

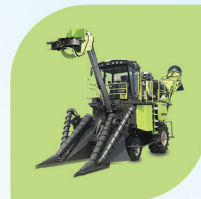
ZOOMLION 中联重科

中联重科股份有限公司

ZOOMLION HEAVY INDUSTRY
SCIENCE AND TECHNOLOGY CO., LTD.*

(a joint stock company incorporated in the People's Republic of China with limited liability)

H Share Stock Code : 1157 | A Share Stock Code : 000157



2025

Environmental, Social and
Governance Report

* For identification purpose only

ZOOMLION
中联重科



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1 About This Report

1.1 Report Compilation Instructions

1.1.1 Compilation Standards

This report is compiled in accordance with the Shenzhen Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 17 – Sustainable Development Report (Trial), the Shenzhen Stock Exchange Self-Regulatory Supervision Guide for Listed Companies No. 3 – Compilation of Sustainable Development Reports and the Environmental, Social and Governance Reporting Code of the Hong Kong Exchanges and Clearing Limited (HKEX), with reference to the Guiding Opinions on Central Enterprises Fulfilling Social Responsibilities issued by the State-owned Assets Supervision and Administration Commission of the State Council and the China Corporate Sustainable Development Report Guide (CASS-ESG 6.0) formulated by the China Enterprise Reform and Development Society.

1.1.2 Reporting Principles

This report strictly follows the reporting principles of materiality, quantification, balance and consistency required by HKEX for ESG information disclosure. In terms of the materiality principle, the company's board of directors is responsible for determining the materiality of ESG issues, and this report also discloses the stakeholder communication process, material issue identification process and the relevant issue matrix. For the quantification principle, the company has made every effort to quantify the ESG performance indicators. The statistical standards, methods, assumptions and calculation tools for the key performance indicators listed in the report, as well as the sources of the conversion factors used, are explained in the appendices or the glossary. Regarding the balance principle, this report strives to objectively and fairly present the company's ESG performance during the reporting period, avoiding any impact on readers' judgment or decision-making due to inappropriate selection, omission or presentation of information. As for the consistency principle, the data disclosed in this report adopts a unified statistical method, and any changes or differences will be explained accordingly.

1.1.3 Time Scope

The reporting period of this report is from January 1 to December 31, 2025, with a brief review of relevant activities in previous years included in some sections.

1.1.4 Report Scope

This report takes Zoomlion Heavy Industry Science and Technology Co., Ltd. as the main body, and the relevant chapters cover Zoomlion and its subsidiaries, branches and other affiliated entities. Unless otherwise specified, the scope of this report is consistent with that of the company's annual report.

1 About This Report

1.1.5 Nomenclature Explanation

For the convenience of expression, the terms “Zoomlion”, “the Company”, “we” or “the Headquarters” are used in this report to refer to “Zoomlion Heavy Industry Science and Technology Co., Ltd.”.

1.1.6 Data Sources and Reliability Assurance

To ensure the continuous and accurate disclosure of environmental, social and governance performance, the company has established an ESG data collection, statistics and verification mechanism. The key performance data disclosed in this report are mainly derived from the company's internal official operation records, statistical statements, monitoring systems and audited financial data. Environmental data (such as energy consumption, greenhouse gas emissions, water resource use and waste generation) are statistically calculated and converted in strict accordance with national or internationally recognized measurement and monitoring standards and methods; social data (such as employee training hours, industrial injury rate, public welfare investment, etc.) are summarized based on the records of the human resources, work safety and social responsibility project management systems.

The company has established an ESG data management system covering the headquarters and major operating units, clarified the persons responsible for data reporting in each unit, and conducted multiple verifications on the completeness, accuracy and consistency of data through internal audit procedures.

1.1.7 Report Access and Feedback

The electronic version of this report can be downloaded from the company's official website (<https://www.zoomlion.com>), the Shenzhen Stock Exchange website (<https://www.szse.cn>) and the CNINFO website (<http://www.cninfo.com.cn>) for more company information.

If you have any comments or suggestions on the company's sustainable development, you are welcome to feed back through the telephone or email of the relevant departments of Zoomlion to help us continuously improve the report.

Relevant Department Tel: 0731-88788432

Relevant Department Email: huh@zoomlion.com

2 Board Statement

The board of directors of the Group assumes full responsibility for the Group's environmental, social and governance strategies and reporting. The ESG Committee established under the board of directors is the primary responsible management body, which is responsible for assessing and determining the Group's risks related to environmental, social and governance, and ensuring that the Group has established appropriate and effective environmental, social and governance risk management and internal control systems.

We have established a sound ESG governance system, led by the board of directors, which participates in the deliberation and decision-making of major ESG matters, including identifying and assessing ESG risks, supervising the management to formulate ESG strategies and relevant work plans in the course of business operations, conducting regular reviews and adjustments, and approving the annual ESG report, etc.

Based on the external environment and the development strategy of the Group, the Group identifies key ESG issues, including product and service safety and quality, innovation driven, climate change response, energy utilization, employees, supply chain management, etc., in accordance with disclosure standards requirements, capital market concerns, and stakeholder communication, and focuses on performance improvement in daily work. In the future, we will continue to improve our sustainable development level based on the expectations of stakeholders and the actual operation of our group.

As the supreme responsible and decision-making body for ESG matters, the board of directors of the Group ensures that there are no false records, misleading statements or major omissions in the content of this report, and assumes full responsibility for the authenticity, accuracy and completeness of its content.

3 About the Company

3.1 Company Profile

During the reporting period, the company is mainly engaged in the R&D, manufacturing, sales and service of construction machinery, agricultural machinery and mining machinery. Construction machinery includes concrete machinery, hoisting machinery, earthmoving machinery, piling machinery, aerial work machinery, etc., which mainly serve infrastructure construction and other activities, and are widely used in urban construction, transportation construction, energy industry construction, national defense construction projects, agricultural and forestry water conservancy construction, industrial and civil construction and other fields; agricultural machinery includes tillage machinery, harvesting machinery, drying machinery, agricultural implements, etc., providing full-process services for agricultural production; mining machinery includes three categories of series products: open-pit mining equipment, crushing and screening equipment, and material conveying equipment, covering the whole process of exploration, mining, transportation, separation and processing of mineral resources.

The company adheres to the core philosophy of “operating a business with internet thinking and creating products with an extreme mindset,” anchoring its goals on high-quality development. It continuously drives strategic transformation around three pillars: “related diversification, globalization, and digitalization.” By leveraging technological innovation to propel high-quality development, the company advances the digital, intelligent, and green transformation and upgrading of its business, persistently deepens its expertise in traditional advantageous sectors, accelerates the cultivation and expansion of emerging business segments, and comprehensively broadens its global market footprint. This approach unlocks entirely new growth opportunities for the company, enabling it to navigate economic cycles and achieve steady, sustainable, and high-quality development.

3 About the Company

3.2 ESG Management Architecture and Strategy

3.2.1 ESG Management Architecture

The company continuously improves its ESG governance structure, regularly organizes internal ESG training, and actively participates in ESG training organized by external institutions, promoting the deep integration of ESG concepts with company operations. Based on the actual needs of business operations, the company has established a top-down ESG governance system with clear responsibilities, forming a system where the board of directors serves as the highest decision-making body. An ESG special group has been established to better manage and issue various ESG policies, aiming to enhance the sustainable development of the business. The ESG special group is responsible for identifying ESG issues that have a significant impact on company operations and investors, promoting the implementation of various ESG policies by functional departments, and reporting regularly to the board of directors. The board of directors also assumes its responsibility, overseeing the company's overall vision for environmental, social, and governance (ESG) as well as short-term, medium-term, and long-term strategies, and considering related ESG risks and opportunities. The board of directors reviews various ESG goals and progress annually, including formulating ESG management policies and strategies, confirming major issues identified by the ESG special group, supervising ESG matters, reviewing progress towards goals, and approving ESG reports. The functional departments of the company are responsible for implementing various ESG-related work, complying with various ESG-related internal policies, collecting and reporting ESG-related data.

3.2.2 ESG Strategic Vision

Zoomlion always adheres to the concept of “enterprise value comes from society”, and is committed to accelerating the transformation and upgrading towards digitization, intelligence, and green. In the process of integrating ESG concepts into enterprise operations, the company achieves the corporate vision of “knowledge and etiquette, harmony and harmony, peaceful living, and vitality” through high-quality and sustainable development, painting a magnificent picture of connecting the world and sharing beauty.

3 About the Company

3.2.3 ESG Impact, Risk, and Opportunity

Zoomlion actively responds to the relevant impact, risk and opportunity management of ESG, integrates the relevant management into the company's internal management process, identifies, analyzes, evaluates and manages the risks and opportunities of ESG through internal research, industry research and external suggestions, fully assesses the impact of relevant risks and opportunities on the company's business model, daily operation, financial status and other dimensions in the short term, medium term and long term, and formulates targeted mitigation measures based on the results of risk identification, so as to promote the integration of ESG risk and opportunity management into the company's multi-dimangement process.

Risk/ Opportunity Types	Risk/ Opportunity Description	Time range of impact	Potential impact	Strategy
Countries and policy risks	There are differences in trade, project construction and intellectual property policies among countries. In the process of global operation, it is possible to encounter different countries' political, economic, legal and other risks.	Short-term and Medium-term	Rising operating costs	- Speed up the promotion of localized business strategies and build a global research and development, manufacturing, sales and service network - Insist on building a differentiated risk control model based on national policies, and establish "three defense lines" of marketing, risk control and legal affairs
Energy transformation risk	The global energy structure transformation, the demand for traditional high energy consumption machinery equipment may decline.	Medium-term and Long- term	Rising operating costs	- Increase the research and development and production of new energy equipment - Innovation in business models to increase profitability for value-added business and post-market services
Intelligent manufacturing transformation opportunities	The intelligent manufacturing upgrading of high-end equipment can improve the production and manufacturing efficiency and reduce the pollution emission of production and manufacturing.	Medium-term and Long- term	Rising operating revenue	The company deeply integrates artificial intelligence, intelligent manufacturing technology and intelligent equipment, creates intelligent, flexible and green intelligent production line system, and builds a flexible, efficient and collaborative intelligent factory.

3 About the Company

3.2.4 ESG Objectives

E Environment:

Reduce carbon emissions through green transformation throughout the entire lifecycle, leading the industry to achieve carbon peak and carbon neutrality

S Society:

Actively practicing social responsibility in combination with industry characteristics, demonstrating the great love of the enterprise

G Governance:

Continuously improving the corporate governance structure, standardizing company operations, and enhancing internal control systems

3.2.5 Management of Important Issues

The company refers to the “Self Regulatory Guidelines for Companies Listed on the Growth Enterprise Market of Shenzhen Stock Exchange No. 3 – Preparation of Sustainable Development Reports”, “GRI3: Major Themes”, “Environmental, Social and Governance Reporting Code”, “International Financial Reporting Sustainability Disclosure Standard No. 1 – General Requirements for Sustainable Financial Information Disclosure” and other domestic and foreign disclosure guidelines for important issues. The company introduces a dual importance analysis perspective of financial importance and impact importance to conduct an importance analysis and evaluation of the identified issues. The process is as follows:

Analyzing the background of company activities and business relationships: Combining domestic and international macro environment and development trends, industry dynamics, company business and activities for analysis, identifying the company's stakeholders and the impacts, risks, and opportunities faced by the company.

Establish a list of topics: Based on the disclosure guidelines of important topics at home and abroad, the Company identifies the ESG topics applicable to the Company and includes them into the topic importance analysis of this year by conducting internal and external stakeholder interviews, online questionnaires, reporting standards, capital market attention and benchmarking with the counterparts, combined with the actual situation of the Company's business.

3 About the Company

Assessment and confirmation of the importance of the topic:

Impact Importance Assessment: Analyze whether the company's performance on the corresponding issues will have actual or potential significant impacts on the economy, society, and environment.

Financial Importance Assessment: Analyze whether the issue is expected to have a significant impact on the company's business model, operations, development strategy, financial condition, operating results, cash flow, financing methods, and costs in the short, medium, and long term.

Confirmation of Issue Importance: The ESG special group shall determine the dual importance assessment results of each ESG topic based on the internal meeting and the judgment of external experts from all walks of life.

Explanation:

Time range of impact: Different risks and opportunities have an impact on the company, and the company divides the time range of impact into short-term (0-1 year), medium-term (1-5 years), and long-term (more than 5 years).

According to the process of identifying the importance of the above-mentioned issues, the financial importance issues identified by the company include addressing climate change, product and service safety and quality, employee, supply chain security, innovation driven, and energy utilization. The impact importance issues identified by the company include environmental compliance management, pollutant emissions, waste disposal, rural revitalization, community contribution, stakeholder communication, anti-bribery and anti-corruption, water resource utilization, circular economy, ecosystem and biodiversity protection, data security and customer privacy protection, and 11 other issues.

3 About the Company

Issue Impact materiality	Environmental compliance management Pollutant emissions Waste disposal	Circular economy Employee	Product and Service Safety and Quality Innovation-driven
	Water resources utilization Social contribution Stakeholder communication Anti unfair competition	Data Security and Customer Privacy Protection Rural revitalization Due diligence Anti commercial bribery and anti-corruption	Responding to climate change Energy utilization Supply chain security
	Ecosystem and Biodiversity Conservation		
Issue Finance materiality			

3 About the Company

3.3 ESG Highlights in 2025

Governance and Compliance	• Separate vote counting rate for small and medium-sized investors: 100% • Online voting coverage rate for shareholder meetings: 100% • Violation rate of information disclosure: 0% • Integrity training sessions: 16 sessions
Innovation and Technology	• The world's top products: 3 • Industry first products: 3 • Number of new energy products: 58 • Number of invention patent applications: 960 • Number of national/industry/group standards released: 34
Employee	• Occupational health examination coverage rate: 100% • Internal assistance personnel by 2025: 91 people • Accumulated disbursement amount of internal rescue fund: over RMB48.17 million • Employee satisfaction with handling appeals: 92%
Supply Chain and Services	• Global service coverage in over 200 countries • Global number of service personnel: over 4,000 people • Global service guarantee vehicles: over 2,500 units
Social Responsibility	• Emergency rescue equipment deployed: 60+units • Emergency rescue manpower input: 130+people • 2025 Love for Education Donation: RMB2 million • Ranking of the Top 500 Asian Brands: 111th place

4 Governance section

4.1 Standardize corporate governance

4.1.1 Corporate Governance System

Zoomlion Heavy Industry Science and Technology Co., Ltd. strictly adheres to the requirements of the Company Law, Securities Law, China Securities Regulatory Commission's Code of Corporate Governance for Listed Companies, as well as the principles and provisions of Appendix 14 of the Hong Kong Listing Rules' Code of Corporate Governance Practices. The company continuously improves its corporate governance structure, standardizes its operations, and enhances its internal control system. The company's shareholders' meeting, board of directors, and supervisory board operate in a standardized and effective manner, implementing comprehensive management and disclosure measures to ensure the sustainable and healthy development of the company, continuously enhance its corporate value, and safeguard the interests of all shareholders and the company.

Shareholders' meeting

The company's shareholders' meeting is composed of all shareholders. The shareholders' meeting is the governing body of the company and exercises corresponding powers in accordance with the law. The shareholders' meeting is divided into annual shareholders' meeting and extraordinary shareholders' meeting. The annual shareholders' meeting shall be held once every fiscal year and shall be held within six months after the end of the previous fiscal year.

During the reporting period, the company held two shareholder meetings and reviewed 28 proposals.

Board of directors

The Company has a Board of Directors consisting of eight directors, including four independent directors and one female director, accounting for 12.5%. The directors appointed by the three shareholders are respectively appointed by the State-owned Assets Supervision and Administration Commission of Hunan Province, the Company's management and strategic investors, one employee representative director, and four independent directors. The independent directors are experts in intelligent manufacturing, finance and strategy. The Board of Directors formulates the rules of procedure of the Board of Directors to ensure that the Board of Directors implements the resolutions of the Board of Shareholders, improves work efficiency and ensures scientific decision-making. The Company annually assesses the effectiveness of the Board of Directors to ensure that the Board of Directors operates efficiently.

During the reporting period, the company held 7 board meetings and reviewed 54 proposals.

4 Governance section

Audit Committee

The board of directors of the company shall establish an audit committee to exercise the powers of the supervisory board as stipulated in the Company Law. The audit committee shall consist of three to five non-executive directors who are not senior management personnel of the company; More than half of the independent directors should serve as conveners, with accounting professionals among the independent directors.

Senior management personnel

As of 2025, the company has a total of 18 senior management personnel. Among them, there are 4 female senior managers, accounting for 22%.

4.2 Adhere to Business Ethics

Zoomlion always regards business ethics as the cornerstone of sustainable development, strictly abides by laws and regulations such as the Anti Unfair Competition Law of the People's Republic of China, the Criminal Law of the People's Republic of China, and the Civil Code of the People's Republic of China, firmly adheres to a “zero tolerance” attitude to promote clean management, fully integrates business ethics requirements into company decision-making and business processes, and is committed to maintaining a fair and honest market order.

4.2.1 Improve the governance structure of business ethics

The company has established a business ethics governance structure of “governance supervision management execution full participation”. As the highest supervisory body, the board of directors bears ultimate responsibility for the effectiveness of business ethics management and authorizes the management team and its internal audit department to be responsible for specific system implementation and daily supervision. The company conducts an internal control audit of the entire company at least once a year, covering all projects and daily business processes, and continuously optimizing based on the problems identified in the audit results.

The company has established a regular ethical audit mechanism, conducting ethical risk assessments at least once a year and multiple times irregularly. The company implements penetrative supervision of key positions, critical processes, and high-risk areas to promptly identify and rectify potential problems. At the same time, we will open channels for reporting and complaining, encourage internal and external supervision, maintain a zero-tolerance attitude towards violations, and hold accountable those who violate regulations.

4 Governance section

The company has established a business ethics training system that covers all employees and requires mandatory participation. Business ethics, clean practices, anti-fraud, and anti-commercial bribery are included in the mandatory training content. By constructing a clean education system that categorizes teaching, draws lessons from cases, and is culturally infused, the company guides employees from multiple dimensions to build a strong ideological defense against corruption and change.

During the reporting period, the company carried out a special anti-corruption campaign, strengthening source governance from multiple aspects such as organizational structure, business processes, and assessment and evaluation, and enhancing the power of the procurement system from a standardized management level.

4.2.2 Smooth reporting and supervision channels, improve whistleblower protection mechanisms

The company has established various anti-corruption reporting methods, including on-site reporting, email reporting, and telephone reporting. The company has established a comprehensive whistleblower protection mechanism, strictly maintaining the confidentiality of the whistleblower's identity information, contact information, and reporting content throughout the process, and strictly prohibiting any department or personnel from disclosing them in any form. The handling of reports follows the principles of avoidance, confidentiality, and impartiality, effectively safeguarding the legitimate rights and personal safety of well-intentioned whistleblowers, and encouraging employees and stakeholders to supervise and truthfully report in accordance with regulations.

4.2.3 Integrity escorts development

Integrity is the cornerstone of sustainable development for enterprises and the core connotation of fulfilling social responsibility. In 2025, the company will deeply implement the strategic deployment of the 20th National Congress of the Communist Party of China on comprehensively governing the party strictly and promoting the fight against corruption, closely focusing on the core goal of enhancing the core competitiveness of the enterprise and achieving high-quality development. Adhering to the working principle of “zero tolerance, no restricted areas, and full coverage”, the company will strengthen discipline and accountability, precise supervision and prevention, deepen integrity education, and forge a professional team through four key measures, comprehensively build a system for punishing and preventing corruption, build a clean defense line for enterprise management, and create a clean and upright development ecology.

4 Governance section

Persist in strict investigation and punishment, and build a strong disciplinary and accountability “high-voltage line”

We will always maintain a high-pressure anti-corruption situation, with a firm determination to investigate every case and hold those who violate discipline accountable. We will focus on key areas and positions where power is concentrated, funds are intensive, and resources are abundant. We will crack down heavily on typical corruption cases such as embezzlement, commercial bribery, and interest transfer. Through internal notifications, case warnings, and other means, we will form a strong deterrent among cadres, employees, suppliers, and partners, and continue to release a clear signal of “anti-corruption has no forbidden areas, and disciplinary violations will be held accountable”.

We will closely monitor corruption prone areas such as bidding and procurement, engineering construction, marketing, logistics and warehousing, and agency cooperation, establish a rapid response mechanism of “cracking down on exposed cases, quickly investigating and handling, and thoroughly investigating”, increase efforts to investigate and punish behaviors such as collusion, new fraud, and hidden corruption, and resolutely cut off the chain of corrupt interests. At the same time, we will strengthen the awareness of corporate governance responsibility, strictly implement the “dual responsibilities of one position”, resolutely rectify work style problems such as ineffective performance, perfunctory responsibility, and exceeding rules and regulations, and strive to create a good governance atmosphere of “political awareness, discipline, clear rules, and strict governance of enterprises”.

Strengthen precise prevention and control, build a full chain supervision “firewall”

Focusing on the company’s strategic priorities such as intelligent manufacturing and industrial upgrading, industrial Internet construction, smart industrial city building, financial service management reform, marketing model innovation, overseas market development, etc., we will build a full chain supervision system of “prevention in advance, control in the process, and accountability after the event” to achieve the deep integration of supervision and business work and the same frequency resonance.

To address corruption prone areas such as bidding procurement, engineering construction, and fund utilization, routine inspections, special supervision, and surprise spot checks will be carried out to weave a multi-level and seamless supervision network. Participate in on-site supervision of key bidding projects at headquarters and various business units, promptly rectify and resolutely stop projects with non-standard procedures, incomplete information, and non-compliance requirements; Accurately identify and supervise loopholes, seriously investigate and deal with prominent issues such as bid rigging, illegal affiliation, and project subcontracting, prevent integrity risks from the source, and ensure the legality, compliance, openness, and transparency of enterprise management activities.

In 2025, Zoomlion did not have any illegal or irregular incidents related to anti-monopoly or unfair competition.

4 Governance section

Deepening the infiltration of integrity, reciting the “Tightening Curse” of guiding ideology

Build a clean education system that categorizes teaching, draws lessons from cases, and is culturally infused, guiding employees from multiple dimensions to build a strong ideological defense against corruption and degeneration. Implement hierarchical and classified training for newly hired employees, university students, key personnel, management cadres, and reserve talents. By 2025, a total of 16 large-scale integrity training sessions will be held to achieve full job coverage and promote the integration of integrity requirements into the entire work process. Thoroughly analyze typical cases, carry out warning education through case reports, playing repentance videos, special lectures, and other forms, synchronously promote case based reform, improve control mechanisms, and form a closed-loop management of “warning, rectification, and prevention”. Relying on the intranet, WeChat official account and other platforms to build a propaganda position, organize all the staff to watch the anti-corruption feature films such as Loyalty and Betrayal, set up the characteristic course of Honesty and Self-discipline Zhonglian People, promote the value concept of “honor honesty, shame corruption”, and promote the transformation of the sense of integrity into the ideological and action consciousness of the staff.

Build a strong backbone team and solidify the “ballast stone” for fulfilling duties and responsibilities

We will take multiple measures to strengthen the construction of the disciplinary inspection and supervision team around the goal of “loyalty, cleanliness, responsibility, and courage to struggle”. Putting political construction in the first place, carrying out ideological and belief education through regular activities such as thematic learning and themed party days, guiding discipline inspection and supervision cadres to deeply understand the decisive significance of the “two consolidations”, and enhancing their political standing. Refine behavioral norms, closely monitor key disciplinary processes, strengthen supervision of the entire case handling process, strictly implement avoidance and confidentiality systems, and resolutely prevent “black under the light”. Focusing on the main responsibilities and businesses, we will enhance the professional abilities of cadres in supervision and discipline, investigation and evidence collection, risk assessment, and strengthen their legal thinking and policy strategy application through practical training, case based training, and specialized training. Improve management mechanisms such as selection and appointment, assessment and incentives, and job rotation and exchange, adhere to the combination of strict management and caring, enhance team cohesion, combat effectiveness, and vitality, and provide strong organizational support for the construction of corporate integrity.

4 Governance section

4.3 Protecting Investors' Rights and Interests

4.3.1 Shareholder Returns

Since its listing, the company has achieved good development in production and operation, with continuous improvement in brand awareness and customer loyalty. The quality of the company's operations has steadily improved, making it one of the important research and manufacturing bases for major equipment required for national infrastructure construction, and creating abundant economic benefits for society and shareholders.

Zoomlion has always attached great importance to shareholder returns. Since its listing, it has distributed dividends 28 times with a total amount exceeding RMB30.6 billion, and the total amount of dividends has exceeded the amount of equity financing; The dividend payout ratio has maintained a leading position in the industry for a long time, and in recent years, a total of about RMB5 billion in share repurchases have been carried out, reflecting the dividend concept of "long-term, stable, and sustainable". The company's strategy of highly valuing shareholder returns has also been fully recognized by the market. The company's stocks have been selected in a large number of market dividend indices (Shanghai and Shenzhen 300 dividends, CSI 200 dividends, CSI dividends, CSI state-owned enterprise dividends, Shenzhen dividends, Shenzhen dividends, Shenzhen dividends 50, Shenzhen dividends 300, and CSI A-share dividends preferred 50), fully reflecting the market's confidence and recognition of the company's long-term return ability.

Key Performance Indicators for 2025:

Dividend: Dividend twice, cash dividend of approximately RMB4.3 billion

Repurchase: Repurchase and cancellation of 29,457,000 H-shares, accounting for 1.86% of the total H-shares of the company.

4.3.2 Protection of Shareholders' and Creditors' Rights and Interests

The company strictly adheres to the requirements of the Company Law, Securities Law, and relevant regulations of the China Securities Regulatory Commission, continuously improves its corporate governance structure, standardizes its operations, and enhances its internal control system. The company's shareholders' meeting, board of directors, and supervisory board operate in a standardized and effective manner, safeguarding the interests of all shareholders and creditors. There is basically no difference between the actual situation of corporate governance and the normative documents on corporate governance of listed companies issued by the China Securities Regulatory Commission.

4 Governance section

During the reporting period, the company continued to strengthen the training and learning of directors, supervisors, senior management personnel, and employees, including laws and regulations, policy spirit, regulatory requirements, typical cases, etc. of the capital market, to ensure that the company's directors, supervisors, and senior management personnel abide by laws and regulations, fulfill their duties and responsibilities.

In terms of regulating the disclosure of information by listed companies, our company organizes staff involved in information disclosure (including personnel from direct departments and subsidiary companies) to learn relevant laws, regulations, and systems, further enhancing their understanding and sense of responsibility towards information disclosure behavior; From the perspective of ensuring the quality of information disclosure of listed companies and safeguarding the legitimate interests of investors and creditors, our company fully leverages the coordination and service functions of its functional departments, strengthens the internal investigation mechanism for sensitive information, further standardizes the procedures for information disclosure, and strictly implements the provisions of the "Information Disclosure Management System" regarding information transmission, review, and disclosure processes, eliminates selective information disclosure, and ensures timely, truthful, accurate, complete, and fair information disclosure of the company.

In 2025, the company timely, accurately, and standardly disclosed its production and operation situation, major investments, equity incentives, and other matters, providing investors with sufficient investment basis and establishing investment confidence.

In 2025, the company held two shareholders' meetings, and adopted online voting to facilitate shareholders' participation in the meetings while ensuring legality and effectiveness; When the shareholders' meeting deliberates on major issues affecting the interests of small and medium-sized investors, separate vote counting was conducted for the votes of small and medium-sized investors, and the results of the separate vote counting were disclosed together with the resolutions of the shareholders' meeting.

Key Performance Indicators for 2025:

During the reporting period, the company released 122 information disclosure documents and received no penalties for violating information disclosure regulations.

4 Governance section

4.4 Stakeholder Communication

Zoomlion attaches great importance to two-way communication and collaboration with various stakeholders, viewing it as an important cornerstone for enhancing corporate governance and sustainable development. The company has established a systematic and normalized communication mechanism, maintaining close contact with government and regulatory authorities, shareholders and investors, customers, employees, suppliers, communities, and regulatory authorities through multiple channels. Zoomlion is committed to building long-term and trusting partnerships through transparent information disclosure, regular communication activities, and open feedback platforms, jointly promoting the harmonious development of the company with society and the environment.

Key stakeholders	Main expectations	Communication channel	2025 Communication Highlights
Government and regulatory agencies	- Operate in accordance with the law and regulations - Serve national and local development strategies - Take on social responsibility - Leading the development of the industry	- Work meetings - Conduct research and investigation - Related conferences, summits, forums - Regulatory assessment	- The on-site exchange meeting of “Striving for First Class and Benchmarking Learning” for state-owned enterprises in Hunan Province was held at Zoomlion Heavy Industry Science and Technology Co., Ltd - The company has been awarded the title of Leading Intelligent Factory by six departments including the Ministry of Industry and Information Technology
Shareholders and investors	- Performance growth and investment return - Improved information disclosure - Establish a sound corporate governance structure	- Shareholders' Meeting - Information Disclosure - Performance briefing - Roadshows and reverse roadshows - Shenzhen Stock Exchange Interactive Easy Platform	- The company held 2 shareholder meetings - Participate in the online collective reception day and semi annual performance briefing for investors of listed companies in Hunan Province in 2025
Customer	- Products with excellent performance and reliable quality - Quick response customer service	24-hour hotline - WeChat service account - Exclusive APP - Online customer service 25 overseas multilingual service lines	25 multilingual service lines have been established overseas, covering 12 time zones, which can meet the needs of over 80% of customers worldwide - Establish and improve a customer “problem is improvement” mechanism, enabling customer issues and suggestions to be promptly resolved by various business departments within 48 hours.

4 Governance section

Key stakeholders	Main expectations	Communication channel	2025 Communication Highlights
Employees and Trade Unions	- A healthy and safe working environment - Career development - Protection of employee rights and interests	- Employee appeal platform - Human Resources Department - Trade unions - Party branch - Chairman's mailbox	The company responds to the implementation of safety production and promotes safety culture through multiple channels and forms. The "Zhonglian Daily" has published three special editions and 11 themed reports, while the "Business Unit Style" has published 42 articles and filmed 11 safety culture promotional videos
Suppliers and partners	- Win win cooperation - Clean and compliant procurement process - Supply chain assistance	- Supply Chain Management Platform - Supplier performance evaluation - Supplier assistance guidance - Report and Complaint Channel	Standardize and agree on the integrity discipline to be jointly observed with the supply and cooperation parties, such as the "Integrity Trading Agreement" and "Integrity Negotiation Commitment Letter", and clarify the liability for breach of contract.
Community and charitable organizations	- Support community development - Environmental protection - Social welfare activities	- Conduct research visits - Public welfare activities	- Huang Lanxiang, President of Hunan Charity Federation, visited the company to investigate the progress of public welfare and charity work - Hunan TV documentary 'Teaching Points on High Mountains' enters Zoomlion Heavy Industry Science and Technology Co., Ltd
Media	Communication, exchange, cooperation, and win-win outcomes	- News interviews - Public platform	- CCTV's "Morning News" program aired a special report on "Decoding Intelligent Factory" - Zoomlion assists CCTV's live broadcast of the September 3rd military parade

4 Governance section

4.5 Anti Commercial Bribery and Anti Corruption

Integrity is the cornerstone of sustainable development for enterprises and the core connotation of fulfilling social responsibility. In 2025, the company will deeply implement the strategic deployment of the 20th National Congress of the Communist Party of China on comprehensively governing the party strictly and promoting the fight against corruption, closely focusing on the core goal of enhancing the core competitiveness of the enterprise and achieving high-quality development. Adhering to the working principle of “zero tolerance, no restricted areas, and full coverage”, the company will strengthen discipline and accountability, precise supervision and prevention, deepen integrity education, and forge a professional team through four key measures, comprehensively build a system for punishing and preventing corruption, build a clean defense line for enterprise management, and create a clean and upright development ecology.

The company has established a full chain anti-corruption management system covering “pre prevention, in-process control, and post accountability”. This system is organized and guaranteed by the disciplinary inspection and supervision team, focusing on key areas and critical links, and achieving deep integration of business supervision through regular supervision and inspection, special investigation, and rapid response mechanisms. At the same time, through hierarchical and classified integrity training, warning education, and cultural promotion, we promote the internalization of integrity awareness in the heart and externalization in action, forming a governance pattern driven by both institutional constraints and cultural infiltration.

The company has established a business ethics training system that covers all employees and requires mandatory participation. Business ethics, clean practices, anti fraud, and anti commercial bribery are included in the mandatory training content. By constructing a clean education system that categorizes teaching, draws lessons from cases, and is culturally infused, the company guides employees from multiple dimensions to build a strong ideological defense against corruption and change.

In 2025, the company will focus on four major measures to deepen anti-corruption work: first, strengthen discipline and accountability, establish a response mechanism of “cracking down and handling quickly” for high-risk areas such as bidding and procurement, engineering construction, and marketing, and strictly investigate behaviors such as embezzlement of positions and transfer of benefits; The second is to establish a full chain supervision system and promote embedded risk prevention and control around strategies such as intelligent manufacturing and overseas expansion; Thirdly, carry out hierarchical integrity education, hold 16 large-scale training sessions throughout the year, with a 100% coverage rate of business ethics training and a total training time of 48 hours; The fourth is to strengthen the professionalization of the disciplinary inspection team, enhance supervision and disciplinary capabilities through practical training and institutional improvement, and build a solid organizational guarantee. During the reporting period, no major cases of illegal commercial bribery were found within the company.

4 Governance section

4.6 Adhere to the guidance of Party building

4.6.1 Party Building Leads High Quality Development, Steady and Far Going

The construction of the Party has always been the cornerstone of various work of Zoomlion Heavy Industry Science and Technology Co., Ltd., playing a significant role in political guidance and escort for high-quality development, ensuring the stable and far-reaching development of the enterprise on the road of sustained high-quality development.

Zoomlion always adheres to the leadership of the Party and grasps the fundamental direction of the cause's progress. Give full play to the core role of the Party organization in "directing, managing the overall situation, and ensuring implementation", and regard the Party's leadership as the fundamental political guarantee for building world-class advanced manufacturing enterprises; Always incorporate the leadership of the Party throughout the entire process of corporate governance, integrate the Party's line, principles, and policies into all aspects of strategic implementation, and ensure that the decisions and deployments of the Party Central Committee are consistently implemented and effective in the enterprise.

The Party Committee of Zoomlion has 6 grassroots Party committees, 7 Party branches, 122 Party branches, and 248 Party groups, with a total of more than 3,900 Party members. On average, there is 1 Party member for every 8 employees. Party branches are established in workshops, areas, overseas, and projects. The Party Committee of the Company has successively won honorary titles such as the National Advanced Grass roots Party Organization, the National Hero Collective in Earthquake Relief, the National May Day Labor Award, the National Civilized Unit, the National Advanced Grass roots Party Organization in Earthquake Relief, the Chinese Charity Award, the Advanced Collective in Hunan Province in Fighting the COVID-19, the Advanced Grass roots Party Organization in Hunan Province, and the Benchmark Party Organization in Two New Fields in Hunan Province.

4.6.2 Zoomlion supports live streaming of the September 3rd military parade

On September 3rd, a military parade was held in Tiananmen Square to commemorate the 80th anniversary of the victory of the Chinese People's War of Resistance Against Japanese Aggression and the World Anti Fascist War. To assist in the live broadcast of the September 3rd military parade, Zoomlion deployed 13 high-end equipment and stationed the team on-site for 90 days, repeatedly simulating and practicing, in order to allow the cameraman to capture more stunning on-site paintings with a more accurate perspective. As the only equipment manufacturing enterprise in the industry that assists CCTV in live broadcasting, Zoomlion has cooperated with CCTV six times in national level large-scale live events.

4 Governance section

The live broadcast of this military parade is grand and requires extremely high filming standards. CCTV has put forward strict requirements for the mechanical equipment used to assist in filming, especially the safety, stability, and reliability of the equipment. The 13 high-end equipment deployed this time include two categories: truck cranes and aerial work platforms. A professional support team of 40 people from Zoomlion arrived in Beijing in early June to provide reliable technical support for CCTV throughout the entire process.

Zoomlion has dispatched six 130 tonnes truck cranes, model ZTC1300VS763-1, which will only be launched in early 2025, with leading technology and excellent performance. The company also dispatched 7 high-altitude operation equipment, including 2 ZT72J, 2 ZT32J, and 3 ZT22J, with the highest reaching 72 meters. All equipment was specially customized for the live broadcast of this military parade.

5 Environment section

5.1 Coping with Climate Change

5.1.1 Governance

In the management process, the Company shall strictly comply with the Environmental Protection Law of the People's Republic of China and other regulatory requirements, carefully implement the environmental protection management policies of local governments at all levels, fully implement the system management document requirements of the Company, and actively implement the environmental protection social responsibility of the enterprise. In terms of governance structure, the company is responsible for environmental management by the senior management, has a special safety and environmental management department, and has established a hierarchical management mode of the headquarters and business units. For environmental information management, the CEO Office and the EHS Management Department of the Company will collect the environmental management information of subsidiaries at all levels quarterly.

The Company fully considers the impact on the environment in the production and manufacturing process, fully considers the environmental impact in all aspects, especially the impact on the atmosphere. The Company has established a perfect environmental management system to ensure that the business link is responsible for the employees and the society; Through cross-department cooperation, the management systematically promotes carbon emission accounting, energy conservation and carbon reduction project investment, green product R&D and supply chain carbon management, quantitatively manages product design, supply chain carbon emission and production carbon emission through product carbon footprint, and links climate performance with relevant management assessment. Through internal audit and information disclosure mechanism, the Company ensures the effectiveness and transparency of climate governance and is committed to enhancing business resilience and long-term competitiveness in low-carbon transformation.

5.1.2 Strategy

The company has incorporated addressing climate change and clean energy into its core strategy, with “greening, digitization, and globalization” as its core, and has built a short, medium, and long-term layered green system that is deeply linked to the 15th Five Year Plan. In the short term, with the smart industry city as the core, photovoltaic projects will be fully connected to the grid, and digital energy management will be implemented to reduce carbon emissions and increase efficiency. Accelerate the landing of new energy products in the medium term and continuously expand the product matrix. Long term anchoring of “full lifecycle greening”, relying on high-end and international strategies to expand the global low-carbon market, and consolidating the foundation of development. A systematic climate response system has been formed, including research and development of new energy products, green manufacturing, and global low-carbon market layout. The company has completed systematic resource adaptation, strategically anchored green transformation, seized green opportunities, and continuously enhanced green competitiveness.

5 Environment section

Risk/ Opportunity Types	Risk/ Opportunity Description	Time range of impact	Potential impact	Strategy
Physical Risks of Climate Change	Extreme weather conditions may increase equipment maintenance costs and push up operating expenses in the short term	Short-term and Medium-term	Rising operating costs	Faced with the challenge of differences in overseas working conditions, the company relies on the "customized research and development+localized services" model to customize products based on regional climate characteristics, such as customizing wet and hot adaptation equipment for Southeast Asia, effectively hedging regional risks under 55.58% of overseas revenue.
Climate change transition risk	Green technology and initial investment in photovoltaic construction may occupy short-term cash flow	Short-term and Medium-term	Rising operating costs	The company successfully issued RMB6 billion of convertible bonds to increase research and development, coupled with a year-on-year increase of 127.78% in operating cash flow for the whole year, ensuring continuous technological iteration.
Opportunities for Climate Change Transformation	Relevant management agencies need to update and eliminate construction machinery and equipment that have been in use for more than 10 years, high pollution, high energy consumption, severe aging and wear, and outdated technology, and encourage the purchase of new energy and new technology construction machinery and equipment.	Medium-term and Long-term	Rising operating Revenue	The company is accelerating the research and development and implementation of new energy products, driving green transformation with new energy and new materials. The entire series of new energy equipment has been basically formed and continuously expanded, supported by the accumulation of "digital+green" technology to support product iteration and help the explosive development of new energy business.

5 Environment section

5.1.3 Impact, Risk, and Opportunity Management

The company actively responds to the risks and impacts of climate change, establishes a climate change risk management process, identifies, analyzes, evaluates, and manages major climate change risks and opportunities through internal research, industry studies, and external recommendations. Based on the results of risk identification, targeted mitigation measures are developed to promote the integration of climate risk management into the multi departmental risk management process of the entire company.

5.1.4 Indicators and Objectives

In 2025, the company's greenhouse gases are mainly generated from fossil fuel combustion and electricity consumption, resulting in a total greenhouse gas emission of approximately 227,342.89 tonnes (2024: 187,949.80 tonnes). The greenhouse gas emission intensity is 4.35 tonnes per million revenue (2024: 4.13 tonnes per million revenue), representing an increase of 5.33% in greenhouse gas emissions per million revenue. This is mainly due to the company's continuous investment in industrial internet, artificial intelligence, the Internet of Things, robotics, and other fields, leading to a continuous improvement in the intelligence and automation levels of production lines. Intelligent factories have caused a significant increase in electricity load and total electricity consumption, and the scale of energy consumption continues to grow with the advancement of smart manufacturing. As the company's capacity utilization increases, electricity consumption per million revenue is expected to show a decreasing trend. The relevant emission data is as follows:

Greenhouse gas generation methods	Greenhouse gases by 2025 total emissions (Unit: Tonnes)	Greenhouse gases by 2025 Emission density (Unit: Tonnes per million revenue)	Greenhouse gases in 2024 total emissions (Unit: Tonnes)	Greenhouse gases in 2024 Emission density (Unit: Tonnes per million revenue)
Directly generate	52,649.04	1.01	50,920.99	1.12
Indirectly generate	174,697.40	3.34	174,697.40	3.01
Total	227,346.44	4.35	225,618.39	4.13

5 Environment section

5.2 Pollutant emissions

5.2.1 Governance

The Company actively promotes the energy conservation and emission reduction in the production process. The PV power generation in the Smart City Park of the Company is directly used in the production process and the PV energy condition is subject to quantitative management. In addition, the production equipment in the Smart City is energy-saving equipment. However, due to the particularity of industrial enterprises and technical limitation, the Company inevitably generates air pollutants such as sulfur dioxide and nitrogen oxide and greenhouse gases such as carbon dioxide in the production and manufacturing process. The painting workshop of the company will inevitably produce industrial wastewater. In view of this kind of situation, the Company has formulated such rules and regulations as Environmental Factor Identification, Evaluation and Control Procedure, Waste Management Method and Exhaust Gas, Waste Water and Noise Management Regulations to ensure the management of pollutants in the production and manufacturing process.

The main source of waste gas emissions from Zoomlion Heavy Industry Science and Technology Co., Ltd. comes from daily business and production activities. During the reporting period, the waste gas emissions of all subsidiary companies of the group did not exceed the standard, and the emission concentrations and total amounts of various pollutants met national and local standards. The exhaust gas is treated through mainstream treatment processes such as activated carbon adsorption+catalytic combustion (CO/RCO), zeolite wheel concentration+catalytic combustion/incineration, bag dust removal, and welding flue gas centralized purification system. The group's NOX million output value emission in 2024 is 0.092 Kg, and the NOX million output value emission in 2025 is 0.0518 Kg, a year-on-year decrease of 43.85%. The emission reduction effect of exhaust gas is significant.

Zoomlion's waste gas emissions mainly come from daily business and production activities. During the reporting period, Zoomlion strictly followed relevant national and local environmental protection laws and regulations, implemented full process supervision of all its subsidiaries, and did not exceed the standard for wastewater discharge. The concentration and total amount of various pollutants discharged met national and local standards. After the construction and operation of the Zoomlion Intelligent Industry City, the production wastewater of the main machinery park, such as engineering cranes, concrete pump trucks, earthmoving machinery, and high-altitude operation machinery, will be purified by the park's sewage treatment station and then sent to the downstream Lei Feng sewage treatment plant through the municipal pipeline network for disposal, without direct discharge. The total COD output per million of the group in 2024 is 0.371 kg, and in 2025 it is 0.279 kg, a year-on-year decrease of 24.73%. The effectiveness of wastewater treatment is significant.

5 Environment section

In 2025, the company will increase investment in environmental protection and energy conservation, continuously track corporate pollutant emissions, ensure compliance with emission standards, and prevent major environmental incidents and illegal activities in the environmental field.

5.2.2 Strategy

The company is committed to reducing pollutant emissions during the production process, incorporating greening into its technology development strategy, deploying research on relevant basic technologies in advance, and supporting global sustainable development through research and construction of green design, green manufacturing, green management, and green standards.

Risk/ Opportunity Types	Risk/ Opportunity Description	Time range of impact	Potential impact	Strategy
Risk of exceeding pollutant emissions standards	Improper management during the company's production process may result in excessive pollutant emissions, leading to penalties from local safety and environmental departments	Short-term	Rising operating costs	The company strictly abides by the Environmental Protection Law of the People's Republic of China, increases efforts in pollutant management, adopts technological means for pollutant supervision, and actively promotes the transformation of green manufacturing
Risk of pollutant emission restrictions	Failure to meet pollutant emission control standards or limit production capacity, affecting business scale and revenue realization	Short-term and Medium-term	Rising operating costs	The company takes the smart industry city as a low-carbon benchmark, implements multiple green production measures, and comprehensively reduces pollutant emissions
Opportunities for Green Manufacturing	The company starts from the entire manufacturing process to reduce pollutant emissions	Medium-term and Long-term	Decreasing operating costs	The company controls the emission of pollutants during the manufacturing process from the source and selects raw and auxiliary materials with low volatile organic compound content

5 Environment section

5.2.3 Impact, Risk, and Opportunity Management

Risk identification: Some subsidiaries of the company are key polluting units announced by the environmental protection department. Relevant subsidiaries have formulated the “Environmental Self testing Plan” in accordance with management requirements and have passed the review of local ecological and environmental authorities. And entrusted qualified third-party organizations to regularly monitor the industrial wastewater, domestic wastewater, organized waste gas, unorganized waste gas, noise, soil and groundwater of relevant subsidiaries, and all data were publicly disclosed as required.

Risk assessment: In the management process, the company has developed the “Environmental Factor Identification, Evaluation, and Control Procedure” to identify environmental impact factors within the company, evaluate major factors, and develop a major environmental factor control plan accordingly.

Risk response and management: The company has established a waste management system for the production process, designed specialized treatment methods for waste by category, assigned dedicated personnel, and introduced qualified treatment institutions for waste treatment. Regular supervision and spot checks are conducted by the safety and environmental management department to continuously track the company’s pollutant emissions.

5.2.4 Indicators and Objectives

Goal: The company is committed to reducing the discharge of wastewater and exhaust gas, and reducing the impact on the environment during the production process by introducing green manufacturing processes.

5 Environment section

Indicator:

Pollutant type	Emissions	Disposal method	Emission reduction related indicators
Waste gas pollutants	135 Tonnes	For the organic waste gas generated during the coating process, processes such as “filtration cotton+activated carbon adsorption+desorption catalytic combustion” or “water spinning treatment+activated carbon adsorption+RCO (regenerative catalytic combustion)” are used to ensure compliance with emission standards.	The coating production lines in major industrial parks use dry ice cleaning instead of organic solvent cleaning, mixed air spraying, powder and water-based paint spraying, as well as two spray and two dry environmentally friendly coating processes to reduce VOC emissions by about 350 tonnes per year
Wastewater pollutants	19 Tonnes	Production wastewater (such as paint wastewater) is treated by the sewage station in the factory area or treated by biochemical methods, and then discharged into the municipal sewage pipe network for deep treatment in the centralized sewage treatment plant. Domestic sewage is treated in sedimentation tanks and discharged into the municipal pipeline network.	Establishing a sewage treatment plant in the park for pre-treatment of spray painting wastewater can reduce the COD concentration in the front-end of biochemical treatment from 30000mg/L to around 1000mg/L, and then enter the biochemical system for treatment, effectively improving treatment efficiency and capacity, and promoting standard discharge.

5.3 Energy Utilization

In order to strengthen energy management, reduce material consumption and improve energy utilization rate, the Company has established a special energy management department, and formulated the Energy Management System according to the national energy working guidelines and policies and energy management standards, combined with the actual situation of production and material consumption. In accordance with the Energy Management System, the Company will reward the effective use of energy and resources for intensive use of electricity and water conservation, and punish the waste of energy and resources.

5 Environment section

Energy utilization situation:

The Company actively improves the energy utilization efficiency by taking advantage of the opportunities of Zoomlion Smart City construction. Photovoltaic power generation is adopted in the Zoomlion Smart City, and quantitative management is carried out on the photovoltaic energy conditions, so as to continuously improve the intelligent operation and maintenance and clean energy utilization level of the plant. Through energy management and control system, scientific scheduling, photovoltaic power generation, motor energy conservation and other technical means, digital energy enabled production is realized, and carbon reduction and efficiency increase are win-win.

The company's products mainly include industrial vehicles, construction equipment, etc. The consumption of packaging materials during product production and transportation is relatively low, so there is currently no relevant statistical data on the consumption of packaging materials.

Indicator	Unit	Annual consumption in 2025	Annual consumption in 2024
Diesel	Tonnes	6,021.82	7,153.99
Gasoline	Tonnes	79.50	399.49
Natural gas	Cubic meters	1,561.84	1,276.49
Total water consumption	Cubic meters	2,901,323.43	3,460,103.39
Electricity consumption for purchase	10,000 kWh	27,365.93	21,316.72
Comprehensive energy consumption	Tonnes of standard coal equivalent	59,705.08	51,252.42
Comprehensive energy consumption intensity	Tonnes of standard coal/RMB 10,000	1.14	1.13

Improving energy efficiency:

The company actively improves the energy utilization efficiency by taking advantage of the opportunities of Zoomlion Smart City construction. The Smart City Park of the company is equipped with roof distributed PV power generation equipment and all of them are put into use. The Company carries out quantitative management on the use of PV power generation, and continuously improves the intelligent operation and maintenance and clean energy utilization level of the plant. Through energy management and control system, scientific scheduling, PV power generation, motor energy conservation and other technical means, the Company achieves digital energy generation, carbon reduction and efficiency improvement.

5 Environment section

The success of distributed photovoltaic grid connected power generation on the roof of the lifting machinery park in Zhonglian Smart Industry City marks that the city has achieved full capacity grid connected power generation of distributed photovoltaic on the roof, and all parks have used green energy. This is a vivid practice of the company's support for the national dual carbon strategy, and also provides a demonstration and benchmark for the green development of the industry.

The roof photovoltaics of Zhonglian Smart Industry City are mainly distributed in the lifting machinery park, pumping machinery park, earthmoving machinery park, and high-altitude machinery park, achieving a total of 82 million kilowatt hours of distributed photovoltaic full capacity grid connected power generation on the roof, equivalent to a reduction of 47,000 tonnes of annual carbon emissions.

5.4 Environmental Compliance Management

The Company strictly abides by national and local laws and regulations related to ecological environment, conducts regular environmental impact assessments and identification and evaluation of environmental factors every year, and systematically investigates, analyzes, and evaluates the environmental impacts that may occur in production and operation activities. By conducting regular environmental impact assessments, continuously identifying environmental risks and improvement opportunities, optimizing environmental management measures, ensuring that all business activities comply with environmental requirements, and promoting the green, low-carbon, and sustainable development of enterprises. The company has commissioned qualified third-party organizations to regularly monitor the industrial wastewater, domestic wastewater, organized waste gas, unorganized waste gas, factory noise, soil and groundwater of relevant subsidiaries. All monitoring data has been made public as required. During the reporting period, the monitoring data met national and local standards, and there were no instances of excessive emissions.

The Company shall actively respond to environmental supervision, strictly abide by the statement of local environmental protection taxes in each park, and actively improve the environment of the production park. Some parks such as earthwork, pumping and high machinery are green plants recognized by the environmental protection department. The Company was awarded as the advanced unit of environmental protection in the new area in 2021.

The Company actively carries out relevant environmental protection training to cultivate the sustainable development awareness of the whole company. Environmental protection training plan is formulated and implemented every year, internal environmental protection awareness training is carried out every year, and external carbon emission verification training is organized. The company regularly organizes ISO system certification training and obtains internal auditor certificate, promotes energy conservation and emission reduction, and encourages employees to actively propose emission reduction measures through small reform.

5 Environment section

By the end of 2025, the Company's earthwork, concrete pumping park and high-tech park have completed the cleaner production implementation plan, passed the internal environmental protection audit, and passed the external cleaner production audit and acceptance. In 2025, all parks of the Company have obtained the pollution discharge permit, the environmental protection facilities in the parks can operate normally and effectively, and meet the design discharge requirements. All production parks of the Company have formulated emergency plans for emergency environmental events. In 2025, some subsidiaries of the Company are the key pollution discharge units published by the environmental protection department. The relevant subsidiaries have prepared the Environmental Self-Monitoring Plan in accordance with the relevant management requirements and specifications, and passed the review of the local ecological environment competent department.

By the end of 2025, the Company will maintain the effective environmental management system ISO14001 certification, and the Company will complete the ISO 14064 greenhouse gas verification in the pumping park. During the reporting period, the Company and subsidiaries have no environmental related illegal events.

5.5 Waste Management

Zoomlion's solid waste mainly comes from daily business and production activities, covering general industrial waste (such as metal scraps, packaging materials, etc.) and hazardous waste (such as waste cutting fluid, waste paint barrels, waste activated carbon, waste mineral oil, etc.). The full chain management system of "source reduction, process control, and end of pipe treatment" ensures standardized management of all types of waste from generation, classification, temporary storage to final disposal, strictly follows the core principles of "reduction, resource utilization, and harmlessness", and continuously reduces the impact of solid waste on the surrounding environment.

During the reporting period, the company's main business was the design, production, and assembly of engineering machinery and equipment. The solid waste generated during the entire production process mainly consisted of production scrap steel and waste materials. The company collected and sold the scrap steel and waste materials in a centralized manner to achieve the reuse of waste. At present, water-based paint or powder coating is used instead of oil-based paint throughout the company. Intelligent production lines are used for surface coating, and cutting fluids are filtered through circulation to reduce raw material usage. Hazardous waste intelligent terminals are installed to monitor hazardous waste in real time and connect to national platforms to ensure compliant disposal of hazardous waste. The total hazardous waste production of the group in 2024 is 3,876.3 tonnes, and the total hazardous waste production in 2025 is 3,893.34 tonnes, which is basically the same. The plan is to achieve a 10% reduction in hazardous waste by 2028.

5 Environment section

5.6 Water resource utilization

In the daily operation of Zoomlion, the water used for water resource utilization includes production water and non production water. Production water is mainly used for equipment cleaning, quenching, cooling, and commissioning, while non production water is mainly used for office, canteen, and apartment water.

To strengthen energy management, reduce material consumption, and improve energy utilization efficiency, our company has formulated the “Energy Management System” based on the national energy work policies and energy management standards, combined with the actual situation of production and material consumption. Our company, in accordance with the Energy Management System, rewards the intensive use of energy and resources for energy and water conservation, and punishes the waste of energy and resources.

In 2025, Zoomlion’s total water consumption will be 2,901,323.43 cubic meters, with a water consumption density of 55.55 tonnes per million of operating income.

5.7 Circular Economy

With the steady progress of major decisions such as large-scale equipment updates and the trade in of consumer goods, the market for remanufactured construction machinery has also ushered in more development opportunities. As a leader in the construction machinery industry, Zoomlion Machinery is committed to promoting the standardization, normalization, and internationalization of the second-hand construction machinery industry, and contributing to the construction of a green circular economy system.

The company was authorized by the Ministry of Industry and Information Technology in 2009 to become one of the first engineering machinery remanufacturing units. Nowadays, Zoomlion Remanufacturing has formed a complete operational system, mature and stable process flow. The products remanufactured by the company meet the standards of new machines in terms of performance and quality, and have been widely recognized by the market.

In 2025, the Zhonglian (Hainan) International High end Equipment Industrial Park, invested and constructed by Zhonglian Heavy Industry Science and Technology Co., Ltd., is currently in full swing. The construction of the main office building and the ground gravel cushion layer of the joint factory building have been completed. In the future, Zoomlion will transport the recycled excavators and other second-hand engineering machinery and equipment to the project base for maintenance, renovation, and light assembly, carry out engineering machinery remanufacturing, and leverage the advantages of Dongfang Deepwater Port to sell them both domestically and internationally.

5 Environment section

5.8 Ecosystem and Biodiversity Conservation

The company closely monitors and avoids significant impacts on local biodiversity and ecological stability caused by business operations. It has developed an environmental management inspection checklist, clearly defining the specific responsibilities of each relevant department and conducting regular inspections. Zoomlion, with equipment manufacturing and environmental solution capabilities as its core, has formed a set of “internal and external collaborative” implementation paths for ecosystem and biodiversity conservation, taking the company’s green transformation as an opportunity.

External Empowerment:

The company provides comprehensive environmental governance and ecological restoration solutions, cooperates with key ecological functional counties, and provides comprehensive environmental governance services including garbage collection and transportation, sewage treatment, water restoration, soil remediation, and other services. In addition, in March 2025, Zhonglian Smart Agriculture and Shanghai Aquatic Science and Technology will cooperate to build a pilot project of “high standard farmland+ecological ditch+smart wetland” in the Yangtze River Delta, promoting ecological circular agriculture models such as fish rice symbiosis and wetland agriculture. By constructing ecological ditches, smart wetlands, and other facilities, we aim to enhance the pollution interception and purification capabilities of agricultural ecosystems, while providing habitats for aquatic organisms and promoting the conservation of agricultural biodiversity.

Internal governance:

The company pays attention to the impact on the ecological environment during the production and construction process, and actively carries out ecological restoration work. Implement slope support and greening engineering in self owned project construction, restore vegetation, and prevent soil erosion. Ecological restoration projects will be carried out for some newly built parks, including mountain anchor grid slope protection, sprinkler system layout, filling of planting soil and grass blankets in the geogrid room, etc. Quickly restore vegetation cover in the construction area through greening projects, prevent soil erosion, and maintain the stability of local ecosystems.

6 Social section

6.1 Product and Customer Responsibility

6.1.1 Governance

With the overall thinking of the whole life cycle and the whole value chain, the Company unifies the quality system, promotes the special work of the system and carries out the system improvement and optimization. The senior management of the Company is responsible for product quality management, with special departments responsible for product quality management, Quality Supervision and Management Department responsible for product quality management and Operation Management Department responsible for quality system management,. In terms of governance structure, the company adopts the hierarchical management mode of “headquarters+business unit”: the headquarters is mainly responsible for the supervision and assessment of product quality, and the overall planning, operation, continuous improvement and system certification of the company’s system; The business unit is responsible for the specific operation implementation (such as management review, internal audit, special audit, etc.) and improvement of the specific product quality management and system. The company establishes system and procedure documents according to the system requirements by establishing the quality management system.

In recent years, the Company has deepened the quality digitalization construction, comprehensively strengthened the quality performance indicators and their monitoring, established QMS quality digitalization system, acquired internal and external quality information and carried out monthly statistical analysis by referring to the quality development requirements such as Quality Powerful Strategy, Opinion on the Implementation of Manufacturing Industry Excellent Quality Engineering and Evaluation Standard of Manufacturing Industry Quality Management Capability; Through vigorously promoting the end to end management of “market end – factory end – supply end” of product quality digitization, and using advanced means such as AI intelligent detection, online monitoring systems for key processes such as “intelligent welding cloud”, “intelligent twist cloud” and “intelligent adjustment cloud” are established, which effectively promote the company’s quality management level gradually from “guarantee” to “prevention”. In addition, the Company systematically plans and promotes quality improvement activities, establishes a quality wall mechanism, establishes inspection mechanisms from incoming materials, assembly, commissioning to product delivery, sets quality indicators from product R&D, production process to after-sales service, defines the quality related functional division of each link, and implements full-life cycle management of products.

6 Social section

In terms of product quality, the Company's pump truck, mixer truck, truck crane, truck crane and other products have obtained the 3C compulsory certification of products, the Company's products exported to the EU have passed the CE certification, and the testing laboratory of the Company's Central Research Institute has passed the CNAS certification. For the quality management system, the company passed the ISO9001 quality management system certification for the first time in 2000, and passed the certification audit once a year thereafter. By the end of 2025, the Company has maintained effective ISO9001 quality management system certification and ISO10012 measurement management system certification.

6.1.2 Strategy

The company's quality management policy of "Quality Model, Created by Zhonglian" fully expresses the pursuit of "product quality" and the expectation of "market position". Its connotation mainly includes four aspects: first, the core competitiveness of the product is excellent performance and reliable quality; The second is to meet customer needs and even exceed their expectations with excellent products; Thirdly, by gaining recognition from customers and the market, we aim to establish a competitive advantage and become a benchmark in the industry; The fourth is to lead the development of industries, broaden global perspectives, and become a model for global manufacturing.

Risk/ Opportunity Types	Risk/ Opportunity Description	Time range of impact	Potential impact	Strategy
Global customer churn risk	Our company's products have been widely covered in more than 170 countries and regions, with significant differences in customer backgrounds and needs. If customer service response falls short of customer expectations, we will face the loss of customers and market share	Short-term and Medium-term	Decreasing operating revenue	The company has established a global customer service management system and continuously improved its customer complaint handling mechanism. In China, it achieves instant response through 24-hour hotlines, WeChat service accounts, dedicated apps, and online customer service. Overseas, it has set up 25 multilingual service lines covering 12 time zones, which can meet the needs of more than 80% of customers worldwide; Establish a sound customer "problem is improvement" mechanism to achieve timely resolution of customer issues and suggestions to various business departments within 48 hours.

6 Social section

Risk/ Opportunity Types	Risk/ Opportunity Description	Time range of impact	Potential impact	Strategy
Opportunities for product intelligence	The era of artificial intelligence will promote the deep integration of the construction machinery industry with the Internet, big data, cloud computing and other fields, and customers have put forward higher requirements for product intelligence	Medium-term and Long-term	Rising operating revenue	In recent years, the company has continuously invested in R&D and accelerated application of cutting-edge technologies such as artificial intelligence, cloud computing, big data, and the Internet of Things. It ranks first in the industry in terms of patent applications for digital technology inventions such as big data and cloud computing, and has built future industrial ecosystems such as industrial Internet and embodied intelligence.

6.1.3 Impact, Risk, and Opportunity Management

The company hopes to gain recognition from customers and the market through its products, win a competitive advantage pattern, become an industry benchmark, and lead industry development. Therefore, it actively identifies risks related to product and customer responsibilities, and formulates response strategies based on the identified results.

Risk identification: The company identifies product quality and customer feedback risks throughout the entire lifecycle of the product, establishes a “daily clearing and settlement, combined with congestion relief” problem improvement mechanism, ensures that customer issues reach the core business department within 24 hours, relies on big data analysis to form a “feedback improvement verification” cycle, continuously improves response speed and satisfaction, and achieves dual enhancement of service capabilities and customer value.

Risk assessment: The company monitors the real-time operation status of hundreds of thousands of devices worldwide through an IoT platform and establishes a digital service system for the entire product lifecycle. A health assessment model based on AI algorithms significantly improves the accuracy of core component failure warning, promotes the transformation of service mode from “passive maintenance” to “active prevention”, effectively reduces customer downtime risks, and ensures stable equipment operation.

Risk response and management: The company has established a sound global service network to ensure comprehensive coverage of customer rights and interests. It provides standardized services such as delivery training, regular maintenance, and fault repair around the entire life cycle of equipment, and combines value-added services such as technical exchanges/training, service for thousands of miles, and online shopping to achieve 7×24 hours support and defend customer usage rights with efficient and reliable actions.

6 Social section

6.1.4 Indicators and Objectives

The company adheres to the concept of “ultimate” quality, establishes product and customer responsibility related indicators and goals, and meets customer needs with excellent products, even exceeding customer expectations.

Indicator	Unit	Goal	Situation in 2025
The quantity of products sold or shipped that need to be recalled due to safety and health reasons	%	0%	0%

6.2 Data Security and Customer Privacy Protection

Zoomlion has always attached great importance to data security and customer privacy protection in its business operations. By establishing a data security governance system, strengthening technical protection, and customer privacy management, it has systematically constructed a framework for data security and customer privacy protection.

The company establishes a compliance system and department, and benchmarks international requirements to manage data privacy protection as one of the core compliance risks, and regularly conducts employee training. The company has established a data asset management platform and an inspection and testing information management platform, with data security as the core module for construction.

In addition, the company has comprehensively sorted out its industrial data, accumulated massive data from multiple dimensions such as operation, manufacturing, and the Internet of Things. Through the classification and grading management of industrial data, the efficiency and security of data usage have been improved, and the global flow and orderly sharing of data have been promoted; Through the application of protective technologies such as industrial data classification and grading, the management capability of industrial data has been greatly improved; By relying on secure and trustworthy data to guide construction operations, we have established a data-driven approach to achieving a closed-loop service management system. This has significantly improved the construction efficiency, environment, safety, and other aspects that enterprises are concerned about.

In 2025, the company has not experienced any illegal incidents related to customer data security and privacy protection.

6 Social section

6.3 Supply Chain Security

6.3.1 Governance

The company's vision and goal are "Green Extreme, Smart Supply", adhering to the business philosophy of "integrity-based, win-win cooperation", continuously improving the level of supply chain management, optimizing the supply chain ecosystem, introducing high-quality supplier resources, creating an advanced green supply chain management system, and creating value for the company and society.

The company has established a comprehensive supply chain management system and designed a strict full process supplier management mechanism from admission to exit management. The company has launched a supplier management platform, which has achieved the unification of the entire company's supply chain platform, unified processes, and standards, realizing end-to-end business connectivity in the supply chain and solidifying business standard models.

In addition, the company has signed a "Clean Trade Agreement" with each supplier and contractor, extending business ethics and anti-corruption compliance requirements to the entire supply chain. It continues to carry out special training and publicity work for suppliers and contractors, focusing on core content such as anti-commercial bribery, fair competition, clean cooperation, conflict of interest declaration, and compliance code of conduct. It provides regular training and warning education for key suppliers, contractors, and partners. The company has also established a compliance admission and dynamic management mechanism for suppliers and contractors, incorporating business ethics and anti-corruption requirements into the entire process of supplier and contractor evaluation, admission, performance, and exit, strengthening supervision and management of high-risk links and key objects, guiding partners to jointly establish the concept of honest management, and building a clean, transparent, and sustainable supply chain ecosystem.

6.3.2 Strategy

The company will establish an industrial ecosystem centered around Zoomlion as its strategic goal, continuously integrate industrial chain resources, and effectively promote the ecological transformation of the supply chain platform. By upgrading the supply ecosystem layout, building a digital supply chain, and collaborating on supply chain ecosystem assistance, we aim to achieve management breakthroughs and establish a stable, reliable, efficient, and low-cost supply chain ecosystem.

6 Social section

Risk/ Opportunity Types	Risk/ Opportunity Description	Time range of impact	Potential impact	Strategy
Risk of changes in overseas market policies and laws	Global trade protectionism is on the rise, and the dual anti regulatory requirements for overseas target markets are becoming stricter. More requirements are being put forward for the localization rate and production location of product supply chains, which may lead to punitive tariffs on company products.	Short-term and Medium-term	Reduce the company's overseas market sales revenue and net profit	Accelerate the construction of a global supply chain network, optimize global resource allocation efficiency, and effectively diversify industrial chain risks by laying out diversified production bases and overseas localized procurement channels
Risk of improper supply chain procurement management	Due to improper supplier and procurement management, there may be quality or price issues with the supplied materials purchased by the company.	Short-term and Medium-term	Increasing the company's operating costs, affecting the quality of the company's products, and thereby reducing the company's operating revenue	Regarding material quality, the company has established a strict supplier management mechanism from admission to exit, incorporating quality into the regular performance evaluation dimensions of suppliers. For identified high-risk suppliers, they will be included in the second party audit plan for the following year. In response to material prices, the company continues to promote the integration of bulk general materials procurement, deepen strategic cooperation in key materials, drive cost reduction and quality improvement, and transform ultimate costs into stable and sustainable competitive advantages in the market.
Opportunities for Supply Chain Quality, Safety, and Environmental Requirements	Global attention to quality, safety and environmental issues is increasing, and higher compliance requirements are being put forward for on chain suppliers' quality, safety and environmental issues	Medium-term and Long-term	Increasing the production costs of the company's suppliers, which in turn affects the company's operating costs	When selecting and evaluating new suppliers, the supply chain should combine the company's safety and environmental requirements, clarify the environmental and green requirements in product and production management in the safety and environmental agreement, technical agreement, and quality agreement, and sign with the supplier to implement annual inspections to ensure that the overall supply chain can meet environmental requirements. Deeply explore the optimization direction of suppliers' processes, working hours, and quotas, guide suppliers to improve their process level and intelligence level, and help suppliers reduce costs and increase efficiency.

6 Social section

6.3.3 Impact, Risk, and Opportunity Management

The company has established a supply chain management system led by the Supply Chain Management Department to identify, analyze, evaluate, and manage supply chain risks. Based on regular rating results, supply chain risks are managed in a layered and targeted manner.

Risk identification: To establish a stable, reliable, efficient, and low-cost supply chain ecosystem, the company has established a strict pre risk identification process and set up strict inspection procedures for suppliers. Starting from admission, resource suppliers are upgraded to potential suppliers through qualification review and on-site inspection approval. After sample trial production, small batch verification, and PPAP recognition, they can only be recognized as qualified suppliers after ensuring that product quality and delivery capabilities meet the requirements.

Risk assessment: The company assesses supply chain risks by regularly evaluating supplier performance. For qualified suppliers, the company will use monthly, quarterly, and annual performance evaluation mechanisms to rate them from multiple dimensions such as quality, delivery, business, service, and safety and environmental protection.

Risk response and management: The company applies supplier performance evaluation results to supplier grading, quota adjustment, and exit management, continuously optimizing the supplier resource pool.

6.3.4 Indicators and Objectives

The company's vision and goal is "Green Extreme, Smart Supply", adhering to the business philosophy of "integrity-based, win-win cooperation", continuously improving the level of supply chain management, optimizing the supply chain ecosystem, introducing high-quality supplier resources, and creating an advanced green supply chain management system.

Indicator	Unit	Goal	Situation in 2025
Number of suppliers	Household	Continuously introducing high-quality supplier resources	As of 2025, the company has a total of 2,275 qualified suppliers (excluding internal supporting facilities), with 682 qualified suppliers within Hunan Province and 1,593 suppliers outside Hunan Province.

6 Social section

6.4 Innovation driven

6.4.1 Governance

The company adheres to the development philosophy of “technology is the root, product is the foundation”, continuously improves the scientific research management system, continuously enhances the level and efficiency of innovation management, and has formulated more than 20 research and development management systems such as the “Science and Technology Investment Management Measures”, “Research Project Management Measures”, and “Technical Cooperation Management Measures”. The company has established a technical committee responsible for approving the company’s scientific and technological development direction, guiding, supervising, and evaluating the construction of technology platform capabilities and the implementation of scientific research work in various business units, evaluating the construction of professional technical talent teams, and reviewing and awarding scientific research achievements in various departments. At the same time, a 4.0 technology special inspection team will be established to supervise the progress and effectiveness of product technology research and development, as well as the operation of the research and development system of the business unit every quarter, and put forward improvement suggestions and supervise their implementation.

The company has 8 national level scientific research and innovation platforms, including the National Key Laboratory of Key Technologies for Lifting Machinery, the National Concrete Machinery Engineering Technology Research Center, and the National Certified Enterprise Technology Center. It has built a two-level innovation platform that integrates basic application technology research with the development of host products and key components, enabling seamless integration between scientific research and market demand.

6.4.2 Strategy

Zoomlion adheres to the scientific and technological development strategy of “accumulating energy and momentum, independent innovation, key breakthroughs, and comprehensive catch-up”, insisting on “technology as the root, product as the foundation” and “using extreme thinking to make products”. Through comprehensive implementation of intelligent, green, digital, and global transformation in scientific and technological innovation, we aim to create a number of high-end products and leading technologies in the industry, accelerate the development of new energy products and the rapid industrialization of future new industries, and support the sustainable development of the company with scientific and technological innovation.

6 Social section

Risk/ Opportunity Types	Risk/ Opportunity Description	Time range of impact	Potential impact	Strategy
Intellectual Property Risk	Global trade The company's products have been widely covered in over 170 countries and regions. Differences in intellectual property policies and legal environments in different regions may lead to intellectual property disputes or lawsuits involving the company's products.	Medium-term and Long-term	Decreasing Operating revenue, Rising Operating costs	We have established an intellectual property protection, application, and risk prevention system from individual technology products to the entire industry chain, and developed multi-dimensional and multi-level protection strategies and measures. We have also established a fully covered intellectual property risk monitoring and early warning mechanism for overseas markets
Technical research and development risks	Due to the uncertainty in the process and results of technology research and development, the company's technology research and development investment may not meet market expectations for output or effectiveness.	Short-term and Medium-term	Rising Operating costs	The company has established a two-level innovation platform that integrates basic application technology research with the development of host products and key components, enabling seamless integration between scientific research and market demand
Opportunities for technological layout	The company actively participates in the revision of international, national, industry, and group standards at all levels, while focusing on patent and intellectual property layout to enhance product competitiveness.	Short-term and medium-term	Rising Operating revenue	The company actively leads the development of international, national, industry, and group standards throughout the year, and continues to develop enterprise technical standards to promote their transformation into overseas technical standards
Industry development opportunities	The company continues to invest in innovation and strives to lead the industry direction with product and technological innovation.	Medium-term and Long-term	Rising Operating revenue	The company has established multi-level technological innovation models such as international integration innovation, top-level independent innovation, and buyout integration innovation, committed to enriching the company's innovation driven ecosystem

6 Social section

6.4.3 Impact, Risk, and Opportunity Management

Zoomlion adheres to the technology development strategy of “accumulating energy and momentum, independent innovation, key breakthroughs, and comprehensive catch-up”, actively identifies and evaluates risks and opportunities related to technological innovation, and uses technological innovation to support the company’s sustainable development.

Risk identification: In the innovation driven process, the company mainly faces challenges such as changes in national policies, laws and regulations, industry standards, uncertainty in the process and results of R&D technology roadmap, intellectual property disputes or infringement. The company identifies innovation related risks by combining macro information, industry trends, and internal R&D data.

Risk assessment: In the innovation driven process, the company classifies risks based on their likelihood and impact, and establishes a scientific risk assessment system to achieve precise responses to innovation driven risk challenges.

Risk response and management: The company has developed a “Patent Analysis Work Guide” to optimize the panoramic analysis of competitors and their intellectual property, providing forward-looking decision support for global market expansion. For research and development projects, the company has formulated the “Technology Investment Management Measures”, which ensures that annual scientific research investment fully supports the company’s technology and product development through strict budget preparation, plan implementation, supervision and assessment, and uses technological innovation to support the company’s sustainable development.

6 Social section

6.4.4 Indicators and Objectives

The company fully implements intelligent, green, digital, and global transformation in technological innovation, with the goal of creating a group of high-end products and leading technologies in the industry based on independent innovation, accelerating the development of new energy products and the rapid industrialization of future new industries, and empowering the company's high-quality development with technological innovation.

Indicator	Goal	Situation in 2025
Number of patents	Further strengthen the layout of patents and intellectual property rights	During the reporting period, 1,772 patents were applied for, including 960 inventions, which made it onto the list of China's Top 100 Patent Innovation Enterprises and ranked first in the industry; 44 international patent PCT applications have been filed, with a cumulative increase of 18.92% in PCT application volume. The number of foreign layout patents has increased to 34 countries and regions, with a coverage growth of 48%.
Number of new products	Accelerate the development and launch of new energy products	During the reporting period, 58 new energy products were released and 240 new energy products were on sale
R&D investment	Increase R&D investment to empower the company for high-quality development	During the reporting period, R&D investment was RMB2.894 billion, accounting for 5.55% of the main business revenue.
Number of R&D personnel	Expand the scale of R&D personnel and accelerate technological innovation	As of December 31, 2025, the company has 10,775 R&D personnel, accounting for 30.49%.

6.4.5 2025 Innovation Driven Achievements

Developed a batch of industry-leading products and technologies

During the reporting period, the company developed three of the world's most advanced products, including the world's largest 3,600 ton meter wind electric boom tower crane, the world's largest 700 horsepower hybrid wheeled tractor, and the world's longest five bridge 76 meter compliant steel boom pump truck. Additionally, the company also developed three industry first products, including a 5-bridge 82 ton pure electric articulated crane transport vehicle, a 55 ton pure electric drive port tire crane, and a distributed electric drive continuously variable transmission 400 horsepower hybrid tractor.

6 Social section

In terms of technology, we have independently developed and constructed three core technology systems: electric drive continuously variable transmission, electric drive adaptive collaborative operation, and full speed intelligent driving for the entire field, breaking through the technological monopoly of international giants in the high-end agricultural machinery field; Research and develop low-temperature power protection technology for hybrid tractors, which can meet the starting requirements of extreme low-temperature environments below -30°C , and help promote the layout of the company's entire range of hybrid tractors in extremely cold regions; Pioneering historical data stream storage based on the vehicle controller, with a maximum data storage capacity of 30kb, achieving the "black box" function of engineering equipment without the need for additional equipment, providing a fast track for key events for the company's technical, after-sales, and calibration personnel; Leading the industry towards the era of new energy at a rapid pace. Breakthrough the complete set of technologies such as line control power distribution control and electric mining card fault safety control through multi-level redundant braking, create a safer new energy mining card complete set of technologies, and help accelerate the iteration of unmanned mining complete solutions.

Core Technologies and Products Achieved Major Breakthroughs in the Agricultural Machinery Equipment Sector

During the reporting period, agricultural machinery and equipment were driven by high-end, international, and new energy strategies, and independently developed and constructed three core technology systems: electric drive continuously variable transmission, electric drive adaptive collaborative operation, and full speed domain intelligent driving for the entire field, breaking the long-term technological monopoly of foreign high-end agricultural machinery on the Chinese market; We have overcome the low temperature power protection technology for hybrid tractors, which enables them to start and operate normally in extreme low temperature environments below -30°C , helping the company's entire range of hybrid tractors to promote and layout in extremely cold regions. Leading the agricultural machinery industry towards the new energy era, we have developed the world's largest 700 horsepower hybrid tractor and the world's first hybrid high feed harvester. Multiple high-end and new energy agricultural machinery products have been sold in Russia and South America. The world's largest 700 horsepower hybrid tractor, with a peak power of 1,200 horsepower, is designed for high-intensity operations on large-scale farms. It is equipped with the company's self-developed EPiot intelligent driving system and AOS intelligent operation system based on Beidou high-precision positioning, which can achieve automatic driving of tractors and automatic operation of agricultural machinery. It can still perform centimeter level high-precision operations at high speeds.

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Key components achieve new breakthroughs

During the reporting period, the focus was on the overseas compliance of host products and the overtaking of agricultural machinery and new energy curves, comprehensively benchmarking industry benchmarks, conducting research and development of 194 key components, and achieving batch loading of 106 key components. Key breakthroughs have been made in transmission and new energy core technologies such as electric drive bridge, dual motor coupling, continuously variable speed, power commutation, high reluctance topology, and flat wire winding process. Challenges in overseas network communication security and stability have been overcome, effectively supporting the independent controllability of host core components and enhancing market competitiveness.

Accelerate the development of new energy products

During the reporting period, we focused on breaking through 25 new energy technologies such as energy and speed coordination control for hybrid tractors under sudden load changes, and developed 58 new energy products. The new energy penetration rates of mixer trucks and mining trucks increased to 77% and 19%, respectively. We have developed the world's largest 700 horsepower hybrid wheeled tractor, the industry's first 5-axle 82 ton pure electric articulated crane transport vehicle, and a 55 ton pure electric drive port tire crane and other new energy complete machine products.

As of 2025, there will be 240 new energy products on sale, covering leading products such as concrete mixer trucks, concrete pump trucks, engineering cranes, aerial work platforms, forklifts, excavators, off highway wide body dump trucks, airport fire trucks, and agricultural equipment.

Accelerating the scaling up of future industries

Accelerate the development of future industries such as robots and hydrogen energy products. In terms of robot research and development, integrate big data, artificial intelligence, and product design technologies to enrich the scene. Build a software and hardware capability system of "key components ontology algorithm platform", develop 8 intelligent robot prototype products in 4 categories, reach international advanced level, and complete preliminary verification in logistics sorting scenarios, laying a solid foundation for the promotion and sales of product ecosystems; Hydrogen energy products have broken through 14 key technologies, with 7 new products offline, and hydrogen compressors have been sold.

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Intellectual property and standards empower globalization strategy

During the reporting period, 1,772 patents were applied for, including 960 inventions, which made it onto the list of China's Top 100 Patent Innovation Enterprises and ranked first in the industry; 44 international patent PCT applications have been filed, with a cumulative increase of 18.92% in PCT application volume. The number of foreign layout patents has increased to 34 countries and regions, with a coverage growth of 48%. The cumulative number of valid invention patents is 3786, and the cumulative number of PCT applications is 618. The foreign patents cover 34 countries and regions, ranking among the top in the industry. We have optimized the panoramic analysis of overseas competitors and their intellectual property rights, compiled the "Patent Analysis Work Guide", improved the accuracy of layout, and completed the research on intellectual property environment information in 21 countries, providing forward-looking decision support for global market expansion. Steadily advancing the process of international standardization, leading the development of 8 international standards by 2025, of which 1 has entered the draft stage and 2 have been successfully approved; 18 national standards, 5 industry standards, and 11 group standards have been released, including 1 breakthrough national mandatory standard. At present, a total of 659 enterprise technical standards have been revised, including 95 converted overseas technical standards.

6.5 Rural revitalization

Zoomlion Heavy Industry has always been guided by Xi Jinping's Thought on Socialism with Chinese Characteristics for the New Era, deeply practicing the development concept of putting the people at the center, and using intelligent agricultural machinery and smart agriculture as the "dual wheel drive", it has embarked on a rural revitalization practice path of "technology empowerment, industry assistance to agriculture, and service rooting".

6.5.1 Technology Assists Rural Revitalization, with Good Opportunities for Promoting Agriculture through Technology

Case: Zoomlion Yuelu Smart Farm: Smart Agriculture Escorts the "Great Country Granary"

On June 3, 2025, the headline of CCTV News of CCTV aired "New ideas lead a new journey to comprehensively improve food productivity and consolidate the foundation of food security", in which, taking Zoomlion Yuelu Smart Farm as an example, it introduced Zoomlion Smart Agriculture Research Team, through the development of multiple algorithms and technologies, combined with self-developed crop models, helped to save fertilizer and increase production with precision fertilization technology services, and created a new model of smart agriculture.

6 Social section

Zoomlion Yuelu Smart Farm is located in Yungai Village, Lianhua Town, Yuelu District, Changsha City, covering an area of nearly 800 acres. The project aims to create an ecological, digital, and intelligent crop planting system, utilizing the collection, analysis, and decision-making of agricultural big data to provide precise technical support and services for crop planting. It focuses on building a lighthouse type smart park that integrates digital high standard farmland, advanced agricultural technology, and high-end intelligent agricultural machinery and equipment.

The company is based on agricultural meteorological and remote sensing monitoring data, with crop models and AI big model technology as the core, to create an intelligent crop planting decision-making system for the entire process of fertilization, irrigation, and plant protection. Precise fertilization is one of the representative achievements. It is reported that the research team of Zhonglian Smart Agriculture has successfully developed multiple algorithms and technologies such as remote sensing growth diagnosis and dynamic adjustment of variable fertilization. Combined with their self-developed crop model, they can use drones to perform variable fertilization at the square meter level, achieving the goal of “supplementing where is lacking, what is lacking, and how much is lacking”.

Zoomlion Yiyang Vegetable Base: A New Attempt of Technology to Assist Rural Revitalization

On November 5, 2025, the Zoomlion Yiyang Vegetable Base project officially started construction in Jinpenqiao Village, Yuejiaqiao Town, Heshan District. The project plans to invest approximately RMB10 million and covers an area of 382.04 acres, aiming to combine technology and ecological concepts to create a modern agricultural industry base that integrates planting, demonstration, processing, and supply.

The vegetable base will plan and construct high standard smart greenhouses to achieve precise and efficient planting; Synchronize the development of open-pit planting areas to achieve organic and standardized production. At the same time, actively promote contract agriculture, achieve linkage between enterprises and local cooperatives, effectively drive farmers' income growth, and empower rural industrial revitalization. After the completion of the project, it will achieve three goals – to build a stable agricultural product supply chain for enterprises, drive farmers to develop contract agriculture and increase income, and promote the transformation of regional agriculture towards standardization and intensification.

6 Social section

The 5th National Conference on the Development and Application of Smart Agricultural Materials also visited the Zhonglian Yuelu Smart Farm. Zhonglian Smart Agriculture gave a speech on the theme of “Smart Agriculture+Smart Agricultural Materials Empowering High Quality Agricultural Development”, jointly exploring the establishment of a regional precision fertilization and medication smart agricultural material collaborative network, and promoting the transformation and upgrading of traditional agricultural service models to digital smart agricultural models. Collaborate to launch the Anhui Province 2024 Modern Young Farmers Training Course (Phase II), enhance the modern agricultural management capabilities of young farmers, and promote the high-quality development of Anhui’s agricultural modernization.

Improve the agricultural machinery service system and safeguard the service guarantee of Sanxia

The company has established a “1+4+4” agricultural machinery service guarantee system consisting of a smart command center, four service columns, and four business support centers. It has also added 107 standardized agricultural machinery service outlets nationwide, bringing the total number of service outlets to over 686 and achieving full coverage of the agricultural machinery service network. At the same time, relying on the previously established Agricultural Machinery Social Service Alliance, the company effectively linked professional resources and built a large-scale service team of 2,200 people, providing solid support to the vast number of machine operators around the clock and at all times.

6.6 Social Contribution

Zoomlion adheres to the core values of “sincerity without interest, profound and far-reaching”, actively fulfills social responsibilities in emergency rescue, caring education, public welfare and charity, and demonstrates the great love of the enterprise.

Love changes destiny, actively supports social charity and public welfare:

On August 28th, 2025, the “Love Changes Destiny” charity education campaign was grandly held in Changsha. Since 2003, the “Love Changes Destiny” charity education campaign has been held continuously for **23 sessions**. The civil affairs and charity organizations in the province have raised a total of **RMB853 million**, helping **254,800 ambitious** young people enter university gates. In 2025, the theme of the event is **“Gratitude and Inspiration, Giving Back to Society”**, aiming to inspire more former “beneficiaries” to become “helpers” and transform from beneficiaries of “receiving love” to practitioners of “sharing love”.

One of the initiators of the event, Zoomlion, is committed to “enterprise value comes from society”. Over the past 23 years, it has donated nearly RMB40 million, just to fulfill the solemn promise made by Zoomlion Chairman Zhan Chunxin in 2003- “Zoomlion will always support the activity of” love changes destiny.

6 Social section

In addition, the company continues to strongly support social charity and public welfare undertakings. In 2025, it will donate RMB800,000 through the Hunan Provincial Charity Federation to support college students from ethnic minority areas with financial difficulties. 19 college students and above from Bailang Town and Longxi Village in Zixing City received targeted funding, with a donation of RMB95,000 for educational assistance. Actively participate in the 2025 Changsha Hope Project to care for disadvantaged youth theme public welfare activities, donate 2 “Hope Huts” worth RMB30,000. Continuously providing targeted assistance to Yiyun Mingde Primary School in Beijinggang Town, Huarong County, Yueyang, Hunan Province, donating RMB100,000 to support the development of rural basic education.

Love echoes, actively engage in volunteer service activities:

On April 26th, the Youth League Committee of Zoomlion Agricultural Machinery Company, together with the Hunan Association of the Deaf and Mute, launched the “Silent Wheat Ears, Echoes of Love” public welfare activity. Through a variety of activities, we have built a communication bridge with people with hearing impairments, allowing the silent world to echo with love. Xu Zhi, Chairman of the Hunan Province and Changsha Deaf Association, Hu Xianqing, Deputy Secretary of the Party Committee and Chairman of the Trade Union of Zhonglian Agricultural Machinery, Miao Xuan, Vice Chairman of the Zhonglian Agricultural Machinery Trade Union and Secretary of the Youth League Committee, as well as relevant responsible persons from various units of the Hunan Province Deaf mute Association, more than 20 hearing-impaired people, and more than 20 volunteers of the Agricultural Machinery Youth League Committee participated in this activity.

On site, company volunteers and hearing-impaired individuals diligently studied sign language courses such as daily language, positive short phrases, and the song “You Look Good When You Laugh”, and performed together. Volunteers at the event site will deliver handwritten letters and flowers carrying sincerity and care to hearing-impaired individuals, conveying warmth through words. Subsequently, everyone watched the movie ‘Silent Love’ together to gain a deeper understanding of the life stories of the hearing-impaired community. The scene was filled with joy and warmth, and everyone’s smile became the most beautiful language to break down communication barriers.

In addition, the company has organized a series of volunteer activities: collaborating with the Civil Affairs Bureau of Tianxin District, Changsha City to provide condolences to families of disadvantaged children, and carrying out follow-up visits after the construction of the Zhonglian “Hope Hut”. The company’s youth volunteer association actively carried out public welfare fund-raising activities for the victims of the Shigatse earthquake in Xizang and the flood disaster victims in Yuzhong, Lanzhou, and jointly carried out charity and environmental protection volunteer activities in conjunction with Wuhu Qianfan Public Welfare Organization and Wuwei Yanqiao Junior High School. It went to Changde West Dongting Wangzhou Elementary School, Hunan Xinshao Huilong Community Golden Old Age Nursing Home, Changde Social Welfare Home, Lei Feng Nursing Home, and Changsha Shangshan Handicapped Center to carry out condolence donations and charity public welfare activities, demonstrating the responsibility and responsibility of the youth of China United.

7 Employee section

7.1 Employee Employment and Development

Zoomlion adheres to the development philosophy of “talent is the first resource of the enterprise”, actively fulfills its social responsibility of stabilizing and expanding employment through systematic recruitment plans and a competitive comprehensive salary and welfare system, and provides solid talent support for the company’s globalization and diversification strategy.

7.1.1 Governance

The company has established relevant systems in multiple dimensions for the management, supervision, and risk control of employee employment and development, covering the entire process of employee employment and development, including work standards, talent recruitment, employee compensation, employee training, and employee governance.

Management process	Institutional document	Regulation
Work Specifications	Employee Code of Conduct, Smart City Employee Code of Conduct, and Overseas Employment Compliance Management Guidelines	Clear regulations have been made to standardize employee behavior in terms of professional ethics, work standards, and safety/environmental/occupational health standards. Develop the “Guidelines for Compliance Management of Overseas Employment” to support overseas scenarios, clarify the compliance red line for overseas employment (such as behaviors prohibited by local labor laws and regulations), strengthen the publicity and training mechanism for employment compliance, regularly carry out compliance learning, and prevent risks of overseas employment from both institutional and awareness levels

7 Employee section

Management process	Institutional document	Regulation
Talent Recruitment	Regulations on Intern Management and Management Measures for the Use of Supplier Services in Talent Recruitment of Zoomlion Heavy Industry Science and Technology Co., Ltd	Clarify the “three principles” of talent introduction, namely, openness, fairness and justice. In the recruitment process, the company does not take any discriminatory conditions as the screening basis, and the recruitment standards only focus on the corporate culture recognition, professional integrity, professional ability and post matching, without any discriminatory clauses.
Employee compensation	Salary Management System of Zoomlion and Management Measures for Employee Salary Payment	Clarify the salary range and level for each position, ensuring internal fairness and external competitiveness of employee compensation
Staff training	Training Management Measures	Clearly define the division of responsibilities, the content, timeline, and assessment requirements for onboarding training, as well as the requirements for storing training records; Establish a training effectiveness evaluation and feedback mechanism
Employee governance	Regulations on Rewards and Punishments for Employees, Management Measures for Work Visa of Chinese Overseas Employees, and Management Measures for Chinese Overseas Functional Line Leaders	Employees who violate company rules and regulations, social order and good customs will be punished, and the levels and methods of rewards and punishment will be clearly defined. Develop management systems for supporting overseas scenarios, clarify visa processing standards for expatriates, management requirements for overseas performance, and reduce compliance and performance risks for expatriates.

7.1.2Strategy

The human resources department implements the company’s development philosophy of “talent is the first resource of the enterprise”, and based on the three functions of “development, management, and service”, carries out orderly work such as talent introduction, talent cultivation, talent incentive, and employee care, enhances the cohesion of the employee team, provides solid talent guarantee for the company’s globalization and diversification strategy, promotes the company’s high-quality and sustainable development, and helps employees and the enterprise win together.

7 Employee section

Risk/ Opportunity Types	Risk/ Opportunity Description	Time range of impact	Potential impact	Strategy
Risk of talent recruitment misalignment	Due to inadequate talent recruitment and employee communication, employees may be misaligned with the company's needs and requirements in terms of values, behavior, and professional skills.	Short-term and Medium-term	Rising Operating costs	Before employees join, it is necessary for the human resources department to conduct value assessments, background checks, qualification reviews, and other necessary procedures. After employees join, regular organizational dedication surveys are conducted to listen to their voices and understand their situation.
Talent management risk	Due to unclear and unreasonable systems in talent treatment, employee training, career development, and other aspects, it may lead to talent loss and inefficient management.	Medium-term and Long-term	Rising Operating costs	The company continues to improve its diversified, sustainable and competitive incentive mechanism, and has established the "Zoomlion Salary Management System" to provide employees with competitive salary and benefits; We have standardized the establishment and management of the company's job position system, formulated the "Management Measures for the Job Position System of Zoomlion Heavy Industry Science and Technology Co., Ltd.", and established professional development and promotion channels for various job sequences.
Talent Empowerment Opportunities	By implementing a systematic empowerment program, training resources will be focused on core business areas and key positions, providing solid talent support for globalization and diversification strategies, and promoting the company's high-quality and sustainable development	Medium-term and Long-term	Rising Operating revenue	The company transforms employee career development gaps into systematic empowerment programs through training. Based on the company's strategic development and global talent capability requirements, after in-depth analysis of training needs, targeted special training will be carried out in a hierarchical, classified, and specialized manner. Each training project will have a customized training effect evaluation mechanism, and the course design will be continuously optimized through feedback mechanisms to enhance employee participation and sense of gain.

7 Employee section

7.1.3 Impact, Risk, and Opportunity Management

The company adheres to the development philosophy of “talent is the first resource of the enterprise”, attaches great importance to employee employment and development, and identifies, analyzes, evaluates, and manages employee related risks and opportunities through the human resources department.

Risk identification: The company identifies the employment and development risks of relevant employees through assessment tools, employee voice surveys, thematic training, and other methods. By strengthening pre-employment assessments and background checks, as well as conducting in-service employee voice surveys, the company understands the employment and development situation of employees.

Risk assessment: Based on the results of risk identification, the company will determine the level and disposal process of employee employment and development related risks according to the likelihood and impact of risk occurrence.

Risk monitoring: The company sets up inspection and audit departments to supervise and audit internal violations and disciplinary actions. Establish a multi-channel feedback and handling mechanism for employee demands. Employees can provide personal demands and suggestions through the demand platform, union, party branch, human resources, and chairman’s mailbox at any time. Strengthen the supervision and inspection functions of organizations at all levels, and timely understand and handle employee demands.

Risk response: The company follows a closed-loop approach of “prevention in advance, control during the process, and rectification after the fact” for employment compliance management, and attaches importance to the vital interests of employees. It formulates internal rules and regulations in accordance with laws and regulations in advance, and implements compliance control and prevention measures for system compliance, document compliance, and execution compliance; Establish a multi-channel feedback and handling mechanism for employee demands during the process, with a focus on early warning of labor relations and participating in conflict resolution; Conduct a comprehensive review and rectification afterwards, analyze the root causes of violations, and develop targeted rectification plans and measures and organize regular training.

7 Employee section

7.1.4 Indicators and Objectives

The steady development of our company has provided stable employment opportunities for society. During the reporting period, nearly 12,000 new employees were hired, including 1,100 fresh graduates introduced through campus recruitment, providing a good platform for stable employment and promoting employment in society. The total number of employees in our company exceeds 35344, of which 51.36% are employees under 35 (including 35), and the age structure is sustainable.

As of December 31, 2025, the employee situation of our company by gender and age group is as follows:

Gender	2025	2024
Male	31,952	28,490
Female	3,392	3,293
Total	35,344	31,783
Region	2025	2024
Domestic	29,616	27,351
Overseas	5,728	4,432
Total	35,344	31,783
Age group	2025	2024
25 years old and below	3,937	4,128
26-30 years old (including 30 years old)	7,327	6,611
31-35 years old (including 35 years old)	6,888	6,942
36-40 years old (including 40 years old)	8,371	6,864
41-45 years old (including 45 years old)	3,868	3,210
46-50 years old (including 50 years old)	1,877	1,890
51 years old and above	1,852	2,138
Total	35,344	31,783

7 Employee section

7.1.5 Care for employees and create a better future together

Under the guidance of the company's "Four Refinements", "Four Strengths", and "Four Extremes" requirements, the human resources work of Zoomlion Heavy Industry Science and Technology Co., Ltd. mainly focuses on three aspects: employee recruitment, compensation and benefits, and career development, to enhance the cohesion of the employee team, promote the high-quality and sustainable development of the company, and help employees and enterprises win together.

In terms of employee employment, the Company has implemented a large-scale and multi-level talent introduction plan according to the needs of business development. In this year, the Company launched the "2025 Campus Recruitment" for graduates at home and abroad, with nearly 1,100 recruits, covering machinery, electricity, intelligent control, new energy IT. There are more than ten categories including minor languages, marketing and management, which provide a wide range of employment opportunities for young talents. At the same time, in order to ensure the expansion of intelligent manufacturing and global service network, the Company has carried out large-scale direct recruitment of "thousands of technician posts" for the society, and has carried out special recruitment in production bases such as Changde, Kaifeng and Chongqing. The Company regulates the working hour arrangement according to the Labor Contract signed with employees, and stipulates to implement three working hour systems according to the post characteristics: standard working hour system, irregular working hour system and comprehensive calculation working hour system.

In terms of remuneration and welfare, the Company has established a performance-oriented, fair and transparent comprehensive remuneration and welfare system, and formulated multiple systems related to employee remuneration, welfare, subsidy and vacation, including Employee Welfare Regulations, Employee Remuneration Management Measures, Even Reward Management Measures, Employee Subsidy Management Measures, Employee Attendance and Vacation Management Measures, etc. Based on the principle of equal pay for equal work and the core distribution basis of post value, competence and performance contribution, the system provides diversified remuneration structure including fixed remuneration, performance bonus, project incentive and scientific research commission for all employees. Combined with medium and long-term incentives such as stock right incentive and employee shareholding plan, the Company has established a two-phase shareholding plan, covering over 2,000 employees in total, so as to ensure that the remuneration level has market competitiveness. The Company shall pay five insurances and one fund (including pension, medical insurance, unemployment insurance, work-related injury insurance, birth insurance and housing accumulation fund) for all employees in

7 Employee section

full amount according to law, and provide supplementary medical and accidental injury insurance according to post characteristics, so as to build a multi-level security network. The Company continues to improve the integrated care and welfare of clothing, food, housing and travel, provide free working meals, staff apartment, commuting bus, customized uniforms, annual physical examination, paid annual leave, holiday sympathy, high temperature/cold prevention subsidies, marriage and maternity care, difficult employee support and other warm projects. The Company has formulated Internal Rescue System and Spring Festival Greeting Subsidy Management Method for needy employees, and provided needy sympathy funds every year to quantify the support results. Meanwhile, it has set up special holidays such as Spring Festival Greeting Holiday, etc. to pay close attention to the physical and mental health and quality of life of employees.

In terms of performance, the Company has established clear performance communication channels and performance feedback and complaint mechanisms, and relevant requirements are institutionalized through Performance Management Regulations, which are published on the OA website. New employees have online courses at the time of entry and can be consulted by all staff in the OA. If an employee has any objection to the evaluation results, he or she may lodge a written appeal within three working days after knowing the results, and the Company shall give a written reply within ten working days in principle. The company deeply binds remuneration and welfare with talent development, constantly optimizes the incentive mechanism, improves employees' sense of gain, sense of belonging and sense of well-being, and helps employees and the enterprise grow together for long-term win-win.

The company has a labor union organization, formulates the "three major and one important" procedure system of the company's labor union, and the "staff appeal management method", establishes the normalized democratic communication system, and develops the "staff appeal platform". The employees can put forward the appeal on the mobile phone at any time. The company's labor union leader must cooperate with the relevant departments to solve the staff's appeal and safeguard the legitimate rights and interests of the employees within 72 hours. In addition, the company designed anonymous structured questionnaires based on such dimensions as job satisfaction, team atmosphere, career growth, remuneration incentive and communication mechanism, collected the true feelings and demands of employees, and analyzed the advantages and disadvantages of employee morale through data quantification. When finding out the problems, based on the investigation results, optimize the management process, improve the incentive system, strengthen the communication feedback, enrich the team activities, transform the investigation results into actionable improvement measures, continuously listen, quickly respond and improve in a closed loop, so as to effectively improve the sense of belonging, enthusiasm and overall morale of employees. The Company organizes and carries out employee satisfaction survey every year, and ensures that the employee satisfaction survey covers all employees.

7 Employee section

In terms of career development, the company has established professional development and promotion channels for various job sequences, such as the technical position evaluation mechanism for technical personnel and the skill level evaluation mechanism for technical workers. Overseas, we have established employee career development systems for 20 key airports worldwide, covering over 3,000 people and achieving a coverage rate of over 80%. The career development system provides employees with two channels for development: management and professional. The management channel includes 12 levels of 4 grades, and the professional channel includes 10 levels of 4 grades, totaling 22 levels. Employees can switch channels for development according to relevant requirements and processes. To ensure the accuracy and fairness of rating and grading, the system has developed differentiated evaluation rules based on the characteristics of different positions. By designing dual career development channels, establishing job qualification standards, and clarifying promotion evaluation mechanisms, job level evaluation is strongly linked to key performance indicators. The results of job level evaluation are linked to employee recruitment, training, compensation, and promotion, achieving the goal of “upward and downward mobility” for employee development, effectively stimulating employee potential, promoting personal growth and ability enhancement. The company implements a comprehensive career development support plan, provides training for external professional certification of employees, builds diversified growth and promotion channels, continuously enhances employees’ professional abilities and career competitiveness, and helps employees grow together with the company.

We insists on caring for employees with heart and emotion, creating a “home Zoomlion” atmosphere, and continuously improving employees’ sense of gain, belonging, and happiness.

7 Employee section

7.2 Employee Training

Zoomlion has closely followed the globalization strategy and business needs, and established a training system that covers all employees and their entire careers. In 2025, the human resources line will be guided by the mindset of operators, focusing on key groups such as overseas talents, intelligent manufacturing, management cadres, and new employees. Through digital learning platforms and diversified training resources, a global learning ecosystem will be built.

Training dimension	Core project	Training content	Key data/effectiveness
Globalization strategy	Global Employee Rotation Training Program	Systematic training covering company culture, product knowledge, and cross-cultural communication to enhance the professional competence and sense of belonging of local talents	Covering 64 countries, training 830 local overseas employees
Sales and Business	Overseas Chinese Sales Rotation Training	Strengthen compliance awareness and marketing skills, and build a professional and responsible overseas image of Chinese enterprises	Carry out 11 sessions, covering 251 people; Establish specialized business manager training
Leadership Development	Empowering the new generation of management cadres	Enhance global leadership and team management capabilities, strengthen grassroots management team building	4 phases and 6 sessions, covering 809 grassroots management cadres

Training dimension	Core project	Training content	Key data/effectiveness
Smart Manufacturing	Special improvement of coating quality	By strengthening theory and improving skills, we aim to establish a solid foundation for product quality	Full chain training covering workshop directors to frontline production personnel
Talent introduction	Cultural immersion in campus recruitment of new employees	Through immersive operation mode, deeply integrate corporate culture into the entire training process and strengthen cultural identity	Theme "Struggle and Striving for Global Prosperity", Strengthening Cultural Identity
Integration of industry and education	University-industry collaboration	Carry out forward-looking technological reserves and introduce high-end talents, establish a talent pool for minority languages	Cooperate with universities such as Tsinghua University and Shanghai Jiao Tong University to recruit 400 talents; Establish a talent pool for minority languages

7 Employee section

7.3 Occupational Health and Safety Measures

The company always adheres to the policy of “people-oriented and green manufacturing”, implements hierarchical matrix management in accordance with the principle of “three management and three musts”, and has established a safety committee with the chairman as the director. The organizational structure of each business unit is led by the general manager as the director of the safety committee.

The Company shall establish and implement a unified environment, occupational health and safety (EHS) management system and policies, define EHS management requirements, apply to all employees, suppliers, labor dispatch personnel and other relevant parties entering the Company’s workplace, and require all personnel to strictly abide by EHS rules and regulations and operating procedures in the operation activities, and perform the corresponding health, safety and environmental protection responsibilities. The company has formulated a number of safety policies and systems such as Safety Production Responsibility System, Occupational Safety Education Management System, Emergency Plan for Production Safety Accidents, and established a clear occupational health and safety production information management mechanism. The CEO Office of the company will obtain external occupational health and safety production management information and distribute it according to the department functions. The company’s safety and environmental management department collects occupational health and safety production management information quarterly.

In 2025, the Chairman of the Company shall take the lead in implementing the main responsibility of safety, organize and hold a special safety meeting, put forward strict safety management requirements for the “top leaders” of each COSL Drilling, study and judge the safety risks during holidays, deploy the work related to production safety during holidays, park safety and safety watch, etc., and promote the “top leaders” of each COSL Drilling to solidly implement the main responsibility of safety through a series of measures, so as to improve the self-awareness and compliance of safety work.

By the end of 2025, the company has maintained the effective ISO45001 occupational health and safety management certification, concrete companies have passed AQ/T 9006 safety production secondary standardization certification, and Aerial Machinery, Zhongwang Branch of Zoomlion and other companies have passed AQ/T 9006 safety production tertiary standardization certification.

7 Employee section

7.3.1 Improve the safety management system

The Company attaches great importance to the occupational health and safety production management of employees, sets non-zero sustainable development objectives in the field of health and safety, and constantly promotes the improvement of safety management level by specifying quantitative indicators and phased improvement requirements. The Company formulates measurable, assessable and improvable objectives and action plans in terms of occupational health protection, operation safety control, hidden danger elimination and management, emergency management capacity building, etc. The Headquarters and each Division sign a letter of responsibility to set the Company's objectives in combination with the national occupational health and safety production objectives, and incorporate the completion of the objectives into daily management and performance evaluation, so as to continuously improve the health and safety performance with systematic and normalized measures, and effectively guarantee the safety and health rights and interests of employees.

Comprehensive improvement of essential safety and environmental protection level

The company's smart industry city has built a full process safety system covering design, production, and management through the deep integration of intelligent production line upgrades and intrinsic safety technologies. After the project was put into operation, the intelligent manufacturing model centered on digitization, greening, and unmanned technology was fully implemented, creating multiple "black light factories" represented by the earth moving machinery park, driving the transformation of safety level from passive protection to active prevention.

In response to hazardous work processes, the company has introduced multiple intrinsic safety technologies. Deploy safety gratings and automatic interlocking devices in the machining and assembly area. When personnel or objects enter the dangerous area, the grating immediately triggers a signal, linking the equipment to emergency stop or isolate to avoid mechanical injury accidents; In the painting process, actively promoting the use of "water-based paint+powder coating" instead of traditional oil-based paint results in VOCs emission concentrations far below industry standards, eliminating the threat of toxic volatile substances to workers' health from the source. At the same time, replacing manual labor with robot spraying operations not only improves coating uniformity, but also completely eliminates the risk of workers being exposed to harmful environments for a long time; In areas with high noise equipment, the company adopts noise reduction technologies such as soundproof covers and mufflers, combined with equipment layout optimization, to control the noise source at the lowest level.

7 Employee section

In terms of hazard management and personnel protection, the company has established a dual mechanism of “technological substitution+institutional guarantee”. In the transportation of heavy components, the company uses unmanned intelligent vehicles such as AGV and RGV to replace manual operation and avoid lifting injuries; In welding operations, reducing the risk of contact between open flames and high temperatures through automatic welding lines. At the same time, the company achieves dynamic monitoring of production through intelligent scheduling systems and digital twin technology, with real-time feedback of equipment operating status and environmental parameters to the central control platform. Abnormal situations automatically trigger warnings, forming a “monitoring analysis disposal” loop.

Dual incentive mechanism to promote efficient implementation of safety production responsibilities

The company closely adheres to government policy guidance, deeply implements General Secretary Xi Jinping’s important instructions of “putting people first and life first”, elevates work injury prevention to a strategic level, strictly implements the “safety production full responsibility system”, practices the red line principle of “development must not be at the expense of safety”, and effectively guarantees the safety of every employee’s life and property.

Based on the characteristics of production and operation, the company has refined assessment indicators and quantified management objectives for key areas such as high-risk operations and equipment operation and maintenance, ensuring that safety management is systematic and evidence-based. By establishing a multi-level and multi-dimensional assessment system, the responsibility for safety production is gradually decomposed to each department and position, achieving a full chain closed-loop management from “knowing responsibility, clarifying responsibility, fulfilling responsibility, and assessing responsibility”. At the same time, the company strictly implements the government’s instructions on safety production and has established a multi-level and fully covered safety incentive system. The company has formulated the “Reward Measures for Internal Reporting of Accident Hazards”, which encourages all employees to participate in hazard reporting through the “casual shooting” function of enterprise WeChat, and provides immediate rewards for effective clues, forming a supervision network of “everyone is a safety officer”. In response to safety improvement proposals, a special reward fund will be established to recognize innovative solutions that optimize process flows and enhance protective effectiveness, promoting the continuous improvement of intrinsic safety levels. In the annual evaluation, honors such as advanced safety and environmental teams, individuals, and fire safety role models will be established. By combining material rewards with spiritual incentives, employees’ awareness of safety responsibility will be strengthened.

7 Employee section

Persistently addressing safety and environmental hazards, and building a long-term mechanism for safety production

To fully implement the decision and deployment of the “Three Year Fundamental Action Plan for Safety Production” on dynamic elimination of major accident hazards, the company innovatively implements the “quarterly cross inspection of business units” work mechanism. Through a systematic and closed-loop hidden danger investigation and governance system, promote the transformation of safety production management from passive response to active prevention. This mechanism adopts a full coverage inspection mode of “horizontal to edge, vertical to bottom” to ensure timely detection, precise rectification, and dynamic zeroing of accident hazards.

In strict accordance with the requirements of “dynamic elimination of major hidden dangers”, the Company divides the 18 business departments into quarterly cross inspection groups, breaks down department barriers, and forms a governance pattern of “everyone checks hidden dangers, and everywhere guarantees safety”. The inspection contents focus on major accident potential judgment standards, covering equipment and facilities, process flow, emergency management and other key links, ensure that there is no dead angle in risk identification, organize hazard identification and publicity regularly and carry out dual prevention work. For the problems found, the system of “one hidden danger and one file” shall be established, and the responsible person for rectification, time limit and acceptance standard shall be specified to realize the closed-loop management of safety and environmental hazards. A total of 4 safety cross inspections were completed throughout the year, a total of 1,629 potential safety hazards were found, and the rectification closed-loop rate reached 100%, eliminating major accident hazards and improving the company’s safety risk management and control level. In addition, in combination with the risk characteristics of the production line, the company has repeatedly carried out special hidden dangers such as pre-holiday and post-holiday, photovoltaic, electrical safety, autumn and winter fire prevention, and built a long-term mechanism of “system+technology+culture” by taking the opportunity of diversified safety inspection.

Building an efficient emergency rescue system for the company

In order to practically improve the emergency rescue ability of the enterprise and guarantee the life and property safety of the company. The company innovatively carried out the “theory+practice+assessment” three-in-one emergency rescue training, scientifically arranged the first aid equipment, successfully constructed the “4-minute gold rescue circle” emergency security network, and provided the occupational health and safety production emergency plan in each business unit and the headquarters building.

7 Employee section

The company collaborates with professional organizations of the Red Cross to develop standardized training programs and organize three rounds of systematic training courses. The training covers 8 modules including cardiopulmonary resuscitation, trauma rescue, and airway obstruction emergency rescue. It adopts a combination of “theoretical teaching+simulation exercises+practical assessment” to ensure that employees master standardized operating skills. Through strict assessment, 347 employees have obtained the qualification certification of Red Cross paramedic (junior), cultivating a professional emergency rescue team.

The company leads various business units to conduct risk assessments of production and living areas and develop AED equipment deployment plans. Install AED equipment in key areas such as workshops, dormitories, and canteens, and set up prominent signs and usage guidelines. Establish an equipment inspection system to ensure that the equipment is always in standby mode. Through scientific deployment, any sudden cardiac arrest event within the company can receive professional first aid within 4 minutes, greatly improving rescue efficiency.

Empowering technology to promote the improvement of safety and environmental management level

Taking advantage of the opportunities of digital and intelligent transformation, the company has created a four in one digital platform for safety supervision covering all levels of the enterprise, which includes a “safety standard system, personnel behavior recognition, equipment status perception, and parameter monitoring”. A total of 14 standard business modules and 7 major application monitoring scenarios have been developed to achieve paperless work methods, real-time data monitoring, intelligent statistical analysis, automated efficiency supervision, technological risk prevention and control, and user-friendly application interfaces, helping the company achieve high-quality and safe development. In 2025, the EHS system practical verification project will be launched. Through systematic testing, problem closed-loop optimization, and feedback iteration, the established business unit will be selected as the pilot unit to carry out a one-year deep verification. The joint technical team will optimize the code, upgrade the algorithm, and adapt the hardware. The completion rate of problem rectification will reach 100%. The system is planned to be fully promoted in the company by 2026. At the same time, the company will establish a system operation monitoring platform to track real-time usage data, continuously optimize functions, and strive to build the EHS system into an industry benchmark for smart safety and environmental protection.

7 Employee section

7.3.2 Create a strong atmosphere and cultivate a safety culture

The company attaches great importance to occupational health and safety production training and training the company's safety culture. The company organizes internal and external safety standardization training every year, and irregularly carries out safety improvement, knowledge contest and other activities. Zoomlion has actively established the "expert guidance" diagnosis system to improve the capacity building of professional teams. Introduce professional think tank resources, cooperate with China Association of Machinery Industry Safety and Health and authoritative experts of Hunan expert bank to carry out combined service of "diagnosis+training", take the lead in organizing mechanical and electrical safety diagnosis training and special training on fire fighting, traffic and occupational health of intelligent production line in the wisdom industry city, organize 8 events in total and participate in 27,125 person-times. The company quantifies the safety training results, formulates the annual safety training plan and strictly implements it, and takes the post after passing the three-level safety education and training examination.

The company has established ten safety and environmental concepts, including "Ensuring Safety is the Greatest Care for Employees". Taking the "Safety Production Month" and "Fire Safety Propaganda Month" as opportunities, the company has carried out characteristic activities such as "Safety Open Class" led by the main person in charge, "Safety Improvement for All Employees", scenario based safety experience, and "Home Enterprise Joint Construction of Safety". The company has promoted safety culture through multiple channels and forms. "Zhonglian Daily" has published three special editions and 11 themed reports, "Business Unit Style" has published 42 articles, and 11 safety culture propaganda videos have been filmed. In conjunction with the Party Youth League Committee, the company has carried out special learning for party members and the creation of youth safety production demonstration posts, giving full play to the leading role of party members and youth, strengthening government enterprise linkage, and carrying out emergency fire and work-related injury prevention safety propaganda activities. Join hands to build a secure defense line. At the same time, safety training courses were developed, and frontline employees were organized to learn the requirements of hazardous operation management. A total of 12,086 people participated, further creating a strong atmosphere of "everyone talks about safety and everyone knows how to respond to emergencies".

8 Appendix

8.1 Disclosure Index of Shenzhen Stock Exchange Guideline No. 17

Number	Topic	Corresponding chapter
1	Responding to climate change	6.1 Coping with Climate Change
2	pollutant emissions	6.2 Pollutant emissions
3	waste disposal	6.5 Waste Management
4	Ecosystems and Biodiversity	6.8 Ecosystem and Biodiversity Conservation
5	Environmental compliance management	6.4 Environmental Compliance Management
6	energy utilization	6.3 Energy Utilization
7	Water resource utilization	6.6 Water Resource Utilization
8	circular economy	6.7 Circular Economy
9	rural revitalization	7.5 Rural Revitalization
10	social contribution	7.6 Social Contribution
11	innovation-driven	7.4 Innovation driven
12	Technology Ethics	Note 1
13	Supply Chain Security	7.3 Supply Chain Security
14	Equal treatment of small and medium-sized enterprises	Note 2
15	Product and Service Safety and Quality	7.1 Product and Customer Responsibilities
16	Data Security and Customer Privacy Protection	7.2 Data Security and Customer Privacy Protection
17	employee	8 Employee Articles
18	due diligence	5.2 Adhere to Business Ethics
19	Stakeholder communication	5.3 Stakeholder Communication
20	Anti commercial bribery and anti-corruption	5.4 Anti Commercial Bribery and Anti-Corruption
21	Anti unfair competition	5.2 Adhere to Business Ethics

Note 1: During the reporting period, the company did not engage in scientific research, technological development, or other activities related to ethical sensitive fields such as life sciences and artificial intelligence. Therefore, this issue is not applicable.

Note 2: At the end of the reporting period, the balance of accounts payable (including bills payable) of the company did not exceed RMB30 billion, accounting for no more than 50% of the total assets. Therefore, this issue is not applicable.

8 Appendix

8.2 Index of Environmental, Social and Governance Reporting Guidelines by the Hong Kong Stock Exchange

Level	Content	Position in the report
A1: Emissions		
A1	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	5.2. Pollutant emissions
A1.1	The types of emissions and respective emissions data.	5.2. Pollutant emissions
A1.2	Repealed 1 January 2025	Not applicable
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	5.5. Waste Management
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
A1.5	Description of emission target(s) set and steps taken to achieve them.	5.2. Pollutant emissions
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.	5.5. Waste Management

8 Appendix

Level	Content	Position in the report
A2: Use of Resources		
A2	Policies on the efficient use of resources, including energy, water and other raw materials.	5.3. Energy Utilization
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).	5.3. Energy Utilization
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	5.6. Water resource utilization
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	5.3. Energy Utilization
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.	5.6. Water resource utilization
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	5.3. Energy Utilization
A3: The Environment and Natural Resources		
A3	Policies on minimising the issuer's significant impacts on the environment and natural resources.	5.8. Ecosystem and Biodiversity Conservation
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	5.8. Ecosystem and Biodiversity Conservation
A4: Climate Change		
A4	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	5.1. Coping with Climate Change
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.	5.1. Coping with Climate Change

8 Appendix

Level	Content	Position in the report
B1: Employment		
B1	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.	7.1. Employee Employment and Development
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	7.1. Employee Employment and Development
B1.2	Employee turnover rate by gender, age group and geographical region.	7.1. Employee Employment and Development
B2: Health and Safety		
B2	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.	7.3. Occupational Health and Safety Measures
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	7.3. Occupational Health and Safety Measures
B2.2	Lost days due to work injury.	7.3. Occupational Health and Safety Measures
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	7.3. Occupational Health and Safety Measures

8 Appendix

Level	Content	Position in the report
B3: Development and Training		
B3	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	7.1. Employee Employment and Development
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	7.1. Employee Employment and Development
B3.2	The average training hours completed per employee by gender and employee category.	7.1. Employee Employment and Development
B4: Labour Standards		
B4	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.	7.1. Employee Employment and Development
B4.1	Description of measures to review employment practices to avoid child and forced labour.	7.1. Employee Employment and Development
B4.2	Description of steps taken to eliminate such practices when discovered.	7.1. Employee Employment and Development

8 Appendix

Level	Content	Position in the report
B5: Supply Chain Management		
B5	Policies on managing environmental and social risks of the supply chain.	6.3. Supply Chain Security
B5.1	Number of suppliers by geographical region.	6.3. Supply Chain Security
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.	6.3. Supply Chain Security
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	6.3. Supply Chain Security
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	6.3. Supply Chain Security

8 Appendix

Level	Content	Position in the report
B6: Product Responsibility		
B6	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.	6.1. Product and Customer Responsibility
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	6.1. Product and Customer Responsibility
B6.2	Number of products and service related complaints received and how they are dealt with.	6.1. Product and Customer Responsibility
B6.3	Description of practices relating to observing and protecting intellectual property rights.	6.1. Product and Customer Responsibility
B6.4	Description of quality assurance process and recall procedures.	6.1. Product and Customer Responsibility
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	6.2. Data Security and Customer Privacy Protection

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Level	Content	Position in the report
B7: Anti-corruption		
B7	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.	4.2. Adhere to Business Ethics
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	4.5. Anti Commercial Bribery and Anti Corruption
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	4.5. Anti Commercial Bribery and Anti Corruption
B7.3	Description of anti-corruption training provided to directors and staff.	4.5. Anti Commercial Bribery and Anti Corruption
B8: Community Investment		
B8	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	6.6. Social Contribution
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	6.6. Social Contribution
B8.2	Resources contributed (e.g. money or time) to the focus area.	6.6. Social Contribution

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Level	Content	Position in the report
Part D: Climate-related Disclosures		
D-I Governance	the governance body(s) or individual(s) responsible for oversight of <i>climate-related risks and opportunities</i>	5.1. Coping with Climate Change
	management's role in the governance processes, controls and procedures used to monitor, manage and oversee <i>climate-related risks and opportunities</i>	5.1. Coping with Climate Change
D-II Strategy	Climate-related risks and opportunities	5.1. Coping with Climate Change
	Business model and value chain	5.1. Coping with Climate Change
	Strategy and decision-making	Note 1
	Financial position, financial performance and cash flows	Note 2
	Climate resilience	Note 2
D-III Risk Management	the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks	5.1. Coping with Climate Change
	the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities	5.1. Coping with Climate Change
	the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring <i>climate-related risks and opportunities</i> are integrated into and inform the issuer's overall risk management process	5.1. Coping with Climate Change
D-IV Metrics and Targets	Greenhouse gas emissions	5.1. Coping with Climate Change
	Climate-related transition risks	5.1. Coping with Climate Change Note 3
	Climate-related physical risks	5.1. Coping with Climate Change Note 3
	Climate-related opportunities	5.1. Coping with Climate Change Note 3
	Capital deployment	Note 4
	Internal carbon prices	Note 4
	Remuneration	Note 4
	Climate-related targets	Note 4
	Industry-based metrics	IFRS Sustainability Disclosure Standard -Industry Indicators Disclosure Index

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Note 1: Our company has conducted a preliminary assessment of the qualitative financial impact of climate change, and has not yet conducted quantitative financial impact calculations and scenario analysis. We will conduct them in a timely manner when conditions are ripe and include them in the disclosure.

Note 2: The company has preliminarily assessed the qualitative financial impact of climate change. Quantitative financial impact measurement and scenario analysis have not yet been carried out, but will be conducted in a timely manner when conditions are suitable and will be included in the disclosure.

Note 3: The company has preliminarily identified climate-related physical risks, transition risks, and opportunities, but has not yet systematically reviewed the amounts and percentages of related assets or business activities.

Note 4: Our company has not yet carried out capital utilization, internal carbon pricing, and incorporating climate related factors into compensation policies and climate related target setting for climate related risks and opportunities. We will carry out relevant work when conditions are ripe and disclose it in the report.

IFRS Sustainability Disclosure Standard -Industry Indicators Disclosure Index

Agenda	Indicator	Unit	2025
Energy Management	Total energy consumption	ton of standard coal	5.3 Energy Utilization
	Percentage of electricity from the grid	%	56%
	Percentage from renewable energy	%	17%

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