heat (hot water source)

21,653.20 GJ

*Excluding green electricity

Water Management

NSING TECH upholds the water governance principles of "prioritizing water conservation, balancing spatial distribution, taking systematic approaches and promoting government-market synergy". In strict accordance with the Water Law of the People's Republic of China, the Regulations on Water Conservation, and other local laws and regulations where it operates, the Company has formulated internal systems such as the Water Management System, and established a leading group for water management to define management responsibilities of relevant departments and personnel.

The Company's water consumption mainly occurs in the office operations and the production process with lithium battery anode materials. We use municipal tap water, groundwater and other water sources in compliance with regulations, and develop alternative water sources by means of rainwater reuse and reclaimed water recycling.

To strengthen water consumption monitoring and control, NSING TECH has established a three-level water metering system, installed water meters at key water intake points, and implemented a management system of "daily recording, weekly statistics, and monthly analysis", in a bid to improve water use monitoring and data analysis, identify abnormal water use fluctuations, and accurately grasp current water use conditions and water conservation potential. Furthermore, the Company has actively promoted construction of water-saving facilities and technological upgrades, and strengthened water recycling to improve water use efficiency. In addition, we have organized regular water conservation publicity and training to enhance employees' awareness of water conservation.

Water Conservation Initiatives



Water use monitoring and data analysis

Establish water metering and monitoring systems, conduct regular water balance tests, and gradually promote an intelligent water management system.

Equipment Improvement

Prioritize the use of water-saving equipment, while controlling pipe network leakage, and replacing high-water-consuming equipment.

Water-saving technical upgrades

Regularly research advanced water-saving technologies, and promote the application of water-saving technologies such as high-efficiency circulating water treatment, and membrane separation and reuse.

Recycling

Build a reclaimed water reuse system to collect and treat rainwater and wastewater for use in production, road washing, landscape irrigation, and other scenarios.

Publicity and training

Organize regular water conservation publicity and training to raise employees' awareness of water conservation.



Case study

Hubei Sinuo builds a comprehensive water management system

Hubei Sinuo built a comprehensive wastewater management system, including wastewater collection tanks, treatment tanks, emergency response tanks and initial rainwater collection tanks. Collected rainwater, wastewater and emergency runoff are sedimented, purified to meet discharge standards through a biofiltration system, and then reused for facility landscape irrigation and as make-up water for the high-temperature carbonation cycle system, effectively improving water use efficiency.

Performance highlights In 2025

Total water consumption

278,852.00 tons

Water consumption intensity

2.05 tons per RMB 10,000 revenue

Packaging and Material Management

NSING TECH upholds the concept of circular economy, and continuously improves its packaging and material management system. During the Reporting Period, the Company sorted and recycled packaging materials such as waste plastic bottles and waste cardboard, and entrusted qualified institutions with harmless treatment of waste chips. In the future, we will continue to optimize packaging design, promote lightweight solutions, and integrate green design concepts into the product R&D stage, reducing resource consumption and environmental impacts at the source.

Pollutants and Emissions Management

In strict compliance with national and local environmental protection laws and regulations, NSING TECH has established a sound environmental management system covering all factors including waste gas, wastewater, solid waste and noise. The Company has formulated internal systems such as the Work Guidelines for Discharge of Wastewater, Waste Gas, Dust, High Temperature and Noise and the Waste Management Guidelines, providing standardized operational basis for environmental management across all aspects. For various pollutants, we have clear management goals: while ensuring 100% compliant operations, we will continue to promote technological upgrades and lean process management to minimize environmental impacts of its operations.

Target	Progress in 2025
100% compliant waste gas emissions	Achieved
100% compliant discharge of wastewater, including zero discharge of industrial wastewater	Achieved
100% compliant disposal of hazardous waste	Achieved
100% compliant noise emissions	Achieved

Waste Gas Management

In accordance with the Integrated Emission Standard of Air Pollutants and other regulatory requirements, NSING TECH has established robust discharge and waste management systems, and formulated internal systems such as the Dust Cleaning Management System, systematically regulating the entire process of waste gas generation, collection, treatment and emissions.

There are no exhaust emissions from the Company's integrated circuit business. Air pollutants generated from the production of lithium-ion battery anode materials mainly consist of particulate matter, sulfur dioxide, nitrogen oxides and volatile organic compounds (VOCs). To address these pollutants, the Company has built high-efficiency waste gas treatment facilities, installed intelligent dust collection and filtration systems and online monitoring equipment, and conducted regular manual monitoring, ensuring stable and compliant emissions of waste gas.

Wastewater Management

In compliance with the Water Pollution Prevention and Control Law of the People's Republic of China, the Integrated Wastewater Discharge Standard and other laws and regulations, NSING TECH has established a complete internal wastewater management system to standardize the entire wastewater control process. During the Reporting Period, wastewater generated from the Company's operations mainly consisted of domestic wastewater, which was discharged into the municipal pipe network after treatment, without industrial wastewater discharge during production.

In addition to compliant discharge, the Company actively advances resource utilization of wastewater. By introducing intelligent wastewater treatment and reclaimed water reuse systems, it effectively treats and recycles domestic wastewater, which supplements water demand of the plant area and reduces the consumption of fresh water. Meanwhile, we have established a normalized environmental monitoring mechanism to regularly inspect the operation performance of the wastewater treatment system and the quality of discharged water, ensuring the stable operation of treatment facilities and long-term stable compliance of discharge.

Solid Waste Management

In accordance with the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, the Standards for Pollution Control on the Storage and Disposal Site for General Industrial Solid Waste, the Standard for Pollution Control on Hazardous Waste Storage, and other laws and regulations, NSING TECH has formulated internal management measures including the Waste Management Guidelines, the Management System for Prevention and Control of Hazardous Waste Pollution, and the Control Procedures for Waste Treatment.

Wastes generated from the Company's production and operations mainly include harmless wastes such as gypsum, as well as hazardous wastes including waste tar, waste batteries, waste lamps and waste chips. The Company has established waste management procedures covering the entire chain from sorting, storage, transportation, disposal to recycling, with regular system review and monitoring. We entrust qualified third-party companies with safe and compliant disposal of the wastes.

Performance highlights In 2025

Total waste generation

14,478.56 tons

Total non-hazardous waste generation

13,817.04 tons

Total hazardous waste generation

661.52 tons

Non-hazardous waste generation intensity

10.16 tons per RMB million revenue

Hazardous waste generation intensity

0.49 tons per RMB million revenue



Case study Hubei Sinuo launches environmental training on waste tar management

In March 2025, Hubei Sinuo launched a special training session on waste tar management for team leaders and above from all workshops. The training covered waste tar generation sources, potential environmental risks, safe transfer and storage requirements, as well as corresponding emergency response measures, effectively improving employees' solid waste management capabilities.



Environmental training on waste tar management

Noise Management

Noise emissions generated from the Company's operations mainly originate from the production of lithium-ion battery anode materials, whereas the integrated circuit business produces no noise emissions. In compliance with the Law of the People's Republic of China on the Prevention and Control of Noise Pollution, the Emission Standard for Industrial Enterprises Noise at Boundary and other laws and regulations, the Company has established a sound noise prevention and control mechanism. By installing sound insulation facilities, optimizing equipment layout, and conducting regular equipment inspection and maintenance, we have effectively reduced noise levels in production areas and at the factory boundary, ensuring compliant noise emissions in line with national standards. During the Reporting Period, the Company's noise emissions fully complied with relevant standard requirements, with no non-compliance incidents such as noise pollution complaints or administrative penalties.

Green Office Practices

NSING TECH has formulated internal policies including the Administrative Measures for Office Environment and the Administrative Regulations for Office Areas, and strictly implemented energy and water management requirements in office operations, reducing energy and resource consumption. The Company posts signs such as "Energy Conservation and Lower Carbon" and "Water Conservation" in offices and public areas such as restrooms and pantries for internal publicity of a low-carbon culture.

Green Office Initiatives



Electricity conservation

Optimize the lighting system (by leveraging natural daylight and zoned timer control) and the air conditioning system (by setting temperature at 26°C in summer, and enhancing airtightness and designated personnel management) for electricity conservation; install time-controlled switches for the Company's external power supply to restrict daily electricity supply hours and reduce standby electricity consumption.



Water conservation

Standardize water use according to management regulations, arrange scientific greening irrigation and cleaning frequencies; establish a rapid water leakage reporting mechanism, and conduct monthly statistics on floor water meter readings and drinking water consumption to realize refined monitoring and management of water consumption.



Consumables conservation

Promote double-sided printing, centrally collect recyclable resources such as waste bottles and waste paper; internally reuse office supplies left by resigned employees to improve recycling efficiency of office resources.



Climate Change Response

In accordance with the requirements of IFRS S2 Climate-related Disclosures issued by the International Sustainability Standards Board (ISSB), NSING TECH systematically identifies, assesses and manages climate-related risks and opportunities across four dimensions, namely governance, strategy, risk management, and metrics and targets, to safeguard long-term sustainable development of the Company.

Governance

The Company has been improving its climate governance structure, with the Board of Directors providing overall leadership in identifying climate-related risks and opportunities. Specifically, it regularly identifies climate-related risks and opportunities, assesses their potential impacts on the Company's business and financial performance, and formulates corresponding response strategies, enhancing the Company's climate resilience in operations.

Strategy

NSING TECH adopts innovative initiatives to support the energy transition in response to risks and opportunities arising from climate change. We have analyzed the potential financial impacts of climate change on our operations and development, and developed a climate change risk and opportunity matrix to support decision-making on climate change response.

Risk / opportunity category	Sub-category	Risk / opportunity description	Time range	Impacted value chain
Physical risks	Acute risk Flooding and heavy rainfall	It may cause waterlogging and overflow, damage equipment and infrastructure, and disrupt store operations.	Short-term	Upstream value chain Self-operation Downstream value chain
	Acute risk Hurricanes	It may cause power outages, work safety accidents or suspension of R&D and production, thereby increasing operating costs.	Short-term	
	Chronic risk Heatwaves	Sustained above-average temperatures over consecutive days in a given region may affect the stability of cooling equipment and increase energy costs.	Short-term	
	Chronic Risk Water scarcity	A regional water availability shortfall over a given period may directly impact daily operations and indirectly affect supply and quality of raw materials.	Long-term	
Transition risks	Policy and legal risk	Stricter environmental and climate-related requirements at home and abroad may increase the Company's compliance costs arising from carbon footprints, carbon tariffs and other relevant requirements and restrictions. Besides, carbon emission reduction pressure on downstream enterprises may be transmitted to the Company's supply chain and affect product sales.	Long-term	Self-operation
	Technology risk	In response to low-carbon transition, rapid iteration of lithium-ion battery anode material technologies and rising energy efficiency requirements for chip products may increase R&D costs. Failure to maintain investments and leadership in low-power chip design or advanced anode material technologies would weaken product competitiveness.	Medium- and long-term	Self-operation

Risk / opportunity category	Sub-category	Risk / opportunity description	Time range	Impacted value chain
Transition risks	Market risk	Rising prices of non-renewable energy may increase operating costs. Meanwhile, downstream customers have stricter low-carbon supply chain requirements. Failure to meet their green supply chain review standards (e.g. carbon footprints, green electricity ratio) may reduce product competitiveness.	Medium- and long-term	Upstream value chain Self-operation
	Reputational risk	Heightened public environmental awareness may damage the brand image and reduce revenue if the Company is perceived as slow or ineffective in addressing climate change.	Long-term	Self-operation Downstream value chain
Transition opportunities	Product and service opportunity	Global energy transition drives strong growth in new energy vehicles, energy storage systems, intelligent grids and other industries. The Company's chips and anode materials, as core components and raw materials, will directly benefit from expanded downstream demand. Products in line with high energy efficiency and high reliability standards may achieve a market premium.	Medium- and long-term	Self-operation Downstream value chain
	Energy and resource opportunity	Declining costs of renewable energy, improved green electricity trading mechanisms, and energy-saving and emission-reduction technologies result in enhanced efficiency.	Long-term	Self-operation
	Market and financing opportunity	Good climate performance and disclosure help enhance the Company's attractiveness in capital markets and facilitate access to green financing and subsidies.	Medium- and long-term	Self-operation

Climate Scenario Analysis

The Company has conducted climate scenario analysis with reference to the Shared Socioeconomic Pathways (SSPs) released by the Intergovernmental Panel on Climate Change (IPCC), and adopted the "low-emission scenario" (SSP1-2.6) and the "high-emission scenario" (SSP5-8.5) as the basis for assessing physical risks. For transition risks, the Company has systematically analyzed the potential impacts of major transition risks and opportunities on the Company's operations and financial conditions by time span and carbon intensity pathway on the basis of the "Stated Policies Scenario" (STEPS) and the "Net Zero Emissions by 2050 Scenario" (NZE) issued by the International Energy Agency (IEA). Based on the results of the climate scenario analysis, we have developed corresponding response measures for major climate risks and opportunities, continuously enhancing our climate resilience in business operations.



Scenario Selection

Applicable scenario	Scenario selection	Scenario description	Projected temperature rise by the 21st century
Physical risks IPCC CMIP6	SSP1-2.6	This scenario requires worldwide cooperation and powerful policy support, and calls for rapid global actions to reduce greenhouse gas emissions, in order to limit rises in global average temperatures to below 2°C above pre-industrial levels.	About 2°C
	SSP5-8.5	This scenario represents a fossil fuel-driven rapid economic growth pathway (SSP5) with ineffective climate mitigation measures, resulting in continued growth in greenhouse gas emissions. It is used to simulate a climate change pathway under very high emissions.	About 4.4°C
Transition risks IEA GEC Model 2025	Stated Policies Scenario (STEPS)	This scenario incorporates existing and proposed concrete policies on energy, climate and relevant industries, as well as policy orientations supported by market expectations, infrastructure development and financial conditions even if not yet formally legislated.	About 2.4°C
	Net Zero Emissions by 2050 Scenario (NZE)	This scenario outlines a challenging transition pathway to achieve global net-zero CO ₂ emissions by 2050, which is consistent with the goal of limiting the long-term global average temperature increase to 1.5°C.	About 1.5°C

Risk Analysis

		SSP1-2.6		SSP5-8.5	
Risk category	Sub-category	Probability of occurrence	Impact extent	Probability of occurrence	Impact extent
Physical risks	Flooding and heavy rainfall	Medium	Medium	Relatively high	Medium
	Hurricanes	Medium	Relatively high	Relatively high	Relatively high
	Heatwaves	Relatively high	Medium	Relatively high	Medium
	Water scarcity	Relatively low	Relatively low	Medium	Medium
		Stated Policies Scenario (STEPS)		Net Zero Emissions by 2050 Scenario (NZE)	
Risk category	Sub-category	Probability of occurrence	Impact extent	Probability of occurrence	Impact extent
Transition risks	Policy and legal risk	Relatively high	Relatively high	High	Relatively high
	Technology risk	Relatively high	Relatively high	High	Relatively high
	Market risk	Medium	Relatively low	Medium	Medium
	Reputational risk	Medium	Relatively high	Medium	Relatively high

Climate Resilience and Response

Risk/opportunity

Response initiatives

Acute risks

Establish an emergency command center, formulate the Emergency Response Plan for Work Safety Accidents and Environmental Emergency Response Plan, and regularly organize extreme weather emergency drills.

Chronic risks

Improve the energy management mechanism, systematically record energy consumption data and optimize electricity scheduling; adopt energy-saving technologies and high-efficiency equipment to enhance overall energy efficiency and ease cost pressures; promote the green office concept and encourage employees to save water and electricity.

Policy and legal risks

Proactively track climate-related laws, regulations and standards in the regions where the Company operates, fully assess the impacts of policy changes on the Company's business, and develop action plans for energy-saving upgrades and clean energy substitution to prepare for policy compliance.

Technology risks

Continuously increase investment in product R&D to improve energy efficiency and competitiveness of the Company's products.

Market risks

Reduce production costs through technological innovation and process improvements; increase energy efficiency by implementing energy-saving upgrades, and building rooftop photovoltaic power generation systems, increase the renewable energy ratio to reduce energy costs, and dependence on fossil fuels.

Reputational risks

Actively formulate and release climate-related emission reduction plans, enhance the comprehensiveness and accuracy of environmental information disclosure, and regularly communicate climate governance progress with stakeholders.

Product and service opportunities

Seize core growth drivers brought by energy transition, increase investments in innovative R&D, and strengthen product R&D and market promotion in these application scenarios.

Energy and resource opportunities

Continuously increase the green electricity ratio, reduce operating costs through energy efficiency improvements and circular economy practices.

Market and financing opportunities

Systematically present the Company's actions and achievements related to climate change response through regular reports and communications with investors.

Impact, Risk and Opportunity Management

NSING TECH has established a robust risk management system, and integrated climate-related risks into its overall corporate risk management system, committing to effective monitoring and management of climate risks and other risks. The Company has initially identified climate-related physical risks, transition risks and transition opportunities with material impacts on its business, and further prioritized key climate risks and opportunities through communications with stakeholders.

Based on the list of key climate risks and opportunities identified, the Company's management and relevant departments conduct hierarchical management for climate-related risks and opportunities by considering their impact extent, probability of occurrence and actual business operations, and implement monitoring and reporting of relevant progress.

Indicators and Targets

NSING TECH has been formulating climate-related targets and conducting organizational carbon inventory to clarify its greenhouse gas (GHG) emissions. Going forward, the Company will continue to explore carbon reduction action plans to further drive down greenhouse gas emissions.

Performance highlights in 2025

Direct GHG emissions (Scope 1)

1,943.29 tCO₂e

Energy indirect GHG emissions (Scope 2)

258,946.83 tCO₂e

Total GHG emissions within the operational boundary

260,890.12 tCO₂e

GHG emissions intensity within the operational boundary

1.92 tCO₂e per RMB 10,000 revenue

↔ Biodiversity Conservation

In its business operations, NSING TECH is committed to avoiding damage to ecological redlines and natural habitats, and actively participates in biodiversity conservation.

During production and operations, the Company strictly abides by environmental protection laws and regulations. It builds environmental protection facilities in the "three-simultaneity" principle (simultaneous design, construction, and commissioning). By boosting renewable energy utilization and resource recycling, we reduce our dependence on natural resources and their consumptions, preventing natural ecosystems from irreversible damage during project construction.



02

Collaborative Innovation for a Shared Future

Driven by innovation, NSING TECH focuses on core technologies in chips and new energy materials. By delivering high-quality products, building sustainable value chains, and empowering employee growth and industrial development, the Company promotes industrial advancement, while actively fulfilling its responsibilities to customers, employees, partners and society, jointly fostering a shared sustainable future.

3 Good Health and Well-Being



4 Quality Education



8 Decent Work and Economic Growth



9 Industry, Innovation and Infrastructure



17 Partnerships for the Goals



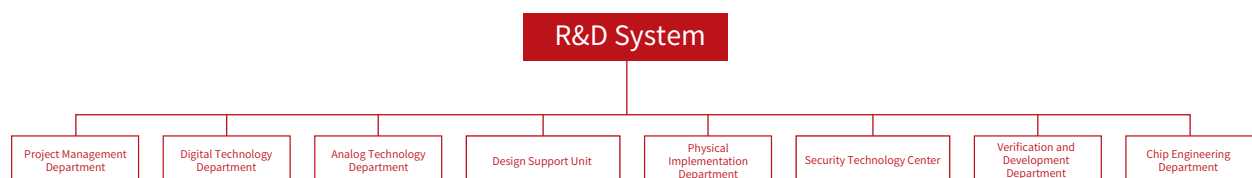
Innovation-Driven Development

Development Strategy

Development Strategy	Initiatives
Focus on strategic sectors including AI, edge computing, robotics and industrial control to achieve in-depth expansion and full-scenario coverage of chip capabilities	Advance chip product layout for emerging vertical scenarios such as AI, robotics, industrial control, automotive-grade electronics, intelligent computing centers and low-altitude economy, and develop highly integrated MCU products with more breakthroughs and high performance
Prioritize the development of cutting-edge MCU products and peripheral products oriented to emerging scenarios	Implement the R&D strategy of "cutting-edge MCUs as the core with full coverage of multiple emerging scenarios", focus on edge AI, digital power management, industrial network communication and automotive information security
Continuously stimulate innovation factors to maintain and lead technological advancement	Focus on four core technological directions: high integration and advanced packaging technology, ultra-low-power integrated circuit design, multi-core heterogeneous architecture, and edge intelligence and model optimization
Deepen presence in the new energy sector and build an integrated ecosystem of materials and control systems	Increase technological layout in the field of lithium battery anode materials, with the core approach of coordinated development of "integrated circuits + new energy materials"
Attract global top talents and selectively explore acquisition opportunities	Gradually establish global talent recruitment and cultivation systems to achieve vertical integration of industrial chains or horizontal expansion of product capabilities

R&D System

NSING TECH has continuously improved its R&D system and established a cross-departmental collaboration mechanism covering multiple disciplines such as digital technology, analog technology, physical implementation, verification, and security. The Company uniformly plans R&D goals, technical directions, IP pathways and process schemes; based on that, all departments develop detailed implementation plans accordingly, and allocate human and technical resources in a coordinated manner to ensure effective implementation. By integrating cross-disciplinary expertise, and enhancing inter-departmental collaboration and resource sharing, this system drives technological innovation, while continuously improving overall R&D efficiency and output quality.



With over 20 years of deep engagement in integrated circuit design, NSING TECH has continuously strengthened its R&D capabilities. The Company has established six R&D centers in Shenzhen, Beijing, Shanghai, Xi'an, Wuhan and Singapore, and is gradually expanding its overseas R&D bases. Meanwhile, it has also built China's first enterprise-level independent security chip attack-and-defense technology laboratory. At the subsidiary level, we have set up Hubei R&D Experiment Center and Battery Test Center, which are equipped with complete experimental production lines and focus on key technological breakthroughs in graphite anode materials.

Meanwhile, NSING TECH upholds the strategy of "localization of global talents and globalization of local technologies", attracting high-caliber talents from the Chinese mainland, Singapore, Japan and other countries and regions, and creating core technical teams in high-performance MCUs, edge AI computing and other fields. Through special incentive programs, the Company provides substantial rewards to outstanding employees in recognition of their exceptional contributions. We have launched a talent incentive program to encourage internal referrals of outstanding talents, continuously expanding our core team. Furthermore, the Company actively provides external training resources to support employees in broadening their professional horizons and skills, and carries out internal training to foster a learning and sharing organizational climate, enhancing the team's innovation capabilities and overall competence.

In addition, the Company actively promotes industry-university-research cooperation to boost innovation momentum. Through resource synergy and complementary strengths, it accelerates innovation and upgrades in intelligent technology, facilitating the commercialization of innovative achievements and the expansion of application markets.



Case study

NSING TECH works with Shenzhen Institute of Advanced Technology of CAS to advance innovative technologies for robotics and intelligent control

On April 23, NSING TECH signed a cooperation intention agreement with Shenzhen Institute of Advanced Technology of the Chinese Academy of Sciences in Shenzhen. Supported by national key R&D programs, both parties will conduct in-depth cooperation on core technological breakthroughs in intelligent robots and joint servo drive and control.



Cooperation Intention Agreement Signing Ceremony

Performance highlights in 2025

R&D investment

RMB **225,062,705.09**

Number of R&D personnel

309

R&D Achievements

R&D Process

NSING TECH maintains standardized management over the entire R&D process, covering framework design, algorithm development, verification and testing, and application support. The Company carries out all projects in compliance with relevant laws, regulations and industry standards throughout the process, ensuring resource reliability and operational compliance, while effectively mitigating potential risks. At the initiation stage of each project, we formulate an overall planning roadmap, positioning and application scope for the product line, and make continuous iterations based on market trends and customer demands, aligning its products with market development trends. The senior management team and the Technical Committee jointly deliberate on project strategies and technical roadmaps to ensure their forward-looking vision and feasibility. In addition, the Company conducts three-dimensional analysis covering market, technical and financial aspects to control risks at the source, improving R&D decision-making quality and efficiency.

Three-Dimensional Feasibility Analysis



Market feasibility

Prioritize analysis on industry trends, target customer demands and market size to align products with market expectations.

Technical feasibility

Evaluate the team's technical capabilities, resource allocation and possibility of external cooperation to guarantee a scientific and feasible technical roadmap.

Financial feasibility

Makes a comprehensive judgment on the project's return on investment through cost estimation and revenue projection.

To build independent and controllable chip design capabilities, NSING TECH has developed a proprietary full-stack integrated circuit (IC) design platform covering integrated product development (IPD) process, IP libraries, and SDK development technologies. The platform fully supports the entire process from chip development to product delivery, providing a solid foundation for fast, reliable and scalable IC design.

The Company possesses complete full-process IC design capabilities, covering industry-leading general system-on-chip (SoC) design process, ultra-low-power R&D process, unified power format (UPF) design process, and analog and mixed signal (AMS) design process, achieving full-dimensional, precise coverage and efficient management of digital, analog, power and system-on-chip design. We adopt the IPD process with structured phase management, cross-departmental teamwork, IP reuse and key milestone reviews to shorten product development cycles, reduce R&D costs and risks, improve tape-out success rates and product quality, and enhance market responsiveness and overall competitiveness.

Integrated Circuit Design Capabilities



Digital design

Possess mature RTL development methodologies and automated synthesis process, achieving efficient implementation of complex digital logic functions.

Analog design

Boast capabilities in high-performance analog circuit and layout optimization, making chips stable and consistent under diverse operating conditions.

Front-end verification

Establish system-level verification platforms and high-coverage test mechanisms to fully guarantee design quality and product reliability.

Physical implementation

Accumulate extensive experience in placement and routing, timing optimization and power control, achieving optimal configuration of chip size and power consumption, while meeting high-performance requirements.

SDK development

Own full-stack capabilities from underlying drivers to application development tools, providing customers with complete hardware and software adaptation support.

A core strength of our platform is our self-developed modular IP library, which includes numerous reusable IP modules such as spanning clock management, power management, ADC/DAC, cryptographic engines, communication interface and others. These IPs are self-developed and integrate analog and digital IC design, and are adaptable to mature and advanced processes, facilitating efficient scaling and consistent design quality. Meanwhile, our SDK ecosystem supports multiple series of chip products, provides a unified API, and ensures code portability.

Technological Achievements

By continuously advancing fundamental core capabilities, the Company has not only built systematic advantages in product performance and cost, but also established differentiated technical barriers in areas such as security, computing power, and stability, which form our core competitiveness.

Strengthening Security Performance:

- We have built a layered architecture with security around an end-to-end "cloud-pipe-device" defense system.
- Our products integrate cryptographic acceleration engines and physical attack prevention modules, support SM2/3/4/9 commercial cryptographic algorithms and SSL/TLS protocols, with high-speed encryption modules achieving bidirectional throughput of up to 40 Gbps, significantly above the industry average.

Achieving High Integration:

- We possess the leading analog-digital co-design capabilities, enabling integration of modules such as power management, ADCs, DACs, operational amplifiers, and level shifters into a single chip, effectively reducing BOM cost and system complexity.
- Our products support on-chip integration of high-speed interfaces such as USB PHY and MIPI DSI PHY and have achieved strict certifications from USB-IF and multiple end customers.
- Our products also support 5V-tolerant I/O interfaces and feature low EMI, allowing direct interfacing with various peripheral signals, thereby enhancing overall system reliability and sustainability.

Improving Energy Efficiency Performance:

- Through multi-power domain partitioning and dynamic power management mechanisms, combined with near-threshold voltage (NTV) control, DVFS, low-power consumption sleep management, and multi-level wake-up strategies, we have developed system-level solutions for various low-power consumption scenarios.
- These products achieve standby power consumption as low as nanoamperes (nA), and dynamic power consumption below 15 μ A/MHz — significantly better than the industry average.
- These products enable 3-5x longer battery lifecycle while maintaining fast response speeds. Some products support uninterrupted micro-power operation for over 10 years.

Promoting Multi-Core Architecture:

- We have launched products based on Cortex-M7, M4, and GPU heterogeneous multi-core architecture, pioneering the application of high-performance computing and real-time control in coordination.
- Compared with traditional single-core MCUs, the multi-core design can increase overall system performance by more than 50%, delivering multiple advantages including high throughput, low latency, and high reliability.

Product Offerings

NSING TECH adopts a unique dual-business-driven model to deeply position itself in critical areas along the technology value chain, namely, chip products and lithium-ion battery anode materials, providing services including MCU chips, BMS chips, artificial graphite products, and graphitization processing. By integrating the strengths of both areas in core technologies, customer resources, and supply chain operations, the Company is committed to capturing long-term development opportunities in the semiconductor and new energy sectors to achieve dual-track growth.

Microcontroller unit (MCU)

Following a product R&D strategy of "leading with cutting-edge MCUs and comprehensively covering multiple emerging scenarios", the Company provides high-security, high-reliability and high-integration chips and solutions for intelligent terminals. By building a complete MCU product matrix covering multiple aspects such as high-performance, low-power, general-purpose, and industry-specific categories, the Company is committed to meeting the broad demands ranging from low-power IoT devices to high-computing-power industrial systems. Up to now, the Company has launched 30 major product series comprising over 300 models. These products have deeply penetrated five core sectors including consumer electronics, industrial control and digital energy, smart home, automotive electronics, and medical electronics. The Company is actively expanding into frontier strategic industries such as AI, robotics, new energy, and low-altitude economy.



Case study High-performance single-chip 3kW digital power supply solution —NS3KW53V5P2L3

On July 8, NSING TECH released the AI data center power supply reference design solution—NS3KW53V5P2L3, a high-performance single-chip 3kW digital power supply solution. It utilized a single N32H474 as the digital control core and was based on the self-developed Hunter OS real-time operating system, with a peak efficiency $\geq 97.7\%$, reaching the industry-leading level. This solution was applicable to digital power supplies such as AI data center power supplies and outdoor integrated power supplies, helping developers rapidly address critical power challenges in AI computing and new energy fields, and enabling customers to quickly build efficient, intelligent, and reliable power supply systems.

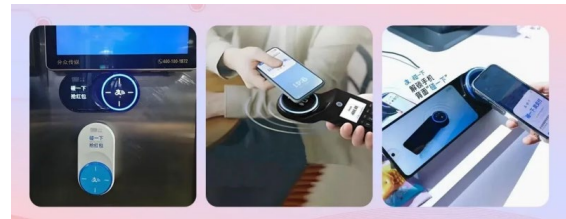


High-Performance Single-Chip 3kW Digital Power Supply Solution



Case study NSING TECH's MCU provided system-level solution to safeguard the innovation of "Tap-to-Pay" devices

Facing the diverse needs of the "Tap-to-Pay" ecosystem, NSING TECH provided stable and reliable chip-level support for terminal devices. Multiple low-power series products significantly extended the battery life of portable devices, while chip-level integrated encrypted storage ensured interaction security. The products also featured excellent anti-interference capabilities, which can guarantee stable operation in complex on-site environments.



Innovative "Tap-to-Pay" Devices



Awards



2025 Global Electronic Achievement Award



China IC Design Achievement Award



Microcontroller of the Year



New Quality Award



2025 Hardcore MCU Chip Award



2025 Semiconductor Market Innovation Performance Award

In the professional chip market, with security as its cornerstone, the Company focuses on scenarios with high security requirements, such as financial payments, IoT, and automotive electronics, and works closely with ecosystem partners to jointly promote the standard and inclusive development of security technologies.



Case study NSING TECH's security solutions

NSING TECH released the "Chip + Firmware + SDK" solution, enabling zero modification at the chip end and easy middleware integration. It can directly connect to national standard cryptographic device application interfaces and simultaneously meet national cryptographic security compliance requirements. In compliance with EAL4+ security evaluation, Security Chip Level 2, and Cryptographic Module Level 2 standards, it can drive security upgrades of facial recognition terminals, smart access control systems, public security monitoring, and hotel intelligent check-in systems.



Case study One-stop turnkey security solution—NSTurnkey-SmartToken

In 2025, NSING TECH launched the NSTurnkey-SmartToken, a one-stop turnkey solution based on N32S0xx security chip. It supported security key and digital certificate management, multi-protocol stack access, cross-platform compatibility and interoperability and prevents illegal access, data tampering, and malicious attacks on communication links, safeguarding communication security for vehicles, roads, and cloud platforms. It enables numerous scenarios including OTA upgrades, digital keys, remote vehicle control, vehicle-side secure key injection, and data encryption protection.



Awards



Excellent Solution Award

BMS chips

BMS chips provide crucial battery monitoring and protection to ensure safe usage, and significantly extend battery life, facilitating the design of efficient, long-lasting, and reliable battery-powered solutions for downstream customers. These BMS chips are used in notebooks, tablet PCs, IPCs, aerial photography drones, and fire safety equipment. Meanwhile, through collaborative innovation of MCUs and BMS chips, the Company builds safer and more efficient energy management systems, providing complete chip-level solutions for the photovoltaic-storage-charging market.

Green products

To practice green and low-carbon development, the Company invests in R&D of low-power MCU technologies, non-magnetic metering technologies, and low-power wireless RF technologies and introduces higher-performance MCU products, to meet new standards for power grid distribution and substation terminals and contribute to the intelligent and sustainable development of global energy management. Currently, the Company drives the energy-saving upgrades in the metering industry through technological innovation. Its related products have been applied to various types of metering, including water, electricity, gas, and heat meters. The N32 series general-purpose MCUs are applied in batches to multiple power and energy products such as photovoltaic rapid shutdown devices (RSDs), smart circuit breakers, BMS and energy storage power supplies, and charging piles.



Case study N32L4xx-based non-magnetic metering solutions

N32L4xx series MCU is the industry's first low-power MCU product adopting 40nm process technology. The metering solution based on it minimizes energy consumption and enhances measurement accuracy, thereby extending meter battery life and reducing overall system operating costs.

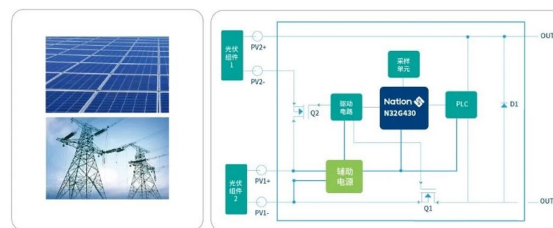


N32L4xx-Based Non-Magnetic Metering Solution



Case study Application of N32G430 and N32G435 in photovoltaic RSDS

In photovoltaic power generation systems, photovoltaic RSDS are critical equipment for ensuring safe and reliable system operation, particularly playing a vital role in rapid shutdown and prevention of reverse power flow during grid abnormalities. The functions and performance of N32G430 and N32G435 series products met the requirements for main control MCU of photovoltaic RSDS, enabling fast and accurate parameter monitoring, effectively preventing software algorithms being cracked, and ensuring a rapid shutdown response in the event of grid anomalies.



Photovoltaic RSDS

Lithium-ion battery anode materials

In the field of new energy material business, the Company focuses on the production and technological innovation of lithium-ion battery anode materials. The product portfolio covers diverse technological routes including artificial graphite, hard carbon, and silicon-carbon composites and serves high-growth markets such as new energy vehicles, energy storage systems, and consumer electronics in an all-round way. In addition to ensuring the production of proprietary products, the Company leverages its core graphitization processing capabilities to provide professional processing services to the third-party customers when production capacity permits, thereby achieving the efficient utilization and value extension of resources. Up to now, the fast-charging product portfolio of Inner Mongolia Sinuo covers charging requirements ranging from 2C to 6C. The 6-8C fast-charging graphite products have completed R&D and entered the customer evaluation phase and are gradually advancing toward commercial production. The related anode materials for energy storage batteries have already met the mass production requirements.

Intellectual Property Protection

In strict accordance with the Patent Law of the People's Republic of China, the Implementing Regulations of the Patent Law of the People's Republic of China, and other relevant laws and regulations, the Company has established a dedicated intellectual property (IP) compliance team responsible for coordinating the compliance management across various IP categories, including software licensing, third-party IP, patents, copyrights, and integrated circuit layout designs. Meanwhile, the Company continues to improve the IP management systems, such as the General Rules for Intellectual Property Management, the Guidelines for Intellectual Property Workflow, the Administrative Measures for Integrated Circuit Layout Designs, and the Administrative Measures for Copyrights, to provide clear guidelines for the creation, protection, utilization, and management of IPs. To stimulate internal innovation vitality, Inner Mongolia Sinuo has established the Patent Management System, which explicitly stipulates the bonuses and remuneration for inventors and designers to encourage employees to actively participate in technological inventions and knowledge creation.

The Company has established a standardized control mechanism that runs throughout the entire business process and implemented a whitelist-based access management system for software and third-party IPs. In principle, only items on the approved list are allowed to be used, and new demands must pass compliance reviews. The Company also performs a patent infringement risk screening procedure to prevent potential disputes from the technical source. At the same time, the Company adopts a "zero-tolerance" policy toward any violations, including unauthorized software installation and use of unlicensed IPs, supported by corresponding disciplinary measures to ensure strict enforcement of compliance regulations.

Furthermore, we promote IP compliance requirements to employees by issuing special compliance notices, organizing all-staff training and other means, to clarify the authorization scope and usage standards of digital assets such as office software, fonts, and images, thereby fostering a corporate culture that emphasizes "respecting IP rights and strictly upholding compliance boundaries".



Case study Inner Mongolia Sinuo organized a training session on patent risk prevention and control

In June 2025, Inner Mongolia Sinuo organized a training session on patent risk prevention and control as well as case analysis. All staff members from the Process Technology Department attended the session. The training, which featured case studies on patent protection, effectively strengthened employees' awareness of IP protection.



Patent Risk Management Training Session



Case study Special training on "IP Protection and Duty-related Crime Prevention"

In 2025, the Company specially invited external experts to participate in IP-related training to enhance its IP protection capabilities. During the training, the experts analyzed the constitutive elements of crimes such as the crime of illegally obtaining data from computer information systems from the perspective of judicial practice and in combination with numerous real-world cases from the industry and within the Company. This helped clarify legal red lines and confidentiality risk points in daily work and standardize practical business operations.



Intellectual Property Training Session

Product Liability

Product Quality and Safety

The Company strictly adheres to the regulations and standards, such as Product Quality Law of the People's Republic of China, the Cryptography Law of the People's Republic of China, the RoHS Directive, and IEC 61508, and has formulated documents including the Quality Problem Management Procedure, the Product Lifecycle Quality Management System, and the Chip System Design and Verification Specification, to standardize and institutionalize the full-process quality control. To date, NSING TECH has passed ISO 9001 and ISO 26262 certifications, while its two subsidiaries have both obtained ISO 9001 and IATF 16949 certifications.



NSING TECH
ISO 26262 certificate



NSING TECH
ISO 9001 certificate

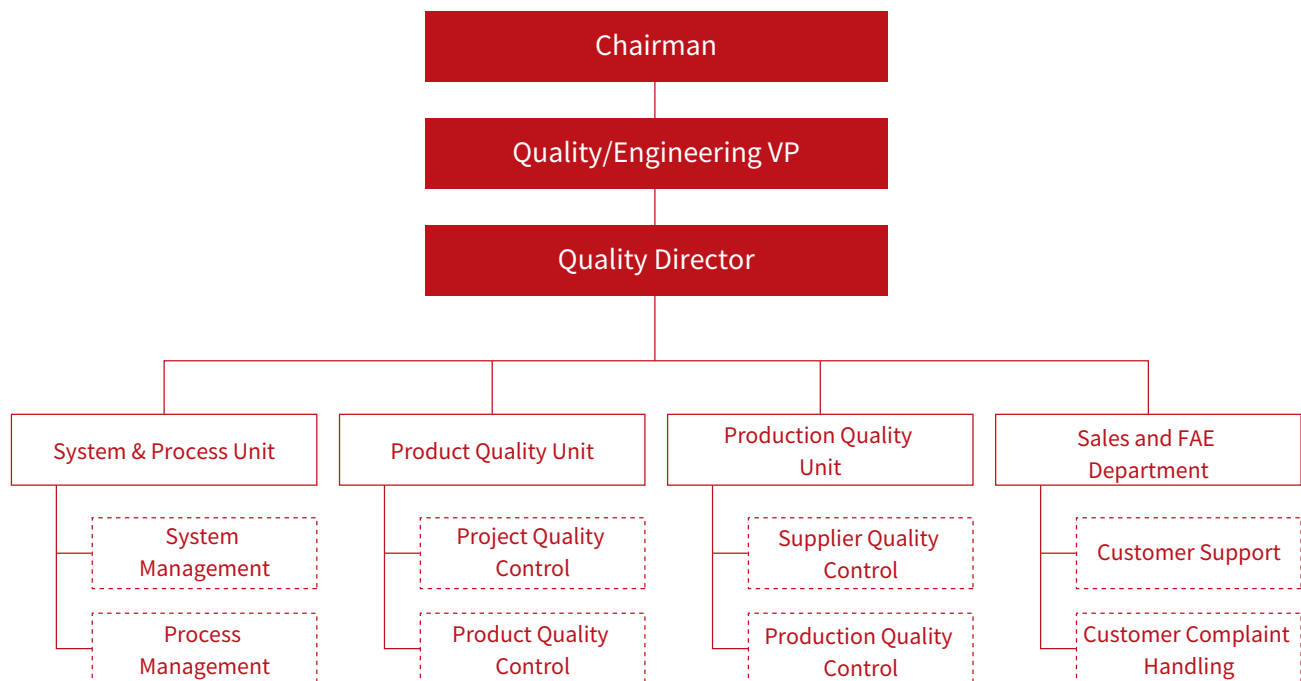


Inner Mongolia Sinuo
IATF 16949 certificate



Hubei Sinuo
ISO 9001 certificate

Adhering to the quality policy of "actively listening to customer needs, meticulously building product quality, honoring delivery commitments, providing satisfactory service, and achieving win-win outcomes with customers", NSING TECH continues to improve its quality management system and has established an organizational architecture with the Chairman as top management and the Quality/Engineering VP and the Quality Director as core management. Meanwhile, the Company has four specialized and closely coordinated functional departments. Through efficient cross-departmental coordination and closed-loop management, the Company achieves comprehensive quality enhancement.



Product Process Control

The Company has established a sound quality management system. Relying on the integrated product development (IPD) management process, the Company exercises strict oversight throughout the product lifecycle. By defining quality control points and quality assurance activities within projects, and rigorously executing inspections, reviews, and verifications, the Company secures systematic control starting from the product sources.

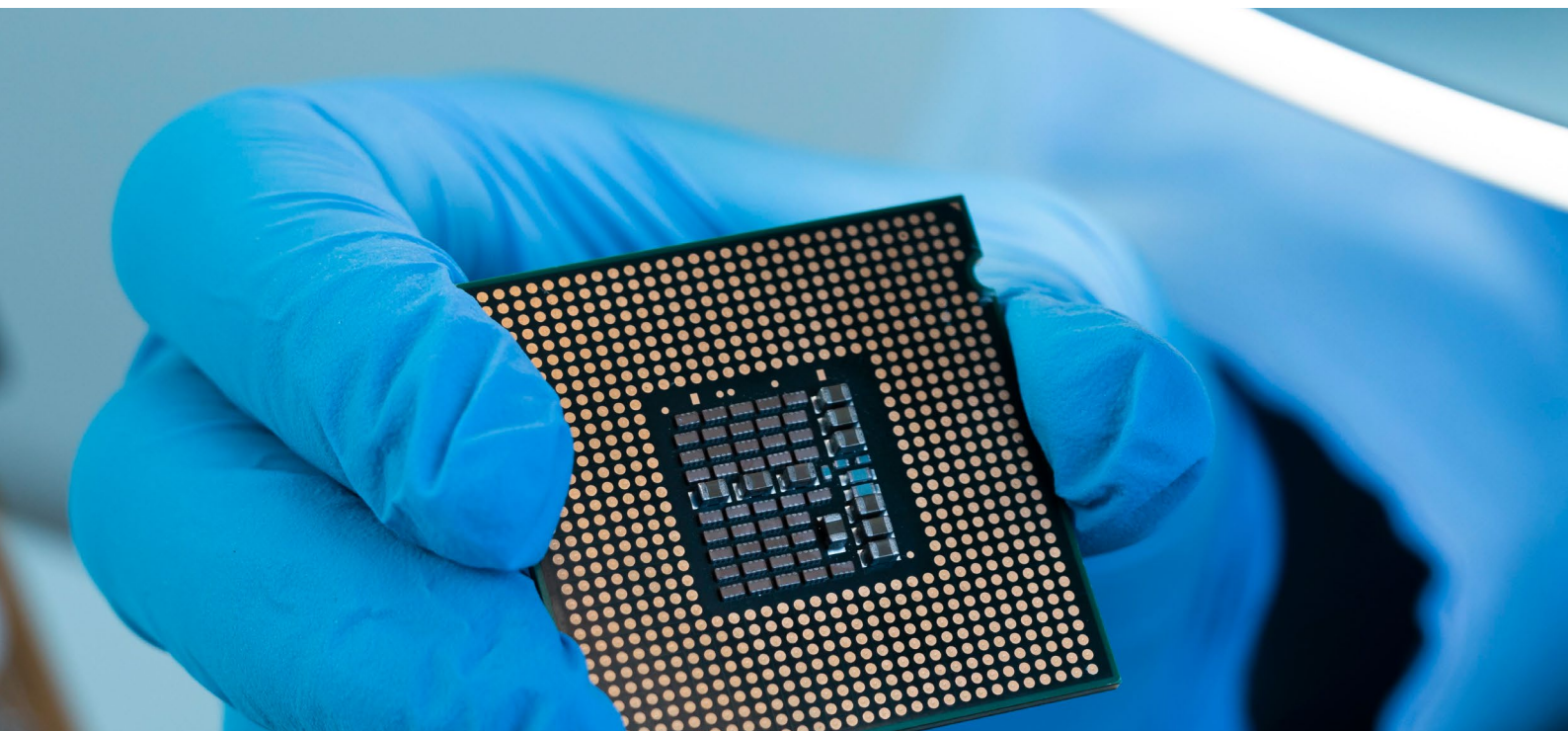
To ensure products precisely align with customer needs, the Company establishes technical review (TR) points to periodically lock and verify requirement fulfillment. The product management team conducts special reviews to ensure technical solutions can fully and efficiently carry product requirements; the product managers continuously execute requirements tracking, performing closed-loop verification at key decision-making points to ensure the design aligns with customer needs. Meanwhile, the Company has established strict change control procedures, and all requirements or design adjustments must undergo thorough evaluation and approval to maintain clarity and stability of the design route.

The Company has established stringent incoming material quality standards and conducted the reliability verification through monitoring batch yield rates, critical process CPK, and incoming material inspection, to control product quality from the source. This provides a solid foundation for subsequent smooth mass production and stable delivery. Before mass production, the Company conducts sample testing and small-batch trial production for the integrated business to verify product performance, reliability, and manufacturability, thereby ensuring the transformation from design to physical product fully meets expectations and achieving quality consistency from design to delivery. During the production and processing process of battery material products, the Company performs first-article inspection, in-process patrol inspection, and outgoing inspection to ensure the outputs from each process comply with standards. Furthermore, production equipment undergoes daily spot checks by operators and maintenance teams, along with routine preventive maintenance, to ensure stable equipment operation and accurate, reliable measurement results.

Quality Risk Prevention

The Company has developed the full-process quality risk prevention system. During the design phase, potential failures are systematically identified and eliminated through tools such as failure mode and effect analysis (FMEA) to control risks from the source. In manufacturing and delivery phases, key indicators are monitored in real time through statistical process control (SPC) to realize dynamic early warning of quality risks.

The Company regularly conducts internal audits and management reviews to ensure the quality management system complies with standards, thereby systematically safeguarding product quality stability and reliable delivery throughout the entire lifecycle. Once systemic quality risks are identified or major quality and safety incidents occur, the Company will immediately activate its emergency response mechanism to rapidly locate the affected batches, shipment volumes, and customer distribution. The Company will also issue timely recall notifications to the impacted customers to clearly state the defect causes, scope of impact, and subsequent measures, while executing product recovery, replacement, repair, or refund as appropriate. Relevant departments of the Company will actively assist customers in completing product recalls, prioritizing the allocation of qualified inventory, or arranging emergency production to minimize the impact on customer operation. After the fact, the Company will review the full-process optimization mechanisms and improve the document optimization and traceability records to prevent the recurrence of similar problems.



Quality Capacity Construction

The Company places great emphasis on quality culture construction and professional competency improvement and continues to enhance employees' quality awareness and job-specific skills and strengthen the execution capabilities for full-process quality control by regularly conducting systematic quality management training, covering system standards, on-site management, data analysis, quality tools, etc.



SPC training



Training on system standards

Performance highlights

Major quality incidents

0

Product recall incidents

0

Product quality-related training sessions

19 sessions

Product quality-related training hours

116 hours

Product quality-related training participants

414 person-times

Customer Services

NSING TECH has established a customer service governance architecture centered on marketing system, with multiple specialized departments operating in synergy. Under this architecture, the Marketing Strategy Department coordinates channel management, the Customer Center develops channel partnership resources, the Technical Support Department and the Commercial Support Department provide technical backing and operational assurance respectively, and the product system, supply chain system, and other relevant departments provide cross-functional support. The Company has formulated documents such as the Channel Partner Management Handbook of NSING TECH, the Customer Complaint Management Measures, and the Customer Satisfaction Control Procedures to clarify the operational norms and management requirements for various business activities, thereby ensuring the orderly conduct of channel operations and the handling of customer complaints and upgrading the quality of customer services and the satisfaction of partners and customers.

Responsible Marketing

The Company embeds compliance and integrity into every aspect of marketing management to build the long-lasting trust with the customers, the industry, and society. The Company manages critical marketing milestones such as quotations, orders, and shipments via Customer Relationship Management (CRM) system. Relying on digital systems including Office Automation (OA) and Enterprise Resource Planning (ERP), the Company completes electronic workflow approvals and records, ensuring full-chain data traceability, accountability, and verifiability while eliminating process loopholes. Meanwhile, all external marketing materials must undergo the triple reviews by the legal, risk control, and technical departments to ensure that the contents are legal, the parameters are true and the information is complete, safeguarding the accuracy of the information from the source. Additionally, core information regarding marketing activities is publicly disclosed on the official website and proactively accepts internal and external oversight to ensure the compliance and transparency of the activities.

Customer Services

The Company has established a systematic customer service process and formed a complete closed loop of services, ranging from planning, support, empowerment to improvement. Through regular technical exchanges, the Company incorporates customer needs and industry trends into the medium- and long-term planning to achieve the forward-looking collaboration. The Company offers round-the-clock (24/7) all-weather service response and provides on-site professional support for key customers. Meanwhile, the Company conducts customer training programs to help customers have an overall grasp of product applications, including the use of development kits, errata manuals, and related guidelines. Furthermore, we have established the customer quality information feedback system to collect problems arising during development and mass production. We promptly analyze such problems and provide timely solutions, thereby improving production and operational efficiency and working hand in hand with our customers to build long-term, win-win partnerships.

To safeguard customers' rights and interests, the Company has established an efficient, closed-loop customer complaint management mechanism that enables rapid response, root cause resolution, and proactive prevention. Customers can submit feedback through multiple channels, including customer service hotlines, email, and on-site service representatives, with all complaint information pooled in the project and problem tracking system (JIRA). Upon the occurrence of a customer complaint, the account manager will respond to the customer within 24 hours, follow up on internal processing progress, and provide timely feedback until the problem is resolved in a closed-loop manner.

Meanwhile, the Company attaches importance to systematic improvement. By conducting regular analyses of customer complaint data from multiple dimensions such as time, region, and usage scenarios, the Company can identify potential risks. Once key indicators show abnormal fluctuations, such as the returned parts per million (RPPM), the system will immediately trigger an alert. Furthermore, each customer complaint case and its corresponding solution are recorded in the Company's shared knowledge base, forming organizational memory to ensure that "similar problems do not recur", thereby optimizing internal control processes and enhancing product and service standards. In 2025, the Company received 3 complaints regarding products and services, all of which were successfully resolved.

Satisfaction Improvement

The Company adheres to the principle of "comprehensiveness, objectivity, and respect for customer opinions" to transform customer satisfaction into quantifiable and sustainably improvable management objectives. The Company conducts customer satisfaction surveys twice a year. By distributing Customer Satisfaction Questionnaires, the Company gathers customers' improvement suggestions regarding product quality, delivery performance, technical support, customer services, product R&D, and pricing, thereby precisely identifying improvement opportunities and driving the closed-loop optimization across all business processes.

Performance highlights

Customer satisfaction rate
95.04%

Customer service training sessions
13 sessions

Customer complaint resolution rate
100%

On-time order delivery rate
above **98.6%**

Returned parts per million (RPPM)
well below **50PPM**

Average customer return analysis cycle
less than **15** days

Meanwhile, to improve customer service quality, the Company has built a training empowerment system covering both internal and external teams. Internally, the Company continues to conduct special training to enhance customer service capabilities and strengthen employees' professional service awareness and problem-solving abilities. Externally, the Company focuses on empowering partners by providing distributors with technical and service support courses, including Field Application Engineer (FAE) training, to help elevate their professional service standards and jointly deliver more efficient and consistent technical support and service assurance to customers.

Sustainable Value Chain

Supply Chain Management

NSING TECH has established a comprehensive supply chain management system. In compliance with the Law of the People's Republic of China on Bid Invitation and Bidding and other relevant laws and regulations, the Company has developed internal policies including the Supplier Management Procedures, the Procurement Management Procedures, the Production and Procurement Planning Management Procedures, and the Supplier Development Control Procedures to standardize processes across the supply chain.

To implement sustainable supply chain management, NSING TECH has designed a hierarchical, end-to-end management framework that fully covers supplier development, procurement management, and supplier management. The framework systematically standardizes roles, responsibilities, and personnel requirements across the supply chain, ensuring that supply chain management is scientific and efficient.

Supply Chain Management Framework

Management level

Coordinated by the Supply Chain Management Department, responsible for formulating supply chain strategies, policies, and objectives, and overseeing all procurement activities to achieve cost reduction and efficiency improvements.

Execution level

Responsible for implementing module-level management and coordinating with business units to carry out daily operations, material management, and supplier development and management.

Operational level

Responsible for frontline execution, including price management, supplier management, procurement implementation, and quality management.

Daily Supplier Management

Supplier Onboarding and Assessment

In accordance with the Supplier Management Procedures, NSING TECH screens and certifies suppliers. During the onboarding process, the Company places particular emphasis on reviewing corporate qualifications, system certifications, and compliance with laws and regulations. The Company also investigates suppliers' legal compliance via public information platforms, while requiring the signing of an Integrity Commitment.

NSING TECH has established a comprehensive supplier assessment system. Suppliers are classified into six categories based on product and service characteristics. Quarterly evaluations are conducted using the Supplier Assessment Form across dimensions including quality, delivery, pricing, service, technology, finance, management system, and trade security, with suppliers graded A/B/C/D accordingly. Evaluation results are directly linked to the Company's procurement strategy. High-performing suppliers are prioritized for procurement and product onboarding. Suppliers who fail performance evaluations will face a temporary suspension of cooperation and be required to implement corrective actions within a set time-frame, which will be reviewed in subsequent reassessments. Suppliers that fail to adequately rectify issues or whose corrective actions remain unsatisfactory will have their cooperation terminated.

Performance highlights

Total number of suppliers

111

Number of suppliers in the Chinese mainland

106

Number of suppliers in Hong Kong, Macao, Taiwan, and overseas

5

Supplier Risk Management

The Company attaches great importance to supply chain risk management, enhancing supply chain resilience through systematic process management. Based on the Risk and Opportunity Management Procedures, key risks across demand management, ERP, logistics, warehousing, inspection and delivery processes are systematically identified, assessed, and rated, with risk control measures implemented to ensure supply chain stability.

Sinuo has established a comprehensive supervision mechanism covering the entire supply chain, using a dynamic risk register to enable continuous early warning and implementing a strict "issue-analysis-correction-verification" closed-loop management process for all exceptions. In parallel, a cross-departmental task force is formed around eight key areas, including procurement, suppliers, and warehousing, applying process analysis, case review, data comparison and other methods to achieve dynamic monitoring and effective control of supply chain risks through joint inspections, categorization, and cross-validation.

Supply Chain Risk Identification and Response at Sinuo

Risk category	Key risk points	Response strategies
Supply-side risks	Core supplier disruption, capacity constraints, deterioration of supplier qualifications or operations, upstream material shortages or contract termination	- Establish supplier tiering and multi-sourcing mechanism, monitor supplier data, and set qualification alerts. - Activate backup suppliers, negotiate capacity allocation, adjust production plans, and communicate with customers; for suppliers whose performance deteriorates, initiate the process to terminate cooperation and settle outstanding matters.
Quality control risks	Nonconforming incoming materials, production and product quality issues, and failure of quality traceability system	- Establish full-process inspection standards, set key quality control points, maintain quality traceability system, and conduct supplier audits and internal training. - For nonconforming materials, initiate the supplier corrective action procedures and promptly communicate with customers, including issuing apologies, providing compensation, executing product recalls, and publishing the corrective action plan.

Supplier ESG Management

NSING TECH integrates ESG factors into full-process supplier management, controlling suppliers' sustainability performance across all dimensions, including onboarding, process monitoring, performance evaluation, and iterative improvement. During the onboarding stage, core suppliers are required to meet criteria, including ISO 14001, and ISO 45001 certifications. In process management, the Company dynamically assesses suppliers' ESG performance through regular compliance audits, on-site inspections, and performance evaluations. Meanwhile, the Group encourages suppliers to publish ESG reports, promoting continuous improvement in ESG practices and enhancing transparency and sustainability across the supply chain.

Key ESG Evaluation Criteria for Suppliers



Environment

Strictly control carbon emissions
Promote resource circularity
Ensure compliant disposal of solid waste and wastewater



Labor and human rights

Protect employee rights and interests
Maintain occupational safety
Promote community friendliness



Business ethics and legal compliance

Uphold integrity, business ethics, and fair competition
Ensure internal control compliance and information transparency
Eliminate commercial bribery

Supplier Empowerment

NSING TECH proactively conducts structured training to strengthen suppliers in quality control, supply chain efficiency, compliance, and digital operations, enhancing suppliers' resilience to risks and fostering mutually beneficial partnerships. In 2025, the Company organized two supplier training sessions covering logistics risk management, fiber foreign particle control and other topics, effectively improving product quality stability.



Case study

Logistics training at Inner Mongolia Sinuo

In February 2025, the company trained logistics suppliers and internal staff on "Exception Analysis and Vehicle Requirements in the Logistics Process," attended by 26 participants. The training aimed to strengthen all parties' response capability to exceptions during the transportation process, systematically enhance risk control and coordination across logistics operations, and thereby ensure the stability of the supply chain transportation.



Case study

Fiber foreign particle control training at Inner Mongolia Sinuo

To mitigate potential risks to product reliability caused by lint and foreign particles, in August 2025, the company conducted a training session titled "Identification of Lint and Foreign Particle Risk Sources and Improvement Measures," attended by 25 participants, including supplier representatives and relevant departments of the company. The training aimed to systematically prevent quality risks arising from lint and foreign particles during production and to continuously enhance the quality stability of incoming materials and production processes.

Equal Treatment of SMEs

During the cooperation process, NSING TECH treats all suppliers equally in the principles of fairness and impartiality, without imposing any discriminatory terms. The Company strictly complies with relevant policy requirements, neither requiring suppliers to provide additional guarantees nor deliberately extending payment terms, thereby effectively safeguarding the legitimate rights and interests of SME suppliers. In the quarterly performance evaluations of key suppliers, assessment criteria are strictly limited to eight dimensions—quality, delivery, price, service, technology, finance, management system, and trade security—without considering supplier size as a factor, ensuring the fairness and professionalism of the evaluation system.

Distributor Management

NSING TECH has developed a systematic management system for channel partners to achieve long-term win-win collaboration with distributors. Based on the NSING TECH Channel Partner Management System and associated guidelines, the Company has established a full-cycle management process covering selection, collaboration, assessment, and support.

During onboarding, potential distributors are screened across multiple dimensions, including industry reputation, financial performance, and operational capability. They are required to submit registration forms, business plans and other documents, which are reviewed by the Market Strategy Department. Credit ratings and R&D capabilities are evaluated when necessary.

NSING TECH signs framework distribution agreements with distributors, adopting an outright purchase and resale model, where purchase orders define the amount, price, and responsibilities of both parties. During the collaboration, the Company regularly monitors distributor inventory, collects sales reports, and conducts tiered assessments using the Partner Assessment Form across dimensions including performance targets, new customer development, operational management, and market information feedback, coupled with corresponding incentive and constraint mechanisms.

Human Capital Development

Employee Rights Protection

NSING TECH regards employees as the cornerstone of its sustainable development. The Company strictly complies with the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China and other applicable laws and regulations. To systematically advance employee rights protection and employee development, NSING TECH has established a three-tier human resources governance structure comprising the Board of Directors, the executive management team, and the Human Resources Department, collectively overseeing employee recruitment, promotion, training, compensation and performance management. The Company strictly prohibits child labor and forced labor and ensures that all employees sign labor contracts in accordance with the law prior to employment. In 2025, the labor contract signing rate and social insurance coverage rate for NSING TECH's full-time employees reached 100%, with no incidents of child labor or forced labor reported.

Performance highlights In 2025

Total number of employees

1,112

Labor contract signing rate

100%

Social insurance coverage rate

100%

NSING TECH is committed to fostering a diverse, equitable, and inclusive workplace. The Company strictly implements the principle of equal pay for equal work, prohibits any form of discrimination based on gender, age, ethnicity, marital status, religion, or other protected characteristics, and firmly opposes workplace sexual harassment, coercion, corporal punishment, psychological pressure, and verbal abuse. To ensure these standards, the Company has established and implemented a series of internal policies, including the Human Resources Management Procedures, the Employee Handbook, and the Employee Reward and Discipline Management System, creating a structured framework covering recruitment, onboarding, and day-to-day management. Inner Mongolia Sinuo has further implemented a non-discriminatory selection mechanism, anonymizing gender and regional information in resumes to promote fair recruitment from the outset.

Performance highlights In 2025

Ethnic minority employees

64

Percentage of female employees

21.94%

Female representation in management

22.37%

Employee Communication

NSING TECH places high importance on democratic communication with employees, adhering to principles of transparency, confidentiality, and effectiveness. The Company has established a systematic, multi-dimensional communication framework covering collective communication, individual feedback, and key personnel dialogue through internal policies such as the Employee Satisfaction Survey Management Regulations and the Labor Professional Ethics Management System. Communication is conducted at annual, quarterly, and monthly intervals, ensuring it remains consistent and effective.

To safeguard employees' rights to voice opinions and participate in company affairs, NSING TECH has implemented diverse, ongoing communication channels. Suggestion boxes are installed on each floor for employees to provide feedback at any time, while monthly employee forums facilitate targeted discussions with key personnel. Feedback is addressed through transparent disclosure of corrective actions and progress, forming a closed-loop communication process.

Performance highlights In 2025

Employee satisfaction rate

80.88%



Talent Development

NSING TECH adheres to a people-oriented and empowerment-focused philosophy of talent development, and upholds the principles of selecting the virtuous and capable, integrating training with practice, and maximizing everyone's potential. The core strategy revolves around building a comprehensive training system, providing clear career pathways, and maintaining a fair incentive mechanism. Through these efforts, the Company continuously empowers its employees, fostering mutual growth and development between employees and the organization.

Employee Attraction

In employee recruitment, NSING TECH and its subsidiaries are committed to fair hiring and anti-discrimination. In 2025, the Company attracted talent through multiple channels, including campus recruitment, university-enterprise cooperation, internal referrals, and online job platforms, ensuring a fair hiring process. Additionally, NSING TECH has established a standardized promotion mechanism guided by performance and competence. Employees with excellent annual assessment results are granted priority for promotion, with evaluations conducted through a combination of written reviews and oral defenses, jointly assessed by the relevant department and the Human Resources Department, ensuring fairness and transparency. The Company also provides dual career paths in management and technical tracks, covering administrative, production, and technical sequences, offering all employees clear growth paths.

Employee Compensation

NSING TECH is dedicated to establishing a performance-oriented value assessment system. The Company has implemented policies such as the Compensation Management System, the Performance Management System, and the Employee Incentive Management System, along with a dynamic "fixed + variable" compensation mechanism. Employee compensation and performance are directly linked to job level and assessment results, and the Company dynamically adjusts compensation packages based on market benchmarking to maintain competitiveness. Furthermore, NSING TECH provides long-term incentive programs, including annual bonuses and equity-based incentive schemes.

Employee Training

NSING TECH has built a systematic talent development framework to support strategic implementation and enhance employee capabilities. According to the Training Management Procedures, the Company offers targeted programs including "new employee orientation," "general skills training," "management skills training," and "professional skills training." It also collaborates with external training institutions to develop diverse programs, helping employees across different job sequences enhance their professional skills. Meanwhile, the Company actively advances its digital learning platform, expands the internal trainer pool, and establishes a course resource sharing mechanism to provide continuous and flexible learning support.



Case study Leadership action training

In July 2025, NSING TECH invited external trainers to deliver a results-oriented leadership action training program for senior management. The training covered the seven-system approach to improving departmental execution and included case analyses, equipping management with methodologies to enhance company efficiency and strengthen leadership skills.



Case study New employee orientation at Hubei Sinuo

In 2025, Hubei Sinuo conducted orientation sessions for new hires, introducing corporate culture, the employee code of conduct, and safety training. This initiative helped new employees quickly familiarize themselves with the company, adapt to their roles, and enhance safety awareness.



New Employee Orientation

Performance highlights In 2025

Employee training sessions

339

Employee training participants

4,395 person-times

Total employee training hours

14,714 hours

Employee Benefits and Care

NSING TECH prioritizes employee care, striving to establish a comprehensive and human-centric benefits system while fully ensuring statutory employee protections. The Company strictly implements provisions related to labor contract, social insurance, housing provident fund, paid annual leave, and all legally mandated leaves (e.g., maternity and paternity leave). In addition, NSING TECH provides supplementary commercial insurance (such as accident insurance and major medical mutual aid), meal allowances, and flexible working arrangements. Subsidiaries further tailor benefits to specific roles, such as workshop staff, by providing additional employer liability insurance and high-temperature allowances, ensuring multi-layered protection.

Moreover, the Company attaches great importance to employees' well-being beyond statutory requirements. The labor union regularly organizes birthday celebrations, cultural and sports activities, and team-building events to enrich employees' social and cultural life. Subsidiaries carry out targeted care initiatives: Hubei Sinuo enhances employee welfare through dormitory improvements and distribution of summer heat-relief supplies, while Inner Mongolia Sinuo provides support to employees in need before holidays, fostering a warm and inclusive corporate environment.



Employee Birthday Celebration

Occupational Health and Safety

Occupational Health and Safety Management System

NSING TECH places great emphasis on occupational health and safety. Its production-focused subsidiaries, Inner Mongolia Sinuo and Hubei Sinuo, have established a tiered management and control system centered on the core goals of "zero major safety incidents, zero occupational diseases, and compliance with safety standards by all employees," ensuring that occupational health and safety measures are effectively implemented. By establishing a Safety Committee and enforcing a work safety responsibility system, the Company has developed an organizational structure for occupational health and safety management that spans from the General Manager to front-line employees and covers all departments.

Occupational Health and Safety Management Structure

Position	Responsibilities
Chairman / General Manager	Responsible for approving the Company's Environmental, Health, and Safety (EHS) policies and objectives, presiding over safety management reviews, ensuring that resources required for the EHS management system are adequately provided, and holding ultimate accountability for the Company's EHS performance.
Deputy general managers	Responsible for leading and supervising the overall work of the EHS Department, approving key EHS management policies, plans, and budgets, coordinating major cross-departmental EHS issues, and reporting regularly to the General Manager on EHS performance.
EHS Department	Responsible for conducting safety regulation training, formulating the work safety system, managing the "Three Simultaneities" system, developing emergency response plans, and maintaining safety records. In the event of an accident, the department leads the investigation and resolution process.
Other deputy general managers and department heads	Hold direct leadership responsibility for EHS matters in their respective areas (e.g., production, R&D, processes, engineering, and warehousing), ensuring that all business activities comply with EHS requirements.

Furthermore, the Company places great emphasis on the development of an occupational health and safety management system. In 2025, NSING TECH obtained ISO 45001 Occupational Health and Safety Management System certification, marking significant achievements in the development of its occupational health and safety system.



Hubei Sinuo ISO 45001
certificate



Hubei Sinuo ISO 45001
certificate

Work Safety

NSING TECH strictly complies with laws and regulations related to occupational safety, including the Law of the People's Republic of China on Work Safety and the Fire Control Law of the People's Republic of China, and conducts work safety activities in accordance with the laws. Each subsidiary has established multiple safety management policies, such as the Work Safety Responsibility Management System, the Work Safety Assessment System, the Hot Work Safety Management System, and the Hazardous Chemicals Safety Management System, building a comprehensive work safety framework that covers safety assessment and supervision, risk identification and mitigation, and hazard prevention for high-risk operations. These measures provide institutional safeguards for employee safety. In addition, the Company provides employees with work-related injury insurance, safety liability insurance, and employer's liability insurance.

NSING TECH integrates safety management into daily operations to actively protect employee safety. In accordance with documents such as the Hazard Identification and Risk Assessment Management Procedures and the Hazard Identification and Investigation System, Inner Mongolia Sinuo has established a "regular inspection + targeted response" risk control system, combining routine inspections, special inspections, and comprehensive inspections in regular risk assessments. Risks are promptly identified and addressed according to severity: general hazards are rectified on-site, significant hazards must be corrected within three working days, and critical hazards trigger immediate production stoppage for rectification, ensuring timely elimination of safety hazards.

Types of Safety Inspections	Inspection Content
Routine inspections	Part-time workshop safety officers conduct two daily patrols, focusing on the use of personal protective equipment, equipment protective devices, and related safety measures.
Special inspections	Quarterly occupational hazard factor testing and semiannual equipment/facility safety checks, covering hazards such as dust and noise, and the operation of special equipment.
Comprehensive inspections	The EHS Department conducts monthly company-wide inspections, combining ledger verification and on-site measurements to generate a hazard list.

NSING TECH places great emphasis on production safety management. Through a systematic supervision mechanism and targeted risk management initiatives, the Company continuously standardizes operational behaviors and mitigates safety risks. In line with the Environmental, Occupational Health and Safety Monitoring and Measurement Control Procedures, key activities affecting occupational health and safety and the environment are monitored daily, regularly, and through targeted inspections. Safety performance is incorporated into employee performance evaluations to reinforce safety awareness of all employees and ensure operational compliance.

For high-risk operations, NSING TECH implements strict multi-dimensional controls: workshop safety officers conduct daily inspections of high-risk operations, and regular inspections of special equipment are carried out to ensure reliable operation. Regarding hazardous chemical management, the Company has established full-process controls covering procurement, transportation, storage, usage, and disposal, all operations require prior approval, and strict personal protective measures are enforced during execution, thereby systematically safeguarding safety in high-risk activities.

Emergency Management

NSING TECH has established a comprehensive emergency management system covering contingency planning, risk control, emergency response, and continuous improvement. The Company has developed policies such as the Emergency Plan for Safety Production Accidents and the Emergency Response Plan for Unexpected Safety Incidents, which clearly define risk identification, roles and responsibilities, response procedures, and key precautions for various production activities. Emergency personnel and professional protective equipment are in place to ensure preparedness. In the event of an incident, NSING TECH immediately activates the relevant emergency plan to carry out rescue operations and control hazards, while reporting to the local competent authorities in accordance with regulations. Post-incident investigations and reviews are conducted promptly, followed by corrective actions to prevent recurrence.

In 2025, NSING TECH actively carried out hazard identification and remediation. The Company also organized regular emergency drills and targeted training to continuously enhance employees' safety awareness and self-rescue and mutual aid capabilities, thereby improving overall emergency preparedness.

Indicator	Unit	2023	2024	2025
Work-related fatalities	persons	0	0	0



Case study

Hubei Sinuo conducts emergency drill for high-temperature burn incidents

In April 2025, Hubei Sinuo organized an emergency drill for high-temperature burn incidents in its high-temperature carbonization workshop, with full participation of workshop personnel. The company invited professional medical personnel to provide on-site guidance and delivered systematic training on post-burn emergency response procedures, promptly correcting operational misunderstandings and effectively enhancing employees' on-site risk identification capabilities and safety awareness.



Emergency drill for high-temperature burn incidents



Case study

Inner Mongolia Sinuo conducts fire evacuation drill

In March 2025, the Warehousing Department of Inner Mongolia Sinuo organized a fire evacuation drill, simulating an emergency scenario in which a fire was triggered by hot work operations. The drill focused on fire alert procedures, the use of firefighting equipment, and evacuation routes, effectively enhancing employees' firefighting skills and emergency response capabilities.



Emergency response team conducting on-site firefighting



Personnel evacuating in an orderly manner

Safety Culture Promotion

NSING TECH regards cultivating a safety culture as a key component of its occupational safety efforts, reinforcing employee safety education through multiple channels. EHS departments of subsidiaries develop and implement annual safety training plans, conduct monthly safety training and assessments for production personnel, and carry out targeted emergency drills for specific operational scenarios. The Company also implements a hazard reporting incentive system, encouraging employees to proactively identify and report safety hazards and participate in risk prevention.



Safety Training



Case study

Hubei Sinuo conducts confined space safety training

In October 2025, Hubei Sinuo organized a confined space safety training for 10 mechanical maintenance personnel, focusing on hazard identification, ventilation monitoring, personal protection, and emergency rescue procedures, with assessments conducted upon completion. The training reinforced employees' operational safety awareness and practical skills, ensuring that confined space operations are carried out in a controlled and compliant manner.



Confined Space Safety Training

Occupational Health

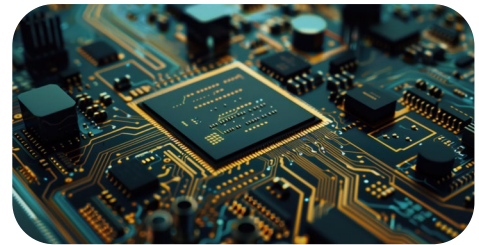
NSING TECH strictly complies with the Law of the People's Republic of China on Prevention and Control of Occupational Diseases, the Occupational Health and Safety Management System, and other applicable laws, regulations and standards, systematically establishing an occupational health management framework to safeguard employees' physical and mental well-being. The Company's headquarters, together with its subsidiaries, has developed a series of policies, including the Regulations on Occupational Disease Prevention and Control and the Responsibility System for Occupational Disease Prevention and Control, which set out comprehensive requirements for preventing occupational diseases and safeguarding employee health.

For occupational disease prevention and control, the Company regularly conducts workplace hazard factor monitoring and identifies high-risk positions. Through comprehensive measures such as promoting the use of less-toxic materials, standardizing safe operating procedures, providing effective personal protective equipment, and conducting targeted training, NSING TECH continuously improves the workplace environment. In addition, employees exposed to occupational hazards are covered by dedicated insurance, and pre-employment, on-the-job, and post-employment health checks are strictly enforced to ensure that employees' health status meets the requirements of their roles.

Performance highlights In 2025

Occupational health examination coverage rate

100%



Industry and Social Development

Leveraging its experience and strengths, NSING TECH actively participates in the development of industry standards, technical exchanges, forums and exhibitions, sharing cutting-edge technologies with peers and contributing to the advancement of the industry.

Industry standards participated in by NSING TECH in 2025

Trusted Standards:

GB/T 36639: Information Security Technology—Trusted Computing Specification—Trusted Support Platform for Server
GB/T Cybersecurity Technology— Security Technical Specification for Computer BIOS

Security Standards:

GM/T 0062: Random Number Test Requirements for Cryptographic Modules
GB/T 22186: Information Security Techniques—Security Technical Requirements for IC Card Chip with CPU



In 2025, NSING TECH actively participated in industry events such as the Advanced Motor Control Technology Seminar, the International Humanoid Robot (IHR) Summit, and the Global Advanced PV + Energy Storage Technology Conference. Through technical sharing, product demonstrations, and industry exchanges, the Company engaged with partners across the value chain to explore technological trends and collaboration opportunities.



Case study

Participation in the 2025 International Humanoid Robot (IHR) Summit

In October 2025, NSING TECH was invited to attend the 2025 International Humanoid Robot (IHR) Summit. During the event, the Company showcased its full range of humanoid robot application solutions and engaged in in-depth discussions with leading industry players to explore technological developments and innovation pathways in the humanoid robotics sector.



2025 International Humanoid Robot Summit



Case study

Attendance at the 2025 Advanced Motor Control Technology Seminar

In November 2025, at the Advanced Motor Control Technology Seminar, the Company officially launched the N32G033x/N32M0xx series MCUs. Featuring a breakthrough technical architecture, this series sets a new value benchmark for entry-level motor control products, and its technological innovations received unanimous recognition from attending industry experts.



2025 Advanced Motor Control Technology Seminar

Moreover, NSING TECH has consistently fulfilled its corporate social responsibility and maintained a long-term commitment to public welfare. The Company actively engages in community development, rural revitalization, and education support initiatives, demonstrating its social responsibility through concrete actions.



03

Robust Foundations for Sustainable Growth

NSING TECH upholds high standards of corporate governance to guide the Company's steady development, continuously enhancing risk management, business ethics, and information security systems, thereby providing a solid foundation for long-term value creation through integrity- and compliance-oriented operations.



Corporate Governance

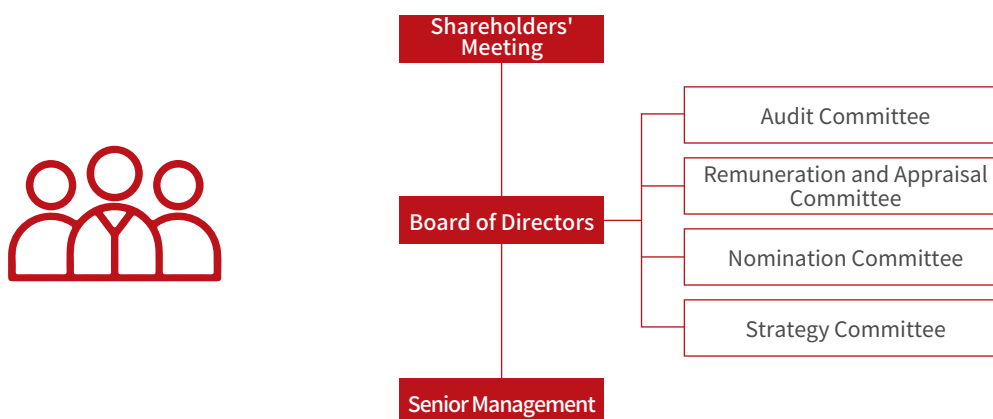
Corporate Governance Structure

NSING TECH strictly complies with the Company Law of the People's Republic of China and the Securities Law of the People's Republic of China, among other applicable laws and regulations. Taking into account its operational reality, the Company has established a series of internal governance documents, including the Articles of Association of NSING Technologies Inc. (the "Articles of Association"), the Rules of Procedure of the Board of Directors, the Rules of Procedure of the Shareholders' Meeting, and the Audit Committee Terms of Reference, supporting the continuous enhancement of the Company's governance structure and effectiveness.

The Company has established a governance structure comprising the Shareholders' Meeting, the Board of Directors, and management. The Board consists of seven directors, including three executive directors, one non-executive director, and three independent non-executive directors. It is responsible for formulating its rules of procedure and ensuring the effective implementation of resolutions adopted by the Shareholders' Meeting. The Board has established four specialized committees—namely the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee, and the Strategy Committee—which perform their duties in strict accordance with the Articles of Association and the Board's delegated authority.

The Company places strong emphasis on the diversity of its Board and senior management. It is committed to achieving and maintaining a balanced composition in terms of skills, professional experience, educational background, knowledge, expertise, cultural background, independence, age, and gender.

Corporate Governance Structure



Performance highlights In 2025

Number of Board members

7

Number of independent directors

4

Number of female directors

3

Investor Rights Protection

NSING TECH strictly complies with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Code of Corporate Governance for Listed Companies, and other applicable laws and regulations, continuously improving its investor protection mechanisms. By standardizing the procedures for convening, holding, and voting at Shareholders' Meetings, and offering both on-site and online voting options, the Company safeguards shareholders' rights, particularly those of minority shareholders, including the rights to information, participation, and voting on major corporate matters. During the Reporting Period, the Company convened three Shareholders' Meetings.

NSING TECH strictly adheres to the Information Disclosure Management System and the Investor Relations Management System, ensuring that information is disclosed in a truthful, accurate, timely, fair, and complete manner so that all investors have equal access to its information. To prevent insider trading, the Company has established the Insider Information Management System, under which insider lists are promptly created and maintained when significant events arise, ensuring standardized management of insider information. The Company designates CNINFO (<http://www.cninfo.com.cn>) as its official information disclosure platform, ensuring the standardization and accessibility of disclosed information.

NSING TECH maintains ongoing communication with investors through diversified channels and places strong emphasis on fostering positive investor relations. The Board Secretary is designated to coordinate investor relations, receive shareholder visits, and respond to investor inquiries. The Company actively addresses investor concerns through dedicated telephone lines, email accounts, the Hudongyi Platform of the Shenzhen Stock Exchange, and other channels. It also provides multiple channels for information access, including results briefings, its official WeChat account and official website. During the Reporting Period, the Company held an investor communication session via the Shenzhen Stock Exchange's "Hudongyi Cloud Interview" platform, engaging in in-depth discussions with investors on its annual performance.

❖ Risk Management and Internal Control

Risk Management

■ Risk Management System

In strict compliance with applicable laws and regulations, NSING TECH has established a series of risk management policies, including the Risk and Opportunity Management Procedures, the Internal Information Reporting System, and the Legal Dispute Case Management System. These policies form a systematic and standardized risk management system, providing institutional support for the effective implementation of risk management. During the Reporting Period, the Company did not experience any material risk events.

The Company has established a comprehensive risk management structure. The Quality Management Department serves as the central coordinating department for risk management procedures, responsible for formulating management measures for major risks that may affect the Company's objectives and strategies, and for evaluating the effectiveness of such measures. Each department has established a risk assessment team to identify and assess risks arising from their business operations, compile a Risk Identification and Assessment Form, and develop and implement corresponding mitigation measures.

Three Lines of Defense in Risk Management

Defense level	Relevant departments	Core responsibilities
First line of defense	Business units and functional departments	Assume direct responsibility for risk identification, assessment, and control. Each department collects relevant information, identifies risks, develops and implements corresponding mitigation measures, conducts periodic reviews of risks and opportunities, and monitors the completion and effectiveness of the measures taken.
Second line of defense	Executive management	Formulate risk and opportunity identification, assessment, and mitigation measures, and evaluate the effectiveness of these measures.
Third line of defense	Board of Directors and the Audit Committee	Conduct independent audits of internal controls, including the risk management process, on a regular basis, assessing the design and operational effectiveness of the controls.



Case study Intellectual property compliance risk management practice

In 2025, to address intellectual property (IP) compliance risks, the Company established a cross-functional IP compliance task force. Focusing on core IP categories, including the Company's proprietary software, third-party IP, and patents, the task force implemented end-to-end compliance protection and management measures. By establishing a closed-loop process—from risk identification at the source, through process control, to risk response—the Company effectively prevented IP infringement risks and strengthened its IP compliance defenses.

Risk Management Process

NSING TECH has established a systematic mechanism for risk identification, assessment, and response, and continuously monitors and improves it through a risk reporting mechanism.

Risk Management Process

Risk identification

Conduct risk identification activities to comprehensively identify risks present in each department's business activities.

Risk assessment

Evaluate and classify risks based on severity and frequency of occurrence.

Risk response

Implement appropriate measures—risk avoidance, risk reduction, or risk acceptance—according to the assessment results and actual circumstances.

Risk reporting & monitoring

Document and report risk assessments and responses, evaluating the effectiveness and completeness of the management process. Integrate response measures into existing management procedures to form a closed-loop risk management system.

Risk Identification

NSING TECH conducts risk identification activities in a team-based manner. Each department's risk assessment team comprehensively identifies risks in business activities through brainstorming and analysis. The scope of identification includes local regulatory and policy risks; risks associated with changes in project proposals, processes, or product plans; product quality and supply chain risks; risks arising from changes in laws, regulations, or customer requirements; and emergencies and unpredictable risks. The Company actively explores integrating ESG and emerging risks, such as climate change, into its risk management process, thereby extending risk identification to sustainability topics and enhancing the forward-looking and comprehensive nature of risk assessment.

Risk Assessment

For identified risks, the Quality Management Department annually organizes the relevant departments to evaluate the risk coefficient based on two dimensions: severity and frequency of occurrence, and classify the risks into high, medium, or low categories accordingly. Additional risk and opportunity assessments are conducted as needed, such as in the event of legal or regulatory changes, major organizational adjustments, significant quality incidents, repeated complaints from stakeholders, upcoming third-party audits, or other management review requirements.

Risk Response

Based on the results of risk assessments and actual circumstances, NSING TECH implements corresponding risk response strategies.

Risk Response Guidelines

Risk level	Response strategy	Response measures
High risks	Risk avoidance	Eliminate risk triggers or potential losses through planned changes; prioritize the development and implementation of avoidance measures until the risk is partially or fully eliminated.
Medium risks	Risk mitigation	Implement a combination of preventive controls and post-incident corrective actions to reduce the likelihood of occurrence or the impact, keeping the risk at a controllable level.
Low risks	Risk acceptance	Accept the risk under compliance monitoring; applicable to scenarios involving minor losses, high frequency, or situations where the cost of mitigation exceeds the loss itself.

Risk Reporting and Monitoring

The Company has established a multi-channel, multi-level risk information reporting mechanism. The departmental risk assessment teams record identified risks and corresponding response measures, and report them to the Quality Management Department. The Quality Management Department then conducts reviews to evaluate the effectiveness and adequacy of existing risk identification, assessment, and response activities. Meanwhile, departments integrate risk response measures into existing management procedure documents, thereby closing the risk management loop.

Internal Control

NSING TECH strictly complies with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Guidelines of the Shenzhen Stock Exchange for the Standardized Operation of Companies Listed on the ChiNext Board, and other relevant laws and regulations, while tailoring internal policies, such as the Internal Control System, to the Company's operational context.

NSING TECH is committed to building a comprehensive internal control system and establishing a robust internal control management framework. The Board of Directors is responsible for establishing, updating, and implementing the Company's internal control policies and system, while the management team oversees the daily execution of internal control procedures and measures across functional teams. An internal audit department has been set up to conduct regular inspections of internal control deficiencies, evaluate the effectiveness and efficiency of how these deficiencies are addressed, and provide timely recommendations for improvement. Based on internal audit reports, the Board reviews and evaluates the Company's internal control status, producing an internal control self-assessment report. Additionally, the Company engages external agencies to perform internal control audits, and continuously refines procedures and strengthens oversight, ensuring that the internal control system is applied across the entire business chain and all departments.

Compliance Management

NSING TECH is guided by the principle of "building a full-process compliance management system, enhancing compliance awareness and capabilities of all employees, preventing major compliance risk incidents, and setting an industry benchmark for compliant operations." The Company strictly adheres to relevant laws and regulations, establishing a sound compliance management system and continuously improving compliance governance. During the Reporting Period, no major compliance risk incidents occurred, providing a solid foundation for the Company's steady operations.

The Company implements full-lifecycle contract management, following a standardized process of "request – acceptance – review – feedback – filing" to ensure traceability and control at each stage. Based on business risk levels and materiality, a multi-tiered review system is implemented: routine reviews run alongside business operations, special reviews are performed regularly, and comprehensive reviews are conducted annually. This approach combines dynamic monitoring with focused risk control, continuously enhancing contract management standards and risk prevention capabilities.

Meanwhile, the Company fosters an organization-wide compliance culture through active training and awareness campaigns. During the Reporting Period, six compliance training sessions were conducted with over 100 participants, covering legal interpretation, compliance risk prevention measures, and case studies, thereby effectively enhancing employees' compliance awareness and performance capability.

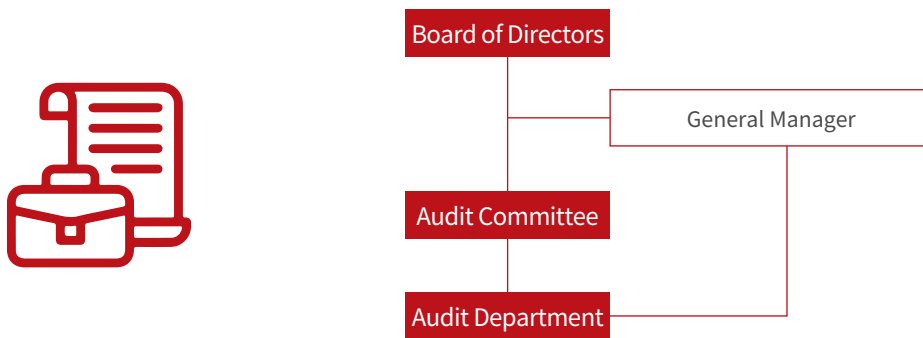
Business Ethics and Integrity

Anti-corruption and Business Ethics

NSING TECH places strong emphasis on business ethics and strictly complies with the Company Law of the People's Republic of China, the Anti-Monopoly Law of the People's Republic of China, the Law of the People's Republic of China Against Anti-Unfair Competition, and other applicable laws and regulations. The Company has established internal policies such as the Internal Audit System, clearly defining the fundamental principles, operational procedures, and division of responsibilities for anti-corruption and anti-bribery efforts, thereby strengthening the institutional framework for integrity-driven operations.

The Company has established a well-structured anti-corruption governance framework with clearly defined roles and responsibilities. The Board of Directors and the Audit Committee serve as the highest decision-making and supervisory bodies, overseeing the Company's anti-corruption efforts. The Audit Department under the Audit Committee serves as the executive body, independently carrying out audit activities, conducting objective investigations and evidence collection on suspected fraud, and preparing audit reports on substantiated major disciplinary and legal violations. These reports are reviewed by the Audit Committee and then submitted to management in accordance with established procedures, ensuring the timely disclosure and handling of significant issues.

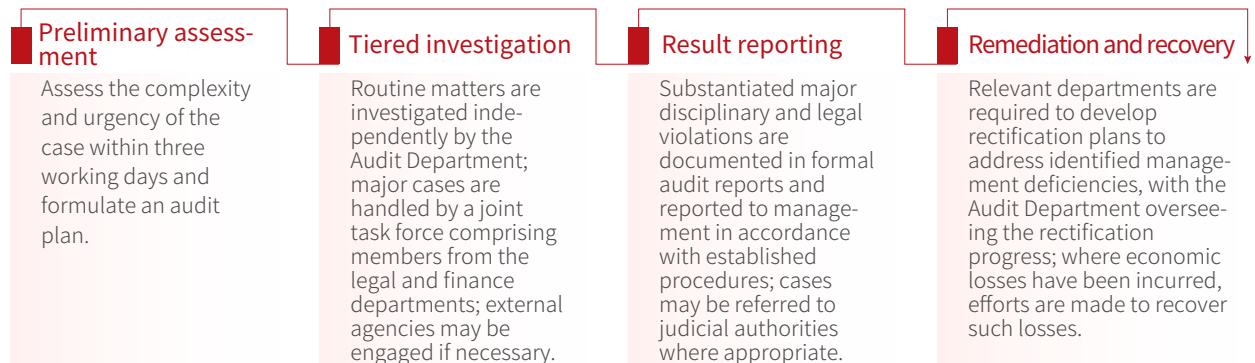
Anti-corruption Governance Framework



In terms of risk identification and prevention, NSING TECH adheres to a "risk-oriented and data-driven" principle, focusing on high-risk scenarios such as procurement payments, third-party collaborations, and large-value expense reimbursements. By combining data analysis, document reviews, and on-site inspections, the Company systematically identifies abnormal transactions and behavioral patterns, enabling the timely detection and prevention of commercial bribery and corruption risks.

In terms of case handling, the Company has established a standardized and rigorous process for addressing commercial bribery and corruption cases. Routine matters are investigated independently by the Audit Department, while major cases are handled by a joint task force comprising members from the legal and finance departments. Investigation results are reviewed by the Audit Committee and reported in accordance with established procedures, and any suspected illegal activities are promptly referred to judicial authorities.

Process for Addressing Commercial Bribery and Corruption Cases



In terms of cultural development, the Company integrates integrity requirements throughout the entire process of both internal and external collaboration. New employees are required to sign an Employee Integrity Commitment upon onboarding to ensure they are fully aware of the Company's integrity policies and clearly understand the boundaries of ethical conduct. At the same time, all agents, distributors, and suppliers are required to sign integrity commitments, extending compliance and integrity requirements to business partners.

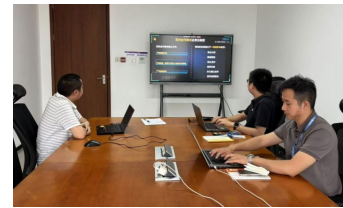
Meanwhile, the Company continues to carry out regular anti-corruption training and awareness initiatives. During the Reporting Period, NSING TECH conducted a dedicated training session on "Transparent Partnership Requirements" for employees in key business departments. In addition, the Company has developed training materials, including extracts of integrity agreement clauses and fraud case studies, for company-wide learning and awareness, fostering a culture of integrity-driven operations.



Case study

NSING TECH conducts dedicated training on "Transparent Partnership Requirements"

In June 2025, NSING TECH carried out a dedicated training session on "Transparent Partnership Requirements," covering key departments such as quality management, customer service, and supply chain management. The training included policy interpretation, case review, and promotion of the whistleblowing mechanism, significantly enhancing the integrity and compliance awareness of personnel in critical positions. This initiative not only strengthened risk prevention capabilities in business negotiations and supplier management but also effectively reduced the likelihood of commercial bribery incidents.



Training session



Case study

NSING TECH conducts anti-commercial bribery and integrity compliance training

In 2025, NSING TECH carried out a specialized training titled "Upholding Integrity and Preventing Commercial Bribery: Practical Compliance Guide for High-Risk Positions," covering all personnel in key business departments, including sales, procurement, and outsourcing. The training targeted high-risk points in business operations, implementing precise risk controls and significantly enhancing the ability of personnel in critical roles to identify and prevent compliance risks.

Whistleblowing and Protection

In strict compliance with relevant laws and regulations, NSING TECH has formulated and rigorously implemented internal policies such as the Complaint and Whistleblowing Management System. By standardizing the processes for receiving, investigating, and providing feedback on reports, the Company ensures the effective operation of its whistleblowing mechanism.

Whistleblowing Case Handling Process

Receipt and registration

A dedicated staff member from the Audit Department centrally receives reports, assigns a reference number, and securely files them to prevent information leakage.



Preliminary assessment

Within three working days, assess the authenticity and urgency of the report and determine whether to initiate an investigation.



Tiered investigation

Routine matters are investigated independently by the Audit Department. Major matters are handled by a joint task force comprising members from the legal and finance departments; external agencies may be engaged if necessary.



Result feedback

Whistleblowers who report under their real names will receive case outcomes through secure channels. For anonymous reports, the investigation conclusions will be internally published with sensitive information redacted.



Filing and follow-up

Case files are encrypted and stored for five years. Major violations are transferred to judicial authorities as appropriate.

Prioritizing the protection of whistleblowers' rights, NSING TECH has established strict whistleblower protection policies. All personnel responsible for receiving reports or investigating alleged violations are required to maintain confidentiality and are strictly prohibited from disclosing the whistleblower's name, department, contact information, or other personal details to the subjects under investigation. Any form of retaliation, malicious reporting, or false accusation will be met with zero-tolerance. Upon verification, the responsible parties will be subject to severe sanctions in accordance with internal policies, and if the offender is an internal employee, such conduct will be treated as gross misconduct.

The Company has established multiple convenient reporting channels to receive complaints from employees, customers, and partners regarding violations, fraud, commercial bribery, corruption, and other misconduct. Reports can be submitted via dedicated mailboxes, hotlines, or written letters. All reports are independently handled by the Audit Department to ensure accessible channels and timely processing.

Reporting Channels

Email audit@NSINGtech.com

Hotline +86-0755-86916699、+86-0755-86916635

Mailing address Audit Department of NSING Technologies Inc.
NSING TECH Tower No. 109 Baoshen Road Nanshan District, Shenzhen



Information Security and Privacy Protection

NSING TECH places great emphasis on information security and privacy protection, strictly complying with the Data Security Law of the People's Republic of China and the Personal Information Protection Law of the People's Republic of China, among other national laws and regulations. The Company continuously improves its information security management system to comprehensively safeguard the information of both the company and its customers. During the Reporting Period, the Company established management objectives related to information security and privacy protection and fully achieved them.

Information security and privacy protection objectives

Achievement during the Reporting Period

Major company information security incidents: 0

Achieved

Customer information security incident: 0

Achieved

In terms of governance, NSING TECH has established an information security team, with the General Manager's Office Meeting serving as the leadership level, responsible for defining the management framework and overseeing the operation of the information security system. The audit team organizes internal information security audits and reports to the information security management. Functional departments—including administration, supply chain, R&D, IT, and quality management—carry out their respective duties and collaborate to ensure effective implementation of all tasks.

Information Security Organizational Structure

Leadership level

General Manager's Office Meeting

Management level

Team leader, deputy team leader

Audit team

Execution level

Various business and functional departments

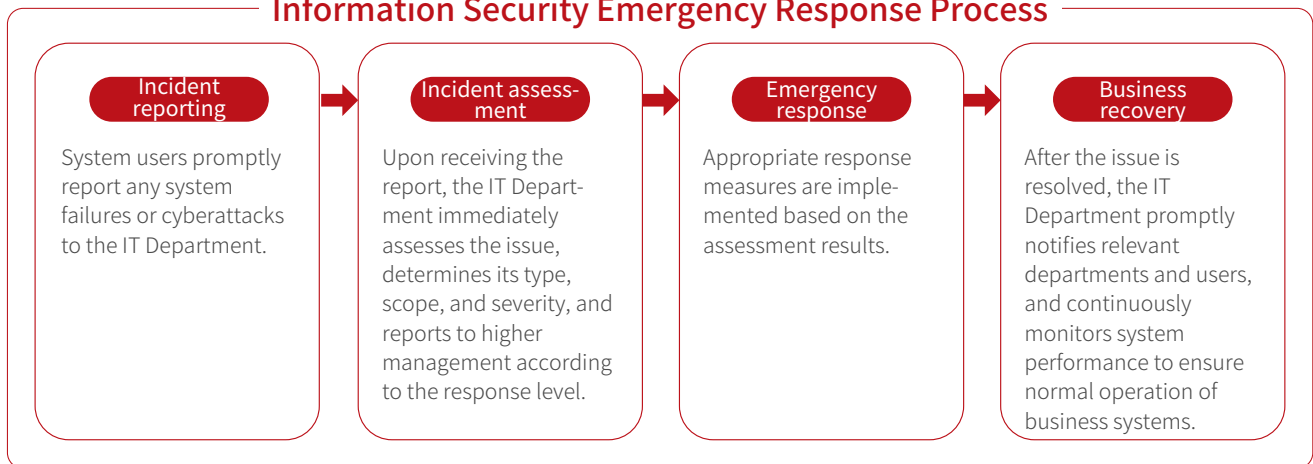


At the management level, NSING TECH has established and strictly implements policies such as the Information Security Policy and the Information Security Incident Management Procedures. Centered on the strategy of "data confidentiality, information integrity, risk control, and proactive prevention," a multi-layered technical protection system has been built. To ensure data protection, the Company applies encryption algorithms for sensitive data, enforces strict data access and transmission policies, and defines approval and operational procedures for data storage and processing, ensuring full lifecycle control of data. From a technical standpoint, the Company has deployed firewall, anti-virus gateway, Web Application Firewall (WAF) protection, and Intrusion Prevention System (IPS). Regular vulnerability scans and virus checks are performed on business systems, and real-time monitoring is in place to detect network intrusions, continuously enhancing technical defence capabilities. NSING TECH conducts annual internal audits of ERP accounts and engages external firms to perform IT audits covering cybersecurity and information system security, ensuring the compliance and effectiveness of the information security management system.

At the privacy protection level, the Company strictly adheres to the principles of legality, legitimacy, necessity, and good faith in handling personal information. The Privacy Policy clearly sets out the rules for the collection, use, transfer, storage, and deletion of personal data, and provides employees, customers, and website visitors with channels to exercise their data subject rights. During the Reporting Period, the Company did not experience any material personal data breaches, thereby safeguarding individual privacy rights.

In terms of information security emergency management, NSING TECH has established an Information System Emergency Response Plan, which defines the emergency management structure, incident classification, and response procedures. Regular drills are conducted to continuously enhance the Company's capability to respond to information security incidents.

Information Security Emergency Response Process



To further safeguard information security and strengthen employees' security awareness, NSING TECH provided information security training for employees during the Reporting Period. The training covered basic information security knowledge, common vulnerabilities and malware prevention, and proper use of office devices. During the Reporting Period, the Company conducted four information security training sessions, reaching a total of 160 participants.



Case study Inner Mongolia Sinuo conducts emergency drills and information security training

In 2025, Inner Mongolia Sinuo organized employee drills combining online and offline formats, including emergency responses to server outages and ransomware attacks. In the same year, the company actively carried out specialized information security training, comprehensively enhancing employees' risk awareness and their ability to handle unexpected incidents.



Training Session Photo

Key Performance Indicators (KPIs)

Topic	Indicator	Unit	2025
Economic performance	Operating revenue	RMB 10,000	136,026.56
Climate change response	Direct GHG emissions (Scope 1)	tCO ₂ e	1,943.29
	Energy indirect GHG emissions (Scope 2)	tCO ₂ e	258,946.83
	Total GHG emissions within operational boundaries	tCO ₂ e	260,890.12
	GHG emissions intensity within operational boundaries	tCO ₂ e / RMB 10,000 revenue	1.92
Energy management	Diesel consumption	L	102,957.38
	Gasoline consumption	L	25,531.90
	Natural gas consumption	m ³	688,665.20
	Thermal energy (hot water) consumption	GJ	21,653.20
	Purchased grid electricity*	kWh	420,874,311.00
	Green electricity certificates	kWh	12,396,000.00
	Self-generated and self-consumed green electricity	kWh	34,226.40
	Total energy consumption	tce	52,240.59
	Energy consumption intensity	tce / RMB 10,000 revenue	0.38
Resources utilization and circular economy	Water withdrawal	Ton	278,852.00
	Total water consumption	Ton	278,852.00
	Water consumption intensity	Ton / RMB 10,000 revenue	2.05
Environmental compliance management	Number of major environmental incidents	Case	0
	Number of environmental administrative penalties	Case	0
Pollutants and emissions management	Total domestic wastewater discharge	Ton	45,769.00
	Air pollutant emissions	Ton	68.56
	Total waste generated	Ton	14,478.56
	Hazardous waste generated	Ton	661.52
	Hazardous waste intensity	Ton / RMB million revenue	0.49
	Non-hazardous waste generated	Ton	13,817.04
	Non-hazardous waste intensity	Ton / RMB million revenue	10.16

*Excluding green electricity

Topic	Indicator		Unit	2025
Customer rights protection	Customer satisfaction rate		%	95.04
	Customer service training sessions		Session	13
	Customer service training participants		Person-time	89
	Number of complaints regarding products and services		Case	3
	Number of resolved customer complaints		Case	3
	Complaint resolution rate		%	100
Product quality and safety	Product recall incidents		Case	0
	Product quality-related training sessions		Session	19
	Product quality-related training hours		Hour	116
	Product quality training participants		Person-time	414
Innovation-driven development	R&D investment		RMB	225,062,705.09
	Number of R&D personnel		Person	309
Intellectual property protection	Newly granted patents		Item	34
	Newly granted invention patents		Item	25
	Cumulative invention patents granted		Item	767
	Cumulative design patents granted		Item	3
	Cumulative registered software copyrights		Item	97
Supply chain management	Total number of suppliers		-	111
	By region	The Chinese Mainland	-	106
		Hong Kong, Macao, Taiwan, and overseas	-	5
	Supplier training sessions		Session	2
	Total duration of supplier training		Hour	4
	Supplier training participants		Person-time	51

Employment and
employee rights
protection

Topic	Indicator		Unit	2025
Employment and employee rights protection	Labor contract signing rate		%	100
	Social insurance coverage rate		%	100
	Employee satisfaction rate		%	80.88
	Total number of employees		Person	1,112
	By gender	Male	Person	868
		Female	Person	244
	By age	Aged 30 and below	Person	179
		Aged 31–50	Person	798
		Aged above 50	Person	135
	By employee category	General staff	Person	1,036
		--Male	Person	810
		--Female	Person	226
		Management	Person	76
		--Male	Person	59
		--Female	Person	17
	By nationality	The Chinese Mainland	Person	1,069
		Hong Kong, Macao, and Taiwan	Person	2
		Overseas	Person	41
	By employment location	The Chinese Mainland	Person	1,064
		Hong Kong, Macao, and Taiwan	Person	2
		Overseas	Person	46
	Ethnic minority employees		Person	64
	Percentage of female employees		%	21.94
	Female representation in management		%	22.37
	Employee turnover		Person	265
	New hires		Person	188

Topic	Indicator		Unit	2025
Occupational health and safety	Work-related fatalities		Person	0
	Lost workdays due to work-related injuries		Day	1,472
	Work-related injury insurance investment		RMB 10,000	50.86
	Safety liability insurance investment		RMB 10,000	10.77
	Work-related injury insurance coverage rate		%	99.08
	Certification rate of personnel in special positions		%	100
	Occupational health examination coverage rate		%	100
Employee development and training	Employee training expenditure		RMB 10,000	15.36
	Employee training sessions		Session	339
	Employee training participants		Person-time	4,395
	Total employee training hours		Hour	14,714
	By gender	Training hours (female employees)	Hour	3,721
		Training hours (male employees)	Hour	10,993
		Training participants (female employees)	Person-time	1,000
		Training participants (male employees)	Person-time	3,395
	By employee category	Training hours (management)	Hour	385
		Training hours (general staff)	Hour	14,329
		Training participants (management)	Person-time	128
		Training participants (general staff)	Person-time	4,267
Corporate governance	Board members		Person	7
	Independent directors		Person	4
	Female directors		Person	3
	Shareholders' meetings		Session	3
	Senior management		Person	13
	Female senior management		Person	2

Topic	Indicator	Unit	2025
Data security and privacy protection	Financial impact of data security incidents	RMB 10,000	0
	Financial impact of customer privacy breaches	RMB 10,000	0
	Losses due to violations of data/customer privacy protection regulations	RMB 10,000	0
	Substantiated complaints related to customer privacy violations and loss of customer data	Case	0
	Data security and customer privacy training sessions	Session	4
	Data security and customer privacy training participants	Person-time	160
Anti-corruption and business ethics	Major corruption incidents	Case	0
	Fines related to corruption incidents	RMB 10,000	0
	Anti-corruption training sessions	Session	1
	Anti-corruption training participants	Person-time	8
	Litigation related to unfair competition	Case	0
	Amount involved in major administrative penalties	RMB 10,000	0
	Whistleblowing reports received	Case	0
Compliance and risk management	Compliance training sessions	Session	6
	Compliance training participants	Person-time	100
	Major risk incidents	Case	0

Report Index

Index of the Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation)

Chapters and Sections			Guidelines	Corresponding Sections
Chapter I General Provisions			Article 1 - Article 10	About the Report, Board Statement, ESG Management, About the Company
Chapter II Disclosure Framework for Sustainability Information			Article 11 - Article 19	ESG Management, Stakeholder Communication, Double Materiality Analysis
Chapter III Environmental Disclosure	Section 1 Climate Response	Climate change response	Article 20 - Article 28	Climate Change Response, Green Operations, KPIs
	Section 2 Pollution Control and Ecosystem Protection	/	Article 29	Improved Environmental Management, Green Operations, Biodiversity Conservation
		Pollutant discharge	Article 30	Green Operations, KPIs
		Waste disposal	Article 31	Green Operations, KPIs
		Ecosystem and biodiversity protection	Article 32	Biodiversity Conservation
		Environmental compliance management	Article 33	Improved Environmental Management, KPIs
	Section 3 Resources Utilization and Circular Economy	/	Article 34	Green Operations
		Energy utilization	Article 35	Green Operations, KPIs
		Water resources utilization	Article 36	Green Operations, KPIs
		Circular economy	Article 37	Green Operations

Chapters and Sections			Guidelines	Corresponding Sections
Chapter IV Social Disclosure	Section 1 Rural Revitalization and Social Contributions	/	Article 38	Industry and Social Development
		Rural revitalization	Article 39	Industry and Social Development
		Social contributions	Article 40	Industry and Social Development
	Section 2 Innovation-Driven Development and Ethics of Science and Technology	/	Article 41	Innovation-Driven Development
		Innovation	Article 42	Innovation-Driven Development, KPIs
		Ethics of science and technology	Article 43	The Company conducts R&D in compliance with applicable laws, regulations, and industry standards, with no incidents involving violations of ethics of science and technology. In future operations, the Company will continue to pay close attention to the management of ethics of science and technology.
	Section 3 Suppliers and Customers	/	Article 44	Product Liability, Sustainable Value Chain
		Supply chain security	Article 45	Sustainable Value Chain, KPIs
		Equal treatment of SMEs	Article 46	Sustainable Value Chain
		Product and service safety and quality	Article 47	Product Liability, KPIs
		Data security and customer privacy	Article 48	Information Security and Privacy Protection, KPIs
	Section 4 Employees	/	Article 49	Human Capital Development
		Employees	Article 50	Human Capital Development, KPIs
Chapter V Disclosure of Sustainability-Related Governance Information	Section 1 Sustainability-Related Governance Mechanisms	Sustainability-related governance	Article 51	Climate Change Response
		Due diligence	Article 52	Risk Management and Internal Control
		Stakeholder engagement	Article 53	Stakeholder Communication
	Section 2 Business Practices	Compliance management	Article 54	Risk Management and Internal Control, Information Security and Privacy Protection, KPIs
		Anti-commercial bribery and anti-corruption	Article 55	Business Ethics and Integrity, KPIs
		Fair competition	Article 56	Business Ethics and Integrity, KPIs
Chapter VI Supplementary Provisions and Interpretation		Indicator index	Article 57	About the Report
		Report assurance or verification	Article 58	/

Index of the HKEX Environmental, Social and Governance Reporting Code

Aspect	KPIs	Sections
A1 Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Improved Environmental Management, Green Operations, Climate Change Response
	A1.1 The types of emissions and respective emissions data.	Green Operations, Climate Change Response, KPIs
	A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas (GHG) emissions (measured in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	Climate Change Response, KPIs
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Green Operations, KPIs
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Green Operations, KPIs
	A1.5 Description of emission target(s) set and steps taken to achieve them.	Green Operations
	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.	Green Operations
A2 Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Green Operations
	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).	Green Operations, KPIs
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Green Operations, KPIs
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Green Operations
	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.	Green Operations
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	/
A3 The Environment and Natural Resources	General Disclosure Policies on minimizing the issuer's significant impacts on the environment and natural resources.	Improved Environmental Management, Biodiversity Conservation
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Green Operations, Biodiversity Conservation
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.	Climate Change Response
	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.	Climate Change Response

Aspect	KPIs	Sections
B1 Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Human Capital Development
	B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Human Capital Development, KPIs
B2 Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Human Capital Development
	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Human Capital Development, KPIs
	B2.2 Lost days due to work injury.	Human Capital Development, KPIs
	B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Human Capital Development
B3 Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	Human Capital Development
	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Human Capital Development, KPIs
	B3.2 The average training hours completed per employee by gender and employee category.	Human Capital Development, KPIs
B4 Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Human Capital Development
	B4.1 Description of measures to review employment practices to avoid child and forced labour.	Human Capital Development
	B4.2 Description of steps taken to eliminate such practices when discovered.	Human Capital Development
B5 Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	Sustainable Value Chain
	B5.1 Number of suppliers by geographical region.	Sustainable Value Chain, KPIs
	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.	Sustainable Value Chain, KPIs
	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Sustainable Value Chain
	B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Sustainable Value Chain

Aspect	KPIs	Sections
B6 Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Product Liability
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product Liability, KPIs
	B6.2 Number of products and service related complaints received and how they are dealt with.	Product Liability
	B6.3 Description of practices relating to observing and protecting intellectual property rights.	Innovation-Driven Development
	B6.4 Description of quality assurance process and recall procedures.	Product Liability
	B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Information Security and Privacy Protection
B7 Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Business Ethics and Integrity
	B7.1 Number of concluded legal Case regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the Case.	Business Ethics and Integrity, KPIs
	B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Business Ethics and Integrity
	B7.3 Description of anti-corruption training provided to directors and staff.	Business Ethics and Integrity, KPIs
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.	Industry and Social Development
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Industry and Social Development
	B8.2 Resources contributed (e.g. money or time) to the focus area.	Industry and Social Development

GRI Content Index

No.	Disclosure Items	Section
GRI 2: General Disclosure 2021		
2-1	Organizational details	About the Company
2-2	Entities included in the organization's sustainability reporting	About the Report
2-3	Reporting period, frequency and contact point	About the Report
2-6	Activities, value chain and other business relationships	About the Company, Sustainable Value Chain
2-7	Employees	Human Capital Development
2-9	Governance structure and composition	Corporate governance
2-10	Nomination and selection of the highest governance body	Corporate governance
2-12	Role of the highest governance body in overseeing the management of impacts	ESG Management, Corporate governance
2-13	Delegation of responsibility for managing impacts	Improved Environmental Management, Corporate governance
2-14	Role of the highest governance body in sustainability reporting	Board Statement, ESG Management
2-16	Communication of critical concerns	Stakeholder Communication
2-19	Remuneration policies	Human Capital Development
2-20	Process to determine remuneration	Human Capital Development
2-22	Statement on sustainable development strategy	Board Statement, ESG Management
2-23	Policy commitments	Board Statement, Improved Environmental Management, Product Liability, Business Ethics and Integrity
2-27	Compliance with laws and regulations	Improved Environmental Management, Product Liability, Corporate governance, Business Ethics and Integrity
2-28	Membership associations	About the Company
2-29	Approach to stakeholder engagement	Stakeholder Communication
GRI 3: Material Topics		
3-1	Process to determine the material topics	Double Materiality Analysis
3-2	List of material topics	Double Materiality Analysis
3-3	Management of material topics	Double Materiality Analysis
GRI 201: Economic Performance		
201-1	Direct economic value generated and distributed	About the Company
201-2	Financial implications and other risks and opportunities due to climate change	Climate Change Response

No.	Disclosure Items	Section
GRI 203: Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	Industry and Social Development
203-2	Significant indirect economic impacts	Industry and Social Development
GRI 204: Procurement Practices		
204-1	Proportion of spending on local suppliers	Sustainable Value Chain
GRI 205: Anti-corruption		
205-1	Operations assessed for risks related to corruption	Business Ethics and Integrity
205-2	Communication and training about anti-corruption policies and procedures	Business Ethics and Integrity
205-3	Confirmed incidents of corruption and actions taken	Business Ethics and Integrity
GRI 206: Anti-competitive Behavior		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business Ethics and Integrity
GRI 207: Tax		
207-1	Approach to tax	Stakeholder Communication
GRI 302: Energy		
302-1	Energy consumption within the organization	Green Operations
302-2	Energy consumption outside of the organization	Green Operations
302-3	Energy intensity	Green Operations
302-4	Reduction of energy consumption	Green Operations
302-5	Reductions in energy requirements of products and services	Innovation-Driven Development
GRI 303: Water and Effluents		
303-1	Interactions with water as a shared resource	Green Operations
303-2	Management of water discharge-related impacts	Green Operations
303-3	Water withdrawal	Green Operations
303-4	Water discharge	Green Operations
303-5	Water consumption	Green Operations
GRI 304: Biodiversity		
304-1	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	Biodiversity Conservation
304-3	Habitats protected or restored	Biodiversity Conservation

No.	Disclosure Items	Section
GRI 305: Emissions		
305-1	Direct (Scope 1) GHG emissions	Climate Change Response, KPIs
305-2	Energy indirect (Scope 2) GHG emissions	Climate Change Response, KPIs
305-4	GHG emissions intensity	Climate Change Response, KPIs
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Green Operations, KPIs
GRI 306: Waste		
306-1	Waste generation and significant waste-related impacts	Green Operations
306-2	Management of significant waste-related impacts	Green Operations
306-3	Waste generated	Green Operations, KPIs
306-5	Waste directed to disposal	Green Operations
GRI 308: Supplier Environmental Assessment		
308-1	New suppliers that were screened using environmental criteria	Sustainable Value Chain
308-2	Negative environmental impacts in the supply chain and actions taken	Sustainable Value Chain
GRI 401: Employment		
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Capital Development
401-3	Parental leave	Human Capital Development
GRI 403: Occupational Health and Safety		
403-1	Occupational health and safety management system	Human Capital Development
403-2	Hazard identification, risk assessment, and incident investigation	Human Capital Development
403-3	Occupational health services	Human Capital Development
403-4	Worker participation, consultation, and communication on occupational health and safety	Human Capital Development
403-5	Worker training on occupational health and safety	Human Capital Development
403-6	Promotion of worker health	Human Capital Development
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Human Capital Development
403-8	Workers covered by an occupational health and safety management system	Human Capital Development
403-9	Work-related injuries	Human Capital Development
403-10	Work-related ill health	Human Capital Development
GRI 404: Training and Education		
404-1	Average hours of training per year per employee	Human Capital Development, KPIs
404-2	Programs for upgrading employee skills and transition assistance programs	Human Capital Development

No.	Disclosure Items	Section
GRI 405: Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	Human Capital Development
GRI 406: Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	Human Capital Development
GRI 408: Child Labor		
408-1	Operations and suppliers at significant risk for incidents of child labor	Human Capital Development
GRI 409: Forced or Compulsory Labor		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Capital Development
GRI 413: Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	Industry and Social Development
GRI 414: Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	Sustainable Value Chain
414-2	Negative social impacts in the supply chain and actions taken	Sustainable Value Chain
GRI 416: Customer Health and Safety		
416-1	Assessment of the health and safety impacts of product and service categories	Product Liability
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Product Liability
GRI 417: Marketing and Labeling		
417-1	Requirements for product and service information and labeling	Product Liability
417-2	Incidents of non-compliance concerning product and service information and labeling	Product Liability
417-3	Incidents of non-compliance concerning marketing communications	Product Liability
GRI 418: Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information Security and Privacy Protection, KPIs