



Nanjing Panda Electronics Company Limited

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

2025

About This Report

Reporting Period

Nanjing Panda Electronics Company Limited (NPEC) has continually published its Corporate Social Responsibility(CSR) / Environmental, Social, and Governance (ESG) Report for 15 consecutive years since 2010. This is the third ESG report released by the Company, which focuses on disclosing our ESG policies, goal setting, measures, and achievements.

Reporting Scope

The time frame for the information and performance mentioned in the report is from January 1, 2025 to December 31, 2025. Some information pre-dates the stated reporting period or presents the policy and practice of NPEC in 2026 and some practices of Panda Electronics Group Co., Ltd. are also included.

Reporting Boundary

This report covers NPEC and our main subsidiaries (see the details in the chapter “About Us— Main NPEC subsidiaries”).

Data Sources

All information and data in this report are from our internal official documents, statistical reports, annual report and other publicly disclosed documents. The Board and all directors of the Company guarantee that the report is free of false representations, misleading statements, or material omissions, and is responsible for the truthfulness, accuracy and completeness of the content of this report.



Compilation Conformance

This report is compiled with reference to sustainability and social responsibility related requirements, including the *GRI Sustainability Reporting Standards (GRI Standards)*, the *Guidance on Social Responsibility (ISO 26000:2010)* issued by International Organization for Standardization (ISO), *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)*, *Guidance No. 4 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Preparation of Sustainability Report*, the *Environmental, Social and Governance Reporting Code* and *Guidance on Climate-Related Disclosure* of The Stock Exchange of Hong Kong Limited (SEHK). It also focuses on the industry background and highlights corporate characteristics.

Reporting Principles

Materiality: The Company identifies material topics associated with our operations that investors and other stakeholders are concerned about, which are the focus of this report. For details on material topics, please refer to the “ESG Governance” section of this report. At the same time, this report highlights matters in environmental, social, and governance aspects that may have a significant impact on investors and other stakeholders.

Accuracy: For the same indicator across different reporting periods, this report maintains consistency in statistical and disclosure methods. Any changes in this regard will be fully explained in the report.

Completeness: This report contains data, case studies, and other information to supplement the textual content, thereby helping stakeholders better understand the report and providing timely information references for their decision-making.

Balance:The report reflects objective facts and presents both positive and negative information related to the Company in an impartial manner.

Reporting Language

This report is prepared in Chinese and English, and is available in three versions: Simplified Chinese, Traditional Chinese, and English.

Name Abbreviations

In this report, “NPEC”, “the Company”, or “We/our” refers to Nanjing Panda Electronics Company Limited, and

- Electronics Equipment Company refers to Nanjing Panda Electronics Equipment Co., Ltd.
- Information Industry Company refers to Nanjing Panda Information Industry Co., Ltd.
- Electronics Manufacturing Company refers to Nanjing Panda Electronics Manufacturing Co., Ltd.
- Communications Technology Company refers to Nanjing Panda Communications Technology Co., Ltd.
- Panda XinXing Industry refers to Nanjing Panda XinXing Industry Co., Ltd.
- JingWah Electronics refers to Shenzhen JingWah Electronics Co., Ltd.
- Chengdu Electronic Technology refers to Chengdu Panda Electronic Technology Co., Ltd.
- Huage Electronics & Automobile refers to Nanjing Huage Electronics & Automobile Plastic Industry Co., Ltd.

In addition, “CEC” refers to China Electronics Corporation, “CEC Panda” refers to Nanjing Electronics Information Industrial Corporation and “Panda Group” refers to Panda Electronics Group Co., Ltd. in the report.

Report Access

This report is available in the electronic version and you can visit our official website ([http:// www.panda.cn](http://www.panda.cn)) to read this report.

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Message from Senior Management

In 2025, NPEC responded to the national call to build China into a sci-tech powerhouse in the new era. Upholding the spirit of serving the nation through industrial development and leveraging our strong industrial foundation, we have integrated sustainability principles into our strategy and operations across the entire value chain. We promote the innovative integration of the digital economy with strategic emerging industries, advancing steadily in improving governance systems, driving industrial transformation, enhancing value-added services, and contributing to a better society. We fulfill our mission through innovative practices and respond to stakeholder expectations with a strong sense of responsibility, striving to contribute to industry progress and social development.

Sound governance is the fundamental guarantee of corporate sustainable development. Committed to enabling sustainability with modern governance, we continue to improve our ESG-oriented governance structure and build a modern corporate governance system that is efficient, clearly accountable, and robust in control. We incorporate compliance and risk management into business processes, and advocate a development philosophy that aligns business ethics, industry standards, and social responsibility. In parallel, we promote ecosystem co-development through transparent governance, and strengthen long-term development foundations through institutional innovation, providing a practical model for high-quality governance in China's electronics industry.

Industrial upgrading is the core motivation in the era of enterprise empowerment. Focusing on digitalization, intelligence, and green transition in manufacturing, we have advanced our three primary businesses: intelligent transportation and safe city; industrial Internet and intelligent manufacturing; and green service-oriented electronic manufacturing. We consolidate our leading position in intelligent transportation, break through key technological barriers in intelligent manufacturing, and set benchmarks in green manufacturing to underpin industrial development with green factory initiatives. Meanwhile,

we focus on frontier technologies and emerging industries, contributing to the development of China's digital economy and intelligent manufacturing.

Enhancing services defines the value foundation of our market presence. Aligning with China's carbon peaking and carbon neutrality goals and green transition, we have systematically advanced low-carbon operations and efficient resource utilization, strengthened environmental risk management, and improved climate resilience. Guided by a customer-oriented approach, we have built a service system across the entire value chain: from optimizing urban operations through intelligent transportation to enabling industrial digital upgrades via intelligent manufacturing; from delivering green products to global consumer markets to ensuring public safety through specialized communications. We continue to address the diverse needs of economic and social development with professional and reliable solutions.

A people-centered approach forms the foundation of trust between the Company and society. We have refined the training principles of "All Employees, Full Processes, and All Dimensions" and established dual career pathways for professional and technical growth to unlock employees' innovative potential. By actively participating in public welfare initiatives, we seek to foster harmonious labor relations and promote the sharing of development outcomes.

Looking ahead, NPEC will move forward with greater determination and more practical actions to fulfill social responsibility, advance industrial development, and contribute to a better life. Together with our partners, we will build a sustainable future and create greater value to high-quality national development through innovative practices in the electronics and information industry.

Hu Huichun
Executive Director and General Manager of NPEC

About Us

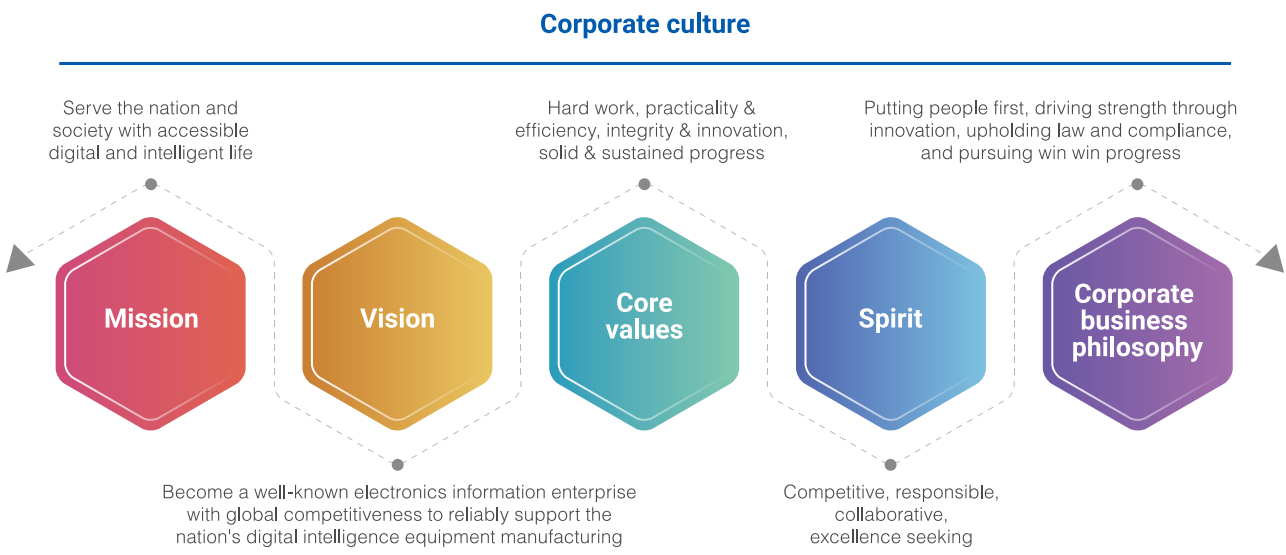
Nanjing Panda Electronics Company Limited (NPEC) is a core company in China's electronics industry. In April 1992, it was founded solely by Panda Electronics Group Co., Ltd., the cradle of China's electronics industry. With its shares listed on The Stock Exchange of Hong Kong Limited and Shanghai Stock Exchange respectively in May and November 1996, the Company was the first to issue A+H shares in domestic electronics information industry. Currently, taking intelligent transportation and safe city, industrial Internet and intelligent manufacturing, and green service-oriented electronic manufacturing as its the three primary businesses, NPEC makes a great contribution to supporting digital transformation services and intelligent manufacturing industry chain development.

In 2025, NPEC achieved fruitful outcomes in technological innovation, with a total of nine research achievements passing appraisal (including three organized by the Jiangsu Association of Science & Technology Innovation and six organized by NPEC), all of which were evaluated as reaching a domestically leading level. In addition, the Company actively participated in the development of standard systems. During the year, we led or participated in the formulation of ten national, industry, group, and enterprise standards. This engagement has effectively enhanced our industry influence and technological leadership.

In 2025, we continued to advance the upgrading of our management systems and the transformation towards green and intelligent manufacturing. We successfully obtained several professional certifications, including the scope extension of the GJB quality system, the qualification for undertaking military equipment production, and the medical device quality management system certification. NPEC was also selected as a National Green Manufacturing Factory and recognized as a CEC Green Factory. In the areas of energy and carbon management, we were certified to the ISO 50001 energy management systems, ISO 14064 greenhouse gases, and carbon footprint assessment. We have established management systems aligned with GB/T standards for quality, environment, and occupational health and safety, and, supported by an advanced enterprise management information system, have realized systematic, standardized, and digital operational management.

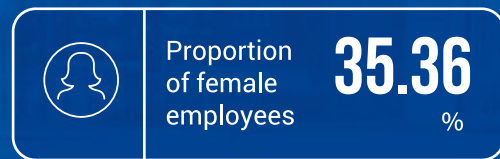
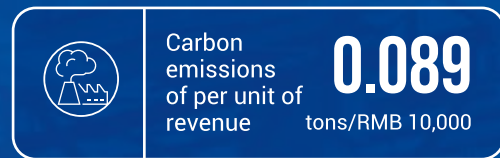
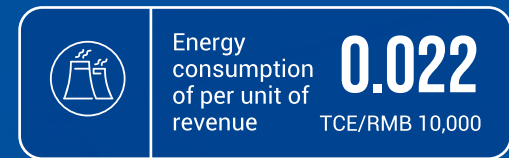


^ NPEC's three leading businesses



Main subsidiaries of NPEC		
Company Name	Year of Establishment	Business Profile
Electronics Equipment Company	2009	The Company focuses on three key areas—customised automation for smart factories, industrial robots and their applications, and industrial data services—we are deepening our technological research, development and innovation, continuously advancing the implementation of proven solutions, and constantly enhancing the intelligence of our products and services. We are committed to providing clients with efficient, precise and bespoke end-to-end solutions, empowering businesses to achieve digital transformation and intelligent upgrading.
Information Industry Company	1998	The Company is a renowned provider of system solutions for intelligent transportation networks—including command centers, fare clearing, ticketing and fare collection, and communication systems—as well as a leader in industry technology. It also serves as an enterprise data governance and application service provider, a leading domestic intelligent building system integrator, and a manufacturer of intelligent equipment and modules.
Electronics Manufacturing Company	2004	The company specializes in new displays, white goods, automotive electronics, communications, and high-tech electronics, providing modular solution design and production tailored to customer needs. Its annual output exceeds 15 million units/sets. To date, the company has established partnerships with numerous renowned enterprises in the electronic information sector, offering a full range of customized, high-quality services as an original design manufacturer (ODM).
Communications Technology Company	2005	The company specializes in the R&D and manufacturing of a range of products, including satellite communication terminals, ad hoc communication terminals, UAV data chains, clock synchronization systems, localized platform terminals, and integrated communication systems. These products and holistic solutions are widely applied in areas such as smart cities, vessel navigation, and emergency communications.
Panda XinXing Industry	2009	Mainly engaged in modern service industry, the company provides premium production and living services for customers, with businesses covering property management, engineering projects management, catering operation, and early childhood education, etc.
JingWah Electronics	1980	JingWah Electronics is engaged in the R&D and development of product ecosystems covering smart devices, smart office, comprehensive health care, and green advanced manufacturing, etc., which delivers products including smart display screens, laptops, dashboard cameras, VR equipment, tablet computers, voice recorders, audio & video recorders, plasma superoxide sterilizers, and capacitor products, etc.

2025 Key Performance



Governance: Strengthening Sustainability Governance

NPEC continuously improves its governance structure to ensure transparent and effective decision-making, strengthens whole-process risk management to maintain stable operations, and upholds business ethics and anti-corruption principles to reinforce the foundation of compliance. Through a sound governance mechanism, we enhance our risk resilience and overall competitiveness, laying a solid governance foundation for sustainable and stable development and long-term value creation.

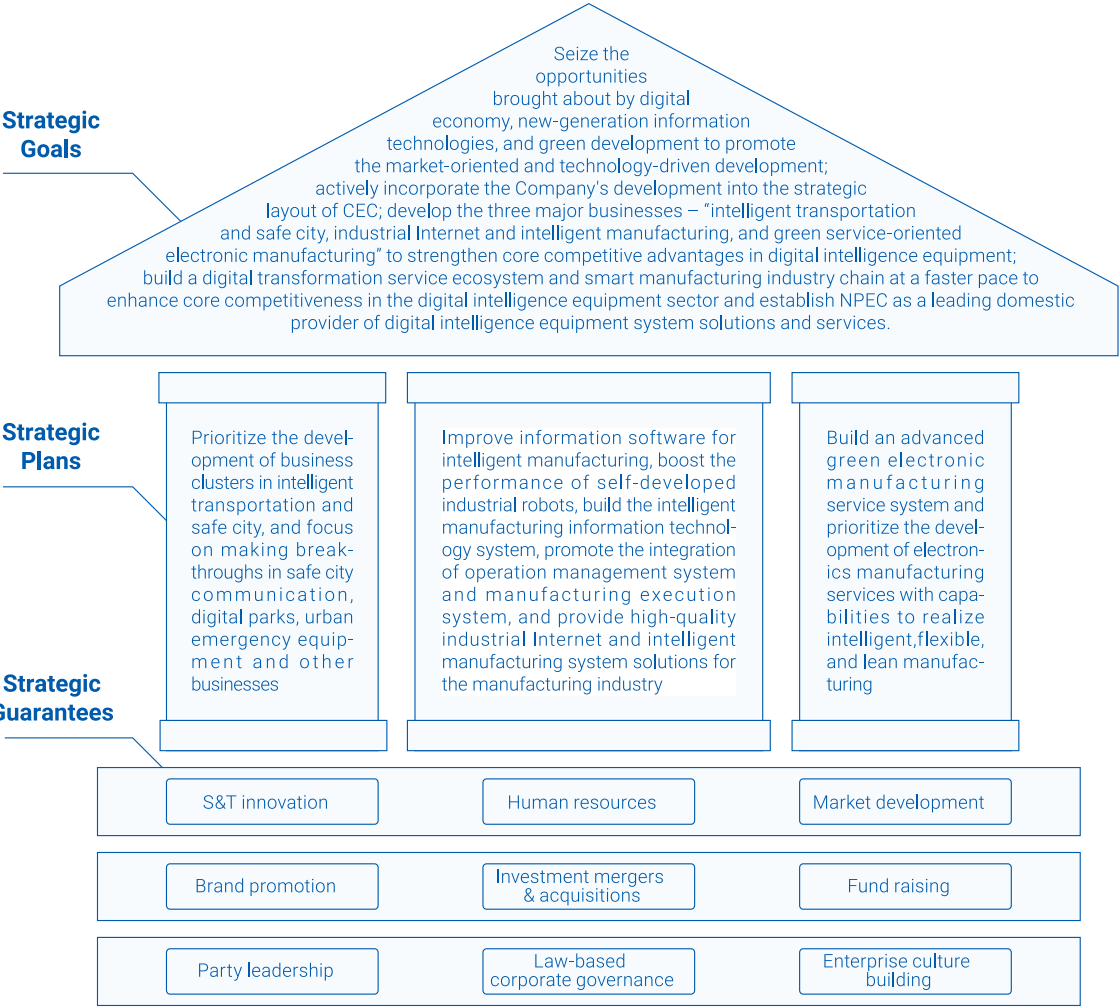
Corporate Governance

The Company has established a sound governance system of “1 articles of association, 3 lists and 4 regulations”* with clearly defined responsibilities, forming a governance mechanism characterized by scientific decision-making, efficient execution, and effective supervision. This system enhances operational transparency, the scientific basis of decision-making, and internal controls, advances comprehensive compliance and information security management, strengthens risk prevention and control capabilities, and ensures the Company’s stable and efficient operations.

*The “1 articles of association” refers to the Articles of Association; the “3 lists” refer to the list of responsibilities, the list of tasks, and the negative list; and the “4 rules” refer to the rules of procedure, rules for duty performance, supervision rules, and evaluation rules.

Corporate strategy

With a deep understanding of policy directions and industry trends, we align our corporate strategy with the broader national development agenda while leveraging our strengths in digital cities, rail transit, intelligent manufacturing, and communication equipment within the digital and intelligent equipment sector. With “a focus on core businesses, digital transformation, and green development” as the central direction, we strive to build a strategic framework that responds to national policies and market dynamics.

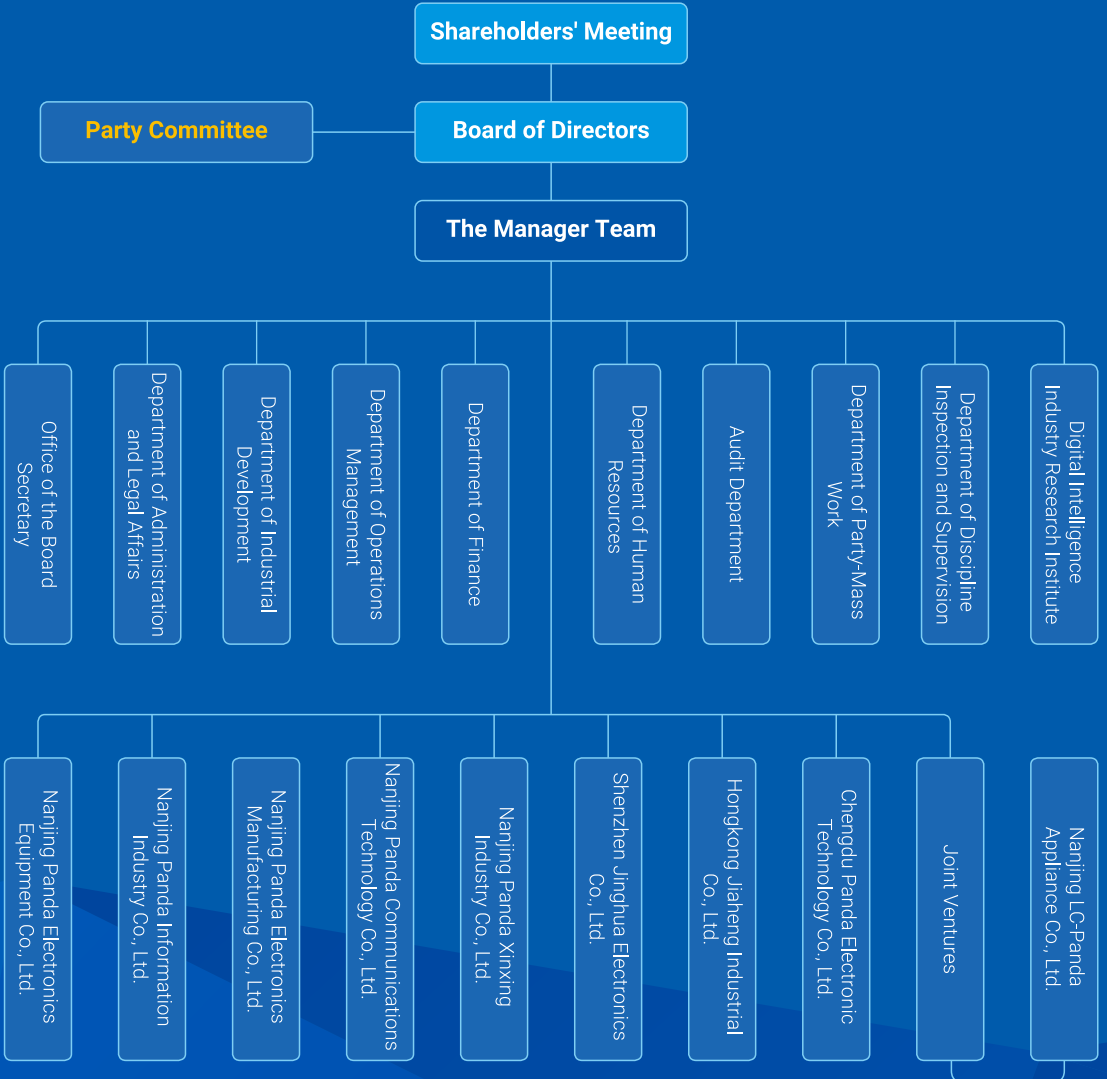


^ NPEC's strategic framework

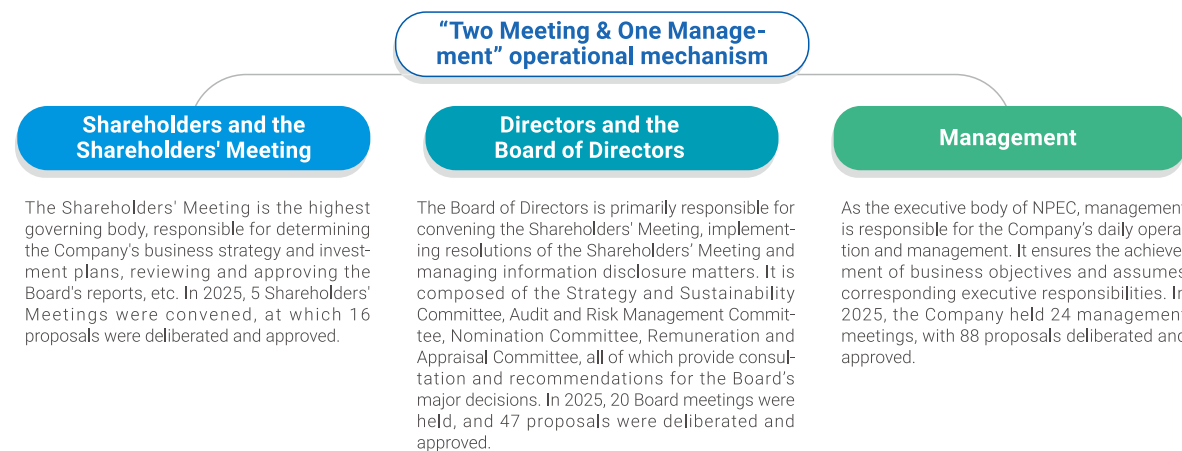
Governance structure

The Company strictly complies with relevant laws, regulations, and regulatory requirements, including China's *Company Law*, *Securities Law*, *Code of Corporate Governance for Listed Companies*, and the *Guidelines No.1 of the Shanghai Stock Exchange for Self-Regulation of Listed Companies - Standardized Operations*. In accordance with these requirements, we have formulated a series of internal rules and regulations, including the *Articles of Association* and the *Rules of Procedures for the Board of Directors*. Meanwhile, we have established an efficient corporate governance structure comprising the Shareholders' Meeting, Board of Directors, and management, and built a governance mechanism characterized by transparent responsibilities and efficient operations, ensuring standardized and fair decision-making while promoting stable corporate development and governance.

In accordance with the requirements issued by the China Securities Regulatory Commission (CSRC) in transitional arrangements for the implementation of the revised Company Law and related regulations, as well as in the *Guidelines for Articles of Association of Listed Companies*, we abolished the Board of Supervisors in December 2025. The supervisory functions are now primarily undertaken by the Audit and Risk Management Committee under the Board, and the *Rules of Procedure for the Board of Supervisors* were accordingly repealed.

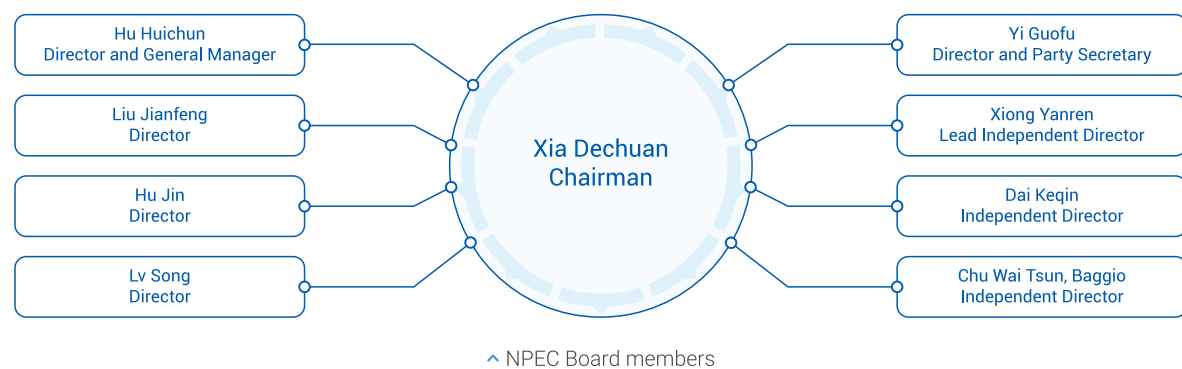


^ NPEC's organization structure



The Company strictly selects and appoints independent directors in accordance with the election procedures and qualification requirements set out in the *Administrative Measures for Independent Directors of Listed Companies* issued by the CSRC. In parallel, we advance the reform of the independent director system and optimize the positioning of responsibilities, selection and appointment management, and performance of duties of independent directors. As of the end of 2025, our Board comprised nine directors, with the roles of Chairman and General Manager held by different individuals. Among them, three were independent directors, accounting for 33.33% of the Board, and one was a female director. The composition of the Board complies with relevant laws and regulations.

Members of the Board possess diverse backgrounds, including different industries, genders, educational backgrounds, professional skills, and industry experience, and have extensive experience in corporate operation and management. Independent directors are able to perform their duties independently, express independent opinions on major company matters, and pay particular attention to safeguarding the lawful rights of minority shareholders.



Key performance in 2025

- Standard deviation of ages among directors, supervisors, and senior management: **5.9 years**
- Average tenure of Board members: **4.66 years**
- Percentage of independent directors with tenure exceeding 6 years: **0%**
- Percentage of independent directors serving on more than three listed companies: **0%**
- Percentage of female directors: **11.11%**
- Attendance rate of Board members: **100%**
- **0** directors attended fewer than 75% of meetings
- Percentage of independent directors on the Audit Committee: **60%**
- Percentage of independent directors on the Remuneration Committee: **60%**
- Percentage of independent directors on the Nomination Committee: **60%**
- Share pledge ratio: **11.5%**

Investor relation management

NPEC strictly follows laws and regulations such as the *Work Guidelines for the Investor Relations Management of Listed Companies* and fulfills its information disclosure obligations. We have established standardized procedures for information disclosure to fully safeguard investors' right to know. Moreover, we have formulated the *Investor Relations Management System* to clarify a continuous, stable, and science-based return mechanism for investors. Diversified communication and feedback channels are offered to strengthen communication and information exchange with investors through Shareholders' Meetings and extraordinary Shareholders' Meetings, results briefings, NPEC's official website and official WeChat account, periodic reports, ad hoc announcements, emails, investor hotlines, and the SSE's "E-interaction" platform. Through these channels, we gain an in-depth understanding of investors' needs and opinions, disclose corporate information to investors in a timely and accurate manner, and foster an effective interactive investor relations ecosystem.

Key performance in 2025

- **72** investor announcements released
- **2** performance briefings held
- **5** roadshows organized
- **129** responses on the SSE E-Interaction platform

Risks management and compliance

The Company's Board is responsible for continuously overseeing our Company's risk management and internal control systems and ensuring that appropriate and effective systems are established and maintained. Under the Board, the Audit and Risk Management Committee is responsible for reviewing the effectiveness of the risk management and internal control systems, ensuring strict compliance with relevant rules and regulations, and reporting to the Board. Within the joint deliberation mechanism, the Legal and Risk Control Committee primarily conducts risk assessments on major business activities, key operational processes, and significant events, provides suggestions to mitigate or resolve risks, and analyzes irregularities in internal operations while proposing improvement measures.

We have formulated policies such as the *Measures for Internal Control Evaluation*, the *Implementation Plan on Audit Rectification*, and the *Internal Control Management Manual*. We leveraged the unique supervising role of audit and internal control during major strategic implementations, major policy enforcement, significant project constructions, risk prevention and control in key areas, and management of special funds. Through regular risk assessments, continuous improvement of internal control policies, and compliance training, we work to enhance our risk early warning and response capabilities, and improve our risk management system and management standardization.

Key performance in 2025

- Legal review rate of contracts: **100%**
- Labor contract signing rate: **100%**
- **5** symposiums on the law-based corporate governance convened
- **No** systemic or fundamental risk incidents reported in 2025



Information security

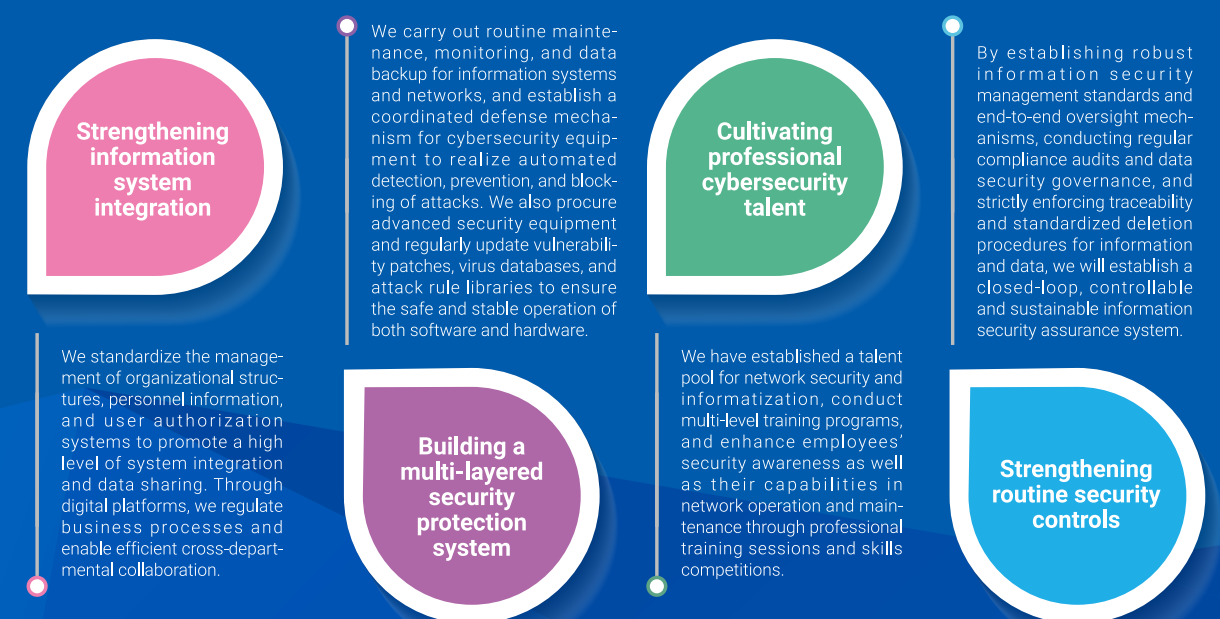
NPEC strictly abides by China's standards and regulations on information security, such as the *Data Security Law*, and *Cybersecurity Law*, and has formulated and issued a series of policies on cybersecurity and information management, such as the *Network Security Management Measures*, the *Management Measures for IT System Operations Personnel*, and the *Regulations on IT System Usage and Maintenance*. Besides, the Company continuously updates the *Emergency Response Plan for Network and Information Security* to further enhance its capability to respond to cybersecurity and information security incidents.

We work to build a comprehensive information security protection system through measures such as organizing dedicated training, improving information security policies, and strengthening technical protection measures. In 2025, we organized activities for the National Cybersecurity Publication Week to strengthen the protection of customer information and privacy, regulate personal information processing activities, and promote the reasonable use of personal information. These activities enhance employees' awareness of preventing personal information leakage and jointly safeguard NPEC's cybersecurity environment.

Key performance in 2025

- **No** complaints received due to infringement of customer privacy
- **No** major information security system accidents occurred
- **No** network security incidents occurred

Protection system to strengthen information security across the entire value chain



ESG Governance

Integrating ESG principles into the core of its corporate governance, NPEC continues to optimize its ESG governance structure, strengthen the Board's leadership in ESG matters, scientifically identifies material topics, and deepens stakeholder engagement. Our goal is to promote the harmonious integration of corporate development with the environment and society.

ESG governance structure

We have revised the scope of authority of the Board to clarify that the Board is responsible for ESG strategy and disclosures, as well as for managing and overseeing sustainability-related impacts, risks, and opportunities (IROs). We have also optimized the structure of Board committees by renaming the former Strategy Committee as the Strategy and Sustainability Committee and establishing the Investment Review and ESG Group (led by the General Manager) under it. This forms a three-tier governance structure of "Board-level strategic oversight and decision-making—specialized committee support—execution by the Investment Review and ESG Group."

The Strategy and Sustainability Committee is responsible for the following matters: 1) formulating the Company's ESG strategy and submitting it to the Board for review, as well as managing and overseeing sustainability-related impacts, risks, and opportunities; 2) supervising the progress and achievement of sustainability-related targets, monitoring their implementation, and providing guidance as appropriate; 3) directing and managing other sustainability-related matters and reporting to or providing decision-making suggestions to the Board.

The Board is responsible for the following matters: 1) regularly reviewing reports from the Strategy and Sustainability Committee and the Investment Review and ESG Group, and, with reference to opinions from professional advisors, evaluating ESG management goals; 2) reviewing the appropriateness and effectiveness of the ESG governance framework and internal control systems to optimize governance mechanisms; 3) providing clear guidance on ESG responsibilities and refining the division of responsibilities across departments in ESG practices to promote efficient cross-departmental collaboration.

The Remuneration and Appraisal Committee under the Board is responsible for studying the performance evaluation standards for directors and senior management, reviewing remuneration plans, and implementing incentive mechanisms that combine rewards and penalties. ESG-related performance is incorporated as an important factor in determining executive compensation.



Deeper ESG training to improve information disclosure

NPEC carried out multi-level ESG-themed training in 2025. In April and October, core ESG teams participated in two sustainability reporting training sessions organized by the Shanghai Stock Exchange to gain an in-depth understanding of regulatory policy directions. In June, hands-on training was provided to key business personnel to strengthen capabilities in data collection and process standardization. In December, the Company invited experts from Huatai Securities to deliver sessions for directors and senior management on ESG development trends and regulatory requirements to enhance their professional awareness. Through multi-level and systematic training, the Company has solidified the foundation for high-quality information disclosure.

Empowering sustainable development in rail transit through industry ESG collaboration

Leveraging its leading strengths in urban rail transit AFC systems and communication systems, the Information Industry Company has actively promoted and participated in the establishment of the ESG Professional Committee under the China Association of Metros. As a member entity, it has been deeply involved in the preparatory work, and a company representative was elected as Deputy Secretary-General of the Committee. This not only reflects industry recognition of the company's ESG practices, but also highlights its ESG management capabilities and growing industry influence.

Double materiality assessment

NPEC, in accordance with the criteria for impact materiality and financial materiality set out in the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)*, and with reference to relevant international disclosure standards, has updated its assessment methodology and conducted a double materiality assessment. In 2025, through policy analysis and extensive surveys of internal and external stakeholders, we carried out the identification and analysis of material topics. Building on previous impact materiality assessments, we incorporated a financial perspective to provide a reference basis for the orderly advancement of sustainability initiatives and related information disclosure.

Assessment process

01

Understanding the context of NPEC's activities and business relationships

We analyze domestic and international sustainability standards, our business operations, products and services, value chain, and industry conditions to understand our sustainability context.

02

Establishing a topic list

Based on our actual conditions and communication with internal and external stakeholders, we conduct preliminary identification and screening of relevant sustainability topics. We have formed a topic pool with a total of 24 identified ESG topics.

03

Assessing and confirming topic materiality

Taking into account our own circumstances, industry development trends, and authoritative domestic and international research, we assess and prioritize the impact materiality and financial materiality of each topic, develop a double materiality matrix, and define the boundaries of material topics.

04

Reviewing topics and reporting

Following review and confirmation by the Board and management, we disclose key material topics to better respond to stakeholder concerns and expectations.

- 1

Product & service safety and quality
- 2

Innovation-driven development
- 3

Employee rights protection
- 4

Integration of digitalization and sustainable development
- 5

Stakeholder engagement
- 6

Energy utilization
- 7

Employee training and development
- 8

Environmental compliance management
- 9

Supply chain security
- 10

Anti-commercial bribery and anti-corruption
- 11

Occupational health and safety
- 12

Addressing climate change
- 13

Data security and customer privacy protection
- 14

Corporate governance
- 15

Waste disposal
- 16

Pollutant emissions
- 17

Water utilization
- 18

Circular economy
- 19

Social contribution
- 20

Anti-unfair competition
- 21

Equal treatment of SMEs
- 22

Rural vitalization
- 23

Ecosystem and biodiversity conservation
- 24

Technology ethics



Quadrant	Topic	Topic category
Core topic	Product & service safety and quality	Social
Financially material topics	Innovation-driven development	Social
Impact material topic	Employee rights protection	Social
Impact material topic	Integration of digitalization and sustainable development	Social
General topic	Stakeholder engagement	Governance
Impact material topic	Energy utilization	Environmental
Core topic	Employee training and development	Social
Impact material topic	Environmental compliance manageme	Environmental
Impact material topic	Supply chain security	Social
General topic	Anti-commercial bribery and anti-corruption	Governance
Core topic	Occupational health and safety	Social
Core topic	Addressing climate change	Environmental

Quadrant	Topic	Topic category
Impact material topic	Data security and customer privacy protection	Social
General topic	Corporate governance	Governance
Impact material topic	Waste disposal	Environmental
Impact material topic	Pollutant emissions	Environmental
Impact material topic	Water utilization	Environmental
General topic	Circular economy	Environmental
General topic	Social contribution	Social
General topic	Anti-unfair competition	Governance
General topic	Euqual treatment of SMEs	Social
General topic	Rural vitalization	Social
General topic	Ecosystem and biodiversity conservation	Environmental
General topic	Technology ethics	Social

Stakeholder engagement

The Company has established an unblocked and open communication mechanism for diversified stakeholders, encompassing multiple groups such as investors, customers, employees, suppliers, communities, and the government. Through regular communication meetings, information disclosures, and other means, we track the demands of stakeholders, respond to their concerns, and create long-term value for stakeholders.

Stakeholder communication and response

Stakeholders	Expectations and demands	Communication approaches	Response measures
Shareholders and investors	Return on investment Knowing the Company's operations	Shareholders' Meeting Regular reports SSE E-interaction platform Visitor survey	Timely and accurate disclosure of operations and major matters Following the basic principles of responsible management Sustainable returns to shareholders and paying cash dividends
Government	Law-abiding operation Paying taxes according to law Promoting employment Implementing government policies Energy conservation and emission reduction Resources conservation Ecological protection	Accepting supervision Information reporting Working meeting Government-enterprise cooperation	Abiding by laws, regulations and policies Paying taxes in full and in time Providing jobs Responding to the national strategies Improving environmental management Supporting rural vitalization
Customers	Quality products and services Knowing the product and service	Customer satisfaction survey The call center	Providing safe, convenient and quality products and services Continuously improving customer satisfaction Continuous R&D investment Improving customer communication channels Product and service description
Employees	Employee legitimate right protection Good welfare and development opportunities Providing a healthy and safe workplace The right to democratic participation	Labor Union Workers' Congress Employee suggestion box	Signing the collective contract Unblocked employee promotion channel Safety and health management Regular Workers' Congress
Suppliers	Win-win cooperation Open and fair principle Honoring commitments	High-level meeting Supplier Conference Questionnaire survey	Public procurement information, and fair procurement Honoring all contracts
Communities	Supporting social welfare cause Creating jobs for the community	Volunteer platform	Carrying out charity and volunteer activities
The Industry	Fair competition Promoting industry progress	Peer cooperation University-enterprise cooperation	Participating in industrial activities Improving R&D capability

Business Conduct

Guided by the business philosophy of integrity and compliant development, NPEC works to establish robust institutional systems on anti-unfair competition, anti-corruption, and anti-bribery and strengthens employee education on business ethics to foster an integrity-driven business environment with fair competition.

Anti-unfair competition

In strict accordance with relevant laws and regulations, including China's *Company Law*, the *Law Against Unfair Competition*, the *Anti-Monopoly Law*, NPEC has formulated and refined policies to prevent unfair competition and opposes all forms of commercial bribery, money laundering, monopoly, and unfair competition. The Company requires all employees to uphold business ethics, mitigate internal ethical risks, and ensure compliant operations. By strengthening compliance training on market competition and reinforcing business process controls, the Company effectively safeguards a fair business environment and the lawful rights of market participants. In 2025, no legal cases related to monopoly or unfair competition occurred in the Company.

Enhancing compliance awareness through multi-channel dissemination

We disseminate antitrust compliance reminders, case analyses, and policy updates through multiple channels such as internal websites and office communication platforms. We also organize an annual Fair Competition Compliance Publicity Week/Month campaign to strengthen awareness across all employees. For high-risk positions such as sales, marketing, and procurement, we provide frequent and targeted compliance reminders and case alerts within specific business scenarios.



Incorporating compliance review into the process

We embed mandatory antitrust compliance review checkpoints into the approval processes for major projects and contracts, with the legal and compliance department issuing clear compliance opinions. At the early stage of investment and M&A project initiation, we conduct screening for the necessity of merger control filings and establish standardized operating procedures to ensure all reportable cases are duly filed.



Enhancing risk control capabilities through tailored training

We provide customized training for personnel in key departments such as sales, procurement, R&D, and strategic investment. Drawing on industry cases, the training focuses on compliance requirements including prohibited behaviors in bidding and tendering, risks of horizontal monopoly agreements, vertical price restrictions, and the principles of fairness, reasonableness, and non-discrimination in technical cooperation.



Strengthening compliance mechanisms

We have formulated the *Negative List of High-risk Antitrust Conduct* to define employee behavioral standards. Leveraging existing ESG stakeholder communication channels, we have established clear internal reporting channels for antitrust concerns, enabling rapid response and independent investigation of potential monopoly issues.



▲ Risk control measures for anti-monopoly and fair competition

Anti-corruption and anti-bribery

NPEC rigorously observes relevant laws, regulations, and codes of conducts, including the *Oversight Law*, the *Certain Provisions on the Integrity of Leaders in State-owned Enterprises*, and the *Guideline on Central State-owned Enterprises to Build Institutional Mechanisms of "Cannot Be Corrupt"*, and continuously advances the development of a culture of integrity.

The Company has established a comprehensive anti-corruption system by formulating 13 related policies, including the *Work Rules on Disciplinary Commission* and the *Implementation Measures for Disciplinary Inspection Department on Oversight*. This forms a full-process anti-corruption control mechanism covering decision-making, execution, and supervision. Besides, we have also developed a working model featuring precautions-oriented education and reminders, routine supervision and inspection, and precise integrity risk prevention and control. Our coordination group for Party conduct, integrity building, and anti-corruption initiatives is in place to promote the implementation of special initiatives. At the same time, we standardize the full-process operational mechanisms for handling reports, clues, and cases, thereby building a closed-loop management system of "prevention – supervision - handling."

We have formulated the *Management Measures for Supplier Misconducts*. The document stipulates that any supplier personnel or related parties engaging in bribery or providing improper benefits will be included on NPEC's procurement "blacklist", and permanently prohibited from participating in procurement activities on behalf of any supplier. In addition, through measures such as integrity-themed warning training for suppliers and business partners, and the signing of the *Commitment Letter of Integrity and Self-Discipline*, we continue to strengthen the supervision of their business ethics conduct, thereby strengthening integrity for sustainable development.

Main whistleblowing channels

NPEC is committed to strictly maintaining the confidentiality of whistleblowers' information and protecting them from any unreasonable treatment—including dismissal, demotion, suspension, or discrimination—resulting from their reports. The Company has established a comprehensive investigation and handling process for all reports received, ensuring timely feedback to relevant parties on investigation progress and outcomes. Any identified corruption issues will be referred to the relevant regulatory authorities for further action.

- Fax: (8625) 51802201
- Email: yjx@panda.cn
- Address: No. 7 Jingtian Road, Nanjing, Jiangsu Province, the PRC

Strengthening accountability to enhance integrity

NPEC regularly organizes meetings on Party conduct, integrity building, and anti-corruption to arrange key annual tasks. The Company has set clear integrity requirements for all middle-level and above employees and signs the *Letter of Responsibility for Party Conduct, Clean Government, and Anti-corruption* with the heads of Party organizations of all industry subsidiaries (including holding companies).

Conducting targeted warning education in R&D to strengthen integrity in key positions

In September 2025, NPEC organized a special warning education session in R&D and invited discipline inspection officials with extensive experience in R&D management to deliver training. The session focused on theoretical analysis of five common categories of integrity risks faced by R&D personnel. Through typical negative case studies, we precisely pinpointed integrity risks in key scenarios such as material procurement during the R&D process. Targeted risk prevention and control measures were proposed to help participants deepen their understanding of risks related to their positions.

Key performance in 2025

- **227** anti-corruption training sessions held, covering **3,795** participants
- Party organizations at all levels held **211** discipline education sessions with **3,251** participants, which focused on learning the provisions of the Party Constitution and other Party regulations & disciplines.
- **No** cases of corruption or bribery

Party Leadership

NPEC continues to deeply integrate Party building with corporate governance and business development. Fully leveraging Party's leadership and its political core role, we have revised and issued six policies, including the *Working Rules of the Party Committee*, the *Detailed Rules for the Implementation of the Rules of Procedure for Party Committee Meetings*, and the *Implementation Opinions on the Party Committee's Pre-review and Discussion of Major Operational and Management Matters*. In addition, we have newly introduced three policies, including the *Implementation Rules for Theoretical Study of the Party Committee's Central Group and the Measures for Attending and Observing Study Sessions of the Theoretical Study Group of the Party Committee*. Through Party development, Party member education activities, and the integration of Party building with business operations, we transform our political and organizational strengths into development advantages, continuously creating new momentum for high-quality Party building to support high-quality development.



^ NPEC holds a conference to celebrate the 104th anniversary of the founding of the CPC and to commend outstanding achievements.

Key performance in 2025

- **1,936** hours spent on Party building activities
- **9,594** Party member attendances recorded in Party building activities

Industry Development: Empowering New Quality Development through Innovation

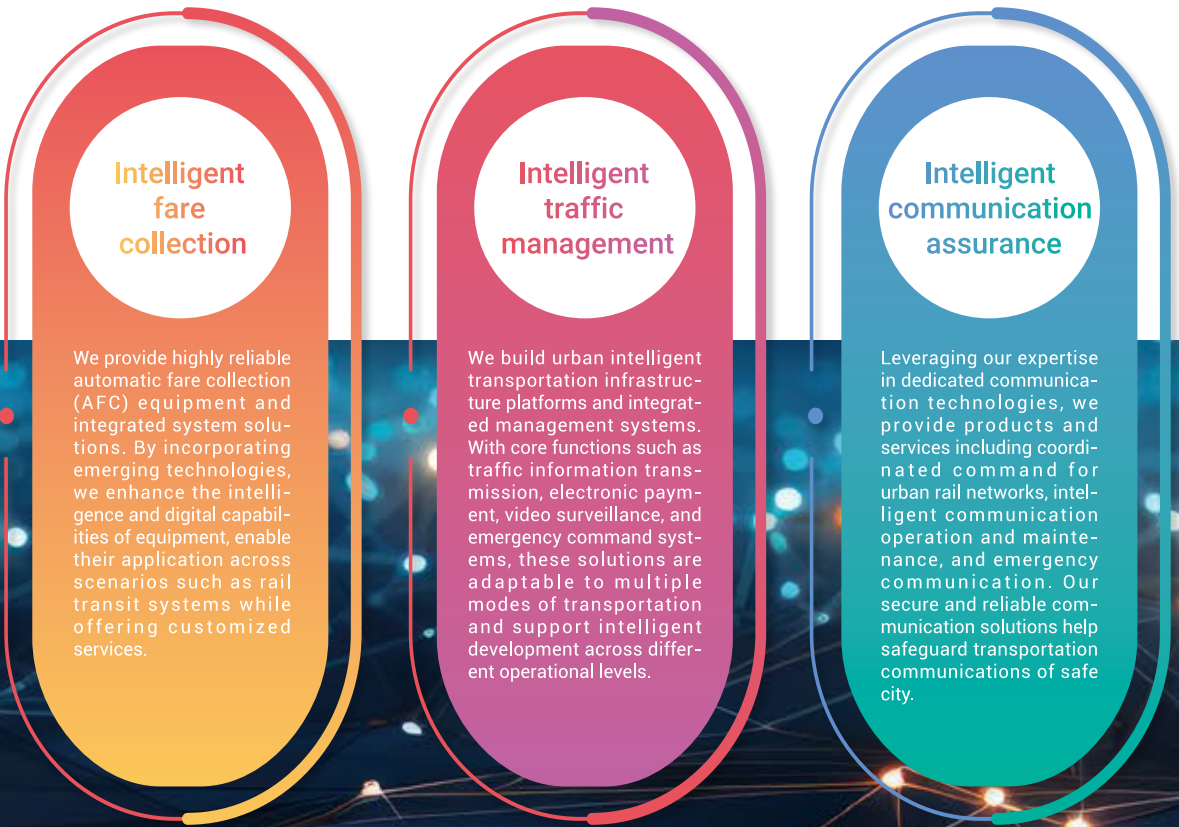
Committed to advancing digital, high-end, and green development, NPEC strengthens its development foundation through core business excellence and empowers industrial upgrading with innovation breakthroughs. We aim to inject new quality productive forces into our pursuit of building a competitive digital intelligence equipment enterprise, thereby driving the high-quality development of the electronic information industry.

Enhancement of Core Businesses

Aligned with the integrated development trend of next-generation information technology and high-end equipment manufacturing, we leverage industrial structure optimization as a key driver and advance digital, intelligent and green transformation to accelerate the development of an industrial system and growth model that meet the requirements of new quality productive forces, thereby continuously enhancing our industrial competitiveness.

Intelligent transportation and safe city

Focusing on key application scenarios such as urban rail transit, intelligent traffic management, and public safety protection, NPEC develops a smart transportation large model platform and accelerates the research, development, and manufacturing of low Earth orbit (LEO) satellite communication terminals. We remain committed to enhancing urban functions through technology, improving public travel efficiency through optimized rail transit networks, and strengthening urban service infrastructure through smart building projects. By deeply integrating technology and application scenarios, we seek to improve urban governance and the quality of public services.



Key initiatives of NPEC in intelligent transportation and safe city

Empowering intelligent rail transit with two metro-lines to set a new benchmark for urban mobility

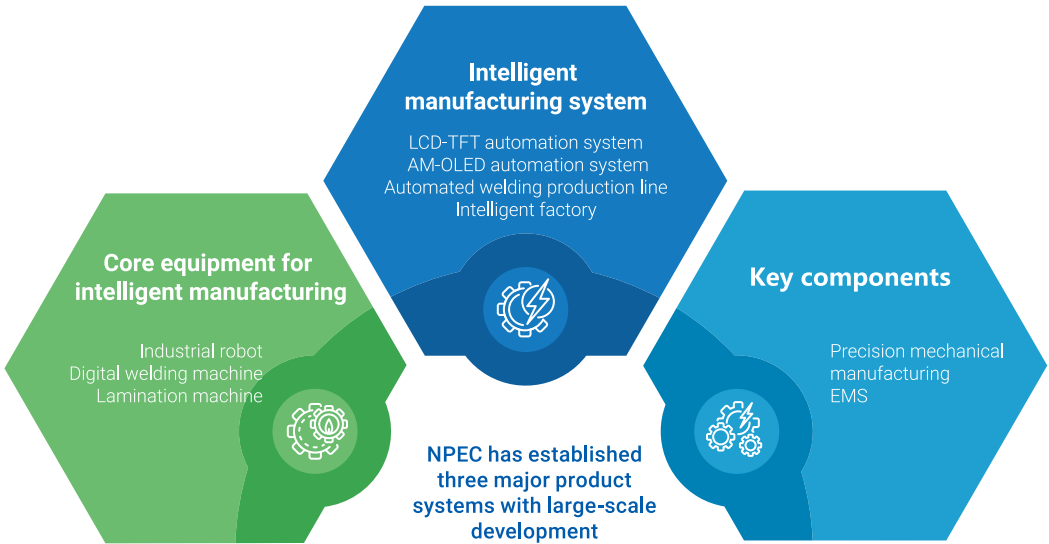
The Information Industry Company successfully delivered intelligent projects for Phase II of Nanjing Metro Line 10 and Phase III of Nanjing Metro Line 3. Using proprietary technologies, it developed AFC and communication systems that supported the smooth commissioning of both lines. To address compatibility challenges between new and existing metro systems, the technological team overcame interface barriers and achieved seamless integration with the metropolitan ticketing network. These two lines have further improved Nanjing's urban rail network, addressed the "last-mile" commuting challenges faced by residents in the Shangqinhuai and Moling areas, and eased surface traffic pressure in southern districts of the city. Moreover, this project demonstrates NPEC's end-to-end capabilities in intelligent rail transit, from top-level design and technological breakthroughs to safe implementation.

Advancing intelligent overload enforcement in Laizhou

The "non-stop enforcement system for detecting overloaded vehicles" developed and implemented by the Information Industry Company has been successfully launched. Guided by the objectives of full-process recording, full-service digitalization, full-network monitoring, full-chain management, and comprehensive service, the system leverages information technologies to accurately identify overloaded vehicles and enable rapid intervention and efficient handling. Through these functions, the system helps significantly reduce traffic accident risks, protect road infrastructure, and enhance the overall safety and reliability of the regional road transportation system.

Industrial internet and intelligent manufacturing

Leveraging the industrial internet as a key enabler, NPEC focuses on three core areas, flexible assembly systems, intelligent warehousing solutions, and integrated applications of industrial robots, to establish a full value chain development model encompassing technology R&D, application scenario implementation, and ecosystem collaboration. By integrating cutting-edge technologies such as digital twins, AI vision, and independently controllable control systems, we provide automated and digital solutions that are efficient, secure, and highly collaborative to support the transformation and upgrading of the manufacturing industry.



^ NPEC's product portfolio in intelligent manufacturing

NPEC Chenshu Corporate Intelligent Data Hub Platform enables enterprise data management and value creation

NPEC Chenshu Corporate Intelligent Data Hub Platform is a fully self-developed data platform designed for comprehensive data analysis. The platform supports the full data lifecycle, including data connectivity, data integration, data maintenance, data quality, data distribution, data services, data applications, and data collaboration, enabling coordinated workflow of "collection-processing-analysis-application". It provides high-quality and high-value data support for enterprises' digital transformation, helping improve operational efficiency, optimize business decision-making, and foster new business models.



Green service-oriented electronic manufacturing

NPEC continues to deepen its presence in key sectors such as white goods, automotive electronics, and new energy. Through technological innovation and management improvement, we have achieved significant progress in green manufacturing. We expand value-added services across product design optimization, contract manufacturing, and operation and maintenance support, and continue to improve the environmental performance and operational efficiency of our customers' production processes. We have developed a new growth model that integrates green manufacturing with value-added services, thereby supporting the transition of the electronics manufacturing industry toward low-carbon, efficient, and service-oriented development. In 2025, leveraging 40 fully automated SMT (Surface Mounted Technology) production lines and intelligent inspection equipment, NPEC realized fully automated processes covering high-precision electronic component placement and system debugging, continuously reducing product defect rates.

Developing core flow battery components to support low-carbon and efficient operations for energy storage enterprises

Focusing on the green transition needs of the new energy storage sector, the Electronics Manufacturing Company independently developed core flow field frame technology for flow battery, effectively reducing the risk of electrolyte leakage and lowering the operation and maintenance costs of energy storage systems. Leveraging this technology, the company successfully won the bid for an energy storage project of Yifu Energy Technology Guangdong Co. Ltd. Through innovation in core component technologies, it has provided low-carbon and efficient solutions for energy storage enterprises, supporting the green transition of downstream industries, and also expanding its green manufacturing services.



Innovation-driven Development

NPEC continues to strengthen its commitment to innovation-driven development by increasing R&D investment, tackling critical technological bottlenecks across the industrial chain, accelerating the commercialization of innovation outcomes, and enhancing intellectual property rights (IPR) protection. Through these efforts, we aim to drive the application of more intelligent manufacturing achievements.

Technological innovation

We have established a robust technology innovation target system and incentive mechanisms to stimulate employees' innovation potential. We refine our core technology roadmap and product roadmap, while continuously advancing breakthroughs in key core technologies and products. By building a virtuous cycle of "technology R&D – product iteration – industrial application", we strive to promote the deep integration of technological innovation and industrial development.

01

Governance

Management policies: We have formulated policies such as the *Management Measures for Scientific Research Projects and R&D Funding*, the *Technology Innovation Incentive Measures*, and the *Qualification Project Incentive Measures*.

Governance structure: Leveraging the establishment of the Digital Intelligence Industry Research Institute as a key driver, we have developed a coordinated technology innovation system in which the Research Institute focuses on breakthroughs in key technologies, while industry subsidiaries concentrate on the industrial expansion and application of technological achievements. This approach ensures precise alignment between technology R&D and industrial demand.

02

Strategy

Against the backdrop of a new wave of technological revolution that is accelerating technological iteration in fields such as intelligent manufacturing, rail transit, and new energy storage, as well as potential risks including insufficient efficiency in R&D investment returns and intensifying homogeneous competition within the industry, we continue to improve our incentive mechanisms, strengthen industry-university-research integration, and build presence in advanced technology arenas. Through these efforts, we have built a full-chain innovation ecosystem and made breakthroughs in key technologies such as the industrial internet, intelligent equipment, and core components for energy storage, thereby promoting the rapid commercialization of technological achievements.

03

Impact, risk and opportunity (IRO) management

Complying with relevant laws and regulations, including China's *Law on Progress of Science and Technology* and *Patent Law*, we standardize the full lifecycle management of research projects from project initiation and R&D to acceptance, establish a dynamic mechanism for identifying, assessing, and managing risks and opportunities related to technological innovation. We focus on addressing key risks, including intellectual property infringement and the inefficient use of R&D funds, while seizing opportunities to advance technological deployment in emerging industries, thereby ensuring that our technological innovation is compliant and efficient and maximizing the value of innovation opportunities.

04

Metrics and targets

We formulate quantitative metrics and targets across three key dimensions: R&D investment, innovation output, and technology commercialization. We also work to steadily increase the intensity of R&D investment, maintain stable growth in the number of authorized patents, and improve the efficiency of transforming key technological achievements, thereby enhancing the quality and effectiveness of technological innovation.

Technology innovation framework: governance - strategy – IRO management - metrics and targets

Improving the
innovation system
and mechanism

We constantly optimize top-level design; and develop a platform scheme & framework system for core technologies in key fields, a platform scheme & framework system for industry application & research integration, and a framework system for technology markets in digital intelligence sector.

We have achieved breakthroughs in a number of critical technologies, including digital middle platforms, wireless clusters, multi-modal fusion, line-of-sight communications, high-precision measurement & control, machine vision, multi-modal perception, digital twins, and omni-perception, etc.; we conduct R&D on various specialty products such as the AFC system, satellite communications terminals, home-grown industrial robots, and IoT-based sensor terminals.

Achieving
breakthroughs in
core technologies
in key fields

Facilitating
transformation
and application of
sci-tech achieve-
ments

We pay attention to the deep application of sci-tech achievements in real world and work on product series development and technical parameter improvement for digital parks, intelligent equipment, low-altitude application and other business scenarios.

Key measures of NPEC to enhance technological innovation

Key performance in 2025

- RMB **216** million in R&D investment
- **610** employees in the R&D team
- **0.28** valid patents per RMB one million of revenue
- **0.36** software copyrights per RMB one million of revenue
- R&D employees account for **26.6%**
- R&D investment accounted for approximately **8.67%** of revenue
- The conversion efficiency of key core technology achievements reached **90%**
- **8** high-tech subsidiaries and **4** provincial socialized and sophisticated firms
- **6** provincial engineering (technology) research centers, **4** provincial enterprise technological centers, **1** municipal enterprise technological center, and **3** municipal engineering research centers
- NPEC was recognized as the “**2025 Science and Technology Innovation Demonstration Enterprise in Qixia District**”.
- **5** research achievements passed scientific and technological evaluation organized by the Jiangsu Institution of Engineers and the Jiangsu Association of Science & Technology Innovation.
- “Key Technologies and Applications of Full-range High Dynamic Range Optical Modulation Display Drivers” won the **third prize** of the Science and Technology Award of China National Light Industry Council.
- “Key Technologies and Applications of Multi-source Data Fusion Processing and Intelligent Analysis for Rail Transit” won the **first prize** of the 2025 Science and Technology Innovation Achievement Transformation Award of Jiangsu Association of Science & Technology Innovation.
- “Research and Application of Key Technologies for an Integrated Intelligent Ticketing System for Urban Rail Transit in Metropolitan Areas” won the **third prize** of the 2025 Science and Technology Award of Jiangsu Provincial Comprehensive Transportation Society.
- “Integrated Intelligent Ticketing System for Urban Rail Transit in Metropolitan Areas” received the RT Rail Transit **Outstanding Solution Award**.
- “Green Mobility Application Scenario (Metropolitan Rail Transit Passenger Service Scenario for Green Mobility)” was selected as a Jiangsu **Major Scenario Project** for Digital Society.

NPEC’s self-developed innovation achievements debut at the World Intelligent Manufacturing Conference to demonstrate strong digital and intelligent technology capabilities

In November 2025, the World Intelligent Manufacturing Conference, themed “Digital Intelligence Drives, New Quality Leads”, was held in Nanjing. As a key participant representing CEC, NPEC showcased five major innovation achievements, including NPEC iManuf Industrial Digital Intelligence Platform, NPEC Intelligent Instrument Digital Factory, NPEC Chenshu Corporate Intelligent Data Hub Platform, the NPEC Robot Multifunctional Training Platform, and the Intelligent Urban Rail Network Collaborative Command Platform, comprehensively demonstrating the Company’s technological expertise and industrial empowerment capabilities in intelligent manufacturing and digital intelligence services.



Intellectual Property Rights protection

We continue to improve our intellectual property rights (IPRs) management system and have formulated several internal policies, including the *Patent and Copyright Management Measures* and the *NPEC Trademark Use Management Measures*, to clarify and protect our intellectual property rights and obligations. We have also designated an independent intellectual property specialist responsible for the application, maintenance, risk monitoring, and protection of intellectual property. In addition, we lead and participate in developing national and industry technical standards to promote proprietary patents, technical standards, and innovative achievements. In 2025, NPEC successfully passed and maintained the IPRs management system certification.

Key performance in 2025

- **94** patents applications, including **71** invention patents
- **45** patents granted, including **25** invention patents
- **18** computer software copyrights registration completed
- **No** software infringement incidents occurred

Value Creation: Joining Hands with Stakeholders for Win-Win Cooperation

NPEC is committed to providing customers with high-quality digital and intelligent products and services, building platforms for employee growth, contributing green momentum to the ecological progress, fostering collaborative and win-win industrial partnerships, and creating sustainable value for communities. Through these efforts, we work to enable the harmony of economic, social, and environmental benefits.

Customer Experience Improvement

Adhering to the service philosophy of “customers first,” we regard customer experience improvement as a key objective, and continuously optimize product design, product quality, and service system to drive ongoing improvement in the quality management of both products and services.

Quality management

Following the quality principles of “leading technology, scientific management, quality upmost, customers first”, we continue to refine the *Quality Management Measures* and have established a comprehensive quality management system that includes quality manuals, procedural documents, operational guidelines, and quality records. We also strengthen quality control, carry out quality improvement initiatives, and improve incident response measures to enhance the quality of our products and services.

Key performance in 2025

- 100% contract fulfillment rate
- 0 product recall incidents
- 678 participants in quality training



● Quality management system

We continue to improve our quality management system. Through process indicator monitoring, dynamic early warning, and full lifecycle traceability, we have strengthened the foundation of quality control and enhanced our overall quality management level. In 2025, NPEC passed the annual supervision audit of the management systems for quality, environment, and occupational health and safety(QES), with no brand-related quality incidents occurring during the year.

01

Governance

Management policies: We have established a number of management policies, including the *Quality Management Measures*, the *Periodic Confirmation and Inspection Project Documents for Key Components*, the *Incoming Inspection Documents for Key Components*, the *Management Measures for Compulsory Certification Marks (3C Mark)*, the *Product Design and Development Control Procedures*, the *Product Production Process Control Procedures*, the *System Integration Project Implementation Procedures*, the *Nonconforming Product Control Procedures*, the *Quality Management Reward and Penalty Measures*, the *Quality Integrity Management Policy*, the *Detailed Rules for Product Quality Accountability*, the *Quality Inspection Implementation Measures*, and the *Quality Incident Handling Measures*.

Governance structure: We have established a four-level management documentation structure consisting of quality manuals, procedural documents, operating procedures, and quality records to ensure the standardized and effective operation of the quality management system and to ensure that all quality management processes are governed by clear procedures.

02

Strategy

In response to opportunities including intensifying industry competition and increasing customer requirements for the precision and stability of products such as rail transit equipment and intelligent electronics, as well as risks including stricter regulatory oversight and increased complexity in quality control across multiple application scenarios, we optimize our management model and deepen digital quality management after benchmarking against advanced industry standards. We embed quality requirements throughout the entire process of R&D, production, and delivery, supporting the achievement of targets such as first-pass product acceptance rate and customer satisfaction.

03

Impact, risk and opportunity (IRO) management

Complying with relevant laws and regulations, including China's *Law on Product Quality*, the *Standardization Law*, and the *Pilot Measures for Product Quality Supervision*, we effectively identify, assess, and control health and safety impacts as well as risks and opportunities at each stage of the product lifecycle, thereby improving the performance excellence appraisal system.

04

Metrics and targets

We have established metrics and targets such as the first-pass product acceptance rate (≥99%) and customer satisfaction (≥96%).

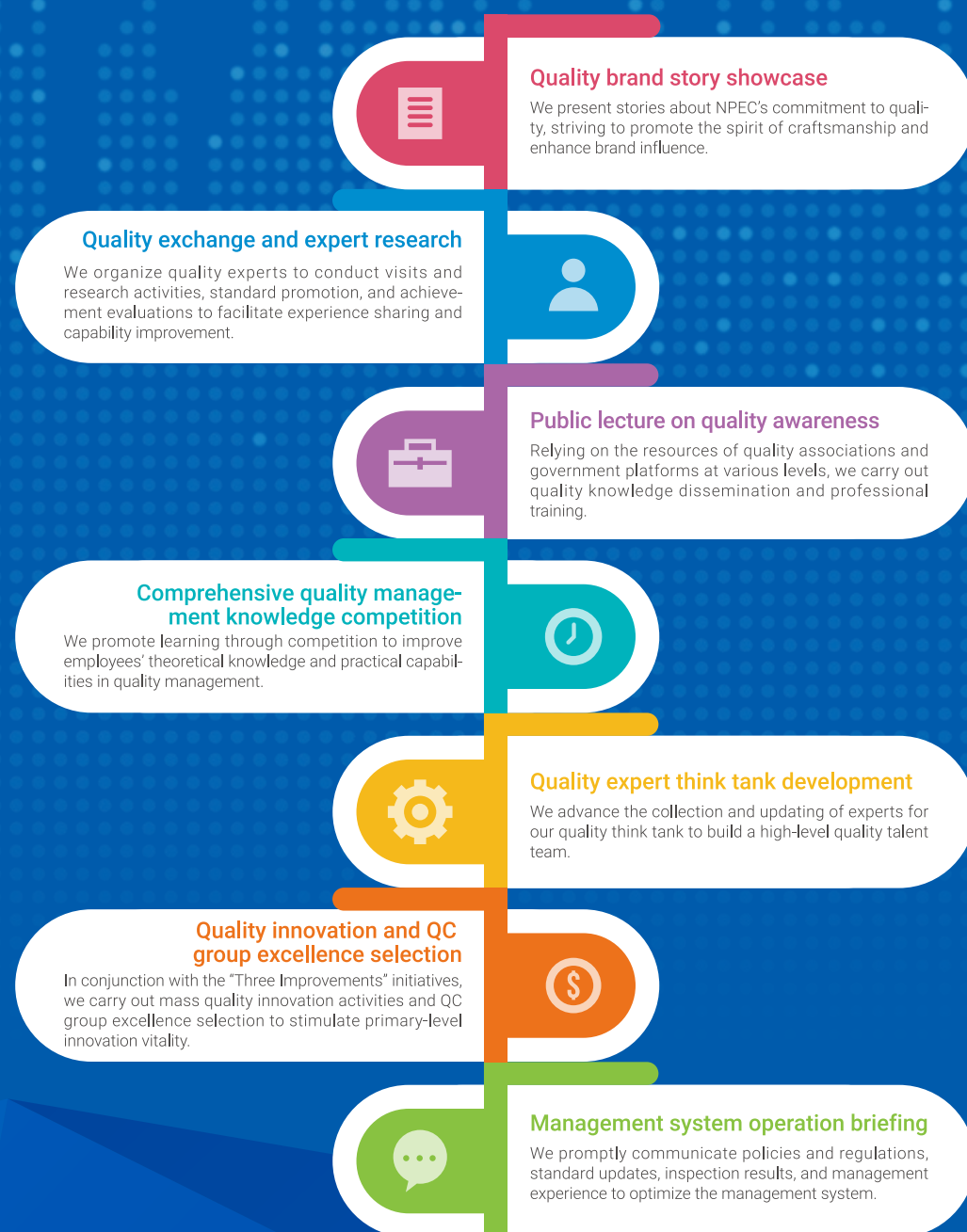
^ Product quality management framework: governance - strategy - IRO management - metrics and targets

● Product recalling mechanism

In strict accordance with relevant laws and regulations, including China's *Law on the Protection of Consumer Rights and Interests* and the *Civil Code*, we have established institutional documents related to defective product recall and handling, clarified the product recall mechanism, and strictly implemented procedures for the disposal of defective products. We continue to track and report the progress of incident handling and provide timely and effective solutions. Through transparent handling, professional rectification, and active communication, we strive to safeguard customer rights to the greatest extent.

● Quality culture building

At NPEC, the annual Quality Month campaign is regarded as a key driver to build our quality culture. We systematically organize a series of activities, including quality brand story showcase, comprehensive quality management knowledge competition, QC group excellence selection, and public lecture on quality awareness. Our goal is to promote company-wide participation and the transition of quality awareness from “passive compliance” to “active practice”.



^ Comprehensive launch of the Quality Month campaign

● Product accessibility and green design

NPEC fully incorporates eco-design principles into product design. From raw material procurement, process improvement, employee training, the reduction or replacement of toxic and hazardous substances, to light-weight packaging, we take measures to reduce environmental impacts, improve product recyclability, and develop more ecological, economical, and sustainable products.

Global deployment in the rail transit sector to enable scenario implementation through technological empowerment

We have undertaken the AFC project of Egypt's 10th of Ramadan Light Rail Train (LRT), a flagship project under the Belt and Road Initiative to enable technology export and establish locally adaptable interoperability technical standards. We have also implemented AFC projects such as the northern section of Nanjing Metro Line 5 and Suzhou Metro Line 7, incorporating innovative functions such as large model and digital RMB payment to optimize passenger experience through technological upgrades and address practical challenges such as heavy passenger flows and multi-line transfers.

Diversified industrial synergy to deepen cooperation for broader impact

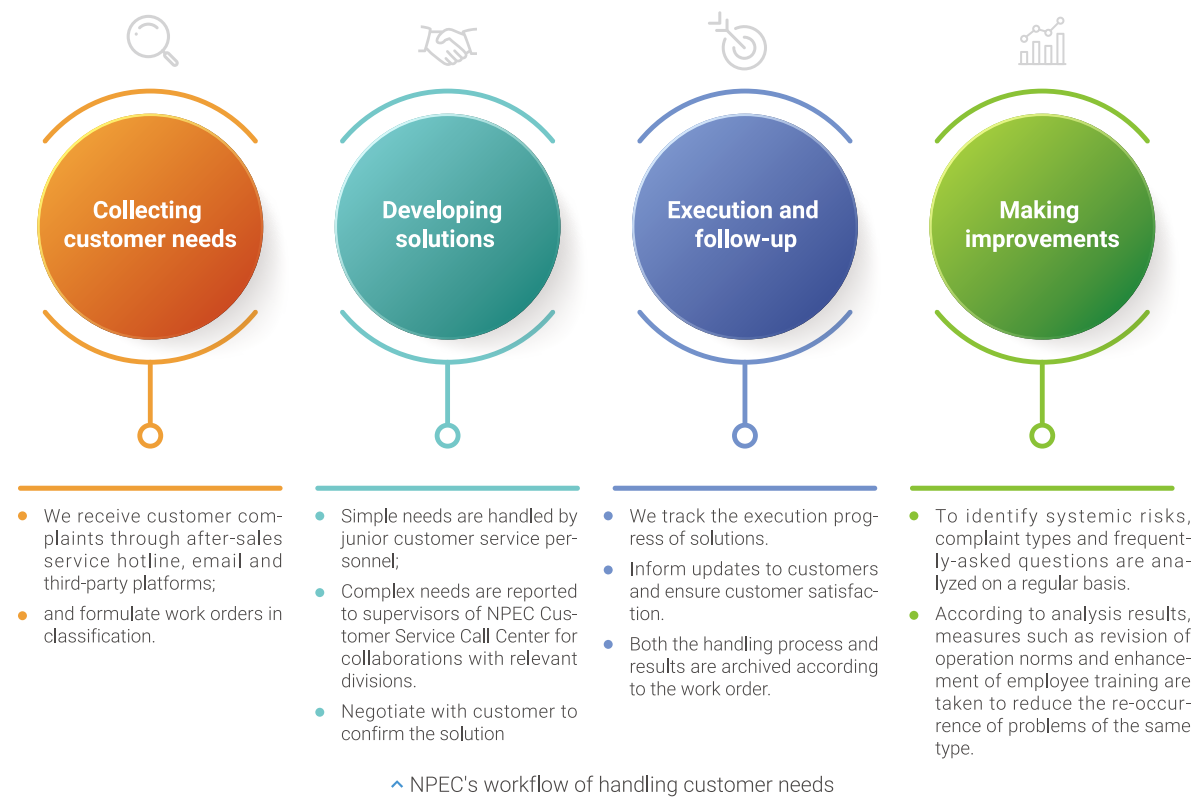
With leading domestic and international enterprises such as BOE, LG, BSH, and Ninebot as key customers, we focused on expanding the new energy vehicle electronics business, with the proportion of new projects steadily increasing. We have also deepened industry-research collaboration with enterprises such as BSH to improve efficiency and reduce cost through collaborative R&D, thus strengthening connections within the industrial ecosystem.

^ Multi-dimensional initiatives to improve product accessibility



Better customer experience

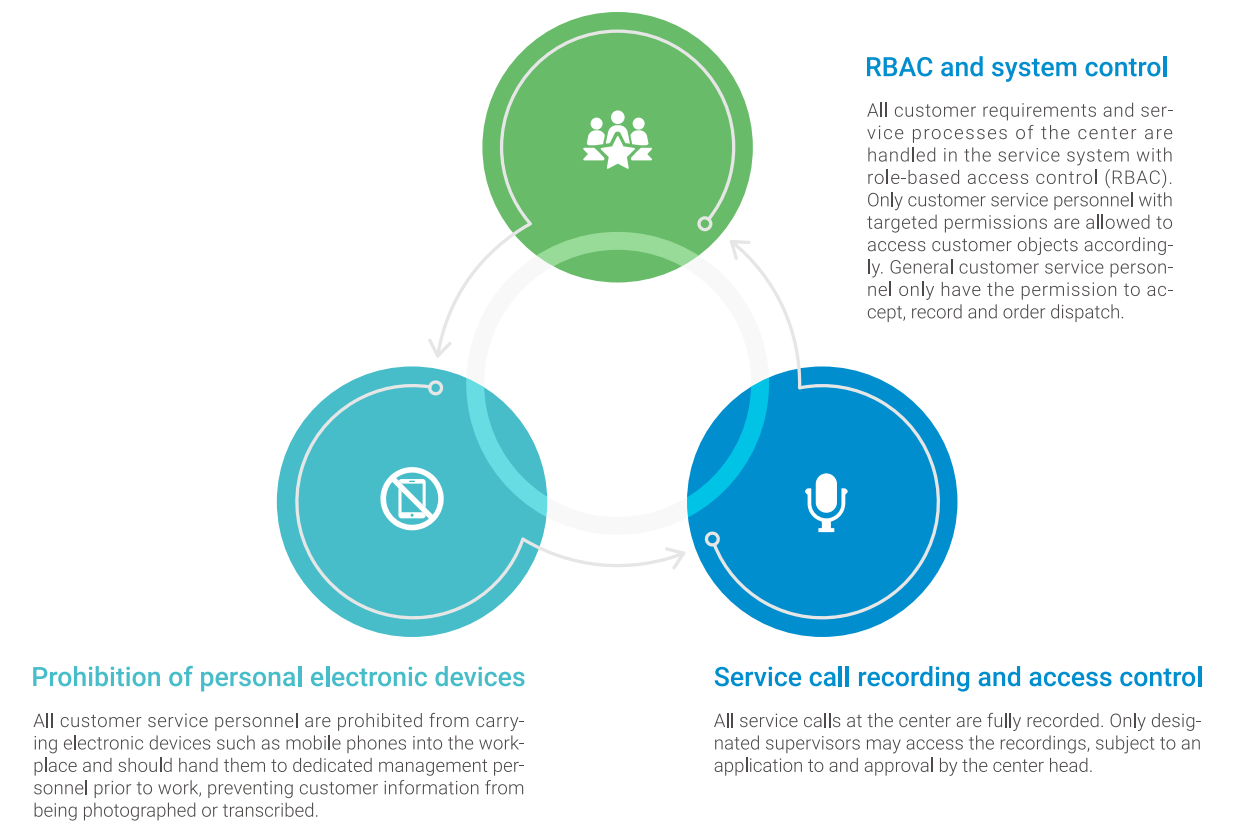
NPEC continuously optimizes the customer service system. The Company has established a customer service committee as the top decision-making body for customer service management and built a systematic and multi-channel service and communication mechanism to provide customers with professional, high-quality, and efficient services in a timely manner. At the same time, we actively conduct customer satisfaction surveys and regularly carry out follow-up feedback collection to improve customer satisfaction. The call center covers all subsidiaries and products, serving thousands of authorized service providers across China. The hotline connection rate exceeds 95%, and the customer service satisfaction rate exceeds 99%.



Key performance in 2025

- Customer satisfaction: **97%** (across all users of on-site dispatch services)
- Customer service response time: **24** hours in urban areas, **48** hours in suburban areas

In strict accordance with relevant Chinese laws and regulations such as the *Law on the Protection of Consumer Rights and Interests*, *Personal Information Protection Law*, and *Data Security Law*, we protect customer information and enforce compliance management. Specifically, we improve our after-sales service supervision mechanism, sign confidentiality agreements during the early stage of cooperation, and manage customer data through systematic and hierarchical authorization control to ensure information security. In 2025, the Company recorded zero complaints in relation to infringement of customer privacy.



Brand promotion

We conduct brand promotion through multiple channels, including exhibitions, e-commerce platforms, new media operations, and experience stores, supported by strategies such as product portfolio development, market layout, channel construction, and solution-based marketing. They together showcase our positive corporate image.

In 2025, NPEC participated in a number of industry exhibitions, including the 8th Digital China Summit, the International Photovoltaic Power Generation and Smart Energy (Shanghai) Conference and Exhibition, the World Intelligent Manufacturing Conference, and the Global Artificial Intelligence Machines and Electronics Expo in Hengqin. During the year, the Company's 28 feature reports were published in media outlets such as Xinhuanet, *Jiangsu Workers' Daily*, and *Nanjing Daily*.

NPEC showcases the innovation matrix at the Canton Fair to demonstrate its image as an innovation leader

Leveraging the Canton Fair as an international platform, NPEC systematically showcased its brand innovation achievements and industry leadership. The Company presented the matrix of three core technologies, covering advanced projection technologies, next-generation Mini LED AI display terminals, and a full range of display products, comprehensively serving diverse scenarios such as home use, flagship models, high-end engineering, office environments, and esports. This exhibition vividly illustrated the brand concept of "technology in everyday life". The exhibition not only strengthened our brand influence in the intelligent information sector, but also injected strong brand momentum into the advancement of our internationalization strategy and high-quality development.



^ NPEC showcases its products and technology solutions at the 2025 World Intelligent Manufacturing Conference.



^ NPEC participates in the 6th Smart Transport, Logistics & Infrastructure Fair & Forum for the MEA Region (TransMEA 2025) in Cairo.

Key performance in 2025

- JingWah Electronics was selected as one of the **Top 100 Shenzhen Brands in 2025**
- JingWah Electronics won the **Blue Dot Award - Independent Brand Leadership Award in 2025**

Employee Development

NPEC builds a comprehensive platform for employees to realize their value. We systematically protect employees' legitimate rights, continuously improve employee welfare system, and foster an inclusive and caring workplace to raise their sense of happiness and belonging.

Employee rights and benefits

In strict compliance with the Chinese laws and regulations, such as the *Labor Law* and *Labor Contract Law*, we safeguard the legitimate rights of employees in areas such as employment, compensation, benefits, and democratic management. Through sound systems and communication mechanisms, we are committed to creating a fair, respectful, and inclusive workplace for our employees.

● Fair employment

The Company strictly complies with the Chinese laws and regulations, such as the *Labor Law* and *Labor Contract Law*. Upholding the principles of fairness, justice, and non-discrimination, we firmly guarantee the fundamental rights and dignity of all employees. We also sign labor contracts with our employees in line with the principles of equality, free will, and consensus through consultation and negotiation.

We strictly prohibit child labor and all forms of forced labor. In the recruitment process, applicants are required to possess the legal qualifications for entering into a labor contract, as set forth in the *Measures for Personnel Recruitment*, thereby ensuring the legality of employment from the outset.

At NPEC, contractors enjoy the same rights as regular employees such as equal pay for equal work, education and training. Each year, a certain percentage of outstanding dispatched workers are selected for permanent employment. In 2025, the Company had no incidents of child labor or forced labor.

Employee structure by gender, age group, geographical region and employment type (Unit: headcount)

Workforce composition		2023	2024	2025
Gender	Female	836	866	810
	Male	1,923	1,748	1,481
Age group	35 years old and below	1,245	1,095	918
	36-40 years old	400	475	434
	41-50 years old	602	598	553
	51 years old and above	512	446	386
Geographical region	Nanjing	2,135	2,045	1,742
	Shenzhen	624	569	549
Employee type	Regular employees	2,759	2,614	2,291
	Contractors	270	259	252

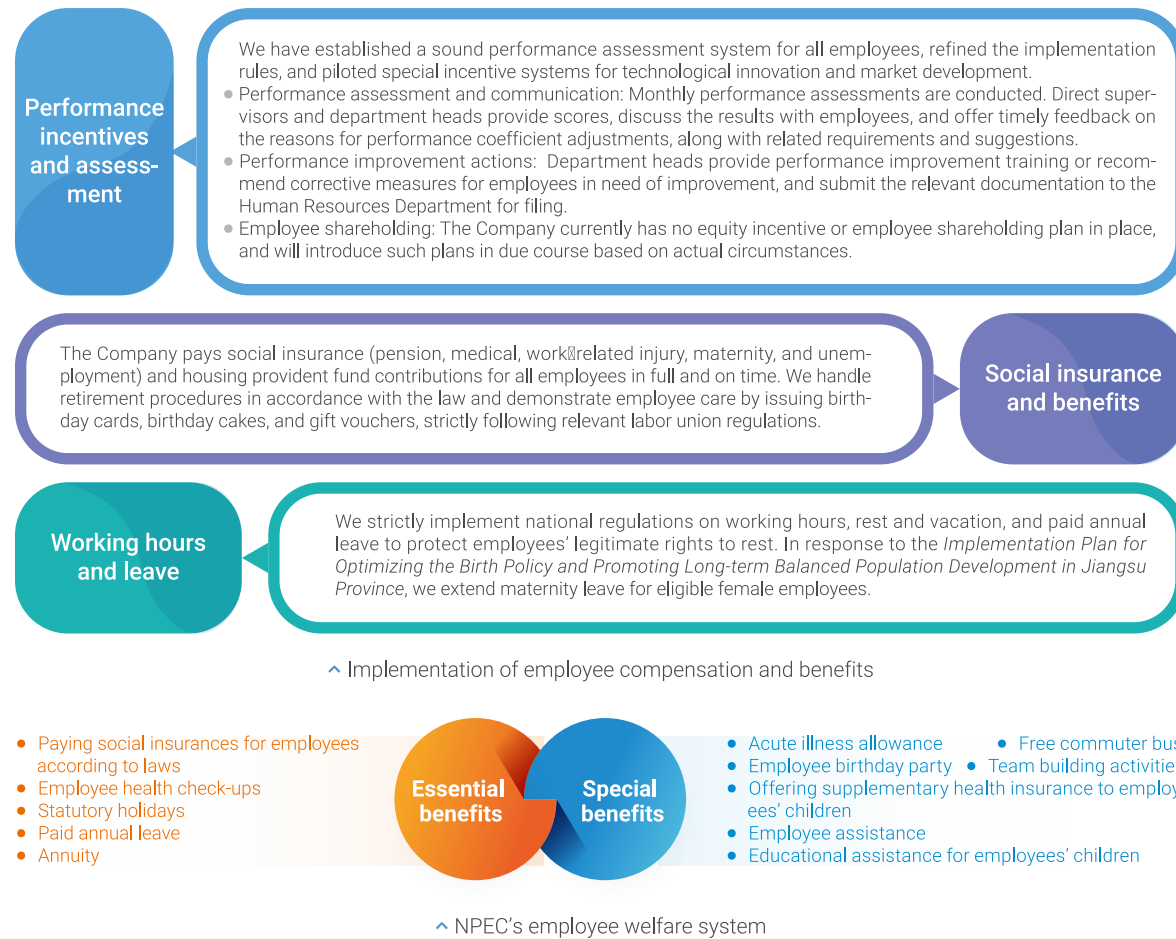
Employee turnover rate by gender, age group and geographical region (Unit: %)

Breakdown of employee turnover		2023	2024	2025
Gender	Female	0.0700	0.5222	0.5459
	Male	0.1200	0.8541	1.2768
Age group	35 years old and below	0.1300	0.8215	0.8308
	36-40 years old	0.0100	0.1174	0.2439
	41-50 years old	0.0013	0.1724	0.3151
	51 years old and above	0.0012	0.2750	0.4363
Geographical region	Nanjing	0.0650	0.9168	1.5493
	Shenzhen	0.3300	3.1797	2.8603

* In recent years, in accordance with the guiding principles set out in relevant documents issued by the State-owned Assets Supervision and Administration Commission of the State Council, the Company has focused closely on its core responsibilities and business development objectives. We have continued to deepen reforms, consolidate resource allocation, optimise our industrial structure, and systematically divest from low-performing and non-core businesses. We have also implemented necessary mergers and acquisitions, as well as streamlining and downsizing measures, with the aim of enhancing the quality of our development and operational efficiency. This process has resulted in fluctuations in staff turnover. The Company has consistently adhered to the principles of legality, compliance, and orderly stability, and has actively and prudently managed the redeployment and resettlement of staff. Through lawful and compliant consultation and other means, we have fully safeguarded the legitimate rights and interests of employees, ensuring that the reform and restructuring measures are implemented smoothly.

● Compensation and benefits

The Company has established a sound compensation and benefits system and actively implements the *Collective Wage Contract*. In accordance with the *Management Measures for Wages*, we pay labor remuneration in full and on time, ensuring that employee wages are not lower than the statutory minimum wage in Nanjing. Meanwhile, we dynamically adjust relevant calculation bases in line with the city's minimum wage and minimum living cost standards. We also ensure the proper implementation of social insurance and welfare policies to fully safeguard employees' basic rights and interests.



Key performance in 2025

- Labor contract signing coverage: **100%**
- Social insurance coverage **100%**
- Per capita salary: RMB **141,200**
- Per capita revenue: RMB **1.0485** million

● Democratic management

The Company has implemented a series of rules and regulations, including the *Regulations on Democratic Management*, the *Implementation Opinions on Strengthening Employee Consultation and Deliberation*, and the *Management Measures for the Election of Employee Representatives*. In doing so, we protect employees' right to participate in corporate governance and effectively guarantee their rights to know, participate, and supervise in our development.

We regularly convene the Workers' Congress, sign management documents such as the *2025 Collective Contract*, review key systems affecting employee rights by secret ballot, and ensure their effective implementation via union inspections. Besides, we organize communication initiatives such as democratic forums, employee consultation and deliberation meetings, and democratic evaluations of the leadership team. In parallel, electronic opinion boxes are set up within the Labor Union system and employee satisfaction surveys are conducted through the "Jiangsu Labor Union" APP. These measures enable us to track employee opinions and suggestions, forming a multi-level and regular mechanism for employees' democratic participation and supervision.

Employee training and development

The Company has continuously improved the talent cultivation & promotion incentive system and introduced high-caliber innovation talents. Besides a systematic and full-cycle employee training and development system, we continuously optimize incentive measures, unblock career promotion channels, and expand employees' development space, empowering our staff from institutional culture and job skills to work safety.



^ The 4 pillars of Employee development framework: governance - strategy - Impact Risk Opportunity ("IRO") management - metrics and targets

● Unlocking promotion channels

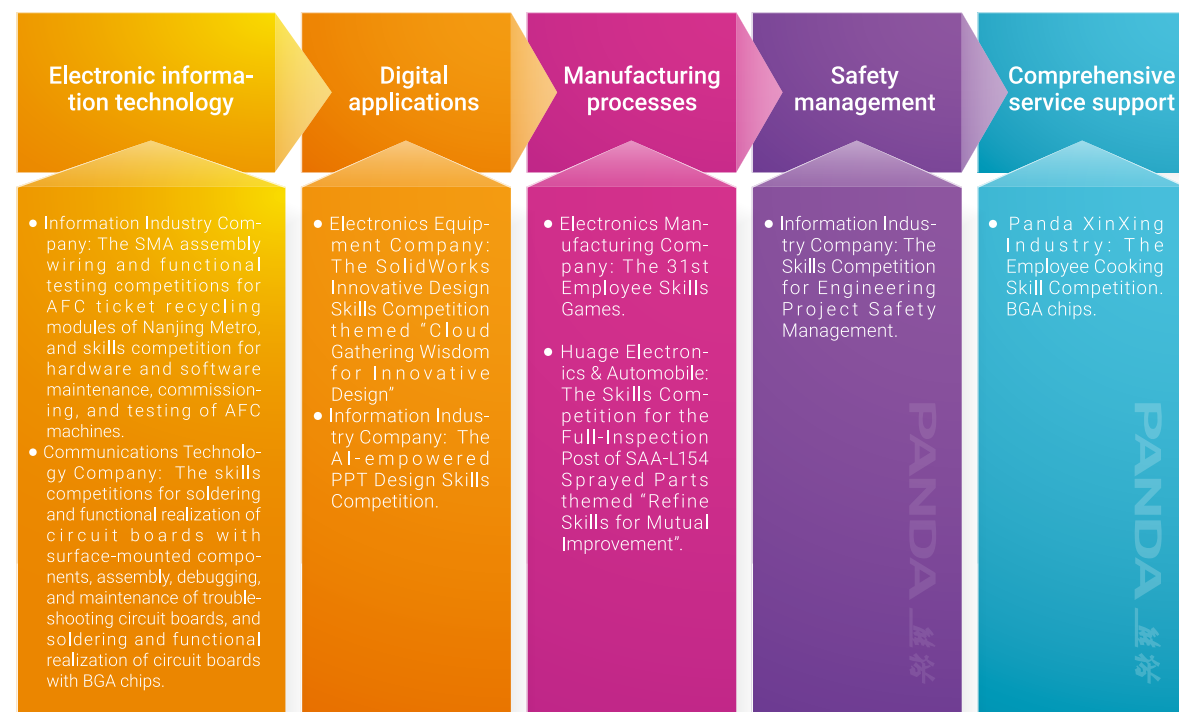
The Company has formulated the *Implementation Rules for Provisions Series on Management Positions*, clarifying employee assessment and compensation distribution matters. We have established a position-level adjustment mechanism, and implemented a competitive bidding system for positions to open up promotion channels. We continue to build employee innovation platforms, conduct on-the-job training and skills competitions, and advance the "Reserve Candidates for Leadership Teams and Key Business Departments of Affiliated Enterprises" program, thereby unblocking employee development pathways. In addition, experience-sharing meetings are organized to provide employees with opportunities for knowledge exchange and capability enhancement.

● Supporting employee growth

The Company strives to build a multi-level, full-coverage, and precise training system. Through a culture of competition and internal sharing mechanisms, we have made all training resources accessible, focused on key positions, and further enhanced the capabilities of all employees, laying a solid talent foundation for corporate innovation and sustainability. In 2025, a training course sharing platform was launched on the OA system, and an internal trainer team of over 30 members was formed.

The Company organizes skills competitions in areas such as equipment maintenance and safety management to enhance on-the-job capabilities through practical application. Through dedicated publicity columns and incentive programs, we actively fosters an organizational culture that values technical skills, respects craftsmanship, and encourages innovation.

Closely aligned with strategic development directions, we focus on training in forward-looking areas such as AI-empowered industrial software and digital transformation. We strengthen our cross-departmental collaboration and resource sharing mechanisms. To improve leadership development, each day we release online leadership courses on our OA intranet, injecting sustained momentum into high-quality development.



▲ Career development training for specific positions



▲ Talent echelon development and building

We cooperate with vocational colleges such as Nanjing Polytechnic Institute and Nanjing Technician College to roll out the new enterprise-apprenticeship system and develop customized curricula.

In-depth industry-education integration

Innovating in models to expand learning channels

Internal knowledge sharing

We have built internal platforms such as "Dialogue with Craftsmen" to externalize and inherit tacit knowledge, and enhance our internal trainer pool to tap internal intellectual resources.

Average employee training hours in 2025 (Unit: hour)

Workforce composition	Type	Average training
All employees		23.46
Gender	Female	22.56
	Male	23.96
Employee type	Senior management	135
	Middle management	92
	Primary-level employees	20.39

Percentage of employees trained (Unit: %)

Workforce composition	Type	Proportion of employees trained
Gender	Female	35.36
	Male	64.64
Employee type	Senior management	0.42
	Middle management	3.62
	Primary-level employees	95.96

Key performance in 2025

- **30** training programs of different themes (Level 1) held with **789** class hours and **771** trainees
- **227** training sessions with **6,014** trainees, achieving **100%** coverage
- RMB **485,500** invested in employee training, with a training investment of RMB **195** per RMB million of revenue
- Newly added **3** employees with senior titles, **12** with senior vice titles, and **22** with intermediate titles
- Newly added **4** senior technicians, and **2** technicians
- Newly added **1** Extraordinary Technician of Jiangsu Province (type A), **1** PhD, and **1** (tier 3) talent cultivation candidate into the 333 Talent Cultivation Program of Jiangsu
- **1** candidate for the "Central SOE Craftsman" training program
- **1** candidate for the "Jiangsu Craftsman" training program
- **37** skills competitions held by subsidiaries with **1,480** participants
- **3** candidates for the 2025 Nanjing Craftsman Training Program
- **2** employees from Huage Electronics & Automobile selected for the 11th Batch of the "Young and Middle Aged Top Notch Talent Program" of Nanjing
- **1** Lingyun sci-tech leading talent introduced

Occupational health and safety

To advance the *Three-Year Action Plan for Fundamental Improvements in Work Safety (2024-2026)*, we have improved the all-employee responsibility system, systematically managed risks, enhanced our intrinsic safety levels, and innovatively introduced third-party agencies for safety audits. As a result, no safety, environmental, or fire accidents occurred in 2025.

The Company has established a sound work safety, occupational health, and emergency management system. We have formulated the *Emergency Plan for Work Safety Accidents*, and obtained the filing application form from the Administrative Committee of Nanjing Economic and Technological Development Zone.



Work safety framework: governance - strategy - IRO management - metrics and targets

Strengthening safety defenses through an audit lens

To systematically improve its intrinsic safety level, the Company innovatively engaged independent third-party agencies to conduct comprehensive safety audits across six industrial subsidiaries and 16 production units. Leveraging external expertise, the audits thoroughly examined potential risks in production sites and operational processes, uncovering a number of safety issues that were easily missed during internal inspections. We promptly organized rectification efforts, achieving closed-loop management and continuously strengthening our overall risk prevention and control capabilities through ongoing innovation.



^ New employee orientation training and site visit



^ "Employee Lectures" series in the Information Industry Company



^ Series training of "Dialogue with Craftsmen" in the Electronics Manufacturing Company

The 2025 "Work Safety Month" activity

NPEC organized the 2025 "Work Safety Month" campaign to comprehensively enhance the safety literacy and emergency response capabilities of all employees. Through multi-dimensional training—including work safety management knowledge, CPR and AED operation drills, and fire emergency drills—the campaign strengthened employees' ability to protect themselves and assist others. On-site consultation desks were also set up, with over 800 copies of safety publicity materials distributed and more than 200 inquiries answered, embedding safety concepts deeply into employees' minds.

Work injury statistics

Index	2023	2024	2025
Number of work-related fatalities	0	0	0
Number of days lost due to work injuries	0	0	0
Work injury rate (%)	0	0	0
Injury rate per million working hours (%)	0	0	0

Key performance in 2025

- RMB **8.5968** million invested in work safety
- **3,506** letters of work safety responsibility signed
- Three-level work safety education and training with **3,985** participants; **6,943** participants in company-wide safety training
- **31** participants in training for special equipment operators, **87** participants in occupational health training, and **1,395** participants in routine safety training in 2025
- **40** hours of safety training per employee
- Work safety investment accounting for **0.35%** of revenue
- **53** emergency drills of different types organized
- **86** potential safety hazard inspections held



^ 2025 Work Safety Work Conference to comprehensively deploy the annual work safety tasks



^ 2025 Work Safety Knowledge and Skills Competition to promote safety through competitions

We continuously optimize workplace conditions, provide appropriate personal protective equipment (PPE), and implement special protection measures for positions involving exposure to toxic and hazardous substances. Regular occupational health check-ups, education, and training are organized, and employees are encouraged to exercise. Psychological counseling rooms have been established to monitor mental health risks, forming a comprehensive occupational health protection system. In 2025, regular health check-ups covered all employees.

2025 occupational health investigation

In 2025, NPEC organized third-party agencies to conduct hazard factor testing on 33 occupational hazard operation points and issued professional test reports. We offered occupational health check-ups for employees in positions exposed to toxic and harmful substances such as injection molding workers and spraying workers across the Company. A total of 55 employees participated in the check-ups.

Occupational disease statistics

Indicator	2023	2024	2025
Occupational disease rate (%)	0	0	0

Employee activities and care

NPEC has effectively improved employees' well-being and sense of belonging through various measures. To balance employees' work and life, we regularly organize cultural and sports activities such as wellness walks, mountain climbing, and fun sports meets to create a warm and harmonious workplace.

● Caring for employee life

The Company has continuously improved facilities and living services in the industrial park to enhance employees' comfort both at work and in daily life. A dynamic support mechanism for employees in need, along with welfare programs such as festival benefits, health check-ups, special care for female employees, only-child subsidies, helps create a warm, inclusive, and supportive workplace.

Empowering female employee committee members to enable better care for female employees

NPEC's Labor Union organizes training for female employee committee members in the park. Through activities such as free health consultations, special lectures on the prevention of common gynecological diseases, and reading sharing sessions, we have provided female employee committee members with health consultation, knowledge popularization, and exchange platforms, effectively protecting the physical and mental health of female employees.

Establishing a caring assistance fund to build a long-term mutual assistance guarantee for employees

To assist employees facing serious illness or sudden hardship, NPEC established and has continuously operated the "Caring Assistance Fund" since 2003. During a fundraising campaign in March 2025, a total of RMB 815,100 was donated by employees from the Company and its subsidiaries. The fund provides ongoing support to employees in special difficulty, effectively easing their financial burden and reinforcing a harmonious workplace culture built on unity, mutual assistance, and care.

"Five-Heart" catering service creates an employee-satisfied canteen

NPEC has developed an innovative "Five-Heart" catering service system: creativity is fostered through monthly tastings that encourage dish innovation; reassurance is built on strict food material access and full traceability mechanisms; peace of mind is ensured through refined equipment ledger management for reliable operations; comfort is delivered via a dedicated catering customer service channel and rapid feedback mechanism; and thoughtfulness is extended through takeaway markets and seasonal gifts to enhance organizational care. These efforts have resulted in zero food safety incidents, a 15% monthly average dish update rate, and a 100% response rate to suggestions, transforming daily catering into a cultural bond that strengthens employees' sense of belonging.



^ Our subsidiaries organize various activities for Women's Day



^ The "Summer Cooling Care" initiative for frontline workers

Key performance in 2025

- **86** employees in need benefited
- **0.0346** employees assisted per RMB million in revenue
- Awarded the title of **"Model Employee Home"** by CEC
- RMB **1.6912** million from the Caring Assistance Fund and subsidies distributed for employees in need

● Cultural and sports activities

The Company has built a diversified system of cultural and sports activities for employees. We design activities such as "Guochao Baduanjin Fitness Training" and singing competitions to enrich the lives of female employees. Festival activities such as the "Welcome the New Year" theme carnival are launched to create a warm and joyful atmosphere. Team-building activities for new employees and various fun sports activities are rolled out, advocating a dynamic, healthy, and shared work-life style. These initiatives comprehensively enhance employees' sense of belonging and organizational cohesion.



^ "Vibrant NPEC · Fun Fitness Run" activity



^ Nearly a thousand NPEC employees participate in the "Charming NPECers Scaling New Heights" mountain-climbing activity.

Green Development

NPEC deeply embeds environmental responsibility into its corporate strategy and operations. We have built an environmental management system aligned with international standards, and actively address climate change. Through energy conservation, emission reduction, resource recycling, and standardized management of the “three wastes” (wastewater, waste gas, and solid waste), the Company drives green transformation across the industry while fostering a culture of environmental protection among all employees.

Environmental management

The Company follows the principles of “energy conservation, consumption and pollution reduction, and protection of the earth environment”, and strictly abides by applicable laws and regulations, including the *Environmental Protection Law*. In addition, we continuously improve our environmental management system, and implement a series of policies including the *Energy and Resource Control Procedures*, the *Solid Waste Control Procedures*, and the *Management Regulations on Environmental Protection*, forming a hierarchical and comprehensive environmental management framework.

The Company has obtained ISO 14001 and GB/T 24001-2016 environmental management system certifications, formulated a NPEC-specific *Management Manual* and a series of procedure documents. Meanwhile, we annually urge all subsidiaries to undergo certification reviews of their environment-related Management policies, continuously optimizing green operation management. We also formulated the *Contingency Plan for Environmental Emergencies*, which is systematically updated every 3 years. Each subsidiary formulates contingency plans for various simulated scenarios including paint residue leakage and waste oil spillage, and regularly organizes drills to effectively respond to various environmental emergencies. In 2025, the Company strengthened resource and energy efficiency, reduced greenhouse gas(GHG) emissions, and enhanced the systematic and comprehensive management of environmental information through green operations, green supply chain management, and digital empowerment.

2030 environmental management goals

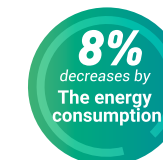
Comprehensively considering the national and industry-level environmental requirements for the electronic information industry, the Board of Directors has formulated long-term environmental management goals, and reviews and determines the Company's annual environmental action plan. All departments are urged to make corresponding division of responsibilities and plans, and supervise the implementation progress of environmental management tasks to ensure that relevant policies are effectively and continuously implemented.



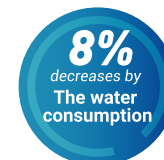
The chemical oxygen demand per unit of added value will decrease by about 8% compared with 2025



The general waste generation per unit of added value will decrease by about 10% compared with 2025



The energy consumption per unit of added value will decrease by about 8% compared with 2025



The water consumption per unit of added value will decrease by about 8% compared with 2025

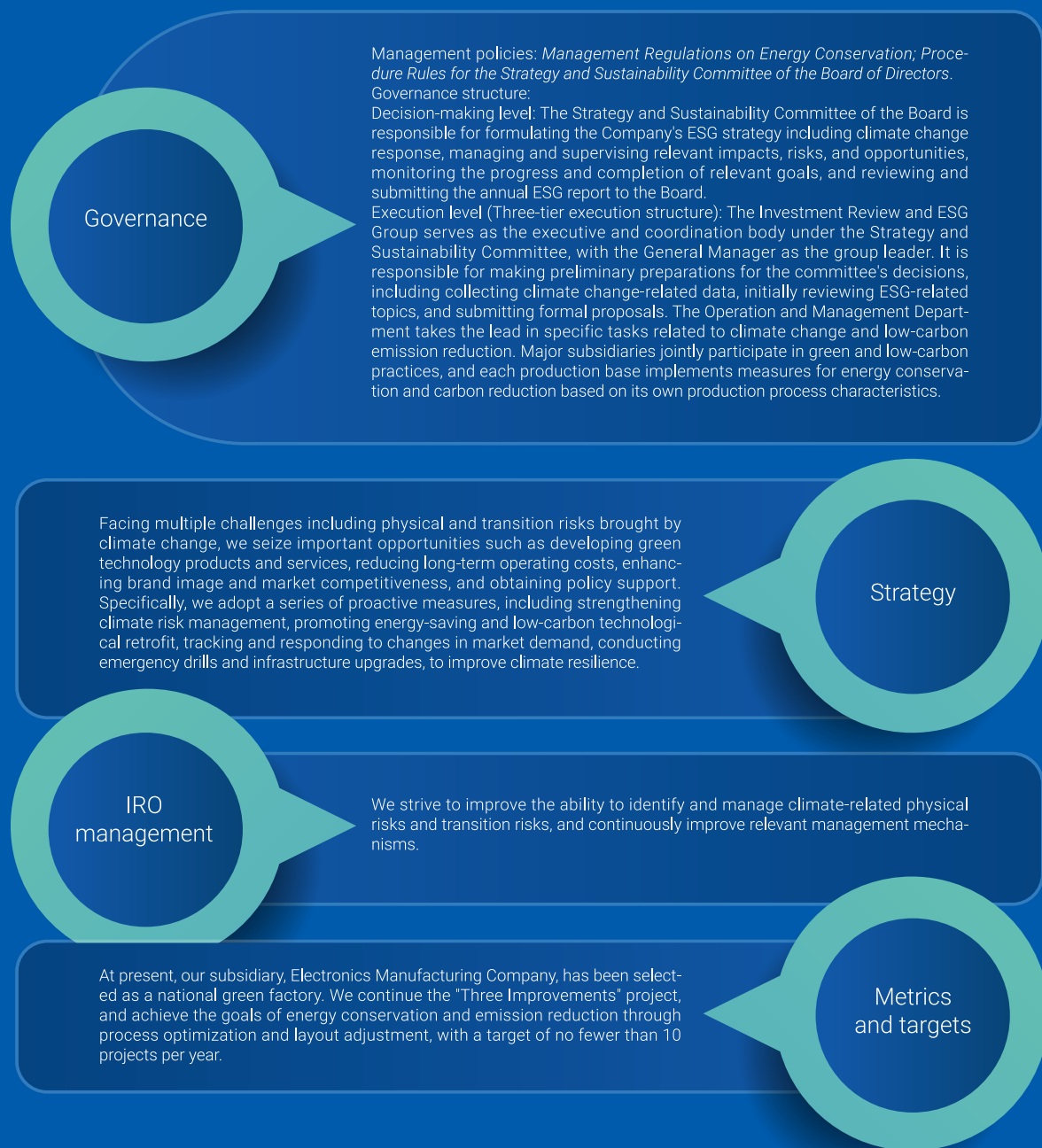
Key performance in 2025

- **57** environmental self-inspections carried out
- Number of major environmental pollution incidents: **0**
- Environmental protection expenditure: RMB **1.4008** million
- Total environmental protection expenditure as a percentage of operating revenue: **0.06%**

Climate change response

NPEC has deeply integrated environmental responsibility into its development strategy. We work to identify and manage climate-related risks and opportunities. Through sound management mechanisms, energy conservation, emission reduction, and clean technologies, we have effectively reduced the environmental impact of our operations, enhanced climate adaptation resilience, and seized development opportunities brought by the green economic transformation.

Climate change response framework: governance - strategy- IRO management - metrics and targets



Identifying climate risks

NPEC continuously improves the climate risk management mechanism and enhances resilience to extreme climate events. We plan to gradually establish a quantitative analysis capability for climate change risks that meets the requirements of international mainstream frameworks (such as IFRS S2) and aligns with the Company's business reality within the next 2-3 years. This will provide data-driven decision support for our strategic adjustment, asset allocation, financial planning, and information disclosure.

Identification of climate risks

Risk Category		Description	Potential impact	Countermeasures
Transition Risks	Legal & policy risks	As China advances its carbon peaking and carbon neutrality goals and regulatory standards continue to tighten, the Company faces increasing environmental compliance risks from regulators, as well as growing constraints and pressure from external stakeholders.	Higher investment in environmental compliance leads to increased operating costs	Proactively respond to the climate strategy, enhance climate risks management, and foster low-carbon transition
	Technology risks	The Company faces pressure to pursue low-carbon and green operational transformation, with significantly rising demand for energy-saving technologies and applications. This requires greater investment in technology R&D or adoption, along with increased personnel costs.	Increased technology R&D and introduction costs, higher energy-saving renovation costs	Timely deploy advanced green technologies to gain advantages in the low-carbon technology ecosystem, improve process flows and advocate the concept of innovation.
	Market risks	Domestic and international customers will increasingly prefer low-carbon, green technology, products and services. The Company needs to strengthen the development and promotion of green products and services, otherwise facing greater market competition pressure.	Customer loss, and reduced revenue.	Timely track market demand, deploy green product lines in advance, and vigorously develop green service-oriented electronic manufacturing.
	Reputation risks	Stakeholders pay increasingly greater attention to the Company's performance in environmental, social and corporate governance. The failure to meet stakeholder expectations in a timely manner or any relevant violations committed will harm the Company's ability to maintain its brand image.	Customer churn, decrease of operational costs, and impairment of intangible assets	Strengthen ESG management to actively respond to stakeholders, disclosed relevant information, and organize environmental and social public welfare awareness campaigns.
Physical Risks	Short-run risks	Extreme weather occurs more frequently. Floods, typhoons and other extreme weather events are more likely to cause direct losses and affect the Company's normal operation.	Direct financial losses	Carry out emergency drills for extreme weather, adjust the Company's real assets distribution in advance, and conduct infrastructure upgrading & renovation
	Long-run risks	Climate change will significantly alter precipitation patterns and climatic patterns on a large scale, leading to an increase in overall social operational costs such as water withdrawal and usage, as well as infrastructure maintenance. This, in turn, will drive up corporate operating costs	Increase of costs, decrease of revenue	

● Energy conservation and emission reduction

Following our *Management Regulations on Energy Conservation*, we deeply integrate energy conservation across our production and operations. We conduct refined management of energy-consuming equipment, adopt energy-saving equipment and lamps, and promote technological upgrading and green equipment replacement. By doing so, we achieve remarkable results in effectively controlling total energy consumption and intensity and reducing greenhouse gas emissions.

In 2025, our subsidiary, Electronics Manufacturing Company, was successfully selected as a national green factory and compiled the *Green Factory Evaluation Report*, with a score of 99.20 in the green factory evaluation indicators.

Energy consumption*

Category		Unit	2023	2024	2025
Direct energy consumption	Gasoline	ton of standard coal equivalent (tce)	99.77	90.28	85.33
	Natural gas	tce	496.37	386.33	516.90
	Diesel	tce	30.41	52.84	3.97
Total direct energy consumption		tce	626.55	529.45	606.21**
Intensity of direct energy consumption		tce / RMB 100 million revenue	21.52	20.01	24.37
Indirect energy consumption	Electricity consumption	MWh	29,150.123	33,575.0756	38,679.104
Total indirect energy consumption		tce	3,582.55	4,126.38	4,753.66
Intensity of indirect energy consumption		tce / RMB 100 million revenue	123.03	155.95	191.06

*Energy conversion coefficients are quoted from GB/T 2589-2020 *General Principles for Calculation of Comprehensive Energy Consumption*. The GHG emissions of NPEC primarily arise from the indirect emissions generated by the daily use of natural gas, gasoline, and diesel in office operations, as well as from the outsourced electricity.

** Data aggregation discrepancies are due to rounding.

GHG emissions*

GHG Emissions	Unit	2023	2024	2025
Scope 1 GHG emissions	tCO ₂ e	1,580.90	1,323.14	1,536.83
Intensity of Scope 1 GHG emissions	ton / RMB 100 million revenue	54.29	50.01	61.77
Scope 2 GHG emissions	tCO ₂ e	23,089.81	18,016.39	20,523.13
Intensity of Scope 2 GHG emissions	ton / RMB 100 million revenue	792.92	680.89	824.88

*The calculation method of GHG emissions is based on *Appendix II: Guidelines for Reporting Environmental Key Performance Indicators* issued by The Stock Exchange of Hong Kong Limited. Since 2024, NPEC has adopted the CO₂ emission factor of electricity released by the Ministry of Ecology and Environment in calculation of Scope 2 emissions. The 2025 data applies the 2023 National Average CO₂ Emission Factor for Electricity (issued by the Ministry of Ecology and Environment on December 31, 2025). No retroactive adjustments will be made to previous years' data.

*In terms of Scope 3 emissions, the Company currently lacks an authoritative and reliable methodology for calculation, and some data from external sources is difficult to obtain. As a result, it is currently unable to effectively disclose Scope 3 GHG emissions.

Replacing equipment with greener alternatives
to enable low-carbon production transformation

The Electronics Manufacturing Company has gradually phased out existing diesel forklifts and purchased electric forklifts as replacements. Electric forklifts have the advantages of stable operation, low noise, and zero emissions. It is estimated that one electric forklift can reduce diesel consumption by 2.27 tons per year, save costs by RMB 20,000, and reduce GHG emissions by 7.037 tons.

Key performance in 2025

- The self-used photovoltaic system generated and consumed **4.4391** GWh of clean electricity, which is equivalent to avoiding approximately **2,355.39** tons of carbon dioxide emissions based on the latest power grid emission factor.



Efficient resource utilization

We continue to improve our energy and resource management system and resource utilization efficiency, actively promote water-saving measures, and streamline packaging while adopting eco-friendly alternatives, gradually achieving 100% environmental compliance for packaging materials. In regulations such as the *Procurement Management System* and the *Procurement Control Procedures*, we explicitly require incorporating responsibilities for quality, environment, and occupational health and safety management into procurement contract terms, including those for packaging materials. We also work to recycle waste resources and promote the transition to a circular economy.

The Communications Technology Company has replaced the outer packaging wooden boxes of core communication equipment with degradable honeycomb cardboard boxes coated with waterproof and anti-mildew layers, and replaced the inner lining foam with recyclable EPE foam. The environmental compliance rate of packaging materials now reaches 100%.

The Company strengthens controls over the use of toxic and hazardous substances. We implement the *Management Procedures for Environmental Hazardous Substances*, and vigorously adopt eco-friendly material—including water-based coatings, lead-free solders, lead-free fluxes, and halogen-free, low-smoke, flame-retardant materials. A material ledger is maintained to prevent the entry of specific non-eco-friendly materials into the production process, reducing hazardous waste at the source.

Water resource utilization

Category	Unit	2023	2024	2025
Water consumption	ton	187,189.21	203,327.98	221,264.20
Water consumption intensity	ton / RMB 100 million revenue	6,248.20	7,684.35	8,893.26

Packaging material usage

Category	Unit	2023	2024	2025
Paper	ton	8.41	17.16	3.95
Plastics	ton	5.23	4.25	0.2
Metal	ton	0.35	0.06	0

Implementing energy-saving renovation of cooling water system to achieve resource recycling

Huage Electronics & Automobile has renovated the cooling water system in the injection molding area, introducing surplus cooling water from Workshop 1 into Workshop 2 and shutting down the water pumps in Workshop 2. After the renovation, the system that originally required four water pumps now only needs two to meet the water supply demand, with energy efficiency improved by 35-40% and daily electricity savings of about 1,000 kWh.

Three wastes management

The Company's environmental management system fully covers the entire process of wastewater, waste gas, and solid waste(three wastes). We have improved systems such as the *Control Procedures for Solid Waste*. The Operation and Management Department takes the lead in overseeing the three wastes management. Through refined treatment facilities, monitoring and compliant disposal, we continuously reduce our environmental impact of production and operations and promote green production.

In the future, the Company will further optimize the production process. We plan to use eco-friendly materials such as high-solid content paint and water-based paint for production to reduce emissions of VOCs and other pollutants at the source. We will establish a more refined equipment inspection and maintenance ledger to ensure the stable operation of environmental protection facilities for waste gas and wastewater treatment.

Wastewater

Huage Electronics & Automobile has built an independent sewage treatment station in the coating workshop. The industrial wastewater is treated in a timely manner and recycled for the water curtain cabinet in the coating workshop, with a circulating water of about three thousand tons. The sewage treatment station is equipped with complete dosing systems and sludge treatment facilities. After meeting discharge standards, the wastewater is discharged into the industrial park's sewer network, eventually entering the municipal sewage system. In addition, the sludge generated is dewatered and filtered before being transferred to specialized facilities for treatment, preventing secondary pollution. Other subsidiaries of NPEC do not produce industrial wastewater—only domestic sewage—which is treated in septic tanks before being discharged in compliance with standards.

Wastewater discharge

Category	Unit	2023	2024	2025
Wastewater discharged	ton	168,470.29	182,995.18	199,137.78
Wastewater discharge intensity	ton / RMB 100 million revenue	5,785.38	6,915.92	8,003.93
Chemical Oxygen Demand (COD)	ton	49.17	48.95	53.26
Chemical Oxygen Demand (COD) intensity	ton / RMB 100 million revenue	1.69	1.85	2.14

Waste gas

The Company disposes of waste gas generated during production by category. Coating waste gas containing volatile organic compounds (VOCs) is treated by regenerative thermal oxidation (RTO) and regenerative catalytic oxidation (RCO) technologies. Waste gas from injection molding and extrusion is purified by activated carbon adsorption. Waste gas from wastewater rooms is treated by alkali spraying and activated carbon adsorption technologies.

To ensure compliant waste gas emissions, we have installed online monitoring equipment at key emission points. This enables real-time tracking of major pollutant concentrations and emission volumes, supporting dynamic supervision of exhaust emissions. In addition, a third-party monitoring agency is engaged to conduct quarterly exhaust gas emission tests. All emission monitoring results for 2025 were in compliance with applicable standards.

Waste gas emissions*

Category	Unit	2023	2024	2025
Nitrogen oxides (NOx)	ton	0.46017	0.45179	0.36553
Sulfur oxides (SOx)	ton	0.00550	0.00484	0.00511
Particulate matters (PM)	ton	0.04506	0.04464	0.03831

*The calculation method of air pollutant emissions is based on the *Appendix II: Guidelines for Reporting Environmental Key Performance Indicators* issued by the Stock Exchange of Hong Kong Limited.

● Solid waste

We have set up dedicated storage facilities for hazardous waste and general solid waste, equipped with leak prevention, fire protection, and anti-seepage measures in strict compliance with applicable standards , ensuring safe and controlled storage. In addition, we enter into waste disposal agreements with qualified third parties, enabling standardized classification, safe storage, and lawful disposal of waste, and effectively reducing environmental risks.

Hazardous wastes generated

Category	Unit	2023	2024	2025
Oil resistant gloves	ton	0.094	0.01	0
Waste chemical materials and their packaging	ton	137.15	28.22	66.99
Waste paint buckets and oil barrels	piece	-	100	500
Waste toner cartridge (including waste toner)	piece	167	183	201
Waste selenium drum	piece	748	952	1,374
Electric waste such as waste battery	kg	14.34	26.48	55.59
Waste fluorescent lamp	kg	205.1	271.63	639.52
Total hazardous waste	ton	-	-	66.99
Intensity of hazardous waste	ton / RMB 100 million revenue	-	-	2.69

Non-hazardous wastes generated

Category	Unit	2023	2024	2025
Paper	ton	46.94	220.95	241.39
Kitchen waste	ton	256	264	235
Plastics	ton	15.02	130.97	271.15
Metal	ton	196.53	288	0
Wooden products	ton	0.50	2.5	0
Total amount of non-hazardous waste	ton	-	-	748.54
Intensity of non-hazardous waste	ton / RMB 100 million revenue	-	-	30.09

Waste recycling and utilization

Category	Unit	2023	2024	2025
Total waste recycled and reused	ton	-	-	513.54
Waste recycling intensity	ton / RMB 100 million revenue	-	-	20.64
Percentage of waste recycled and reused	%	-	-	68.6

Advocate for the green philosophy

NPEC continuously weaves environmental protection concepts into our operational management and employee behavior. Through sound green office mechanisms and regular environmental activities, we work to build a sustainable development culture involving all employees through internal and external collaboration.

● Green office

The Company promotes green office practices to drive low-carbon operations. By fully adopting electronic documentation, electronic communication, and online processes, we effectively reduce paper use and resource consumption, while cutting carbon and pollutant emissions associated with printing and transportation. These green and low-carbon actions contribute to environmental protection and sustainable development.

Energy conservation and consumption reduction

- Prioritize office equipment such as computers, printers, air conditioners with energy efficiency rating of Level 1.
- Post energy-saving reminder signs in office areas, advocating "turn off lights upon departure; power down equipment promptly after use".
- Turn off office equipment promptly after working hours to reduce standby power consumption.
- Reasonably shorten the operating hours of air conditioning, and set the temperature at no lower than 26°C in summer and no higher than 20°C in winter.

Paperless office

- Require internal documents, notices, reports, etc., to be circulated electronically as much as possible through OA system, email, etc.
- Strictly implement double-sided printing regulations, and encourage reuse of single-sided draft paper.

Green commuting

- Optimize the Company's vehicle scheduling management, encourage inter-departmental carpooling, and reduce the frequency of separate vehicle assignments.
- Encourage employees to choose green commuting methods, and provide transportation subsidies for employees using public transport.

^ Measures for green office, energy conservation, and consumption reduction

● Non-profit environmental charity

The Company regularly organizes themed green office awareness campaigns such as "Energy Conservation Publicity Week" and "Low Carbon Day". We organize tree planting activities annually to raise employees' environmental awareness.



^ Voluntary tree planting activity themed "Planting Green Future together"

Partnership for Shared Development

Upholding a philosophy of openness and collaboration, NPEC works together with universities, research institutions, industry partners, and supply chain stakeholders to strengthen industrial chain resilience and drive technological innovation and industrial upgrading. Through deep industry-university-research integration, joint standard development, industry exchanges, and international cooperation, the Company strives with its partners to co-create a sustainable future.

A leader in industry development

We work to build an open and collaborative industrial ecosystem through multiple approaches, including participation in industry standard development, deepening industry-university-research integration, and expanding industry exchanges and international cooperation.

● Industry ecosystem integration

To integrate into the industry ecosystem, we serve as an executive member of multiple specialized committees of the Chinese Institute of Command and Control, a committee member of specialized committees of the Jiangsu Institute of Communication, and a council member of the Nanjing Low Altitude Economy Industry Association, as well as a core member of the Nanjing Low Altitude Economy Standardization Technical Committee. These roles enable us to shape industry standards while steadily growing our impact on both the industry and its ecosystem.

Participating in standard formulation to support the growth of the low-altitude economy

Leveraging its technological expertise and industry influence in relevant fields, NPEC was successfully selected as a member of the Nanjing Low Altitude Economy Standardization Technical Committee, with its representative elected as a first-term committee member. This provides a platform for us to deeply participate in the development of standard systems within the low-altitude economy industrial chain. In the future, we will leverage this platform to actively engage in standard formulation and plan to promote standardized applications in areas such as intelligent drone inspection systems and low-altitude infrastructure development, thereby contributing to the well-regulated development of the industry.

Key performance in 2025

- (as the co-author for) **1** group standard developed and released
- **9** corporate standards developed and released

● Industry-university-research exchanges and cooperation

We promote deep integration of the education chain, industrial chain, and innovation chain through university-enterprise collaboration, joint platform development, and talent cultivation, facilitating the transformation of scientific research achievements into industrial application.

Strengthening university-enterprise collaborative innovation platform

In July 2025, NPEC invited 23 key faculty members from 10 schools of Nanjing University of Aeronautics and Astronautics to participate in project-based engineering practice exchange seminars. The event systematically introduced the Company's innovation directions and industrial layout, released multiple technical scenario needs, and conducted matchmaking for the industrialization of research outcomes in fields such as artificial intelligence and the low-altitude economy. This exchange established a precise platform for industry-research collaboration, facilitated consensus on multiple technical cooperation initiatives, introduced think tank support for cultivating new quality productive forces, and explored new pathways for coordinated university-enterprise development through a demand-driven research model.

● Industry exchanges and cooperation

We actively build and participate in multi-level and wide-ranging industry dialogue platforms. Through exhibitions, seminars, and corporate visits, we promote knowledge sharing, technological integration, and win-win cooperation to enhance our industry influence. In 2025, we participated in 12 industry exchange activities.



^ The Information Industry Company showcases at the Shenzhen Rail Transit Intelligent Ticketing Seminar.

● International exchanges and cooperation

To serve China's Belt and Road Initiative, we further expand our overseas markets and work to build a strong international brand image, thereby enhancing the global influence of Chinese enterprises.

NPEC solutions empower smart transportation development in Egypt

In 2025, the AFC project of Egypt's 10th of Ramadan Light Rail Train (LRT), undertaken by NPEC, was successfully delivered. Facing differences in technical standards among multiple parties, the project team actively promoted standard harmonization, completed the development of a bilingual Chinese-English adaptation system, and passed all acceptance tests, ensuring the stable operation of the ticketing system. This project marked the first large-scale application of our technology in Egypt and has become a landmark case under the Belt and Road Initiative. It demonstrates our professional capabilities and sense of responsibility in the overseas rail transit sector.



^ LG Electronics' visit to NPEC

Supplier chain management

To improve our supply chain management system, all subsidiaries have generally established systematic supplier management measures and procedural documents to evaluate and constrain suppliers in terms of environmental performance, business ethics, labor, and human rights across supplier admission, evaluation, and audit mechanisms. We prioritize supporting local small and medium-sized enterprises in procurement and give preference to environmentally friendly, and recyclable sustainable products. We support supplier capability development by conducting irregular special training sessions or embedding surveys and promotion in new supplier evaluation processes to convey relevant standards and requirements. Through qualification reviews, performance evaluations, and risk screening, we continue to identify and manage environmental and social risks along the supply chain. In 2025, NPEC experienced no major negative supply chain incidents, and its procurement activities did not involve conflict minerals.

Key performance in 2025

- 89.32% of suppliers are small and medium-sized enterprises
- 70.7% local suppliers
- 85% localized procurement

Supplier admission

01

Implement a strict supplier admission system, and require each subsidiary to conduct supplier qualification reviews and credit assessments in accordance with the *Supplier Management Measures*, *Procurement Management Measures*, and other relevant systems. Support local small and medium-sized suppliers as needed under the same conditions.

Supplier evaluation

02

Investigate and audit supplier performance in environmental protection, business ethics, labor rights, and human rights. Design assessment schemes such as the *Supplier ESG Evaluation Management Measures* based on specific needs of subsidiaries. Incorporate assessment results into supplier records.

Supplier empowerment

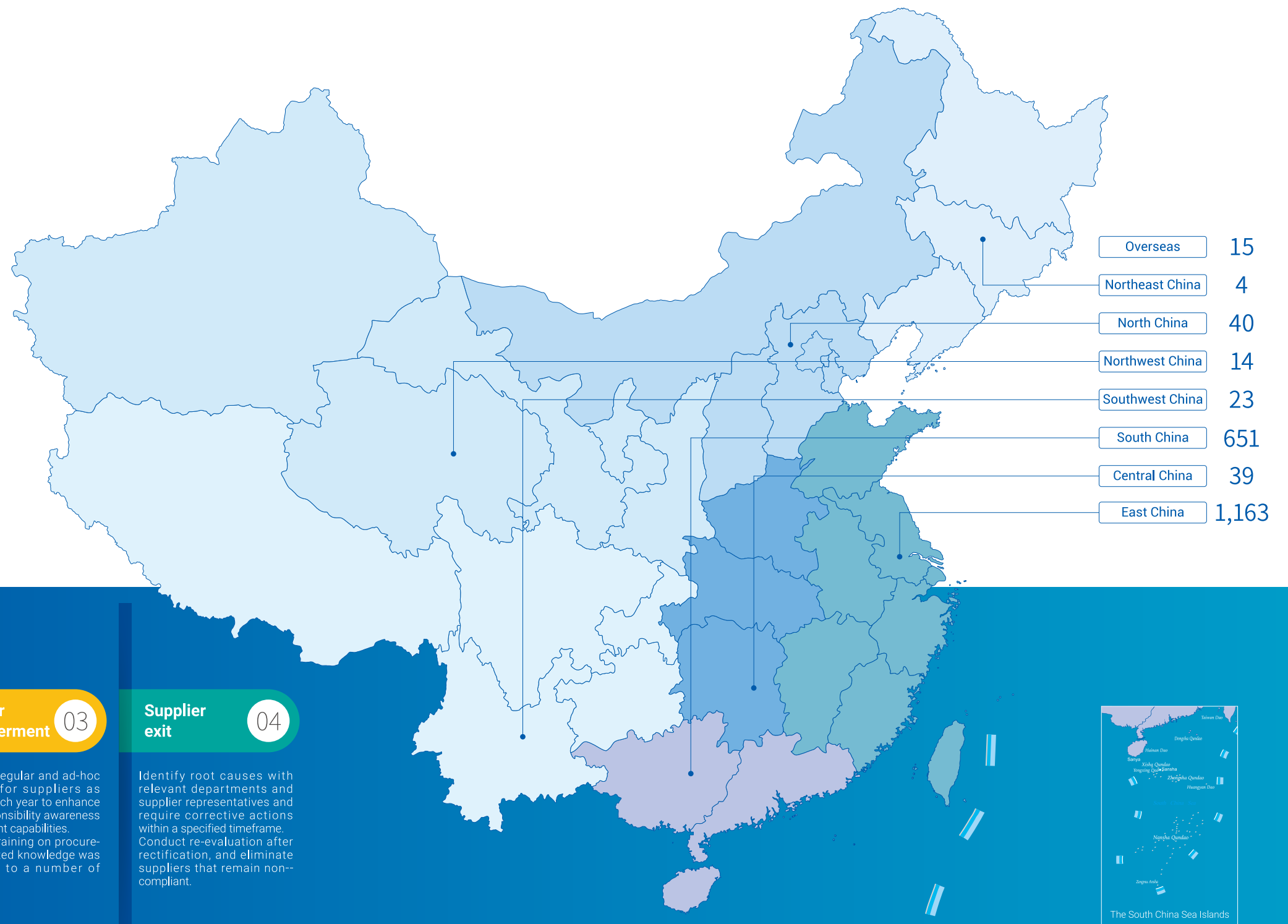
03

Conduct regular and ad-hoc training for suppliers as needed each year to enhance their responsibility awareness and relevant capabilities. In 2025, training on procurement-related knowledge was provided to a number of suppliers.

Supplier exit

04

Identify root causes with relevant departments and supplier representatives and require corrective actions within a specified timeframe. Conduct re-evaluation after rectification, and eliminate suppliers that remain non-compliant.



^ Measures to strengthen supplier management

*The graphics on this page are derived from map file GS (2019) 1833



Community-based Charity

NPEC gives back to society through diverse and practical actions. We continue to carry out public welfare assistance and volunteer services in areas such as education, rural development, and local community care, directly contributing to community development and well-being.

Engagement in social welfare

We encourage employee participation in education support, rural development, and local care. In addition, we help improve community well-being through material donations, charity bazaars, and industrial assistance. These efforts convey our sense of social responsibility.

Delivering winter supplies to high-altitude regions across thousands of miles

To help students in high-altitude areas stay warm during winter, NPEC initiated and organized employees to donate winter supplies to Ladou No. 2 Primary School in Karub District, Qamdo, Tibet. Donation collection points were set up within our premises to encourage employees to contribute cotton clothing, down jackets, and other warm items. Over 500 pieces of warm clothing were collected in a short period and delivered to the school by volunteers after packaging. The donation event demonstrates the Company's commitment to supporting education in remote areas.



Conducting charity bazaar to deliver care in Children's Day

NPEC's preschool education center organized a charity bazaar to encourage children to participate through performances, second-hand item sales, and interactive activities. The funds raised were fully donated to the "Qixiaobo First Aid Training Fund" through the Qixia District Red Cross Society, helping children learn sharing and care through hands-on experience while supporting local public welfare initiatives.

Supporting consumption-driven agricultural assistance

In January 2025, NPEC's labor union participated in the 2025 Central SOEs Spring Festival Consumption Assistance Campaign organized by China Electronics Corporation and purchased 3,966 bags of agricultural products such as mushrooms and black fungus, totaling approximately RMB 148,700. In September 2025, the labor union also participated in the fourth Central SOEs Consumption Assistance Week campaign and purchased 1,768 boxes of seven-color brown rice and 3,000 units of laundry detergent, totaling approximately RMB 138,300.

Key performance in 2025

- Nearly RMB **486,400** of funds raised by NPEC for the Caring Assistance Fund
- RMB **430,600** invested in charity
- RMB **287,100** invested in the rural vitalization campaigns

Volunteer services

NPEC's youth volunteer service team organizes employees to carry out volunteer activities such as "learning from Lei Feng" activity to promote the spirit of dedication and fulfill social responsibilities, thereby contributing to community harmony and social development.

Carrying forward the spirit of Lei Feng and promoting new social values

On the occasion of the 62nd Lei Feng Memorial Day and the 26th China Youth Volunteer Service Day, NPEC's subsidiaries organized diverse and engaging volunteer service activities throughout March to mark Lei Feng Day (March 5), including anti-fraud publicity and public donations. Through these activities, young volunteers carried forward the spirit of Lei Feng, promoted new social values, and contributed to building a harmonious society and supporting corporate development.



NPEC's youth volunteer service team was established in 1982 and has won a gold award at the China Youth Volunteer Service Project Competition. Upholding the spirit of "dedication, friendship, mutual assistance, and progress", the team has engaged more than 3,000 volunteers over the past three years, covering areas such as metro support, COVID-19 prevention and control, environmental protection, youth care, and home appliance repair. Having received multiple provincial and municipal honors, the team continues to carry forward the spirit of Lei Feng and contribute youthful energy to both the Company and society through practical actions. ★ ★ ★ ★ ★

[Note]
NPEC's
YOUTH VOLUNTEER
SERVICE TEAM
PANDA 熊猫

Key performance in 2025

- **289** employees registered as volunteers
- **279** employee volunteers participated in voluntary services
- **2,177** hours of voluntary services provided

Appendix

Index to the HKEX Environmental,
Social and Governance (ESG) Reporting Code

Part B: Mandatory Disclosure Requirements			Page	
Governance structure	A statement issued by the Board of Directors, which contains the following:	(i) disclosure of the Board's oversight of environmental, social and governance matters; (ii) the Board's environmental, social and governance management policies and strategies, including the process for assessing, prioritising and managing material environmental, social and governance-related matters (including risks to the Issuer's business); and (iii) how the Board reviews progress against environmental, social and governance-related objectives and explains how these relate to the Issuer's business.	●	P16-18
Reporting principles	Describe or explain how the following reporting principles are applied when preparing environmental, social and governance reports	Materiality: Environmental, social and governance reports should disclose: (i) the process for identifying material environmental, social and governance factors and the criteria used to select these factors; (ii) where the issuer has engaged with stakeholders, a description of the material stakeholders identified, and the issuer's stakeholder engagement process and outcomes. Quantification: Information regarding the standards, methods, assumptions and/or calculation tools used to report emissions/energy consumption (where applicable), as well as the sources of the conversion factors used, should be disclosed. Consistency: The issuer should disclose in the ESG report any changes to statistical methods or key performance indicators (where applicable) or any other relevant factors affecting meaningful comparison.	●	About This Report; P61; P64
Scope of the report	Explain the scope of the Environmental, Social and Governance (ESG) report and describe the process used to select which entities or operations to include in the report. If the scope has changed, the issuer should explain the differences and the reasons for the changes.		●	About This Report; P4

Part C: 'Comply or explain' provisions				
Key areas, levels, general disclosures and key performance indicators				
Environmental				
Aspects	No.	Content	Page	
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	●	P58-65
	A1.1	The types of emissions and respective emissions data	●	P61; P64-65
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	●	P65
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	●	P65
	A1.5	Description of emission target(s) set and steps taken to achieve them	●	P58-60
	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	●	P65
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources (including energy, water and other raw materials)	●	P61-63
	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)	●	P61
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	●	P63
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	●	P61-62
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	●	No issue found in sourcing water —
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	●	P63
A3: Environmental and Natural Resources	General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources	●	P58-66
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	●	P58-66

Social				
Aspects	No.	Content	Page	
B1: Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	●	P45-48
	B1.1	Total workforce by gender, employment type (namely,, full or part-time), age group and geographical region	●	P46
	B1.2	Employee turnover rate by gender, age group and geographical region	●	P46
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	●	P52-54
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	●	P53
	B2.2	Lost days due to work injury	●	P53
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	●	P52-54
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	●	P48-51
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	●	P50
	B3.2	The average training hours completed per employee by gender and employee category	●	P50
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	●	P45-46
	B4.1	Description of measures to review employment practices to avoid child and forced labor	●	P45-46
	B4.2	Description of steps taken to eliminate such practices when discovered	●	No violation occurred during the reporting period, including child labor or forced labor.

B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	●	P71
	B5.1	Number of suppliers by geographical region.	●	P72
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	●	P71
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	●	P71
B6: Product Responsibility	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	●	P71
	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.	●	P14; P37-42
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	●	P38
	B6.2	Number of products and service-related complaints received and how they are dealt with.	●	P41
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	●	P34
	B6.4	Description of quality assurance process and recall procedures.	●	P37-38
B7: Anti-corruption	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	●	P42
	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	●	P21-23
	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	●	P23
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	●	P23
B8: Community Investment	B7.3	Description of the anti-corruption training provided to directors and employees.	●	P22-23
	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.	●	P74-76
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	●	P74-76
	B8.2	Resources contributed (e.g. money or time) to the focus area.	●	P74-76

Section D: Climate-related disclosures			
(I)Governance			P59-63
(II)Strategy	Climate-related risks and opportunities		
	Business model and value chain		
	Strategy and decision-making		
	Financial position, financial performance and cash flows		
	Climate resilience		
(III)Risk management			
(IV) Metrics and targets	Greenhouse gas emissions		
	Climate-related transition risks		
	Climate-related physical risks		
	Climate-related opportunities		
	Capital allocation		
	Internal carbon pricing		
	Remuneration		
	Sector-specific indicators		
	Climate-related targets		
	Cross-sectoral indicators and the applicability of sector-specific indicators		

Note: : ● means the indicators of “comply or explain”

Reader Feedback

We are committed to enhancing our ESG management and disclosure quality. To help us deepen the implementation of our ESG principles, we invite your feedback on this report (see the appendix). Please complete the form below and send it to us by mail or email.

NPEC

1. What is your overall impression of this report?

☐ Very good ☐ Good ☐ Average ☐ Poor ☐ Very poor

2. How is the structure of this report?

☐ Very good ☐ Good ☐ Average ☐ Poor ☐ Very poor

3. How about the readability of this report?

☐ Very good ☐ Good ☐ Average ☐ Poor ☐ Very poor

4. How is the disclosure of topics to your concern?

☐ Very comprehensive ☐ Comprehensive ☐ Partial related ☐ Few information

☐ No related information

5. What kind of additional information do you expect to see in the Report?

6. Is there any suggestion on our ESG initiatives or this report?

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