興發鋁業控股有限公司
XINGFA ALUMINIUM HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
(HKEX stock code: 98)



2025

Environmental, Social and Governance Report

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ABOUT THIS REPORT



1 About this Report

1.1 Basis of Preparation

This 2025 Environmental, Social and Governance (ESG) Report of Xingfa Aluminium Holdings Limited ("Xingfa Aluminium" "the Group" or "We") is prepared in accordance with the requirements of the "Environmental, Social and Governance Reporting Code" of the Hong Kong Stock Exchange covering the reporting period from 1 January 2025 to 31 December 2025 (the "Year" or "Reporting Period"). This Report is prepared in Chinese and the English version is the translation version. If there is any discrepancy between Chinese and English, the Chinese version shall prevail. Unless otherwise stated, the report's denominated currency is RMB. For the content of corporate governance, please refer to the Corporate Governance Report in the 2025 Annual Report of the Group.

1.2 Reporting Principle

This Report is prepared in compliance with the "Environmental, Social and Governance Reporting Code" (hereinafter referred to as the "Code") set out in Appendix C2 to the Rules Governing the Listing of Securities of the Hong Kong Stock Exchange. At the same time, as a subsidiary of Guangdong Guangxin Holding Group Co., Ltd. (a provincial state-owned enterprise), this report also refers to the framework of the "Blue Book on Environmental, Social and Governance (ESG) of Listed Companies Controlled by State-owned Enterprises in the Guangdong-Hong Kong-Macao Greater Bay Area (2025)".

It complies with the reporting principles regarding "Materiality" "Quantitative" "Balance" and "Consistency" and discloses in detail the concept, practice and performance of Xingfa Aluminium in ESG terms. To enhance the completeness and comparability of this Report, some previous or recent related activity reports are also included.

1.3 Scope of the Report

The subject of this Report covers the core business of Xingfa Aluminium Holdings Limited and its subsidiaries, including the manufacture and sale of construction and industrial aluminium profiles. This Report focuses on reporting the environment and social policies relating to the Group's core business during the Reporting Period. The Board of Directors (the Board) of Xingfa Aluminium is fully responsible for the Group's sustainability strategy, reporting and risk management. During the Reporting Period, we disclosed key performance indicators on key environmental and social issues, including six subsidiaries in Sanshui, Chengdu, Jiangxi, Henan, Zhejiang and Precision Manufacturing Company located in the People's Republic of China, as well as an Australian Company overseas. Additionally, the environmental and social impacts and financial significance of the subsidiary located in Nanhai District, Foshan, China, only account for a small part of the Group's overall business. Based on the principle of materiality, they are not included in this report.



1 ABOUT THIS REPORT

1.4 Information and Feedback

We value your suggestions or opinions in seeking constant improvement. If you have any comments about this Report, please contact us in the following ways:

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Tel.: 0757-85332727
Email address: xingfazhb@126.com

1.5 Title in the report

HKEX	refers to	The Hong Kong Stock Exchange
Xingfa Aluminium, the Group, and We	refers to	Xingfa Aluminium Holdings Limited
Sanshui Company	refers to	Guangdong Xingfa Aluminium (Sanshui) Co., Ltd.
Chengdu Company	refers to	Xingfa Aluminium (Chengdu) Co., Ltd.
Jiangxi Company	refers to	Guangdong Xingfa Aluminium (Jiangxi) Co., Ltd.
Henan Company	refers to	Guangdong Xingfa Aluminium (Henan) Co., Ltd.
Zhejiang Company	refers to	Xingfa New Material (Zhejiang) Co., Ltd.
Precision Manufacturing Company	refers to	Guangdong Xingfa Precision Manufacturing Co., Ltd.
Australian Company	refers to	ALXIN Australia Industrial Pty Ltd

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STATEMENT BY THE BOARD





2 STATEMENT BY THE BOARD

2 Statement by the Board

2.1 ESG Governance Role of the Board

As the highest decision-making body for the Group's ESG work, the Board assumes full responsibility for the Group's ESG strategy and reporting, as well as oversees the Group's ESG-related policies, measures and performance. Responsible for assessing and determining ESG-related issues and risks, ensuring that the Group has an appropriate and effective ESG risk management and internal control system in place; The management level of the Group is required to regularly report on the implementation of ESG work and the progress of targets of each subsidiary, and make timely decisions on important ESG matters, including reviewing and approving ESG reports, to understand the ESG performance of the Group's business.

2.2 ESG Governance Policy and Strategy

The Board of Directors regularly reviews important ESG-related issues, systematically studies and judges the sustainability risks and opportunities faced by enterprises, and supervises and manages the progress and performance of key issues. We build a sustainability strategy around "Governance-oriented and Responsibility-oriented" "Striving for Perfection and Pursuit of Excellence" "Protecting the Environment, Co-existence and Co-prosperity" "Human-oriented, Sincerity and Trustworthy" and "Community Participation and Sharing", and promote the integration of relevant goals into daily operation and management to achieve long-term and steady development.

2.3 Review of ESG Goals, Indicators and Progress

Based on policy orientation, industry changes and its own development stage, the Board of Directors builds a target and indicator system covering the environmental, social and governance around the requirements of green and low-carbon transformation and high-quality development, and clarifies the phased promotion path. Through regular monitoring and evaluation of key areas such as safety and environmental protection, climate response, occupational health, quality control, and compliance management, we dynamically review the achievement of various indicators and timely calibrate implementation measures to promote the orderly implementation and continuous improvement of ESG goals.

Xingfa Aluminium Holdings Limited
26 March, 2026

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CONSOLIDATING FOUNDATION, STRENGTHENING GOVERNANCE, AND DEVELOPING STEADILY

Corporate governance serves as a vital cornerstone of sustainable development and the core guarantee for Xingfa Aluminium to achieve long-term, steady operation and high-quality development. This chapter systematically elaborates our solid practices and remarkable achievements in corporate governance structure, compliance operation management, comprehensive risk prevention and control, as well as sustainability governance. We have been continuously improving our governance system, adhering to the bottom line of compliance, and strengthening risk management and control, ensuring that while achieving steady growth in economic benefits, the Group earnestly fulfills its responsibilities to the environment, society, and stakeholders. In the future, we will continue to consolidate the foundation of high-quality governance, empower long-term development with responsible management, and forge ahead steadily on the path of sustainable development.



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



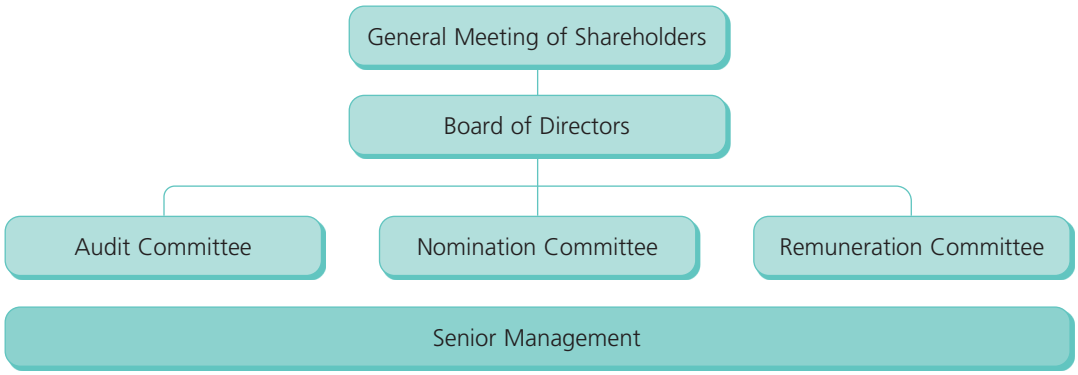
Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

3 CONSOLIDATING FOUNDATION, STRENGTHENING GOVERNANCE, AND DEVELOPING STEADILY

3.1 Corporate Governance

3.1.1 Governance Structure

Xingfa Aluminium strictly abides by the "Company Law of the People's Republic of China", the "Securities Law of the People's Republic of China" and other legal requirements. The Group has established a governance structure including the General Meeting of Shareholders, the Board of Directors and Senior Management, forming a governance system with clear rights and responsibilities as well as coordination and collaboration.



General Meeting of Shareholders	•	The General Meeting of Shareholders is the supreme authority of the Group and exercises its powers in accordance with the law. The Group convenes and holds the General Meeting of Shareholders in compliance with applicable laws and regulations, ensuring that shareholders are entitled to the right to know and participate in major matters and decisions of the Group, and enabling shareholders to fully exercise their rights in accordance with the law.
The Board of Directors and Its Specialized Committees	•	The Board is the highest decision-making body of the Group and is responsible for leading and overseeing the overall operation of the Group, including business development, investment decisions, strategic planning approval, and maintaining the effectiveness of risk management and internal control systems. The Board is responsible to the shareholders' meeting and monitors the overall performance of the Group to ensure the steady development of the enterprise.
	•	The Board has three dedicated committees – the Audit Committee, the Nomination Committee and the Remuneration Committee, each of which works in accordance with its terms of reference and regularly reports to the Board on progress and results.
Audit Committee	•	Responsible for reviewing and monitoring the Group's financial reporting procedures and internal control systems.
Nomination Committee	•	Responsible for making recommendations to the Board on the candidates for directors and senior management.
Remuneration Committee	•	Responsible for reviewing the remuneration policy, remuneration structure, bonuses and other remuneration arrangements of directors and senior management, and making recommendations to the Board on related matters; Responsible for reviewing and/or approving matters related to the Group's equity incentive plan.
Senior Management Level	•	Senior management is appointed or dismissed by the Board and is responsible to the Board, implementing and supervising the implementation of the Board's business strategies and business plans, ensuring the effective implementation of various strategies, and promoting the Group's sustainable growth and innovation.

3.1.2 Information Disclosure and Investor Communication

Xingfa Aluminium attaches great importance to the standardization and transparency of information disclosure work, strictly follows the regulatory requirements of the Hong Kong Stock Exchange, formulates and implements the Xingfa Aluminium Information Disclosure Management Measures, clearly regulates the information disclosure process and division of responsibilities, and ensures that the disclosed information is true, accurate, complete and timely.

In terms of investor relations management, the Group has actively established a multi-level communication mechanism and continuously strengthened communication and exchanges with investors. In 2025, the Group conducted various exchange activities through results presentations, investor briefings, on-site investor visits and other forms, proactively responded to market concerns, and further improved corporate governance transparency and its capital market image.

Xingfa Aluminium Held the 2025 Investor Exchange Conference

In December 2025, Xingfa Aluminium held the 2025 Investor Exchange Conference at its headquarters in Foshan, with the theme of "Creating Opportunities and Creating the Future", inviting representatives of some well-known institutional investors to visit and comprehensively build an efficient docking platform between the Group and the capital market through the form of "field research + in-depth discussion". During the event, investors visited the Precision Manufacturing Company, the Xingfa Aluminium Museum and the System Doors and Windows Exhibition Hall, gaining a thorough understanding of the Group's development history and achievements in digital and intelligent transformation. At the seminar, the Group's management introduced its operating performance, core strengths and future development plans, and exchanged views with investors on issues of concern including capacity layout and overseas market expansion.





Figure Caption: Scene of Xingfa Aluminium 2025 Investor Communication Conference



3.2 Compliant Operation

3.2.1 Anti-corruption and Upholding Integrity

Xingfa Aluminium strictly complies with the relevant laws and regulations including the "Criminal Law of the People's Republic of China", the "Supervision Law of the People's Republic of China" and the "Regulations on Disciplinary Actions for Management Personnel of State-Owned Enterprises", and prohibits all forms of corruption and fraudulent acts, including bribery, extortion, money laundering and other violations.

The Group has established and improved a management mechanism against corruption and bribery. It has set up the Compliance, Risk Control and Audit Committee, which acts as the decision making and coordinating body for anti-corruption and compliance management, and provides overall guidance for the Party's work of improving conduct and building integrity, as well as anti-corruption and anti bribery initiatives. The Committee has under its jurisdiction the Commission for Discipline Inspection and the Discipline Inspection and Audit Department, which are responsible for the practical implementation of anti-corruption work. Through continuous anti-corruption risk identification, prevention and control, the Group strengthens supervision over key areas and critical links, integrates integrity and compliance into the entire process of operation and management, and submits special reports on major issues to the Compliance, Risk Control and Audit Committee in accordance with procedures, to ensure a standardized closed loop and efficient operation of the work.

The Group has formulated and strictly implemented the Code of Conduct Against Corruption and Bribery, which sets clear requirements on employees' professional ethics and integrity in performing their duties. Violations such as corruption, bribery, acceptance of improper benefits or gifts from clients, and misappropriation of funds are strictly prohibited. The Code of Conduct Against Corruption and Bribery applies to the Group's business activities, including material procurement, outsourced processing, engineering construction, sales, equipment procurement and maintenance, and quality supervision, as well as the entire process of human, financial and asset management. It also extends to customers, suppliers, service providers and contractors conducting business with the Group. The aim is to build a standardized and transparent business environment, mitigate potential corruption and compliance risks, and safeguard the steady operation of the Group.

In 2025, the Group formulated the annual Key Points of Discipline Inspection and Supervision of Xingfa Aluminium to clarify the focus of party style and clean government construction and anti-corruption work. By building a diversified and full-coverage supervision system, carrying out normalized and special supervision, strengthening process control, establishing a reporting mechanism, and building an online and offline integrated integrity education platform, we can comprehensively prevent corruption risks and strengthen employees' awareness of integrity. In 2025, the Group did not commit any violations of laws and regulations relating to the prevention of bribery, extortion, fraud and money laundering, and there were no concluded corruption cases between the Group and its employees.

Supervision and Control	• Build a diversified supervision system comprising "Intra-party Supervision + Discipline Inspection Supervision + Audit Supervision + Departmental Supervision + Full Supervision" to ensure comprehensive coverage. • Carry out regular supervision and inspection, special supervision and special audits, focusing on verifying the implementation of the system, the operation of power, and the reimbursement of expenses. • Optimize digital supervision methods, build an information management platform, and achieve business process traces.
Investigation and Handling of Cases	• Establish a reporting acceptance mechanism, open online and offline reporting channels, and strictly implement the whistleblower protection system.
Integrity Education	• Build an online and offline integrated integrity education platform, carry out integrity education for all employees, and achieve full coverage of education. • Carry out special integrity training and integrity talks for senior managements and core personnel to strengthen their sense of responsibility.

Xingfa Aluminium Visited the Foshan Party Spirit Education Center to Improve the Cultivation of Party Spirit

In June 2025, the Party Committee of Xingfa Aluminium organized the Party members and cadres to visit and study at the Foshan Party Spirit Education Center for warning education. Through visits to the Party Spirit Education Center and the exhibition hall on the Eight-point Regulation of the Central Committee, participants gained an in-depth understanding of the glorious history and fine traditions of the Party, grasped the essence of the Eight-point Regulation of the Central Committee, and were encouraged to strengthen their ideals and beliefs, so as to build a solid ideological line of defense against corruption and degeneration.



Figure Caption: Xingfa Aluminium visited the Foshan Party Spirit Education Center

Henan Company Continuously Deepens the Construction of a Clean and Honest Party Style

The Party Branch of the Henan Company takes the development of a healthy Party conduct and a clean government as a major political task, compacts the primary responsibilities at all levels, and improves the responsibility system. It strictly implements the primary responsibility of the "top leader". In terms of anti-corruption training and education guidance, Henan Company conducts comprehensive study and education on the spirit of the Eight-point Regulation of the Central Committee, using a model that combines centralized learning with individual self-study and online and offline seminars. Throughout the year, Henan Company has organized five centralized learning sessions, one special tutoring session, one viewing of warning education films, and one on-site teaching activity at a clean government integrity education base. These efforts have effectively strengthened the awareness of integrity and self-discipline among cadres and staff, and built a solid ideological line of defense.



Figure Caption: Henan Company Visited the Integrity Education Base



Figure Caption: Henan Company Held Special Lecture on thoroughly Implementing the Spirit of the Eight-point Regulation of the Central Committee

3.2.2 Whistleblowing and Whistleblower Protection

Xingfa Aluminium has formulated and issued the Xingfa Aluminium Complaint and Reporting Management System, which provides various reporting channels, including a reporting hotline, mailbox and e-mail address, and clarifies the reporting handling process. Upon receiving a report, the Discipline Inspection and Audit Department of the Group shall promptly organize an investigation consisting of no fewer than two persons. If the report is verified to be true, it shall be transferred to the Commission for Discipline Inspection for handling according to the seriousness of the case. If the report is unsubstantiated, the reporter shall be required to provide supporting materials; otherwise, the matter shall be handled as invalid. The Group strictly implements confidentiality and protection measures for reporters to effectively protect their legitimate rights and interests. If a reporter suffers retaliation for reporting a case, the Group shall request the Commission for Discipline Inspection to handle it in accordance with relevant regulations. Serious cases shall be transferred to public security organs for handling.

- Hotline for Complaint and Report: 0757-66639069
- Email for Complaint and Report: jianshen@xingfa.com
- Mailing Address for Complaint and Reporting: No. 5, Area D, Central Science and Technology Industrial Park, Sanshui District, Foshan City, Guangdong Province, China, next to the integrity publicity board on the second floor of the office building

3.3 Risk Management

Xingfa Aluminium formulated and issued the Xingfa Aluminium Comprehensive Risk Management Measures, building a top-down comprehensive risk management organizational structure with clear rights and responsibilities, covering the Board, the Compliance, Risk Control and Audit Committee, the headquarters departments, each branch and subsidiary. The Board is fully responsible for risk management of the Group and internal control system to ensure that the system is robust, efficient, and consistent with the overall strategic objectives, and is responsible for reviewing risk management strategies, supervising the implementation of strategies, reviewing major risks and countermeasures, and ensuring the effective operation of the risk management framework. The Chairman serves as Chief Risk Control Officer, being the primary person responsible for comprehensive risk management.

The Group strictly follows the requirements of the "Guidelines for Comprehensive Risk Management of Central Enterprises" to establish a comprehensive risk management and internal control system, and form an organizational structure with the "Three Lines of Defense". Among them, the business departments serve as the first line of defense, the Compliance, Legal and Risk Control Department as the second line of defense, and the Discipline Inspection and Audit Department as the third line of defense. Each line performs its respective duties and works collaboratively to ensure the effective implementation of risk management.

The Headquarters and the Business Departments of Each Branch and Subsidiary	Compliance, Legal and Risk Control Department	Discipline Inspection and Audit Department
First Line of Defense. Responsible for risk identification, assessment and control within its business scope, formulating and implementing risk control measures, issuing early warnings for major risks, and reporting to higher-level departments on time.	Second Line of Defense. Responsible for guiding and coordinating risk management activities of various business departments, leading risk identification, monitoring major risks, preparing the Group's comprehensive risk management report, and submitting it to the Chairman for review and approval.	Third Line of Defense. Coordinates and supports the first and second lines of defense in risk control work, and provides supervision and evaluation reports on risk management activities to improve the Group's risk management effectiveness.

The Group attaches great importance to the development of risk management-related systems. Since 2024, it has compiled and updated the Compilation of Institutional Documents on an annual basis. In 2025, the Group newly revised and issued 13 systems, covering 11 categories including corporate governance, operation, human resources, safety and environmental protection, information management, compliance and legal affairs. Meanwhile, in response to ESG-related risks such as safety and environmental protection, the Group has formulated special management systems and established monthly monitoring indicators to continuously enhance risk control effectiveness.

The Group has established a full-process risk management system covering risk identification, analysis, evaluation, strategy formulation and decision-making, strictly following the four principles of "Full Coverage" "Key Emphasis" "Cost-effectiveness" and "Consistent Implementation". This ensures risk management covers all businesses, all personnel and all processes, controls risk within an acceptable range, and improves the efficiency and effectiveness of operation and management. In 2025, the Group systematically identified various risks and recognized 11 risks, including production safety, environmental protection, quality control and compliance, which were classified into high, medium and low levels. Corresponding control measures were formulated for different risk levels, and monthly early warning indicators were established for summary and monitoring. In 2025, all major risks of the Group were effectively controlled, with no new major risk incidents occurring.

3.4 Sustainability Governance

3.4.1 ESG Governance System

Xingfa Aluminium has established a sound ESG governance structure. The Board bears full responsibility for the Group's ESG strategies and reporting, and oversees the Group's ESG-related policies, measures and performance. The Board proactively performs its ESG governance duties, including assessing and identifying ESG-related issues and risks, and ensuring that the Group has in place appropriate and effective ESG risk management and internal control systems.

Meanwhile, the Board requires the Group's management to regularly report on the implementation of ESG initiatives and progress against targets across all subsidiaries, and to make timely decisions on material ESG matters. Through reviewing and approving the ESG Report, the Board keeps abreast of the Group's operational ESG performance.

At the subsidiary level, the Group has implemented an ESG accountability system. Accountability commitments are signed layer by layer: from General Managers of subsidiaries to deputy General Managers in charge, from deputy General Managers to workshop and department heads, and from workshop and department heads to teams. This ensures full coverage horizontally and full implementation vertically, with all parties jointly fulfilling their responsibilities.

3.4.2 Sustainability Strategy

The United Nations ("UN") adopted the 2030 Agenda for Sustainable Development in 2015, announcing 17 Sustainable Development Goals ("UN SDGs"), which cover the global challenges facing society today, including those related to poverty, inequality, climate, environmental degradation, prosperity and peace and justice. With these goals, the UN hopes that companies can achieve their own sustainable development while promoting the sustainable development of society. As a corporate citizen, the Group fully understands the importance of global sustainability and endeavours to respond to the UN SDGs. The Group is committed to creating value in five major areas, namely: "Governance-oriented and Responsibility-oriented" "Striving for Perfection and Pursuit of Excellence" "Protecting the Environment, Co-existence and Co-prosperity" "Human-oriented, Sincerity and Trustworthy", and "Community Participation and Sharing". By doing so, we fulfill corporate social responsibilities ("CSRs") and make progress towards sustainable development. While adhering to the corporate mission of "letting the aluminium industry bring excellence for better human life", the Group has also formulated a sustainability strategy, which covers the following:

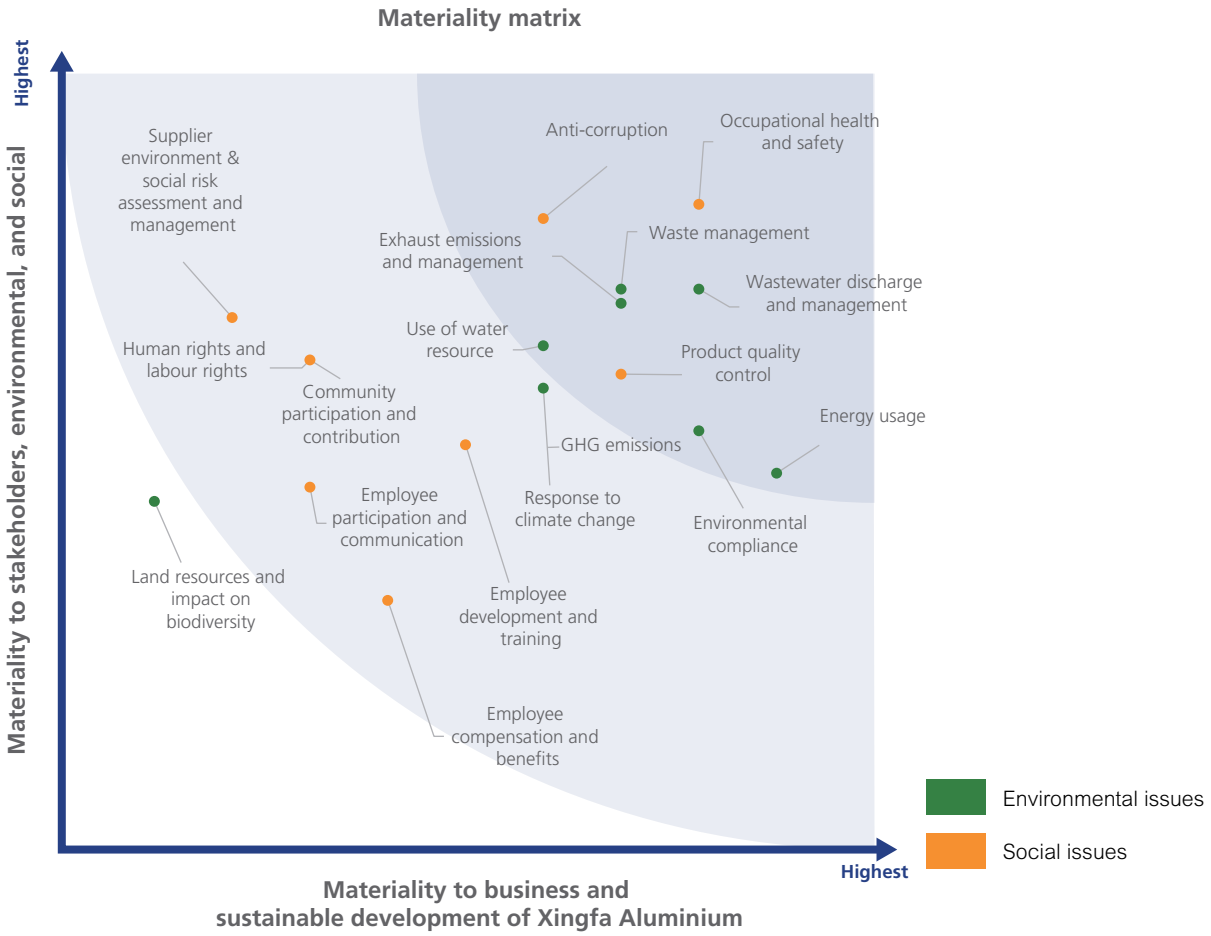
Sustainability Strategy	Strategic Objectives	UN SDGs Addressed	
Governance-oriented and Responsibility-oriented	Ensure an effective governance structure to manage various risks and ensure the orderly operation of the enterprise	Goal 16：Peace, Justice and Strong Institutions Goal 17：Partnerships for the Goals	
Striving for Perfection and Pursuit of Excellence	Adhere to the vision of "Creating Excellence in Xingfa as a Century-old Brand", we are committed to strengthen technological innovation, develop high-tech products and accelerate the industrialization of patented products	Goal 9：Industry, Innovation and Infrastructure Goal 12：Responsible Consumption and Production Goal 17：Partnerships for the Goals	
Protecting the Environment, Co-existence and Co-prosperity	While consolidating Xingfa products, we are committed to protecting the environment and leading green production in the industry	Goal 7: Affordable and Clean Energy Goal 12：Responsible Consumption and Production Goal 13: Climate Action	

Sustainability Strategy	Strategic Objectives	UN SDGs Addressed	
Human-oriented, Sincerity and Trustworthy	Adhering to the talent concept of "Human-oriented, Sincerity and Trustworthy", we are constantly optimizing the talent management model and building an excellent management team	Goal 1: No Poverty Goal 3: Good Health and Wellbeing Goal 5：Gender Equality Goal 8: Decent Work and Economic Growth Goal 10: Reduced Inequalities	
Community Participation and Sharing	Give back to the community and work with all parties to achieve growth and a win-win situation	Goal 1: No Poverty Goal 3: Good Health and Well-being Goal 4：Quality Education Goal 10: Reduced Inequalities Goal 11: Sustainable Cities and Communities	

3.4.3 Materiality Assessment

In our previous reports, we have identified and assessed the material issues based on industry trends, practices of peer companies, the Sustainability Accounting Standards Board ("SASB") industry-specific topics, and the key concerns of ESG-related rating standards. In 2025, there were no significant changes in our organisational structure, business scope and size during the year as compared with the previous reporting year, upon the recommendation of an independent third-party professional advisors, we have conducted a review of the material issues based on the issues identified in the previous environmental, social and governance report.

Identification of ESG Issues	Reviewed the list of topics based on the latest industry trend.
Sequencing of ESG Issues	Understanding the qualitative insights of different stakeholders on identifying material issues through daily business engagement.
Analysis and Review of Material Issues	Based on the opinions collected above, the management verified the results of the materiality assessment and reported to the Board for recognition. Both the Board and the management considered that the material issues for the year were the same as the previous year.


Materiality matrix
Highest
Materiality to stakeholders, environmental, and social
Supplier environment & social risk assessment and management
Anti-corruption
Occupational health and safety
Exhaust emissions and management
Waste management
Wastewater discharge and management
Use of water resource
Human rights and labour rights
Product quality control
Community participation and contribution
Energy usage
GHG emissions
Employee participation and communication
Response to climate change
Environmental compliance
Land resources and impact on biodiversity
Employee development and training
Employee compensation and benefits
Highest
Materiality to business and sustainable development of Xingfa Aluminium
Environmental issues
Social issues



The following are the nine high-materiality issues of the Group identified from the above materiality matrix:

Issue Dimension	High-materiality Issues	Overview
Environmental Dimension	Wastewater discharge and management	The impact of water pollutants (e.g. heavy metals, ammonia nitrogen, organic matter, etc.) discharged during our operations on the surrounding water bodies and ecology and the mitigation measures taken to reduce the impact
	Energy usage	Energy management measures taken to reduce energy consumption and enhance energy efficiency in our operations (e.g., reducing the use of dyes, electricity, heating, steam, etc.)
	Waste management	The methods of handling hazardous and non-hazardous waste during our operations and the waste reduction measures taken to minimise the impact on the ecology and human health
	Exhaust emissions and management	The impact of air pollutants (e.g. nitrogen oxides, sulphur oxides, particulates, volatile organic compounds, etc.) emitted during our operations on the ecological environment and human health and the mitigation measures taken to reduce their impact
	Environmental compliance	Environmental compliance in our operations and identification of areas for improvement (e.g. whether all environmental permits required by laws and regulations are in place and in compliance with the relevant legal and regulatory requirements)
	Use of water resources	Water conservation measures taken to consume water reasonably and enhance water efficiency during our operations
Social Dimension	Occupational health and safety	To protect the occupational safety of our employees, provide a suitable working environment and promote their physical and mental health
	Anti-corruption	Policies and controls in place to prevent bribery, extortion, fraud and money laundering (e.g. anti-corruption training, effective awareness and whistle-blowing mechanisms, etc.) in our daily operations and procurement processes
	Product quality control	Policies and measures adopted to improve our product quality and ensure our products could meet related standards



3.4.4 Stakeholder Communication

Xingfa Aluminium is committed to maintaining good relationship with stakeholders, as it regards them as the bedrock of its business development. By actively identifying stakeholders, we establish and constantly improve various communication mechanisms. Through active and effective communication, we gain an in-depth understanding of the expectations and requirements of stakeholders. We highly respect and safeguard the legitimate rights and interests of stakeholders. By well balancing the relationship with shareholders, employees and various sectors of society, we work with them to attain sustainable, sound and steady development. To answer the expectations and requirements of stakeholders, the Group incorporates their concerns and requirements into its sustainability issues and actively responds with practical actions to strive for the mutual growth with stakeholders.

In 2025, we continued to engage regularly with key stakeholder Groups in a variety of formats to ensure we could communicate effectively on topics of stakeholder concern.

Stakeholder Category	Key Communication Issues	Communication Channels
Governments and Regulatory Institutions	• Compliance operation • Tax compliance • Job creation • Promote local economic development	• Regular reporting • Supervision and inspection
Investment Institutions/ Shareholders	• Corporate governance • Shareholders' interests • Information disclosure • Risk management and control	• Company announcements • General meeting of shareholders • Roadshow and reverse roadshow • Strategy meeting • Email, telephone, wechat and corporate website
Customers	• Brand influence • Product quality • Service standard • Customer opinion	• Customer opinion survey • Customer centre and hotline • Customer visits • Exhibition fairs
Staff	• Equal opportunities • Salary and benefits • Occupational health and safety • Employee development	• Intranet • Training and employee activities • Trade union and Workers' congress • Various seminars



Stakeholder Category	Key Communication Issues	Communication Channels
Suppliers/ Contractors	• Integrity • Mutual Benefit for Win-win	• Bidding and tendering • Review and evaluation meeting • Regular communication • Email, telephone, wechat and corporate website
Industry	• Comply with Industry Regulations • Promote industry development • Industrial innovation	• Industry forums and exchanges • Site visits • Research
Media	• Information disclosure • Social contributions	• Result announcement conference • Media open day • Special reports
Local Community	• Support public welfare • Create a harmonious community	• Community activities

4

STRIVING GREEN FOR LONG-TERM GROWTH AND LOW-CARBON FOR SUSTAINABLE PERPETUITY

Xingfa Aluminium integrates the concept of green development throughout its entire production and operation process, and takes ecological environment management and efficient resource utilization as long-term priority tasks. The Group continuously strengthens environmental risk control in all production links. It promotes energy-saving and consumption-reduction renovations, improves the efficiency of energy and water resource utilization, optimizes clean production processes, and steadily enhances governance capabilities in the management of exhaust gas, wastewater and industrial waste. Meanwhile, the Group accelerates the deployment and application of clean energy, gradually increases the proportion of green power consumption, and reduces its overall carbon emission intensity. In the future, the Group will continue to improve its management mechanisms and technical pathways in line with the requirements of low-carbon transformation and high-quality development to drive steady improvement in environmental performance.



Ensure access to affordable, reliable, sustainable and modern energy for all



Ensure sustainable consumption and production patterns



Take urgent action to combat climate change and its impacts



4 STRIVING GREEN FOR LONG-TERM GROWTH AND LOW-CARBON FOR SUSTAINABLE PERPETUITY

4.1 Environmental Compliance Management

4.1.1 Environmental Management System

Xingfa Aluminium attaches great importance to ecological and environmental protection, and is committed to continuously improving environmental governance capabilities by establishing "Safety, Environmental Protection and Fire Safety Committee – Safety and Environmental Management Office – Subsidiaries", a three-tier environmental management structure.

At the management level, the Safety, Environmental Protection and Fire Safety Committee serves as the Group's highest decision-making body for environmental management. It formulates the overall environmental strategy, oversees the operation of environmental management systems and regularly evaluates environmental performance. The Safety and Environmental Management Office is responsible for leading the formulation of environmental protection systems, carrying out environmental risk control and control, and guiding and supervising the environmental protection work of subsidiaries.

At the implementation level, each subsidiary has established an environmental protection committee or leading group with the General Manager as the primary responsible person. It fully undertakes the organization, implementation and resource support of environmental protection work within its entity, refines and fulfills the environmental targets and tasks assigned by the Group, and coordinates the effective delivery of various environmental protection initiatives. Meanwhile, each subsidiary has set up an environmental management department staffed with full-time environmental management personnel responsible for the day-to-day execution of environmental work.

The Group strictly abides by the "Environmental Protection Law of the People's Republic of China", the "Environmental Impact Assessment Law of the People's Republic of China" and other relevant laws and regulations. It guides all subsidiaries in establishing and improving environmental management systems and operational procedures, providing institutional assurance for conducting business activities in accordance with laws and regulations. In addition, the Group implements an environmental protection target responsibility system to clarify responsibilities at all levels further, ensuring that environmental duties are delegated layer by layer and implemented step by step, promoting the normalization and long-term effectiveness of environmental management.

The Group actively promotes the certification of environmental management systems. By the end of 2025, Sanshui Company, Chengdu Company, Jiangxi Company, Henan Company, Zhejiang Company and Precision Manufacturing Company have all obtained ISO 14001 environmental management system certification and passed annual audits.

The Group strives to implement its environmental management initiatives and achieved all of the following targets during the year:

Sanshui Company	• No environmental pollution incidents throughout the year
Chengdu Company	• No environmental pollution incidents throughout the year • The qualified rate of "three wastes" (wastewater, exhaust gas and solid waste) disposal is 100%, and the monitoring indicators are 100% up to standard
Jiangxi Company	• Achieved "Zero Environmental Incidents and Zero Pollution" throughout the year
Henan Company	• No environmental pollution incidents and environmental impact incidents • Wastewater discharge, exhaust emission, and noise production in compliance with the national and local standards • Compliant disposal of solid waste • Steady operation of environmental protection facilities
Zhejiang Company	• Prevent and control environmental pollution • Develop clean production • Strictly control pollutant emissions
Precision Manufacturing Company	• There were no environmental pollution and leakage accidents throughout the year • All production wastewater discharges meet the standard • All hazardous waste is handed over to qualified entities for disposal

4.1.2 Emergency Preparedness Plans and Drills

Xingfa Aluminium insists on integrating environmental risk prevention and control into the entire production and operation process. Focusing on key links such as the operation of production facilities, the operation and maintenance of pollution control facilities, and the storage of hazardous chemicals, the Group regularly conducts environmental risk identification and hidden danger investigation, systematically sorts out various environmental risk triggers, and formulates special prevention and control measures. Meanwhile, the Group has established an emergency response system for environmental emergencies, formulated environmental emergency plans, and carried out regular environmental emergency drills. It continues to strengthen source prevention and control as well as whole-process management of environmental risks to minimize impacts on the ecological environment.

Jiangxi Company Conducted Environmental Emergency Drills to Enhance Employees' Risk Prevention Awareness

In 2025, Jiangxi Company formulated its annual environmental emergency plan and organized multiple emergency drills covering hazardous waste leakage, natural gas leakage, chemical leakage, flood prevention and control, etc. More than 300 personnel participated in and observed the drills in total. Through practical drills, the operability of the emergency plan was effectively verified, employees' emergency response capabilities in key procedures such as leakage control, cofferdam sealing and pollutant treatment were improved, and the multi-department collaborative response mechanism was strengthened. The drills further enhanced employees' awareness of environmental risk prevention.



Figure Caption: Scenery of Jiangxi Company's Environmental Emergency Drill

4.1.3 Environmental Protection Investment and Education

In 2025, subsidiaries of Xingfa Aluminium continued to increase investment in environmental protection, with a total environmental protection investment of approximately RMB33.82 million. The funds were mainly used for the construction and upgrading of pollution control facilities, operation and maintenance of environmental protection equipment, hazardous waste disposal, environmental monitoring, environmental protection technological transformation, and other related areas. Through sustained and stable capital investment, the Group effectively reduced pollutant emissions, improved resource utilization efficiency, and substantially minimized the environmental impact of its production and operation. Among them, Sanshui Company invested approximately RMB12.4729 million, mainly for the upgrading of RTO exhaust gas treatment facilities, operation of environmental protection facilities, hazardous waste treatment, etc. Chengdu Company, Jiangxi Company, Henan Company, Zhejiang Company, Precision Manufacturing Company, and other entities also invested heavily in environmental protection projects, including wastewater treatment, exhaust gas treatment, hazardous waste disposal, and online monitoring.

While continuously increasing investment in environmental protection facilities, all subsidiaries also attached great importance to personnel training. Regular special training was conducted covering environmental protection management, energy conservation management, "three wastes" management, standardized solid waste management, hazardous waste management, and other topics. These efforts continuously enhanced employees' environmental awareness and environmental management capabilities, promoting the effective implementation of environmental management requirements in all aspects of production and operation.

Jiangxi Company Conducted Environmental Protection Training to Enhance Employees' Environmental Awareness

In 2025, Jiangxi Company organized several environmental protection training sessions to continuously enhance employees' awareness of environmental management and professional capabilities. In February, special training on standardized wastewater discharge was conducted for staff in wastewater discharge–related positions in the anodizing & electrophoresis, coating and mould workshops, strengthening employees' operational discipline and environmental awareness. In March, a special training session on environmental protection laws and regulations was held for team leaders and management personnel, with a total of 156 participants, focusing on disseminating national and local environmental regulatory systems. Through a series of training activities, employees' awareness of compliance and on-the-job environmental responsibility has been effectively improved, further standardizing production operation practices.



Figure Caption: Jiangxi Company Carried Out a Training Meeting on the Standardization of Wastewater Discharge

4.2 Addressing Climate Change

4.2.1 Governance

Xingfa Aluminium has established "The Board – Management – Subsidiaries", a three-tier ESG governance structure, integrating climate-related management into its overall ESG management system. The Board assumes strategic decision-making and oversight responsibilities, and is responsible for the overall arrangement of climate-related risk prevention and control. The Management takes the lead in formulating climate strategy planning, identifying risks and opportunities, tracking response measures and evaluating effectiveness, and regularly reports progress to the Board. Each subsidiary implements various initiatives in practice.

4.2.2 Strategy

Xingfa Aluminium conducts climate change-related risk assessments and climate change scenario analyses to identify material climate risks and their potential financial impacts, and designs corresponding risk mitigation measures.

The Group has selected two climate scenarios for the analysis of physical and transition risks: the Green scenario and the Brown scenario. Using public data from the Intergovernmental Panel on Climate Change (IPCC) and the Network for Greening the Financial System (NGFS), the Group projects future climate change by comprehensively considering a range of factors including policy, environmental, economic, energy and social dimensions. Specifically, the Green scenario is based on the IPCC Representative Concentration Pathway (RCP) 4.5 intermediate scenario and the NGFS Orderly transition pathway. The Brown scenario is based on the IPCC RCP 8.5 "Current Policies" scenario and the NGFS Hot House World pathway. Based on asset service lives, potential climate-related risks are assessed over three time horizons: short-term, medium-term and long-term (covering the next three years, eight years and fifteen years respectively).

Types of Risks/ Opportunities	Impact Period	Risk Description	Potential Financial Impact	Risk Mitigation Measures
Acute Risks	Short-term Medium-term Long-term	Damage caused by typhoons and floods due to more frequent extreme weather events driven by climate change.	Damage to production facilities, warehouses, and supply chain infrastructure may lead to high costs for repair or reconstruction.	The Group has purchased appropriate insurance for valuable assets and developed business contingency plans to minimize impacts on production.
Long-term Risks	Long-term	Rising temperatures due to global warming may harm employee health and affect productivity.	High temperatures may reduce employees' work efficiency, leading to lower production efficiency and affecting production capacity and revenue.	Install additional air conditioning or ventilation equipment in workshops based on actual conditions and operational needs.

Types of Risks/ Opportunities	Impact Period	Risk Description	Potential Financial Impact	Risk Mitigation Measures
Policy and Legal Risks	Short-term Medium-term Long-term	Increasingly stringent sustainability disclosure requirements in mainland China and Hong Kong will heighten compliance risks.	Failure to disclose sustainability information in a timely and accurate manner may result in fines or legal proceedings, increasing financial burdens.	Professional sustainability consultants have been engaged to assist in ensuring compliance.
	Medium-term Long-term	Mainland China may include the Aluminium industry in the national carbon market, which will increase carbon emission costs.	If included in the carbon market, the enterprise will need to purchase carbon emission allowances, increasing direct costs.	Proactively identify opportunities to reduce carbon emissions, thereby lowering the emission intensity of production.
Reputational Risks	Medium-term Long-term	Stakeholders are paying increasing attention to the Group's climate change response initiatives and environmental protection management. If the Group fails to effectively address climate change, it may have an impact on the Group's reputational risks.	Reputational damage may lead to customer attrition and a decline in operating revenue.	Proactively align with the green procurement standards of downstream customers, provide value-added services such as low-carbon product certification and carbon footprint accounting, and deepen collaboration in the green supply chain.
Market Opportunities	Medium-term Long-term	The coordinated advancement of global climate conventions and China's Carbon Peaking and Carbon Neutrality policy has created broad market opportunities for the Group through the low-carbon energy transition	Help the Group expand the low-carbon product market, improve profitability and reduce financing costs.	Increase R&D on green products and energy-saving renovations to seize market opportunities in the low-carbon transition.
Technological Opportunities	Medium-term Long-term	The global energy transition continues to advance, and the demand for R&D of green and low-carbon technologies is rising, bringing technological development opportunities to the Group.	Enhance the added value of products and services, expand profit channels, and strengthen core profitability.	Increase investment in the R&D of green and low-carbon technologies, strengthen technological innovation capabilities, and seize technological opportunities in the energy transition.

4.2.3 Risk Management

Xingfa Aluminium integrates climate-related risks and opportunities into its comprehensive risk management system and daily operational management. As a leader in the Aluminium industry, the Group actively responds to the call of the Ministry of Industry and Information Technology of China for the development of a green manufacturing system. While pursuing business growth, the Group fulfills its responsibility to protect the environment and is committed to building a green homeland together with all sectors of society. As early as 2017, the Group was selected into the first batch of the 2017 Green Manufacturing Demonstration List by the Ministry of Industry and Information Technology, becoming one of the first 201 national "Green Factories". The "Technological Renovation for Air Pollutant Emission Reduction in Aluminium Profile Production Lines" project was recognized as a "National Industrial Clean Production Demonstration Project" by the Ministry of Industry and Information Technology of China, making the Group the only enterprise in Guangdong Province to receive this award. The Group has also successively been honored with titles including "Guangdong Provincial Clean Production Enterprise" and "Pilot Enterprise of the First Batch of Resource-Saving and Environment-Friendly Enterprises in Guangdong Province".

To reduce direct and indirect greenhouse gas emissions in production and operations, in addition to implementing green production and smart production, all subsidiaries have actively promoted the concept of green office and raised employees' awareness of green practices. The Group has gradually adopted natural gas as one of the energy supplies for production and operations, indirectly reducing greenhouse gas emissions. In addition, all subsidiaries have adopted the OA network office system, promoted video conferencing systems and paperless office, standardized the use of official vehicles and business travel management, and set designated temperatures for air conditioners. While ensuring efficient office operations, these measures reduce energy consumption, the use of paper resources, and carbon emissions from travel. The Group also encourages the recycling of water for both daily life and office use.

4.2.4 Indicators and Targets

The main sources of Scope 1 greenhouse gas emissions of the Group include the consumption of energy such as diesel and natural gas during operations; the main source of Scope 2 greenhouse gas emissions is purchased electricity; the main sources of Scope 3 greenhouse gas emissions are aluminium raw material procurement, domestic high-speed rail business travel, domestic and foreign air travel, and domestic and foreign business travel accommodation. In 2025, the Group's Scope 1 greenhouse gas emissions reached 176,250.6 tonnes of CO_2 equivalent, the Scope 2 greenhouse gas emissions reached 228,492.3 tonnes of CO_2 equivalent, the Scope 3 greenhouse gas emissions reached 12,468,732.7 tonnes of CO_2 equivalent, and the greenhouse gas emissions per unit product reached 146,260.6 tonnes of CO_2 equivalent/10,000 tonnes.

4.3 Resource Utilization

4.3.1 Energy Management

Xingfa Aluminium has continuously promoted the construction of an energy management system, established an energy management center to real-time statistics and analyze the consumption trends of energy such as water, electricity and gas, providing monitoring, regulation and optimization support for each production base to improve resource utilization efficiency. At the same time, each subsidiary has established a sound energy management organizational structure, clarified responsibilities, formulated management systems and specifications, carried out energy use monitoring, statistics and analysis work, and continuously improved energy efficiency levels.

Each subsidiary has set clear energy management objectives, focusing on reducing energy consumption per unit of product. By upgrading to high-efficiency production equipment, optimizing production processes, promoting the application of renewable energy, and carrying out various energy-saving renovations and efficiency improvement initiatives, the Group continuously enhances energy efficiency and management capabilities, providing strong support for its green and low-carbon development.

Energy-Saving Technological Transformation of Equipment	• Sanshui Company has deployed electric forklifts and transfer shuttles to reduce the use of diesel forklifts. Meanwhile, it has completed the upgrade of high-capacity extrusion presses, effectively raising production efficiency and lowering unit energy consumption. Monthly diesel consumption has dropped from approximately 27 tonnes before the transformation to around 3.5 tonnes. • Henan Company has carried out energy-saving retrofitting and process innovation on surface high-temperature test furnaces, cutting equipment operating time by 50% and reducing both natural gas and electricity consumption by 50% respectively. It is expected to save about 150,000 cubic meters of natural gas and 67,000 kWh of electricity per year.
Clean Energy Applications	• Sanshui Company and Precision Manufacturing Company have achieved the target of 27% of their annual electricity consumption coming from renewable energy through self-built photovoltaic power stations and the purchase of green certificate. • Precision Manufacturing Company has completed Phase II of its distributed photovoltaic power generation project with an installed capacity of 1.8 MW. The project is expected to generate 2 million kWh of electricity annually and reduce carbon emissions by 639.08 tonnes.



Figure Caption: Self-built Photovoltaic Power Station of Precision Manufacturing Company

Meanwhile, the Group conducts regular energy management publicity and training activities. Through various forms such as energy-saving initiatives, pre-shift briefings, and specialized training, the Group promotes the concept of energy conservation and consumption reduction as well as practical skills, fostering an energy-saving atmosphere with full participation and accountability of all employees. In 2025, Chengdu Company focused on environmental protection and energy efficiency improvement, and carried out targeted special training on energy-saving management of environmental protection equipment, energy and material recycling, further strengthening employees' awareness of energy conservation.

4.3.2 Water Resources Utilization

Xingfa Aluminium strictly complies with laws, regulations and administrative rules, including the "Water Law of the People's Republic of China" and the "Regulations on Groundwater Management". The Group has established and improved water management systems and control procedures, conducts water intake in accordance with the law, and actively promotes water conservation, treatment and recycling to continuously enhance water use efficiency. Meanwhile, the Group carries out water resources risk identification and assessment, and formulates and implements water resources risk management plans.

Water Intake Management and Recycling

The Group's production and operation water mainly comes from municipal water supply and groundwater (self-provided wells). Water intake from municipal water supply amounted to 3,104,766.4 tonnes, and groundwater intake amounted to 299,866.0 tonnes. All water abstraction permits have been obtained in accordance with regulations, and water resources taxes have been paid legally. In 2025, the Group had no violations or irregularities related to water intake.

Based on regional water resource conditions, the Group has reasonably optimized its water intake structure and systematically promoted water recycling projects, continuously improving the water recycling rate through technological upgrades and enhanced management. Sanshui Company adopted an overflow process in the surface pretreatment stage to optimize water usage at the source, effectively reducing freshwater intake and improving water use efficiency. Meanwhile, Sanshui Company actively promoted water-saving technological renovations by implementing closed-loop recycling for cooling water in both the casting and extrusion processes, significantly reducing production water consumption and strengthening the intensive and efficient use of water resources. Henan Company carried out technical renovation on the anti-water-drifting device of the vertical environmental protection spray tower for surface treatment. After the renovation, water drifting was significantly reduced, with water loss decreasing from 17.5 kg per minute to 0.05 kg per minute. Jiangxi Company built circulating water ponds to cool and reuse recyclable wastewater.

Risk Management of Water Resource

In 2025, the Group used the Aqueduct™ Water Risk Atlas developed by the World Resources Institute (WRI) to conduct water risk analysis for its subsidiaries, so as to manage current and potential future water risks. All water intake by the subsidiaries is freshwater. Three subsidiaries (Chengdu Company, Henan Company, and Zhejiang Company) are located in regions with relatively high[1] overall water risk and water stress. Total water consumption of the three subsidiaries in 2025 amounted to 1,352,942.0 tonnes. The Group has developed response plans addressing current and future water risks, and is committed to continuously improving the water recycling rate and reducing freshwater intensity.

4.3.4 Use of Packaging Materials

Xingfa Aluminium mainly uses packaging materials including packaging tapes, labels, stick band, lumps of wood and sealing glue. All materials are purchased from suppliers that comply with national laws, regulations and environmental protection requirements. The Group implements classified management and registration for various packaging materials, establishes dedicated statistical ledgers, and conducts monthly statistics and dynamic control over procurement, consumption and inventory levels.

4.4 Compliant Emissions

4.4.1 Exhaust Gas Management

Xingfa Aluminium strictly complies with relevant laws and regulations, such as the "Atmospheric Pollution Prevention and Control Law of the People's Republic of China", and has established a sound exhaust gas management method to ensure compliant emissions of exhaust gas. The exhaust gas generated during the Group's production and operations includes nitrogen oxides, sulfur dioxide, dust and volatile organic compounds (VOCs), with a 100% compliance rate for annual exhaust gas emissions.

The Group has established a full-process exhaust gas control system covering the entire production process, systematically promoting exhaust gas treatment and emission reduction from source reduction, in-process governance to end-point prevention and control. To effectively reduce exhaust gas emissions from production workshops, the Group has renovated equipment by purchasing natural gas as an energy source, which reduces nitrogen oxide and dust emissions; production workshops of all subsidiaries are equipped with spray towers that use water to increase the weight of pollutants to achieve sedimentation and filtration effects; the technical upgrading and renovation of fluorocarbon exhaust gas treatment facilities have been carried out to improve exhaust gas treatment efficiency; equipment with bag-type dust removal has been adopted to enhance pollutant filtration capacity. At the same time, online monitoring equipment has been installed to monitor emission data in real time, and third-party institutions are regularly entrusted to conduct testing and verification to ensure the continuous compliance of exhaust gas emissions.

[1] It refers to meeting the overall water risk situation at high risk or above, and water resource pressure at high risk and above.

Xingfa Aluminium Exhaust Gas Emission Management Measures

- Sanshui Company has replaced the fluorocarbon horizontal line environmental protection equipment with a Regenerative Thermal Oxidizer (RTO), which improves the treatment effect of exhaust gas treatment facilities and reduces environmental pollution emission factors.
- Chengdu Company carried out lean production, promoted energy conservation and emission reduction from the source of energy-consuming processes to reduce pollutant generation at the source; strengthened the management and control of the transportation link to reduce unorganized emissions; centrally collected and treated exhaust gas, and conducted real-time monitoring through online monitoring equipment to provide technical support for abnormal exhaust gas conditions; carried out technical optimization and operation parameter adjustment for the RTO treatment facilities of fluorocarbon exhaust gas, which ensures the stable compliance of emission data, reduces combustion energy consumption and improves resource utilization efficiency.
- Jiangxi Company has built a set of online monitoring equipment for total non-methane hydrocarbons to collect exhaust gas from the fluorocarbon line exhaust outlets, realizing real-time monitoring of exhaust gas emission concentration.
- Henan Company has continuously strengthened the whole-process control of exhaust gas emissions, strictly implemented regular inspections of environmental protection facilities to ensure the stable and efficient operation of exhaust gas collection devices, treatment systems and online monitoring equipment. In 2025, the total emissions of nitrogen oxides decreased by 23.73% year-on-year, and the total emissions of particulate matter decreased by 34.37% year-on-year.
- Zhejiang Company carried out pollution factor detection, improves exhaust gas inspection and account management, improved environmental protection systems to clarify the responsibilities and assessment requirements of exhaust gas management, organized special training and formulated emergency plans, so as to comprehensively improve the exhaust gas risk control and emergency support capabilities.





Figure Caption: Zhejiang Company's Exhaust Gas Treatment Facilities

4.4.2 Wastewater Management

Xingfa Aluminium strictly abides by the requirements of laws and regulations such as the "Water Pollution Prevention and Control Law of the People's Republic of China" and the "Emission Standards for Pollutants from Inorganic Chemical Industry". The Group has improved relevant management measures and built a full-process control system covering "Water Intake – Water Use – Water Discharge". The industrial wastewater generated by each production workshop of the Group mainly includes three types: acid-base sewage, chromium-containing wastewater, and nickel-containing wastewater. By strictly implementing rainwater-sewage separation, classified collection by quality, upgrading sewage treatment facilities, improving online monitoring and control, and implementing total wastewater volume control, the Group ensures that production wastewater is collected and treated in a standardized manner.

The Group has established a water pollution prevention and control management mechanism with collaborative linkage between the Testing Center, the Safety and Environmental Management Department, the Safety and Environmental Office, and the production workshops. The Testing Center is responsible for daily sewage testing and the operation and maintenance of online monitoring facilities, and records and reports test data in accordance with regulations; the Safety and Environmental Management Department conducts sampling and monitoring of key areas such as groundwater and manholes in the plant every week; the Safety and Environmental Office and the environmental protection management personnel of the production workshops cooperate with the supervision and inspection of the ecological and environmental departments, comprehensively ensuring that wastewater treatment is compliant, stable and controllable. In 2025, the qualification rate of wastewater discharge reached 100%.



Figure Caption: Henan Company Added an Integrated High-Efficiency Sedimentation Tank to Enhance Wastewater Treatment Performance.

4.4.3 Waste Management

Hazardous Waste Management

Xingfa Aluminium Strictly Complies with Relevant Laws and regulations, such as the "Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Waste" and the "Measures on the Management of Hazardous Waste Manifests". The Group has also formulated relevant management policies to clarify requirements for hazardous waste management. Hazardous wastes generated from the Group's production and operation mainly include waste corrosive liquid, waste washing liquid, waste tank liquid, tank slag, wastewater treatment sludge, waste engine oil, etc, which are subject to classified management and standardized whole-process control in strict accordance with relevant national regulations.

Collect	• Establish a management system for classified collection, ledger records and special personnel • All kinds of waste are stored and labeled separately according to attributes, and mixed collection is prohibited • Implement key control of hazardous waste, and strictly prohibit mixed collection and storage with harmless waste
Storage	• Set up special storage sites for hazardous waste, implement special management, strictly control the storage time limit, and ensure compliance and safety in the storage process
Treatment	• All hazardous waste is entrusted to a qualified third-party organization for proper recycling and treatment to ensure that the whole process of waste from collection, storage to disposal is standardized, safe and environmentally friendly

At the same time, the Group has established a sound environmental emergency management mechanism to immediately initiate emergency measures to control the spread of pollution and mitigate and eliminate the impact of accidents when waste pollution accidents may occur or have occurred. Major incidents or emergent events should be reported to the safety and environment office of the Group for investigation within two hours after the occurrence.

In 2025, the Group continued to strengthen the whole-process control of hazardous waste, adhering to source reduction, standardized process management, and end-of-pipe resource utilization, and steadily promoted the reduction, recycling, and harmless treatment of hazardous waste. Henan Company replaced oil-based paint with water-based paint to reduce hazardous waste generation at the source, resulting in a 50.61% year-on-year decrease in waste paint residue. Zhejiang Company completed the standardized construction of the hazardous waste warehouse in line with the "Five Immediates" principle: immediate classification, immediate packaging, immediate weighing, immediate warehousing, and immediate scanning upon generation. Zhejiang Company also carried out special training for relevant management and operating personnel to improve the awareness and capabilities of all staff in waste management.

Non-hazardous Waste Management

The non-hazardous waste generated by the Group's production and operation mainly includes aluminium slag, scrap steel, construction waste, office and domestic waste, etc., Each subsidiary has established the Solid Waste Management Regulations, which stipulates the recycling and treatment of waste materials and non-hazardous waste residues. Some of the waste materials can be directly used for production after being processed. For example, the product scraps can be used as raw materials after recycling to the furnace. Other waste materials such as mould steel can be handed over to the steel plant for processing and reuse. The main components of non-hazardous waste slag such as aluminium slag in the casting workshop are alumina powder, aluminium powder and refractory particles, which can be used as raw materials for high-aluminium cement production after being handed over to the cement plant for treatment.

Xingfa Aluminium's Non-hazardous Waste Recycling in 2025

- Sanshui Company recycled 2,557.73 tonnes of waste mould steel
- Chengdu Company recycled 1,656.06 tonnes of waste mould steel, 817.68 tonnes of Aluminium hydroxide, 828.72 tonnes of scrap shavings, 344.31 Tonnes of waste powder, 89.58 tonnes of waste rubber strips, 49.08 tonnes of scrap iron, and 42.7 tonnes of waste paper
- Jiangxi Company recycled 495.17 tonnes of steel shavings, 579.52 tonnes of Aluminium hydroxide, 406.37 tonnes of waste mould steel, 168.45 tonnes of waste paper, 160.55 tonnes of scrap iron, 55.71 tonnes of waste rubber strips, 44.51 tonnes of waste wood, 27.81 tonnes of waste plastic, and 25.19 tonnes of waste protective film
- Henan Company recycled 1,432.48 tonnes of neutralized slag, 538.34 tonnes of waste mould steel, and 350.7 tonnes of scrap shavings, with a recycling rate of 100%
- Zhejiang Company recycled 90.08 tonnes of scrap iron and 179.98 tonnes of waste paper

4.5 Ecological Protection

Xingfa Aluminium attaches great importance to biodiversity conservation. Throughout the whole process of project planning, construction and daily operation, the Group strictly implements ecological protection requirements, minimizes impacts on surrounding ecosystems and species through refined management, and promotes the coordinated development of ecological protection and corporate growth.

Meanwhile, the Group continues to strengthen internal publicity and education on ecological and environmental protection, integrating the concept of ecological protection into employees' daily code of conduct to continuously enhance their awareness and sense of responsibility. The Group actively organizes employees to participate in ecological protection practices such as afforestation and ecological maintenance, practicing the concept of green development with concrete actions to support the continuous improvement of the regional ecological environment.




Figure Caption: Chengdu Company Launched Voluntary Tree Planting Activity




Figure Caption: Jiangxi Company Carried Out Voluntary Garbage Cleaning Activity




Figure Caption: Jiangxi Company Carried Out Voluntary Tree Planting

5

UNITING TOGETHER AND LEADING WITH RESPONSIBILITY



Xingfa Aluminium takes "Smart Manufacturing with Craftsman's Spirit" as our core and is committed to producing high-quality aluminium profiles. In procurement management, we strengthen supply chain compliance and quality control to ensure safe and reliable raw materials from the source. In R&D and innovation, we deepen industry-university-research cooperation, enhance technological breakthroughs and intellectual property management, and continuously launch diversified, high-performance products. In product quality, we strictly follow national quality and safety standards, constantly optimizing production processes and control procedures to ensure stable and reliable product quality. In customer service, we establish a comprehensive service support system to provide professional technical support and full-cycle after-sales service. In privacy protection, we improve the customer information protection system, standardize information collection and usage management, and effectively safeguard customer information security.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Ensure sustainable consumption and production patterns

17 PARTNERSHIPS FOR THE GOALS

Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

5 UNITING TOGETHER AND LEADING WITH RESPONSIBILITY

5.1 Responsible Procurement

5.1.1 Supplier Management

Xingfa Aluminium has always taken responsible supply chain management as an important support for its sustainable development, adhering to the philosophy of compliant operation, honest cooperation and shared value, and strictly standardizing the whole-process management of the supply chain. The Group has formulated and implemented the "Procurement Management and Regulations of Guangdong Xingfa Aluminium Co., Ltd." and the "Procurement and Bidding Management Regulations", actively building a transparent, stable and green supply chain system, strengthening supplier access, evaluation and supervision, promoting upstream and downstream collaboration to fulfill environmental, social and governance requirements, and fully ensuring the safe, stable and high-quality development of the supply chain.

Supplier Access	• Establish a standardized and strict supplier access management mechanism. Suppliers may be included in the candidate supplier database only after passing on-site inspections, qualification reviews and initial sample testing. • Candidate suppliers are officially recognized as qualified suppliers and included in the cooperative supplier database after a comprehensive evaluation through annual centralized procurement negotiations.
Supplier Assessment	• Establish a supplier grading and evaluation system consisting of two categories: one is the annual supplier evaluation, focusing on data such as delivery, quality and on-site management; the other is the supplier qualification evaluation, emphasizing business qualifications, management systems and other content, which is conducted through on-site inspections by the Procurement Center jointly with the quality and production departments. • Suppliers are classified into four grades based on evaluation scores: Excellent, Average, Needing Improvement and Unqualified. An elimination mechanism is implemented for unqualified suppliers.

5.1.2 Supply Chain Environmental Risk Management

Xingfa Aluminium attaches great importance to environmental risk control in the supply chain, actively addresses the environmental impacts brought by high-pollution and high-energy-consumption industries such as upstream aluminium ingots and aluminium rods production, and builds a full-process supply chain environmental risk management system. The Group strictly requires suppliers to comply with environmental protection laws and regulations, formulates special environmental risk management policies, and strengthens risk control.

Xingfa Aluminium's Supply Chain Environmental Risk Management Policy

- Suppliers are required to meet the requirements of supervision, reporting and operational measures, and strengthen the environmental management of purchased chemical materials to prevent environmental pollution accidents. Combine supplier environmental risk management with supply chain management to achieve "Overall Security".
- Supplier assessment covers risk assessment of suppliers, including assessment of supplier product quality and hazardous substance control, supplier environmental and safety control.
- Sign a guarantee with the supplier that all materials and parts provided by the supplier must be tested by a professional testing institution and submit a test report with the official seal.

The Group incorporates environmental risks into its supplier access and annual evaluation systems, focusing on verifying procedures such as environmental impact assessments and safety assessments. Suppliers failing to meet requirements will not be considered for cooperation. Meanwhile, each subsidiary implements control measures based on actual conditions, regularly reviews suppliers' environmental compliance, and confirms no liability for safety and environmental incidents. By establishing relevant systems, the Group embeds environmental risk assessment into the entire procurement and bidding process, forming a closed-loop management system from access to continuous monitoring. In addition, for park partners and external construction units, safety and environmental management agreements are required to clarify environmental protection requirements, strengthen supervision and violation handling, and effectively prevent environmental risks in the supply chain.

At the same time, the Group actively promotes green procurement, prioritizing products and services that meet environmental standards and feature high resource utilization efficiency, and encourages suppliers to adopt energy-saving and environmentally friendly materials as well as green production methods. For key materials, the Group clearly specifies relevant environmental and transportation management requirements in procurement contracts. For example, in the procurement of powder materials, it is agreed that the curing process must meet environmental standards, driving the green and low-carbon development of the supply chain through concrete actions.

5.1.3 Supply Chain Social Risk Management

The Group has established a comprehensive supply chain social risk management system. Through supplier evaluation control procedures, integrity regulations, inspection and procurement procedures for major raw and auxiliary materials, as well as quality objective management and statistical provisions, it clarifies the management organization, job responsibilities and full-process control standards, and integrates social risks into the entire process of supplier classification, evaluation, selection and monitoring. In the tendering and procurement process, the Group strictly conducts supplier qualification reviews and verifies their qualification certificates and certification materials. Adhering to the bottom line of integrity and compliance, it requires 100% of suppliers to sign the Integrity Commitment and abide by the Supplier Code of Conduct. By incorporating social sustainability into supplier management requirements, the Group effectively prevents social risks in the supply chain.

5.1.4 Supplier Training

Xingfa Aluminium closely tracks cutting-edge market demands and supply trends. By holding irregular supplier communication meetings, the Group promptly communicates new policies on environmental protection, safety and compliance to suppliers and organizes special training to strengthen policy implementation. Meanwhile, in conjunction with the EHS department, the Group enhances safety management and publicity for on-site delivery personnel, construction workers and transport vehicles entering the factory, and urges relevant personnel to sign safety acknowledgment forms, so as to comprehensively improve the overall management capability of suppliers.

Jiangxi Company Carries Out Special Logistics Training to Solve Supply Chain Service Problems

In response to quality and safety issues involving logistics suppliers, Jiangxi Company organized a joint special training session with multiple departments. The training covered logistics transportation and loading safety, quality control, vehicle coordination, order processing, production connection, financial settlement and other related content. It clarified control requirements on personnel division, safety protection, pre-job training, cargo loading and transportation, and optimized vehicle arrival and operation arrangements. Meanwhile, in view of the difficulties raised by suppliers such as complicated financial processes, unclear settlement standards and blocked document processing, Jiangxi Company required suppliers to complete relevant materials, assigned special personnel from relevant departments to assist, and sorted out documents regularly, effectively resolving process pain points.



Figure Caption: Logistics Supplier Training Session

5.2 Scientific and Technological Innovation

5.2.1 Innovation Management

Xingfa Aluminium adheres to an innovation-driven development strategy, continuously strengthens technological R&D and independent innovation capabilities, and builds core competitive advantages for the enterprise. By the end of 2025, the Group has accumulated 950 valid patents, with over 200,000 specifications and models of aluminium alloy products. Its products and engineering solutions are widely used in construction doors, windows and curtain walls, electronic equipment, machinery and equipment, rail transit, aerospace, marine engineering and many other fields. Relying on strong R&D strength and strict quality control, after more than 30 years of intensive development, the Group has established an extensive and stable marketing and service network at home and abroad, continuously providing high-quality aluminium alloy products and services to global customers.

In 2025, the Group obtained 118 new granted patents, including 19 invention patents, 28 utility model patents and 71 design patents. By the end of 2025, a total of 5 subsidiaries of the Group have passed the certification of high-tech enterprises.

In terms of industry-university-research cooperation, various subsidiaries have actively carried out cooperative practices with major universities and research institutes. In 2025, Chengdu Company focused on the research of aluminium alloy extrusion deformation and launched two industry-university-research projects with Chongqing University. Jiangxi Company carried out seven industry-university-research cooperation projects with five institutions of higher education, and jointly established a postgraduate workstation with Nanchang University. These efforts effectively solved development bottlenecks in the traditional aluminium alloy manufacturing industry, optimized alloy composition and production processes, and improved product quality. They also helped Jiangxi Company enhance its position in the industrial chain, realize the transformation from a single material supplier to a lightweight system solution partner, and strengthen customer loyalty. Henan Company launched 7 industry-university-research cooperation projects with three institutions of higher education, effectively promoting the transformation of technological achievements and enhancing the core competitiveness of products.



Figure Caption: Jiangxi Company and Nanchang University Jointly Established a Postgraduate Workstation

5.2.2 Intellectual Property Protection

Xingfa Aluminium attaches great importance to intellectual property management and has established a sound intellectual property management system. It has formulated a series of rules and regulations, including the Intellectual Property Rights Management System, Patent Management System, Trademark Management System, Intellectual Property Rights Training Measures, Scientific Research Project Management System and Intellectual Property Rights Strategic Planning Programme. The Group has also obtained certification under the Specification for Enterprise Intellectual Property Management, and continuously strengthens publicity on patent laws, popularization of patent knowledge, patent training, patent application and protection.

In 2025, Chengdu Company conducted three intellectual property training sessions focusing on intellectual property confidentiality, patent search and novelty assessment, and the current status of corporate intellectual property management, improving all employees' awareness of intellectual property protection and professional competence. Jiangxi Company launched systematic intellectual property training centered on national public service resources for patent information, with key explanations on patent information search, analysis, application and protection. It guided employees to proficiently use public service resources to explore patent value and avoid infringement risks.



Figure Caption: Jiangxi Company Holds Lecture on Intellectual Property Protection

5.2.3 Industry Communication

In 2025, adhering to the dual-circulation development pattern of domestic and international markets, Xingfa Aluminium took the initiative to go global and participate in international exhibitions, showcasing its innovative products and technological strengths, deepening penetration in overseas markets, and advancing the brand's internationalization process. Meanwhile, the Group actively engaged in domestic industry exchanges, participating in association communications and industry forums focusing on core topics such as brand globalization, digital transformation, and industrial collaboration. By drawing on cutting-edge industry experience, building consensus for development, and promoting coordinated upgrading of the upstream and downstream industrial chain.

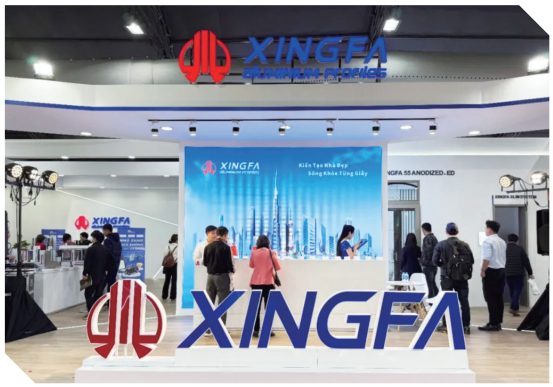


Figure Caption: In March 2025, Xingfa Aluminium Participated in the Vietnam International Construction, Building Materials and Interior Decoration Exhibition

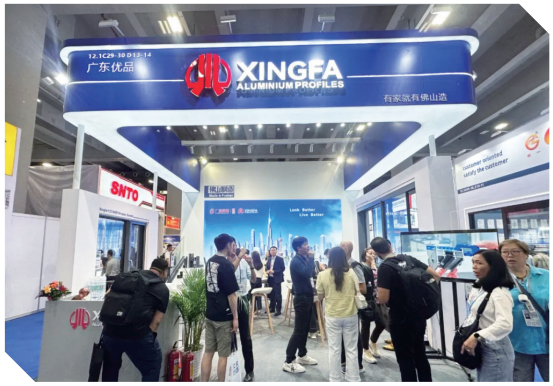


Figure Caption: In April 2025, Xingfa Aluminium participated in the Second Phase of The 137th China Import and Export Fair

5 UNITING TOGETHER AND LEADING WITH RESPONSIBILITY



Figure Caption: In April 2025, Xingfa Aluminium Participated in The 137th Canton Fair Industry Trend Forum: Global Expansion of Home Furnishing, Building and Decoration Brands



Figure Caption: In June 2025, Xingfa Aluminium Participated in the Ho Chi Minh International Construction, Building Materials, Decoration and Home Furnishing Exhibition



Figure Caption: In October 2025, Xingfa Aluminium Participated in the Second Phase of The 138th China Import and Export Fair



Figure Caption: In May 2025, Henan Company Attended the Executive Meeting of Henan Nonferrous Metals Aluminium Profile Association



Figure Caption: In June 2025, Jiangxi Company Attended the Digital Transformation Promotion Conference of Yichun Economic Development Zone

5.2.4 Digital and Intelligent Construction

In 2025, adhering to the core philosophy of "Digital Intelligence Empowerment, Quality Improvement and Efficiency Enhancement, and Whole-Domain Collaboration", Xingfa Aluminium drove high-quality development through digital and intelligent transformation. The Group coordinated all subsidiaries to advance projects including intelligent upgrading, digital system implementation, and process optimization, covering key links such as manufacturing, mould management, logistics and transportation, and quality control. A collaborative and efficient development system was established, which effectively improved efficiency, reduced costs, mitigated risks, and propelled the Group to leap from "Automation" to "Smart Operation".

5 UNITING TOGETHER AND LEADING WITH RESPONSIBILITY

Xingfa Aluminium's Achievements in Digital and Intelligent Construction in 2025

- Sanshui Company has smoothly advanced many intelligent upgrading projects, including the application of smart logistics rail-guided vehicle (RGV), the deployment of the Mould 4.0 system at production bases, the supplementary construction of an intelligent monitoring system, and the effective implementation of an information-based release system, which have effectively improved production efficiency and refined management capabilities.

- Chengdu Company has reduced costs, improved efficiency and enhanced quality in extrusion production through the transformation of intelligent equipment on extrusion production lines and the application of AI technologies. It has applied mould-related algorithm models to connect the entire "Design–Manufacturing–Application" process of moulds, supporting full life cycle management, and was awarded the title of "Chengdu Digital Workshop" by the Chengdu Municipal Bureau of Economy and Information Technology.

- Jiangxi Company has promoted the optimization of multiple digital systems and the launch of the TMS freight logistics system, improving processes including data transmission, mould management and freight logistics, and effectively enhancing operational efficiency, user experience and logistics management. In 2025, it was awarded the L6 level certificate of Digital Development Level of Manufacturing Enterprises in Jiangxi Province and the 2-star certificate of Digital Transformation Maturity.

- Henan Company has successfully completed projects including the digitalization of extrusion mould mounting status, the MES4.0 mould production project, the TMS freight logistics project, the optimization of powder return and replenishment processes, the optimization of trial mould sampling processes, the implementation of extrusion shaping reporting, and the optimization of workshop workflow for accompanying cards. Through information-based measures, it has standardized management, reduced manual workload, avoided quality risks, and improved production accuracy and product quality.

- Zhejiang Company has deepened the development of intelligent manufacturing, fully introduced digital factory planning and digital process management, and built a 5G fully connected digital intelligent factory for the production of high-end Aluminium profiles, which was selected into the 2025 5G Factory List of the Ministry of Industry and Information Technology. By implementing the connection of an intelligent logistics system, it has significantly improved the daily completion rate, on-time delivery rate and supporting rate.

- Precision Manufacturing Company has adopted the strategy of "Software Driving Hardware" to achieve full-link digital coverage, greatly improving logistics efficiency, data accuracy and equipment energy efficiency. It has realized dynamic obstacle avoidance and optimal path allocation for rails through multi-machine collaboration, optimized three-dimensional warehouse space to increase storage capacity, and fully promoted the digital twin platform to build a "Digital Mirror Factory", realizing the leap from "Simple Automation" to "In-depth Intelligentization".

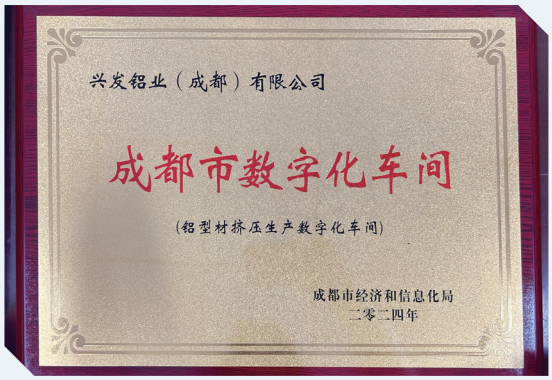


Figure Caption: Chengdu Company Wins the Title of "Chengdu Digital Workshop"



Figure Caption: 5G Factory Project of Zhejiang Company

5.3 Product Liability

5.3.1 Product Quality Management

Xingfa Aluminium has always taken "Smart Manufacturing with Craftsman's Spirit" as its core responsibility, strictly abides by ISO 9001 quality management system, national accredited laboratory management system and other relevant standards, and standardizes the whole process of production and operation with requirements higher than the industry average. By introducing the world's advanced production equipment, we continue to optimize the physical and chemical properties of products, deeply cultivate lean production, and strive to create superior quality products.

Lean Production

As the core path of enterprises to improve quality and efficiency and achieve high-quality development, lean production is of irreplaceable significance for optimizing production processes, reducing operating costs, and building a solid foundation for quality. This year, all subsidiaries actively responded to the core requirements of "Three Refinement Management"[2], fully launched the construction of the daily management mode of the lean team, actively explored the introduction of deeper lean tools, and promoted the construction of the lean team to become a solid foundation for enhancing the core competitiveness of the enterprise and achieving high-quality development.

[2] "Three Refinements Management" refers to refined organizational structure, refined management, and lean operation, which is an important approach for enterprises to enhance core competitiveness. Its core lies in systematic optimization, analyzing problems with tools such as 5WHY and fishbone diagram, and seeking corresponding solutions through team brainstorming, so as to achieve cost reduction and efficiency improvement, controllable risks, and sustainable innovation.

The Main Progress of Xingfa Aluminium's Lean Work in 2025

- Sanshui Company has established a closed-loop management mechanism of "Project Initiation – Scheme Formulation – Implementation – Standardization". Focusing on lean improvement projects, lean team building, improvement week activities and talent echelon development, Sanshui Company has comprehensively improved operational efficiency and management capability. In 2025, it promoted 14 lean improvement projects, completed the systematic establishment of 23 lean teams from scratch, and carried out 26 improvement week activities. A multi-level lean talent echelon including Black Belt, Green Belt, Yellow Belt and Blue Belt has been initially formed.

- Jiangxi Company's lean production team trained eight Green Belts of lean talent throughout the year, held 22 improvement week activities, added 8 new lean teams, and advanced six key lean projects. Both operational indicators and energy consumption indicators were better than the annual standards. Jiangxi Company has established a lean specialist system and formed a positive atmosphere of "Experience Sharing, Mentoring and Mutual Assistance". It completed 42 weekly reports and participated in 20 Group biweekly reports, promoting cost reduction and efficiency improvement with solid actions.

- Henan Company has continuously improved its staff training and incentive mechanisms to enhance team professionalism and work motivation. The number of employees participating in lean improvement projects increased by 50% year on year, with more than 100 rationalization proposals submitted in total, many of which have been implemented. A positive atmosphere of "Everyone Participates in Improvement, Lean is Reflected Everywhere" has been formed. Henan Company launched a special campaign of "Cost Reduction and Efficiency Improvement", achieving cost savings of approximately RMB13 million, fully demonstrating the significant improvement brought by lean practices in cost control.

- Zhejiang Company launched its lean production initiative in 2025. By establishing a streamlined and efficient organizational structure, it optimized resource allocation and improved operational efficiency. Zhejiang Company set eight core indicators focusing on delivery, safety, quality and cost to drive continuous improvement. Throughout the year, eight improvement weeks were launched and six were completed. In addition, two lean teams were established, and stand-up meetings and data visualization management were implemented to continuously enhance the production site management level.

- Precision Manufacturing Company has continuously promoted the development of its lean talent system. During the year, it cultivated five Green Belts, five Yellow Belts and 17 Blue Belts, gradually consolidating the talent echelon for lean improvement. By deepening project practices, Precision Manufacturing Company completed 15 improvement week projects throughout the year, achieving a total improvement benefit of approximately RMB10 million, and the effectiveness of lean management has continued to emerge.

Product Quality Management System Construction

The Group has established a full-process quality management system covering raw material inspection, production control, finished product testing and after-sales improvement. The Group strictly controls the incoming inspection of all raw materials and implements a batch testing and qualified admission system. First-piece inspection, in-process inspection and finished product inspection are carried out throughout the production process, with key control over key production processes such as extrusion, aging and surface treatment, to ensure product indicators meet standard requirements. A product batch traceability and closed-loop rectification mechanism has been established to enable traceability of quality issues and effective implementation of rectifications. By the end of 2025, Sanshui Company, Chengdu Company, Jiangxi Company, Henan Company and Precision Manufacturing Company have all obtained ISO 9001 Quality Management System certification and passed annual audits.

The Group has built a full-chain guarantee mechanism for quality control through multi-dimensional efforts, including risk prevention and control, capability improvement and senior management participation. In advance, the Group strengthens the quality risk identification and early warning mechanism, focuses on key processes and links to implement special control, and promotes proactive risk management. During production, the Group continuously enhances employees' quality awareness and operational standardization through systematic training and skill improvement. After sales, the general manager of each subsidiary holds a dealer conference once a year and visits key customers irregularly every month to extensively collect customer feedback and opinions, promoting closed-loop rectification of problems and optimization of standards. Through multiple measures, the Group continuously improves product quality stability and customer satisfaction.

The Group has formulated and implemented the Nonconforming Product Control Procedure and the System for Supervision and Penalty of Bad Quality Behaviors and Process Specification, regulating the recycling and disposal of nonconforming products. In 2025, the Group did not commit any acts in violation of relevant laws and regulations on product liability.

5.3.2 Green Products

Xingfa Aluminium adheres to the concept of green product R&D and actively develops energy-saving and environmentally friendly door and window products. Jiangxi Company launched the 115 Series heat-insulated and energy-saving integrated casement window with screen, whose thermal insulation performance is several times higher than that of ordinary glass, helping to reduce energy consumption in buildings. Zhejiang Company promoted the green upgrading of production processes by optimizing the traditional fluorocarbon paint process to fluorocarbon powder coating. This not only improves product weather resistance, but also reduces VOC emissions during production, simplifies environmental treatment procedures, and implements the requirements of Clean Production. Precision Manufacturing Company plans to introduce the SCS Recycled Content Certification management system, promote the application of recycled materials in products, reduce the exploitation of primary resources and waste generation, lower the product life-cycle carbon footprint, and fulfill product environmental responsibilities through a circular economy model to support the Group's sustainability strategy.

5.4 Customer Service

5.4.1 Customer Service Management System

Xingfa Aluminium has established a comprehensive customer service management system. Based on specialized documents including the Customer Communication and Service Control Procedure and After-Sales Service Process Guidelines, the Group has clarified service standards and implementation requirements to achieve standardized whole-process management, covering the full life cycle of orders (order receiving, production scheduling, manufacturing, delivery and after-sales service).

The Group has defined service responsibilities for all aspects of customer service and implemented a mechanism featuring "Dedicated Liaison and Precise Response". It adopts classified and graded management according to customer type, region and sales volume. A three-level linked customer communication system has been established, with "Leadership Taking the Lead, Special Task Forces Tackling Key Problems, and Local Teams Implementing Measures", to carry out regular customer visits. In addition, during peak demand periods, the Group proactively reserves inventory and coordinates production schedules for potential customers to ensure their needs are met. It also promotes the digital upgrading of service processes and establishes a dynamic service list to improve customer service efficiency.

The Group is committed to building a customer service management mechanism through diverse channels, including customer satisfaction surveys, customer service centers and hotlines, customer visits, exhibitions, and large-scale events such as "Super Factory" tours. To facilitate customers in accessing relevant information, the Group's website provides a quick search function for sales outlets across regions, as well as options including online message submission, dealer portal inquiries, and anti-counterfeiting verification.

5.4.2 After-sales Service

Xingfa Aluminium has established a closed-loop customer complaint management mechanism covering "Acceptance – Handling – Rectification". It clarifies acceptance channels, responsibility division, and requirements for handling and rectification, enabling efficient responses to customer feedback and product quality issues.

Acceptance	•	Ensure that complaint information is fully registered and omitted through multiple channels such as after-sales mailbox, WeChat, and CRM system
Handling	•	The registration information of the relevant departments will be transferred to the quality department, and targeted measures such as on-site repair and return and replenishment will be taken after clarifying the responsibilities
Rectification	•	The quality department shall organize the responsible departments to issue a "Four-No-Let-Off" report, identify process loopholes, and carry out rectification.



5 UNITING TOGETHER AND LEADING WITH RESPONSIBILITY

In order to standardise customer service management and improve customer service quality, we provide the following after-sales service undertakings in our tender contracts:

Xingfa Aluminium After-sales Service Commitment

- After receiving a customer's quality feedback, Xingfa Aluminium will respond within 24 hours or dispatch service staff to the site as soon as possible for after-sales service until the customer is satisfied.
- Xingfa Aluminium will send technicians to the site to provide technical guidance services when needed.
- If there is any damage caused by the quality of the materials provided by Xingfa Aluminium, such materials will be replaced free of charge.
- Xingfa Aluminium will actively participate in engineering coordination meetings organised by customers, strictly implement meeting minutes or signed agreements between the two parties and pay return visits regularly to understand the use of materials.
- After contract obligations are fulfilled, Xingfa Aluminium undertakes to continue providing users with the relevant technical services and answer users' inquiries at any time.
- Xingfa Aluminium will further improve its services and implement timely service, advanced service, full-process service and high-quality service throughout the entire product manufacturing and installation process.

5.5 Information Security

The Group attaches great importance to information security and customer privacy protection in strict compliance with relevant national and local laws and regulations. We establish and improve the information security and customer privacy protection management system covering the whole process and all positions, The Group regulates the requirements for the collection, usage, authorization, sharing, confidentiality, anonymization and audit of customer information, and explicitly prohibits the disclosure, trading or unauthorized use of customer information. There is no information security or customer privacy leakage incidents that occurred within the Group in 2025.

Access Control	•	Follow the principle of "Least Enough", implement IAM (Identity Access Management), and enforce multi-factor authentication (MFA) in the core system.
Technical Defense	•	Deploy Web Application Firewall (WAF), Intrusion Detection System (IDS), and antivirus software, and implement encrypted storage for core databases.
Daily Audits	•	Regularly conduct stress tests, vulnerability scans, and external professional penetration tests to fix security risks in a timely manner.
Emergency Response	•	Establish a security incident reporting process to ensure that affected parties can be responded to, damage assessed, and notified as soon as a leak risk occurs.

In terms of capability building, the Group has continuously strengthened the security construction of information classification protection for the "Digital Center", as well as the security construction of the network center and industrial control systems. By increasing the introduction of security equipment and conducting information security knowledge training for all employees, it has reduced security risks caused by non-standard operations. By the end of 2025, the Group had completed the Level 2 Certification of Information Security Level Protection for two digital centers and one network center.

6

GATHERING TALENT, FOSTERING GOOD, AND SHARING THE FUTURE

Xingfa Aluminium adheres to the human-oriented development concept and deeply integrates employee care and social responsibility into corporate governance and operational practices. In the field of employee health and safety, build an occupational health and safety management system, strengthen risk prevention and control and emergency management, and effectively protect the physical and mental health and life safety of employees; In the field of employee development, continue to improve the standardized human resource management mechanism, implement measures such as fair employment, salary and benefits, career growth and communication care, create a positive and inclusive organizational atmosphere, and stimulate the creative vitality of employees; In the field of social responsibility, we actively practice corporate citizenship obligations, focus on rural revitalization, public welfare and charity and other directions to carry out diversified practices, promote the benefits of development achievements to the society, and realize the synergy and shared development of enterprises, employees and communities.



End poverty in all its forms everywhere



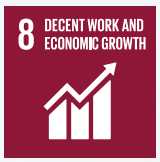
Ensure healthy lives and promote well-being for all at all ages



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



Achieve gender equality and empower all women and girls



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Reduce inequality within and among countries



Make cities and human settlements inclusive, safe, resilient and sustainable

6.1 Occupational Health and Safety

6.1.1 Safe Production

Safety Management System

The Group resolutely regards protecting the life safety and occupational health of its staff as its paramount mission and strictly abides by the "Work Safety Law of the People's Republic of China" and other laws and regulations and relevant regulatory regulations on work safety, and formulates and continuously improves various systems for work safety management. Besides, the safe production committee, headed by the Chairman, has been set up to be responsible for our overall safe production management of the Group. For implementation, every production department has established its own safe production leading Group, carrying out the production safety management of employees in the department under the leadership of the safety production committee, implementing safety responsibilities at all levels, and building a solid line of defense for safe production.

The Group has consistently advanced the construction of its safety management system to high standards. By the end of 2025, Henan Company, Chengdu Company, and Jiangxi Company had passed the annual audit of ISO 45001 occupational health and safety management system certification.

In 2025, the safety goals set and achieved by each subsidiary are as follows:

Branch/Subsidiary	Goal Setting	Achievement
Sanshui Company	• Eliminate serious injuries and above personal injury accidents	• Accomplished
	• Eliminate general and above production safety liability accidents	• Accomplished
	• Eliminate new cases of occupational diseases	• Accomplished
	• Work-related accidents are gradually decreasing	• Accomplished
Chengdu Company	• No major safety production (including fire safety) accidents occur	• Accomplished
	• The injury rate per 1,000 people ≤5‰	• Accomplished
	• No major hazardous chemical leakage accidents occurred	• Accomplished
	• No major equipment/facility accidents occurred	• Accomplished
	• The rate of employee safety training (including on-the-job training, external personnel training, entry and transfer/reinstatement education and training) reached 100%	• Accomplished
	• The training rate of the main responsible persons, safety management personnel and the certification rate of special operators have reached 100%	• Accomplished
	• The rectification rate of hidden dangers reached 100%	• Accomplished
	• The regular inspection/verification rate of special equipment and accessories and compulsory verification measuring instruments reaches 100%	• Accomplished
	• The signing rate of the responsibility letter for safety production goals reached 100%	• Accomplished
	• No administrative penalties for safety violations from government functional departments	• Accomplished

Branch/Subsidiary	Goal Setting	Achievement
Jiangxi Company	• There will be no serious work-related injuries or above safety production accidents	• Accomplished
	• The annual training rate of all employees and new employees reaches 100%	• Accomplished
	• The annual hidden danger rectification rate reaches 100%	• Accomplished
	• No general or above fire accidents occur	• Accomplished
Henan Company	• No major safety accidents or major fire accidents occur	• Accomplished
	• In the quarterly inspection and assessment of the government emergency management department, environmental management department, and Group headquarters, there will be no administrative penalties or special assessments that do not meet the standards	• Accomplished
Zhejiang Company	• The safety production accident rate does not exceed 9‰	• Accomplished
	• No fire accidents or major production safety accidents occur	• Accomplished
	• Realize the dynamic clearance of hidden dangers of major accidents	• Accomplished

Safety Risk Management and Hidden Danger Investigation

The Group has implemented a dual prevention mechanism consisting of safety risk hierarchical control and hidden danger investigation and management. It conducts regular safety hazard identification and rectification to achieve proactive control over safety risks and effectively prevent the occurrence of various safety accidents. Each subsidiary carries out routine inspections, weekly and monthly checks, safety hazard investigations, and special inspections. Through daily safety patrols, safety inspections before major festivals, on-duty night inspections by management personnel, and other forms, the Group continuously identifies unsafe factors or potential major hazards in daily production operations. For identified hazards, relevant departments shall formulate rectification reports specifying rectification responsibilities and deadlines, require the responsible workshops and departments to implement rectification measures, and follow up on rectification completion, so as to realize closed-loop management and control of work safety hazards.

Sanshui Company Carried Out Special Inspections of Fire Safety Hazards

In November 2025, Sanshui Company carried out a special inspection on fire safety and potential hazards focusing on fire risks. The inspection covered the whole plant's fire hazard investigation, fire-fighting equipment and indoor fire hazards in dormitories, fire safety of charging piles in the factory area, and fire-fighting equipment in workshops. During this special campaign, Sanshui Company identified a total of 27 fire hazards. Relevant department heads have been required to implement rectification, laying a solid foundation for building a safe and stable production and operation environment.



Figure Caption: Fire Safety Inspection Site

Jiangxi Company Carried Out a Major Inspection of Potential Safety Hazards in the Workshop

During the national "Work Safety Month", the General Manager of Jiangxi Company led a comprehensive inspection campaign to identify potential safety hazards in production workshops. Centered on the theme of "Identifying Hazards, Preventing Risks, and Ensuring Safety", a full-coverage, thorough, "dragnet" inspection was carried out covering production areas such as deep-well casting, dust-explosion-related paint mixing rooms, equipment operation, electromechanical safety, safety facilities, and working environments. Problems and hazards identified were required to be rectified within a specified time limit, effectively managing and controlling safety risks in key workshop areas.





Figure Caption: The Site of a Large-scale Investigation of Potential Safety Hazards

Emergency Management and Emergency Drills

The Group attaches great importance to emergency management. All branches and subsidiaries must develop emergency plans and drill schedules tailored to their production activities and conduct the planned drills. Drill activities include explosion, fire, mechanical injury, molten Aluminium leakage, and other accident drills. Through regular drills, the Group continuously improves employees' ability to respond quickly and effectively in crises.

	Sanshui Company	Chengdu Company	Jiangxi Company	Henan Company	Zhejiang Company	Precision Manufacturing Company
Accident Emergency Drill (times)	152	47	80	159	40	27
Number of People Participating in Emergency Drills	3,248	2,436	972	4,393	963	642
Capital Investment in Safety Production (RMB10,000)	1,459.70	218.47	154.24	334.88	85.85	164.34

Chengdu Company Organized an Emergency Drill for Solvent Warehouse

In March 2025, the Chengdu Company organized an emergency drill on solvent warehouse leakage for all staff of the hardware warehouse. During the drill, participants responded quickly in accordance with the emergency plan and efficiently completed emergency procedures including on-site cordoning, cofferdam construction, spilled material disposal and fire extinguishing. This drill effectively improved the response capability and disposal proficiency of hardware warehouse employees in handling sudden accidents, minimizing potential hazards that may be caused by major work safety accidents.



Figure Caption: Solvent Warehouse Emergency Drill Activities

Henan Company Carried Out Fire Emergency Drills

During the 2025 Fire Safety Promotion Month, the Henan Company organized a special emergency drill targeting fire risks in the workshop. In the drill, various emergency teams including the communication team, first-aid team, rescue team and evacuation team responded rapidly, cooperated closely and handled properly, evacuating personnel from the fire scene in time and bringing the simulated fire under control. This drill further enhanced the fire safety awareness of all employees, improved their practical capabilities in fire prevention and rescue, and helped maintain a steady fire safety situation across the Henan Company.

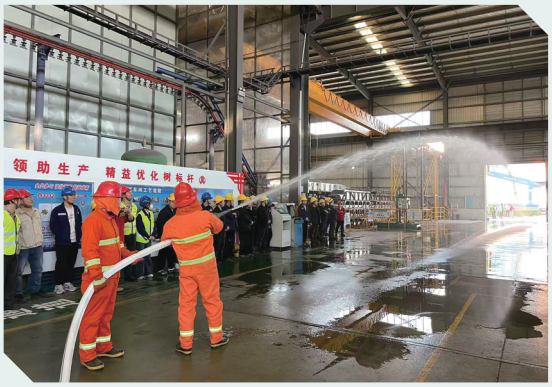




Figure Caption: Fire Emergency Drill Site

Safety Culture Construction

The Group provides comprehensive safety awareness and skills training for employees, ensuring that they are familiar with safety-related laws, regulations and common safety knowledge, and master safety protection capabilities. Each subsidiary formulates an annual work plan for safety training based on actual needs, and organizes implementation and follow-up in accordance with the schedule. Relevant training and educational activities include three-level education and training for new employees, warning education on typical accidents, safety training for special posts, and activities during the Work Safety Month, which continuously enhance employees' awareness and competence in workplace safety.

Xingfa Aluminium Carried Out Special Training on First Aid Skills

In April 2025, Xingfa Aluminium invited the Disease Prevention and Treatment Institute of Sanshui District, Foshan City to conduct a special training on first aid skills. Combining theoretical lectures with practical drills, participating employees systematically mastered core skills such as hemostasis and bandaging, cardiopulmonary resuscitation, and the Heimlich maneuver, effectively enhancing their emergency rescue capabilities.





Figure Caption: First Aid Skills Special Training Site

Sanshui Company Held a Safety Production Keynote Speech Competition

In June 2025, Sanshui Company held a themed speech contest for the Work Safety Month, aiming to improve employees' safety literacy and emergency response capabilities. The event encouraged employees to share safety management experience, hidden danger investigation cases and emergency response practices based on their own posts. Awards were presented to outstanding speakers, which effectively motivated all staff to take the initiative to learn safety knowledge and summarize safety practices.



Figure Caption: The Award Ceremony of The Safety Month Keynote Speech Competition

6.1.2 Occupational Health

Xingfa Aluminium has always placed the prevention of occupational health hazards in a prominent position. Through systematic measures, the Group effectively reduces occupational health risks and is committed to creating a safe and healthy working environment for employees. The Group strictly complies with the requirements of the "Law on the Prevention and Control of Occupational Diseases of the People's Republic of China", and urges all subsidiaries to establish and improve their occupational health management systems, clarifying the responsibilities and tasks of occupational disease prevention and control from management to frontline employees. Each subsidiary promotes occupational health management in an orderly manner every year, covering the detection and assessment of occupational disease hazards, occupational health examinations, distribution of personal protective equipment and heatstroke prevention supplies, and occupational health training, ensuring the full implementation of the Group's occupational health management requirements.

Xingfa Aluminium Occupational Health Management Work	
Occupational Health Monitoring	• Entrust professional medical institutions to conduct pre-employment, regular on-the-job and post-employment physical examinations for all employees, and establish a "One-person-one-file" occupational health record system. • Provide employees with timely feedback on their physical examination results, arrange re-examinations and treatment for those with abnormal indicators, and adjust their work positions when necessary in accordance with medical advice.
Labour Protection	• Provide equipment such as dust masks, gas masks, goggles and heat-resistant clothing based on job characteristics, and supervise employees to wear and replace such items properly and in a timely manner. • Install cooling equipment, provide cold drinks and heatstroke prevention medicines for employees during high-temperature seasons.
Occupational Disease Hazard Source Management	• Conduct annual testing and current situation assessment of occupational disease hazards. • Implement source control for various occupational disease hazards, such as installing shock absorption and sound insulation facilities for noise, and setting up heat insulation and ventilation devices for high-temperature environments.
Occupational Health Training and Notification	• Provide pre-job training on occupational disease hazards and protection knowledge for new employees. • Conduct annual refresher training for in-service employees, covering identification of occupational disease hazards, emergency response procedures, proper use of protective equipment, etc. • Post occupational disease hazard notification cards and warning signs in workplaces.

Jiangxi Company held a publicity week for the "Law on the Prevention and Control of Occupational Diseases of the People's Republic of China"

In April 2025, Jiangxi Company launched a series of themed activities around the Publicity Week of the "Law on the Prevention and Control of Occupational Diseases of the People's Republic of China", promoting the implementation of occupational disease prevention and control from legal requirements into corporate practice. During the campaign, each production workshop independently organized employees to watch occupational health protection videos and analyze typical cases of occupational disease hazards, strengthening employees' understanding of occupational health risks. Meanwhile, various forms such as hanging publicity banners, holding themed meetings and playing promotional videos were adopted to widely popularize knowledge on occupational disease prevention and control, effectively improving the occupational health literacy of all employees.





Figure Caption: Themed Activities for the Publicity Week of the "Law on the Prevention and Control of Occupational Diseases of the People's Republic of China"

6.2 Employee Management

6.2.1 Labour Standard

Xingfa Aluminium attaches great importance to labour rights and human rights protection. Adhering to the core concept of "Human-oriented" and a diversified and inclusive talent development strategy, the Group is committed to building an open, fair and compliant employment environment. The Group strictly abides by the "Labour Law of the People's Republic of China", the "Labour Contract Law of the People's Republic of China", the "Social Insurance Law of the People's Republic of China" and other laws and regulations, and aligns with international standards such as the ILO Conventions and the Universal Declaration of Human Rights. It firmly upholds the basic principles of fair employment, anti-discrimination, anti-forced labour and a ban on child labour, resolutely opposes workplace discrimination, harassment and other irregularities, and rejects all forms of unfair treatment. In the whole process of recruitment, salary distribution, training and development, promotion and incentives, decisions are made based on job requirements, professional competence and work performance.

The Group continues to improve a multi-level and comprehensive mechanism for protecting labour rights, and promotes the deep integration of human rights protection concepts into the entire process of daily operations and management. The Group strictly complies with the minimum employment age requirements stipulated by the state and its places of operation. It explicitly prohibits the employment of child labourers under the age of 16 in its corporate social responsibility policies, and provides special labour protection for juvenile workers aged 16 to 18 in accordance with the law. To prevent the occurrence of forced labour, the Group specifies relevant management requirements in the employee handbook and implements an order-oriented production model. If any case of child labour or forced labour is identified, the Group will immediately terminate the employment and hold the relevant departments and personnel accountable. In 2025, the Group recorded no violations involving the employment of child labour or forced labour.

6.2.2 Employment Management

Xingfa Aluminium adheres to the principle of equal employment featuring "Fairness, Openness and Impartiality". During recruitment, the Group focuses on candidates' professional competence, personal integrity and development potential, and never discriminates on the basis of age, gender, ethnicity, nationality, marital and family status, health condition, religion or other factors. In 2025, the Group had a total of 10,474 employees, among whom 2,095 were female.

The Group has established a multi-channel recruitment system to attract outstanding talents through university-enterprise cooperation, campus presentations, internal referrals, headhunting and other means. For fresh graduates, it has set up a standardized campus recruitment process and incorporated them into the talent echelon for development. Training and empowerment are strengthened through job rotation, mentorship programs and other approaches. For key positions recruited from the society, the Group conducts strict selection and assessment in accordance with institutional standards, enrolls qualified candidates into the talent pool and provides systematic training, offering solid talent support for the Group's development.



Figure Caption: Campus Recruitment Site Photos

6.2.3 Remuneration and Benefits

Xingfa Aluminium adheres to the salary management principles of fairness, impartiality, distribution according to work, and equal pay for equal work. It has established a standardized and transparent salary, welfare and leave management system to protect employees' legitimate labour remuneration and rights to rest and vacation. By improving the diversified welfare guarantee and humanized leave arrangements, the Group effectively safeguards the vital interests of employees, creates a respectful, fair and warm workplace environment, and helps employees grow together with the enterprise.



6 GATHERING TALENT, FOSTERING GOOD, AND SHARING THE FUTURE

Remuneration Management	• Establish a systematic compensation management system that integrates fairness, motivation and performance orientation. • Employee compensation consists of fixed pay and variable pay. Variable pay includes monthly/quarterly bonuses and annual bonuses, which are determined based on annual assessment results, combined with the Group's business performance, job responsibilities and individual performance.
Remuneration Incentives and Assessments	• Establish a standardized Evaluation System to objectively evaluate employees' work performance through a combination of quarterly and annual assessments. • Conduct internal reviews focusing on employees' salary levels at all grades, and collect external salary data in the industry. Adjust compensation and benefits based on factors including position, professional competence, job performance, technical level and the Group's overall performance. • Implement a performance-based reward system while ensuring internal equity. For example, production line employees' monthly wages are calculated based on the team's comprehensive piece-rate output to guarantee more pay for more work. Performance management for different positions is administered separately in accordance with the performance appraisal rules of their respective departments.
Welfare Guarantee	• The Group fully contributes to the social insurance and housing provident fund for all employees in accordance with the law. Based on job risks and protection needs, it also provides commercial insurance for employees in specific positions, achieving full coverage of basic protection and targeted protection for special needs. • A diversified welfare and subsidy system has been established, including professional title subsidies, communication subsidies, lecturer subsidies, housing subsidies, meal subsidies and so on. The employee incentive and security mechanism is improved in multiple dimensions, such as career development, work and daily life.
Attendance Management	• Adopt a comprehensive working hour system. Through centralized work, centralized rest, rotational leave, flexible working hours and other arrangements, the Group ensures that employees fulfill their normal production and work duties while enjoying their lawful rights to rest and leave. • Strictly implement national regulations on rest days, statutory holidays and paid leave policies, providing employees with various statutory leaves, including paid sick leave, maternity leave, marriage leave, bereavement leave, annual leave and work-related injury leave.

6.2.4 Human Resource Development

Talents are the core driving force for the sustainable development of an enterprise. Xingfa Aluminium adopts a hybrid online-and-offline training model and builds a multi-level talent development system covering job skills, management capabilities and comprehensive qualities. Through targeted and regular training, the Group empowers employees to grow and lays a solid talent foundation for the high-quality development of the enterprise.

New Employee Training	• Through various forms of training, new employees can fully understand the Group's development status, organizational structure, rules and regulations, production processes and other relevant content, enhance their recognition and confidence in corporate culture, and give full play to their initiative and enthusiasm at work.
Management Training	• Provide general management training for all employees, including courses such as management skill improvement, business etiquette, emotional management, safety training, communication skills, office automation, and lectures on laws, regulations and policies, so as to improve employees' competence and comprehensive skills.
Professional Training	• Provide various professional training for employees, such as sales techniques, financial operation skills, human resource management, as well as project-specific training, to improve the knowledge and skills of professional personnel. • Build an internal training lecturer team, and appoint highly skilled employees as internal lecturers to share work experience and professional expertise.

Precision Manufacturing Company Carries Out Special Training on Crane Operation

Precision Manufacturing Company conducted 13 special training sessions for crane operators in batches, covering approximately 160 person-times. The training adopted a "On-site Demonstration + PPT Lecture + Practical Drill" model, carrying out systematic teaching focusing on equipment operation specifications, safety risk prevention and control, and emergency response key points. The training effectiveness was tested through both theoretical written tests and practical assessments, further strengthening the operators' standardized operation capabilities and safety production awareness, and building a solid safety defense line for on-site operations.



Figure Caption: The Precision Manufacturing Company Carried Out Special Training on Crane Operation

The Group has formulated the Talent Echelon Construction and Development Plan to improve its talent development mechanism. Through the selection program for successors of key positions and reserve talents, the Group continuously identifies and cultivates backup talents to optimize the talent echelon. Meanwhile, the Interim Measures for the Administration of Employee Continuing Education has been issued to encourage in-service employees to pursue lifelong learning, comprehensively improve their overall quality, optimize the educational background structure, and promote the development of a learning-oriented enterprise.

Meanwhile, the Group has established a "Multi-channel" rank management system that supports the development of both managerial and professional talents. It has set differentiated qualification standards for various career tracks and positions, fully stimulating talent vitality, strengthening talent incentives and retention. Employees may achieve a smooth transition between rank channels based on the enterprise's development needs and their personal growth goals, after meeting job competency requirements and completing relevant approval procedures.

6.2.5 Employee Communication

Xingfa Aluminium attaches great importance to the protection of employees' rights and interests and the development of communication and participation mechanisms, continuously keeps communication channels open, and promotes extensive employee participation, co-governance and shared benefits in the enterprise's development.

The Group has established a trade union in accordance with the law, strictly abides by the relevant provisions of the "Trade Union Law of the People's Republic of China", safeguards employees' rights and interests in accordance with the law, implements democratic procedures, and gives full play to employees' role in the democratic management of the enterprise. In 2025, the Group complied with laws and regulations related to employment and labour in all material respects, including those concerning equal opportunity, diversity, anti-discrimination and employee benefits.

Meanwhile, the Group communicates policies and information to employees through bulletin board notices, emails, employee handbooks, classroom training and other means. Employees may raise opinions and questions to management through face-to-face talks, functional emails, forums and other channels, and are encouraged to contribute ideas and suggestions to the Group's operation and development.

Xingfa Aluminium Deepens the "I Do Practical Things for Employees" Initiative and Opens up Employee Communication Channels

Xingfa Aluminium has established a regular employee communication mechanism. By continuously deepening the practical activity of "I Do Practical Things for Employees", it extensively listens to employees' voices. Focusing on solving the urgent, difficult, worrying and anxious problems of employees, it collects opinions and suggestions from all employees, covering production and operation, enterprise construction, talent training, food, clothing, housing, transportation and other matters related to employees' vital interests. Through smooth and efficient communication channels, the Group effectively protects employees' right to know, right to participate and right to express, continuously enhances their sense of belonging and happiness, and builds a harmonious, stable, mutually integrated and coexistent labour relations.



Figure Caption: Xingfa Aluminium Has Established a Communication Channel of "I do Practical Things for Employees"

Precision Manufacturing Company Held a Symposium for College Student Employees

Precision Manufacturing Company held a forum for college student employees. The general manager of Precision Manufacturing Company and the person in charge of relevant departments had in-depth exchanges with young employee representatives to accurately grasp the work status and development needs of young employees. College student representatives put forward constructive suggestions on practical issues such as production process size control and equipment component operation, and Precision Manufacturing Company's leaders responded one by one and clarified improvement measures. This forum smoothed the communication channels for young employees, effectively addressed their expectations and demands in work practice, career development, skill improvement, living security and other aspects, and enhanced the sense of belonging and cohesion of young talents.



Figure Caption: Precision Manufacturing Company Held a Symposium for College Student Employees



6.2.6 Employee Care

Xingfa Aluminium continues to improve its employee care mechanism and steadily carries out a series of practical activities themed "I Do Practical Things for Employees". Focusing on the actual needs of employees, the Group has taken various measures, including offering assistance and condolences, providing family care, delivering health support, and organizing diverse cultural and sports activities. These efforts continuously enhance employees' sense of gain and belonging, effectively solve difficulties for them, and promote the synchronized development of employees' physical and mental well-being and the enterprise.

Employee Assistance and Condolences	• Establish a support mechanism for employees in difficulty, providing financial assistance to those whose families face hardship due to serious illnesses, accidents and other reasons. • Launch the "Golden Autumn Scholarship" program to subsidize school-age children of employees in difficulty, easing the financial burden on their families. • Organize regular activities including festival greetings, birthday wishes and condolences to hospitalized employees on a routine basis
Employee Family Care	• Launch summer camps for employees' children, Children's Day condolences, and other care activities for employees' children, effectively addressing the family needs of employees.
Health Care	• Organize free medical clinics on an irregular basis and arrange annual health check-ups for employees. • During hot seasons, provide full high-temperature subsidies to frontline workshop employees and those working in high-temperature environments, and promptly offer heat-relief drinks, cooling supplies and sunstroke prevention medicines.
Recreational Activities	• Organize team-building activities around major festivals, such as Army Day events and Mid-Autumn Festival-themed activities, to foster a warm corporate culture atmosphere. • Hold various sports activities including staff sports meet and basketball matches to improve employees' physical fitness and enhance team cohesion.

Xingfa Aluminium Build a Long-term Care Mechanism to Help Employees in Need and Their Children Grow

Xingfa Aluminium has solidly promoted the "I Do Practical Things for Employees" initiative, established an assistance center, continuously improved the Measures for the Assistance and Management of Needy Employees of Xingfa Aluminium, and organized the 2025 annual assistance for needy employees and the Golden Autumn Student Assistance Program. Through procedures such as preliminary investigation, centralized review and result publicity, a total of 14 employees in difficulty due to illness and 5 school-age children of employees received assistance funds and consolation gifts this year, with a cumulative amount of RMB80,000. In recent years, the Group has assisted 39 needy employees and funded 20 children of employees in total. It has also expanded assistance resources by organizing donations, forming a sustainable assistance mechanism, and raising and distributing a total of more than RMB1 million in assistance funds.



Figure Caption: Xingfa Aluminium's 2025 Employee Assistance Target Review Site

Sanshui Company Carried out Summer Activities for the Children of Employees

In the summer of 2025, Sanshui Company launched a series of summer activities for employees' children to effectively care for their growth. It held the summer camp themed "Aluminium Dreams with Children, Enjoy a Wonderful Summer", where more than 50 employees' children participated in a variety of courses, effectively easing the "Difficulty of Childcare" for employees during summer vacation. Parent-child movie screenings were organized to strengthen emotional bonds between parents and children, and back-to-school gift packages were distributed to offer blessings and encouragement for the new semester. This series of family-friendly care activities reflects the enterprise's sense of responsibility and warmth, effectively enhancing employees' sense of achievement, happiness and belonging.





Figure Caption: Sanshui Company Carried Out Summer Activities for the Children of Employees

Henan Company Holds a Symposium for Veterans on the Army Day

On the August 1, 2025, Henan Company held a veterans symposium themed "Salute the Extraordinary Years, Inherit the Army Day Spirit" to celebrate the 98th anniversary of the founding of the Chinese People's Liberation Army. The event included singing the song of the Chinese People's Liberation Army, veterans sharing their military service experience and work insights, speeches and condolences from Henan Company leaders, and giving commemorative gifts. Through these sessions, Henan Company paid tribute to veterans and affirmed their contributions in their respective positions.





Figure Caption: Henan Company Holds a Symposium for Veterans on the Army Day

Precision Manufacturing Company Carried Out Free Traditional Chinese Medicine Clinic Activities

The Precision Manufacturing Company joined hands with the Guangdong Modern Health Industry Research Institute to hold a staff-free clinic themed "Warm-hearted Traditional Chinese Medicine Free Clinic for Assured Employee Health".

During the event, traditional Chinese medicine practitioners provided one-on-one consultations, traditional Chinese medicine physiotherapy and personalized health conditioning plans for employees, effectively relieving discomfort such as neck, shoulder, waist and leg pain as well as insomnia, which was widely praised by the staff.





Figure Caption: Precision Manufacturing Company carries out Free Traditional Chinese Medicine Clinic Activities

6.3 Social Contribution

Xingfa Aluminium has always adhered to the philosophy of "Operating with Integrity and Repaying Society". While promoting corporate development, the Group actively fulfills its social responsibilities and responds to the national rural revitalization strategy. Through continuous investment in education assistance, ecological support and other fields, the Group deeply promotes community co-construction, gives back to society with concrete actions, and contributes to common prosperity.

To ensure the long-term development of public welfare undertakings, the Group has established a special charity fund. It has long participated in social welfare donations in the name of the enterprise and individual employees, and made targeted donations to charity federations and disadvantaged Groups, so as to contribute to the high-quality economic and social development of the region. In 2025, the Group's total community investment reached RMB818 thousands.

Xingfa Aluminium Responds to the "Hundred-Thousand-Ten Thousand Project" to Carry Out Education Assistance

Xingfa Aluminium actively responded to the deployment of the Guangdong High-Quality Development Project for Hundred Counties, Thousand Towns and Ten Thousand Villages (the "Hundred-Thousand-Ten Thousand Project"), donating 200 sets of double-decker dormitory beds and distributing school supplies to students at Lantang Middle School in Zijin County, Heyuan City, the counterpart assistance area. This targeted education support has effectively improved the school's accommodation conditions, safeguarded the healthy growth of young people, and promoted rural revitalization and educational equity.



Figure Caption: Xingfa Aluminium's "One Person, One Bed" Donation Ceremony

Xingfa Aluminium Donated Sports Public Facilities to Help the Balanced Development of Urban and Rural Public Services

Xingfa Aluminium has thoroughly implemented the deployment of the "Hundred-Thousand-Ten Thousand Project", donating a batch of public sports facilities to Pimian Town, Yangchun City, the counterpart assistance area, which have been put into use. The donation includes basketball hoops, table tennis tables and various fitness equipment, accurately covering campuses and communities, meeting the fitness needs of different Groups of people and enriching the cultural and sports life at the grassroots level. This donation is an important practice for the Group to fulfill its social responsibility and serve people's livelihood, effectively boosting the construction of Healthy China and the balanced development of urban and rural public services.





Figure Caption: Xingfa Aluminium Donated Public Sports Facilities

Appendix 1: Major Awards and Honors

Award sponsors	Awardees	Honours
MUQIANGWANG	Guangdong Xingfa Aluminium Co., Ltd.	2024-2025 20th AL-Survey Building Doors, Windows and Curtain Wall Industry Brand List "Top 10 Preferred Brands of Building Materials"
MUQIANGWANG	Guangdong Xingfa Aluminium Co., Ltd.	2024-2025 Real Estate and Doors, Windows and Curtain Wall Industry Chain AL-Survey Preferred Innovative Materials "Top-10" Brands (Building Materials)
MUQIANGWANG	Guangdong Xingfa Aluminium Co., Ltd.	2025-2026 21st AL-Survey Building Doors, Windows and Curtain Wall Industry Brand List "Top Ten Preferred Brands of Building Materials"
MUQIANGWANG	Guangdong Xingfa Aluminium Co., Ltd.	2025-2026 Real Estate and Doors, Windows, and Curtain Walls Industry Chain AL-Survey Preferred Innovative Materials "Top-10" Brands (Building Materials)
The Greater Bay Area Association of Listed Companies	Guangdong Xingfa Aluminium Co., Ltd.	The Most Brand Value Award in the Guangdong-Hong Kong-Macao Greater Bay Area
Guangdong High-tech Enterprise Association	Guangdong Xingfa Aluminium Co., Ltd.	2025 Guangdong Province Famous High-tech Products
China Nonferrous Metals Industry Association	Guangdong Xingfa Aluminium Co., Ltd.	The Title of "High-quality Brand" in the National Non-Ferrous Metal Product Quality Brand Cultivation Activity
Department of Industry and Information Technology of Guangdong Province	Guangdong Xingfa Aluminium Co., Ltd.	National Manufacturing Single Champion Enterprise
Guangdong Provincial Enterprises Confederation, Guangdong Provincial Association of Entrepreneurs	Guangdong Xingfa Aluminium Co., Ltd.	2025 Guangdong Top 500 Enterprises, Guangdong Top 100 Manufacturing Enterprises, Guangdong Top 100 Innovative Enterprises
Guangdong Manufactures Association, Guangdong Provincial Development and Reform Research Institute, Institute of Industrial Economics Jinan University	Guangdong Xingfa Aluminium Co., Ltd.	2025 Top 500 Manufacturing Enterprises in Guangdong Province
Foshan Enterprise Federation, Foshan Enterprise Directors Association, Foshan General Chamber of Commerce	Guangdong Xingfa Aluminium Co., Ltd.	In 2025, Foshan Top 100 Enterprises, Foshan Top 100 Manufacturing Enterprises, and Foshan Top 30 Enterprises in terms of Profit and Tax Contribution
China Enterprise Confederation, China Enterprise Directors Association	Guangdong Xingfa Aluminium Co., Ltd.	2025 China's Top 500 Manufacturing Enterprises



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Award sponsors	Awardees	Honours
Department of Science and Technology of Guangdong Province	Guangdong Xingfa Aluminium Co., Ltd.	Second prize of the 2024 Guangdong Science and Technology Progress Award
Chengdu Enterprise Confederation	Xingfa Aluminium (Chengdu) Co., Ltd.	Top 100 Manufacturing Enterprises in Chengdu
Sichuan Enterprise Federation, Sichuan Enterprise Directors Association, Sichuan Enterprise Development Promotion Center	Xingfa Aluminium (Chengdu) Co., Ltd.	Top 100 Sichuan Enterprises in terms of Technological Innovation Ability
Sichuan Enterprise Confederation, Sichuan Enterprise Directors Association	Xingfa Aluminium (Chengdu) Co., Ltd.	Top 100 Manufacturing Enterprises in Sichuan
Sichuan Enterprise Federation, Sichuan Enterprise Directors Association, Sichuan Enterprise Development Promotion Center	Xingfa Aluminium (Chengdu) Co., Ltd.	Top 100 Enterprises in Sichuan Province with Invention Patents
Science and Technology Department of JiangXi Province, Jiangxi Provincial Department of Finance, Jiangxi Provincial Tax Service, State Taxation Administration	Guangdong Xingfa Aluminium (Jiangxi) Co., Ltd.	High-tech Enterprises
Department of Industry and Information Technology of Henan Province	Guangdong Xingfa Aluminium (Henan) Co., Ltd.	Provincial Green Factory in 2025
Ministry of Industry and Information Technology of the People's Republic of China	Xingfa New Materials (Zhejiang) Co., Ltd.	National 5G Factory Directory
The Working Committee of the Yangtze River Delta (Huzhou) Industrial Cooperation Zone of the Communist Party of China, Management Committee of the Yangtze River Delta (Huzhou) Industrial Cooperation Zone	Xingfa New Materials (Zhejiang) Co., Ltd.	2025 Advanced Enterprises in Expanding Effective Investment, 2025 Contribution Award for Expanding Production and Developing Industry, 2025 Top 30 Industrial Enterprises in Changhe District
Guangdong High-tech Enterprise Association	Guangdong Xingfa Precision Manufacturing Co., Ltd.	Guangdong Province Famous High-tech Products
Foshan Small and Medium-sized Enterprise Service Bureau	Guangdong Xingfa Precision Manufacturing Co., Ltd.	Innovative Small and Medium-sized Enterprises in 2025

Appendix 2: Environmental and Social Key Performance

Key Performance Indicators	Unit	2025	2024	2023
Aluminium Raw Material Purchase Quantity[3]	10,000 Tonnes	**86.6**	–	–
Total Output of Aluminium Product	10,000 Tonnes	**88.0**	82.2	76.3
Environmental Category				
Greenhouse Gas Emissions				
Scope 1 [4]	Tonnes of CO_2 Equivalent	**176,250.6**	168,660.0	141,448.0
Scope 2 [5]	Tonnes of CO_2 Equivalent	**228,492.3**	226,353.2	197,026.4
Scope 3 [6]	Tonnes of CO_2 Equivalent	**12,468,732.7**	11,455,039.5	Not Applicable
Total Greenhouse Gas Emission	Tonnes of CO_2 Equivalent	**12,873,475.6**	11,850,052.7	338,474.4
Greenhouse Gas Emissions Density	Tonnes of CO_2 Equivalent/10,000 Tonnes	**146,260.6**	144,212.6	4,433.6
Emissions				
Total Non-Hazardous Waste	Tonnes	**2,708.4**	1,225.4	959.8
Non-Hazardous Waste Density	Tonnes/10,000 Tonnes	**28.6**	14.9	12.6
Total Hazardous Waste	Tonnes	**15,756.4**	10,501.6	10,008.3
Hazardous Waste Density	Tonnes/10,000 Tonnes	**179.0**	127.8	131.1
Air Pollutant Emissions [7]				
Total Nitrogen Oxide	kg	**149,406.0**	56,282.8	29,491.6
Total Sulfur Dioxide	kg	**57,108.8**	15,800.4	17,501.7
Total VOCs	kg	**110,832.3**	23,479.7	16,271.2

3 For the aluminium raw material purchase quantity and total output of aluminium product of seven subsidiaries: Sanshui Company, Chengdu Company, Jiangxi Company, Henan Company, Zhejiang Company, Precision Manufacturing Company and Australian Company.

4 Scope 1 emissions include direct emissions caused by natural gas and diesel consumption, which are calculated with reference to the "Guideline for Greenhouse Gas Emission Accounting and Reporting for Enterprises in Other Industrial Sectors".

5 Scope 2 emissions include indirect emissions from the Group's purchased electricity, which are calculated with reference to the "Guideline for Greenhouse Gas Emission Accounting and Reporting for Enterprises in Other Industrial Sectors". The grid emission factor is taken from the Ministry of Ecology and Environment's "Announcement on Releasing the Carbon Dioxide Emission Factor of Electricity in 2023", which is 0.5306 $kgCO_2/kWh$.

6 Scope 3 emissions include the Group's purchase of aluminium raw materials and indirect emissions from domestic high-speed rail travel, domestic and foreign aircraft travel, and domestic and foreign travel accommodations. The emission factors of aluminium raw materials refer to the data of the International Aluminium Organization, while the emission factors of travel and accommodation refer to the China Products Carbon Footprint Factors Databas.

7 The increase in air pollutant emissions in 2025 is mainly due to the updating of equipment by Precision Manufacturing Company and the addition of exhaust gas outlets.



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Key Performance Indicators	Unit	2025	2024	2023
Total Fluoride	kg	**5,815.0**	2,648.7	1,411.7
Total Common Dust	kg	**214,451.2**	2,675.8	2,623.8
Wastewater Emissions				
Total Chemical Oxygen Demand	kg	**45,208.5**	48,056.3	35,156.6
Total Ammonia Nitrogen	kg	**6,419.0**	2,938.5	1,992.0
Environmental Compliance				
Exceedances and Other Non-Compliance Incident	/	**0**	0	0
Fines or Lawsuits for Non-Compliance with Environmental Laws and Regulation	/	**0**	0	0
Energy Utilization				
Natural Gas	Cubic Meters	**81,229,122.5**	75,255,376.2	67,382,797.5
Diesel	Tonnes	**196.5**	–	–
Electricity	kWh	**478,934,910.0**	441,698,150.2	381,392,010.5
Among Them: Purchased Electricity	kWh	**444,207,659.0**	–	–
Among Them: Purchased Green Electricity	kWh	**13,635,559.0**	–	–
Photovoltaic Power Plants Self Generation	kWh	**34,727,251.0**	–	–
Total Energy Consumption [8]	kWh	**1,357,360,415.2**	1,255,524,839.4	1,110,083,059.3
Energy Consumption Density	kWh/10,000 Tonnes	**15,421,505.5**	15,279,467.6	14,540,631.6

[8] Energy includes electricity, natural gas and diesel, and the calculation of natural gas and diesel refers to the coefficients in the "Guideline for Greenhouse Gas Emission Accounting and Reporting for Enterprises in Other Industrial Sectors".

Key Performance Indicators	Unit	2025	2024	2023
Water Resource Utilization				
Total Water Consumption	Tonnes	**3,404,632.4**	3,390,746.4	3,028,994.4
Among Them: Municipal Water	Tonnes	**3,104,766.4**	–	–
Groundwater	Tonnes	**299,866.0**	–	–
Water Density	Tonnes/10,000 Tonnes	**38,681.4**	41,264.7	39,675.9
Quantity of Sewage and Wastewater Recycling	Tonnes	**127,597.7**	–	–
Sewage and Wastewater Recycling Rate	%	**13.9**	–	–
Packaging Materials				
Quantity of Packing Material (Carton, Kraft Paper, etc.)	Tonnes	**9,861.5**	16,924.7	19,457.0
Packing Material Density (Carton, Kraft Paper, etc.)	Tonnes/10,000 Tonnes	**112.0**	206.0	254.9
Quantity of Packaging Material (Others, including Pearl Cotton, Protective Film, Shrink Film, Self-Adhesive)	Tonnes	**8,989.2**	9,682.3	8,817.2
Packing Material Density (Others, Including Pearl Cotton, Protective Film, Shrink Film, Self-Adhesive)	Tonnes/10,000 Tonnes	**102.1**	117.8	115.5
Social Category				
Employment [9]				
Total Number of Employee	/	**10,474**	9,328	8,091
Among Them: Male	/	**8,379**	7,527	6,434
Female	/	**2,095**	1,801	1,657
Among Them: 16–30 Years Old	/	**1,990**	1,600	1,219
31–50 Years Old	/	**7,227**	6,590	5,914
>50 Years Old	/	**1,257**	1,138	958

[9] The statistical scope of employee employment and turnover rate in 2025 adopts the Group's full caliber.



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Key Performance Indicators	Unit	2025	2024	2023
Among Them: Full-Time Employee	/	**10,474**	9,304	8,091
Part-Time Employee	/	**0**	24	0
Employee Turnover Rate				
Overall Turnover Rate	%	**83.4**	54.9	56.9
Among Them: Male	%	**69.1**	52.8	57.9
Female	%	**14.3**	63.5	52.7
Among Them: 16–30 Years Old	%	**15.2**	112.1	113.8
31–50 Years Old	%	**58.0**	47.1	51
>50 Years Old	%	**10.2**	19.6	20.5
Health and Safety				
Number of Work-Related Death	/	**0**	0	0
Number of Work-Related Injury	/	**88**	85	22
Number of Lost Time Injury Incident	/	**88**	–	–
Number of Workdays Lost Due to Work-Related Injury	Days	**3,295**	5,227	2,000
Lost Time Injury Frequency Rate (LTIFR)	/	**4.2**	–	–
Fatality Rate per Million Hours Worked	/	**0**	0	0
Number of Safety Training	Sessions	**3,905**	3,413	–
Number of Participant in Safety Training	/	**186,729**	128,480	–
Fine or Lawsuit for Non-Compliance with Health and Safety Laws and Regulations	/	**0**	0	0

Key Performance Indicators	Unit	2025	2024	2023
Development and Training				
Average Training Hours				
Among Them: Senior Management	Hours	**21.7**	17.1	16.6
General Management	Hours	**18.3**	17.6	16.9
Non-Management	Hours	**25.3**	25.7	29.3
Among Them: Male	Hours	**23.3**	26.9	29.6
Female	Hours	**17.8**	20.1	27.3
Percentage of Employees Trained				
Among Them: Senior Management	%	**100**	100	100
General Management	%	**86.5**	100	100
Non-Management	%	**85.8**	99.7	100
Among Them: Male	%	**86.5**	99.7	100
Female	%	**66.5**	99.7	100
Supply Chain Management				
Number of Suppliers	/	**2,721**	1,176	1,194
Among Them: Mainland China	/	**2,455**	1,176	1,193
Hong Kong	/	**54**	0	1
Overseas	/	**212**	0	0
Labour Standards				
Fine or Lawsuit for Non-Compliance with Labor Laws and Regulations	/	**1**	0	0
Child Labour and/or Forced Labour Employment	/	**0**	0	0
The Amount of the Fine	RMB10,000	**0.46**	0	0



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Key Performance Indicators	Unit	2025	2024	2023
Product Responsibility				
The Number of Products Recalled Due to Safety or Quality Issues	Tonnes	**417.8**	–	–
Proportion of Products Recalled Due to Safety or Quality Issues	%	**0.05**	–	–
Fine or Lawsuit for Non-Compliance with Product-Related Laws and Regulations	/	**0**	0	0
The Amount of the Fine	RMB10,000	**0**	0	0
Number of Customer Complaints	/	**846**	–	–
Number of Customer Complaints Resolved	/	**846**	–	–
Customer Complaint Response Rate	%	**100**	–	–
Number of Customer Privacy Breach Incidents	/	**0**	–	–
Number of Newly Granted Invention Patents	/	**118**	60	183
By the End of the year, the Group's Accumulative Valid Patents	/	**950**	–	–
Anti-Corruption				
Corruption Lawsuit Filed and Concluded Against the Issuer or Its Employees	/	**0**	0	0
Number of Anti-Corruption and Integrity Training	Sessions	**38**	–	–
Anti-Corruption and Integrity Training Hour	Hours	**55**	–	–
Number of Participants in Anti-Corruption and Integrity Training	/	**515**	–	–
Among Them: Management	/	**262**	–	–
General Employees (Non-Management)	/	**253**	–	–
Community Investment				
Amount of Community Investment	RMB10,000	**81.8**	75.1	3.15

Appendix 3: Index of the "Environmental, Social and Governance Reporting Code" of the Hong Kong Stock Exchange

Section C: "Comply or Explain" Provisions

Subject Areas	Aspects	General Disclosures and KPIs	Disclosure Chapter
A. Environmental			
A1 Emissions			
	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	2.4 Compliant Emissions
	KPIs	A1.1 The types of emissions and respective emissions data.	Appendix 2: Environmental and Social Key Performance
		A1.3 Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	Appendix 2: Environmental and Social Key Performance
		A1.4 Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	Appendix 2: Environmental and Social Key Performance
		A1.5 Description of emissions target(s) set and steps taken to achieve them.	2.4 Compliant Emissions
		A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	2.4 Compliant Emissions
A2 Use of Resources			
	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	2.3 Resource Utilization
	KPIs	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).	Appendix2: Environmental and Social Key Performance
		A2.2 Water consumption in total and intensity (e.g., per unit of production volume, per facility).	Appendix 2: Environmental and Social Key Performance
		A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	2.3 Resource Utilization
		A2.4 Description of whether there is any issue with sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	2.3 Resource Utilization
		A2.5 Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	Appendix 2: Environmental and Social Key Performance



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Subject Areas	Aspects	General Disclosures and KPIs	Disclosure Chapter
A3 Environment and Natural Resources			
	General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	2.1 Environmental Compliance Management
	KPIs	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	2.1 Environmental Compliance Management
B. Social			
Employment and Labor Practices			
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, equity opportunity, diversity, anti-discrimination, and other benefits and welfare.	4.2 Employee Management
	KPIs	B1.1 Total workforce by gender, employment type (for example, full or part–time), age group and geographical region.	Appendix 2: Environmental and Social Key Performance
		B1.2 Employee turnover rate by gender, age group and geographical region.	Appendix 2: Environmental and Social Key Performance
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.	4.1 Occupational Health and Safety
	KPIs	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Appendix 2: Environmental and Social Key Performance
		B2.2 Lost days due to work injury	Appendix 2: Environmental and Social Key Performance
		B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	4.2 Employee Management
B3 Development and Training			
	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	4.2 Employee Management
	KPIs	B3.1 The percentage of employees trained by gender and employee category (e.g., Senior Management, middle management).	Appendix 2: Environmental and Social Key Performance
		B3.2 The average training hours completed per employee by gender and employee category	Appendix 2: Environmental and Social Key Performance

Subject Areas	Aspects	General Disclosures and KPIs	Disclosure Chapter
B4 Labor 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 labor.	4.2 Employee Management
	KPIs	B4.1 Description of measures to review employment practices to avoid child and forced labor.	4.2 Employee Management
		B4.2 Description of steps taken to eliminate such practices when discovered.	4.2 Employee Management
Operating Practices			
B5 Supply Chain Management			
	General Disclosure	Policies on managing environmental and social risks of the supply chain.	3.1 Responsible Procurement
	KPIs	B5.1 Number of suppliers by geographical region.	3.1 Responsible Procurement
		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.	3.1 Responsible Procurement
		B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	3.1 Responsible Procurement
		B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	3.1 Responsible Procurement
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.	3.3 Product Liability
	KPIs	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Appendix 2: Environmental and Social Key Performance
		B6.2 Number of products and service-related complaints received and how they are dealt with.	3.4 Customer service Appendix 2: Environmental and Social Key Performance
		B6.3 Description of practices relating to observing and protecting intellectual property rights.	3.2 Scientific and Technological Innovation
		B6.4 Description of quality assurance process and recall procedures.	3.3 Product Liability
		B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	3.5 Information Security



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Subject Areas	Aspects	General Disclosures and KPIs	Disclosure Chapter
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.	1.2 Compliance Operation
	KPIs	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.	Appendix 2: Environmental and Social Key Performance
		B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	1.2 Compliance Operation
		B7.3 Description of anti-corruption training provided to directors and staff.	1.2 Compliance Operation
Community Investment			
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.	4.3 Social Contribution
	KPIs	B8.1 Focus areas of contribution (e.g., education, environmental concerns, labor needs, health, culture, sport).	4.3 Social Contribution
		B8.2 Resources contributed (e.g., money or time) to the focus area.	4.3 Social Contribution

Part D: Climate-Related Disclosures[10]

Aspects	Climate-related Disclosures	Disclosure Chapter
Governance	(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.	2.2 Addressing Climate Change
Strategy	Climate-related risks and opportunities Business model and value chain Strategy and decision-making Financial position, financial performance and cash flows Climate resilience	
Risk Management	(a) the processes and related policies it uses to identify, assess, prioritize and monitor climate-related risks.(b) the processes the issuer uses to identify, assess, prioritize 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.	
Metrics and Targets	Greenhouse gas emissions Climate-related transition risks Climate-related physical risks Climate-related opportunities Capital deployment Internal carbon prices Remuneration Industry-based metrics Climate-related targets Applicability of cross-industry metrics and industry-based metrics	

[10] **In accordance with the climate-related disclosure requirements of Part D of the "Environmental, Social and Governance Reporting Code", the Group has disclosed information on climate governance, risk and opportunity identification, and emissions management. Currently, the Group has established a climate governance framework and, based on various climate scenarios, has identified and qualitatively assessed potential short-, medium-, and long-term climate-related risks and opportunities. It has also completed the accounting and disclosure of greenhouse gas emissions for Scope I, Scope II, and Scope III. Given that the Group's climate management work is still in a phase of continuous development, the quantitative analysis system for the current and anticipated financial impacts of climate-related risks and opportunities is still under construction, and related quantitative analysis and quantitative calculations of financial impacts have not yet been conducted.**



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Appendix 4: Index of the "Blue Book on Environmental, Social and Governance (ESG) of Listed Companies Controlled by State-owned Enterprises in the Guangdong-Hong Kong-Macao Greater Bay Area (2025)"

Categories	Content	Disclosure Chapter
A. ESG Governance		
Corporate Governance	Board diversity Anti-corruption	1.1 Corporate Governance 1.2 Compliance Operation
ESG governance of the Board of Directors	Board of Directors Participation Establish ESG efforts The top person in charge ESG Strategy/Targets	1.4 Sustainability Governance
ESG Management	Coordinating departments Management system Performance appraisal Capacity building Communicate with relevant parties	1.4 Sustainability Governance
B. Social Value		
National Value	Rural revitalization Regional development National security	4.3 Social Contribution
Industrial Value	Technology leads Industrial transformation Industrial chain coordination	3.1 Responsible Procurement 3.2 Scientific and Technological Innovation
Environmental Value	Clean energy Green products Ecological governance Help double carbon	2.1 Environmental Compliance Management 2.2 Addressing Climate Change 2.3 Resource Utilization 2.4 Compliant Emissions 2.5 Ecological Protection 3.3 Product Liability
People's Livelihood Value	Promote Employment Public Service Volunteering Public welfare donation	4.2 Employee Management 4.3 Social Contribution
C. Risk Management		
System Construction, Practical Measures, Performance Management, Negative Disclosure	Coverage of the following areas: Environmental management Energy and resources Emissions Addressing climate change Product quality Customer service Supply chain management Safe production Employee rights Employee development	1.3 Risk Management 2.1 Environmental Compliance Management 2.2 Addressing Climate Change 2.3 Resource Utilization 2.4 Compliant Emissions 3.1 Responsible Procurement 3.3 Product Liability 3.4 Customer Service 4.1 Occupational Health and Safety 4.2 Employee Management



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