Fortior Tech
峰岹科技

峰岹科技(深圳)股份有限公司

Fortior Technology(Shenzhen)Co., Ltd.

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

Stock code : 1304

FORTIOR TECH

2025 Environmental Social and Governance Report

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Overview

- This report is the 2025 Corporate Social Responsibility Report of Fortior Technology (Shenzhen) Co., Ltd. (hereinafter referred to as "**Fortior Technology**" or the "**Company**") (hereinafter referred to as the "**Report**"). The Report provides a truthful and objective account of the activities in corporate social responsibility fulfillment undertaken by Fortior Technology and its branches, operating units and subsidiaries in 2025, with a focus on disclosures across the three major areas of the Environmental, Social and Governance (ESG) performance of the Company.

Reporting Scope

- Unless otherwise specified, all monetary amounts in the Report are denominated in Renminbi.
- Time Scope: The Report is the 2025 ESG Report, covering the reporting period from January 1, 2025 to December 31, 2025 (the "**Reporting Period**"), which is consistent with the Company's financial reporting scope.

Basis of Preparation

- Organisational Scope: Unless otherwise stated, the Report covers the Company and its subsidiaries.
- Guidelines No. 14 for Self-Regulation of Listed Companies of Shanghai Stock Exchange – Sustainability Report (Trial)
- Guidelines No. 13 for Self-Regulation of Listed Companies on the Science and Technology Innovation Board of the Shanghai Stock Exchange — Preparation of Sustainability Report
- Environmental, Social and Governance Reporting Code in Appendix C2 to the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited

Report Languages

The Report is available to readers in Simplified Chinese, Traditional Chinese, and English.

Reporting Principles

- Materiality: The Report identifies and responds to material ESG issues affecting the sustainable development of the Company based on stakeholder research and data analysis.
- Quantitative: The Report has disclosed the quantitative ESG key performance indicators of the Company. Please refer to the performance disclosures under each section of the Report.
- Consistency: The Report maintains consistency in the indicators used across different reporting periods. Where key performance indicators have changed, explanatory notes are provided for those indicators.
- Balance: The content of the Report reflects objective facts and discloses both positive and negative indicators.

Definitions

In the Report, unless the context otherwise requires, the following terms have the meanings set out below:

Fortior Technology, the Company	Fortior Technology (Shenzhen) Co., Ltd.
CSRC	China Securities Regulatory Commission
SSE	Shanghai Stock Exchange
Stock Exchange	The Stock Exchange of Hong Kong Limited
ESG	Environmental, Social and Corporate Governance
Reporting Period	January 1, 2025 to December 31, 2025

Chairman's Statement

To Shareholders:

In 2025, the global semiconductor industry faced a dual opportunity of technological iteration and industrial restructuring. Amid the wave of new-quality productive forces, intelligence, automation, and electrification have become the core drivers of industrial development. As a key component in the high-end manufacturing sector, the market applications of brushless DC (BLDC) motor drive control chips continue to expand into high-value-added sectors. The process of domestic substitution in the integrated circuit industry is advancing deeply into high-end sectors such as automotive, industrial and robotics, marking a golden window period for the industry's development. We remain firmly committed to our strategic goal of "becoming a leading global supplier of motor drive control chips and control systems". By focusing on the core sector of the design of BLDC motor drive control chips and leveraging technological innovation as our primary driving force, we continue to deepen our strategic landscape in emerging sectors such as automotive electronics and industrial control, achieving high-quality growth in annual operating performance. During the Reporting Period, our revenue was approximately RMB**773.9** million, representing an increase of **28.9%** compared to approximately RMB600.3 million for the full year of 2024. The Company's profit for the year 2025 was approximately RMB218.9 million, compared to approximately RMB222.4 million for the full year of 2024. Excluding the impact of share-based payments recognized during the Reporting Period and after considering the income tax effects, our profit increased by **18.9%** year-over-year. During the Reporting Period, the Company's core profitability metrics maintained steady growth, with overall operational performance aligning with expectations for high-quality development. The quality and efficiency of the corporate development improved simultaneously.

1 We focus on core path, solidify the key support for the growth of performance

Leveraging our years of accumulated technical expertise, proprietary innovative drive control algorithms, and end-to-end system-level solution capabilities, we have driven breakthrough development in emerging sectors such as automotive electronics and industrial control while maintaining a strong foothold in core markets such as consumer electronics. We have also sustained steady growth in the major appliance sector. With synergistic efforts across all business segments, our business structure continues to shift toward higher value-added and high-growth areas, further highlighting our core competitiveness. During the Reporting Period, the Company continued to consolidate its market share in its traditional areas of strength, such as smart small appliances, power tools, and sports and mobility products, which accounted for 53.5% of total sales. Leveraging its deep partnerships with leading clients and its ability to rapidly iterate products, the Company maintained its industry-leading position, serving as the cornerstone of its steady performance growth.

2 Our revenue in the automotive electronics sector has grown beyond expectations, and the implement of mass production of automotive-grade products is accelerating across the board

Against the backdrop of the global automotive industry's profound transformation toward electrification and intelligentization, BLDC motors, leveraging the core advantages of high energy efficiency, high reliability, and compact design, are seeing their adoption accelerate rapidly in core applications such as vehicle thermal management, body control, chassis systems, and intelligent cockpits. The market demand for automotive-grade motor drive control chips is experiencing explosive growth. The Company's range of automotive-grade BLDC drive control chips has obtained AEC-Q100 automotive certification and and the Company has obtained ISO 26262 functional safety management system certification. The Company continues to refine related product certification system, and its technical performance and product quality have earned high recognition from both upstream and downstream of the automotive industry. During the Reporting Period, the Company's automotive electronics business achieved development beyond expectations, with revenue from automotive-grade chips rising significantly to 11.8% of total revenue, marking a leap in revenue scale compared to the previous year. The Company's automotive-grade chip products are widely used in core automotive applications such as in-vehicle water pumps, fuel pumps, electric fans, compressors, electric seat adjustment, and window and sunroof controls. At the same time, the Company has established deep strategic partnerships with numerous well-known automakers and Tier 1 manufacturer, continuously expanding its customer base from the domestic market to a global, and taking its product supporting capabilities and market recognition to new heights.

3 The rapid development of the industrial sector has injected new momentum of growth into our revenue

Driven by the accelerating global Industry 4.0 initiative and the rising demand for server cooling resulting from increased computing power requirements in data centers, the industrial sector experiences an exponential growth in demand for motor drive control chips that offer high precision, fast response times, and high stability. Leveraging its forward-looking R&D deployment and technological expertise in the industrial servo sector, the Company achieved dual success in both technological breakthroughs and market expansion. During the Reporting Period, revenue from the industrial sector rose to 15.6% of total revenue, maintaining a trajectory of rapid growth and emerging as a key driver of the Company's performance growth.

4 We have achieved key technological and market breakthroughs in the intelligent robotics sector

With the rapid rise of emerging sectors such as artificial intelligence and embodied robots, collaborative robots, and industrial automation equipment, the Company leverages its technological strengths and has continued to deeply optimize the hardware implementation of motor drive architecture algorithms, complete iterative upgrades of core algorithms, and engage in in-depth technical collaboration and joint development with key downstream customers and Tier 1 manufacturers. These efforts have driven the large-scale mass production of industrial server products in sectors such as industrial automation production lines, high-end server cooling, and robotics. The company established a joint venture with Sanhua Holding Group Co., Ltd. (三花控股集團有限公司) to focus on R&D and industrialization in the field of hollow-cup motors, successfully achieving a breakthrough in core joint technology solutions for humanoid robots; the Company has unveiled the FU75XX series chips, which are the industry's first MCU specifically designed for motor drives based on a 32-bit RISC-V dual-core architecture. This product integrates the second-generation Motor Control Engine (ME2) with a high-performance RISC-V core, tailored for robotics applications, laying a technological foundation for the Company's deployment into the robotics sector.

5 Going forward, we will continue to deepen our global footprint and place a high priority on investor returns

2025 marks the first year since the Company's successful listing on the Main Board of the Hong Kong Stock Exchange, signaling the Company's official entry into a new phase of global development. In the future, the Company will leverage the capital markets of both A share and H share as key platforms to further deepen its globalization development deployment. At the same time, the Company will continue to place a high priority on investor returns, adhere to a consistent and stable profit distribution policy, and implement proactive cash dividend plans based on its operation development, cash flow, and future development plans. This approach will ensure tangible benefits for our shareholders, effectively boost investor confidence, and foster long-term mutual growth between the Company and investors.

Bi Lei
Chairman

About Fortior Technology

The Group is an IC design company dedicated to the design and R&D of BLDC motor control ICs and has established a strong market position within the BLDC motor control and driver chip industry. A BLDC motor is a type of brushless motor driven by electronic commutation, which changes the electromagnetic fields to drive the rotor of the motor. According to Frost & Sullivan, compared with traditional motors, BLDC motors offer advantages such as high efficiency, low power consumption, high control precision and low noise, and are widely used in various applications. Our products are designed to help BLDC motors maximizes their performance advantages and achieve highly efficient, low-noise, and high-precision operation.

Features of BLDC Motors

- High power density, high efficiency, energy-saving
- High control accuracy and high reliability
- High requirement in control algorithm
- Low vibration, low noise
- Easy to maintain with long service life

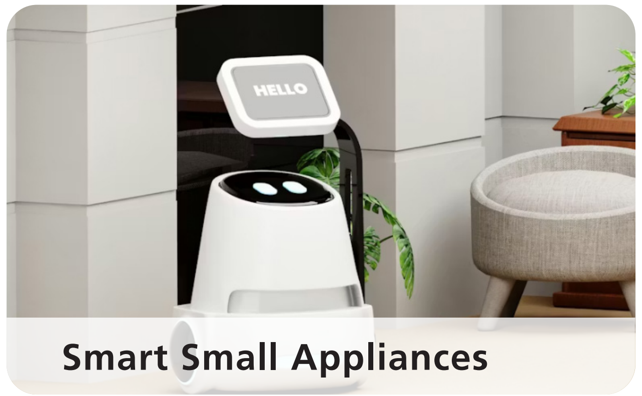
Today, we have successfully broken new ground and become a leader in BLDC motor drive control:

A Global Benchmark in Industrialization
World's first
chip manufacturer which achieve mass production on dedicated motor control chips based on hardware-implemented FOC algorithms

Technology Navigator
China's first
chip manufacturer specializing in the design of BLDC motor drive control chips

Domestic Substitution Disruptor
The only one in the top five
Top 4 in the share of China's BLDC motor drive and control chip market in terms of revenue in 2025
The largest China company in the domestic marketin terms of revenue

Our downstream market


Smart Small Appliances


Major Appliance


Automotive


Data Centers and Industry


Sports and Mobility


Robotics

About Fortior Technology

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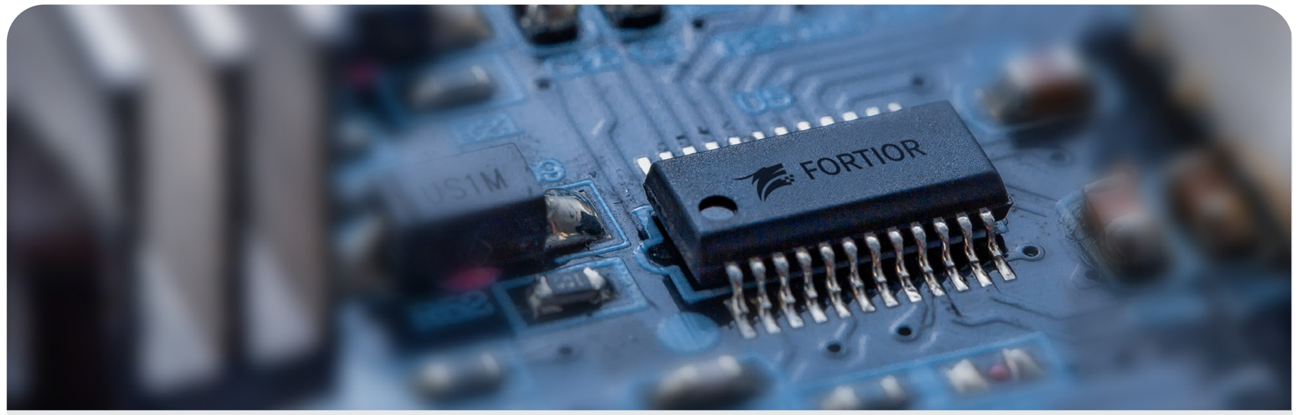
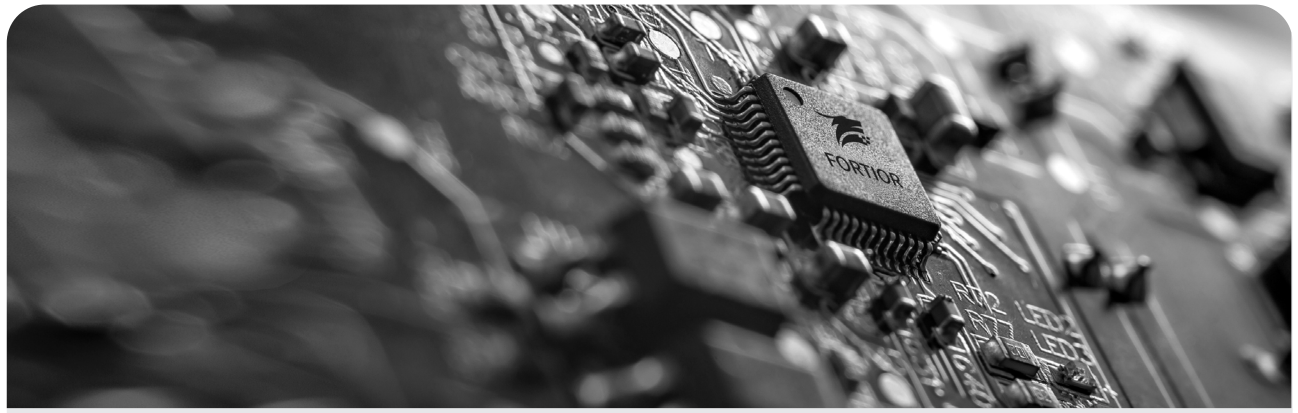


Mission Using innovative chip technology to achieve a thriving ecosystem that is simple, efficient, low-carbon, and energy-saving



Vision Starting with BLDC motors as the foundation of our strategy, we are committed to becoming an exceptional leader in the motor drive and control chips and control systems industry

Over the past decade and more, the milestones of Fortior's journey:

2025
The Company established a joint venture with Sanhua to focus on the R&D of hollow-cup motors and related products for humanoid robots;
In the same year, the Company successfully listed on the Stock Exchange, becoming the **first A+H listed company in the motor drive chip industry**

2024
Joined the Guangdong Embodied Intelligence Robot Innovation Center

2023
Obtained ISO 26262 functional safety management system certification in just 8 months
The number of motors controlled in a single year exceeded 100 million

2022
A shares listed on the STAR Market
The automotive-grade product FU6832N1 passed AEC-Q100 automotive certification

2019
Conquered the sensorless high-torque control algorithm FU68 series chips obtained UL software certification

2018
Cumulative shipments of motor control chips exceeded 100 million

2017
Obtained ISO 9001:2015 Quality Management System Certification

2016
Conquered the sensorless FOC control algorithm, establishing a leading position in the field of mainstream control algorithms

2015
Launched a flagship dual-core drive **control series of chips**

2010
Establishment of the Company

About Fortior Technology

Outstanding R&D capabilities: our leadership team possesses extensive experience in chip R&D and motor technology

Mr. **Bi Lei**

Chairman, general manager and chief executive officer

Primarily responsible for the overall management, strategic planning, and decision-making regarding the Group's key business and operational matters

With over 20 years of industry experience, having held key positions at various companies and organizations

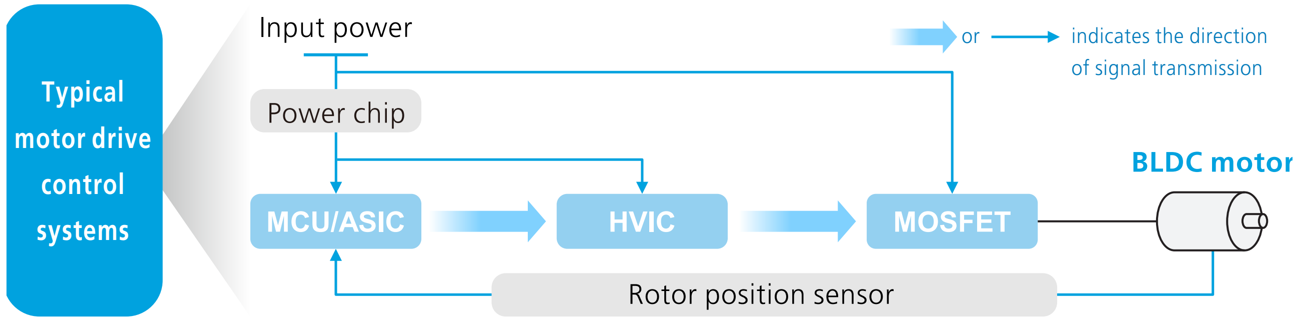
Mr. **Bi Chao**

Chief technology officer

Primarily responsible for overseeing the Group's business and daily operations, as well as leading the Group's overall technological development

With nearly 40 years of R&D and professional experience in the motor industry, having held key positions at various companies and organizations

Our product portfolio covers all core components of typical motor drive control systems:



Our Product Portfolio

MCU

Central Processing Unit of the motor drive control system

Acquire the position of the motor rotor, execute the motor drive architecture algorithm, and control the motor operation

ASIC

The main control unit of BLDC motor

Unlike MCU, its internal circuitry and logic are designed for specific algorithms and tasks

HVIC

Acts as a driver, generating the necessary voltage to amplify the drive capability

Enables the MCUIASIC to drive the MOSFET indirectly via HIC

MOSFET

Power devices, which act as switches in the circuit, generate specific types of electromagnetic fields

IPM

Comprehensive, customizable modules that can integrate MCU/ASIC, HVIC, and/or MOSFET into a single package

Environmental, Social and Governance

Board Statement on Environmental, Social Responsibilities and Other Corporate Governance Matters

The Board of Directors serves as the primary governing body accountable for ESG governance and assumes overall responsibility for the Company's ESG strategic planning, target-setting and supervision of implementation, ensuring that ESG principles are deeply embedded throughout the Company's operations and development. The Company is in the process of establishing a Board Strategy and ESG Committee, and formulating the Working Rules of the Board Strategy and ESG Committee. The committee operates as a dedicated working body under the Board, convened by the Chairman of the Company, with two Directors serving as members. Its principal responsibilities include conducting research on and providing recommendations in respect of the Company's long-term development strategy, significant decisions and ESG matters; deliberating on significant matters such as ESG policies, strategy, targets and structure; conducting regular supervision and inspection of the implementation and progress of ESG work, including the advancement of ESG targets; and providing professional recommendations on improving the Company's ESG performance or on related significant decisions. Management, acting in accordance with the directions of the Board and the Strategy and ESG Committee, takes the lead in implementing ESG initiatives, establishing and improving ESG internal management mechanisms, and ensuring that the relevant work progresses in an orderly and effective manner, so as to genuinely uphold the legitimate rights and interests of shareholders, employees, customers, suppliers and other stakeholders, and to drive the Company towards sustainable development.

The Company's mission is "to leverage innovative chip technology to create a simple, efficient, low-carbon and energy-saving ecosystem." Guided by its vision of "becoming an outstanding leader in the motor control ICs and control system industry," the Company actively promotes environmental principles in parallel with its technological and business development, strives to cultivate technical talent in the fields of ICs and motor control, and proactively contributes to social development.

ESG Materiality Assessment

The Company, based on three dimensions namely environment, social and governance, systematically identified key topics including climate change, green product design, supply chain management and ESG governance. These topics have been assessed as strategically significant to the Company's long-term development and stakeholder expectations. The Company will continue to deepen its management approach by embedding ESG principles into its operations to achieve sustainable development.

The following table sets out the principal material topics identified by the Company, their significance and the corresponding measures adopted by the Company.

Category	Substantive Issue	Materiality	Corresponding Measures
Environment	Climate Change	Climate change has far-reaching implications. The transition to a low-carbon economy aligns with regulatory trends and enhances the Company's long-term competitiveness and business resilience.	Establish a climate management framework, promote green operations, identify sources of carbon emissions and lay the groundwork for setting science-based emissions reduction targets.
	Energy Management	Implementing energy conservation and consumption reduction measures demonstrates the Company's commitment to green production principles and sustainable development, and reflects its sense of corporate social responsibility.	Optimise equipment energy efficiency, promote energy-saving office practices and improve energy utilisation across operational processes in pursuit of green operations.
	Green Product Design	The energy efficiency of semiconductor products directly affects downstream applications. Low-power design aligns with green development trends and represents a core competitive advantage in the industry.	Continuously optimise product energy efficiency and provide customers with energy-saving solutions through low-power design, thereby supporting downstream applications in achieving emissions reduction.
	Waste Management	Office and electronic waste is generated in the course of operations. Compliant disposal is a fundamental requirement for fulfilling the Company's environmental responsibilities.	Establish a waste classification and management system, engage qualified third-party service providers for disposal, reduce environmental impact and promote resource recycling.
	Water Resource Management	As a chip design company, the Company does not directly consume industrial water; nonetheless, it remains committed to managing water resource risks across its supply chain and promoting water conservation.	Advocate water conservation principles, monitor water risk management within the supply chain and incorporate water-saving awareness into daily office operations to fulfil environmental responsibilities.
	Biodiversity	The Company's business operations have limited direct impact on biodiversity; however, as a responsible corporate citizen, the Company remains attentive to potential impacts arising from its own activities and those of its supply chain.	Advocate biodiversity protection in operations and procurement, and avoid the use of raw materials that may pose a threat to biodiversity.

Environmental, Social and Governance

Category	Substantive Issue	Materiality	Corresponding Measures
Social	Stakeholder Engagement	Effective communication enhances transparency, mitigates reputational risks and strengthens the trust of investors and the public in the Company.	Establish diversified communication channels and maintain close engagement with all stakeholders through regular meetings and interactive platforms.
	Supply Chain Management	Under the fabless model, supply chain stability is of paramount importance. The ESG performance of suppliers directly affects the Company's reputation and operational continuity.	Integrate sustainable development principles throughout supply chain management, assess supplier qualifications and performance regularly, and build a responsible supply chain.
	Product Quality and Safety	Exceptional product quality is fundamental to the Company's sustainable development and is directly linked to customer trust and brand value.	Establish a quality management system encompassing the full product lifecycle, with rigorous controls applied at every stage from research and development through to delivery.
	Talent Recruitment and Development	The chip industry is highly dependent on human capital. Talent development is a fundamental pillar supporting organisational sustainability.	Establish a systematic training system, define career development pathways, and enhance employees' professional capabilities and sense of belonging.
	Employee Rights and Interests	Protecting labour rights is the cornerstone of the Company's development. Compliant employment practices reduce legal risks and improve employee satisfaction.	Make social insurance and housing provident fund contributions in accordance with applicable laws, provide competitive remuneration and benefits, and refine performance appraisal and promotion mechanisms.
	Diversity and Inclusion	An inclusive and diverse team culture stimulates innovation, improves the quality of decision-making and makes the Company more dynamic and resilient.	Uphold the principle of equal employment, attract talent through multiple channels and foster a corporate culture that respects differences and embraces openness and inclusivity.

Category	Substantive Issue	Materiality	Corresponding Measures
Governance	ESG Governance Structure	Regulatory requirements call for the establishment of ESG management mechanisms at the Board level to ensure that ESG matters are effectively integrated into the Company's decision-making processes.	The Board oversees ESG matters, with clearly defined responsibilities at the management level, and an internal ESG working mechanism and reporting pathway has been established.
	Risk Management and Compliance	Systematically identifying ESG-related risks and ensuring that business activities comply with domestic and overseas laws and regulations safeguards the Company's sound operation.	Incorporate ESG risks into the overall risk management framework, conduct regular compliance reviews and ensure that no material violations occur.
	Shareholder Rights and Investor Communication	Transparency is at the core of ESG governance. Ensuring that investors have fair and timely access to corporate information safeguards the legitimate rights and interests of shareholders.	Strictly fulfil information disclosure obligations and maintain proactive communication with shareholders through channels such as results briefings and general meetings.
	Information Security and Privacy Protection	Chip design involves core technical information. A robust information security system is fundamental to safeguarding customer trust and data security.	Establish an information security management system with protective measures across technical, personnel and operational dimensions to ensure data security.
	Anti-bribery and Anti-corruption	A robust anti-bribery mechanism is the foundation of the Company's compliant operations, serving to effectively mitigate legal risks and enhance corporate reputation.	Set out integrity requirements clearly in the Employee Handbook, establish a whistleblowing channel and conduct regular integrity training and educational sessions.
	Intellectual Property Protection	A comprehensive intellectual property protection system is a core safeguard for the Company's innovative development and serves to effectively mitigate the risk of infringement.	Establish a dedicated intellectual property management team and review mechanism, respect third-party intellectual property rights, and protect core technologies and facilitate the commercialisation of innovations.
	Business Ethics	Adherence to business ethics is the foundation for earning the trust of customers and business partners, and reflects the Company's commitment to integrity in its operations.	Formulate a code of business ethics conduct, regulate business dealings, ensure fair competition and eliminate all forms of commercial bribery.
	Compliant Operations	Strict compliance with laws and regulations is a fundamental prerequisite for the Company's survival and development. Compliant operations effectively mitigate legal and reputational risks.	Establish a compliance management system, conduct regular internal audits and compliance training, and ensure that all business activities comply with applicable regulatory requirements.

Environmental, Social and Governance

Stakeholder Engagement

The Company has established a diversified stakeholder engagement mechanism, maintaining regular interactions with shareholders, employees, customers and regulatory authorities through channels including general meetings, employee forums, customer visits and supplier assessments. We continuously listen to stakeholder concerns and proactively responds to ESG-related expectations, with a view to building relationships of mutual trust and shared benefit, and jointly advancing sustainable development.

Stakeholder	ESG Concerns	Principal Engagement Channels
Shareholders and investors	• Corporate governance • Transparency of information disclosure • Business performance • Profit distribution policy • Risk management • Long-term sustainable development	• General meetings of shareholders • Periodic announcements and circulars • Annual reports • Investor meetings • Company website • Results briefings
Employees	• Remuneration and benefits • Career development and training • Protection of labour rights • Health and safety • Equality and anti-discrimination • Working environment	• Employee meetings • Internal communication platforms • Training activities • Feedback and suggestions mechanisms • Employee satisfaction surveys
Customers	• Product and service quality • Information security and privacy protection • After-sales service • Complaint handling mechanisms • Delivery stability	• Customer service channels • Complaint and feedback mechanisms • Technical exchange meetings • Regular customer visits • Online platforms
Suppliers	• Fairness in cooperation • Payment arrangements • Business integrity • Intellectual property protection • Compliance and legal operations • Supply chain stability	• Business negotiations • Contract management • Day-to-day business communications • Supplier evaluation meetings • Long-term strategic cooperation
Regulatory authorities	• Compliance and legal operations • Information disclosure • Environmental and safety compliance • Payment of taxes in accordance with the law • Implementation of industry policies	• Statutory information disclosure • Regulatory communications • Special reports • Policy seminars
Community and the public	• Environmental protection • Social welfare • Community relations • Talent development • Corporate citizenship responsibilities	• Charitable activities • Industry-academia-research cooperation • Public information disclosure • Community engagement • Education support programmes

Environmental Management

The Company's principal business is the R&D, design and sale of ICs. The Company operates under a Fabless production model, with wafers as the primary raw material procured. Relevant packaging and testing operations are outsourced to external specialist contractors. Neither the Company nor its subsidiaries are directly engaged in manufacturing operations; accordingly, the Company does not involve relevant pollutant emissions and has not been included on any list of key polluting enterprises published by environmental protection authorities. In fulfilling environmental responsibilities across the industrial chain, the Company strictly requires its packaging and testing contractor partners to comply with applicable national and local environmental laws and regulations, and incorporates environmental compliance as a key criterion in supplier qualification and evaluation. Through regular audits and other measures, the Company ensures that suppliers' environmental performance meets the required standards, thereby driving the collective fulfilment of environmental responsibilities upstream and downstream across the supply chain.

During the Reporting Period, the Company and its subsidiaries strictly complied with relevant environmental laws and regulations, including the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, and the Law of the People's Republic of China on the Prevention and Control of Water Pollution. The Company consistently regards environmental compliance as an important component of operational management, strengthens internal environmental controls and regulates environmental conduct across all business activities. No administrative penalties from ecological and environmental authorities or criminal liability arising from environmental matters were incurred.

Environmental, Social and Governance

Resource Consumption and Emissions Data

In terms of energy and resource consumption, in 2025, the Company's electricity consumption was 1,126.6 MWh, natural gas consumption was 71.3 cubic metres, petrol consumption was 69,568.8 litres, total water consumption was 4,562.2 tonnes, and total paper consumption was 1,702.1 kilograms. In terms of waste and pollutants, in 2025, municipal solid waste generated from the Company's daily operations amounted to 32 tonnes, and office supplies waste amounted to 4.4 kilograms.

The following table sets out the Company's key energy consumption indicators over the past 3 years.

Indicator	Unit	2023	2024	2025
Electricity consumption	kWh	539,513.0	807,162.4	**1,126,592.1**
Electricity consumption per unit of revenue	kWh/RMB million	1,311.5	1,344.5	**1,455.7**
Water consumption	Tonnes	2,641.0	3,423.9	**4,562.2**
Water consumption per unit of revenue	Tonnes/RMB million	6.4	5.7	**5.9**
Paper consumption	kg	972.0	1,140.0	**1,702.1**
Paper consumption per unit of revenue	kg/RMB million	2.4	1.9	**2.2**

New Technologies, New Products and Services Related to Carbon Emissions

Guided by its mission of "leveraging innovative chip technology to create a simple, efficient, low-carbon and energy-saving ecosystem", the Company is dedicated to the research and development of BLDC motors and control chips and control systems. Compared with conventional motors, BLDC motors offer performance advantages in terms of high efficiency and energy saving, and are widely applied across intelligent home appliances, automotive electronics and other sectors, enabling downstream end products to improve energy efficiency and thereby facilitating carbon emissions reduction across the industrial chain. Meanwhile, the Company has established a carbon emissions management system, promotes green office practices and actively identifies and reduces the carbon footprint arising from its operations, fulfilling its low-carbon commitment through innovation and action.

The following table sets out the Company's greenhouse gas emissions for 2025.

Indicator	Unit	2025
Scope 1 greenhouse gas emissions	tCO_2e	**183.1**
Scope 1 greenhouse gas emissions intensity	tCO_2e/RMB million	**0.2**
Scope 2 greenhouse gas emissions	tCO_2e	**744.5**
Scope 2 greenhouse gas emissions intensity	tCO_2e/RMB million	**1.0**

Social Responsibility

Information Conducive to Protecting Ecosystems, Preventing Pollution and Fulfilling Environmental Responsibilities

The Company is fully aware that environmental protection is an important cornerstone of sustainable corporate development, and accordingly integrates green and ecological principles into every aspect of its operational management, actively fulfils its environmental responsibilities, and is committed to minimising the impact of its own operations on the ecological environment.

At the level of business nature, the Company's principal business of R&D, design and sales of ICs does not involve high energy-consuming or highly polluting manufacturing processes, which fundamentally reduces the emission of production-related pollutants and industrial waste. At the level of day-to-day operations, the Company proactively fulfils its environmental responsibilities through multi-dimensional refined management. The Company vigorously promotes green office practices, actively leverages information technology to advance electronic and paperless processes, and reduces paper consumption. In addition, the Company implements refined electricity management through measures such as switching off lights when spaces are vacated, optimising air conditioning temperature settings, and replacing low energy-efficiency equipment, thereby effectively reducing energy consumption and indirectly reducing carbon emissions arising from power generation. In terms of water resource conservation, the Company strengthens water-saving promotion and uses water-efficient fixtures to eliminate resource wastage. Meanwhile, the Company advocates green commuting for employees and encourages the use of public transport to reduce the carbon footprint associated with commuting.

These systematic measures, covering both business model and day-to-day operations, not only effectively reduce the Company's own operational environmental footprint, but also play an active role in preventing pollution, conserving resources and protecting ecosystems, demonstrating through concrete actions the Company's sense of responsibility and commitment to addressing climate change and advancing low-carbon development.

Measures Taken and Their Effectiveness in Addressing Global Climate Change

The Company recognises that global climate change is presenting challenges to economic and social development. Against this backdrop, the Company's business also faces a dual set of challenges from climate change, primarily comprising physical risks and transition risks. Physical risks are principally manifested as the direct operational impacts of extreme weather events, such as natural disasters including heavy rainfall, flooding or drought, which may result in disruption to logistics and transportation or interruption of the upstream supply chain. Transition risks arise from the profound changes in external environmental factors such as policies and regulations, technological advances and market preferences that accompany the global transition towards a low-carbon economy, giving rise to uncertainty.

The Company believes that ESG governance plays a crucial role in addressing such physical risks and transition risks. To this end, the Company has formulated corresponding environmental management strategies, actively improving resource utilisation efficiency, advancing the application of green technologies in its products and services, and continuously optimising the sustainability performance of its supply chain, so as to maintain sound and stable operations in addressing the challenges brought by climate change, and to continuously strengthen the resilience and adaptability of the Company's development.

Social Responsibility

The Company is fully aware of the social responsibilities it bears as a corporate citizen and consistently adheres to conducting operations in a responsible manner and actively giving back to society. The Company attaches great importance to talent development and regards it as an important means of fulfilling its social responsibilities. Through in-depth collaboration with universities, the Company has established talent training bases, providing students with practical platforms to engage with the frontier of the industry, with the aim of inspiring enthusiasm for technological innovation among the younger generation and cultivating more high-calibre professional talent for social development.

In terms of talent introduction and development, the Company actively attracts fresh graduates to inject fresh blood into its team. The Company has established a comprehensive onboarding and induction mechanism, assigning experienced one-on-one mentors to new employees and encouraging senior employees to impart knowledge generously, thereby helping the new generation to integrate into the team quickly and enhance their professional skills. By creating a collaborative and supportive growth environment, the Company is committed to providing young talent with broader development opportunities, and to contributing sustained momentum to industry advancement and social development through concrete action.

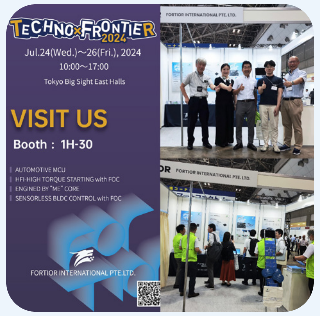
Promoting Technological Innovation

The Company consistently regards technological innovation as its core development strategy, and continuously enhances its independent innovation capability through sustained increases in R&D investment and improvements to its R&D framework. During the Reporting Period, the Company focused on technological breakthroughs and product iteration in the fields of BLDC motor control ICs and control systems. In terms of intellectual property protection, the Company has established a comprehensive protection framework covering patents, non-patented technologies, trademarks, software copyrights and integrated circuit layout designs, with multiple newly applied-for and granted patents further consolidating the barriers around its core technologies. All of the Company's core technologies originate from sustained independent R&D, and through continuous iterative upgrades, the products launched demonstrate significant advantages in terms of high performance and low power consumption. This not only drives improvements in the Company's own technological capabilities, but also contributes positively to technological advancement and green energy-saving development across the industry.

Industry Exchange and Technical Accolades

The Company actively participates in domestic and international industry-wide technical exchanges and ecosystem development, continuously extending its technological influence and expanding its global market deployment. In July 2024, the Company showcased its core technological products, including automotive-grade MCU, high-torque FOC startup, and sensorless BLDC control, at the TECHNO-FRONTIER 2024 exhibition in Tokyo, Japan. By demonstrating its leading technological achievements in the field of motor drive control to global customers, the Company further enhanced its international brand influence.

On July 25, 2024 the Company was invited to attend the Motor Drive and Control Forum held in Shenzhen, where it engaged in in-depth discussions with industry experts and upstream and downstream partners on the latest trends and industrial applications of motor drive technology, and shared its core technological achievements and practical experience in the field of sensorless BLDC motor control.



By virtue of its continuous deep cultivation and market-leading position in the niche sector, the Company's core products have been recognized as both provincial and municipal single-category champions in the manufacturing sector. In September 2024, a highly integrated sensorless BLDC motor drive control chip was recognized as a single-category champion product in Guangdong manufacturing sector by the Guangdong Provincial Department of Industry and Information Technology. The product was subsequently recognized as a single-category champion product in Shenzhen, earning dual authoritative certifications at both the provincial and municipal levels, which fully attests to the Company's leading position as a domestic leader and industry benchmark in the field of motor drive control chips.

Social Responsibility

Adherence to Technology Ethics

The Company's principal business is to provide customers with R&D, design and sales services related to chip manufacturing. The Company does not engage in scientific research activities in areas sensitive to technology ethics; however, it continues to monitor global developments in technology ethics governance, strictly complies with relevant technology ethics requirements, and ensures that its business development conforms to societal ethical norms.

Data Security and Privacy Protection

The Company attaches great importance to customer information security and privacy protection, and at all times complies with applicable national laws and regulations, treating data security as the cornerstone of compliant corporate operations. The Company has established a comprehensive information security management system and, by building a full-process supervision mechanism covering data collection, storage and processing, ensures that customer information is handled efficiently and in a controlled manner. At the technical protection level, the Company has deployed independent and secure data storage facilities and network environments, and has established a comprehensive security protection framework that effectively guards against information leakage and commercial data risks. Meanwhile, the Company regularly conducts extensive security education and training activities to continuously enhance all employees' data security awareness and standards of compliant operations. During the Reporting Period, the Company's overall information environment operated smoothly, with no material cybersecurity incidents or commercial information leakage events, genuinely safeguarding the privacy rights and interests of customers and business partners.

Protection of the Rights and Interests of Shareholders and Creditors

The Company attaches great importance to the rights and interests of shareholders and creditors, and is committed to creating sustainable value returns for investors through sound operations and regulated conduct.

The Company has implemented the following measures to safeguard the rights and interests of shareholders and creditors.

No.	Measure	Explanation
1	Implementing cash dividends to deliver value returns to shareholders through the Company's development.	The Company places great importance on the protection of shareholder rights and aims to create value for society and deliver returns to shareholders through its own development. During the Reporting Period, the Company proposed and completed the 2024 profit distribution plan, distributing aggregate cash dividends of RMB71,892,896.40 (inclusive of tax) to shareholders. The cash dividend amounted to 32.33% of the net profit attributable to shareholders of the listed company in the 2024 consolidated financial statements, sharing the fruits of the Company's development with shareholders and actively rewarding their investment.
2	Fulfilling information disclosure obligations to protect shareholders' right to information.	During the Reporting Period, the Company diligently fulfilled its information disclosure obligations in accordance with applicable laws, regulations and normative documents, adhering to the principles of "timeliness, fairness, truthfulness, accuracy and completeness". The Company treated all investors equitably and communicated the Company's operational developments in a timely manner to safeguard investors' right to know.
3	Continuously improving internal governance and engaging with investors through multiple channels.	During the Reporting Period, the Company strictly complied with the Company Law, the Securities Law, the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of the Shanghai Stock Exchange and other applicable laws, regulations and the Articles of Association, continuously optimising its internal governance structure and raising the standard of governance. General meetings and Board meetings were convened in compliance with applicable requirements. Online voting was made available at general meetings to facilitate full exercise of shareholder rights. The Company attaches great importance to communication and engagement with investors and, through channels including results briefings, SSE E-Interactive and a dedicated investor hotline, actively listens to investor views and suggestions, addresses investor enquiries and maintains interactive dialogue with investors, thereby enhancing the understanding, trust and recognition of the Company among shareholders, investors and creditors.
4	Strengthening market capitalisation management to enhance the Company's investment value.	To strengthen market capitalisation management, promote the enhancement of the Company's investment value, improve investor returns and safeguard investor interests, the Company formulated its Market Capitalisation Management Policy in accordance with the CSRC's Guidelines No. 10 for the Supervision of Listed Companies–Market Capitalisation Management and other applicable laws and regulations, which was duly considered and approved by the Board of Directors.

Social Responsibility

Employee Recruitment

The Company strictly complies with national and local laws and regulations, including the "Labor Law", the "Labor Contract Law", and the "Regulations on the Prohibition of Child Labor", and consistently upholds the principles of openness, fairness, and impartiality throughout the entire process of employee recruitment, hiring, and management. We firmly oppose any form of employment discrimination and do not deem gender, age, ethnicity, religious beliefs, or educational background as criteria for selecting candidates, ensuring that all job seekers have equal employment opportunities. At the same time, the Company strictly prohibits the hiring of minors under the age of 16, resolutely rejects any form of forced or compulsory labor, and does not withhold employees' identification documents or collect deposits under any reasons.

To implement the above policy, the Company has established a standardized recruitment process and a standardized interview evaluation mechanism, selecting the best candidates based on their capabilities and suitability for the position. During the onboarding verification process, all new employees must present their original ID cards for verification and provide copies for record-keeping to ensure that the person matches the ID; recruitment records must be properly safeguarded for future verification. The Company has established an internal oversight mechanism and conducts regular self-inspections of labor compliance, using methods such as reviewing employment records and conducting random interviews to identify risks related to child labor and forced labor. In addition, the Company applies the same compliance reviewing standards for labor practices to its suppliers and contractors, including the prohibition of child labor and forced labor into the entry threshold. By fostering a fair, equitable, and compliant employment environment, the Company continues to attract talents with diverse backgrounds, laying a solid human resources foundation for sustainable development.

The following table sets out the breakdown of the Company's workforce by type of employment, gender, age group and qualification for the past 3 years.

Indicator	Unit	2023	2024	2025
Total Number of Employees	Person	237	270	**315**
Number of Employees by Type of Employment				
Full-time Employees	Person	237	270	**315**
Part-time Employees	Person	0	0	**0**
Number of Employees by Gender				
Male Employees	Person	180	209	**251**
Female Employees	Person	57	61	**64**
Number of Employees by Age Group	Person			
Aged 50 and Above	Person	7	5	**6**
Aged 40–49	Person	20	29	**36**
Aged 30–39	Person	76	84	**100**
Aged 20–29	Person	134	152	**173**
Number of Employees by Qualification	Person			
Doctoral Degree and Above	Person	5	3	**3**
Postgraduate Degree	Person	68	84	**117**
Bachelor's Degree	Person	131	151	**165**
Below Bachelor's Degree	Person	33	32	**30**

Social Responsibility

Protection of Employee Rights and Interests

The Company consistently regards employees as the core driving force of the Company's sustainable development, and is committed to building a diverse, equal, safe and empowering working environment that comprehensively protects the legitimate rights and interests of employees. The following measures have been taken.

No.	Measure	Explanation
1	Improving the employment framework to protect employees' basic rights and interests.	The Company strictly complies with national and local labour laws and regulations and, throughout the entire process of recruitment, engagement and management of employees, upholds the principles of openness, fairness and impartiality, prohibiting any discrimination based on gender, age or educational background. The Company has established a sound human resources management system covering all aspects including onboarding, attendance, transfers, performance appraisal and promotion, providing clear career guidance to employees. The Company makes statutory contributions to social insurance and the housing provident fund for all employees in accordance with the law and provides competitive remuneration and benefits, ensuring that employees'basic rights and interests are fully protected.
2	Building a multi-faceted remuneration and incentive structure to share the fruits of development.	In order to stimulate employees' intrinsic motivation and creativity, the Company has established a scientific and comprehensive performance appraisal system, setting different promotion pathways for technical staff and functional staff to ensure that every employee can grow along a suitable track. The Company, through regular salary adjustments, performance bonuses and equity incentive schemes, closely links individual employee contributions to the Company's development, enabling employees to genuinely become beneficiaries of the Company's growth. In addition, the Company attaches great importance to employee feedback, having established a dedicated suggestion collection and handling platform, coordinated by the Human Resources and Administration Centre, to ensure that employees' concerns are responded to in a timely manner.
3	Reinforcing the safety framework to safeguard employee health.	The Company regards employee safety as a cornerstone of operations and has established a comprehensive occupational health and safety management system. For specific work settings such as laboratories and electronic technology environments, the Company has formulated detailed safety operating procedures, conducts regular specialised safety training, and provides employees with necessary protective equipment, reducing workplace risks at source. Through ongoing hazard identification and rectification and regular safety education, employees' safety awareness and emergency response capabilities are continuously enhanced. During the Reporting Period, no material occupational safety incidents or employee disputes occurred, and the working environment remained harmonious and stable.
4	Enabling career growth to support employee development.	The Company actively fosters a learning organisation culture and encourages employees to continually pursue professional advancement. Through internal platforms such as "Fortior Academy, "the Company regularly organises technical seminars, skills-sharing sessions and other diverse training activities, and formulates annual training plans in line with employees' actual needs, encompassing both internal and external training. The Company also encourages employees to participate in industry seminars and external professional courses to broaden their horizons and refine their professional expertise. Through sustained investment in training and career development planning, the Company builds a ladder for employees to achieve their self-worth, supporting them to grow and progress together with the Company.

The company has always strictly complied with national and local laws and regulations, including the "Work Safety Law" and the "Law on the Prevention and Control of Occupational Diseases", and has established and continuously improved its occupational health and safety management system. Through measures such as conducting regular safety risk assessments, organizing occupational health and safety training, and providing the necessary personal protective equipment, we ensure a safe and healthy working environment for our employees and effectively prevent various occupational hazards. During the Reporting Period, the Company did not experience any work-related fatalities. From 2023 to 2025, the number of work-related fatalities and proportion were both 0, and the number of workdays lost due to work-related injuries was also 0. To eliminate labor violations, the Company has established an internal complaint and reporting channel, defined clear procedures for handling reports, and ensures strict confidentiality for whistleblowers while preventing any retaliation. Upon discovering any violations, the Company immediately launches an investigation to verify the facts, takes corrective and disciplinary actions as appropriate, and revises management policies and optimizes the onboarding reviewing process to eliminate risks at the source. At the same time, the Company applies the same compliance review standards to its suppliers to ensure that labor practices throughout the supply chain are legal and compliant. The Company will continue to increase its investment in safety, implement a safety accountability system for all employees, and effectively safeguard the legitimate rights and interests of every employee.

The Company continues to deepen the establishment of workplace safety culture. During the Reporting Period, it organized employees to participate in the 2025 Shenzhen High-Tech Zone Workplace Safety Month series of activities and the Second Orienteering Challenge. By engaging and immersive interactive formats, the event aimed to promote awareness of workplace safety laws and regulations as well as emergency response knowledge. The Company's employees performed exceptionally well in this competition, winning the men's division championship. This fully demonstrated employees' solid foundation of safety knowledge and positive spirit, effectively fostering a strong corporate safety culture of "everyone speaks safety, everyone knows emergency response."

The Company adheres to a people-oriented philosophy, establishing a comprehensive benefits system that encompasses both statutory benefits and special care programs, thereby effectively enhancing employees' sense of well-being and belonging. In terms of festival and humanistic care, the Company distributes customized holiday gifts or gift cards to all employees on major holidays such as the Spring Festival, Dragon Boat Festival, Mid-Autumn Festival, and International Women's Day, conveying festive greetings and fostering a warm holiday atmosphere. In addition, the Company places a high priority on the physical and mental well-being of its employees. It organizes comprehensive annual health check for all employees, establishes individual health records for employees, and provides personalized health recommendations to ensure the comprehensive care of their well-being.

Other Corporate Governance Matters

The Company places great emphasis on fostering a positive corporate culture and regularly organizes various team-building activities to promote cross-departmental communication and collaboration, with the aim of enriching the Company's cultural life and strengthening team cohesion. In late January 2026, the Company organized a 2025 team-building trip to Thailand for all employees under the theme of "Where the Heart Leads is a Boundless Future". The trip was designed to allow employees to relax and unwind outside of work, while further strengthening team cohesion and a sense of belonging to the corporate.

Development and Training

The Company attaches great importance to employee development and has built a systematic training framework, providing employees with diverse learning and growth platforms to continuously enhance their professional capabilities and support them in realising their individual value.

The following table sets out the Company's employee training statistics.

Indicator	Unit	2023	2024	2025
Average Training Hours per Employee	hour	25	25	**26**
Percentage of Employees Trained	%	51	52	**52**
By Gender				
Percentage of Male Employees Trained	%	85	89	**90**
Average Training Hours for Male Employees	hour	25	25	**26**
Percentage of Female Employees Trained	%	15	11	**10**
Average Training Hours for Female Employees	hour	25	25	**26**

The Company has established a training system that deeply integrates online and offline components to meet the diverse learning needs of employees across different positions and levels. This includes regular online professional training and the vigorous promotion of digital training models. Through live-streamed lectures and internal learning platforms, we conduct specialized technical training in areas such as motor design, chip testing, and application development. We also invite in-house technical experts to share insights on cutting-edge technologies and practical project experience, thereby overcoming spatial and temporal constraints and enhancing training efficiency. With regard to specialized compliance training, the Company places a high priority on information security and compliance management, and regularly organizes specialized corporate information security training sessions. For example, the Company conducts company-wide information security awareness training covering core topics such as data protection, cybersecurity, and business secret protection, with the aim of enhancing employees' information security awareness and compliance capabilities, thereby strengthening the information security defenses. In 2025, the training hours breakdown by employee type are as follows. The total training hours for senior management were 22 hours, the total training hours for middle management were 75 hours, and the average training hours for junior staff were 26 hours.

Other Corporate Governance Matters

Employee Shareholding

The following table sets out the Company's employee shareholding statistics.

Indicator	Unit	2025
Number of Employee Shareholders	Person	125
Employee Shareholders as a Percentage of Total Employees	%	39.7
Number of Shares Held by Employees	10,000 shares	211.8
Employee Shareholding as a Percentage of Total Shares	%	1.8

Notes:
1. The number of employee shareholders includes directors, supervisors who served during the Reporting Period, senior management and core technical personnel.
2. The total number of employees is the total headcount of the Company as at December 31, 2025.
3. The number of shares held by employees represents the aggregate of shares vested during the Reporting Period under the 2022 Restricted Share Incentive Plan attributable to certain employees, and shares in the Company indirectly held by certain employees through Xinqi Investment and Xinsheng Investment as at the end of the Reporting Period.
4. The number of shareholding employees and the number of shares they hold excludes: 1) the number of employees purchasing the Company's shares in the secondary market on their own account/the number of such shares; and 2) the number of pre-IPO shares in the Company indirectly held by the de facto controllers BI LEI, BI CHAO and GAO SHUAI.

Protection of the Rights and Interests of Suppliers, Customers and Consumers

The Company consistently regards the protection of the rights and interests of suppliers, customers and consumers as an important cornerstone of the Company's sustainable development, and is committed to building a fair, transparent and mutually beneficial cooperative ecosystem. Through a systematic management framework and rigorous execution standards, the Company comprehensively protects the legitimate rights and interests of all parties across the supply chain.

Stakeholder	Measures	Explanation
Suppliers	Building fair and transparent partnerships.	The Company places great importance on establishing long-term and stable partnerships with its suppliers, and has developed rigorous admission and assessment standards through a mature supplier management system. During the selection process, the Company conducts a comprehensive evaluation of suppliers' industry qualifications, brand reputation, technical development capabilities, quality assurance systems and pricing competitiveness, giving priority to enterprises that hold ISO9001 certification, possess leading processing qualifications and have a sound track record, thereby maintaining a qualified supplier list to ensure high-quality and reliable sourcing. In day-to-day management, the Company conducts periodic assessments of suppliers through a combination of written reviews and on-site evaluations, dynamically assessing delivery performance and compliance, with assessment results serving as a key criterion for determining the continuation of business relationships. The Company steadfastly upholds the principles of integrity and transparency in business ethics matters, incorporates integrity clauses into agreements with suppliers, and strictly prohibits all forms of commercial bribery or improper benefit arrangements to ensure fair and impartial transactions. The Company also strictly fulfils its payment obligations in accordance with contractual terms, safeguarding the financial health and stability of suppliers and protecting their legitimate rights and interests through concrete actions.
Customers and consumers	Delivering comprehensive customer-centric services throughout the product lifecycle.	The Company adheres to a customer-centric philosophy, embedding the protection of customer rights and interests throughout the entire process of product delivery and after-sales service. The Company has established a comprehensive customer service system that provides full-spectrum technical support from product selection through to application development, ensuring that customers can use the Company's products efficiently and conveniently. For customer feedback and complaints, the Company has established a rapid response mechanism supported by a dedicated complaint handling team comprising technical specialists, quality management personnel and research and development staff. This team conducts in-depth root cause analysis of customer issues and formulates targeted solutions within the shortest possible timeframe until full resolution, continuously enhancing customer satisfaction. With respect to contract performance, the Company strictly observes all terms agreed with customers, makes every effort to guarantee product delivery schedules and quality consistency, and ensures that products leaving the factory meet customer expectations through a rigorous quality management system, thereby genuinely protecting the legitimate rights and interests of customers. Through these measures, the Company has not only consolidated relationships of trust with its customers, but has also further enhanced its market reputation and brand value.

Other Corporate Governance Matters

Product Safety Assurance

As a technology leader in the field of BLDC motor control ICs, the Company consistently regards product safety and quality assurance as a key priority of its corporate development, and is committed to providing customers with safe, reliable and green products through lean lifecycle management.

At the level of safety and environmental standards, the Company has established a development framework compliant with **ISO 26262** functional safety requirements, ensuring that its chip products do not pose any hazard to human health and safety under normal use and foreseeable extreme conditions. Meanwhile, the Company strictly observes international and domestic environmental directives such as RoHS, restricting the use of hazardous substances from the design stage to ensure that chips meet the green and environmentally compliant qualification standards and satisfy downstream industries' high requirements for sustainable development.

At the level of the quality management system, the Company has obtained ISO 9001:2015 quality management system certification, and its core products have attained automotive-grade AEC-Q100 qualification, signifying that the products meet the industry's stringent standards for reliability and stability. The Company has implemented a comprehensive quality control policy covering incoming material inspection, work-in-process inspection and finished goods inspection and, through rigorous testing and screening mechanisms, ensures that only products meeting standards can enter the market.

At the level of the continuous improvement mechanism, the Company promotes a total quality management philosophy spanning from product R&D to customer service, achieving full staff participation and full-process control. When products exhibit anomalies or customer complaints are received, the Company immediately activates its rapid response mechanism, with a special team comprising technical experts, quality management personnel and R&D personnel conducting in-depth root-cause analysis of issues and identifying improvements at the design or production process level, forming a management closed loop to prevent recurrence of issues, so as to continuously improve the level of product safety assurance.

The Company strictly complies with relevant laws and regulations, including the "Advertising Law", the "Personal Information Protection Law", and the "Consumer Rights Protection Law", to ensure full compliance in product promotion, labeling, customer privacy, and complaint resolution. In terms of product promotion, the Company adheres to the principle of truthfulness and accuracy. All technical specifications are verified through actual testing, and exaggerated or false claims are strictly prohibited. With regard to product labeling, the Company strictly adheres to national standards and customer requirements, clearly indicating the model number, batch number, environmental certification, and safety warnings to ensure traceability. With regard to customer privacy protection, the Company implements a tiered authorization system for sensitive information such as customer technical information and procurement data. Such information shall not be disclosed to third parties without customer's written consent. The Company has established a multi-channel customer complaint mechanism, set clear deadlines for receiving, investigating, and responding to complaints, and developed a product recall plan to ensure that customers receive timely and effective assistance when necessary.

Protection of Intellectual Property

The Company consistently regards intellectual property as the cornerstone of its core competitiveness and innovative development. All of the Company's core technologies originate from sustained technological investment and independent innovation, and the Company holds independent and complete intellectual property ownership. In order to genuinely protect its innovation achievements, the Company has established a rigorous intellectual property protection framework, not only covering diverse protection categories including patents, non-patented technologies, trademarks, software copyrights and integrated circuit layout designs, but also ensuring the effective maintenance and utilisation of all intellectual property through sound internal mechanisms.

At the level of the management system, the Company has formulated strict intellectual property protection measures, establishing clear institutional rules on the ownership and use of R&D achievements. The Company attaches great importance to the confidentiality of its core technologies and has signed legally binding confidentiality agreements with all employees, preventing the leakage of trade secrets at source. Meanwhile, the Company continuously strengthens its information management capabilities, deploying security software on the office terminals of all employees. The IT department also implements refined management and control over the Company's various business systems, core data and databases through standardised technical means, thereby building a secure and efficient data and information services environment that provides solid information security support for R&D innovation and day-to-day management activities. Through this comprehensive set of protective measures integrating legal, institutional and technical elements, the Company effectively safeguards its independent innovation achievements and lays a solid technological foundation for sustainable development.

Community Investment

The Company upholds the philosophy of "rooted in industry, giving back to society" in its community engagement, and regards talent cultivation as an important pathway for fulfilling its corporate social responsibility. Focusing on the integration of industry and education, the Company has co-established a "Fortior Excellence Engineer Programme" with universities, through which it provides faculty, designs a curriculum combining theory and practice, and establishes dedicated scholarships to nurture interdisciplinary talent for the industry. This collaborative model incorporates cutting-edge industry technology into university teaching, both enhancing students' practical professional capabilities and deepening the linkage of resources between enterprises and academic institutions. Through substantive action in support of educational development, the Company, in fostering talent growth, actively fulfils its long-term commitment to giving back to the community, achieving a mutually beneficial outcome for the Company and society at large.

Other Corporate Governance Matters

Other Corporate Governance Matters

Party Building

During the Reporting Period, Party members actively participated in the study of Party theoretical knowledge, emphasising the integration of theoretical learning with practical work. Party members gave full play to their exemplary and vanguard role in their respective positions, embracing innovation and striving proactively, realising the "dual integration and mutual promotion" of Party building with technological innovation and Party building with the Company's development, and advancing steadily towards the Company's strategic objectives.

Investor Relations and Protection

The Company has established a sound working mechanism for investor relations management and the protection of shareholder rights and interests. The Company strictly complies with regulatory requirements, using the official website of the Shanghai Stock Exchange and statutory information disclosure media outlets including China Securities Journal, Shanghai Securities News, Securities Times, Securities Daily and Hong Kong Stock Exchange (https://www.hkex.com.hk) as its core publishing platforms, to ensure that all shareholders can obtain material information of the Company on an equal and timely basis.

In order to build effective communication channels, the Company has established diversified investor engagement platforms, including a dedicated enquiry hotline and an investor mailbox, and regularly holds results briefings and receives investor site visits. Through these measures, the Company maintains high-frequency and substantive constructive interactions with the capital markets, proactively responding to investor concerns.

Type	Number of Occurrences	Details
Results briefings held	3	Please refer to the relevant announcements disclosed by the Company on the website of the Shanghai Stock Exchange (www.sse.com.cn) on April 10, 2025, September 2, 2025 and November 13, 2025 respectively.
Investor relations section on corporate website	Yes	Please refer to the Company's website at https://www.fortiortech.com/

Institutional Investor Participation in Corporate Governance

The Company has established a sound working mechanism in respect of investor relations and the protection of shareholder rights. The Company strictly complies with regulatory requirements and uses the official website of the Shanghai Stock Exchange and statutory information disclosure media, including China Securities Journal, Shanghai Securities News, Securities Times, Securities Daily and Hong Kong Stock Exchange (https://www.hkex.com.hk), as its core publishing platforms, ensuring that all shareholders have equal and timely access to material corporate information. At general meetings, institutional investors express their views through voting, thereby strengthening the oversight of the Company's management. The Company also places emphasis on two-way communication with institutional investors, engaging in substantive dialogue on topics including business performance, development strategy and ESG matters through results briefings and thematic seminars, and carefully incorporates their suggestions for improving corporate governance. These measures have effectively broadened and deepened the participation of institutional investors in the Company's governance, driving continuous improvement in the standard of corporate governance.

Transparency in Information Disclosure

The Company strictly observes applicable laws and regulations and regulatory requirements, upholding the principles of "timely, fair, truthful, accurate and complete" disclosure, and diligently fulfils its information disclosure obligations. In day-to-day management, the Company continuously improves its information disclosure mechanism and rigorously reviews disclosure content, ensuring that all investors can obtain important information affecting their decisions on an equal and timely basis. Through the regulated publication of announcements via statutory channels, the Company continuously improves the transparency of its operations and genuinely protects investors' right to be informed. This open and transparent communication approach not only enhances the Company's credibility in the market, but also creates a fair and trustworthy information environment for investors, further solidifying the foundation of trust between the Company and the capital markets.

Other Corporate Governance Matters

Operation of Anti-Commercial Bribery and Anti-Corruption Mechanisms

The Company maintains a "zero-tolerance" attitude toward any form of commercial bribery, corruption, extortion, fraud, and money laundering. We strictly comply with relevant laws and regulations, including the "Criminal Law of the People's Republic of China", the "Anti-Unfair Competition Law", the "Anti-Money Laundering Law", and the "Company Law", to ensure that all business activities adhere to the highest standards of integrity and transparency. The Company clearly prohibits any employee or third party from engaging in bribery, accepting bribes, extortion, fraud, or money laundering under any circumstances. These requirements have been incorporated into the Employee Handbook and the Partner Code of Conduct.

At the operational level, the Company has established secure, confidential, and effective internal reporting channels to encourage employees and partners to proactively report suspicious activities. We conduct thorough investigations into all reports and fully protect the legitimate rights and interests of whistleblowers. The Company regularly conducts specialized training on anti-bribery, anti-fraud, and anti-money laundering to enhance compliance awareness among all employees. Additionally, prior to establishing partnerships with third parties, the Company strictly enforces background investments and compliance reviews, including verifying whether partners have any history of money laundering, fraud, or other illegal activities. This ensures that partners also adhere to the standard of anti-corruption, anti-bribery, and anti-money laundering, extending integrity and compliance requirements to the end of the supply chain. The Company has established a financial transaction monitoring mechanism to issue alerts and investigate unusual cash flows, thereby strictly guarding against money laundering risks. During the Reporting Period, the Company did not experience any incidents of non-compliance related to bribery, extortion, fraud, or money laundering. The Company has fully complied with the requirements of relevant laws and regulations regarding material impacts on issuers.

ESG Achievements and Awards

During the Reporting Period, the Company continued to strengthen its ESG governance practices, fully integrating the principles of sustainable development into all aspects of its operational management and achieved significant results. At the 7th Greater Bay Area Kapok Forum, the Company was selected as "Shenzhen Corporate ESG Best Practice" in recognition of its comprehensive ESG governance system and outstanding practice achievements, earning widespread recognition from both the industry and the public.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE GUIDE CONTENT INDEX OF THE STOCK EXCHANGE

Environment Categories			Related Sections
A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gases emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environmental Management
	A1.1	The types of emissions and respective emissions data.	Resource Consumption and Emissions Data, New Technologies, New Products and Services Related to Carbon Emissions
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Given that the Company operates under a Fabless business model and does not generate hazardous waste in its operations, this indicator does not have a material impact. The Company will continue to focus on environmental responsibility in both supply chain and its own operations.
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Resource Consumption and Emissions Data
	A1.5	Description of emission target(s) set and steps taken to achieve them.	Measures Taken and Their Effectiveness in Addressing Global Climate Change
	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.	The Company is actively promoting the optimization of its waste data collection system and plans to establish and disclose quantifiable waste reduction targets once the system is fully developed, thereby continuously improving its environmental management standards.

Environment Categories			Related Sections
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Environmental Management, Information Conducive to Protecting Ecosystems, Preventing Pollution and Fulfilling Environmental Responsibilities
	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).	Resource Consumption and Emissions Data
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Resource Consumption and Emissions Data
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Information Conducive to Protecting Ecosystems, Preventing Pollution and Fulfilling Environmental Responsibilities
	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.	The Company currently faces no issues with water supply and will continue to improve its water usage data management, establish quantitative targets for water efficiency in a timely manner, and promote the efficient use of water resources.
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The relevant data collection system is currently being optimized, and disclosure will be made in the future as appropriate.
A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Environmental Management, ESG Materiality Assessment
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Management, Measures Taken and Their Effectiveness in Addressing Global Climate Change

Environment Categories			Related Sections
B. Society			
B1: Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employee Recruitment, Protection of Employee Rights and Interests
	B1.1	Total workforce by gender, employment type (for example, full-or parttime), age group and geographical region.	Employee Recruitment The total number of employees has been presented in terms of gender, type of employment, age and region. The total number of employees in terms of region has not yet been disclosed and will be included in the future reports.
	B1.2	Employee turnover rate by gender, age group and geographical region.	This indicator has not been identified as a key disclosure focus for the Reporting Period. The Company will continue to refine its human resources data collection system and plans to gradually include relevant data in the future reports.
B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Protection of Employee Rights and Interests
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Protection of Employee Rights and Interests
	B2.2	Lost days due to work injury.	Protection of Employee Rights and Interests
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Protection of Employee Rights and Interests

Environment Categories			Related Sections
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and Training Protection of Employee Rights and Interests
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development and Training The Company has disclosed the proportion of trained employees by gender and will further refine its breakdown by types of employees to enhance the granularity of its training disclosures.
	B3.2	The average training hours completed per employee by gender and employee category.	Development and Training The Company has disclosed the average number of training hours by gender and will refine its breakdown by types of employees in order to provide a more comprehensive picture of its investment in employee development.
B4: Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Employee Recruitment
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employee Recruitment
	B4.2	Description of steps taken to eliminate such practices when discovered.	Protection of Employee Rights and Interests

Environment Categories			Related Sections
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Protection of the Rights and Interests of Suppliers, Customers and Consumers, Environmental Management
	B5.1	Number of suppliers by geographical region.	The Company continues to optimize its supplier management system. In the future, it will break down and disclose the number of suppliers by region in due course to enhance supply chain transparency.
	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.	Protection of the Rights and Interests of Suppliers, Customers and Consumers
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Environmental Management, Protection of the Rights and Interests of Suppliers, Customers and Consumers
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Environmental Management, Green Product Design

Environment Categories			Related Sections
B6: Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Product Safety Assurance, Data Security and Privacy Protection
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	There were no product recalls due to safety or health concerns during the Reporting Period. The relevant figures are 0.
	B6.2	Number of products and service-related complaints received and how they are dealt with.	Product Safety Assurance The Company places great importance on customer feedback and has established a multi-channel complaint handling mechanism. We are currently developing an internal process for the quantitative analysis of complaint data and plan to disclose relevant metrics in future reports.
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Protection of Intellectual Property
	B6.4	Description of quality assurance process and recall procedures.	Product Safety Assurance
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Data Security and Privacy Protection

Environment Categories			Related Sections
B7: Anti-corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Operation of Anti-Commercial Bribery and Anti-Corruption Mechanisms
	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.	During the Reporting Period, there were no corruption lawsuits filed against the Company or its employees that have been adjudicated.
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Operation of Anti-Commercial Bribery and Anti-Corruption Mechanisms
	B7.3	Description of anti-corruption training provided to directors and staff.	The Company has conducted anti-corruption training and continues to improve its training record-keeping and effectiveness evaluation systems. In the future, it will gradually provide more detailed disclosures regarding the number of training hours and coverage.
B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investment
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment
	B8.2	Resources contributed (e.g. money or time) to the focus area.	The Company continues to invest in community education through industry-education integration projects and plans to establish a mechanism for quantifying in order to reflect its contributions to the community more comprehensively.

Part D: Climate-related Disclosure			Relevant Chapter
(I) Governance	19.	An issuer shall disclose information about: (a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities; (b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	Board Statement on Environmental, Social Responsibilities and Other Corporate Governance Matters, ESG Materiality Assessment
(II) Strategy	20.	Climate-related risks and opportunities An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term.	Measures Taken and Their Effectiveness in Addressing Global Climate Change
	21.	Business model and value chain An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain.	The Company is currently assessing the disclosure scope of climate-related impact across its value chain and will gradually complete its related information disclosure, provided that the costs and efforts involved are reasonable.
	22.	Strategy and decision-making An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose: (a) how the issuer addresses climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set, as well as any targets required by law or regulation.	Measures Taken and Their Effectiveness in Addressing Global Climate Change

Part D: Climate-related Disclosure			Relevant Chapter
	23.	An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	The Company has not yet developed a separate climate transition plan. Relevant climate actions have been integrated into its daily operations. In the future, the Company will develop a dedicated plan as appropriate, depending on business development.
	24.	Financial position, financial performance and cash flows An issuer shall disclose qualitative and quantitative information about: (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and (b) the climate-related risks and opportunities for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of related assets and liabilities.	Measures Taken and Their Effectiveness in Addressing Global Climate Change; Quantify the current and projected financial impact: the Company has applied the financial impact exemption as it believes that the measurement methods used to assess these impacts involve excessive uncertainty, resulting in limited usefulness of the quantified information
	25.	Anticipated financial effect The issuer shall provide qualitative and quantitative disclosures about: (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities; (b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	The Company is actively assessing the anticipated financial impact of climate-related risks and opportunities and will disclose this information in stages once it has sufficient evidence for support.

Part D: Climate-related Disclosure			Relevant Chapter
	26.	Climate resilience and business model An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range.	Measures Taken and Their Effectiveness in Addressing Global Climate Change; Use of climate-related scenario analysis: the Company has applied the reasonable information exemption as it has not yet established a methodology for climate-related scenario analysis and is unable to incorporate all reasonable and well-founded information available as of the reporting date without incurring undue costs or effort
(III) Risk Management	27.	An issuer shall disclose information about: (a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks; (b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and (c) the extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	Measures Taken and Their Effectiveness in Addressing Global Climate Change
(IV) Metrics and Targets	28.	Greenhouse gas emissions An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO_2 equivalent, classified as: (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; (c) Scope 3 greenhouse gas emissions.	New Technologies, New Products and Services Related to Carbon Emissions; Scope 3 greenhouse gas emissions: the Company has applied a reasonable information exemption as, when selecting the measurement methods, input data, and assumptions for quantifying Scope 3 greenhouse gas emissions, it was not possible to obtain all reasonable and well-founded information as of the reporting date without incurring undue costs or effort

Part D: Climate-related Disclosure			Relevant Chapter
	29.	An issuer shall: (a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions; (b) disclose the approach it uses to measure its greenhouse gas emissions; (c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and (d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	New Technologies, New Products and Services Related to Carbon Emissions;
	30.	Climate-related transition risks An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	The Company will continue to enhance its ability to identify climate risks and will gradually quantify the proportion of assets vulnerable to transition risks in the future.

Part D: Climate-related Disclosure			Relevant Chapter
	31.	Climate-related physical risks An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	The Company is enhancing its assessment of physical climate risks and intends to disclose relevant quantitative information once the data foundation is fully established.
	32.	Climate-related opportunities An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	The Company is actively identifying climate-related opportunities and will explore feasible methods for quantitative statistics and disclosure in the future.
	33.	Capital deployment An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	Measures Taken and Their Effectiveness in Addressing Global Climate Change
	34.	Internal carbon prices An issuer shall disclose: (a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	The Company has not yet incorporated carbon pricing into its internal decision-making mechanism, but will continue to monitor developments in this area and assess the feasibility of implementing such measures at an appropriate time.
	35.	Remuneration An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	The Company's compensation policy does not currently include climate-related metrics. It will evaluate this in the future based on business needs and industry practices.

		Part D: Climate-related Disclosure	Relevant Chapter
	36.	Industry-based metrics In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 – Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	The Company is currently evaluating the applicability of industry-specific metrics and intends to introduce them in future reports as appropriate to enhance the comparability of disclosures across industries.
	37.	Climate-related targets An issuer shall disclose: (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation.	The Company is committed to climate action and is currently conducting an internal assessment of the feasibility of setting quantifiable climate targets, with plans to disclose them publicly once the process is complete.
	38.	An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including: (a) whether the target and the methodology for setting the target has been validated by a third party; (b) the issuer's processes for reviewing the target; (c) the metrics used to monitor progress towards reaching the target; and (d) any revisions to the target and an explanation for those revisions.	The Company is committed to climate action and is currently conducting an internal assessment of the feasibility of setting quantifiable climate targets, with plans to disclose them publicly once the process is complete.
	39	An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	The Company is committed to climate action and is currently conducting an internal assessment of the feasibility of setting quantifiable climate targets, with plans to disclose them publicly once the process is complete.
	40	Each greenhouse gas emissions target shall be disclosed in accordance with paragraphs 37 to 39.	The Company is committed to climate action and is currently conducting an internal assessment of the feasibility of setting quantifiable climate targets, with plans to disclose them publicly once the process is complete.
	41	For the applicability of cross-industry metrics and industry-based metrics, in preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	The Company is currently evaluating the applicability of industry-specific metrics and intends to introduce them in future reports as appropriate to enhance the comparability of disclosures across industries.