震裕科技
ZHENYU TECHNOLOGY

2025
Sustainability Report



ZHENYU TECHNOLOGY

Xidian Industrial Park, Ninghai County, Ningbo, Zhejiang, China

http://www.zhenyumould.com

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MESSAGE FROM SENIOR MANAGEMENT

Dear shareholders, partners, and stakeholders:

The year 2025 marks a milestone in the development history of Zhenyu Technology. On behalf of the Board of Directors, I would like to express my sincere gratitude to every friend who has long supported and cared for the Company's growth.

This year, we achieved a breakthrough in operating performance.

Through the dedicated efforts of all employees, Zhenyu Technology leveraged lean management and economies of scale to achieve a leap in both revenue and profit. In 2025, the Company achieved total operating revenue of RMB 9.736 billion, representing a year-on-year increase of 36.58%. This achievement not only validates our global competitiveness in precision progressive stamping dies and precision structural components, but also demonstrates the Company's strategic resilience amid the new energy wave.

This year, we continued to improve governance and solidify the foundation of compliance.

To further enhance our governance mechanisms, during the reporting period the Company intensively formulated and revised a series of key governance policies, providing institutional safeguards for the implementation of our ESG strategy. To continuously strengthen sustainable development, we further reinforced the Board's decision-making power over ESG affairs, established an anti-bribery and integrity system covering the entire supply chain, and integrated governance, strategy, risk management, and target setting through a robust sustainable development information disclosure framework. On the environmental front, we leveraged the recognition as a "National Green Factory" to deepen our management of environmental governance and climate change risks. On the social front, we expanded into humanoid robot components, elevating ourselves from traditional manufacturing to high-end intelligent manufacturing, thereby better fulfilling our innovation-driven social responsibilities.

This year, we embraced "green" as the defining feature of high-quality development.

As a leading precision manufacturing enterprise, we are fully aware of our responsibility for the ecological environment. In 2025, Ningbo Zhenyu Technology was honored as a "National Green Factory," Suzhou Finest was awarded the municipal "Green Factory," Ningbo Zhenyu Auto Parts received the municipal "Zero-Carbon Factory," and Yibin Factory achieved carbon neutrality for the third consecutive year. These achievements are the result of our long-term commitment to green manufacturing processes and energy structure optimization. We actively respond to the national "dual carbon" strategy by promoting multiple innovative technologies, significantly reducing energy consumption across the entire industrial chain while enhancing product performance. We firmly believe that only enterprises in harmony with nature can sustain long-term success in a volatile market.

This year, we drove social progress through innovation.

On the foundation of our core new energy business, Zhenyu Technology made early-stage progress in humanoid robot key components. We have initially developed products such as linear actuators, reverse planetary roller screws, and dexterous hand precision components. These products have been validated by multiple leading domestic and international humanoid robot manufacturers. We plan to invest RMB 2.1 billion in precision component manufacturing equipment and process equipment, as well as precision structural parts and humanoid robot precision modules and components projects. Our goal is to empower future productivity through precision manufacturing technology and address long-term challenges arising from changes in the social labor structure. At the same time, we value every employee, and the steady increase in R&D personnel proportion has accumulated talent momentum for the Company's long-term development.

Looking ahead, Zhenyu Technology will continue to uphold its core values of "customer value first, striving-based, continuous innovation, and win-win cooperation." We pursue not only the "ten-billion" scale in financial terms but also adhere to our vision of "becoming a globally leading precision intelligent manufacturing enterprise," creating an environmentally friendly, socially responsible, and transparently governed sustainable development benchmark.

Let us continue to join hands and write a new chapter of green growth together!

Chairman of the Board: Jiang Zhenlin



Aerial View of the Ningbo Zhenyu Group Headquarters

REPORT SPECIFICATION

This report is the second non-financial report (hereinafter referred to as "this Report" or the "ESG Report") of Zhenyu Technology Co., Ltd. (A-share stock code: 300953.SZ; for the convenience of presentation and reading, unless otherwise specified, "Zhenyu Technology", "the Company", "we", "us" and "our" in this Report refer to Ningbo Zhenyu Technology Co., Ltd. and the subsidiaries covered by this Report). This Report systematically elaborates on Zhenyu Technology's sustainable development philosophy, practices and performance in the areas of environment, society and sustainability-related governance ("ESG") for the year 2025, demonstrating how Zhenyu Technology, against the backdrop of China's "dual carbon" strategy and the global supply chain green transition, has continuously deepened its ESG efforts, and presenting its commitment to actively fulfilling social responsibilities while striving for high-quality development, in response to building future-oriented sustainable development capabilities.

We firmly believe that long-term value creation is inseparable from ecological protection, employee care, social inclusiveness, and standardized governance. The Company will proactively act in the global green manufacturing trend and industrial upgrading, and jointly promote sustainable development of the industrial ecosystem with value chain partners.

The content of this report not only responds to the expectations of regulators and stakeholders regarding the Company's sustainability information disclosure but also serves as an important practice for internal management refinement and external transparency enhancement. We hope that by publishing this ESG report, we will further strengthen communication and exchange with all stakeholders, reach a consensus on sustainable development, and jointly embark on a sustainable future.

This report should be read in conjunction with the Company's 2025 annual financial report for a more comprehensive understanding of our sustainability performance and efforts.

This report was reviewed and confirmed by the Strategy and ESG Committee and approved at the 13th meeting of the 5th Board of Directors on April 28, 2026.

BASIS OF PREPARATION

This report is prepared in accordance with the "Self-Regulatory Guidelines for Listed Companies of the Shenzhen Stock Exchange No. 17 – Sustainability Report (Trial)" issued by the Shenzhen Stock Exchange (SZSE). The preparation content references the "Self-Regulatory Guidelines for Listed Companies on the ChiNext Market of the Shenzhen Stock Exchange No. 3 – Sustainability Report Preparation (2026 Revision)". Additionally, this report also refers to the following standards for disclosure:

- GRI Sustainability Reporting Standards (GRI)
- European Sustainability Reporting Standards (ESRS) by EFRAG
- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures (collectively "ISSB Standards") by the International Sustainability Standards Board (ISSB)
- Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)
- United Nations Sustainable Development Goals (SDGs)
- Ten Principles of the United Nations Global Compact (UNGC)

The "Index Table" of this report lists the correspondence between the report content and the requirements of the above main standards/frameworks, facilitating information access for readers of this report.

REPORTING SCOPE

This Report covers the period from January 1, 2025 to December 31, 2025 (hereinafter referred to as the "Reporting Period" or "this Year").

Organizational Scope: This Report covers Ningbo Zhenyu Technology Co., Ltd. and its subsidiaries within the reporting scope (please refer to the Company Introduction section), with the disclosure scope consistent with that of the financial reports.

Data Sources and Reliability Statement: The data in this Report are mainly derived from the Company's internal management systems, statistical reports and audited financial information; certain qualitative information is sourced from materials provided by various business departments. The Company is responsible for the truthfulness, completeness and accuracy of the information disclosed in this Report.

Environmental indicators such as greenhouse gas emissions, water usage, electricity and natural gas consumption, etc., are based on the current data management foundation, compiled by the Company through its own statistics combined with industry methodologies for estimation. In the future, the Company will gradually introduce a third-party verification mechanism to further enhance the quality of information disclosure, and will continue to adjust and optimize the disclosed indicators in subsequent reports.

Unless otherwise specified, the financial data in this Report are denominated in Renminbi (RMB). In the event of any inconsistency between the financial data and other information contained herein and the financial reports or audit reports, the financial reports and audit reports shall prevail.

REPORTING PRINCIPLES

Combining the characteristics of its industry and business operations, this report adheres to the principles of "Accuracy", "Balance", "Completeness", "Comparability", "Verifiability", "Clarity", and "Quantification" to disclose quantitative performance reflecting the company's sustainability management effectiveness. Some content covers related work arrangements and continuous improvement before 2025. The specific coverage of data for each topic is indicated in the appendix for stakeholders to understand the company's efforts in sustainable development.

In terms of content selection and disclosure structure, this report follows the principle of Double Materiality, considering both the company's impact on environment and society (Impact Materiality) and the impact of sustainability issues on the company's financial condition (Financial Materiality).

PUBLICATION CYCLE AND ACCESS

This report is published in both Simplified Chinese and English. In case of any discrepancies due to translation issues, the Simplified Chinese version shall prevail.

This report is published on the CNINFO website (http://www.cninfo.com.cn/) and the company's official website, and is distributed through established channels to stakeholders such as regulatory agencies, shareholders, customers, suppliers, and communities.

For inquiries or feedback on the report content, please feel free to contact us via: Phone: (86)0574-65172919; Email: info@zhenyumould.com

2025 Key Figures

13.043 billion

Total assets of approximately RMB 13.043 billion, representing a year-on-year increase of approximately 14.15%.

8.594 billion

Total liabilities of approximately RMB 8.594 billion, with a debt-to-asset ratio of 65.89%.

9.376 billion

Total operating revenue, representing a year-on-year increase of approximately 36.58%.

513 Million

Net profit attributable to shareholders of the parent company, representing a year-on-year increase of approximately 101.98%.

3.04 Yuan

Basic earnings per share of RMB 3.04 in 2025, with diluted earnings per share of RMB 2.98

496 Million

Recurring net profit of approximately RMB 496 million, representing a year-on-year increase of 114.59%.

12.91%

Weighted average return on equity (ROE) of 12.91%, an increase of 3.49 percentage points year-on-year.

370 Million

Net cash flow from operating activities of approximately RMB 370 million, achieving a significant increase of 174.29% from the negative RMB 500 million in 2024.



Aerial View of the Ningbo Zhenyu Group Headquarters

ABOUT ZHENYU TECHNOLOGY

Zhenyu Technology (stock code: 300953.SZ), as a global leader in the manufacturing of precision molds and structural parts, has since its establishment in 1994 consistently adhered to the business philosophy of "technology leadership," focusing on the R&D, design, production and sales of precision progressive stamping molds and downstream precision structural parts. The Company possesses extensive experience in the development of precision progressive stamping molds and a comprehensive manufacturing system. With the design and development of precision progressive stamping molds as its core, the Company provides customized precision progressive stamping molds to household appliance manufacturers and automotive, industrial and industrial control manufacturers worldwide. At the same time, leveraging the stamping molds it designs and develops, the Company provides customers with precision structural parts that are widely used in household appliances, new energy lithium batteries, automobiles, industrial control and other industries, forming a strategic development pattern of "One Body, Two Wings, Four Dimensions."

As a manufacturer of precision progressive stamping molds, the Company has comprehensive development technology advantages in the field of large-scale three-row and multi-row precision progressive molds characterized by high efficiency and energy saving, and is an advanced manufacturing enterprise in China's mid-to-high-end motor core mold industry. With nearly three decades of technological accumulation and comprehensive development technology advantages, the Company's precision progressive stamping molds have broken the monopoly of foreign manufacturers in the field of compressor motor core molds, gradually securing a place in this high-end mold market, and have become a major supplier of motor core molds to China's top ten compressor manufacturers, and have been recognized by the China Die & Mould Industry Association as one of the "Key Backbone Enterprises for Motor Core Molds."

The Company places a strong emphasis on technological R&D and innovation, having established innovation platforms such as the Provincial Enterprise Technology Center, Provincial Enterprise Research Institute and Provincial Postdoctoral Research Workstation, and remains committed to product process innovation, functional innovation and design innovation to drive product upgrades and build technological competitiveness. The Company has led or participated in the formulation of 13 industry standards, and has received honors including Zhejiang Province "Hidden Champion" Enterprise, Ningbo City Single Champion Demonstration Enterprise, Key Backbone Enterprise for Motor Core Molds of the China Die & Mould Industry Association, and National Manufacturing Single Champion Enterprise. The Company's independently developed "ZY50029 New Energy Vehicle Drive Motor Core In-Mold High-Speed Bonding Progressive Die" has been awarded the title of Domestic First (Set) Equipment.

The Company is committed to transformation and upgrading, continuously advancing digitalization by introducing management systems such as PLM, ERP, CRM and SRM, establishing an information-based management platform covering multiple business areas, and building digital factories and promoting smart manufacturing through automation upgrades and integrated application of multiple systems. The Company strives to create a favorable working platform for its employees, offering broad development prospects and attractive compensation and benefits. The Company has established comprehensive mechanisms for talent introduction, internal training, compensation incentives and career development management, continuously optimizing and enhancing the professional competence of its production management personnel and R&D teams through internal development and talent recruitment, thereby strengthening the Company's core competitiveness.

The Company will focus on industry development trends, uphold the core values of "customer value first, struggle-oriented, continuous innovation, and win-win cooperation," and strive to achieve its vision of "becoming a globally leading precision intelligent manufacturing enterprise."

As a high-tech enterprise specializing in the R&D, design, production and sales of precision progressive stamping molds and downstream precision structural parts, the Company, leveraging its technological capabilities accumulated in the field of precision mechanical parts design and manufacturing, has preliminarily developed products in the robotics field including humanoid robot linear actuators, reverse planetary roller screws, and dexterous hand precision components. These related products have already been validated by multiple renowned leading humanoid robot OEM customers both domestically and internationally.

ORGANIZATIONAL STRUCTURE

Zhenyu Technology has established a standardized governance structure and, in line with its business expansion, has formed an architecture of "Business Units + Centralized Management," further ensuring the standardization and efficiency of corporate governance:

Corporate Governance Levels

Supreme Authority: Shareholders' Meeting.

Decision-Making Body: Board of Directors. The number of Board members has been increased from 9 to 11, including 4 independent directors and 1 employee representative director.

Special Committees: Four special committees are established under the Board, namely the Strategy and ESG Committee, the Audit Committee, the Nomination Committee, and the Remuneration and Assessment Committee.

Executive Office: The Board Office, headed by the Secretary to the Board of Directors, is responsible for information disclosure and investor relations.

Functional Management Centers

The Company has established major functional departments under its umbrella to implement specialized management and support the operations of each business unit:

Chairman's Office, Board Office;

Financial Management Center, HR and EHS Center;

President's Office.

Business Divisions and Platforms

The Company has divided its operations into three major business divisions based on core product lines, and has established an emerging industry platform:

Mold Division: Responsible for precision progressive stamping molds.

Lithium Battery Division: Responsible for precision structural parts for power lithium batteries.

Motor Core Division: Responsible for the motor core business.

Emerging Industry Platform: In 2024, the Company established a wholly-owned subsidiary, Ningbo Martin Embodied Robot Technology Co., Ltd., focusing on humanoid robots and emerging fields.

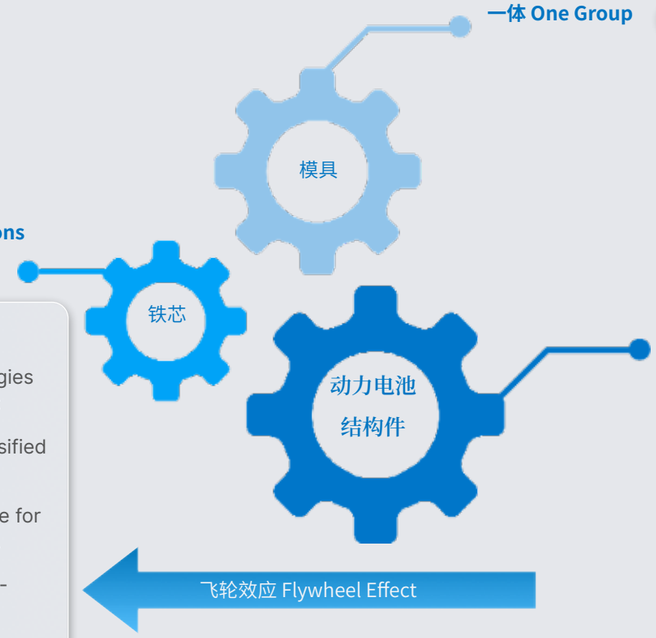
Looking ahead, the Company will continue to strengthen the development of internal controls, clarify workflows, bolster oversight and implement accountability to standardize and institutionalize all business processes for efficient operation of internal rules. It will further deepen internal control management and advance corporate digital transformation. Meanwhile, the Company will proactively expand overseas production capacity to pursue global development. Centered on digital and intelligent upgrading, it will integrate existing production resources, optimize manufacturing workflows, refine intelligent management systems, ramp up technological innovation, boost core corporate competitiveness, and drive high-quality growth of emerging industry businesses.

The Company also owns numerous wholly-owned and holding subsidiaries across China and overseas, which serve as regional production bases and trading platforms. In 2025, the Company further optimized its capital structure and resource allocation via two capital injections and the divestiture of subsidiaries including Taicang Finstamping.

Company Name	Abbreviation
Ningbo Zhenyu Technology Co. Ltd.	Zhenyu Technology
Suzhou FINE-STAMPING Machinery Technology Co. Ltd.	Suzhou FINE-STAMPING
Yueyang FINE-STAMPING Machinery Technology Co. Ltd.	Yueyang FINE-STAMPING
Jiangsu FINE-STAMPING Technology Co. Ltd.	Jiangsu FINE-STAMPING
FINE-STAMPING (Jiangsu) Co. Ltd.	FINE-STAMPING (Jiangsu)
Taicang FINE-STAMPING Machinery Technology Co. Ltd.	Taicang FINE-STAMPING
Hainan FINE-STAMPING Technology Co. Ltd.	Hainan FINE-STAMPING
FINE-STAMPING Technology (Hong Kong) Co. Ltd.	FINE-STAMPING Technology (Hong Kong)
Zhenyu Technology (Hong Kong) Co. Ltd.	Zhenyu Technology (Hong Kong)
Hainan Zhenyu Technology Co. Ltd.	Hainan Zhenyu
Ningbo Zhenyu Automotive Parts Co. Ltd.	Ningbo Zhenyu Auto Parts
Ningbo Zhenyu Automation Technology Co. Ltd.	Ningbo Zhenyu Automation
Ningde Zhenyu Automotive Parts Co. Ltd.	Ningde Zhenyu
Ningbo Zhenyu Sales Co. Ltd.	Zhenyu Sales
Changzhou Zhenyu Automotive Parts Co. Ltd.	Changzhou Zhenyu
Changzhou Zhenyu New Energy Technology Co. Ltd.	Changzhou Zhenyu New Energy
Yibin Zhenyu Automotive Parts Co. Ltd.	Yibin Zhenyu
Guangdong Zhenyu Automotive Parts Co. Ltd.	Guangdong Zhenyu
Yichun Zhenyu Automotive Parts Co. Ltd.	Yichun Zhenyu
Jingmen Zhenyu Automotive Parts Co. Ltd.	ingmen Zhenyu
Shangrao Zhenyu Automotive Parts Co. Ltd.	Shangrao Zhenyu
Shandong Zhenyu Automotive Parts Co. Ltd.	Shandong Zhenyu
Zongyang Zhenyu Automotive Parts Co. Ltd.	Zongyang Zhenyu
Zhenyu Technológia Magyarország Korlátolt Felelősségű Társaság	Zhenyu Hungary
Shanghai Macromat New Materials Co. Ltd.	Shanghai Macromat
Suzhou Martin Intelligent Technology Co. Ltd.	Suzhou Martin
Ningbo Martin Embodied Robot Technology Co. Ltd.	Ningbo Martin
Hangzhou Martin Embodied Robot R&D Co. Ltd.	Hangzhou Martin
FINESTAMPING TECHNOLOGY Co. Ltd. DOO BEOGRAD	FINE-STAMPING Serbia

Note: The Company no longer establishes a Board of Supervisors, and its functions and powers are fully exercised by the Audit Committee.

ZHENYU TECHNOLOGY DEVELOPMENT STRATEGY: ONE BODY, TWO WINGS & FOUR DIMENSIONS



One Body · Core Connotation

Core Connotation: Mould R&D and manufacturing constitutes the Company's fundamental core competitive advantage. Drawing on decades of accumulated technical expertise in development, design and production of high-precision progressive stamping dies, the Company underpins its business expansion with solid technological support.

Development Target: To further consolidate its leading position in China's mid-to-high-end precision mould market, expand global footprint via technological accumulation, and grow into a world-leading comprehensive solution provider for precision manufacturing.

Four Dimensions · Four Downstream High-end Manufacturing Segments

Building upon its core mould technology, the Company's products and technologies penetrate mid-to-high-end manufacturing across four key downstream sectors:

- Home Appliance: Traditional core advantageous sector supplying diversified precision moulds and critical motor components.
- New Energy Vehicle: Strategic priority sector focusing on core hardware for battery systems, electric drive systems and electronic control systems.
- CNC Equipment: Delivering high-standard hardware supported by ultra-precision machining capability.
- Industrial Automation Control: Developing core precision components for industrial control motors.

Two Wings · Two Core Precision Component Businesses

Based on its foundational mould expertise, the Company extends downstream along the industrial chain and develops two pillar businesses driving corporate growth:

Motor Lamination Business: Leveraging advanced stamping technology and self-developed bonded lamination processes to supply high-performance motor cores for new energy vehicles and home appliances.

Precision Structural Parts for Lithium-ion Battery: Focused on R&D and manufacturing of precision components including top caps and housings for power lithium batteries. Adopting key-customer strategy (serving as strategic supplier to CATL), this segment serves as a core growth engine fueling sustained revenue expansion.

STRATEGIC EXTENSION & FLYWHEEL EFFECT

Building on its "One Body, Two Wings & Four Dimensions" strategy, Zhenyu Technology is pushing forward further strategic upgrading.

LAYOUT FOR HUMANOID ROBOT BUSINESS

Supported by its precision manufacturing expertise, the Company expands into production of core precision components for humanoid robots, including linear actuators, inverted planetary roller screws and dexterous hand parts.

The Group strives for coordinated development across mould manufacturing, precision structural components and robotic component businesses, targeting transformation into an integrated hardware solution provider for robotics.

GLOBALIZATION & SUSTAINABLE DEVELOPMENT

The Company advances global expansion by setting up overseas production bases across Europe, North America, Southeast Asia and other regions.

Meanwhile, ESG (Environmental, Social and Governance) has been embedded into corporate strategic planning to deliver low-carbon green development and sustainable governance objectives, lifting the Group's brand reputation and competitiveness within global supply chains.

FLYWHEEL EFFECT

Leading-edge mould technologies drive large-scale expansion of structural component business. Operational experience and capital generated from mass production in turn feed back into technological innovation. This positive cycle fuels rapid breakthrough and steady growth for the Company in emerging tracks including new energy vehicles and robotics.

SPECIAL FEATURE · GOVERNANCE

2025 STRATEGIC TRANSFORMATION:

GOVERNANCE MODERNIZATION AND NEW TRACK BREAKTHROUGH

2025 is regarded as the "Year of Governance" and the "Year of Domain Leap" for Zhenyu Technology. During this year, the company implemented a series of significant institutional reforms and strategic shifts, clearing systemic obstacles for future sustainable development.

Milestone Adjustments to Governance Structure

To respond to the revision of the "Corporate Governance Guidelines for Listed Companies" and benchmark international best practices, Zhenyu Technology implemented a reform in 2025 that combined "subtraction" and "addition" to its governance structure.

- Abolition of Supervisory Committee and Implementation of Single-Tier Governance: The company abolished the Supervisory Committee, and its original supervisory functions are fully undertaken by the Audit Committee under the Board of Directors. This model simplifies decision-making procedures and strengthens the fiduciary responsibility of the Board.
- Empowerment of the Strategy and ESG Committee: Renamed the original "Strategy and Decision-making Committee" to the "Strategy and ESG Committee," officially incorporating sustainable development management functions into the Board's deliberation scope. This change ensures ESG issues move from the periphery to the core, aligning the sustainable development strategy with the company's overall business strategy.
- Board Diversity and Employee Participation: The number of Board members increased from 9 to 11, introducing one independent director and one employee representative director. The introduction of an employee representative director reflects the company's determination to protect labor rights and listen to grassroots voices at the governance level.

STRATEGIC LEAP FROM PRECISION STRUCTURES TO PRECISION TRANSMISSIONS

In 2025, leveraging its deep expertise in the field of ultra-precision mechanical components, Zhenyu Technology successfully entered emerging fields such as humanoid robots and low-altitude aircraft.

- Robotics Business: The company has achieved technological breakthroughs in core components of humanoid robot linear actuators and rotary actuator transmission modules, achieving small-batch deliveries. This is not only an expansion of business territory but also a leap for the company from pure "structural component manufacturing" to high-value-added "precision component system integration".
- Low-Altitude Aircraft: Leveraging subsidiaries as a development platform for emerging fields, focusing on the design and manufacturing of precision parts, striving to occupy a core supply chain position before the low-altitude economy boom.

SPECIAL FEATURE · BUSINESS

STRATEGIC EMERGING FIELD: ROBOTICS

Zhenyu Technology regards humanoid robots as a strategic emerging field and has incorporated them into its "One Body, Two Wings, Four Dimensions" development strategic pattern, committed to transforming into a hardware comprehensive service provider for humanoid robot manufacturers.

Development Strategy and Positioning

- Business Strategy: Adhering to the principle of "centered on the company's precision manufacturing system, providing customers with competitive hardware total solutions to help customers build robots well."
- Core Goal: Achieve synergistic development of die, precision structural component, and robot component businesses, leveraging industrialization experience gained in the new energy vehicle industry to accelerate the iteration from single components to integrated modules.
- Market Positioning: 2025 is regarded as a new phase of "scenario commercialization" for humanoid robots, focusing on connecting with leading domestic and international humanoid robot manufacturers.

Organizational Structure and Industry Platforms

The company has established dedicated R&D and production platforms to support this business:

- Specialized Subsidiaries: Including Ningbo Martin Embodied Robot Technology Co., Ltd. (established in 2024 as the industrial development platform for the robotics business), Suzhou Martin Intelligent Technology Co., Ltd. (focusing on intelligent technology R&D), and Hangzhou Martin Embodied Robot R&D Co., Ltd. (established in August 2025, focusing on product R&D).
- Business Unit: A dedicated Robotics Business Unit exists within the organizational structure.

Core Products and Technological Progress

Leveraging its ultra-precision machining capabilities, the company has achieved multiple breakthroughs in core robot hardware:

- Inverted Planetary Roller Screw: Possesses complete mature processes for design, production, and testing. Established a standard product library with peak thrust coverage from 100N to 12000N, lead accuracy reaching C3/C5 grade, and completed mass production SOP verification.
- Linear Actuator (Module): Independently developed multiple products, including linear actuators for thighs, calves, upper arms, and forearms. Product iteration: Iterated to the third generation, achieving a 22.5% weight reduction and a 13% reduction in surface temperature under operating conditions. Innovation: Pioneered domestic integrated upper arm module, reducing volume by over 30%.
- Dexterous Hand Precision Components: Achieved delivery of components such as micro roller screws, micro ball screws, micro planetary gear sets, and micro worm gears. Provided integrated dexterous hand hardware solutions to downstream customers and secured small batch orders.
- Technical Synergy (Bonded Iron Core): Utilizing self-developed bonded iron core technology (low heat generation, low loss, long life) to self-develop and manufacture the coreless torque motors required for actuators, conducting R&D on "in-mold heating self-bonding iron core stamping technology for humanoid robot and low-altitude flight motor cores".

Note: The growth of emerging industries typically involves a relatively long development cycle. In the early stages of development, operating income is relatively low. During the reporting period, revenue from the company's humanoid robot-related products accounted for only about 0.15% of total operating revenue. Moreover, significant investment is required in technology R&D, process refinement, equipment selection, and team building. Mid-to-late stage industry development and market expansion also face considerable uncertainty, posing significant investment risks.

SPECIAL FEATURE ·

GLOBAL PRODUCTION LAYOUT - SERBIA FACTORY

Zhenyu Technology actively responds to the needs of the global new energy vehicle industry chain. The Serbia Factory (FINEST) is the company's core base for deepening its presence in the European market. Located in Apatin, Serbia, construction began in September 2024, was completed in August 2025, and entered the SOP stage.

As a specialized production base for new energy vehicle motor cores, the Serbia factory plans to configure 12 stamping production lines and 1 die-casting production line, with an estimated annual production capacity of 1.8 million sets.

Through global layout, localized production, and supply, Zhenyu Technology is committed to providing more valuable green and sustainable solutions for European and global customers.

Since its establishment, the Serbia factory has placed high importance on ESG work. From the planning and construction phase, it integrated environmental, social, and corporate governance related to sustainable development into the company's strategy and decision-making. While meeting regulatory and market requirements, it actively fulfills social responsibilities:

Environmental Management

- Management System Certification: The factory highly values environmental management standards and actively promotes and has obtained ISO14001 Environmental Management System certification.
- Green Production and Products: Committed to providing "Better lamination cores" for the world, supporting the green transformation of global new energy vehicles through efficient motor core production.
- Advanced Manufacturing Processes: Production lines integrate stamping, automatic inspection, magnet insertion, and injection molding processes, reducing energy waste and improving resource utilization through high automation.

Social Responsibility

- Quality and Safety Commitment: Adheres to the "Safety First" principle, with clear safety warning signs and lifting load limit management at the production site. Obtained ISO9001 Quality Management System certification (completed in November 2025) and VDA6.3 process audit, planning to obtain IATF16949 certification in September 2026 to ensure high product reliability.
- Localized Operation and Employment: The organizational structure includes various local positions (e.g., HR Manager, Finance Manager, EHS Specialist, and numerous line operators), actively promoting local employment.
- Customer and Value Co-creation: Adhering to the "Customer value first" philosophy, deeply cooperating with top international customers like Bosch, setting up dedicated production lines and undergoing strict customer audits.

Corporate Governance

- Global Management Structure: Established a clear organizational structure for the Serbia factory, led by the Serbia General Manager (Feng Lu) and FST General Manager (Haodong Shi), with a professional China Support Team and global sales, technology, and quality assurance systems.
- Compliant Operation: The factory insists on high-standard compliant operations, strictly abiding by local laws and regulations. Obtained compliant Construction Permits during the construction phase and conducts regular internal audits and management reviews.

苏州范斯特 区号顺序

SUSTAINABLE DEVELOPMENT STRATEGY

Sustainable development is the core path for enterprises to achieve long-term value creation and fulfill social responsibilities. Facing increasingly complex global economic, environmental, and social challenges, enterprises must not only pursue economic benefits but also systematically integrate the concepts of environmental protection, social welfare, and corporate governance (ESG), establish a strategic system for win-win cooperation with stakeholders, and incorporate sustainable development into corporate strategy for high-level planning. Guided by the UN SDGs, combined with industry characteristics and the company's development stage, we formulate medium- and long-term sustainable development strategies, clarifying key directions and goals in energy saving and emission reduction, resource efficiency, product responsibility, employee welfare, supply chain governance, integrity and compliance, etc.

To ensure effective strategy implementation, the company has established an ESG governance structure led by the Board of Directors, set up a sustainable development working group, and coordinates the execution and regular evaluation of the strategy. Through internal mechanism building and external cooperation, the company actively responds to the national "Dual Carbon" strategy, promoting green and low-carbon transformation across the entire process from manufacturing and product design to daily operations.

In terms of social responsibility, the company focuses on employee rights protection, diversity and inclusion culture building, and community co-development, continuously strengthening occupational health and safety management, enhancing employer brand influence, and giving back to society through charitable donations and volunteer services. Regarding governance, the company adheres to the principles of stable, transparent, and accountable governance, continuously improving compliance management, risk control, and anti-corruption mechanisms, enhancing governance efficiency across the entire value chain, and ensuring deep integration of sustainable strategy into business processes.

Looking ahead, the company will take the "Dual Carbon" goals as an opportunity, driven by technological innovation and supported by risk prevention and control, to continuously deepen the ESG system construction, building a high-quality, responsible, and resilient sustainable development enterprise, creating long-term shared value for customers, employees, shareholders, and society.

Forging a Sustainable Future

2025 is a significant milestone in Zhenyu Technology's thirty-year journey. Standing at a new starting point, the company has clearly outlined its future sustainable development roadmap.

Deepening the Global Green Supply Chain

With the construction of the Serbia production base, Zhenyu Technology will further integrate into Europe's green value chain. In the future, the company plans to implement stricter environmental standards in its overseas bases and actively participate in the assessment of carbon neutral factories to meet stringent regulatory requirements such as the EU Battery Regulation, building a green supply chain.

Embracing Precision Manufacturing in the Robotics Era

The leap from precision structures to precision transmissions is not only business growth but also an elevation of the company's mission. Humanoid robots are expected to become the next smart terminal explosion point after new energy vehicles. Zhenyu Technology will take this opportunity to further enhance the level of intelligent manufacturing, giving back to human society through robotics technology, fulfilling the mission of "high-quality life".

Forging a Green Future

Zhenyu Technology's performance in 2025 proves that sustainable development and commercial success are mutually causal. Through the modern reshaping of its governance structure, significant investment in technological innovation, and fulfillment of environmental responsibilities with a global vision, the company has built highly resilient competitive advantages in the precision manufacturing field. Zhenyu Technology is not only an enterprise pursuing technological excellence but also a responsible legal entity committed to creating lasting benefits for employees, shareholders, and society. In future development, Zhenyu Technology will continue to take precision dies as the cornerstone and green, low-carbon as the foundational color, forging a green future for the precision industry.

MATERIAL TOPIC

MATERIAL TOPIC SELECTION

In 2024, as an SZSE-listed company, Zhenyu Technology identified 24 topics based on the SZSE Guidelines, GRI Standards, ISSB Standards, TCFD, ESRS, customer requirements, industry practices, and the company's sustainable development goals, and issued the "Zhenyu Technology 2024 Annual Sustainability Report".

In 2025, to further solidify the company's sustainable strategy, Zhenyu Technology re-analyzed and identified ESG topics based on the SZSE Guidelines, Ministry of Finance guidance, relevant ESG frameworks, and customer requirements, adhering to the double materiality principle (financial materiality and impact materiality). It further refined the list to 25 material topics. Based on the company's development strategy and plan, the 2024 topic "Data Security and Customer Privacy Protection" was modified to "Digitalization and Information Security". While retaining the original content on data security and customer privacy protection, it also presents the company's good practices in optimizing business processes and achieving management upgrades and efficiency improvements through digital technology.

Environmental（E）	Social（S）	**Governance（G）**
Climate Change Response	Innovation-Driven Growth	Sustainable Governance Mechanism
Pollutant Emissions	Responsible Supply Chain	Due Diligence and Risk Management
Waste Management	Product Quality and Safety	Fair Competition
Ecosystems and Biodiversity	Digitalization & Information Security	Stakeholder Communication
Environmental Compliance Management	Human and Labor Rights	Anti-Commercial Bribery
Energy Utilization	Employee Welfare and Benefits	
Water Resources Utilization	Talent Development	
Circular Economy and Resource Recovery	Community Engagement & CSR	
Product Carbon Footprint	Responsible Mineral Sourcing	
Clean Technology and Sustainable Innovation	Social Impact	

[Note] Material Topics are referred to as "material topics" in the GRI Standards. This report uses the term "Material Topics" in accordance with the Shenzhen Stock Exchange guidelines. Any subsequent use of terms such as "material," "double materiality," "significant," or "double significance" shall have the same meaning as "materiality."

MATERIAL TOPIC ANALYSIS METHOD

Zhenyu Technology follows the SZSE Sustainability Reporting Guidelines and refers to the GRI Standards, adhering to the four principles of Inclusivity, Impact, Materiality, and Responsiveness. It reviews the company's sustainability topics and performs materiality analysis through a five-step process of "Identification, Collection, Investigation, Analysis, Confirmation".

1 Understanding the Organizational Context

- Own Activities (vision, mission, products/services, employees)
- Business Relationships (partners, business models)
- Stakeholders

2 Identifying Impacts

- Identifying actual and potential impacts on finance and the environment, including on human rights, covering both own activities and business relationships
- Impact assessment covering Zhenyu Technology itself, third-party evaluations, enterprise risk management, and media, etc.

3 Assessing the Materiality of Impacts

- Assessing the materiality of impacts based on the extent and frequency of their occurrence
- Assessing the materiality of opportunities based on their scale, scope, and frequency of occurrence
- Assessing the significance of impacts on people, including human rights

4 Prioritizing Based on the Materiality of Impacts

- Determining material disclosure topics based on the significance of impacts
- Comparing identified material topics against benchmarks and reference standards to ensure no material topics are omitted
- Identified material topics are reviewed and approved by the Board of Directors and senior management

5 Material Topics

- Topic 1
- Topic 2
- Topic 3.....

Based on the analysis, collection, and confirmation, Zhenyu Technology determined the 2025 ESG topic list.

ZHENYU TECHNOLOGY MATERIALITY TOPIC LIST

Dimension	Topic	Explanation
Environment (E)	Climate Change Response	This topic involves the company's measures to reduce greenhouse gas emissions, address climate change risks, and promote a low-carbon economy. Based on compliance with the "SSE Self-Regulatory Guide No. 3 - Sustainability Report Preparation," corresponding to TCFD and TNFD, and referring to IFRS S2 and ESRS, it identifies climate-related risks and opportunities, formulates science-based carbon targets (SBTi) suitable for the company and its supply chain, and reduces GHG emissions.
Environment (E)	Pollutant Emissions	Focuses on the company's management and emission reduction measures for air, water, and soil pollutants, as well as strategies for waste classification, recycling, and reduction of solid waste generation in non-pollution treatment. Complies with the guidelines of the "SSE Self-Regulatory Guide No. 3 - Sustainability Report Preparation" (draft for comments September 2025), identifying governance, strategy, impact/risk/opportunity management (IROS), indicators, and targets for pollutant discharge and waste treatment.
Environment (E)	Ecosystem and Biodiversity Protection	References the TNFD framework to assess the company's risks, social impact, and responsibility regarding natural ecological protection, biodiversity maintenance, and ecological restoration.
Environment (E)	Environmental Compliance Management	The company's compliance with environmental regulations, environmental impact assessments, and its business strategies and indicators for sustainable development.
Environment (E)	Energy Utilization	Complies with the requirements regarding energy use in the "SSE Self-Regulatory Guide No. 3 - Sustainability Report Preparation" (draft for comments September 2025). Focuses on the company's energy consumption patterns, energy-saving measures, and renewable energy usage. Discloses governance, strategy, IROS, indicators, and targets for energy use, including adopting clean energy, improving efficiency, and reducing consumption.
Environment (E)	Water Resource Utilization	Complies with the requirements regarding water resource use in the "SSE Self-Regulatory Guide No. 3 - Sustainability Report Preparation" (draft for comments September 2025). Discloses governance, strategy, IROS, indicators, and targets for water use, committed to reducing water consumption in production and reducing water pollution discharge.
Environment (E)	Circular Economy & Resource Recovery	Assesses how to reduce waste through resource recovery and reuse.
Environment (E)	Product Carbon Footprint	Assesses carbon emissions throughout the product lifecycle and takes emission reduction measures.
Environment (E)	Clean Technology & Sustainable Innovation	Adopts more environmentally friendly production processes and develops low-carbon alternative materials.
Social (S)	Social Contribution	Participation in public welfare activities, charitable donations, and social responsibility projects.
Social (S)	Rural Revitalization	Measures and achievements in promoting rural economic development, improving rural quality of life, and fostering community development.
Social (S)	Innovation Driver	Innovative practices in technology, new product development, and sustainable development, including best practices in "Digitalization".
Social (S)	Responsible Supply Chain Management	Governance, strategy, IROS, indicators, targets for promoting supply chain sustainability, including supplier audits and raw material traceability.
Social (S)	Product & Service Safety & Quality	Ensuring product quality and user safety, reducing defect and recall risks.
Social (S)	Digitalization & Information Security	Optimizing business processes and achieving management upgrades via digital tech; protecting data security of stakeholders, preventing leaks and cyberattacks.
Social (S)	Human Rights & Labor Rights	Prohibiting child labor, forced labor, ensuring fair pay and reasonable working hours.
Social (S)	Employee Rights & Benefits	Respecting and protecting basic employee rights, providing good environment and benefits, promoting personal development and career growth.
Social (S)	Community Communication & Social Responsibility	Company's contribution to local community development, employment, and social welfare.
Social (S)	Talent Development & Training	Efforts in enhancing employee skills, promoting career development, improving engagement, achieving diversity & inclusion, serving corporate strategy and SD goals.
Social (S)	Responsible Mineral Due Diligence	Prudent investigation and management of mineral sources in the supply chain to ensure ethical and sustainable procurement, avoiding negative social/environmental impacts.
Governance (G)	Sustainable Governance Mechanism	Company's ESG governance structure and sustainable development strategy, including governance transparency, board independence, shareholder rights protection.
Governance (G)	Due Diligence & Risk Management	Assessing risk control and responsibility review in business cooperation/investment; identifying operational, financial, environmental, social responsibility risks, formulating countermeasures.
Governance (G)	Fair Competition	Compliance with anti-monopoly and anti-unfair competition laws.
Governance (G)	Stakeholder Communication	How the company communicates effectively with shareholders, customers, employees, and society.
Governance (G)	Anti-commercial Bribery & Anti-corruption	Policies and implementation regarding preventing bribery and corruption.

TOPIC RESEARCH AND STAKEHOLDER COMMUNICATION

Adhering to the business philosophy of responsible operation and committed to creating sustainable value across economic, environmental, and social dimensions, Zhenyu Technology fully solicited stakeholder opinions. Regarding the screened material topics, questionnaires were sent to stakeholders including employees (including company management), shareholders/investors, customers, suppliers, government (including community) and regulatory agencies, and industry partners to understand their level of concern regarding Zhenyu Technology's ESG topics.

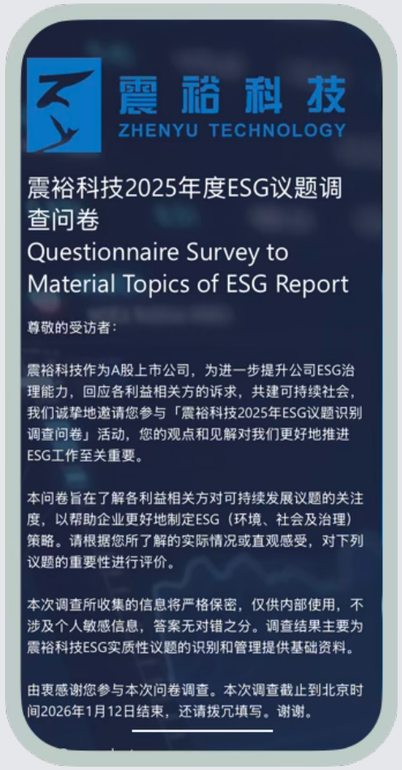
Based on the materiality survey results, Zhenyu Technology ranked the topics using different weights and thresholds, compiling a topic materiality matrix. In the future, Zhenyu Technology will further incorporate these double materiality topics into the company's ESG policies, ESG promotion priorities, and long-term sustainable development goals, solidifying the company's sustainable governance.

STAKEHOLDERS

The achievement of Zhenyu Technology's corporate strategic goals and sustainable development goals is inseparable from its stakeholders. Paying attention to stakeholders' concerns and their most important ESG issues helps ensure the joint enhancement of economic and social benefits. Based on this, Zhenyu Technology has built a multi-dimensional, systematic management system. By establishing a normalized multi-channel communication mechanism, it continuously communicates with various stakeholders, understands their concerns and expectations regarding Zhenyu Technology's ESG governance, strategy, actions, and goal achievement, and demonstrates to stakeholders how the company identifies, assesses, prevents, and mitigates the potential negative impacts of material issues, ensuring the compliance, efficiency, and sustainability of corporate operations.

IDENTIFICATION OF STAKEHOLDERS

During this reporting period, in accordance with the SSE "Sustainability Guidelines" and with reference to the GRI Universal Standards and the EU ESR framework, we identified and determined stakeholders based on four dimensions: corporate responsibility (including legal and economic responsibilities), influence (the degree of influence between the company and groups/organizations), relevance (the correlation between the company and others/organizations), and corporate strategy.



STAKEHOLDER COMMUNICATION

The company has built multi-dimensional communication channels with stakeholders such as shareholders, customers, suppliers, employees, government/regulatory agencies, and communities, ensuring timely understanding of their expectations and demands, and promptly responding.

Stakeholder	Communication Methods	Concerns	Zhenyu Technology's Response
Employees	Employee training, performance appraisal, complaints/feedback, union activities, employee satisfaction surveys	Legal employment, employee rights protection, occupational health and safety, training & development, welfare & guarantees	Employee participation, career development, health & safety, benefits
Shareholders & Investors	Shareholders' meeting, investor communication platforms, conference calls	Economic performance, risk management, tax policy, governance structure	Corporate governance, information disclosure, compliance management, risk & compliance management
Customers	Daily communication (phone/ email/visits), satisfaction surveys, technical seminars, regular audits	Product quality & safety, responsible products, sustainable supply chain, R&D innovation, customer service	Sustainable supply chain, product/service safety & quality
Suppliers	Supplier evaluations, daily communication, compliance management	Responsible procurement, sustainable supply chain, anti-corruption & bribery, risk & compliance management	Supplier management, sustainable supply chain, anti-corruption & bribery
Government & Regulators	Information disclosure, institutional visits, phone/ email/meetings	Economic performance, risk & compliance management, tax policy, climate & environment	Corporate governance, compliance management, policy response/ implementation, information disclosure/ transparency
Public/Media/ Community	Complaints/feedback, information disclosure, company announcements, email	Community relations, biodiversity, environmental compliance, rural revitalization, charitable activities	Community relations, employee participation, stakeholder communication



Environmental (E)

1. Pollutant Emissions
2. Waste Management
3. Water Resource Utilization
4. Clean Technology & Sustainable Innovation
5. Environmental Compliance Management
6. Ecosystem & Biodiversity Protection
7. Energy Utilization
8. Climate Change Response
9. Circular Economy & Resource Recovery
10. Product Carbon Footprint

Social (S)

1. Product and Service Safety & Quality
2. Human Rights & Labor Rights
3. Employee Rights & Benefits
4. Innovation-Driven
5. Talent Development & Growth
6. Digitalization & Information Security
7. Responsible Supply Chain Management
8. Community Engagement & Social Responsibility
9. Responsible Mineral Due Diligence Management
10. Social Contribution

Governance (G)

1. Fair Competition
2. Anti-Bribery & Anti-Corruption
3. Sustainable Governance Mechanisms
4. Due Diligence & Risk Management
5. Stakeholder Communication



Aerial View of the Ningbo Zhenyu Plant

ENVIRONMENT SECTION

GREEN ENGINE · JOURNEY TO NET ZERO

Upholding the mission of "precision molds shape a high-quality life" , Zhenyu Technology is driving an in-depth transformation of its industrial system powered by the "Green Engine". We embed our precision DNA into our green vision. By optimizing energy efficiency and cutting resource consumption via sophisticated craftsmanship, every set of high-precision molds serves as a starting point for carbon reduction. On our net-zero journey toward carbon neutrality, we have set a resolute target to achieve 100% renewable energy substitution by 2030 and built a dual-driven development framework featuring "technology empowerment plus energy replacement".

From carbon footprint audits for lithium-ion battery tops to localized green operations across our global footprint, we are going beyond the single dimension of manufacturing and extending our zerocarbon philosophy across the entire industrial chain, both upstream and downstream. In 2025, Zhenyu Technology was honored as a National Green Factory, our Suzhou FINE-STAMPING facility was awarded the title of Suzhou Green Factory, and Yibin plant has achieved zerocarbon factory status for three consecutive years. This demonstrates that we are not only promoters of green energy but also enablers of core components for clean power. We are committed to continuing our pursuit of craftsmanship excellence—striving for technological leadership while safeguarding ecological boundaries—and to injecting sustainable momentum into the global electrification of transportation and the energy transition.



2025 KEY FIGURES

National Green Factory

In 2025, Ningbo Zhenyu Technology was awarded the title of "National Green Factory"

Suzhou Green Factory

Suzhou FINE-STAMPING was honored as a Suzhou 3A-level Green Factory

Carbon Neutrality

Yibin Zhenyu Auto Parts achieved carbon neutrality for three consecutive years from 2023 to 2025

Ningbo Zero-Carbon Factory

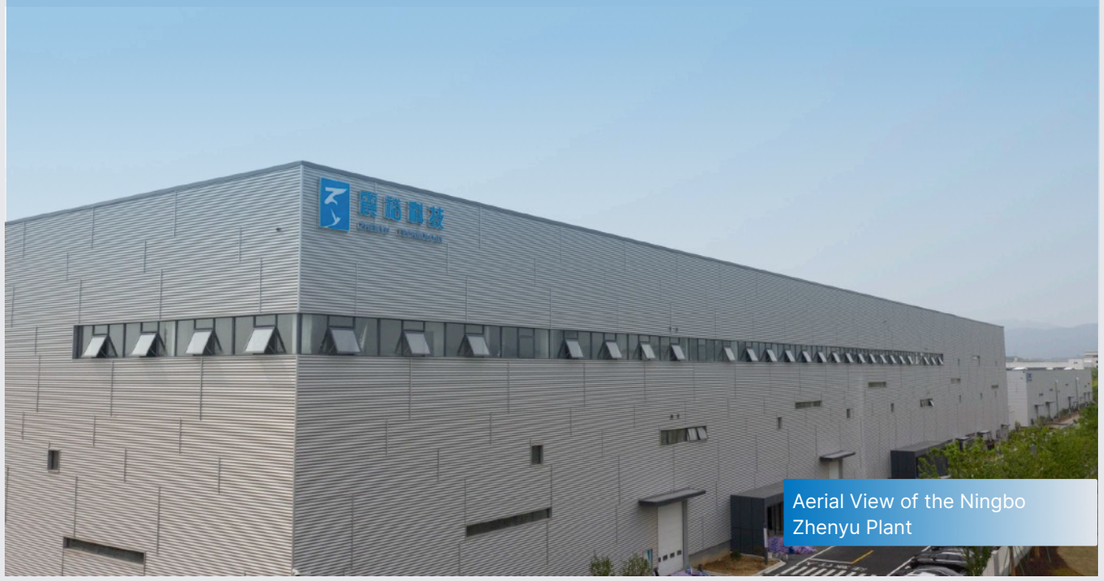
Ningbo Zhenyu Auto Parts was awarded the municipal-level "Zero-Carbon Factory"

100%

Hazardous solid waste lawful transfer rate reached 100%

Product Carbon Footprint Management

Completed carbon footprint accounting for typical products and identified specific emission reduction pathways



Aerial View of the Ningbo Zhenyu Plant

GREEN MANUFACTURING, LOW CARBON FIRST

Zhenyu Technology is committed to green operations, promoting sustainable resource utilization, and actively building green factories, green products, and green supply chains.

We strictly comply with national laws and regulations such as the "Environmental Protection Law of the People's Republic of China," "Energy Conservation Law of the People's Republic of China," and "Law on the Prevention and Control of Environmental Pollution by Solid Wastes of the People's Republic of China." Based on these, we have formulated internal management policies such as the "Office Environment Management System," "Water Conservation Management System," "Energy Conservation Management System," and "Office Air Conditioning Energy Saving Control Method and Temperature Indicators," aiming to minimize operational resource consumption and environmental impact.

During this reporting period, Zhenyu Technology's daily office and operational activities did not have a significant impact on the ecological environment or natural resources. Moreover, our office water mainly comes from the municipal water supply network at our operating locations, with no issues regarding water source suitability.

We actively promote green office practices, formulate management policies like the "Guidelines for Effective Resource Use in Offices," post environmental protection signs in office spaces, remind employees to save water and electricity, and reuse some recyclable resources in office settings, such as using wastewater for flushing toilets, integrating environmental responsibility into every aspect of daily work.

ENERGY UTILIZATION

Energy Management Philosophy & Objectives

Adhering to green smart manufacturing and low-carbon priorities, Zhenyu Technology follows the principles of source control, in-process optimization, energy conservation & consumption reduction, and continuous improvement. We comprehensively advance the development of environmental management systems and steer the company toward a low-carbon, high-efficiency and sustainable development pathway.

In 2025, the company made further improvements in the following areas:

- Comprehensive promotion of the energy management system, covering all production lines and office areas.
- Introduction of more intelligent and automated energy-saving equipment.
- Improvement of the energy-saving project evaluation and audit system to ensure quantifiable and sustainable energy-saving effects.
- Promotion of green electricity procurement and exploration of increasing the proportion of renewable energy use through self-built photovoltaics.

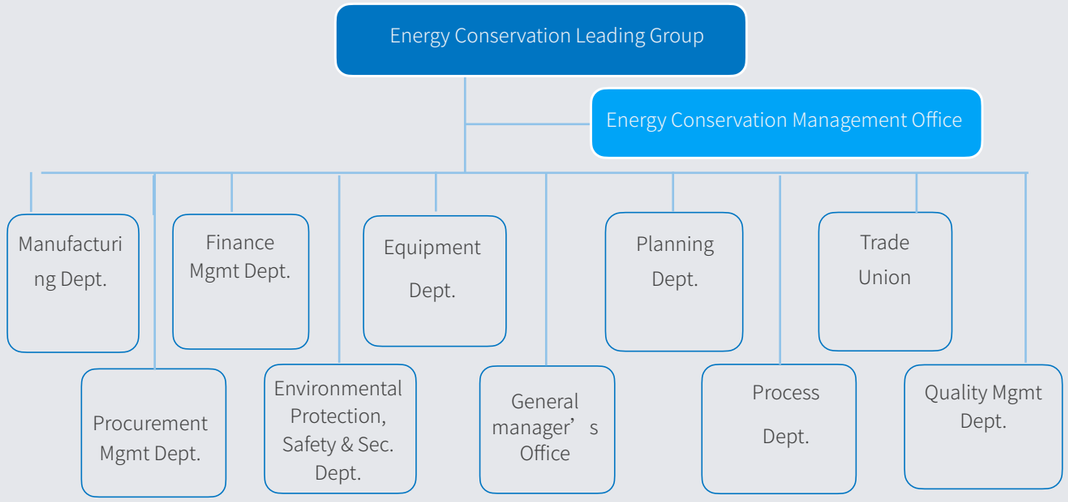
Energy Management Governance Structure

To coordinate the delivery of the Company’s sustainable development targets and strengthen corporate energy conservation management, Zhenyu Technology established the Energy Management Committee in 2023. In compliance with the Energy Conservation Law of the People's Republic of China and the Zhejiang Provincial Implementing Measures for the Energy Conservation Law of the People's Republic of China and other applicable laws and regulations, the Company pools internal resources to set up an Energy Conservation Leading Group and a dedicated Energy Conservation Management Office, with appointed energy management supervisors and full-time energy administrators. The Director of the Environmental Protection, Safety & Security Department serves as the corporate principal for energy management, tasked with organizing and coordinating all energy conservation initiatives.

ENERGY CONSERVATION LEADING GROUP

The Energy Conservation Leading Group assumes overall responsibility for Zhenyu Technology's energy conservation initiatives. It enforces national, local and competent industrial authorities' energy conservation policies, laws, regulations and standards, drafts detailed energy conservation management rules, targets as well as relevant administrative standards and systems, and oversees their implementation. Fulfilling core corporate energy management mandates, the Group coordinates and administers all company-wide energy-saving activities. It organizes energy conservation publicity, education and training programs to raise employees' awareness of energy efficiency, formulates and executes plans for energy-saving technical renovation, R&D breakthroughs and annual energy conservation initiatives. The Group reviews and approves annual corporate energy consumption quotas and energy-saving targets, as well as major energy-saving achievements and corresponding reward & penalty decisions.

Additionally, the Leading Group convenes regular energy conservation work meetings to plan, deploy, inspect and review energy-saving progress.



ENERGY CONSERVATION MANAGEMENT OFFICE

The Energy Conservation Management Office, acting on the decisions of the Energy Conservation Leadership Group, inspects the implementation of energy conservation efforts, conducts specific energy utilization surveys, energy balance tests, and energy audits; takes the lead in preparing the enterprise's energy conservation plan, energy-saving technological transformation plan, and annual energy conservation plan, integrating them into the overall factory development plan and annual plan; participates in the review of design documents for renovation, expansion, and new construction projects to ensure that the designs include clear and accurate energy conservation assessments, appropriately select energy-saving processes, equipment, and materials, and assists the engineering management department in ensuring the completion acceptance and effect evaluation of energy-saving projects. It collaborates with relevant departments to organize the development, promotion, and application of new energy-saving technologies, processes, equipment, and materials, and summarizes and exchanges energy-saving techniques and experiences. The office organizes employees to propose energy-saving reasonable suggestions; is responsible for metrological supervision, statistical supervision, and energy-saving inspections of energy use by various units within the enterprise, and compiles monthly, quarterly, and annual energy consumption reports by unit, conducts energy consumption analysis, and prepares energy conservation briefings, summaries, and various energy reports, establishing a technical documentation system for energy management. Additionally, based on the enterprise's energy conservation reward and punishment system, it reviews the justifications for energy conservation rewards and penalties for units within the factory, proposes reward and punishment plans, and submits them to the Energy Conservation Leadership Group for implementation.

ENERGY MANAGEMENT SYSTEM GUARANTEE

To further promote daily energy conservation and emission reduction management, clarify scopes of responsibility and work objectives, achieve energy savings and consumption reduction, improve equipment utilization efficiency and safety conditions, utilize energy scientifically and rationally, strive to enhance the company's economic benefits, reduce production costs, achieve sustainable development, save energy, reduce emissions, and protect the environment, the company has formulated a series of energy management regulations, including the Energy Conservation Management System, based on documents such as the Energy Conservation Law of the People's Republic of China, the Measures for the Management of Indoor Temperature Control in Public Buildings, the Technical Guidelines for the Evaluation of Rational Water Use in Enterprises, the *Code for Design of Heating, Ventilation and Air Conditioning GBJ-19*, and the *General Principles for Thermal Insulation Technology of Equipment and Pipelines GB/T 4272-2008*. These regulations clearly define the division of responsibilities for energy conservation work among the Human Resources and Environmental Safety Center, the General Management Departments of bases and plants, the Equipment Department, and territorial departments. Clear responsibilities and authorities are established to ensure the reduction of energy losses and waste at all stages of consumption, to utilize energy more effectively and rationally, and to achieve the company's energy management objectives.

Department	Responsibility and Authority Description
Human Resources, Safety & Environment Center	• Oversee the group's energy conservation management and formulate various energy-saving management measures. • Conduct anomaly analysis based on monthly energy usage data, and promptly rectify any abnormal energy consumption. • Organize factory energy-saving inspections, report instances of energy waste found, and supervise improvements.
Equipment Department (Base/Factory)	• Perform statistical management of all energy-consuming equipment in the factory, including lists of water-using equipment and electricity-using equipment. • Control the operation hours of outdoor air conditioning units according to notices and announcements from the Environmental Protection and Safety Center. • Responsible for energy supply, overall planning of energy allocation, and calculation of energy consumption. • Summarize monthly electricity consumption and monthly water consumption, and report them to the General Management Department
Comprehensive Management Department (Base/Factory)	• Monthly electricity and water statistics, energy expense payment. • Energy conservation management in public areas. • Comprehensive daily management of energy for the department, including on-site equipment shutdown power management, reporting damaged lighting fixtures, reporting replacement of energy-saving lamps, turning off lights promptly when not in production, and other daily energy conservation management tasks.

CASE STUDY:

30+ ENERGY CONSUMPTION IMPROVEMENT PROJECTS, TAPPING ENERGY SAVING POTENTIAL

Zhenyu Technology Embeds Energy Conservation and Consumption Reduction into All Production Links

In 2025, Zhenyu Technology prioritized energy saving and consumption cut as a core driver of environmentally sustainable development. Rolling out systematic optimization across the full production chain, the company jointly delivered over 30 special energy-saving improvement projects via cross-site and cross-department collaboration. Driven by dual approaches of administrative energy conservation and technological energy conservation, the enterprise has successfully lowered energy consumption per unit product. While steadily boosting overall energy efficiency, it has built stronger green competitiveness for the manufacturing of core new energy vehicle components.

Boosting Energy Efficiency via Lean Management

The company keeps refining its energy management system by closely linking energy consumption targets with production and operation, tapping further energy-saving potential through data monitoring and lean management tools. In 2025, targeting high-energy-consuming processes including stamping, cleaning, compressed air supply and auxiliary power systems, the enterprise dynamically monitored and analyzed the operating status of key equipment to systematically pinpoint high-consumption bottlenecks.

Subsequent measures including optimizing equipment start-stop schedules, cutting no-load operation during non-production hours, and matching load capacity with graded air supply for compressed air systems helped slash hidden energy loss. Meanwhile, production cycle optimization and production scheduling adjustment lifted overall equipment efficiency and aligned energy consumption with actual production demands. Such initiatives have delivered steady efficiency gains across all deployed production bases.

Cutting Emissions Technologically through Process Innovation

Among the energy-saving improvement projects launched in the year, the company shifted its focus from standalone equipment retrofits to process-centered systematic energy reduction. Comprehensive optimization of production workflows, equipment layout and energy application delivers sustainable emission abatement via technical upgrades.

Furthermore, Zhenyu pushed forward energy mix restructuring by installing rooftop photovoltaic systems at multiple manufacturing sites and exploring energy storage deployment and renewable power procurement mechanisms. These projects generated steady returns within the reporting period, curbing electricity expenses and creating feasible solutions to lower the corporate carbon emission intensity.

Thanks to sustained upgrades in processes and technologies, several flagship projects outperformed profitability expectations. Energy consumption per unit output at numerous bases saw structural declines, marking the transition of the company's energy-saving work from fragmented partial tweaks to holistic systematic optimization.

Mobilizing Company-wide Energy Saving with Green Corporate Culture

Besides technical and managerial upgrades, the company fosters internal initiative for energy conservation through green culture development. Dedicated proposal campaigns and incentive schemes motivate frontline staff to propose optimization solutions based on on-site equipment operation and process details.

Many energy-saving projects commissioned in 2025 originated from continuous observation and iterative improvements by frontline workers. This bottom-up improvement framework turns energy conservation from mandatory administrative rules into voluntary employee practice, laying a long-term foundation to control energy use and emission intensity amid ongoing business expansion.

Future Outlook

Going forward, Zhenyu Technology will further advance green manufacturing by focusing on process improvement, energy mix transformation and digital management, steadily advancing the construction of zero-carbon factories and fulfilling corporate social responsibility in a systematic and sustainable manner.

Base	Cost Category	Project Name	Estimated Benefit 2025 (10k RMB)	Actual Benefit 2025 (10k RMB)
Yibin	Water, Power & Gas	Introduce 20 sets of splitting equipment for stretching bed feeding to replace traditional manual feeding; mechanical splitting eliminates air-blow splitting and drastically cuts power consumption	13.50	0
Yibin		Upgrade rear rotary transfer table of conventional cleaning machine: roller runs continuously originally → modified to stop for 30 seconds every 60 seconds	5.40	0
Changzhou		Replace pneumatic sheet separators with mechanical ones (18 in 24, 7 in 25)	163.02	149.65
Changzhou		Replace electric steam heating for 7 conventional cleaning machines; single equipment rated power:108kW, operating load factor:0.6)	63.89	0
Changzhou		Optimize single-line automatic cleaning process (reduce operating power from original 75kW to below 70kW)	19.46	28.41
Changzhou		Pipeline renovation for constant-temperature refrigeration equipment	28	32.79
Guangdong		Energy-saving improvement on negative-pressure air compressor station	71.64	46.17
Guangdong		Reuse of concentrated wastewater	3.7	3.7
Guangdong		Power saving via centralized oil supply	26.6	22.92
Ningde		Replace pneumatic spreaders with 27 sets of mechanical splitters (2025 arrangement)	10.03	113.839
Ningde		Recycle and reuse rinsing wastewater for purified water production after treatment	14.72	0
Ningde		Power consumption optimization for air compressors	41.93	16.85
Ningde		Equipment efficiency enhancement	0	115.42
Shangrao		Install automatic air shutoff devices on rolling & precision cutting equipment for downtime energy cut	1.05	0.94
Jingmen		Install additional splitting devices on production machines	57.81	28.46
Jingmen		Add pipelines to reuse turbid effluent from purified water discharge for filter membrane cleaning of washing and rinsing machines, lowering tap water consumption	0.94	0.52
EHS		Rooftop photovoltaic project at Guangdong Plant	330.6	177.13
EHS		Rooftop photovoltaic project at Ningde Plant	252.82	197.42
EHS		Rooftop photovoltaic project at Yibin Plant	113.13	84.53
EHS		Rooftop photovoltaic project at Changzhou Plant	113.13	337.26
EHS		Energy storage project at Guangdong Plant	10.23	0
EHS		Energy storage project at Ningde Plant	10.52	0
EHS		Energy storage project at Ningde Plant	15.78	0
EHS		Energy storage project at Changzhou Plant (Benefits from top cover and housing are split separately; this item only accounts for housing-related gains)	14.22	0
EHS		River water intake project at Changzhou Plant	35	0

WASTE MANAGEMENT

Against a backdrop where environmental concerns and climate change have evolved into a consensus among governments, organizations and enterprises worldwide, waste and pollutant management has emerged as a core component of corporate environmental governance. In response to climate change and resource constraints, Zhenyu Technology prioritizes waste management as a key mitigation strategy, incorporating waste and pollutant control into its sustainable development agenda. The Company strives to improve resource efficiency through source reduction, circular recycling and green supply chain development.

Oversight of relevant initiatives sits at the Board of Directors level, while the Human Resources, Safety & Environmental Protection Center formulates environmental management strategies, implements performance appraisal and takes overall operational charge. At each industrial site, the aforementioned Center serves as the executive body responsible for day-to-day waste and pollutant management, overseeing and optimizing the full lifecycle spanning waste sorting, storage, transportation, disposal and resource recovery.

For detailed information on governance structure and respective responsibilities, please refer to the Environmental Management System and Compliance Governance section.

Zhenyu Technology strictly abides by the Solid Waste Pollution Prevention and Control Law of the People's Republic of China, Noise Pollution Prevention and Control Law of the People's Republic of China, Atmospheric Pollution Prevention and Control Law of the People's Republic of China and other applicable laws and regulations, and enforces stringent classified control over solid waste. Ordinary waste is recycled for resource utilization, processed into finished products for internal reproduction or external sales to maximize its economic value. Hazardous waste is managed in a standardized manner under the principle of “separate collection, separate storage and separate disposal” to prevent environmental and safety incidents such as toxic gas emission or explosion caused by cross-contamination of different hazardous wastes. Certain recyclable hazardous waste is recovered and reused in production.

The Company has identified the following strategic impacts associated with waste management:

- Short-term impacts: Mounting regulatory compliance pressure, heightened risk of environmental penalties, and increasingly stringent green compliance requirements from customers.
- Medium-term impacts: Customers carry out stricter supply chain audits covering carbon footprint and waste discharge, mandating the Company to meet their ESG assessment criteria.
- Long-term impacts: Growing scarcity of natural resources fuels the development of circular economy, and the capacity for waste resource recovery will become a core competitive edge.

In response to the above impacts, the Company has rolled out the following strategic initiatives at its manufacturing bases in Ningbo and Suzhou:

- Formulate a roadmap targeting zero landfill of waste;
- Advance raw material substitution and packaging reduction;
- Sign long-term cooperation agreements with qualified third-party disposal vendors to ensure standardized transportation and treatment of hazardous waste;
- Deploy an online waste ledger management system to enhance data transparency and traceability.

HAZARDOUS WASTE MANAGEMENT PRACTICES

Zhenyu Technology complies rigorously with applicable laws and regulations and has established a comprehensive environmental protection regime covering water, air, solid waste, soil and groundwater pollution control to secure a complete and efficient environmental management system. Targeted management measures specific to hazardous waste are specified as below:

Annual generation forecasting and pre-contracting of qualified disposal service providers

At year-end, the Company consolidates projected hazardous waste output from all workshops and departments as well as waste volumes from new, expanded or renovated projects to forecast categories and total quantity of hazardous waste for the subsequent year. The HSE team coordinates with the Procurement Department in advance to source licensed disposal contractors and sign annual service agreements, with relevant qualification certificates of disposal and transportation suppliers filed for recordkeeping. Should unplanned hazardous waste types emerge mid-year beyond the approved management plan, the Company submits an application for plan revision to local environmental authorities to incorporate such new waste into the official plan for compliant disposal.

Classified on-site collection management

Dedicated responsible persons are assigned to oversee classified collection of solid waste. In line with national solid waste classification standards and on-site operational conditions, dedicated collection containers are deployed in designated zoning areas with clear name labels affixed for respective waste streams.

Standardized dedicated hazardous waste storage warehouse management

Purpose-built standard warehouses are constructed for temporary hazardous waste storage. Hazardous waste generated from production workshops is promptly transferred to the warehouse and stored by separate categories. The warehouse is stocked with emergency supplies and subject to routine patrol inspections to eliminate pollution incidents stemming from hazardous waste leakage or spillage.

Controlled internal transfer activities

Necessary safety and pollution prevention measures are enforced during internal hazardous waste handling and transfer. Upon completion of in-plant transportation, haulage routes are inspected and cleaned to remove any spilled waste, and transfer equipment is thoroughly cleansed. Operators engaged in waste collection and conveyance are provided with required personal protective equipment (PPE) matching job risks.

Licensed external disposal with formal documentation

All hazardous waste is consigned exclusively to third-party operators holding valid corresponding hazardous waste disposal permits. Formal consignment contracts are executed, and statutory waste transfer documents are completed in accordance with regulatory requirements.

Emergency preparedness and regular drill implementation

A dedicated hazardous waste pollution emergency response plan is formulated, detailing emergency organizational structure, response protocols, environmental risk identification and preventive countermeasures. Regular emergency training and practical drills are organized to minimize the likelihood of environmental pollution accidents involving hazardous waste.

IDENTIFICATION AND MANAGEMENT OF WASTE-RELATED RISKS AND OPPORTUNITIES

WASTE-RELATED RISKS

Compliance Risk: Failure to dispose of waste in accordance with national regulations including the Solid Waste Pollution Prevention and Control Law of the People's Republic of China may result in administrative penalties or production suspension.

Reputational Risk: Improper waste disposal exposed to customers or the public could damage corporate brand image and erode market share.

Cost Risk: Steadily rising costs for hazardous waste disposal will increase the Company’s operational expenditure.

WASTE-RELATED OPPORTUNITIES

Resource Recovery Opportunity: Recycling of metal scraps, filtration and cyclic reuse of waste oil can generate considerable economic benefits.

Advantages for Green Certification: Sound waste management helps the Company obtain favorable results in audits for management systems such as ISO 14001 and IATF 16949, and boost customer recognition in supply chain assessments including EcoVadis.

Industrial Policy Incentives: In response to the national "Zero-Waste City" initiative, the Company actively applies for government green subsidies and participates in relevant pilot projects.

WATER RESOURCE MANAGEMENT

The company has certain process water requirements during production, mainly for cooling in parts processing, cleaning operations, and domestic water use within the plant. The sustainable use of water resources and compliant discharge of water quality are important components of the company's environmental management system.

Currently, all of the company's major water sources are drawn from the municipal tap water system, with no direct abstraction of surface water or groundwater. The water is primarily used for cooling systems, cleaning operations, and office and staff living purposes.

Within the reporting boundary, none of the Zhenyu Technology headquarters or its subsidiaries are located in areas subject to national water resource redline restrictions, and the current risk associated with water resource availability is relatively low.

To improve water use efficiency and ensure compliance with water environment regulations, the company has adopted a series of measures to promote water conservation. These include developing and implementing the "Water Resource Conservation and Discharge Management System," regularly identifying risks and establishing corresponding response measures, maintaining water use ledgers with monthly statistics on water consumption by each department, conducting regular water quality testing and thirdparty monitoring to ensure compliant discharge, and guiding employees' awareness of water conservation through measures such as posting watersaving signage. In addition, the company has piloted a recirculating water system at its Suzhou plant for the recovery and reuse of certain cooling water, and has launched a dedicated "Energy Conservation Project" at its Ningde plant. Through energy conservation management and retrofitting for water savings, as well as enhanced employee awareness, the company is further elevating its management level across areas including water resources.

WASTEWATER MANAGEMENT AND RECYCLING

Zhenyu Technology continuously upholds the green development philosophy of reducing pollutant emission intensity wherever feasible, steadily advancing water pollution prevention and control management. The company has set a goal to peak its total COD emissions by 2035 and has formulated systems such as the "Wastewater Discharge Management System" and the "Wastewater Control Procedure" in accordance with relevant national laws and regulations.

The company adheres to the principle of source reduction. By using clean energy and environmentally friendly raw materials, combined with efficient, low-pollution clean production processes and equipment, it minimizes the generation of water pollutants. At the same time, the company strictly implements rainwater and sewage separation across all its industrial bases, performs classified collection and treatment of all wastewater, ensures the synchronous and stable operation of wastewater treatment facilities and production facilities, and completely records their operating conditions to ensure that discharged water quality complies with government regulations and standard requirements. Furthermore, the company continuously optimizes advanced treatment and quality-based reuse technologies for industrial wastewater in all production stages, for example, using treated wastewater for toilet flushing. Through these measures, the company continuously improves the sustainability of its water resource management.

BIODIVERSITY CONSERVATION

CURRENT SITUATION DESCRIPTION

The company's production and business activities are mainly located in industrial parks. According to identification, within a 5-kilometer radius of the three operational locations covered by this report, there are no species classified as Critically Endangered, Endangered, or Vulnerable on the IUCN Red List of Threatened Species. Furthermore, there are no Grade I/II protected animals under the Wild Animal Protection Law of the People's Republic of China, nor nationally protected terrestrial wildlife that are beneficial or have important economic or scientific research value.

RESPONSIBLE ATTITUDE

Although "Biodiversity" is not identified as a material impact issue in this materiality assessment, and there are no national or local ecological protection red lines delineated in the region, nor records of rare species distribution—resulting in a relatively limited direct impact on the natural ecosystem and a low potential impact on biodiversity at the current stage—the company fully recognizes the importance of biodiversity as a global environmental issue. Particularly against the backdrop of increasing global supply chain dependence on biological resources and growing attention from ESG investors, restoring and rehabilitating all biological habitats and protecting biodiversity is a worldwide issue and a key component of Zhenyu Technology's sustainable development strategy. Stemming from this, we commit to continuously monitoring industry and regulatory trends, and gradually exploring biodiversity management pathways suitable for the company's actual circumstances.

The company will actively learn from international policies such as the Taskforce on Nature-related Financial Disclosures (TNFD) and the Kunming-Montreal Global Biodiversity Framework (GBF) , support and comply with the Convention on Biological Diversity initiated by the United Nations Environment Programme (UNEP), actively identify its own biodiversity risks, and promote its Net Positive Impact (NPI) on biodiversity.

CURRENT ACTIONS

Environmental management has always been one of the management policies that Zhenyu Technology, as a responsible enterprise, is committed to implementing. All our subsidiaries have obtained ISO 14001 environmental management system certification and integrate environmental management into daily operations, actively promoting environmental protection through energy conservation, employee awareness training, and other aspects.

The company has established a proactive carbon emission policy, committing to achieving a carbon peak by 2030 and carbon neutrality by 2050. Based on this goal, the company has listed this issue as a strategic objective and has formulated a series of measures to actively manage carbon emissions.

The company reduces its impact on the environment from its own operations and supply chain by reducing pollutant emissions (refer to the "Waste and Emissions" section).

The company is committed to environmental protection by reducing waste.

INITIAL ACTIONS AND FUTURE PLANS

- Led by the Strategy and ESG Committee, the company will continue to carry out preliminary identification and assessment of the impact of its business operations on nature and ecosystems in order to clarify potential dependencies and risks.
- For new/expansion projects, the company will consider ecological impact factors and assess whether to conduct a relevant Environmental Impact Assessment (EIA) and evaluate the Net Positive Impact (NPI) on biodiversity.
- The company plans to incorporate biodiversity into its medium-to-long-term ESG management agenda and formulate a dedicated Biodiversity Policy to effectively implement biodiversity protection work.

CLIMATE CHANGE

We deeply understand that enterprises are the most fundamental economic units of society. Only through collective efforts and the accumulation of individual contributions — like grains of sand building a tower — can the construction of a "Beautiful China" be achieved. As a responsible enterprise, Zhenyu Technology is guided by the goals of achieving carbon peak and carbon neutrality. We deeply integrate the concept of green development into the company's strategy and operations. We actively identify climate change-related risks and opportunities, proactively formulate corporate-level carbon neutrality targets and action pathways, and are committed to driving the low-carbon transformation of our industry value chain.

The company has incorporated climate-related matters into its corporate strategy and overall risk management mechanism. It has established a "Strategy and ESG Committee" authorized and led by the Board of Directors.

Impact, Risk and Opportunity Management

The company comprehensively utilizes scenario analysis methods and models based on the Paris Agreement, combined with various tools and approaches such as a risk database, interviews and workshops, questionnaire surveys, etc., to regularly assess the current status and future trends of risks and opportunities. It evaluates the potential impacts of climate risks and opportunities on Zhenyu Technology, identifies corresponding response measures, and formulates implementation pathways to ensure the proactivity and forward-looking nature of our climate actions. For details on Zhenyu Technology's overall risk management mechanism, please refer to the Risk Management section of this report.

Risk Category	Risk Type	Risk Description	Risk Response Measures	Time Dimension
Physical Risk	Acute Risk	Extreme weather events (e.g., typhoons, floods, etc.) may impact production and supply chain.	Develop extreme weather emergency response plans at both operational and supply chain levels to enhance business resilience; reasonably adopt commercial insurance and other means to reduce potential losses from extreme weather.	Short/Medium/ Long term
	Chronic Risk	Persistent high temperatures, sea-level rise, and other chronic risks may affect production.	Establish contingency plans for high-temperature weather; equip facilities with heatstroke prevention supplies, sun protection equipment, and medications.	Medium/Long term
Transition Risk	Policy & Regulatory Risk	Global carbon emission verification and supervision are becoming stricter; companies may face more rigorous regulatory oversight.	Continuously monitor changes in domestic and international policies and regulations to ensure compliance with local laws in all operating jurisdictions; integrate climate change topics into corporate strategy and daily operations.	Short/Medium/ Long term
	Technology Risk	Technological iteration requires further R&D, investment, and application of low-carbon technologies.	Increase R&D investment in low-carbon technologies; explore low-carbon potential; actively adopt measures such as new metallurgical technology applications and waste heat recovery system upgrades to develop low-carbon processes; vigorously apply and develop recycling technologies to reduce recycled material costs.	Short/Medium/ Long term
	Market Risk	Market demand is increasingly shifting toward low-carbon products; scarcity of non-renewable resources and energy will affect product costs and prices.	Strengthen procurement management to ensure stable resource and energy supply; actively develop alternative materials to reduce dependence on single resources and energy; actively build a green and sustainable supply chain.	Short/Medium/ Long term
	Reputational Risk	Stakeholders (clients, investors, regulators, etc.) are increasingly prioritizing climate change actions; stakeholders pay attention to potential negative reports.	Implement energy-saving and emission-reduction actions, including equipment upgrades and adoption of energy-efficient technologies to reduce energy consumption; establish long-term partnerships with universities and research institutions to jointly conduct climate change-related research.	Short/Medium/ Long term

CLIMATE CHANGE MANAGEMENT STRATEGY AND ACTIONS

Committed to responding to the national dualcarbon goals, meeting customer and supply chain requirements, and addressing the concerns of stakeholders, and in order to effectively implement the carbon neutrality strategy and respond to the national call for building a "Beautiful China", we have set ambitious sustainable development targets. We pledge to strive to achieve supply chain carbon neutrality by 2050. At the same time, we have established a phased carbon reduction target: compared to the base year 2021, reduce the Group's operational carbon emission intensity by 50% by 2035.

Carbon Peak

2030

(using 2021 as the base year)

Carbon Neutrality

2050

(using 2021 as the base year)

To fully promote the achievement of this ambitious goal, we have formulated and implemented internal policies such as the Zhenyu Technology Company Carbon Emission Management, Zhenyu Technology Company Carbon Emission Quantification Management Regulations, and Zhenyu Technology Company Product Carbon Footprint Management Measures to standardize and enhance our carbon emission control capabilities.

To better manage energy conservation and emission reduction efforts, we have established an energy and carbon management platform (refer to the Governance section). This platform enables data collection at the workshop, production line, and equipment levels, and converts real-time energy consumption data into carbon emissions equivalents, allowing for refined energy management and in-depth identification of energy-saving potential within our factories. Concurrently, we are developing an internal carbon pricing mechanism to provide strategic direction for further carbon reduction decisions.

CLIMATE CHANGE GOVERNANCE STRUCTURE

Based on this goal, the company has established a top-down sustainable development governance structure to ensure that climate change-related matters are effectively managed, supervised, and implemented.

Sustainable Development Committee: As the company's highest decision-making body for sustainable development, and authorized by the Board of Directors, it is responsible for reviewing climate change-related strategies, targets, and major initiatives, as well as overseeing their implementation.

Human Resources & EHS Center: Under the leadership of the Strategy and ESG Committee, it is specifically responsible for driving the use of clean energy, implementing energy-saving and emission-reduction projects, managing environmental compliance, and identifying and responding to climate change-related risks.

Subsidiaries: Liaison offices are established within each subsidiary to facilitate communication on energy conservation and emission reduction matters for the respective company, and to carry out relevant tasks assigned by the Strategy and ESG Committee and the Human Resources & EHS Center.

CLIMATE CHANGE ACTIONS AND PERFORMANCE

The company integrates climate change mitigation and carbon reduction into its sustainable development strategy and daily operations. While pursuing high-quality development, it is committed to contributing to climate change mitigation and achieving a green and low-carbon transition. To reach this goal, specific actions have been defined at various stages, including: from 2021 onwards, the company has deployed and carried out carbon inventories and carbon footprint assessments. The three factories within the scope of this report have all completed carbon inventories and carbon footprint assessments. For greenhouse gas emission data, please refer to the data table on the right side of this page.

Through solid and continuous efforts, Zhenyu Technology's greenhouse gas emissions are gradually decreasing.

CLIMATE CHANGE GOALS AND METRICS

Phase 1 (2023)
Conduct carbon inventory verification and product carbon footprint assessment; develop dual-carbon management system; establish and obtain certification for energy management system; procure renewable green power.

Phase 2 (2023-2025)
Complete energy-saving and carbon-reduction retrofits by 2024; build demonstration base for zero-carbon factory by 2025.

Phase 3 (2026-2050)
Achieve corporate carbon peaking in 2030; realize full carbon neutrality across all production operations by 2050.

CORE EMISSION REDUCTION INITIATIVES AND ACHIEVEMENTS

Target Year	Target	Delivery Status
2023	Raise the proportion of renewable energy usage to 30%	Achieved ☑
2025	Raise the proportion of renewable energy usage to 30%	Achieved ☑
2030	Complent corporate carbon peaking target	In progress
2030	Achieve 100% renewable energy consumption	In progress
2050	Fulfill corporate carbon neutrality target	In progress

Upholding corporate social responsibility as its guiding principle, Zhenyu Technology identifies and manages climate-related risks. The Company mitigates risks stemming from volatile energy prices and policy transition by establishing an energy management system, implementing energy-saving renovations and scaling up renewable energy penetration. It keeps track of updates to climate laws and regulatory requirements to sustain compliant operation.

In terms of climate opportunities, the Company regards green and low-carbon transition as a vital opportunity to strengthen core competitiveness. It actively deploys renewable energy solutions, energy conservation technologies and carbon management capabilities, while exploring emerging sectors including green finance and carbon asset management. Thanks to consistent decarbonization initiatives, the Company has achieved remarkable progress in emission reduction, with key outcomes set out below:

Renewable Energy Application

In 2023, renewable energy made up 30% of the Company's total power consumption, including 25% purchased green electricity and 5% on-site self-generated photovoltaic power. The Company will steadily increase its renewable energy share via ongoing green power procurement and expanded photovoltaic capacity.

Management System Development

Work to build the dual-carbon management system and energy management system was launched in 2023. Major production bases have obtained certification under ISO 50001:2018 / GB/T 23301-2020 Energy Management System. Yibin Factory has attained carbon neutrality for three consecutive years (2023, 2024 and 2025), demonstrating the Company's commitment to social responsibility.

Energy Efficiency Improvement

The Company conducts regular energy efficiency assessments on high-energy-consuming equipment such as transformers, HVAC systems, electric motors and air compressors. As an example, Zhenyu Ningde has rolled out ongoing energy optimization projects (see Case Study section).

PRODUCT CARBON NEUTRALITY

In active response to China's national Dual-Carbon strategic goals, Zhenyu Technology prioritizes product carbon neutrality as a core strategy for corporate green transition. The Company consistently scales up low-carbon technology deployment, develops green supply chains and strengthens product carbon footprint management, building a full-cycle closed-loop carbon reduction system to foster a sustainable industrial ecosystem.

FULL-LIFECYCLE PRODUCT CARBON FOOTPRINT MANAGEMENT

The company has formulated the internal Guidelines for Product Carbon Footprint Accounting, which specifies carbon footprint boundary definition, emission source identification, data collection criteria and accounting methodologies, and preliminarily establishes standardized procedures for product-level carbon emission calculation. Such procedures have been piloted on selected product lines, laying institutional foundations for future rollout across all product portfolios.

Meanwhile, a cross-departmental coordination mechanism has been established. Led by the ESG Office, the Procurement, R&D, Manufacturing, Quality and IT departments jointly undertake the collection, analysis and management of carbon footprint data.

COMPLETE PILOT CARBON FOOTPRINT ACCOUNTING FOR REPRESENTATIVE PRODUCTS

In 2025, the Company selected two categories of representative products, namely core components for powertrain assemblies and high-strength structural parts, to carry out pilot carbon footprint accounting covering Scope 1 (direct emissions), Scope 2 (indirect emissions from purchased electricity), as well as raw material and logistics emissions within Scope 3.

The pilot enables the Company to map out the lifecycle carbon emission profile of products and identify carbon-intensive hotspots primarily lying in smelting of raw materials (notably aluminium and steel) and energy consumption during machining, informing targeted emission reduction optimizations going forward.

Meanwhile, the Company encourages suppliers to submit carbon-related data in line with international frameworks such as RMI's CMRT and EMRT, enabling traceability of carbon emission data for part of sourced raw materials.

PREPARATION FOR SYSTEMATIC CARBON INFORMATION MANAGEMENT

To realize visualized and centralized long-term carbon data management, the Company has kicked off the suppliers selection and project initiation of the Carbon Management System (CMS). It plans to build a unified platform for data collection, monitoring and analysis in phases, with data interconnection to ERP and MES systems, laying groundwork for future carbon neutrality scenario modelling and carbon trading.

DECARBONIZATION VIA GREEN SUPPLY CHAIN COLLABORATION

Green supply chain collaboration is critical to delivering product carbon neutrality. Led by the Strategy and ESG Committee together with the Procurement Department, the Company implements the Sustainable Supply Chain Management Strategy and drives coordinated emission reduction through the following measures:

- Prioritize procurement from suppliers with clean production capacity or carbon neutrality certification;
- Require suppliers to submit environmental management data related to greenhouse gas emissions;
- Incentivize and support suppliers to improve energy efficiency and shift to renewable energy;
- Guide key suppliers to join the Responsible Minerals Initiative (RMI) to ensure smelting activities comply with low-carbon and human rights standards.

FACILITATE SUPPLIER CARBON DATA SHARING AND JOINT ACCOUNTING

As the Company advances its carbon neutrality roadmap, a data collaboration mechanism has been rolled out with tier-one core suppliers. Key raw material vendors participate in the carbon data sharing pilot, and over 50% of such suppliers have provided material-level carbon emission factors or LCA (Life Cycle Assessment) reports.

Case Study: Yibin Factory Achieves Three Consecutive Years of Carbon Neutrality

Zhenyu Automotive Components (Yibin) Co., Ltd. has attained carbon neutrality for three successive years (2023, 2024 and 2025). An authoritative third-party certification body conducted verification in accordance with ISO 14064-1:2018 and ISO 14068-1:2023 standards and issued formal Carbon Neutrality Verification Statements. The verification confirms that Scope 1 and Scope 2 greenhouse gas emissions generated from facilities manufacturing lithium-ion battery structural components have been fully offset via procurement of sufficient Certified Emission Reductions (CERS), delivering verified carbon neutrality for the site.





Aerial View of the Ningbo Zhenyu Plant

SOCIAL CHAPTER

CRAFTSMANSHIP & SHARED RESPONSIBILITY

Customer-centricity, Striver-oriented Philosophy, Sustained Innovation and Win-win Collaboration

Over three decades of development, every milestone achievement stems from persistent craftsmanship. Adhering to its striver-oriented value, Zhenyu Technology extends the pursuit of excellence from product manufacturing to employee care. Substantial investment in workplace safety safeguards employees' dignity and career growth to support a high-quality life for staff and their families. Robust management systems and standardized regulations underpin the Company's sound corporate governance.

The philosophy of Shared Responsibility embodies our commitment to prioritizing customer value and pursuing mutual success. The Company implements transparent procurement practices and completes CSR assessments for 100% of core suppliers, embedding responsible standards across every node of its global supply chain. From empowering the low-carbon transition of the new energy sector to upgrading working conditions via automated manufacturing technologies, Zhenyu strives to build a cross-border community of shared responsibility. By partnering with stakeholders, we consistently generate greater social value within an interdependent, win-win ecosystem toward a sustainable future.

As a core competitive edge, technological innovation fuels the Company's steady growth. Zhenyu takes innovation as a fundamental growth driver and targets to become a world-leading supplier of ultra-precision and smart manufacturing integrated solutions.



Rendering of the Suzhou Fine-sampling Plant Site

STRIVER-ORIENTED

Corporate value is created by employees, who constitute Zhenyu Technology's core competitiveness and underpin the Company's robust growth. The Company firmly believes that aligning employees' personal development with corporate long-term strategy is essential to sustain market leadership amid volatile global markets and deliver consistent value creation. Upholding a labor-oriented philosophy, we foster an inclusive workplace and build diverse, collaborative and high-performing teams. Through continuous management innovation and professional services, we energize the organization and sharpen talent competitiveness, cultivating a fair, impartial, harmonious and innovation-driven working environment to boost employees' sense of belonging and wellbeing. We also roll out employee care initiatives focusing on mental health and harmonious industrial relations to strengthen team cohesion.

This section elaborates on our 2025 practices anchored in the core value of prioritizing strivers, covering compliant employment, labor right protection, occupational health, compensation & benefits, employee care and talent empowerment, to build a fair, safe, supportive and growth-oriented career platform for all staff.

PROTECTION OF EMPLOYEE RIGHTS & INTERESTS

Committed to employee development, Zhenyu invests heavily in talent training to upgrade workforce competencies, builds pleasant working environments, optimizes welfare schemes to improve employee satisfaction, and delivers competitive remuneration to attract and incentivize outstanding professionals.

The Company abides by guiding frameworks including the UNGP (UN Guiding Principles on Business and Human Rights), ILO (International Labor Organization), OECD standards and UNGC (UN Global Compact), alongside local workplace regulations across all operating sites. We actively address employee feedback, upgrade working conditions, advance workplace equity and safeguard fundamental human rights.

No labor disputes occurred throughout the reporting cycle.

EMPLOYEE COMPENSATION & BENEFITS

To optimize pay structure, sharpen compensation competitiveness and rationalize incentive mechanisms for talent attraction and retention, Zhenyu has formulated and implemented the Compensation Management Regulation. With differentiated and market-driven incentive policies, we build a comprehensive remuneration framework consisting of base salary, annual performance bonus, surplus profit sharing, equity incentives and full welfare coverage.

Robust HR governance ensures on-time salary payment. Customized incentive schemes including periodic pay rises, promotions, equity awards and profit sharing are offered to eligible employees. Meanwhile, the Company delivers comprehensive welfare such as maternity leave benefits and pension plans.

Per the Compensation Management Regulation and Annual Operational Incentive Policy, eligible staff can access multi-layered rewards including base pay adjustment, excess profit sharing and equity incentives; all pay-related proposals are reviewed by the Compensation & Performance Review Committee.

COMPLIANT EMPLOYMENT

Zhenyu strictly follows the Labor Contract Law of the People's Republic of China and the Labor Law of the People's Republic of China, and has built a full-process compliance screening system. From recruitment, we adopt transparent and fair recruitment standards via competency assessment and cultural fit evaluation to match every new hire to suitable posts. The Company firmly prohibits child labor and forced labor, with full compliance checks embedded in the onboarding procedure.

Zhenyu commits to zero modern slavery, forced labor or child labor across all business operations, rejects all forms of discrimination, harassment or maltreatment, respects personal freedom and protects legal employee rights to foster an inclusive and equal workplace.

PREVENTION OF FORCED LABOR

The Company has issued the Forced Labor Prevention Management Procedure, banning all indentured labor or involuntary work and ensuring all staff take up employment voluntarily.

PROHIBITION OF CHILD LABOR

We have formulated the Child & Underage Worker Control Procedure in strict compliance with China's national regulations banning child labor. Age verification is enforced during recruitment to block child labor entirely, with remedial protocols in place for accidental violations. We also audit labor practices of suppliers and subcontractors to avoid cooperation with entities employing underage workers.

FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING RIGHTS

To advance corporate social responsibility and safeguard legal employee entitlements, the Company has rolled out the Freedom of Association and Collective Bargaining Administration Policy. All employees are legally entitled to form and join trade unions and participate in collective bargaining. Regular staff representative meetings and two-way communication sessions are organized for employees to voice suggestions on CSR and workplace concerns.

ANTI-DISCRIMINATION & ANTI-HARASSMENT

Abiding by China's Labor Law, Enterprise Layoff Regulation and Women's Rights Protection Law, the Company has issued dedicated Anti-discrimination Management Policy and Anti-harassment & Abuse Control Procedure. We eliminate prejudice of any kind during recruitment and employment, respect all employees' legal rights and create a secure, harmonious working atmosphere.

DIVERSITY & EQUAL OPPORTUNITY

We respect individual differences and promote workplace diversity, banning unfair discrimination based on ethnicity, religion, age, nationality, sexual orientation, gender, marital status, pregnancy or political beliefs. Equal pay for equal work is fully enforced; we guarantee statutory minimum wage and female employee benefits to deliver fair career opportunities for a diversified international workforce.

KEY PERFORMANCE INDICATOR

EMPLOYEE AGE BREAKDOWN

Age Bracket	Share of Headcount
49 years old and above	21.6%
30–40 years old	35.2%
25–30 years old	17.2%
20–25 years old	18.4%
Under 20 years old	7.6%

Note:

- Average employee age stands at 31.92.
- The under-20 age group refers to employees who have reached the legal working age up to 20 years old.

EMPLOYEE DEVELOPMENT AND TRAINING

Talent is the foundation of the company's development and the key factor for technological innovation.

During this reporting period, Zhenyu Technology increased investment in employee training and skill improvement, broadened training channels, and enhanced the training effectiveness for new employees, current employees, and promoted cadres. Combining "online + offline" training methods, regular new employee orientation training is conducted, with a training coverage rate of 100%.

The company helps new employees quickly integrate into the company, gain an in-depth understanding of the company's business, and clarify their own work value.

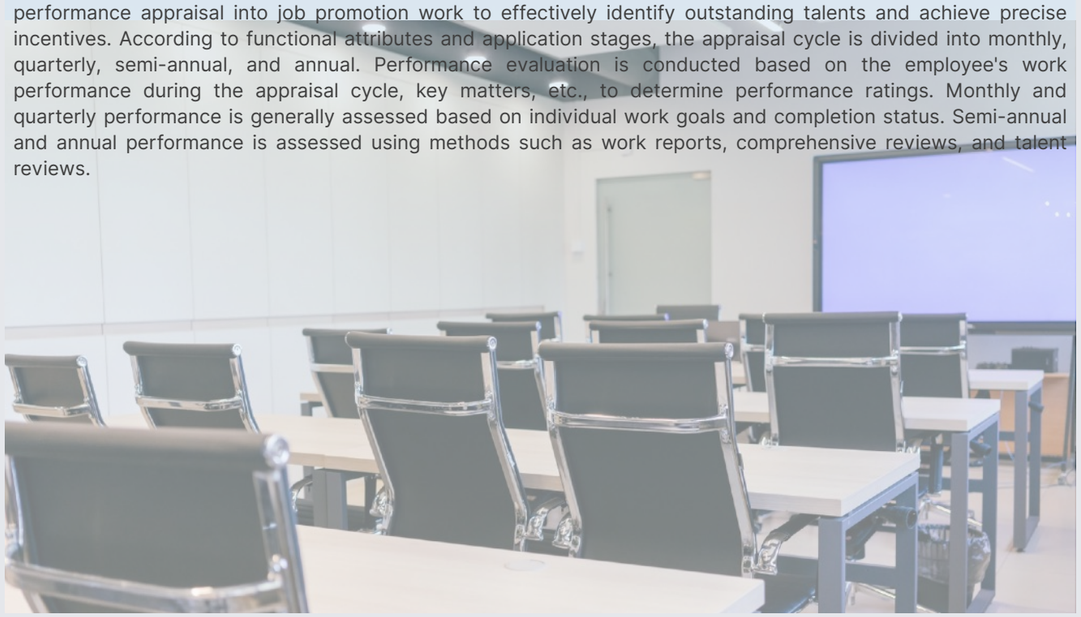
The company focuses on overseas staff and personnel involved in international business, collaborating with professional institutions for English training to cultivate an international talent team. For mid-level and senior-level cadres, the company conducts the "Great Production System (Reserve) Senior Executive Eagle Special Training Camp," selecting a number of cadres from the production system, training production system executives, and exporting high-level talents to overseas bases.

For campus recruits, the company conducts new employee training camps to enhance their workplace professionalism and work skills, helping them quickly transition from campus to workplace.

Zhenyu Technology strengthens its talent echelon construction, providing employees with abundant career development opportunities and clear promotion paths. It continuously improves the talent evaluation mechanism and promotion system to facilitate the identification, appointment, and development of talents.

At the same time, we actively explore employee potential and support individualized employee development. The company, through a rich variety of course categories covering management, professional skills, personal skills, etc., promotes employee capability improvement and formulates targeted employee development plans. Through training, job rotation exercises, centralized cultivation, and other methods, it promotes employee capability enhancement and meets their career development needs.

Zhenyu Technology conducts performance appraisals regularly, openly, and fairly each year, integrating performance appraisal into job promotion work to effectively identify outstanding talents and achieve precise incentives. According to functional attributes and application stages, the appraisal cycle is divided into monthly, quarterly, semi-annual, and annual. Performance evaluation is conducted based on the employee's work performance during the appraisal cycle, key matters, etc., to determine performance ratings. Monthly and quarterly performance is generally assessed based on individual work goals and completion status. Semi-annual and annual performance is assessed using methods such as work reports, comprehensive reviews, and talent reviews.

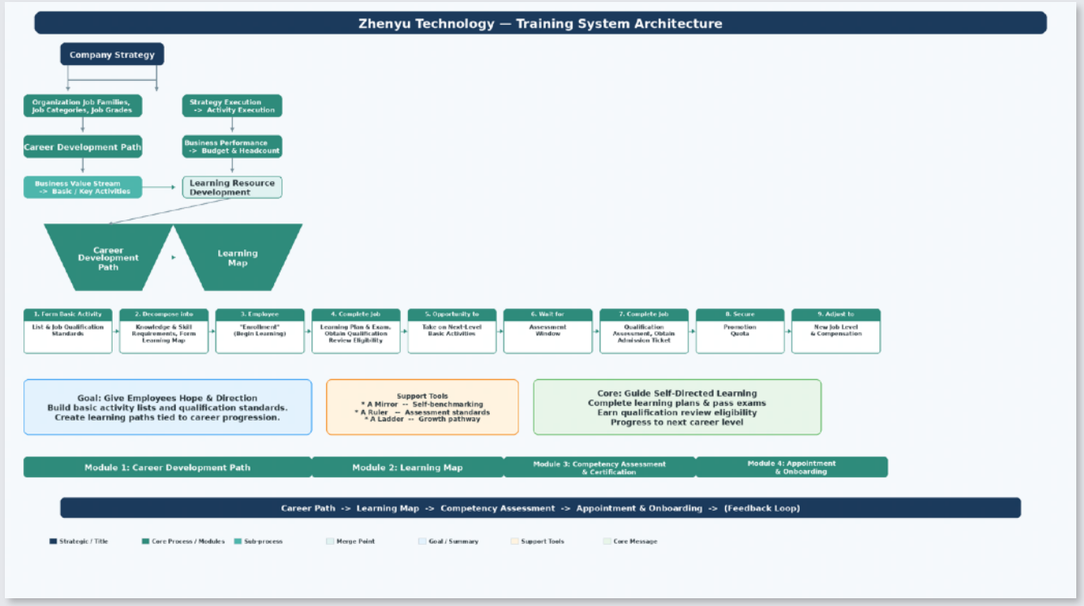


DIVERSIFIED TRAINING MECHANISMS

Zhenyu Technology is committed to providing employees with diverse learning and development opportunities. It has formulated and implemented multiple relevant systems and management methods, including the "Training Management System," "Instructor Management Method," "Course Management Method," and "Online Learning Platform Management Method," fully tapping into employees' work potential, providing diversified training that comprehensively covers employees from various departments such as new employees, frontline staff, R&D, quality, technology, manufacturing, commerce, finance, engineering, and human resources, creating a high-quality training system and assisting in employee skill improvement.

- Internal Training Mechanism: The company has established a sound internal training mechanism, enhancing the professional quality of employee teams through regular training.
- Professional and Vocational Training: The company provides professional and vocational training programs, as well as education and professional qualification sponsorship programs.
- Internal Course Development: The company values the development of its internal training lecturer system and is committed to developing internal courses to foster an atmosphere of internal sharing.
- Subsequent Training for Different Positions: According to actual work needs, the company carries out various forms of subsequent training and education for different positions to ensure employees are competent in their roles.
- Energy Conservation Education and Technical Training: The company assists the publicity and education department in organizing energy conservation education and technical training to improve employees' energy conservation management and technical skills.
- Responsible Minerals OECD Compliance Training: Although primarily aimed at suppliers, the company's Human Resources Center is responsible for cooperating with other departments to conduct regular Responsible Minerals OECD compliance training for relevant suppliers and to keep relevant records for at least five years. This indicates that internal company personnel also participate in organizing and coordinating such training.

Furthermore, through internal cultivation and talent introduction, the company continuously optimizes and improves the professional level of its production management and R&D teams, reserves sufficient backup strength for the company's long-term development, and enhances the company's core competitiveness.



EMPLOYEE COMMUNICATION & CARE

To further boost employee satisfaction, the Company rolls out targeted improvement action plans across multiple dimensions including promotion & career advancement, internal communication, workplace environment, logistics support, corporate culture, compensation & benefits as well as career development & planning, with ongoing follow-up and performance monitoring.

Employee Engagement Survey

Zhenyu Technology conducts regular enterprise-wide employee engagement surveys covering all business divisions, production sites and functional departments of the Group.

The questionnaire adopts the classic 3S engagement framework: Say (Speak positively about the company), Stay (Intend to stay with the organization), Strive (Go above and beyond at work). It delivers comprehensive staff insights via 17 sub-indicators grouped under six core pillars: People, Job Content, Policies & Operations, Total Rewards, Career Opportunities, and Work-life Balance.

The survey serves as a formal communication channel for employees to submit feedback and proposals. By analyzing survey outcomes, the Company identifies staff demands and concerns, benchmarks current engagement levels and pinpoints core influencing factors. Relevant optimization initiatives are formulated to raise employee satisfaction, refine corporate management and improve overall business performance.

Case: Improvement Initiatives for New Hires

The survey found that employees with less than six months of service lack sufficient understanding of corporate benefits, career pathways, compensation packages and senior management. To accelerate their onboarding and integration into the organization, the Company rolled out the following targeted measures:

- HR specialists coordinate and deliver systematic training covering corporate culture, internal regulations, 5S management and quality management to ensure thorough implementation.
- In collaboration with the Manufacturing Department, administrative staff hosts a monthly employee birthday party to strengthen staff's organizational identity and sense of belonging.
- The HR Manager holds random monthly talks with 5 to 10 frontline employees recruited within half a year to follow up on their working status and resolve issues in a timely manner.
- Working alongside the Lean Management team, the Company facilitates implementation of employee improvement proposals. Small-scale process optimizations paired with corresponding incentive rewards create a platform for idea pooling and talent demonstration to cultivate employees' sense of achievement.

These practices effectively boost new recruits' organizational recognition, accelerate their team integration and help them gain a strong sense of accomplishment at work.

CASE: EMPLOYEE TALK WORKSHOP

WORK SYSTEM AND MANAGEMENT

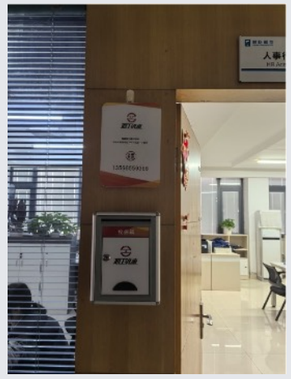


To maintain and develop harmonious labor relations, promote the physical and mental health of employees, and achieve win-win cooperation between the company and its workers, Zhenyu Technology has established an "Employee Talk Workshop." To ensure the solid implementation of this initiative, the company has formulated the "Employee Talk" Operation System. The work system revolves around four key stages: "Ask, Talk, Act, and Evaluate" — being diligent in asking employees for their opinions, skilled in listening to employees' concerns, bold in taking action for employees, and willing to accept employees' evaluations. This establishes a smooth mechanism for expressing employees' interests and coordinating labor relations.

The workshop has designated personnel responsible for its operation, including 6 team members and 1 file administrator.

The workshop's scheduled "employee talk" time is fixed every Saturday from 15:00 to 16:30, conducted through a combination of regular and ad-hoc sessions. In principle, individual employee talks are held once a week. For sudden events or urgent issues, the "Employee Talk" mechanism will break routine, and the workshop will promptly organize employee discussions.

WORK CONTENT AND ACHIEVEMENTS



The workshop encourages employees to voice their "interests and demands," allowing them to express their interests rationally, legally, and orderly. It coordinates various departments to flexibly address employees' most immediate and practical concerns, such as wages and bonuses, rest and leave, labor protection, education and training, and living welfare. It also encourages employees to voice their "conflicts and disputes." The workshop collects information on labor disputes at the earliest opportunity, actively participates in and assists in properly resolving various conflicts and disputes, effectively coordinates the contradictory relationship between the company and employees, and eliminates hidden risks in labor relations. It further encourages employees to offer "good suggestions and strategies." By fully stimulating employees' initiative, enthusiasm, and creativity, the workshop draws on employee wisdom to provide ideas and strategies for the company's safe production, innovation-driven development, democratic management, and cultural development.

After each Employee Talk Session, the director of the "Employee Talk" Workshop compiles the opinions and suggestions proposed by employee representatives into a report and submits it to the workshop supervisor / Personnel and Administration Department / General Manager's Office. Within five working days of receiving the report, the leadership provides feedback and disseminates it to employees in a timely manner via OA announcements, bulletin boards, WeChat groups, etc. (excluding matters involving employee privacy or requested confidentiality by employees). Meanwhile, the workshop tracks and supervises the implementation of the feedback and promptly assesses whether employees are satisfied with the decisions made.

In addition, the company organizes 1-2 "General Manager Face-to-Face" sessions each month on an irregular basis. Employees may voluntarily register with the Personnel and Administration Department each month. If no one registers for a given month, the Personnel and Administration Department will designate employee representatives to attend the session on the day of the exchange meeting.

OCCUPATIONAL HEALTH AND SAFETY

Zhenyu Technology adheres to the principle of prioritizing the health and safety of employees, contractors, and other stakeholders as its foremost mission. The company always places safe production first and is committed to providing employees with a safe and healthy working and living environment.

Zhenyu Technology places great emphasis on building a safety culture and persistently carries out continuous occupational health and safety training to enhance employees' awareness of occupational health and safety. Each industrial base formulates an annual safety training plan and conducts occupational health and safety training on schedule. The training content includes three-level safety education, job transfer and reinstatement training, special operations training, and hazard source training, which also facilitates learner participation. By aligning the training content with the actual needs of learners, the effectiveness of the training is greatly improved.

The company's industrial bases regularly conduct emergency drills to enhance their capacity for handling sudden accidents and collaborative emergency response, strengthen employees' safety awareness, promote safety culture development, curb various types of accidents, and safeguard the company's safe production.

During the 2025 reporting period, 100% of the domestic industrial bases within the scope of this report obtained GB/T 45001 (ISO 45001) occupational health and safety management system certification.

The company has diversified its training formats, no longer relying solely on traditional classroom teaching. At the base level, training is conducted through centralized face-to-face instruction, online courses, and examinations. At the factory level, training is delivered through pre-shift meetings, in-process walkthrough training, regular emergency drill training, "one-clear" spot checks, and on-site peer-to-peer coaching.

Zhenyu Technology continuously improves its occupational health and safety management system, strictly complies with relevant laws, regulations, and standards such as the "Law of the People's Republic of China on the Prevention and Control of Occupational Diseases," "Regulations on the Administration of Occupational Health in Workplaces," "Technical Specifications for Occupational Health Monitoring," "Specifications for the Management of Occupational Health Archives," and "Warning Signs for Occupational Disease Hazards in Workplaces," and conducts regular compliance evaluations. It has formulated the "EHS Management Manual" and "Safety Production Responsibility Management System" to standardize internal occupational health and safety management processes, clearly defining the safety production responsibilities of all employees across all departments comprehensively.

Each subsidiary of Zhenyu Technology has established a Safety Production Committee (hereinafter referred to as the "Safety Committee"), with the head of each factory serving as the director of the Safety Committee. The Safety Committee deploys, coordinates, and guides the company's EHS work, studying and resolving major EHS issues.

The company's Safety Committee has established a Safety Production Committee Office (hereinafter referred to as the "Safety Office") as its daily operating body, responsible for handling specific affairs related to the Safety Committee. The director of the Safety Office is concurrently held by the director of the President's Office. All centers, bases, and subsidiaries under the company accept the comprehensive leadership, supervision, and inspection of the Safety Production Committee regarding safety production work.

MEASURES RELATED TO OCCUPATIONAL HEALTH AND SAFETY

- Occupational health and safety as a key focus area: The Strategy and ESG Committee lists occupational health and safety as one of its core areas of concern.
- Strict compliance with laws and regulations: The company strictly implements laws and regulations related to labor safety, environment, and industrial hygiene.
- Improving the working environment and safety conditions: The company actively takes various measures to improve labor safety and hygiene conditions.
- Employee safety education and vocational training: The company places emphasis on employee safety education and vocational training, aiming to enhance safety awareness and improve employee safety competency.
- Regular organization of occupational health check-ups: The company regularly organizes medical check-ups for employees to safeguard their occupational health and safety and prevent occupational disease hazards.
- Payment of social insurance and housing provident fund: The company strictly complies with the "Labor Law" and "Labor Contract Law," and pays social insurance and housing provident fund (five insurances and one fund) for its active employees in accordance with the law to protect their legitimate rights and interests.
- Providing welfare benefits and communication platforms: The company cares about the physical and mental health of its employees, provides welfare benefits during festivals, and has established an Employee Talk Workshop (refer to the Employee Care and Communication section) to care for every employee's physical and mental health.
- Improving talent development and growth mechanisms: The company has established a sound talent introduction and internal training mechanism. Through regular training and career development guidance, it enhances the professional quality of employee teams and ensures that employees are competent in their job roles. This indirectly helps improve operational standardization and safety, ensuring employee occupational health and safety.



PRODUCT AND SERVICE SAFETY AND QUALITY

Zhenyu Technology adheres to the quality philosophy of "becoming the industry quality leader, winning customer trust and respect through excellent quality," and has set the strategic goal of "achieving ultimate quality." Embracing the vision of "becoming a globally leading precision intelligent manufacturing enterprise," and in accordance with standards such as "IATF 16949:2016 Quality management system requirements for automotive production and relevant service parts organizations" and "ISO 9001:2015 Quality management systems — Requirements," the company has formulated a quality management manual that complies with national laws, regulations, policies, and customer requirements. At the same time, with the mission of "creating high-precision products and a high-quality life with advanced technology," and based on the company's quality management manual, the company has defined the responsibilities of each center, department, institute, and industrial base, and has appointed management representatives, quality representatives, and customer representatives. It is committed to producing high-precision products through advanced technology, thereby improving the quality of life, reflecting its commitment to product quality.

Simultaneously, the company uses analytical tools such as SWOT to analyze quality management risks. The company has fully assessed the quality maturity of its domestic and international industrial bases, analyzed the current situation of each base through a combination of localization and globalization as well as internal and external integration, and formulated targeted management countermeasures.

In terms of product quality audits, the company implements the "Product Audit Control Procedure," conducting audits on all mass-produced products at least once a year. The audit scope covers all products, with priority given to unplanned special audits for situations such as first mass production, process changes, equipment modifications, and customer complaints. The audit process is based on VDA6.5, combined with customer drawings and special requirements, using a fixed sample of 5 pieces (5EA) for random inspection, and a defect-weighted scoring system for quantitative assessment. Key defects (Class A) are weighted 50 points, major defects (Class B) 10 points, and minor defects (Class C) 1 point. The final quality index QKZ is calculated using a scientific formula to measure the overall product quality level. Throughout 2024, the company's bases conducted a total of 105 product audits, with an average QKZ index of 96.4%, of which over 95% of product groups achieved a zero Class A defect rate for the entire year.

In terms of quality planning management, the group uniformly plans quality policies and objectives in accordance with the "System Planning Management Method," and integrates quality management into business processes and organizational strategy. When significant changes occur in the organizational environment, market conditions, or regulatory requirements, the quality system is promptly adjusted to ensure its sensitive response to risks and opportunities. In terms of target setting, the company annually defines quantitative indicators such as "zero major customer returns" and "tier 1 customer satisfaction ≥95%," and ensures efficient execution by each unit through cross-factory system audits.

In addition, the group fully promotes the 8D problem-solving mechanism. Based on the "8D Activity Management Method," it standardizes responses to internal and external quality issues, promoting closed-loop management across the entire process from problem identification, root cause analysis, interim and permanent corrections, to lessons learned. Through systematic 8D measures, the company further strengthens customer relationship maintenance and product quality resilience.

The quality management departments at each of the group's bases are staffed with auditors who have at least six months of inspection experience. They receive regular standardized training and are proficient in various inspection tools, including calipers, micrometers, and others. All audit and corrective/preventive records are strictly archived and retained for at least one year after the end of the product life cycle to ensure traceability.

INTERNAL AUDIT AND MANAGEMENT REVIEW

To ensure the applicability, adequacy, and effectiveness of the quality management system while promoting continuous improvement, Zhenyu Technology regularly organizes internal audits and management reviews. In accordance with the company's "Internal Audit Control Procedure," the company regularly conducts internal audits covering the quality management system IATF 16949, ISO 9001, the environmental management system ISO 14001, the occupational health and safety management system ISO 45001, and the intellectual property management system GB/T 29490. These audits aim to verify whether the systems comply with standard requirements, ensure their continued effective operation, and provide a basis for management reviews. The audit focus includes quality control during production, environmental hazard identification and inspection, occupational health and safety compliance, and the implementation effectiveness of intellectual property management. Simultaneously, Zhenyu Technology's senior management regularly organizes management review meetings in accordance with the "Management Review Control Procedure" to analyze audit results, evaluate the effectiveness of improvement measures, and adjust management strategies based on market environment, regulatory requirements, and customer needs, ensuring the continuous optimization of the management system. Through internal audits and reviews, Zhenyu Technology has achieved continuous optimization in areas such as dynamic adjustment of quality objectives, process improvement and technology upgrades, identification of quality risks and opportunities, and the development of a company-wide quality culture: optimizing quality objectives based on customer needs and the market environment to enhance the challenge and leadership of indicators; using digital means to achieve intelligent, visual, and precise control over the entire production process; regularly identifying potential quality risks and formulating response strategies while digging opportunities for improvement brought by customer needs; promoting the philosophy of "quality first, customer foremost" deeply into the organization, and encouraging all employees to actively participate in quality management and improvement work, thereby continuously improving the company's quality management system.

QUALITY CONTROL

To ensure the stability and reliability of shipped product quality, Zhenyu Technology has established a strict pre-shipment quality control (QC) system. All products to be shipped must undergo final quality inspection, covering aspects such as appearance, performance parameters, and packaging. The inspection process includes sampling inspection according to the "Sampling Inspection Standards," item-by-item testing of key indicators such as appearance, function, physical properties, and chemical composition based on the "Product Quality Standards" and customer requirements, as well as confirming whether packaging integrity, label clarity, and transportation protection measures meet requirements. Only products that pass inspection can proceed to the shipping process. Non-conforming products must be handled according to the "Non-conforming Product Control Procedure" and can only be released after rectification and re-inspection confirmation. The data and results from the inspection process are recorded in detail and archived to ensure traceability. Finally, the QC manager reviews and issues the shipping certificate of conformance, ensuring that each batch meets customer requirements and safeguards the company's brand reputation

CUSTOMER COMPLAINT MANAGEMENT

Zhenyu Technology has formulated a series of customer feedback control systems, including the "Customer Satisfaction Control Procedure" and the "Customer Complaint Control Procedure," to efficiently handle customer feedback issues, ensuring customer satisfaction and closed-loop problem resolution. The systems define the specific process from complaint receipt to problem resolution, which is standardized and efficient. The customer complaint handling process follows the corresponding provisions of the systems. After the customer service department of the headquarters or the QE Management Department of the Quality Management Center receives customer complaints via email, fax, or the "Lianjie Zhenyu Technology" WeChat mini-program, the customer complaint information is accurately transmitted to the relevant production base using the 5W2H method. Simultaneously, a customer complaint process is initiated in the company's OA system, and the problem is deeply analyzed and improved based on the 8D analysis logic: completing 3D (problem description, emergency countermeasures, problem analysis) within 24 hours, and completing 5D (root cause confirmation, permanent countermeasures) within 72 hours. If the customer has special response time requirements, the company follows the time specified by the customer to ensure efficient response.

During this reporting period, ***no major*** customer complaint incidents occurred.

STRIVING FOR ZERO QUALITY AND SAFETY ACCIDENTS

Identify risks and opportunities, and formulate a series of clear goals and specific indicators to promote high-quality development and establish industry benchmark status.

First, the company takes the continuous optimization of its quality management system as a starting point, fully benchmarking against international first-class standards to ensure it maintains a leading position in the new energy materials industry and becomes a benchmark enterprise for global quality management. By continuously improving processes and management mechanisms, the company persistently promotes the implementation of the excellence performance management model. It clearly proposes to achieve product quality at the 6σ level, ensuring high consistency and high reliability of products. By strengthening process control and technological upgrades in production, the company reduces the defective rate to the lowest level in the industry, further enhancing customer trust and recognition of the company's products.

At the same time, the company focuses on the synergistic management of safety and quality, striving to build a comprehensive product life cycle safety traceability system. From raw material procurement and manufacturing to product transportation, use, and final recycling, every link strictly implements standardized management to ensure absolute safety without leaving any hidden risks.

Furthermore, with the core goal of "zero safety and quality accidents," Zhenyu Technology further strengthens its safety production and quality assurance mechanisms. In daily operations, the company strictly implements the quality and safety responsibility system, strengthens the quality awareness of all employees, and continuously improves employees' professional competence and sense of responsibility through training and assessment. Through big data monitoring, intelligent analysis, and refined management, the company can promptly identify potential problems and take rapid measures to minimize risks.

During this reporting period, no major safety or quality liability accidents related to products and services occurred. This is the result of Zhenyu Technology's high emphasis on product and service safety and fully demonstrates the effective operation of the company's strict implementation of its quality management system.



Improving Management Processes to Ensure the Delivery of High-Quality Products

Zhenyu Technology is fully aware that product quality is directly related to the company's market competitiveness and customer trust. The company strictly complies with laws and regulations such as the "Law of the People's Republic of China on Product Quality" and the "Regulations of the People's Republic of China on the Administration of Product Defect Recalls." In accordance with system standards such as IATF 16949 and ISO 9001, it has established a quality management system and quality management manual covering the entire process to address all possible product quality and safety risks.

Key Performance Indicators

0	0
During the reporting period, no major liability accidents related to product and service safety and quality occurred.	Zero major customer complaints.



Ningbo Zhenyu Technology Workshop

TECHNOLOGICAL INNOVATION DRIVES INTELLIGENT MANUFACTURING

RMB 384 MILLION

2025 R&D expenses: RMB 384,347,027.44, a year-on-year increase of 30.3%

Intellectual Property Management System Certificate

The company has a well-established intellectual property management system and obtained the Intellectual Property Management System Certification in 2023. In 2024, it passed the periodic review and maintained the validity of the certificate.

Standard Setter

- As one of the main drafters, drafted the People's Republic of China machinery industry standard "Motor Core Progressive Die Technical Specifications"
- As the first drafter, drafted Parts 7-12 of the People's Republic of China machinery industry standard "Motor Core Progressive Die Components"

Honors and Qualifications

National High-Tech Enterprise

Awarded "National High-Tech Enterprise"

Design-led Industrial Demonstration Enterprise

Ningbo Design-led Industrial Demonstration Enterprise

Provincial Enterprise Research Institute

Zhejiang Provincial Enterprise Research Institute

Provincial Enterprise Technology Center

Zhejiang Provincial Enterprise Technology Center



FINE- STAMPING R & D Team

STRATEGY FOR TECHNOLOGICAL INNOVATION

Technological innovation constitutes one of the company's core competitive edges and underpins its sustained, sound growth. Adhering to the core corporate value of "Sustained Innovation, Win-win Cooperation", Zhenyu Technology regards innovation as the fundamental engine for corporate expansion, striving to evolve into a globally leading supplier of comprehensive ultra-precision and intelligent manufacturing solutions. As a top-tier global provider of integrated precision manufacturing solutions, the company fuels product upgrading and industrial advancement via technological breakthroughs. It focuses intensive R&D and manufacturing efforts on core hardware products and moulds for the three key EV electrical systems: battery, electric drive and electronic control systems.

Drawing on years of experience in developing and producing high-precision progressive stamping dies for motors, the company has delivered thousands of mid-to-high-end precision progressive stamping die projects including large three-row and multi-row types. Its leading-edge die development and manufacturing expertise underpins the technical requirements for precision structural component production. Built upon accumulated die-making know-how, the business achieves synergistic growth in motor core and lithium-ion battery precision structural parts, while expanding into emerging hardware sectors such as humanoid robots.

Innovation is embedded into the company's development blueprint and daily operations through its "One Core, Two Pillars" strategic framework: with die technology as the foundational core, motor core and lithium battery precision structural component businesses serve as the two development pillars. Centered on core markets like new energy vehicles, the company sharpens core competitiveness through continuous technical innovation. Upholding the development tenet of "Precision Manufacturing & Green Smart Manufacturing", it meets stringent product specifications and leverages innovative technologies to advance sustainable development across the industrial ecosystem.

GOVERNANCE STRUCTURE

Aligned with corporate strategies, Zhenyu Technology has established a full-cycle R&D governance system covering decision-making down to implementation to ensure specialization and high efficiency of innovation initiatives.

- Decision-making Tier: Under the Board of Directors sits the Strategy & ESG Committee (formerly Strategy and Decision-making Committee). It is tasked with reviewing and approving the company's long-term development strategies and major investment proposals, as well as coordinating the identification of risks and opportunities throughout the innovation process.
- Management & Execution Tier: Each business division of the company has its own Technical Center (R&D Department). At present, the firm employs over 800 specialized R&D staff, accounting for 13.23% of total headcount. The team consists of more than 100 project managers, over 50 specialists focusing on cutting-edge technologies, around 70 lithium battery die engineers and 65 laboratory technicians.

POLICIES AND INITIATIVES

The company attaches high priority to R&D investment and innovation system development to lay a solid foundation for sustained technological breakthroughs. It delivers all-round safeguards for innovation outcomes via institutional improvement, capital input and industry-university-research cooperation.

R&D Management System

A full set of regulations including the Product Design Management Rules and New Product Handover-to-Production Management Rules has been formulated to rigorously govern R&D project initiation, feasibility study and process design, securing enduring product competitiveness.

Intellectual Property Protection

The company boasts a sound IP management system and has obtained certification in compliance with GB/T 29490-2013 Specification for Enterprise Intellectual Property Management.

Advanced Equipment & R&D Platforms

The company keeps investing in world-leading R&D and manufacturing equipment, covering high-precision processing machinery (including Swiss GF, Japanese Makino wire EDM, Hauser jig grinders, etc.), high-speed stamping equipment (such as Japan's AIDA, Switzerland's BRUDERER and Japan's NIDEC), automated production lines and comprehensive testing instruments (Carl Zeiss/Hexagon coordinate measuring machines, spectrometers, cleanliness inspection gear and more).

An ultra-precision workshop was newly built and commissioned in 2023, featuring a machining accuracy of ≤1μm and temperature control precision of ±0.1°C, meeting globally top-tier standards. In addition, the Group operates high-caliber research platforms including a Provincial Enterprise Research Institute and Provincial Enterprise Technology Center.

Industry-University-Research & External Cooperation

The company has jointly built a postdoctoral workstation in partnership with Zhejiang University and other universities, and set up a joint materials research base alongside Baowu Steel and Shougang Group.

By pooling high-caliber talents and deepening partnerships with academic institutions and industrial partners, the company jointly advances materials research and technological progress.

INNOVATION CULTURE AND INTELLECTUAL PROPERTY RIGHTS

Innovation is embedded in the corporate DNA of Zhenyu Technology. Upholding the spirit of technological innovation, the company keeps refining its internal R&D management system. Based on classified criteria for R&D projects, differentiated approval and progress control procedures are deployed for various project categories. During the reporting period, the Company revised the R&D Project Management Procedures, clarified IP management requirements across all development phases, and added an annual effectiveness audit workflow to verify the feasibility and efficiency of R&D programs at all site laboratories, improving the standardization and enforceability of project governance.

PATENT & INTELLECTUAL PROPERTY STATISTICS

Indicator	Unit	Cumulative Total to Date	2024	2025
Filed Patents	Piece	735	157	57
PCT Patent Applications	Piece	59	—	—
Granted Patents	Piece	432	106	59
Cumulative Registered Trademarks	Piece	18	—	—
Trademark Filings	Piece	36	—	—
Number of Participated Standard Formulations	Item	61	21	18
Software Copyrights	Item	21	5	7

In compliance with the Patent Law of the People's Republic of China and its Implementing Regulations, the Company has formulated and enforced the IP Incentive Specifications to formalize reward schemes for technical innovation and motivate employees to file patent applications and publish academic papers.

Prioritizing intellectual property protection, the Company actively translates innovative achievements into patented technologies. To illustrate, it holds over 30 invention and utility model patents exclusively for lithium-ion battery structural components. The enterprise nurtures an innovation-driven culture via initiatives including the in-house "Precision Die Award", as well as official accolades such as National High-tech Enterprise and Provincial-level Enterprise Research Institute certification.

Furthermore, the Company encourages all staff to engage in technological innovation, promotes patent filing and IP protection, and boosts the generation and output of intellectual property achievements.

INTELLECTUAL PROPERTY PROTECTION

Zhenyu Technology attaches great importance to the administration and protection of intellectual property rights (IPR). Abiding by the Anti-Unfair Competition Law of the People's Republic of China, Patent Law of the People's Republic of China, Copyright Law of the People's Republic of China and other applicable laws and regulations, the Company develops and continuously optimizes its IPR management system and standardized procedures to fully safeguard and rationally commercialize core scientific and innovative achievements.

In line with GB/T 29490-2013 Specification for Enterprise Intellectual Property Management, the Company has established a formal IPR management system that has passed third-party certification. This framework substantially improves corporate IPR management proficiency and reinforces the protection of patents, copyrights and other forms of intellectual property.

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知识产权管理体系认证证书

经北京中安质环认证中心有限公司审核，确认

宁波震裕科技股份有限公司

统一社会信用代码：91330200254385326P

（注册地址：宁海县西店　　邮编：315600）

知识产权管理体系符合：

GB/T 29490—2013 《企业知识产权管理规范》

认证范围覆盖如下：

冷冲压级进模具的研发、生产及销售过程中的知识产权管理活动

地址：浙江省宁波市宁海县力洋镇南滨北路 2 号；
浙江省宁波市宁海县西店镇下田畈 6 号。

注册号：23028IP10339R0L

有效期:2023 年 12 月 28 日至 2026 年 12 月 27 日

颁证日期：2023 年 12 月 28 日

自颁证第二年起，证书的有效性依据北京中安质环认证中心有限公司每年的定期监督获得保持。

北京中安质环认证中心有限公司

签发人：

中安认证

证书查询方式
The website of certificate inquiry:
https://www.cnca.gov.cn
http://www.zazh.com/

Intellectual Property Management System Certification Certificate

TECHNICAL ADVANTAGES AND R&D INVESTMENT

STANDARD SETTER

As one of the principal drafters, the Company compiled the mechanical industry standard of the People's Republic of China Technical Specifications for Progressive Dies of Motor Laminations; acting as the first drafter, it formulated Sections 7 to 12 of another national mechanical industry standard Progressive Die Components for Motor Laminations.

SYSTEMATIC ADVANTAGES

Integrating die design, precision machining, automated equipment development, flexible production system, lean production management and information-based administration, the Company has built a comprehensive precision die manufacturing system. Such strengths help steadily upgrade product quality, shorten development cycles, cut production costs, optimize customer service and boost environmental performance.

TALENT POOL & COOPERATION EDGE

PROFESSIONAL TEAM

The Company maintains a stable, high-caliber technical workforce with solid theoretical grounding, abundant industrial expertise and sustained innovation capacity. By implementing systematic mechanisms covering talent recruitment, in-house training, compensation incentives and career development, the Company continuously elevates the expertise of production managers and R&D personnel to consolidate core competitiveness.

	2025	2024	Change Rate
Number of R&D Staff (Persons)	802	713	12.48%
R&D Staff Proportion in Total Headcount	13.23%	12.61%	0.62%
Educational Background of R&D Staff			
Bachelor's Degree	173	136	27.21%
Master's Degree	14	5	180.00%
Age Breakdown of R&D Staff			
Under 30	328	321	2.18%
30–40 Years Old	345	300	15.00%
40–50 Years Old	120	87	37.93%
Over 50	9	5	80.00%

CLIENT COOPERATION

The Company has established longterm and stable cooperative relationships with nearly 100 downstream customers in the precision progressive stamping die industry worldwide. In the motor core sector, it has built stable partnerships with OEMs such as BYD, Li Auto, NIO, and Xiaomi, as well as drive motor manufacturers including Inovance Technology and SEG Automotive. In the field of lithiumbattery precision structural components, the Company serves industry leaders such as CATL and EVE Energy. These customers impose strict certification and management system requirements on their suppliers, and have fostered enduring and solid partnerships with the Company.

IMPACTS & ACHIEVEMENTS DRIVEN BY INNOVATION

Driven by continuous innovation, Zhenyu Technology has achieved rapid self-growth and contributed to technological advancement and sustainable development of industries including new energy vehicles.

- Strengthen Core Competitiveness: Technological innovation enables high-precision, high-efficiency and high-reliability products, winning trust from numerous renowned domestic and overseas customers.
- Fuel Industrial Upgrade: With technological breakthroughs and leading market position in core NEV components such as motor laminations and battery structural parts, the Company strongly underpins the growth of downstream new energy vehicle industry.
- Expand Future Growth Potential: The Company proactively pioneers next-gen battery technologies including 46-series cells and blade batteries, alongside a mapped-out globalization strategy to fuel its long-term sustainable development.

Going forward, the Company will stick to its innovation-driven development strategy, scale up R&D investment to conquer core key technologies, deliver superior products and services for clients, and contribute to fulfilling corporate dual-carbon targets and the industry's sustainable growth.

KEY INNOVATION FIELDS & ACHIEVEMENTS

Centered on its three core businesses: precision dies, motor laminations and lithium-ion battery structural components, the Company has secured a host of landmark technological innovation results.

Precision Die Segment

- Leading-edge Technology: As one of China's earliest manufacturers specializing in precision stamping dies for motor laminations, the Company's die technology leads the industry in machining accuracy (component tolerance ≥1μm), production efficiency (max. stamping speed:700 strokes/min) and service life (overall lifespan ≥120 million strokes).
- Ultra-precision Machining: Capable of producing precision dies for ultra-thin 0.15mm sheets; a newly-built ultra-precision workshop further upgrades its high-end die manufacturing capacity.
- Industry Recognition: Awarded the Precision Die Prize by China Die & Mould Industry Association.

Motor Lamination Segment

- Full-spectrum Processing: One of the few domestic manufacturers with full-process production capacity covering interlocking, welding, adhesive bonding, self-adhesive lamination, annealing and die-casting for motor laminations.
- Core Tech Breakthroughs: Proprietary core technologies and mass-production competence in adhesive bonding (with related invention patents), customized welding (grinding-free & real-time process monitoring), and aluminum die-casting (industry-leading porosity & filling rate plus automated, data-driven production control).
- Market Leadership: Ranks top domestically by total shipment of motor laminations for new-energy drive motors.

Power Battery Structural Component Segment

- Technical Edge: Leveraging in-house die expertise to deliver superior material utilization and cost efficiency; proficient in top cover manufacturing (75% automation rate) and aluminum shell production with mass-production capability for 0.2mm thin-wall parts.
- Product Innovation: Actively develops structural components for 46-series cylindrical cells and blade batteries; the 46-series products went into volume production in 2024.
- In-house Testing Capacity: Able to independently conduct standardized FAE testing for cell structural components.
- Premium Market Position: Tier-1 supplier in China's new-energy lithium battery component sector and designated strategic vendor for leading battery makers including CATL.

Aerial View of the Ningbo Zhenyu Plant

DATA SECURITY & CUSTOMER PRIVACY PROTECTION

The Company strictly complies with the Cybersecurity Law of the People's Republic of China, Data Security Law of the People's Republic of China, Personal Information Protection Law of the People's Republic of China and other applicable laws and regulations. We are committed to developing a comprehensive framework for data security and privacy protection to safeguard the legitimate data security and privacy rights of clients, employees, partners and all other stakeholders.

Recognizing that data security and customer privacy protection are critical to sustaining client trust, ensuring sound corporate operation and fulfilling social responsibilities, the Company prioritizes such governance. It has established an Information Security Management System (ISMS) aligned with ISO 27001 international standards, which obtained official certification in 2023 and remains in effective ongoing operation. The full-spectrum information security mechanism covers core dimensions including network security, endpoint defense, data encryption, physical security and personnel security, so as to guarantee the confidentiality, integrity and availability of all information assets.

DATA SECURITY MANAGEMENT

MANAGEMENT SYSTEM & INSTITUTIONAL DEVELOPMENT

- Led by the Digital Process Management Center, the Company has rolled out an information security management system covering the full lifecycle of data: generation, transmission, storage, utilization and destruction. A suite of internal rules and regulations including the Information Security Management Policy, Information System Security Specification and Data Classification & Grading Standards has been formulated to clarify data security accountability for all departments and relevant personnel.
- The Company obtained ISO 27001 certification for its Information Security Management System in 2023, with complete and standardized information security workflows and controls in place.
- Annual reviews and revisions are conducted on data security management policies to align with regulatory updates and evolving business needs.

Technical Safeguard Measures

- For its information system development, security deployment is implemented in compliance with Class-3 National Cybersecurity Multi-level Protection requirements and ISO 27001 standards; firewalls are deployed at corporate network perimeters to build an in-depth defense-in-depth security architecture.
- Technical controls including encrypted transmission, access control, security auditing and data desensitization are deployed to preserve the confidentiality, integrity and availability of sensitive data.
- Regular vulnerability scanning and penetration testing are performed to promptly detect and remediate potential security vulnerabilities.

ADMINISTRATION & TRAINING

In line with ISO 27001 standard, applicable regulatory requirements and client demands, Zhenyu Technology has set up a regular data security risk assessment mechanism to fully identify and evaluate relevant data risks. Annual company-wide information security training programs cover data security, network security and customer privacy protection, with mandatory dedicated information security orientation for all new hires.

During the reporting period, the Company delivered data security awareness and competency training across all staff and key job roles; all new employees complete required information security onboarding courses, achieving a 100% staff training coverage rate for information security.

CUSTOMER PRIVACY PROTECTION

Zhenyu Technology has built a sound institutional framework for customer privacy protection:

- The Company has formulated a full set of policies including Information Security Management Policy and Customer Privacy Protection Policy, which are published on the corporate intranet for all staff access. These documents specify rules and purposes governing the collection, usage, storage, sharing, transfer and public disclosure of personal data, safeguarding customers' rights to know and to choose.
- Customer personal information is processed in compliance with the principles of legality, legitimacy, necessity and good faith, following the data minimization rule; rigorous technical and administrative controls are deployed to secure customer privacy.
- A dedicated complaint handling & response mechanism for privacy matters is in place to ensure unobstructed channels for customers to exercise their rights of accessing, copying, rectifying and deleting personal information.

Operational Implementation

- Adopt the Privacy by Design principle by embedding privacy protection requirements into product development and service delivery workflows.
- Deliver targeted training and granular access permission management for all employees tasked with customer personal information processing.

The Company conducts regular audits and effectiveness assessments on its customer privacy protection controls as needed.

DATA SECURITY INCIDENT MANAGEMENT & RESPONSE

To safeguard data security and customer privacy, the Company has established an emergency response framework for data security incidents and formulated the Emergency Response Plan for Information Security Incidents, which defines standardized workflows covering incident reporting, assessment, containment, root-cause tracing and follow-up optimization.

The Company conducts emergency drills twice a year to verify and refine its incident response readiness.

In accordance with its Information Security Management Regulations, dedicated response protocols and handling procedures are in place to tackle customer privacy leakage incidents.

Key Performance Indicators	Result
Zero data security incidents occurred during the reporting period	0
Zero customer privacy leakage incidents occurred during the reporting period	0
Zero customer complaints arising from privacy leakage during the reporting period	0
100% coverage of corporate information security training	100%

SUSTAINABLE GREEN SUPPLY CHAIN

Zhenyu Technology has developed a multi-dimensional and systematic management system for procurement and supply chain management, covering core performance areas including procurement model, responsible mineral due diligence, supplier quality & compliance, as well as sustainable supply chain development.

SUSTAINABLE PROCUREMENT POLICIES & TARGETS

Committed to building sustainable supply chains, Zhenyu Technology has formulated comprehensive sustainable supply chain management measures with specific goals and indicators set out below:

Sustainable Procurement Policy

Conduct procurement activities in strict compliance with business ethics, advocate environmental protection, fulfill social responsibilities and operate in full legal compliance.

Sustainable Procurement Targets

- Achieve 100% of suppliers signing the Corporate Social Responsibility Commitment Letter.
- Realize 100% of suppliers passing on-site audits covering labor practice, occupational health & safety, environmental management and business ethics within five years.
- Maintain a compliance assessment pass rate of no less than 85% for all suppliers.

Guided by its sustainable procurement principle of “upholding business ethics, promoting environmental protection, fulfilling social responsibilities and conducting lawful procurement”, Zhenyu Technology fully integrates environmental protection and social responsibility into its procurement management system. To realize responsible procurement management, the Company has compiled regulatory documents including the Supplier Management Manual and Sustainable Procurement Management Manual. All suppliers are contractually required to abide by ILO Conventions, the Universal Declaration of Human Rights and relevant environmental laws and regulations, earnestly fulfilling their obligations covering labor practices, occupational health & safety, environmental stewardship, business ethics and sustainability to secure the overall sustainable development of the supply chain.

The Procurement Department sources raw materials, components, outsourced processing and related services exclusively from approved suppliers on the qualified vendor roster. All core raw material suppliers shall hold ISO 9001 or IATF 16949 quality system certification and furnish compliance certificates for environmental directives such as RoHS and REACH. Procurement contracts explicitly ban child labor, forced labor, discriminatory practices and unfair competition, while mandating suppliers to implement mechanisms for information disclosure, supply chain traceability and conflict-of-interest prevention.

Suppliers are managed under a tiered classification framework. All prospective new suppliers must pass rigorous due diligence and compliance reviews, sign the Corporate Social Responsibility Commitment Letter, and satisfy the Company’s CSR criteria prior to being admitted to the qualified supplier list; all purchasing transactions are restricted to roster-approved vendors only.

The above provisions apply universally to all suppliers providing raw materials, parts, outsourced manufacturing or services. Vendors can only be shortlisted as qualified suppliers upon full compliance with all applicable clauses set forth in the manuals, from whom the Procurement Department is authorized to place orders.

SUSTAINABLE SUPPLY CHAIN MANAGEMENT

Via regulatory documents including the Sustainable Procurement Management Manual and Supplier Control Procedure, the Company specifies detailed requirements for suppliers covering quality performance, social responsibility, environmental compliance and business ethics, alongside well-established standardized management workflows.

Supplier Admission & Audit

Onboarding of new suppliers goes through rigorous procedures including development application, qualification screening, business negotiation, on-site audit (covering sustainability due diligence), sample validation, small-batch trial verification and PPAP (Production Part Approval Process) approval. Suppliers are required to sign documents such as the Quality Assurance Agreement, Procurement Contract, CSR Commitment Letter and Non-Disclosure Agreement.

Quality Management Requirements

Suppliers shall establish robust quality management systems such as IATF 16949 and set clear quality targets including zero-defect objective. The Company safeguards product quality via incoming inspection, in-process monitoring, quality discrepancy resolution, non-conforming goods disposition (return, rework, scrap, concession acceptance, etc.) and corresponding claim mechanisms.

Supply Chain ESG Risk Identification

In collaboration with the ESG Committee, the Procurement Department has formulated the Supply Chain Risk Mapping Identification Procedure. This enables effective identification of overall supply chain sustainability risks from a sustainable development perspective, pinpoints conflict-affected and high-risk zones within the supply chain, standardizes workflows for drafting supply chain risk maps, and clarifies priority governance areas and intervention approaches.

Annual Review

Qualified suppliers receive comprehensive annual audits covering quality management systems and sustainable development performance; the evaluation outcomes govern future cooperation arrangements.

Information Communication & Traceability

Suppliers are obligated to apply distinct product marking for full traceability, and promptly notify engineering changes and feed-back quality-related issues.

SUPPLIER QUALITY MANAGEMENT & COOPERATION

Quality Agreement

Quality is the core of product viability. Zhenyu Technology attaches high priority to product quality and signs quality agreements with suppliers to standardize and elevate incoming material quality:

- Quality Targets: The Supplier (Party B) commits to pursuing zero-defect manufacturing and continuously improving product competitiveness.
  - All core raw material suppliers shall hold ISO 9001 certification issued by globally recognized certification bodies or their domestic affiliates.
  - Suppliers of power battery raw materials are required to obtain IATF 16949 quality management system certification.
  - Lot acceptance rate ≥96%, critical performance defect ≤0 DPPM, appearance defect ≤500 DPPM.
- Quality Dispute Handling: Where Party A and Party B disagree on quality assessment conclusions, inspection and testing shall be conducted by a nationally or internationally accredited third party, with all associated costs borne by the party making an erroneous judgment.

Acceptance Specifications

- All products shall comply with applicable national standards, industrial specifications and the usage requirements defined by Party A.
- Party A specifies quality requirements via DWG drawings and technical documents; Party B shall deliver goods in line with such standards and issue outgoing inspection reports accordingly.
- For first-time delivery (including initial formal sample submission), the supplier shall submit documents for filing with Party A's quality control department, including Certificate of Conformity (COC), product specification sheet, environmental compliance test reports for RoHS / REACH / halogen-free requirements, UL certification documents (where applicable), process capability data for critical dimensions and final outgoing inspection reports (with supplementary reliability test reports where relevant reliability items are specified).
- An outgoing inspection report for the corresponding batch shall be submitted upon each subsequent delivery.
- All products and services supplied by Party B must comply with applicable governmental safety and environmental regulations.
- Where non-conforming incoming materials from Party B trigger defects on Party A's production lines, downstream customer production lines or result in market complaints, all consequent costs including scrapping & reworking of modules/finished goods, material wastage, logistics expense and market compensation claims shall be fully borne by Party B.

Raw Material Quality Control

- Implement formal raw material qualification procedures and maintain dedicated supplier files.
- Any change of raw material manufacturer requires prior written notification to Party A, accompanied by inspection reports and validation samples for approval.
- Party B shall conduct stringent incoming material inspection and retain full original test records and quality archives.
- Where in-house inspection capacity is unavailable, regular or ad-hoc testing shall be arranged via accredited third-party labs with formal test reports provided.
- Adopt a FIFO (First-In, First-Out) batch management system; expired and invalid materials are strictly prohibited from production usage.

IN-PROCESS QUALITY CONTROL

Party B shall establish a robust in-process management system, compile formal documents and work instructions, deploy quality control checkpoints at critical production steps, maintain complete records & statistical data, and conduct ongoing analysis to monitor process stability and product quality.

Change Management

- Suppliers are required to keep formal change records whenever product or manufacturing processes (including raw material, processing and treatment parameters) are modified.
- Suppliers shall notify the Company's Project Department in writing prior to implementing any changes for delivered products. Where part number remains unchanged after revision, the first shipment shall be marked with "SAMPLE" on outer cartons, packing slips and certificates of conformance for differentiation.
- Covered change scenarios include product design revision, material substitution, dimensional adjustment, manufacturing process modification, upgrade of production equipment/fixtures/jigs, die alteration, update of product inspection criteria, packaging & shipping method adjustment, document revision, production resumption and departure of core technical personnel, with stipulated advance notification periods for all above changes.

Traceability: Every single product shall carry traceability marks approved by Party A, covering part number, engineering change revision, production date, production batch and other required information.

Warranty Period: The warranty term for products and services supplied by Party B shall follow special requirements specified by Party A's end customers.

Spare Parts Supply: Upon receiving written discontinuation notice for a specific model, Party B shall retain relevant spare part manufacturing capacity and guarantee uninterrupted spare part supply for 15 years starting from the original product delivery date.

Claim Settlement: If defects or quality non-conformities of Party B's goods incur economic losses to Party A, Party A reserves the right to lodge compensation claims and deduct relevant amounts directly against outstanding payment.

Product Recall & Patent Infringement: All costs as well as civil and criminal liabilities arising from vehicle recall or end-user losses triggered by Party B's defective products shall be borne entirely by Party B. In case Party B's products involve patent infringement that causes any adverse consequences for Party A's utilization, all resulting liabilities shall rest with Party B.

SUPPLY CHAIN RISK MANAGEMENT

To advance full-lifecycle green development, the Company keeps improving its green supply chain system. For green supply chain governance, it has built a supply chain risk identification framework anchored on the three ESG pillars of Environment, Social and Governance, so as to lift environmental accountability across raw material procurement, in-house manufacturing and outsourced service links. In accordance with the Supply Chain Risk Identification Procedure, aligned with international frameworks including OECD Guidance and Drive Sustainability, the Company systematically screens supply chain risks across environmental, social and governance dimensions to drive upstream and downstream partners toward shared green development goals.

Zhenyu Technology has put in place a structured supply chain risk identification and management system to spot and mitigate latent sustainability risks, in particular those associated with conflict minerals and high-risk jurisdictions.

ESG Risk Identification Procedure

The Supply Chain ESG Risk Mapping Identification Procedure defines the objectives, scope, terminology and role allocation for risk screening. Designed to identify enterprise-wide supply chain risks from a sustainability perspective, the procedure focuses on Conflict-Affected and High-Risk Areas (CAHRAs). Risk coverage spans environmental, social and governance issues such as human rights, labor practices, environmental footprint, corruption and bribery. All suppliers are required to sign the CSR Commitment Letter and proactively secure healthy, safe and eco-friendly working & living conditions for their workforce; prohibited practices include forced labor, child labor, workplace harassment or abuse and discriminatory treatment. Suppliers must comply with statutory compensation & benefits standards, regulated working-hour rules, environmental policies and safety codes to fully safeguard employees' legitimate rights and interests.

Identification of Key Suppliers & Critical Raw Materials

Key suppliers are selected via business relevance assessment and adverse-impact evaluation covering environmental, social and governance metrics. Meanwhile, the Company tracks core industrial raw materials including tungsten, tin, tantalum, gold, cobalt and lithium, compiling an enterprise-level critical raw material inventory based on its product portfolio for prioritized risk governance.

Conflict Minerals & High-Risk Area Management

The Company maintains a roster of Conflict-Affected and High-Risk Areas (CAHRAs), covering gold-related regions in the Democratic Republic of the Congo and adjacent countries plus territories designated by the EU, with ongoing dynamic risk evaluation against conflict status, regulatory updates and human rights conditions. Collaboratively with suppliers, the Company collects upstream mineral sourcing data to map full supply chain topology. Suppliers are mandated to periodically submit Conflict Minerals Reporting Template (CMRT) and Extended Minerals Reporting Template (EMRT) to pinpoint and assess hidden risk nodes within supply chains.

KEY PERFORMANCE INDICATORS (KPIS)

0	100%	100%
Zero major customer complaints logged during the reporting period	100% closed-loop resolution rate for critical issues	100% of mineral-related suppliers have signed relevant commitment letters

RESPONSIBLE MINERAL DUE DILIGENCE MANAGEMENT

The Company attaches high importance to responsible mineral due diligence and strictly enforces the Administrative Measures for Responsible Mineral Due Diligence.

Management System Requirements

The Administrative Measures for Responsible Mineral Due Diligence specifies policies, procedures, workflows and controls for supply chain due diligence implementation in compliance with the OECD Due Diligence Guidance and China Domestic Guidance, and the document is available on the Company's official website.

Departmental Responsibilities

- Sales Department: Collect customer requirements, appeals, complaints and feedback, escalate such information to the Responsible Mineral Due Diligence Management Team, and communicate the Company's relevant policies to customers.
- Financial Management Center: Supervise compliance of every transaction; fully retain all transaction and financial documents of mineral suppliers for a minimum retention period of five fiscal years. All payments and collections for mineral-related materials are processed via designated cooperative bank accounts with zero cash transactions, subject to supervision by national tax authorities and annual financial audits.

RESPONSIBLE MINERAL RISK IDENTIFICATION & ASSESSMENT

- Risk Identification Methodology: The Company identifies full-spectrum risks covering the entire mineral shipment journey from origin to facility via the Supplier Basic Information Questionnaire and Risk Identification Checklist. Reviewed items include supplier particulars, beneficial ownership, source-of-origin details, responsible mineral supply chain policies, logistics & transit, anti-money laundering & counter-terrorism financing, bribery & fraud, human rights violations, transaction oversight and any links to unlawful armed non-state groups.
- Maintain formal supplier dossiers with regular verification and updates, covering entity name, legal representative, registered address, contact details, operational & production models and executed trading contracts.
- Verify beneficial owner identity of every supplier to confirm no inclusion on governmental watchlists for money laundering, fraud or terrorism financing; periodically collect suppliers' in-depth business, financial data and intended purposes of mineral transactions.
- Risk Assessment: Prior to supplier onboarding, the Procurement Department completes the Supplier Basic Information Questionnaire and conducts risk rating for all mineral materials per the Administrative Measures for Responsible Mineral Due Diligence.
- Mineral Information Collection: Suppliers are required to submit supporting documentation including mineral origin data, mining permits, import & export licenses, mining operation certifications, due diligence records, business licenses, beneficial ownership credentials, financial standing and blacklist screening results. Selected suppliers will undergo on-site audits by the Responsible Mineral Due Diligence Team to validate data authenticity.

High-risk supply chain assessment criteria include: minerals originating from, transiting through, or being routed via conflict-affected or high-risk areas for human rights violations; minerals claimed to originate from countries with known limited reserves or limited gold production; minerals originating from or with reasonable suspicion of transit through known conflict-affected and high-risk areas for human rights violations; companies in the supply chain or upstream companies located in countries with high risks of money laundering, crime, and corruption; beneficial owners who are politically exposed persons; or active involvement in high-risk business activities (such as weapons, gambling, antiquities, etc.).

Supplier Cooperation & Due Diligence Capacity Building

The Company signs the Responsible Mineral Commitment Letter with all mineral supply counterparties and conducts on-site audits using the Mineral Due Diligence On-site Audit Form, to ensure suppliers fully understand the Company's due diligence rules, supply chain policies and commitments. Under the commitment letter, suppliers warrant in writing that they will not engage in severe human rights abuses linked to mineral mining, transportation or trading; refrain from directly or indirectly supporting non-state armed groups or public/private security forces; avoid bribery or fraudulent misrepresentation of mineral origins; stay clear of money laundering; and maintain full transparency for all tax and royalty payments to relevant governments.

All contracted mineral-related suppliers have completed signing the aforesaid commitment letter.

Traceability Management

Traceability controls are enforced for all high-risk mineral transactions. The Company has deployed a supply chain traceability system that enables bidirectional full lifecycle tracking between finished goods and raw materials via production work order numbers, material batch codes and customer order numbers, alongside traceable access to purchase contracts for every batch sourced from individual suppliers. Contract records capture details including precious metal category, procurement weight, analytical test reports and supporting due diligence documentation.

In compliance with the Administrative Measures for Responsible Mineral Due Diligence, all supplier-related documents (due diligence files, risk assessment forms, compliance certificates, contract texts, inspection records, inbound & outbound inventory logs, etc.) shall be retained on file for no less than five years to guarantee continuous traceability.

BUILDING A RESPONSIBLE SUPPLY CHAIN

In alignment with the UN Guiding Principles on Business and Human Rights, OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, and China Guidance on Mineral Supply Chain Due Diligence, Zhenyu Technology implements responsible procurement practices. All supply chain partners are required to comply with the Company's Responsible Global Mineral Supply Chain Due Diligence Policy and Supplier Code of Conduct, and sign acknowledgement letters accordingly. The Company enters into supplier commitment agreements covering four core modules: occupational health & safety management, environmental substance control, integrity, anti-corruption & confidentiality, and mineral supply chain due diligence. For overseas vendors, binding due diligence clauses are embedded within formal procurement contracts. Qualitative and quantitative data are collected via KYS (Know Your Supplier) questionnaires and mineral origin investigation forms to screen upstream suppliers for red flags. Enhanced targeted due diligence is launched once risk alerts are identified, to further assess potential hazards involving human rights infringement, child labor and armed conflict across the supply chain.

The Company rolls out an annual supplier audit program to conduct on-site quality system and ESG assessments covering qualified raw & auxiliary material suppliers as well as newly onboarded vendors. Audit scope spans quality management system, EHS, social compliance (labor standards and business ethics), carbon emission governance and mineral supply chain due diligence. Taking automotive component suppliers as an example, no suppliers with severe quality defects or material adverse social & environmental impacts were identified during the 2025 annual system audit.



BUILDING A GREEN AND SUSTAINABLE SUPPLY CHAIN

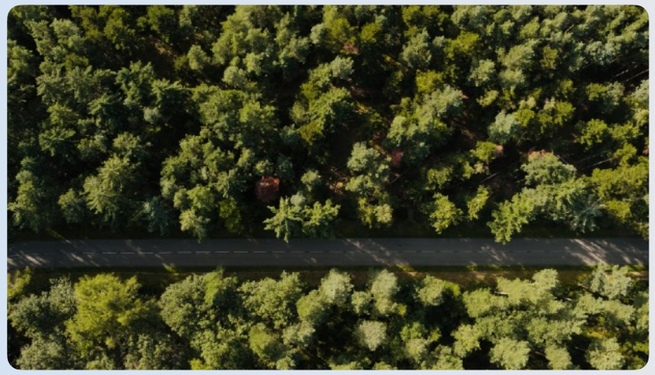
Zhenyu Technology integrates sustainability into the full procurement lifecycle and collaborates with suppliers to elevate overall ESG performance.

Sustainable Procurement Principles & Targets: Our sustainable procurement policy is "to uphold business ethics, promote environmental protection, assume social responsibility, and implement procurement in compliance with laws and regulations." Our targets include having 100% of suppliers sign the Social Responsibility Commitment Letter, and we plan to complete on-site audits of relevant suppliers by 2026.

Supplier Social Responsibility Requirements: In the Sustainable Procurement Management Manual, we have set forth clear requirements for suppliers in the areas of Labor (prohibition of forced labor and child labor, ensuring working hours and wage and welfare benefits, prohibition of discrimination, etc.), Health and Safety, Environment (compliance with regulations, pollution prevention, management of hazardous substances and waste, etc.), and Business Ethics (integrity in business operations, anti-corruption, protection of intellectual property rights, etc.). Suppliers are required to sign the Social Responsibility Commitment Letter, undertaking to comply with relevant standards, laws, and regulations.

Integrating Sustainability into Supplier Management: ESG-related content has been incorporated into supplier introduction, annual audits, and performance assessments. For example, a sustainability survey is required when introducing metal raw material suppliers; the annual audit includes sustainability system content; and the performance assessment includes a sustainable procurement score.

Promoting Responsible Mineral Sourcing: We are committed to addressing the issue of conflict minerals. Starting from the R&D process, we identify and assess whether conflict mineral elements may be present in manufactured and/or sourced products. At the same time, we require our suppliers to conduct due diligence to ensure that the minerals used in our products do not involve financing armed groups in conflict-affected areas.



BUILDING A RESILIENT SUPPLY CHAIN

To ensure the stability and continuity of the supply chain, the Company has implemented strict supplier control and performance management processes.

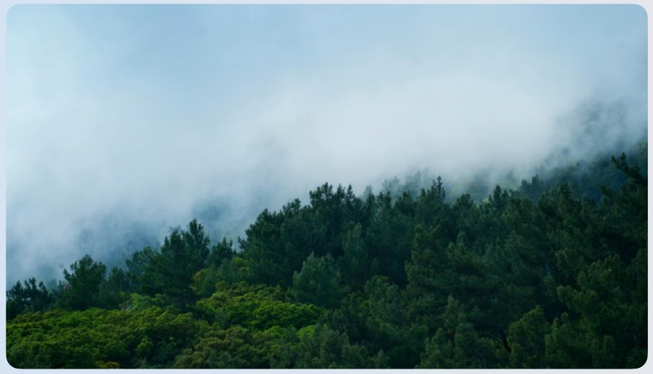
Supplier Full Lifecycle Management: We have established the Supplier Control Procedure, covering supplier selection, evaluation and introduction, quota management, performance management, change management, and elimination, ensuring systematic management of production material suppliers.

Supplier Performance Assessment and Quota Management: We have established a supplier performance assessment system, conducting monthly evaluations of suppliers in areas such as quality, delivery, cost, and responsiveness. The assessment results directly affect supplier ratings (A, B, C, D grades), order quotas, and subsequent cooperation relationships. We implement quota management, dynamically adjusting supply proportions based on supplier performance, with priority given to top-performing suppliers.

Supplier Risk Response and Elimination Mechanism: For suppliers with substandard performance (e.g., D grade for three consecutive months), serious quality issues, or violations of regulations, we take measures such as freezing or elimination. We have also established a blacklist system, under which suppliers involved in bribery, fraud, serious breach of contract, or similar misconduct will be permanently prohibited from future cooperation.

Change Management: We require suppliers to submit a written application and obtain approval in advance for any 5M1E changes (Man, Machine, Material, Method, Environment, Measurement) or changes to basic information, in order to ensure supply stability.

Emergency Preparedness: We require suppliers to develop emergency response plans to address unforeseen events (such as power outages, fires, etc.), ensuring continued supply to the Company's production operations.



COMMUNITY ENGAGEMENT & RURAL REVITALIZATION

PHILOSOPHY & COMMITMENT

Zhenyu Technology recognizes that enterprises serve not only as drivers of economic growth but also as bearers of social responsibility. Proactively responding to China's national Rural Revitalization Strategy and Beautiful China Initiative, the Company prioritizes coordinated development between corporate growth, community wellbeing and balanced regional progress. Within feasible capacity, we advance co-construction and shared benefits for local communities to fuel sustainable regional development.

Philanthropy has been embedded into the corporate culture system, with relevant advocacy and training rolled out across employee recruitment, onboarding and daily work.

EXISTING FOUNDATIONS & PRACTICAL CONTRIBUTIONS

Zhenyu Technology actively fulfills its social responsibilities and is deeply committed to public welfare initiatives. For many consecutive years, the Company has made designated donations of over one million yuan to the Ninghai County Charity Federation. This "drip-feed" approach to charitable giving—rather than sporadic contributions—reflects our philosophy of caring for vulnerable groups and supporting public health and social welfare.

In addition, in the areas of rural revitalization and social welfare, Zhenyu Technology has developed a model that combines "industry-driven" efforts with "philanthropic collaboration." On the one hand, the Company's core industrial investments have directly contributed to local economic development and employment, providing a solid industrial foundation for rural revitalization. On the other hand, the Company has joined forces with professional charitable foundations to carry out initiatives in more specific areas, such as "zero-carbon villages," skills training, and charitable fundraising.

ENVIRONMENTAL PROTECTION AND COMMUNITY RELATIONS

Continuous Improvement of the Community Ecological Environment: Zhenyu Technology places a high priority on the environmental quality surrounding its facilities, implementing high standards in environmental investment, green production, and clean emissions, and continuously improving the community's ecological environment. At the same time, the Company maintains good communication with local governments and community residents, and actively participates in joint social security patrols and emergency response mechanism cobuilding, fostering strong governmentbusiness and communitybusiness synergy.

Partnering with Charitable Foundations to Advance Rural Public Welfare Initiatives: Zhenyu Technology has partnered with the CHINT Charitable Foundation to jointly promote the construction of "China ZeroCarbon Villages" and related rural public welfare initiatives. Through activities such as bringing technology to rural areas and skills training, the Company aims to boost rural employment, increase farmers' income, consolidate poverty alleviation achievements, and leverage the strengths of social organizations to coordinate with various stakeholders, while also collaborating with other qualified public fundraising organizations to raise donations to address local needs.

Localized Procurement and Industrial Synergy Driving Local Industrial Upgrading: The Company actively pursues a supply chain localization strategy, giving priority to local partners in equipment, logistics, auxiliary materials, and other areas. This approach has stimulated the growth of surrounding small and mediumsized enterprises and the service sector, contributed to the development of industrial clusters, and enhanced local economic vitality and industrial resilience. In Ninghai County, the Company has invested in a project with an annual production capacity of 900 million units of new energy power lithiumbattery top covers, with a total investment of RMB 1.6 billion and covering an area of 238 mu. The implementation of this project represents a critical step in Ninghai County's efforts to accelerate the development of its "solar + energy storage" industry chain, advancing the industry from small to large scale and from lower to higher valueadded levels.

Supporting Local Economic Development and Rural Revitalization through Industrial Investment: Through its largescale industrial investments in Ninghai County, Zhejiang Province, Zhenyu Technology has objectively provided industrial support for local economic development and rural revitalization.

EMPLOYMENT STABILITY AND REGIONAL ECONOMIC IMPACT

Through its industrial investments, Zhenyu Technology drives regional economic development and provides the economic foundation and industrial environment for community cultural revitalization. The Company operates multiple production bases across the country, consistently offering quality job opportunities to local residents over the long term, with priority given to local hires, thereby enhancing employment stability and income growth for surrounding communities. At the same time, the Company's ongoing investments in compensation, employee training, and safety have effectively improved overall employee well-being, indirectly contributing to the stability and harmony of the communities in which it operates.

UPHOLDING SOCIAL RESPONSIBILITY, BUILDING A BEAUTIFUL CHINA TOGETHER

As Zhenyu Technology continues to grow, we will progressively expand our social value dimensions and advance the strategic deployment of rural revitalization and community engagement:

- Continue to explore an "Industry + Rural" synergy path: Leveraging our core strengths in new energy vehicles and lightweight component manufacturing, we will seek collaborative opportunities aligned with local industrial policies, and participate in rural industrial development and green energy transition initiatives.
- Establish a philanthropic collaboration mechanism: We plan to set up dedicated charitable funds or employee volunteer service programs to encourage employees to participate in community environmental protection, educational support, assistance for vulnerable groups, and other public welfare projects.
- Participate in regional talent support initiatives: We will strengthen cooperation with local technical and vocational schools to help cultivate local skilled talent and enhance the employability of rural youth.
- Respond to local government "Government-Enterprise Co-construction" initiatives: We will actively participate in grassroots development projects such as community facility renovation, cultural co-construction, and environmental awareness campaigns, to enhance the integration and mutual benefit between the Company and the communities it serves.

Zhenyu Technology will continue to leverage its industrial driving force as a manufacturing enterprise, promoting community wellbeing through steady development, serving national strategic initiatives through technological innovation, and contributing corporate strength to the achievement of regional coordinated development and rural revitalization goals.

GOVERNANCE CHAPTER

LEAN GOVERNANCE FOR STEADY & SUSTAINABLE GROWTH

At Zhenyu Technology, "Lean Governance" stands for not only standardized operation of sustainable management systems, but also in-depth implementation at the strategic decision-making level. The Company positions ESG as its top business principle and integrates ESG requirements into every link of corporate decision-making and daily operations. We have built a standardized corporate governance framework featuring well-defined rights and responsibilities and coordinated operation, alongside a Strategy & ESG Committee directly reporting to the Board of Directors. This mechanism embeds ESG into corporate strategy to enable full implementation of sustainability targets, turning refined governance into solid driving force for corporate growth.

"Sustainable long-term development" is underpinned by unwavering commitment to integrity, transparency and risk management. The Company strictly abides by business ethics with zero tolerance for fraud, delivering 100% full-staff training on compliance and anti-corruption. Amid volatile global market conditions, robust internal control systems and prudent hedging strategies continuously strengthen our risk resilience and safeguard legitimate interests of all shareholders, especially minority investors. We firmly believe that transparency and trust built upon lean governance enable the Company to navigate economic cycles steadily toward its goal of becoming a globally leading enterprise.



SUSTAINABILITY GOVERNANCE

BOARD GOVERNANCE

Against the backdrop of global industrial transformation toward low-carbon and digital development, Zhenyu Technology demonstrates outstanding strategic foresight. In compliance with the SZSE Self-Regulatory Guidance No.17 – Sustainable Development Report (Trial Implementation), the Company completed institutional top-level design in 2025 and accomplished a governance shift from passive compliance to proactive strategic leadership. The development of ESG governance framework is prioritized as a core initiative to build long-term competitive moat.

BOARD MEMBERS

In accordance with the Company Law of the People's Republic of China, Guidelines for the Articles of Association of Listed Companies and relevant regulatory provisions, and based on business reality, the Company has restructured its Board of Directors to refine corporate governance, improve board diversity and professionalism and strengthen governance robustness:

- The board size is expanded from 9 to 11 directors to further diversify expertise and composition.
- Independent directors rise from 3 to 4, accounting for over one-third of total board seats, with at least one accounting specialist to reinforce independent oversight and professional advisory functions.
- One employee representative director is appointed for the first time, reflecting the Company's commitment to employee participation in corporate governance.

BOARD GOVERNANCE STRUCTURE

2025 marks a pivotal year for Zhenyu Technology to deepen governance reform and comprehensively upgrade its sustainability governance. The Board has carried out substantial adjustments to organizational structure, board composition, duty performance and internal bylaws, aiming to embed ESG philosophy deeply into the Company's core decision-making system. Independent directors are empowered to exercise robust supervisory functions. Per the Working Rules for Independent Directors, they are required to possess professional competence to assess risks concerning climate change, circular economy, energy management and supply chain ESG issues. When reviewing material resolutions, independent directors conduct forward-looking evaluation of environmental and social impacts to guard against greenwashing risks and help the Company deliver on social responsibility commitments.

Disclosure Item	Unit	2023	2024	2025
Number of Board of Directors Meetings	Times	13	11	8
Number of Board of Supervisors Meetings	Times	10	7	6
Number of Strategy & ESG Committee Meetings	Times	6	2	2
Number of Audit Committee Meetings	Times	6	6	6
Number of Nomination Committee Meetings	Times	0	3	1
Number of Remuneration & Assessment Committee Meetings	Times	2	3	4

Note: Resumes of executive and independent directors are detailed in the 2025 Annual Report of Ningbo Zhenyu Technology Co., Ltd.

To strengthen oversight over the Board's performance of duties, the Company revised the Articles of Association of Zhenyu Technology in 2025. The revised rules stipulate that any director who fails to attend two consecutive Board meetings in person without appointing a proxy shall be deemed incapable of fulfilling their obligations, and the Board shall propose to the shareholders' meeting for such director's removal. During the reporting period, the Board satisfactorily performed its duties by complying with regulatory requirements and advancing the Company's ESG governance and performance.

Directors are appointed and removed in strict accordance with the Articles of Association to ensure the Board effectively exercises its authority over material corporate decisions and operational management.

The Company has put in place a formal Board performance evaluation system to regularly assess individual directors and sustain effective board governance. The Board or its Remuneration & Assessment Committee oversees performance appraisal for directors and senior management; external third-party evaluators may also be engaged for the assessment. Independent directors are reviewed via self-evaluation and peer review. All board members undergo annual performance reviews to secure overall board effectiveness.

Four specialized committees operate under the Board: the Strategy & ESG Committee, Audit Committee, Remuneration & Assessment Committee and Nomination Committee. As dedicated functional bodies of the Board, these committees conduct research, review specialized matters and submit advisory proposals. They report directly to the Board, providing key findings and recommendations to support the Board's decision-making.

AUDIT COMMITTEE

The Audit Committee reviews financial information, oversees and evaluates audit activities and internal controls, and has fully assumed the statutory functions of the Board of Supervisors as stipulated under the Company Law starting from 2025

Composition

The Committee consists of three directors who hold no senior management positions within the Company, with independent directors accounting for a majority. The committee chair must be an independent director with professional accounting expertise.

Core Responsibilities

- Financial Review: Examine corporate financial information and relevant disclosures, and conduct pre-review of financial data contained in periodic reports.
- Audit Administration: Propose the appointment or dismissal of external accounting firms responsible for the Company's audit engagements; supervise and assess internal and external audit performance.
- Internal Control: Review internal control evaluation reports and supervise the work of the internal audit department.
- Other Functions: Submit proposals for the appointment or removal of the Company's Chief Financial Officer and participate in performance appraisal of the head of internal audit.

REMUNERATION AND ASSESSMENT COMMITTEE

The Audit Committee reviews financial information, oversees and evaluates audit activities and internal controls, and has fully assumed the statutory functions of the Board of Supervisors as stipulated under the Company Law starting from 2025

The Remuneration and Assessment Committee is tasked with establishing scientific and effective incentive & restraint mechanisms and standardizing remuneration governance for directors and senior management.

Composition

Independent directors constitute a majority of the Committee and appoint the committee chair.

Core Responsibilities

- Criteria Formulation: Draft and review performance assessment standards as well as remuneration policies and packages for directors and senior management.
- Proposal Submission: Put forward proposals to the Board regarding remuneration, equity incentive plans, employee stock ownership plans and subsidiary shareholding schemes for directors and senior management.
- Review Function: Examine remuneration policies and proposals for the Company's management to ensure compensation packages align with corporate business strategies.

NOMINATION COMMITTEE

The Nomination Committee formulates selection criteria and screens candidates for core management positions.

Composition

Independent directors account for a majority and appoint the committee chair.

Core Responsibilities

- Criteria Formulation: Develop selection standards and procedures for directors and senior management.
- Qualification Vetting: Screen and verify the eligibility of director nominees and senior management candidates.
- Nomination Proposal: Recommend to the Board the appointment or removal of directors and the hiring or dismissal of senior management.

REMUNERATION AND ASSESSMENT COMMITTEE

To refine the sustainability framework and deliver green and sustainable business targets by embedding environmental protection and social responsibility into corporate governance, the Board resolved in October 2025 to restructure the former Strategy & Decision-making Committee into the Strategy & ESG Committee.

Composition

The Committee comprises three directors including no fewer than one independent director. Members are nominated by the Chairman, over half of independent directors or one-third of all directors, then elected by the Board. Currently, Mr. Jiang Zhenlin serves as Committee Chairman.

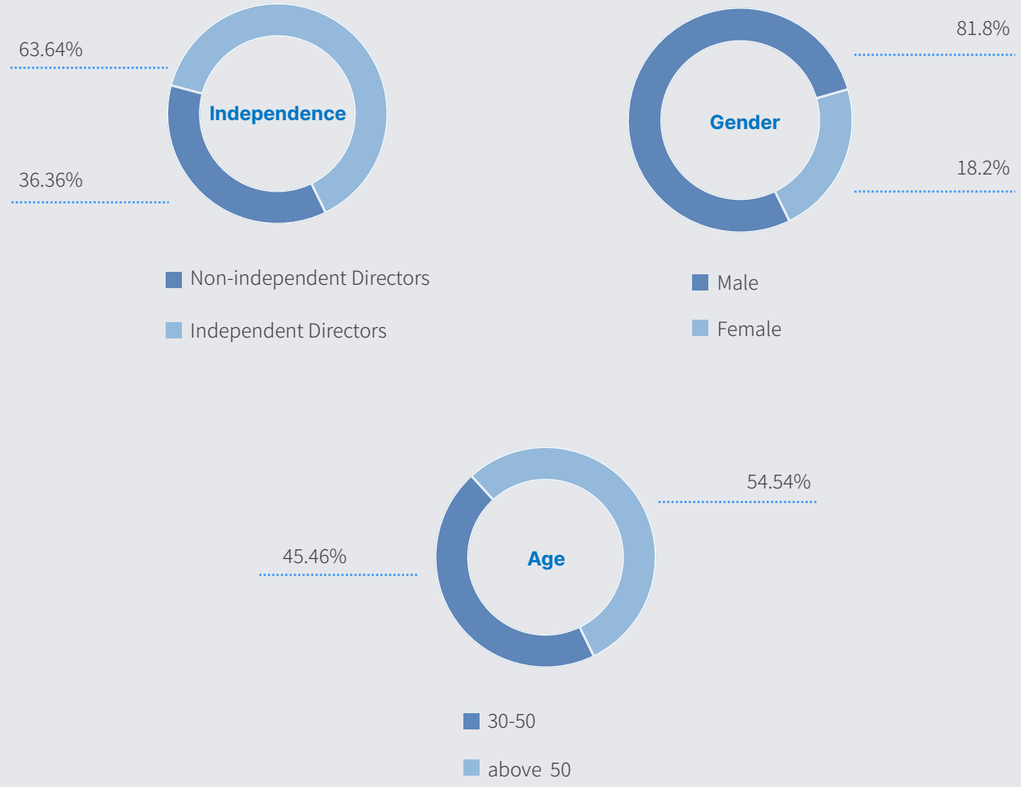
Core Responsibilities

- Strategy Research: Conduct research and put forward proposals on long-term corporate development strategy, major investment & financing plans, significant capital operations and asset management projects.
- ESG Administration: Formulate and periodically review ESG policies, strategies and governance framework; identify and evaluate ESG risks and opportunities; prioritize material ESG topics relevant to the Company.
- Other Mandates: Promote the Company's compliance management and supervise implementation progress of above-listed matters.

BOARD DIVERSITY

Zhenyu Technology attaches great importance to the role of diversified board membership in sound corporate governance and effective board operation. The Company has formulated a formal Board Diversity Policy setting out guiding principles to foster board diversification, ensuring the Board is equipped with appropriate expertise, practical experience and diverse perspectives matching the Group's business requirements.

When structuring the board composition, the Board and Nomination Committee evaluate diversity across multiple dimensions including without limitation gender, age, cultural and educational background, professional experience, expertise and knowledge. Our directors boast industry-specific competencies aligned with corporate operations, strategic development, risk management and business administration, spanning manufacturing, risk control, finance, technology and other sectors. Such diversified expertise enables efficient decision-making and proper responses to concerns and expectations from all stakeholders. All board appointments follow a merit-based recruitment principle; candidates are assessed against objective criteria with full consideration of the benefits brought by board diversity.



ESG GOVERNANCE

Zhenyu Technology firmly believes that sound governance serves as the fundamental underpinning for sustainable development. Aligned with global low-carbon transition trends and China's national Dual Carbon Initiative and Beautiful China Strategy, the Company has systematically revamped top-level institutional design to embed environmental, social and governance (ESG) deeply into corporate strategy. Beyond short-term financial performance, we strive to build a transparent, accountable and forward-looking governance ecosystem that delivers long-term value to all stakeholders including shareholders, employees and business partners.

INSTITUTIONAL SAFEGUARD: ESTABLISHMENT OF THE STRATEGY & ESG COMMITTEE

To optimize corporate governance, improve professionalism in material decision-making, upgrade ESG management capabilities, strengthen core competitiveness and sustainability, and mitigate strategic and investment risks, the Board of Directors restructured the former Strategy & Decision-making Committee into the Strategy & ESG Committee in October 2025. The Board Chairman serves as the committee chair, and the Working Rules of the Strategy & ESG Committee has been formally enacted. This restructuring elevates ESG matters to the highest corporate decision-making tier, consolidates the strategic importance of ESG and formalizes the Company's dedicated sustainability governance framework.

Strategy & ESG Committee

Core Responsibilities: Formulate and review the Company's ESG management policies, strategies and governance framework; identify and assess ESG risks and opportunities; identify and prioritize material impacts arising from business operations; conduct standardized, comprehensive and professional deliberations on major strategic adjustments and investment strategies; conduct preliminary reviews of key investment proposals and follow up on material investment decisions.

Governance Structure: The Committee consists of three members nominated by the Chairman, more than half of independent directors or one-third of all directors, and elected by the Board of Directors, including no fewer than one independent director. One chairperson is appointed to convene and preside over committee meetings.

Note: For detailed responsibilities, please refer to the Working Rules of the Strategy & ESG Committee.

Based on the above setup, the Company has established a three-tier ESG governance system covering decision-making level, executive level and implementation level. The Company thoroughly implements ESG principles to advance high-quality sustainable development and collaborates across departments to foster green growth. This three-layer framework forms a closed-loop ESG governance mechanism under direct Board oversight, professional committee review and functional department execution, laying institutional foundations for the Company's long-term competitiveness within global green supply chains.

Decision-Making Tier

Strategy & ESG Committee

As the highest decision-making body of the Committee, it oversees system-wide operation and guides & supervises overall ESG management.

Formed in line with the Company's board structure and strategic development needs, the Committee consists of members from the Strategy & ESG Committee. The former chair and members of the original Strategy & Decision-making Committee continue their appointments until the expiry of the 5th Board term, ensuring top-level strategic alignment and centralized resource coordination for corporate ESG initiatives.

Chaired by the Company's Board Chairman, the Strategy & ESG Committee administers daily operations, cross-department collaboration and ESG disclosure management. Serving as the core steering body for sustainability, it undertakes the following core mandates covering overall corporate sustainable development:

- Review & Approval of Strategic Planning: Examine and approve corporate sustainable development strategies, guide the formulation of annual sustainability action plans, define responsibilities and targets for the dedicated sustainability office, and allocate corresponding resources.
- Cross-functional Coordination: Manage cross-office and cross-department sustainable development projects, resolve resource conflicts, and facilitate experience sharing and collaborative innovation across functional offices and production sites.
- Performance Review & Strategic Adjustment: Regularly evaluate implementation outcomes of sustainability strategies, analyze root causes of execution gaps, and decide on strategic revisions and optimization measures.

Executive Tier

Sustainable Development Office

Responsible for daily ESG operation, coordination and supervision to deliver practical ESG initiatives.

It is headed by one director, with core members comprising department heads from Human Resources, Operations, Legal Affairs, Procurement, Sales and other functions to enable cross-field collaboration.

Serving as the core implementation hub for sustainability management, the Sustainable Development Office fulfills segmented duties across E, S and G pillars as set out below:

Environmental (E) Responsibilities

- Coordination with on-site production & General Administration: Define energy consumption and pollutant emission benchmarks for each production process; supervise compliance of wastewater, waste gas and solid waste disposal; drive adoption of eco-friendly production technologies including energy-saving equipment and clean energy applications.
- Energy management deployment: Build real-time energy consumption monitoring system across departments and production lines; formulate energy conservation plans and roll out efficiency initiatives such as energy-saving campaigns and equipment retrofits to cut energy intensity per unit output.
- Carbon emission governance: Lead establishment of corporate carbon accounting framework, organize cross-departmental carbon data collection and calculation; advance decarbonization projects including onsite PV construction and carbon sink cooperation; connect with external carbon trading markets to facilitate corporate carbon credit transactions.

Social (S) Responsibilities

- Partnership with HR Department: Improve employee protection systems covering labor contracts, compensation & benefits and occupational health & safety; develop sustainability training courses to lift staff environmental awareness and social responsibility; conduct employee satisfaction surveys, resolve staff concerns and optimize working conditions and welfare packages.
- Cooperation with Procurement Department: Collaborate with the Procurement team to develop a supplier ESG evaluation system for auditing suppliers' environmental performance and social responsibility compliance. Drive continuous sustainability improvements among suppliers, including adoption of eco-friendly raw materials and improved labor conditions. Deliver supplier sustainability training and build a dedicated communication platform to advance coordinated green development across the industrial chain.

- Coordination with Sales Department: Support green marketing initiatives to promote the Company's sustainability philosophy and eco-friendly product features for brand enhancement. Collect customer demands and feedback on sustainable products and forward relevant input to R&D and Production teams to facilitate product optimization. Organize corporate social responsibility programs such as community assistance and charitable donations to strengthen stakeholder engagement with local communities.
- Community Relations Management: Establish regular communication channels with neighboring communities to address local concerns including environmental footprint and employment access. Host joint community development activities such as onsite environmental outreach campaigns and public facility maintenance to foster harmonious coexistence between the Company and surrounding communities.

Governance (G) Responsibilities

- Collaboration with Legal Department: Sort out laws, regulations and policy requirements relating to sustainable development together with Legal, to ensure full compliance of corporate operations; assist in resolving legal disputes and compliance risks arising from sustainability practices.
- Communication with the Board and Management: Periodically report sustainability progress to the Board and senior management covering strategy execution, project rollout and performance outcomes; flag existing challenges and propose improvement proposals to support management decision-making.
- Information Disclosure Management: Collect, organize and analyze corporate sustainability data, compile the ESG report in line with applicable standards, coordinate cross-departmental data submission to guarantee report authenticity, accuracy and completeness; advance transparent ESG disclosure to lift corporate transparency and credibility.

Implementation Tier	
Sustainable Development Implementation Team	Focused on task execution across Environment (E), Social (S) and Governance (G) pillars. Composed of staff from Group functional departments plus General Administration, Equipment and Production teams at all sites under Mould Division, Lithium Battery Division and Motor Core Division, the team carries out frontline implementation per directives issued by the Sustainable Development Office.

As the on-site execution arm for sustainability:

- Fully deliver E-related tasks including on-site environmental controls, energy monitoring & conservation activities and carbon emission data collection.
- Support S-related initiatives such as employee training, supplier engagement, green marketing rollout and community event delivery.
- Assist G-related progress by supplying frontline operational data to underpin ESG disclosure preparation.
- Timely feed-back on implementation obstacles to inform the Office's process optimization.

INSTITUTIONAL SAFEGUARD: ESTABLISHING A STANDARD CORPORATE GOVERNANCE SYSTEM WITH BALANCED RIGHTS & RESPONSIBILITIES AND COORDINATED OPERATION

2025 marks a pivotal year for the Company to consolidate its governance foundation. During the reporting period, the Company formulated and revised a raft of core governance rules to provide robust institutional support for the delivery of ESG strategies.

The Company amended its Articles of Association in October 2025, alongside a suite of supplementary governance documents formulated or updated at the Board level as below:

No.	Regulation Name	Type
1	Rules of Procedures for the Shareholders' Meeting	Revised
2	Rules of Procedures for the Board of Directors	Revised
3	Working Rules for Independent Directors	Revised
4	External Guarantee Administration Rules	Revised
5	Related-Party Transaction Administration Rules	Revised
6	Measures for the Administration of Raised Funds Utilization	Revised
7	Detailed Implementation Rules for Cumulative Voting System	Revised
8	Financial Management Rules	Revised
9	Internal Audit Rules	Revised
10	Administrative Rules for Controlled Subsidiaries	Revised
11	Remuneration Administration Rules for Directors and Senior Management	Newly Formulated
12	Working Rules for the Secretary of the Board of Directors	Revised
13	Working Detailed Rules for the General Manager	Revised
14	Information Disclosure Administration Rules	Revised
15	Administration Rules for Insiders with Access to Inside Information	Revised
16	Administration Rules for Commodity Futures & Options Hedging Business	Revised
17	Investor Relations Administration Rules	Revised
18	Internal Reporting Rules for Material Undisclosed Information	Revised
19	Engagement Rules for Accounting Firms	Revised
20	Working Detailed Rules for the Audit Committee	Revised
21	Working Detailed Rules for the Strategy & ESG Committee	Revised
22	Market Value Management Rules	Newly Formulated
23	Administration Rules for Suspension or Exemption of Information Disclosure	Newly Formulated
24	Separation Administration Rules for Departing Directors and Senior Management	Newly Formulated
25	Administration Rules on Shareholdings and Changes Held by Directors and Senior Management	Newly Formulated

ASSESSMENT AND INCENTIVE MECHANISM FOR SUSTAINABLE DEVELOPMENT GOALS

SUSTAINABLE DEVELOPMENT GOALS & IMPLEMENTATION ROADMAP

As Zhenyu Technology expands its business footprint, the Company actively aligns with China's Dual Carbon Strategy to deliver premium products alongside sustainable growth. The Sustainable Development Master Plan has been formulated with defined sustainability targets and implementation pathways, including ambitious green and low-carbon objectives set out below:

- Energy Transition: Using 2021 as the baseline, lift renewable energy penetration to 60% by 2025 and reach 100% by 2030.
- Climate Action: Peak carbon emissions by 2030 and achieve full carbon neutrality across production operations by 2050, with annual carbon intensity reduction targets set per unit of finished product.
- Compliance & Safety: Secure 100% compliant discharge of waste water, waste gas and solid waste; ensure 100% lawful disposal and transfer of hazardous solid waste; eliminate child labor with zero recorded child labor incidents; strive for zero major workplace safety incidents and zero severe environmental pollution accidents.
- Supply Chain Management: Complete 100% sustainability system audit coverage for all suppliers by 2030.
- Business Ethics: Maintain zero complaints related to business ethics violations.

SUSTAINABLE DEVELOPMENT PERFORMANCE ASSESSMENT

To strengthen ESG implementation, the Company has gradually incorporated ESG metrics into the performance appraisal system for middle and senior management, covering the following aspects (among others):

- Compliance status of key emission indicators
- Improvement in resource utilization efficiency
- Control over workplace safety incidents
- Employee satisfaction level
- Compliance and timeliness of information disclosure

To continuously upgrade directors' expertise in sustainability governance, the Company arranges training sessions featuring external expert sharing on regulatory requirements for sustainable development, climate change and related topics, equipping directors with specialized know-how for informed decision-making and oversight over sustainability matters. Meanwhile, sustainability-related KPIs are linked to the remuneration of executive directors and senior management to incentivize and reward their contributions to ESG governance.

Going forward, the Company will further explore integrating climate and environmental performance into long-term incentive schemes tied to corporate strategic targets.



ANTI-CORRUPTION AND ANTI-BRIBERY

Upholding the business philosophy of integrity, self-discipline and full compliance, Zhenyu Technology adopts a zero-tolerance stance to comprehensively mitigate bribery and corruption risks. The Company has formulated the Integrity Management System, positioning anti-corruption as a core pillar of corporate governance to ensure robust and enforceable control mechanisms.

The system defines high-risk anti-fraud areas, critical business links and institutional responsibilities for anti-corruption oversight. Multiple anonymous reporting channels are in place to guarantee accessible whistleblowing. All submissions are handled confidentially by the disciplinary inspection team in accordance with standardized procedures to protect informants from retaliation. Confirmed violations are referred to judicial authorities for legal disposition. As of the end of the reporting period, no pending corruption litigation existed, demonstrating effective enforcement and authoritative deterrence of relevant rules.

For institutional governance, aligned with international best practices and domestic regulatory requirements, the Company keeps updating core policies including the Anti-Bribery Policy, Whistleblower Policy and Disciplinary Measures for Employee Violations. Clear punitive clauses cover illegal kickbacks, embezzlement and abuse of power, with regular effectiveness reviews to align the compliance framework with business expansion.

From audit and risk control perspectives, anti-corruption is prioritized in internal audit activities to build a full-cycle oversight loop covering pre-approval, in-process monitoring and post-event auditing. The audit department carries out targeted annual reviews focusing on high-risk segments such as capital-intensive businesses, related-party transactions, procurement and bidding. Suspicious findings trigger immediate investigation, and verified misconduct leads to formal accountability procedures.

Thanks to the above governance frameworks and operational practices, Zhenyu Group recorded zero corruption lawsuits and zero major bribery incidents in 2024. Committed to fostering a transparent, fair and ethical operating environment, the Group continues to strengthen compliance culture, institutional refinement and execution supervision for holistic anti-corruption governance, consolidating solid foundations for long-term sustainable development.

INTEGRITY TRAINING

Zhenyu Technology organizes dedicated integrity training sessions on a quarterly basis to disseminate the Group's integrity management system. Centered on integrity and good faith, the system specifies baseline ethical requirements for all departments and staff as well as disciplinary measures for violations, enabling employees to follow clear codes of conduct and standardized procedures.

The Company selects typical internal and external violation cases prevalent among private enterprises for in-depth review. By presenting real-life consequences of corrupt conduct, the training alerts employees that graft and corruption ruin not only personal careers but also family well-being and personal freedom. Root-cause analysis of irregularities highlights the necessity of ethical compliance, helping staff foster integrity values and strengthen self-discipline against corruption to sustain a sound ethical corporate ecosystem.

Most misconduct stems from unchecked greed and flawed personal values that deviate from ethical norms. Designed to address such root spiritual risks, integrity training reinforces core institutional rules and behavioral red lines, ensuring all corrupt practices face rigorous punishment.

Culture nurtures virtue and integrity shapes professionalism. Interactive training connects frontline, middle-management and high-risk-position employees. Participants gain direct awareness of severe fallout from unethical behaviors and sharpen compliance awareness for daily work. As part of Zhenyu, every employee shall abide by integrity commitments while fulfilling job responsibilities, being accountable to the Company, clients and themselves. Going forward, staff will lead by example, embed integrity into mindset and daily practice, and translate ethical values into concrete actions.

INTEGRITY PROMOTION

The Company disseminates its integrity policies to employees, suppliers and other stakeholders via the official WeChat account Lianjie Zhenyu, using online video courses and case studies to roll out compliance requirements.

Signage is posted across office premises including lobby, elevator corridors and desk reminder cards in meeting rooms to publicize integrity standards, helping stakeholders stay updated on relevant policies with multiple feedback avenues available.

Integrity Feedback Channels

In compliance with applicable laws and internal regulations, Zhenyu Technology has set up diversified reporting channels for timely submission and whistleblowing on integrity-related irregularities.

REPORTABLE INCIDENTS SCOPE

1. Acceptance of bribes or private banquets/expense receptions from business partners, abuse of power for personal gain, embezzlement or misappropriation of corporate assets
2. Delayed work, buck-passing, perfunctory performance and dereliction of duty at work
3. Wasteful, unreasonable or unfair operational practices
4. Any acts in violation of clauses stipulated in the Company's Integrity Management System

WHISTLEBLOWING CHANNELS

Mobile / SMS: 13396668118; QQ: 3104274609

WeChat ID: ZYlianjie; WeChat Official Account: ZYlianjie1994

Email: ZYlianjie@163.com; DingTalk Mailbox: ZYlianjie@zygroup1994.com

Postal Address: President Audit Department, 15/F, Zhenyu Technology Headquarters, No.6 Dongnan Road, Southern Binhai New Town, Ninghai County, Ningbo City

Postal Code: 315600

FAIR COMPETITION

Adhering to the core business tenets of integrity and fair dealing, Zhenyu Technology strictly complies with the Anti-Unfair Competition Law of the People's Republic of China, Anti-Monopoly Law and other applicable laws and regulations. The Company safeguards a fair, impartial and open marketplace across global operations and strives to build a transparent, standardized and responsible commercial ecosystem.

A comprehensive compliance framework has been established covering unfair competition prevention, information disclosure, related-party transactions, fair procurement and anti-fraud whistleblowing. All employees, suppliers and business partners are required to sign code-of-conduct commitment letters to abide by fair competition principles throughout commercial activities.

HONEST TRANSACTION & TRANSPARENT OPERATION

The Company upholds the highest integrity standards across all businesses with a zero-tolerance policy against all forms of commercial bribery, corruption, extortion and fund misappropriation. Direct or indirect provision, grant or acceptance of improper benefits via third parties constitutes a serious disciplinary breach subject to legal liability. All transactions are faithfully recorded in books and contracts for full traceability and verification.

FAIR COMPETITION SCREENING WITHIN SUPPLY CHAIN

Unfair competition is classified as a key governance risk and embedded into the Supply Chain ESG Risk Identification Procedures. During supplier qualification assessments, the Company screens for monopolistic conduct, illegal price-fixing and predatory market exclusion against competitors.

INFORMATION DISCLOSURE REGIME

In strict compliance with the Company Law, Securities Law, Rules Governing Information Disclosure by Listed Companies and relevant regulatory requirements, the Board Secretary's Office centrally administers disclosure to guarantee truthful, accurate, complete and equitable information release. Internal rules including the Information Disclosure Management Rules, Insider Information Recipient Administration Rules and Investor Relations Management Rules safeguard equal information access for investors and mitigate information asymmetry and insider trading risks.

RESPECT FOR INTELLECTUAL PROPERTY & CUSTOMER PRIVACY

Zhenyu Technology respects and safeguards the intellectual property rights of all partners, clients and itself, and firmly opposes unauthorized infringement and counterfeiting. All technology licensing and drawing sharing activities are carried out in full legal compliance, with confidentiality agreements executed to formalize obligations for protecting confidential business information.

The Company implements comprehensive customer data privacy controls to eliminate unauthorized information leakage throughout product development, after-sales service and supply chain collaboration.

FAIRNESS AND REVIEW MECHANISM FOR RELATED-PARTY TRANSACTIONS

To ensure open and fair related-party transactions, the Company has formulated the Related-Party Transaction Management Rules, specifying transaction approval limits, pricing mechanisms, pre-review procedures by independent directors and disclosure obligations for material transactions. All material related-party transactions undergo prior examination by independent directors to comply with arm's-length market standards and avoid improper benefit transfer or infringement upon minority shareholders' interests.

ANTI-FRAUD SYSTEM AND WHISTLEBLOWER PROTECTION MECHANISM

Zhenyu Technology implements the Integrity Management System to identify fraud vulnerabilities across high-risk links including procurement, bidding, financial fund management and market expansion. A full-cycle closed-loop management covering fraud reporting, investigation, sanctioning and remediation has been established. Anonymous reporting channels via hotline, email and digital platforms are available, with formal commitments to strictly protect whistleblowers' identities and eliminate retaliation.

Going forward, Zhenyu Technology will continuously refine its fair competition governance system, scale up compliance training and conduct oversight over employees and suppliers, foster a rule-abiding business environment, and earnestly fulfill corporate sustainability commitments.

KPIS FOR ANTI-FRAUD & FAIR COMPETITION

Item	Unit	Value
Confirmed corruption incidents	Case	0
Confirmed incidents resulting in employee dismissal or disciplinary sanction due to corruption	Case	0
Confirmed incidents leading to termination / non-renewal of business partner contracts over corruption violations	Case	0
Staff coverage rate of business ethics & anti-corruption training	%	100
Management coverage rate of business ethics & anti-corruption training	%	100
Business partner coverage rate of business ethics & anti-corruption training	%	100
Compliance training sessions for directors	Session	Once per annum
Compliance training sessions for employees	Session	Irregularly arranged
Material compliance violations	Case	—
Cases involving unfair competition or monopolistic practices	Case	None occurred

PROTECTION OF SHAREHOLDERS' RIGHTS AND INTERESTS

INVESTOR RELATIONS MANAGEMENT

In strict compliance with the Company Law of the People's Republic of China, Securities Law of the People's Republic of China, SZSE Self-Regulatory Guidance No.2 – Standardized Operation of ChiNet Listed Companies, Guidelines for Investor Relations Management of Listed Companies and the Company's Articles of Association, the Company has formulated the Investor Relations Management Rules to administer investor relations work. Such practices safeguard investors' right to know about and participate in material corporate matters, protect the interests of minority shareholders and deliver sustainable reasonable investment returns.

The Company attaches high importance to investor communication and has built diversified communication channels including shareholders' meetings, performance briefings, investor site visits, routine emails and telephone enquiries to maintain effective dialogue with shareholders and investors and improve corporate transparency.

All shareholders' proprietary rights are fully respected and protected. The Company convenes regular general shareholders' meetings in accordance with the Articles of Association and Rules of Procedures for the Shareholders' Meeting, enabling shareholder participation in voting on major corporate matters prescribed by laws, administrative regulations and internal governance documents. Convenient voting arrangements are provided for minority shareholders to ensure equal rights.

To secure shareholders' right to information, the Company fulfills statutory disclosure obligations by releasing true, accurate, complete and timely corporate information. Sufficient and effective communication is maintained with concerned investors to deepen corporate recognition and build sound long-term investor interaction.

Timely corporate updates are published via the official website, alongside regular engagement through the Shenzhen Stock Exchange interactive platform, investor hotline, dedicated investor mailbox, on-site roadshows and earnings presentations, with careful collection of investor feedback and suggestions.

To standardize related-party transactions, reduce unnecessary connected dealings and prevent controlling shareholders, de facto controllers, directors, supervisors and senior management from damaging corporate and minority shareholder interests via improper related-party deals, the Company has enacted a complete set of internal rules covering the Articles of Association, meeting procedural rules and the Related-Party Transaction Management Rules. Detailed clauses govern transaction scope, review procedures, disclosure requirements and recusal arrangements to guarantee fair decision-making for all shareholders.

All related-party transactions executed during the reporting period arise from routine production and business development, follow arm's-length market pricing principles with reasonable valuation, and have gone through required approval and disclosure formalities. Independent directors and sponsor institutions have issued favorable verification opinions, and no improper related-party arrangements that prejudice the Company or minority shareholders have occurred.

INSIDE INFORMATION MANAGEMENT

For inside information administration, the Company strictly complies with Listed Company Regulatory Guidance No.5 – Administrative Rules for Registration of Persons with Access to Inside Information of Listed Companies.

It enforces strict confidentiality of inside information, completes the filing of the Register of Persons with Access to Inside Information, and submits required filings to competent regulatory authorities as stipulated.

RETURNS TO SHAREHOLDERS

In strict accordance with the Company Law, Securities Law, SZSE ChiNext Listing Rules, relevant regulatory provisions and the Company's Articles of Association, the Company convenes general shareholders' meetings legally and adopts online voting to safeguard minority shareholders' legitimate rights and interests. Meanwhile, the Company prioritizes investor relations management and responds promptly to investor inquiries via on-site visits, the SZSE Interactive Platform, telephone and email to guarantee shareholders' right to access information on material corporate developments.

Zhenyu Technology attaches great importance to investor protection and has built a sound governance framework to ensure timely and complete information disclosure for investors' informed decision-making. In 2025, the Company formulated the profit distribution policy under the Three-Year Shareholder Return Plan (2025–2027) to boost shareholder returns, ensure fair treatment of minority shareholders and enable all shareholders to share the Group's operating gains.

Committed to reasonable dividend distribution, the Company has paid annual cash dividends based on annual operating performance ever since its IPO to reward shareholders consistently.

By pursuing steady business growth to elevate intrinsic corporate value, the Company delivers sustainable long-term investment value for shareholders and enhances investor returns via regular cash dividend payouts.

KEY PERFORMANCE INDICATORS

During the reporting period:

No cases

were identified where insiders with access to inside information traded the Company's shares by taking advantage of undisclosed inside information.

During the reporting period:

No improper related-party transactions

that harm the interests of the Company's shareholders (especially minority shareholders) occurred.

Based on the total share capital on the record date for profit distribution less treasury shares held in the Company's dedicated repurchase securities account:

The Company distributed a pre-tax cash dividend of **RMB 3.0 per 10** existing shares to all shareholders, with zero stock dividend payout. In addition, the Company issued **4** new shares for every 10 existing shares via capital surplus capitalization.

KEY DATA SUMMARY TABLE

LABOR EMPLOYMENT

Indicator	Unit	2024	2025
Total number of employees	Person	5,684	6,060
Labor contract signing rate	%	100%	100%
Human rights infringement lawsuits	Case	0	0
New jobs created	Person	1,305	1,249
Among Them			
Headcount of parent company at period-end			745
Headcount of major subsidiaries at period-end			5,315
Total in-service staff at period-end			6,060
Total employees receiving remuneration in the year			6,252
Retirees with welfare borne by parent & major subsidiaries			28
Staff by Job Function			Headcount
Production staff			4,641
Sales staff			49
Technical staff			802
Finance staff			67
Administrative staff			89
Others			412
Staff by Educational Background			Headcount
Bachelor's degree or above			601
College diploma			1,377
Senior high school and below			4,082

Note:

Unless otherwise specified, data in this table are mainly sourced from Ningbo Zhenyu Technology, Ningbo Zhenyu Auto Parts, Guangdong Zhenyu, Jingmen Zhenyu, Ningde Zhenyu, Shangrao Zhenyu, Suzhou FINE-STAMPING , Yueyang FINE-STAMPING and Yibin Zhenyu. Coverage will be gradually expanded to include all key subsidiaries in subsequent periods.

The total workforce of 6,060 is derived from the 2025 Annual Report of Ningbo Zhenyu Technology Co., Ltd., representing the Group's consolidated headcount.

Newly created jobs refer to employees recruited during the reporting period and still employed as of period-end.

EMPLOYEE TRAINING

Indicator	Unit	2024	2025
Total employee training hours (covering safety, HR, professional skills and all other training programs)	Hour	32032	45703.25
Total training participant headcount	Hour	5762	6912

EMPLOYEE BREAKDOWN

Indicator	Unit	2024	2025
By Employment Type			
Total part-time employees	Person	1809	2251
Total full-time employees	Person	3875	4457
By Gender			
Total male employees	Person	3574	3574
Total female employees	Person	2110	
By Age			
Employees under 30 years old	Person	1227	1687
Employees aged 30–50	Person	3975	4524
Employees over 50 years old	Person	717	1366

Note:

Employee training data are sourced from Guangdong Zhenyu, Jingmen Zhenyu, Suzhou FINE-STAMPING , Yueyang FINE-STAMPING and Yibin Zhenyu.

Employee breakdown statistics are obtained from Yueyang FINE-STAMPING , Yibin Zhenyu, Suzhou FINE-STAMPING , Shangrao Zhenyu, Jingmen Zhenyu and Guangdong Zhenyu.

COMPLIANCE & RISK MANAGEMENT

Indicator	Unit	2024	2025
Confirmed corruption incidents	Case	0	0
Confirmed incidents resulting in employee dismissal or disciplinary penalties due to corruption	Case	0	0
Confirmed corruption-related violations leading to termination/non-renewal of business partner contracts	Case	100	0
Employee coverage rate of business ethics & anti-corruption training	%	100	100
Management coverage rate of business ethics & anti-corruption training	%	100	100
Business partner coverage rate of business ethics & anti-corruption training	—	Once per year	100%
Compliance training sessions for directors	Session	Irregular	Once per year
Compliance training sessions for general employees	Session	0	Irregular
Material compliance violations	Case	0	0

R&D

Indicator	Unit	2024	2025
R&D expenditure	CNY	294,973,698.86	384,347,027.44

Note:

Work safety data for 2024 are sourced from Jingmen Zhenyu, Suzhou FINE-STAMPING and Yibin Zhenyu. 2025 work safety data are sourced from Jingmen Zhenyu, Shangrao Zhenyu, Suzhou FINE-STAMPING , Yueyang FINE-STAMPING and Yibin Zhenyu.

ENERGY

Indicator	Unit	2024	2025
Natural gas consumption	m³	70648	112088
Electricity consumption	kWh	118924126	152206295.7
Steam consumption	ton	—	1276057

WASTE

Indicator	Unit	2024	2025
Waste (excluding domestic waste)			
Hazardous waste generation	ton	1006.275	1378.297
General industrial waste generation	ton	72103.973	80468.29
Waste recycling			
Recycled hazardous waste	ton	140.875	10975.72
Recycled general industrial waste	ton	16020.10	155.72
Waste disposal volume	ton	21924.35	24736.55
Disposed hazardous waste	ton	1008.355	1332.391
Disposed general industrial waste	ton	72103.972	79648.29

Note:
Diesel and gasoline consumption accounts for a very small proportion and comes solely from official business vehicles; therefore, it is no longer disclosed separately.
Natural gas consumption comes solely from Suzhou FINE-STAMPING .
Electricity consumption data for 2024 and 2025 covers Guangdong Zhenyu, Jingmen Zhenyu, Ningbo Zhenyu Auto Parts, Ningde Zhenyu, and Suzhou FINE-STAMPING .
Steam: Suzhou FINE-STAMPING had steam consumption in 2020.
Greenhouse gas emission data covers Zhenyu Technology, Yibin Zhenyu, Changzhou Zhenyu Auto Parts, Changzhou Zhenyu New Energy Technology, Guangdong Zhenyu, Ningbo Zhenyu Auto Parts, and Ningde Zhenyu Auto Parts. To ensure consistency in the accounting scope, only Scope 1 and Scope 2 are presented in the table.

GREENHOUSE GAS EMISSIONS

Indicator	Unit	2025
Total emissions (market-based)	t CO_2 e	2153359.165
Scope 1 emissions	t CO_2 e	1053.743
Scope 2 emissions (market-based)	t CO_2 e	80655.579

PATENTS & INTELLECTUAL PROPERTY

Indicator	Unit	Cumulative Total	2024	2025
Patent applications	Piece	735	157	57
PCT patents	Piece	59	—	—
Granted patents	Piece	432	106	59
Cumulative registered trademarks	Piece	18	—	—
Trademark application quantity	Piece	36	—	—
Participation in standard formulation	Item	61	21	18
Software copyright registrations	Item	21	5	7

Note:
Unless specified otherwise, statistics in this table mainly come from Ningbo Zhenyu Auto Parts, Guangdong Zhenyu, Jingmen Zhenyu, Ningde Zhenyu, Shangrao Zhenyu, Suzhou FINE-STAMPING , Yueyang FINE-STAMPING and Yibin Zhenyu. Coverage will be expanded to all core subsidiaries gradually going forward.
Total headcount of 6,060 is extracted from the 2025 Annual Report of Ningbo Zhenyu Technology Co., Ltd., representing consolidated Group workforce.
Newly created jobs refer to recruits hired during the reporting period and still employed at period-end; Yueyang FINE-STAMPING is excluded from 2025 figures.

WORK SAFETY

Indicator	Unit	2024	2025
Capital investment in work safety	Ten thousand CNY	4,767.55	633.672
Number of work safety incidents	Person	28	11
Work-related fatalities (employees + contractors)	Person	0	0
Fatal regular employees from production accidents	Person	0	0
Occupational disease cases	Case	0	0

INFORMATION SECURITY

Indicator	Unit	2024	2025
Data leakage incidents	Case	0	0
Information security vulnerability & cybersecurity incidents	Case	0	0
Complaints arising from customer privacy leakage	Case	0	0

Note:
Hazardous waste generation data: Ningbo Zhenyu Auto Parts, Suzhou FINE-STAMPING , Yueyang FINE-STAMPING , Yibin Zhenyu.
2024 & 2025 general industrial waste generation: Guangdong Zhenyu, Jingmen Zhenyu, Ningbo Zhenyu Auto Parts, Suzhou FINE-STAMPING , Yueyang FINE-STAMPING , Yibin Zhenyu.
Hazardous waste recycling volume: Ningbo Zhenyu Auto Parts; general industrial waste recycling volume: Ningbo Zhenyu Auto Parts and Yibin Zhenyu.
Waste disposal volume: Ningbo Zhenyu Auto Parts, Suzhou FINE-STAMPING , Yueyang FINE-STAMPING , Yibin Zhenyu.

BENCHMARKING INDEX TABLE

SZSE SELF-REGULATORY GUIDANCE NO.17 FOR LISTED COMPANIES – SUSTAINABLE DEVELOPMENT REPORT (FOR TRIAL IMPLEMENTATION)

Disclosure Requirement		Article No.	Corresponding Chapter in This Report	Exempted
Chapter 3 Environmental Information Disclosure				
Section 1 **Climate Change Response**	Article 20	Climate Change Response		
	Article 21	Climate Change Response		
	Article 22	Climate Change Response		
	Article 23	Climate Change Response		
	Article 24	Climate Change Response		
	Article 25	Climate Change Response		
	Article 26	Climate Change Response		
	Article 27	Climate Change Response		
	Article 28	Climate Change Response		
	Article 29	Climate Change Response		
Section 2 **Pollution Prevention & Ecosystem Protection**	Article 29	mission & Waste Management Ecosystem & Biodiversity Conservation Environmental Compliance Management		
	Article 30	Emission & Waste Management		
	Article 31	Emission & Waste Management		
	Article 32	Ecosystem & Biodiversity Conservation		
	Article 33	Environmental Compliance Management		
Section 3 **Resource Utilization & Circular Economy**	Article 34	Energy Utilization Water Resource Utilization Circular Economy		
	Article 35	Energy Utilization		
	Article 36	Water Resource Utilization		
	Article 37	Circular Economy		
Chapter 4 Social Information Disclosure				
Section 1 Rural Revitalization & Social Contribution	Article 38	Rural Revitalization Public Welfare, Charity & Volunteer Services Community Engagement & Development		
	Article 39	Rural Revitalization		
	Article 40	Public Welfare, Charity & Volunteer Services Community Communication & Development		
Section 2 Innovation-driven Development & Technology Ethics	Article 41	R&D and Innovation		
	Article 42	R&D and Innovation		
	Article 43	R&D and Innovation		
Section 3 Suppliers and Customers	Article 44	Supply Chain Management Product Quality & Safety Customer Relationship Management Information Security & Privacy Protection		
	Article 45	Supply Chain Management		
	Article 46	For year-end balance of accounts payable (including notes payable) and overdue payment amount, refer to the 2025 Annual Report of Zhenyu Technology Co., Ltd.		
	Article 47	Product Quality & Safety Customer Relationship Management		
	Article 48	Information Security & Privacy Protection		
第四节 员工	Article 49	Protection of Employees' Legitimate Rights and Interests		
	Article 50	Employee Benefits & Welfare Equity & Diversity Talent Training & Development Occupational Health & Safety		
Chapter 5 Disclosure of Governance Information Related to Sustainable Development				
Section 1 Sustainable Development Governance Mechanism	Article 51	Risk Management & Internal Control Supply Chain Management Stakeholder Engagement		
	Article 52	Risk Management & Internal Control Supply Chain Management		
	Article 53	Stakeholder Engagement		
Section 2 Business Conduct	Article 54	Anti-commercial Bribery & Anti-corruption Fair Competition		
	Article 55	Anti-commercial Bribery & Anti-corruption		
	Article 56	Fair Competition		
自主披露议题				
Intelligent Manufacturing & Lean Management		Intelligent Manufacturing		
Industrial Cooperation & Development		Sustainable Supply Chain Fair Competition		
Intellectual Property Protection		Intellectual Property Rights		
Corporate Governance		Corporate Governance		
Investor Protection		Protection of Investors' Rights and Interests		

GRI CONTENT INDEX

Statement of Use	Zhenyu Technology Co., Ltd. has reported information referenced in this GRI Content Index in accordance with GRI Standards for the reporting period from January 1, 2025 to December 31, 2025.
GRI 1 Used	GRI 1: Foundation 2021

GRI Standard	Disclosure Item	Corresponding Chapter in ESG Report
GRI 2: General Disclosures 2021	2-1 Details of the organization	About Zhenyu Technology
	2-2 Entities included in the organization's sustainability reporting	Reporting Preparation Notes
	2-3 Reporting period, reporting frequency and contact point	Reporting Preparation Notes
	2-4 Restatements of information	ESG Data Tables & Notes
	2-5 External assurance	Not applicable
	2-6 Activities, value chain and other business relationships	About Zhenyu Technology Supply Chain Management Product & Service Quality & Safety Data & Customer Privacy Protection
	2-7 Employees	Labor-first Philosophy ESG Data Tables & Notes
	2-8 Workers who are not employees	ESG Data Tables & Notes
	2-9 Governance structure and composition	Board Governance Structure Corporate Governance
	2-10 Nomination and selection for the highest governance body	Board Governance Structure
	2-11 Chair of the highest governance body	Board Governance Structure
	2-12 Oversight role of the highest governance body in managing impacts	Board Governance Structure
	2-13 Delegation of responsibility for managing impacts	Board Governance Structure Corporate Governance
	2-14 Role of the highest governance body in sustainability reporting	Board Statement Board Governance Structure Corporate Governance Sustainable Development Strategy Zhenyu Technology's ESG Topics
	2-15 Conflicts of interest	Board Governance Structure Corporate Governance
	2-16 Communications on key topics	Stakeholder Engagement
	2-17 Collective knowledge of the highest governance body	Message from Senior Management Sustainable Development Strategic Planning ESG KPI & Incentive Scheme Board Governance Structure
	2-18 Performance evaluation for the highest governance body	Board Governance Structure ESG KPI & Incentive Scheme
GRI 2: General Disclosures 2021	2-19 Remuneration policies	Refer to Financial Report
	2-20 Processes for determining remuneration	Refer to Financial Report
	2-21 Ratio of annual total remuneration	Refer to Financial Report
	2-22 Statement on sustainability strategy	Message from Senior Management
GRI 2: General Disclosures 2021	2-23 Policy commitments	ESG Governance
	2-24 Embedding policy commitments	ESG Governance
	2-25 Remediation procedures for adverse impacts	ESG Governance
	2-26 Mechanisms to seek advice and raise concerns	ESG Governance
	2-27 Compliance with laws and regulations	ESG Governance
	2-28 Membership in associations	ESG Governance
	2-29 Approaches to stakeholder engagement	Stakeholders
	2-30 Collective bargaining agreements	Labor-first Principle
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment
	3-2 List of material topics	Materiality Assessment
	3-3 Management of material topics	Materiality Assessment
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	Biodiversity
	101-2 Management of biodiversity impacts	Biodiversity
	101-3 Access and benefit-sharing	Biodiversity
	101-4 Identification of biodiversity impacts	Biodiversity
	101-5 Sites with biodiversity impacts	Biodiversity
GRI 101: Biodiversity 2024	101-6 Direct drivers of biodiversity loss	Biodiversity
	101-7 Changes in biodiversity status	Biodiversity
	101-8 Ecosystem services	Biodiversity

GRI Standard	Disclosure Item	Corresponding Chapter in ESG Report
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Biodiversity
	201-2 Financial impacts and other risks & opportunities due to climate change	Climate Change Management
	201-3 Defined benefit pension obligations & other retirement plans	Employee Care
	201-4 Financial assistance received from government	N/A
GRI 202: Market Presence 2016	202-1 Ratio of standard entry-level wage by gender against local minimum wage	Employee Benefits
	202-2 Proportion of senior management hired from local communities	N/A
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and supporting services	ESG Governance
	203-2 Significant indirect economic impacts	ESG Governance
GRI 204: Procurement Practices 2016	204-1 Spending share on local suppliers	N/A
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for corruption risks	Anti-Bribery & Anti-Corruption
	205-2 Communication and training on anti-corruption policies & procedures	Anti-Bribery & Anti-Corruption
	205-3 Confirmed corruption incidents and corrective actions taken	Anti-Bribery & Anti-Corruption
GRI 206: Anti-Competitive Behavior 2016	206-1 Legal proceedings for anti-competitive, anti-trust & monopolistic practices	Fair Competition
GRI 207: Tax 2019	207-1 Tax governance policy	Company Profile
	207-2 Tax governance, control and risk management	Company Profile / ESG Governance
	207-3 Stakeholder engagement & management of tax-related issues	Stakeholders
	207-4 Country-by-country reporting	N/A
GRI 301： 物料 2016	301-1 Weight or volume of used materials	Material Management
	301-2 Recycled input materials used	Circular Economy
	301-3 Recycled products and their packaging	Circular Economy
GRI 302: Energy 2016	302-5 Reduction in energy required for products & services	Energy Management
	303-1 Interactions with water as a shared resource	Water Resource Management
GRI 302: Energy 2016	303-2 Management of impacts related to water discharge	Water Resource Management
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	Water Resource Management
	303-4 Water discharge	Water Resource Management
	303-5 Water consumption	Water Resource Management
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	GHG Emissions / Climate Change
	305-2 Indirect energy-related (Scope 2) GHG emissions	GHG Emissions / Climate Change
	305-3 Other indirect (Scope 3) GHG emissions	GHG Emissions / Climate Change
	305-4 GHG emission intensity	GHG Emissions / Climate Change
	305-5 GHG emission reductions achieved	GHG Emissions / Climate Change
	305-6 Emissions of ozone-depleting substances (ODS)	GHG Emissions / Climate Change
	305-7 Emissions of NO_x, SO_x and other significant air pollutants	GHG Emissions / Climate Change
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management
	306-2 Management of significant waste-related impacts	Waste Management
	306-3 Waste generated	Waste Management
	306-4 Waste diverted from disposal	Waste Management
	306-5 Waste sent for disposal	Waste Management
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers screened using environmental criteria	Supplier Management
	308-2 Negative environmental impacts in supply chain & corrective actions taken	Supplier Management
GRI 401: Employment 2016	401-1 New employee hires and employee turnover rate	Labor-first Principle
	401-2 Benefits provided to full-time employees (excluding temporary/part-time staff)	Labor-first Principle
	401-3 Parental leave	Employee Benefits
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods for operational changes	Employee Benefits
	401-3 Parental leave	Employee Benefits
	402-1 Minimum notice periods for operational changes	Work Safety

GRI Standard	Disclosure Item	Corresponding Chapter in ESG Report
GRI 403: Occupational Health & Safety 2018	403-1 Occupational health and safety management system	Work Safety
	403-2 Hazard identification, risk assessment and incident investigation	Work Safety
	403-3 Occupational health services	Work Safety
	403-4 Worker participation, consultation and communication on OHS matters	Work Safety
	403-5 OHS training for workers	Work Safety
	403-6 Promotion of worker health	Work Safety
GRI 403: Occupational Health & Safety 2018	403-7 Prevention and mitigation of OHS impacts linked to business relationships	Employee Health & Safety
	403-8 Workers covered by the OHS management system	Employee Health & Safety
	403-9 Work-related injuries	Work Safety / Employee Health & Safety
	403-10 Work-related ill health	Employee Health & Safety
GRI 404: Training & Education 2016	404-1 Average annual training hours per employee	Employee Training & Development
	404-2 Employee skills upgrade and transition assistance programmes	Employee Training & Development
	404-3 Percentage of employees receiving regular performance & career development reviews	Employee Training & Development
GRI 405: Diversity & Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	ESG Governance
	405-2 Ratio of basic salary and remuneration by gender	Labor-first Principle
GRI 406: Non-discrimination 2016	406-1 Discrimination incidents and corrective actions taken	Labor-first Principle
GRI 407: Freedom of Association & Collective Bargaining 2016	407-1 Operations and suppliers at risk of violating freedom of association & collective bargaining rights	Labor-first Principle
GRI 408: Child Labor 2016	408-1 Operations and suppliers with significant risk of child labor incidents	Labor-first Principle
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers with significant risk of forced/compulsory labor	Labor-first Principle
GRI 410: Security Practices 2016	410-1 Security personnel trained on human rights policies & procedures	Labor-first Principle
GRI 411: Indigenous Peoples 2016	411-1 Incidents involving violations of indigenous peoples' rights	N/A
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments and development programmes	Labor-first Principle
	413-2 Operations with actual or potential significant adverse impacts on local communities	Community Development
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers screened against social criteria	Supplier Management
	414-2 Negative social impacts in supply chain and remedial actions taken	Supplier Management
GRI 415: Public Policy 2016	415-1 Political contributions	N/A
GRI 416: Customer Health & Safety 2016	416-1 Assessment of health & safety impacts of products and services	Customer Management
	416-2 Incidents of non-compliance related to product & service health and safety impacts	Customer Management
GRI 417: Marketing & Labelling 2016	417-1 Requirements for product & service information and labelling	Product Quality & Safety
	417-2 Non-compliance incidents on product/service information and labelling	Product Quality & Safety
	417-3 Non-compliance incidents concerning marketing communications	Product Quality & Safety
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints regarding breaches of customer privacy and loss of customer data	Information Security & Privacy Protection

ESRS CONTENT INDEX

Disclosure Item		Corresponding Report Chapter
ESRS 2: General Disclosures	BP-1 General basis for preparing sustainability statements	Reporting Preparation Notes
	BP-2 Disclosure of specific circumstances	Reporting Preparation Notes
	GOV-1 Role of administrative, management and oversight bodies	ESG Governance
	GOV-2 Information provided to administrative, management and oversight bodies plus sustainability matters addressed by such bodies	Message from Senior Management / ESG Governance
	GOV-3 Integration of sustainability KPIs into incentive arrangements	Message from Senior Management / ESG Governance
	GOV-4 Due diligence statement	ESG Governance / Risk Management
	GOV-5 Risk management and internal control for sustainability reporting	Risk Management
	SBM-1 Strategy, business model and value chain	Company Profile / ESG Governance / Message from Senior Management
	SBM-2 Interests and views of stakeholders	Stakeholders
	SBM-3 Material impacts, risks and opportunities and their interplay with strategy & business model	Risk & Opportunity Management
	IRO-1 Description of processes to identify & assess material impacts, risks and opportunities	Risk & Opportunity Management
	IRO-2 ESRS disclosure requirements covered in entity's sustainability statement	Reporting Preparation Notes
Climate Change		
ESRS E1 Climate Change	E1-1 Transition plan for climate change mitigation	Climate Change & GHG Emission Management
	E1 SBM-3 Material climate-related impacts, risks & opportunities and their interplay with strategy & business model	Climate Change / Risk & Opportunity Management
	E1 IRO-1 Description of processes to identify & assess material climate-related impacts, risks and opportunities	Climate Change / Risk & Opportunity Management
	E1-2 Policies related to climate change mitigation and adaptation	Climate Change
	E1-3 Actions and resources for climate change policies	Climate Change
	E1-4 Targets for climate change mitigation and adaptation	Climate Change
	E1-5 Energy consumption and energy mix	Energy Management
	E1-6 Total Scope 1, 2 and 3 greenhouse gas emissions	GHG Emissions
	E1-7 GHG removals and emission reduction projects financed via carbon credits	GHG Emissions
	E1-8 Internal carbon pricing	GHG Emissions
	E1-9 Expected financial impacts from material physical & transition risks and potential climate-related opportunities	Climate Change / Risk & Opportunity Management
Pollution		
ESRS E2 Pollution	E2 IRO-1 Description of processes to identify and assess material pollution-related impacts, risks and opportunities	Product Quality & Safety / Climate Change
	E2-1 Pollution-related policies	Environmental Management / Waste Management / Water Resource Management
	E2-2 Actions and resources for pollution control	Environmental Management / Waste Management / Water Resource Management
	E2-3 Targets related to pollution	Environmental Management / Waste Management / Water Resource Management
	E2-4 Air, water and soil pollution	Environmental Management / Waste Management / Water Resource Management
	E2-5 Substances of concern and substances of very high concern	Environmental Management / Waste Management / Water Resource Management
	E2-6 Expected financial impacts stemming from pollution-related impacts, risks and opportunities	Environmental Management / Waste Management / Water Resource Management
Water and Marine Resources		
ESRS E3 Water and Marine Resources	E3 IRO-1 Description of processes to identify and assess material impacts, risks and opportunities associated with water and marine resources	Water Resource Management
	E3-1 Policies relating to water and marine resources	Water Resource Management
	E3-2 Actions and resources concerning water and marine resources	Water Resource Management
	E3-3 Targets for water and marine resources	Water Resource Management
	E3-4 Volume of water consumption	Water Resource Management
	E3-5 Expected financial impacts from impacts, risks and opportunities linked to water and marine resources	Water Resource Management
Biodiversity and Ecosystems		
ESRS E4 Biodiversity and Ecosystems	E4-1 Transition plan and integration of biodiversity and ecosystem considerations into corporate strategy and business model	Biodiversity
	E4 SBM-3 Material impacts, risks and opportunities related to biodiversity & ecosystems and their interaction with strategy and business model	Biodiversity
	E4 IRO-1 Description of processes to identify and assess material biodiversity & ecosystem-related impacts, dependencies, risks and opportunities	Biodiversity
	E4-2 Policies relevant to biodiversity and ecosystems	Biodiversity
	E4-3 Actions and resources for biodiversity and ecosystems	Biodiversity
	E4-4 Targets pertaining to biodiversity and ecosystems	Biodiversity
	E4-5 Impact indicators linked to changes in biodiversity and ecosystems	Biodiversity
	E4-6 Expected financial impacts arising from biodiversity & ecosystem-related risks and opportunities	Biodiversity

Resource Use and Circular Economy		
ESRS E5 Resource Use and Circular Economy	E5 IRO-1 Description of processes to identify & assess material impacts, risks and opportunities related to resource use and circular economy	Circular Economy
	E5-1 Policies on resource use and circular economy	Circular Economy
	E5-2 Actions and resources for resource use and circular economy	Circular Economy
	E5-3 Targets linked to resource use and circular economy	Circular Economy
	E5-4 Resource inflows	Circular Economy
	E5-5 Resource outflows	Circular Economy
	E5-6 Expected financial impacts of resource use and circular economy-related impacts, risks and opportunities	Circular Economy
Employees		
ESRS S1 Own Workforce	S1 SBM-2 Stakeholders' interests and views	Stakeholders
	S1 SBM-3 Material impacts, risks and opportunities and their interplay with strategy and business model	Labor-first Principle
	S1-1 Policies concerning its own workforce	Labor-first Principle
	S1-2 Procedures for consulting workers and worker representatives on impacts	Labor-first Principle
	S1-3 Remedy procedures and channels for workers to raise concerns	Labor-first Principle
	S1-4 Actions to address material impacts, mitigate material risks and pursue material opportunities for own workforce plus effectiveness of such actions	Labor-first Principle
	S1-5 Targets for managing adverse impacts, fostering positive impacts and governing related material risks & opportunities	Labor-first Principle
	S1-6 Characteristics of the entity's own employees	Labor-first Principle
	S1-7 Characteristics of non-employee workers within the entity's own workforce	Labor-first Principle
	S1-8 Scope of collective bargaining and social dialogue	Labor-first Principle
	S1-9 Diversity metrics	Labor-first Principle
	S1-10 Adequate wages	Labor-first Principle
	S1-11 Social protection	Labor-first Principle
	S1-13 Training and skills development indicators	Labor-first Principle
	S1-14 Health and safety indicators	Labor-first Principle
	S1-15 Work-life balance indicators	Labor-first Principle
	S1-16 Remuneration indicators (pay gaps and total remuneration)	Labor-first Principle
	S1-17 Incidents, complaints and severe human rights impacts	Labor-first Principle

Workers in the Value Chain		
ESRS S2 Workers in the Value Chain	S2 SBM-2 Stakeholders' interests and views	Stakeholders
	S2 SBM-3 Material impacts, risks and opportunities and their interplay with strategy and business model	Stakeholders
	S2-1 Policies relating to workers in the value chain	Stakeholders
	S2-2 Procedures for consulting value chain workers on impacts	Stakeholders
	S2-3 Remedy procedures and channels for value chain workers to raise concerns	Stakeholders
	S2-4 Actions addressing material impacts on value chain workers, approaches to manage related material risks and capture material opportunities, plus effectiveness of such actions	Stakeholders
	S2-5 Targets for mitigating adverse impacts, fostering positive impacts and managing related material risks and opportunities	Stakeholders
Consumers and End-users		
ESRS S4 Consumers and End-users	S4 SBM-2 Stakeholders' interests and views	Stakeholders
	S4 SBM-3 Material impacts, risks and opportunities and their interplay with strategy and business model	Stakeholders
	S4-1 Policies relating to consumers and end-users	Stakeholders
	S4-2 Procedures for consulting consumers and end-users on impacts	Stakeholders
	S4-3 Remedy procedures and channels for consumers and end-users to submit concerns	Stakeholders
	S4-4 Actions to address material impacts on consumers and end-users, methods to manage associated material risks and seize material opportunities, and effectiveness of these actions	Stakeholders
	S4-5 Targets to mitigate adverse impacts, drive positive impacts and manage relevant material risks and opportunities	Stakeholders

Business Conduct		
ESRS G1 Business Conduct	G1 GOV-1 Role of administrative, management and oversight bodies	ESG Governance / Stakeholders
	G1 IRO-1 Description of processes to identify and assess material impacts, risks and opportunities	ESG Governance / Stakeholders
	G1-1 Corporate culture, business conduct policies and corporate ethics	ESG Governance / Stakeholders
	G1-2 Supplier relationship management	Sustainable Supply Chain Management
	G1-3 Prevention and detection of corruption and bribery	Anti-Bribery & Anti-Corruption
	G1-4 Confirmed incidents of corruption or bribery	Anti-Bribery & Anti-Corruption

UNGC (UNITED NATIONS GLOBAL COMPACT TEN PRINCIPLES) INDEX

Principle	Corresponding Section in the ESG Report
Human Rights	
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	Labor-first Philosophy
Principle 2: Businesses must ensure that they are not complicit in human rights abuses.	Labor-first Philosophy
Labor	
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Labor-first Philosophy
Principle 4: Businesses should eliminate all forms of forced and compulsory labor.	Labor-first Philosophy
Principle 5: Businesses should abolish child labor.	Labor-first Philosophy
Principle 6: Businesses should eliminate discrimination in respect of employment and occupation.	Labor-first Philosophy
Environment	
Principle 7: Businesses should support a precautionary approach to environmental challenges.	Full Environment Chapter
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.	Full Environment Chapter
Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.	Full Environment Chapter
Anti-Corruption	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Anti-Corruption & Anti-Bribery



FEEDBACK FORM

Dear Readers,

Thank you for taking your precious time to read this report. To facilitate communication and continuously improve Zhenyu Technology's ESG management and practices, we sincerely invite you to fill out this feedback form to help us refine future reports.

Your Information

Name: Position:

Industry: Email :

1. How would you rate the overall performance of Zhenyu Technology's 2024 ESG Report?

   □ Excellent □ Good □ Average □ Poor □ Very Poor

2. How do you evaluate the report's performance in disclosing Zhenyu Technology's material environmental, social and governance impacts?

   □ Excellent □ Good □ Average □ Poor □ Very Poor

3. How would you assess the Company's performance in stakeholder engagement?

   □ Excellent □ Good □ Average □ Poor □ Very Poor

4. How do you rate the authenticity, accuracy and effectiveness of information & data disclosure in this report?

   □ Excellent □ Good □ Average □ Poor □ Very Poor

5. How would you comment on the report's overall framework, content design and readability?

□Excellent □ Good □ Average □ Poor □ Very Poor

6. Which section of the report interests you most?

7. Which section of the report interests you most?

8. Which ESG information contained in this report is most valuable to you?

9. Do you have any suggestions on Zhenyu Technology's future ESG Report release?

Thank you for your attention to Zhenyu's ESG development. We will keep improving and consistently disclose our progress in sustainable development.

You may also leave feedback via our official WeChat account: Zhenyumould.

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