

Jiangsu Boqian New Materials Stock Co., Ltd.

2024

Social Responsibility Report



江苏博迁新材料股份有限公司 JIANGSU BOQIAN NEW MATERIALS STOCK CO.,LTD.



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Opening

About this Report

This report is the first annual Environmental, Social, and Governance (ESG) report released by Jiangsu Bogian New Materials Stock Co., Ltd. for stakeholders. The report details the Company's practices and performance in the fields of environment, society, and governance in 2024, aiming to effectively communicate with stakeholders and systematically address their expectations and demands.



Reporting Period

For the period from January 1, 2024 to December 31, 2024, certain aspects of the Report are moderately extended to surrounding years to enhance comparability and foresight.



Basis for Preparation

Guidelines No. 14 of Shanghai Stock Exchange for Self-regulation of Listed Companies - Sustainability Report (Trial)

Guide No.4 for Self-Regulatory Supervision on Listed Companies of the SSE — Compilation of Sustainable Development

Sustainable Development Goals (SDGs): A Corporate Action Guide

GRI Standards

Practical Guide to Sustainability Reporting of Listed Companies by China Association for Public Companies

CASS-ESG 6.0



Addressing and Representation

the Company, Boqian, Boqian New Materials	Refer to	Jiangsu Boqian New Materials Stock Co., Ltd.
Guangxin Nano	Refer to	Ningbo Guangxin Nano Materials Co., Ltd.
Guidelines No. 14 of SSE	Refer to	Guidelines No. 14 of Shanghai Stock Exchange for Self-regulation of Listed Companies - Sustainability Report (Trial)
Guide No. 4 of SSE	Refer to	Guide No.4 for Self-Regulatory Supervision on Listed Companies of the SSE — Compilation of Sustainable Development Reports
RMB, RMB 10,000 and RMB 100 million	Refer to	Renminbi 1 Yuan, Renminbi 10,000 Yuan and Renminbi 100 million Yuan, respectively
Reporting Period	Refer to	Year 2024



Information Sources

The data used in this Report is sourced from the Company's actual operational data, publicly available government data, annual financial data, internal relevant statistical reports, third-party survey questionnaires, and third-party evaluation interviews. The financial data in this Report is presented in CNY. In case of any discrepancies with the financial report, the financial report shall prevail.



Access to the Report

The electronic version of this Report can be accessed on the Shanghai Stock Exchange website (http://www.sse.com.cn).

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Chairman's Message



Wang Liping, Chairman of Jiangsu Boqian New Materials Stock Co., Ltd. August 2025

Dear investors, partners, employees, and friends from all walks of life,

2024 was a year brimming with Boqian New Materials' relentless efforts to forge ahead towards high-quality development. As a pioneer in the field of new nano-metallic materials for electronic components, we are deeply aware that every technological breakthrough carries the mission of industrial upgrading, and every innovative achievement bears the responsibility of revitalizing national industries. At this pivotal moment of the "14th Five-Year Plan", Boqian New Materials remains steadfast in its commitment to "making the world more low-carbon and life more beautiful". We integrate technological innovation and green development into our corporate DNA, not only achieving our own high-quality growth but also contributing Boqian's wisdom to the progress of the industry. This report is not only a review of our efforts over the past year, but also a sincere dialogue with all partners who care about the growth of Boqian New Materials - a solemn commitment to responsibility and accountability.

Innovation Empowerment

Boqian New Materials continuously explores cutting-edge technologies, with focuses on the core business of ultrafine nano-metallic materials for electronic components. We develop and design products tailored to the needs of diverse consumer groups worldwide, while driving industry transformation orderly. Our achievements, from the independent development of high-performance capacitor electrode nickel powder to the drafting and formulation of China's first industry standard for nickel powder used in capacitor electrodes and to passing the "Jiangsu Fine Product" certification, all reflect our R&D team's relentless dedication, showcase our perseverance and hard work spirit and present our unwavering commitment to the core values of "Persistence, Integrity, Pragmatism, Responsibility, Innovation, and Sharing". By the end of 2024, the Company holds a total of 164 valid authorized patents.

The ultimate value of technological innovation lies in serving society. Boqian New Materials is enabling breakthroughs in "lightweighting and miniaturization" applications in consumer electronics, new energy vehicles, communication equipment, aerospace, etc, and is accelerating the validation work of energy storage materials and precious metal substitutes. In the future, we will continue to increase investment in technological innovation, strengthen cooperation with globally renowned semiconductor and peripheral electronic device companies, deepen the industry-academia-research integration, rely on provincial postdoctoral workstations and municipal enterprise technology R&D centers, and other platforms, attract professional scientific and technological personnel from home and abroad to join the Company and continuously deepen cooperation with many well-known higher education institutions and research institutes nationwide to accelerate the transformation of scientific and technological achievements into tangible productive forces and promote the sustainable development of the Company.

Green Development -

Guided by the "carbon peaking and carbon neutrality" goals, Boqian New Materials regards green development as an essential commitment to coexisting harmoniously with the ecosystem. We adhere to the action guidelines of "complying with regulations, preventing pollution, saving energy and reducing consumption, and making continuous improvement", aiming to make green a fundamental principle for the high-quality development of the Company. The Company has been awarded the title of provisional "Green Leading Enterprise", and its subsidiaries have received honors such as provincial "Green Factory" and provincial "Water-Saving Enterprise". These are the tangible results Boqian has delivered in embodying the concept of green development. In 2024, we invested a substantial amount of funds in environmental protection. We fully utilized clean energy, with an annual power generation from our photovoltaic systems exceeding 3.36 million kWh. We have surpassed the energy conservation target, with the Suqian base saving 1.5198 million kWh in annual energy consumption compared to the target, and the Ningbo base saving 5.608 million kWh in annual energy consumption compared to the target. Additionally, we have advanced green manufacturing through digitalization and intelligentization, leading to the Company's recognition as a Jiangsu Province Intelligent Manufacturing Workshop and enabling more efficient and cleaner production.

As a pioneer in the new materials industry, we will continue to explore low-carbon technologies to develop greener production process of nano materials, while contributing to the harmonious coexistence of humanity and nature.

People-oriented Philosophy

Employees are the most valuable asset of Boqian New Materials. We adhere to the "people-oriented" philosophy, striving for excellence in links including talent selection, development, utilization, and retention. Through the "one-person-one-salary" compensation strategy and a multi-channel promotion system, we provide a growth platform for every employee. At the same time, we focus on cultivating employees' international perspectives, share the achievements of enterprise development with employees, and realize a dynamic winwin situation between business development and employee growth.

Boqian moves forward with talents as the guiding force, and empowers talents to venture far with the oar of growth. In collaboration with renowned domestic research institutes, we have established a postgraduate internship base and launched the annual "Boqian Scholarship" to support the growth of scientific talent and sow the seeds of hope for the future of the industry.

Standing at this new starting point, Boqian New Materials will remain innovation-driven and responsibility-guided. In the new nano materials field, we will relentlessly push boundaries, champion co-creation, and keep sharing. Our ultimate mission is to forge a century-old enterprise that leads through innovation, thrives on technology, and is respected by all. Moving forward, we will further refine corporate governance, strengthen ESG management, and repay every partner who trusts Boqian with better products, greener production, and warmer commitment.

Finally, we extend our heartfelt gratitude to our investors for their trust, our partners for their support, our employees for their dedication, and all sectors of society for their supervision. No single step of Boqian's growth could have been taken without your company. Let us move forward hand in hand, harnessing the wisdom of technology and the spirit of responsibility, to co-create a brighter future!

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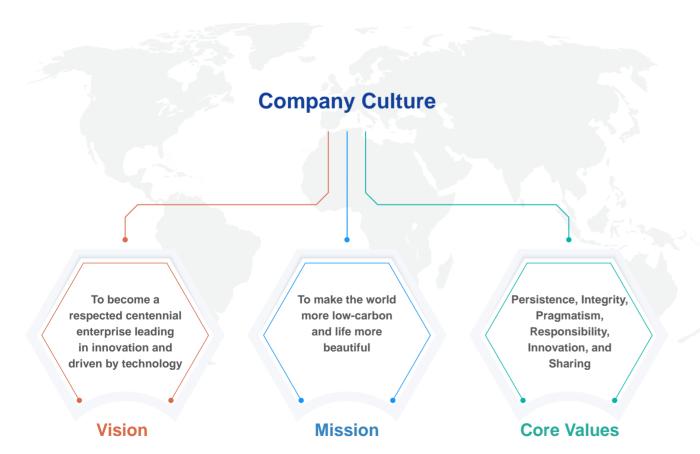
Introduction to The Company

Company Profile

Jiangsu Boqian New Materials Stock Co., Ltd., founded in 2010, is a national high-tech enterprise integrating the R&D, production and sales of high-end nanometer metal powder materials, and one of the pioneers in the R&D and industrial application of nanometer materials in China. It has seven domestic and foreign subsidiaries and branches.

Since its establishment, the Company has been committed to the prospective development of nano-metallic materials. With a professional R&D team, it aims to provide customers with lightweight and miniaturization product overall plan. The new materials developed by the Company have good application prospects in consumer electronics, automotive electronics, communications, industrial automation, aerospace and other fields.

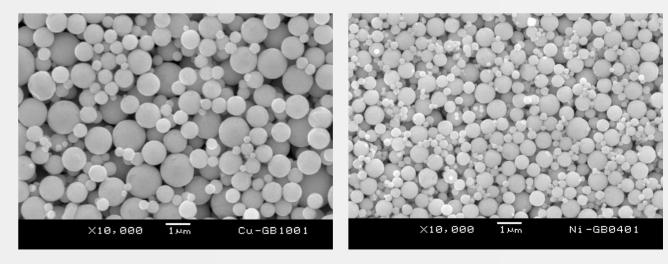
The Company uses physical vapor deposition (PVD) at atmospheric pressure to prepare submicron metal, a technology that has filled a crucial gap in domestic industrialization. As the sole drafting unit, the Company established China's first industry standards for nickel powder for capacitor electrodes and currently leads the world in the large-scale production and commercial sales of high-end metal powder materials for nanoscale electronic equipment.



Products

The Company's current product range includes nano-grade and submicron nickel powder, submicron and micron copper powder, silver powder, silver-coated copper powder, and alloy powder. These products are widely used in electronic components, new energy, semiconductor and other fields, providing key material support for sectors such as consumer electronics, automotive electronics, communication, industrial automation, aerospace, among others. Leveraging advanced material technology, the Company's products significantly promote the miniaturization and high-frequency development of electronic components, help achieve cost reduction and efficiency improvement in sectors like photovoltaics and clean energy, and notably enhance the performance of new energy battery materials. With its leading technology and large-scale production capability, The Company has become a key supplier in the global high-end metal powder market, continuously driving innovation and upgrading of the industrial chain.





Product SEM Photographs

Development History

The New Materials Industrial
Park was established in
Suyu District, Suqian City,
Jiangsu Province. Jiangsu
Boqian New Materials
Co., Ltd. was established
formally

The Waterials
Su
Co. Ltd. was established
Formally

Province The Waterials
Su
Co. Ltd. was established
Formally

Province The Waterials
Su
Co. Ltd. was established

2010

 The Group Chairman Wang Liping was elected as the deputy of the 12th National People's Congress, who offered advises and suggestions for the economic development of Jiangsu Province.

2012

 The construction of the New Materials Industrial Park Second Phase Project started

- Wholly-owned subsidiary of Ningbo Guangxin Nano Materials Co., Ltd. was established formally.
- The project "R&D and Industrialization of Nano Nickel Powder for Internal Electrodes of High-capacity Chip Ceramic Capacitors" was included in the Jiangsu Province Major Scientific and Technological Achievements Trans-formative project.

2014

 The Company's research and development center was recognized as Provincial Technical Center, Jiangsu Province Nano Metal Powder Research and Development Engineering Center.

 The Company has completed the shareholding system transformation and changed its name to "Jiangsu Boqian New Materials Co., Ltd.".

 The Company was recognized as National High-Tech Enterprise again.

2016



- The Company drafted and formulated the industrial standard of Nickel Powder for Capacitor Electrode.
- The Company was awarded as National Intellectual Property Advantage Enterprise.

2019



- "Capacitor electrode nickel powder" was recognized as a "specialized and new" product in Jiangsu Province.
- The "300nm silver powder" was identified as a "Jiangsu Provincial New Product".
- The Company's subsidiary Guangxin Nano was recognized as "the province's pilot demonstration enterprise for the integration of new generation information technology and manufacturing industry" by Zhejiang Province.
- The first phase of "electronic special high-end metal powder material production base construction and relocation and upgrading project" was completed and put into production.
- Ningbo Guangqian Electronic Material Co., Ltd. was established.

- "Capacitor electrode nickel powder" was certified as a "Jiangsu Fine Product".
- The Company was rated as Jiangsu Province Five-Star Cloud Enterprise.
- The Company was rated as Jiangsu Province Intelligent Manufacturing Workshop
- Silver-coated copper powder products were selected in the "First Batch of Recommended Catalog for Key New Material Applications" in Zhejiang Province.
- The Company's subsidiary Guangxin Nano was approved as a "Ningbo Enterprise Technology Research and Development Center".

2024

2011

 The construction of the New Materials Industrial Park First Phase Project started.

2013

- The Company was recognized as a National High-Tech Enterprise.
- The Company was awarded as "Advance Unit of Technological Innovation", "Advance Unit of Operation Management" in Suqian City.
- The project "Nano Metal Powder Research and Development and Industrialization" was included in the Jiangsu Province Industrial Strengthening Basis Disciplines Special Action Plan.

2015

- The construction of the New Materials Industrial Park Third Phase Project started.
- The Company was awarded as "Jiangsu Province Informatization and Industrialization Integration Transformation Upgrading Demonstration Enterprise".
- The Company was awarded as "Primary Jiangsu Province Demonstration Intelligent Workshop".
- "Ag Powder", "180nm Nickel powder" were identified as Jiangsu Provincial New Products.

2017

 The Company expanded its ultra-fine metal powder production line.

2018

- The Group Chairman Wang Liping was elected as the deputy of the 13th National People's Congress.
- The Company was rated as Jiangsu Province Gazelle Enterprise.



2020

2021

- The Company was publicly listed on the Shanghai Stock Exchange.
- subsidiary Guangxin
 Nano was recognized
 as "Green Factory in
 Zhejiang Province".

 The Company was rated

2022

The Company was

giant" enterprise.

The Company's

recognized as national

specialized and new "little

 The Company was rat as Jiangsu province quality credit AA level enterprise.



2023

- The Company's subsidiary Guangxin Nano was recognized as "National High-tech Enterprise".
- The Company was recognized as "National Intellectual Property Demonstration Enterprise" by China National Intellectual Property Administration.
- The Company was recognized as "Excellent Enterprise" by Jiangsu Provincial Party Committee and Jiangsu Provincial People's Government.
- The Company was recognized as "Green Factory" by Industry and Information Technology Department of Jiangsu.
- The Company was rated as a "Green Leading Enterprise" by Jiangsu Development & Reform Commission.
- The Company's trademark was recognized as "Thousand Enterprises and Hundred Cities Brand Trademark".







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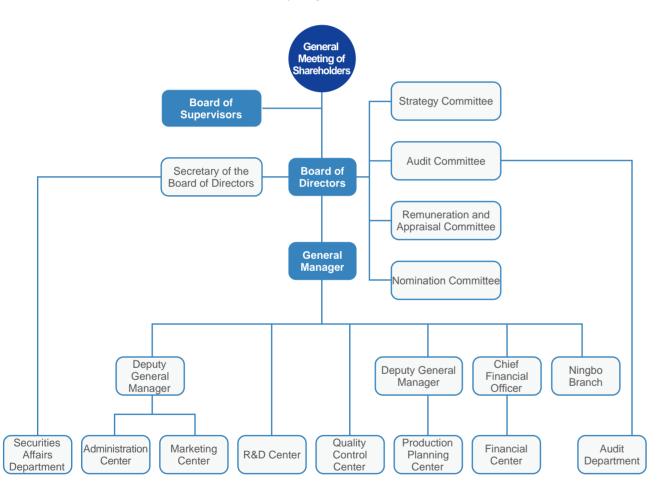
Corporate Governance

Opening

In accordance with relevant laws, regulations, and normative documents such as the *Company Law* and *Securities Law*, the Company has established the *Articles of Association*.

On the other hand, it has formed a corporate governance framework consisting of the General Meeting of Shareholders, Board of Directors, Board of Supervisors, and senior management. This structure ensures a mechanism of clear division of rights and responsibilities, standardized operations, and mutual coordination and checks-and-balances among the power, decision-making, supervisory, and management bodies. The General Meeting of Shareholders, Board of Directors, Board of Supervisors, and management have distinct rights and responsibilities, effectively safeguarding the overall interests of the Company and the legitimate rights of all shareholders, especially small and medium-sized shareholders.

Company Structure



General Meeting of Shareholders

The convening, proposal, notification, attendance, proceedings, voting, resolutions, and minutes of the General Meeting of Shareholders are strictly implemented in accordance with relevant laws, regulations, the *Articles of Association*, and the *Rules of Procedure for the General Meeting of Shareholders*. Shareholders diligently fulfill their shareholder obligations and exercise their shareholder rights in accordance with the law.

Board of Directors

The convening, proposal, notification, attendance, proceedings, voting, resolutions, and minutes of the Board of Directors are strictly implemented in accordance with relevant laws, regulations, the *Articles of Association*, and the *Rules of Procedure for the Board of Directors*. Directors diligently fulfill their directorial duties and exercise their directorial rights in accordance with the law. The specialized committees of the Company's Board of Directors fulfill their responsibilities as per the *Articles of Association* and the work system of the corresponding specialized committee.

The specialized committees of the Board of Directors provide valuable opinions on the audit of the Company's business performance, supervision and inspection of internal control systems, performance assessment and salary design of senior executives, thereby enhancing the scientificity and efficiency of the Board of Directors' decision-making.

Board of Supervisors

The convening, proposal, notification, attendance, proceedings, voting, resolutions, and minutes of the Board of Supervisors are strictly implemented in accordance with relevant laws, regulations, the *Articles of Association, and the Rules of Procedure for the Board of Supervisors*. The supervisors diligently perform their supervisory duties and exercise their supervisory rights in accordance with the law. The Board of Supervisors effectively supervises the work of the Board of Directors, the behavior of senior executives, major production and business operation decisions of the Company, the execution of related transactions, the formulation of key management systems, the investment direction of major projects, among other matters.

The Company aims to standardize governance and promptly revise or establish relevant management systems in accordance with the latest regulatory laws, normative guidelines, and the actual situation of the Company, thereby ensuring a solid management foundation and continuously improving the construction of its institutional system. During the reporting period, the Company organized the revision or establishment of important governance systems such as the *Articles of Association, Independent Director Work System, Work System for Special Meetings of Independent Directors,* and *Information Disclosure Deferral and Exemption Affairs Management System,* consolidating the Company's standardized governance foundation.

To strengthen the effectiveness of governance and enhance the level of scientific decision-making, the Company actively promotes the diversified construction and independence enhancement of the Board of Directors. During the selection of Board members, the Company comprehensively considers factors such as gender, age, educational background, skills, knowledge, and professional experience, ensuring diversity across fields such as chemical industry, accounting, law, among others. This multi-field coverage injects innovative energy for strategic planning from a cross-disciplinary perspective, solidifying the foundation for the Company's sustainable development. Additionally, based on adherence to the *Independent Director Work System*, the Company formulated the *Work System for Special Meetings of Independent Directors*, clearly defining the critical functions of independent directors in supervision, risk control, and decision-making, ensuring their independence, enhancing the efficiency and quality of Board meetings and decisions, effectively safeguarding shareholder rights and interests, and increasing governance transparency.

Key Performance

During the reporting period, the Company's Board of Directors comprised 9 members, including 1 female director and 3 independent directors.

Throughout the reporting period, the Company held a total of 4 general meetings of shareholders, 8 meetings of Board of Directors with a 100% attendance rate of directors, and 8 meetings of Board of Supervisors.

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Name	Position	Professional knowledge and Main experiences skills				– Sex	Age		
	Number 1 Control	Industry	Finance	Law	Industry	Finance	Law		7.90
Wang Liping	Chairman of the Board	√	√		√			Male	64 years old
Chen Gangqiang	Director and General Manager	√			✓			Male	68 years old
Jiang Yilong	Director and Deputy General Manager			√	✓			Male	51 years old
Qiu Oute	Director		√		✓	✓		Male	55 years old
Zhao Dengyong	Director	✓			√			Male	43 years old
Jiang Ying	Director			√	✓		\checkmark	Female	44 years old
Yang Hongxin	Independent Director	√			√			Male	45 years old
Leng Jun	Independent Director		√		√			Male	47 years old
Jiang Suting	Independent Director			√			✓	Male	43 years old

The Company organized directors, supervisors, and senior executives to participate in both online and offline compliance series training organized by the Shanghai Stock Exchange, China Association for Public Companies, and Jiangsu Association for Public Companies. This initiative helps the Company understand the latest regulatory trends and legal changes and strengthen the compliance awareness and performance capabilities of the Board of Directors, Board of Supervisors and senior management.

Special committee

Main job responsibilities

Conclusion

Personnel composition

Audit Committee of the Board of **Directors**

- It is responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating internal and external auditing work and internal controls.
- One company director and two independent directors. with the chairman being an independent director with an accounting background.

Nomination Committee of the **Board of Directors**

- It is responsible for formulating the selection criteria and procedures for directors and senior executives. selecting and reviewing the qualifications of director and senior executive candidates.
- One company director and two independent directors. with the convener being an independent director.

Remuneration and **Appraisal Committee** of the Board of **Directors**

- It is responsible for formulating the appraisal criteria for directors and senior executives and conducting appraisals, as well as developing and reviewing remuneration policies and schemes for directors and senior executives.
- · One company director and two independent directors, with the convener being an independent director.

Strategy Committee of the Board of **Directors**

- It is responsible for conducting research on the company's long-term development strategic planning and making suggestions, as well as studying and providing recommendations on significant investment and financing proposals, major capital operations, asset management projects, and other significant matters affecting the company's development requiring approval by the Board of Directors as per the Articles of Association.
- Two company directors and one independent director. with the chairman also serving as the convener.

Key Performance

During the reporting period, the Company held a total of Audit Committee meetings,

Remuneration and Appraisal Committee meeting, and Strategy Committee meeting.



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Investor Relations

The Company has established a comprehensive information disclosure system, strictly adhering to the Measures for the Administration of Information Disclosure by Listed Companies, and formulating the Information Disclosure Management System to regulate information disclosure procedures and the Company's external information disclosure practices. The Company diligently fulfills its information disclosure obligations to ensure the authenticity, accuracy, completeness, timeliness, and fairness of external information disclosure, so as to protect the legitimate rights and interests of the Company and investors.

In compliance with regulatory requirements and operational realities, the Company updates the Investor Relations Management System to enhance the professionalism of investor relations management. Additionally, the Company has established a mechanism for daily communication with investors, maintaining efficient communication with them through diversified channels to safeguard investors' right to information and demonstrate a positive image of the Company in the capital market. Through channels such as general meetings of shareholders, performance briefings, brokerage strategy meetings, investor hotlines, on-site institutional research, and the exchange interactive platform, the Company strengthens investors' understanding of the Company's main business, production operations, and others, effectively responding to gueries from investors and potential investors and promptly conveying the Company's value.

Key Performance

During the reporting period, the Company issued a total of 80 exchange announcements, held 3regular performance briefings to help investors better understand the Company's operational status, financial performance, and future development plans. Leveraging the SSE E-interactive, the Company responded to 36 investor queries, with topics covering various aspects such as product sales and major application directions. The Company actively conducted on-site research and hosted reception events for institutional investors.

Since its listing, the Company has maintained annual cash dividends and actively shared operational achievements with investors. During the reporting period, the Company implemented the profit distribution plan for the year 2023, distributing a cash dividend of RMB 1.80 (tax-inclusive) per 10 shares to all shareholders, totaling a cash dividend of RMB 47.088 million (tax-inclusive). The Company also conducted its first mid-year dividend distribution, with a cash dividend of RMB 3.20(tax-inclusive) per 10 shares to all shareholders, totaling a cash dividend of RMB 83.712 million (tax-inclusive).

ESG Management

Stakeholder Communication

Extensively listening to the opinions of stakeholders is one of the crucial safeguards for the sustainable development of a company. The Company actively listens to the suggestions and expectations of stakeholders regarding sustainable development through various communication channels to ensure effective communication with key stakeholders.





Shareholders and investors

- Stakeholder communication
- · Anti-commercial bribery and anti-corruption
- Innovation-driven development
- Board of Directors, and Board of Supervisors
- Performance briefing
- · Investor service hotline
- · Company research



Customers

- Innovation-driven development
- Supply chain security
- Product and service safety and quality
- · Data security and customer privacy protection
- · Addressing climate change
- Energy utilization
- · Utilization of water resources
- Circular economy
- Anti-commercial bribery and anti-corruption
- · Anti-unfair competition

- Communication and collaboration with customers
- Customer satisfaction survey
- Technical seminars
- Daily communication with customers
- Confidentiality of client information

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Stakeholders Concerns and Expectations Communication Channels Anti-commercial bribery and anti-corruption Anti-unfair competition Employee training Employee rights protection Working meetings · Occupational health & safety Staff symposium · Employee training and development **Employees** Employee satisfaction survey · Data security and customer privacy Employee activities protection Social contribution · Supply chain security · Supplier management and auditing • Equal treatment of SMEs Supplier training and empowerment · Product and service safety and quality Supplier communication and Suppliers and • Anti-commercial bribery and anti-corruption exchange business partners Anti-unfair competition Supplier conference Anti-unfair competition Environmental protection activities · Addressing climate change Industry conferences and exhibitions Rural revitalization Community and School-enterprise cooperation Social contribution industry · Public welfare activities Innovation-driven development Rural revitalization · Social contribution Innovation-driven development \triangleright Information disclosure Equal treatment of SMEs · Communication interviews · Product and service safety and quality Media · Wechat official account platform Circular economy Addressing climate change Stakeholder communication

Materiality Topics Analysis

To fully understand the focus areas of stakeholders and better integrate their demands and expectations into the Company's sustainable development management practices, the Company conducts identification and analysis of material topics. By analyzing the Company's activities and business relationships in-depth, the Company identifies an ESG topic database and conducts widespread stakeholder opinion surveys to prioritize the materiality of topics. The Company gives priority consideration to risks that could significantly impact business WeChat, harm the Company's reputation, or are of utmost concern to stakeholders. This prioritization enables the Company to effectively allocate resources, develop mitigation strategies for most material risks, and better manage ESG-related matters.

Analysis Process for Materiality

Learn about company activities and business relationships

- Learn about company activities and business relationships
- Understand the external objective environment
- Learn about the main affected stakeholders
- Use topics identified in Guidelines as a baseline, and identify other potential materiality topics with reference to

peer companies, rating

Identify ESG topic

library

 Identify the impact, risks and opportunities related to the topics, and summarize them to form a company topic library

standards, etc.

- Assess and rank the materiality of topics
- Identify the results of impact materiality and financial materiality assessments through questionnaires, interviews, etc.
- Integrate the assessment results to form a materiality matrix

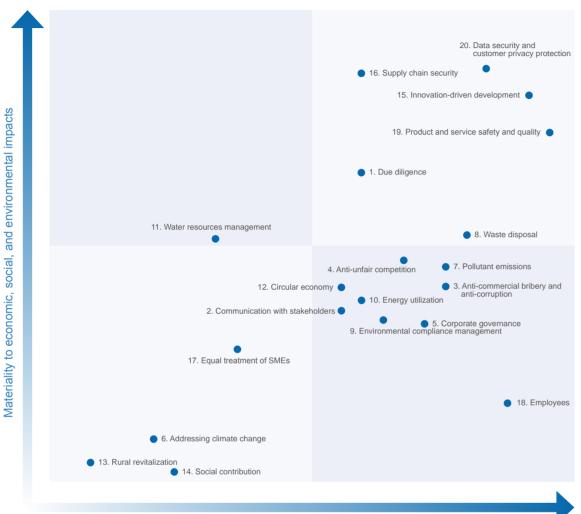
- Determine and report on the materiality of topics
- Determine or adjust the results of materiality topics in combination with the opinions of the management
- Disclose in the annual ESG report in accordance with the requirements of the Guidelines

During the reporting period, the Company extensively sought opinions from various stakeholders through questionnaire surveys. Based on the dimensions of "financial materiality" and "impact materiality", the Company compiled a double materiality matrix for the year 2024. This matrix identified 6 topics with double materiality, 9 topics with only financial materiality, and 1 topic with only impact materiality.



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Materiality Matrix of The Company



Materiality to finance of the Company

Governance

Environmental

Social

- 1. Due diligence*
- 2. Communication with stakeholders
- 3. Anti-commercial bribery and anti-corruption
- 4. Anti-unfair competition
- 5. Corporate governance

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- 6. Addressing climate change
- 7. Pollutant emissions
- 8. Waste disposal*
- 9. Environmental compliance management
- 10. Energy utilization
- 11. Water resources management
- 12. Circular economy

- 13. Rural revitalization
- 14. Social contribution
- 15. Innovation-driven development*
- 16. Supply chain security*
- 17. Equal treatment of SMEs
- ent 18. Employees
 - 19. Product and service safety and quality*
 - 20. Data security and customer privacy protection*

Note: Topics marked with an asterisk (*) are of double materiality.

Risk Internal Control

Scientific and effective risk management and internal control systems are the cornerstone of a company's sound operation and long-term value realization. The Company focuses on strategic planning and actual operational management to identify and conduct internal control risk assessments from the perspectives of financial management, procurement management, human resources management, production management, sales management, R&D management, among others. The Company establishes a robust risk-oriented internal control and compliance management system to enhance its resilience against risks across the entire value chain.

The Company has formulated the *Internal Audit System*. Following the principles of "independence, objectivity, and impartiality", this system supervises and evaluates the financial income and expenditure, asset quality, and operational performance of the Company and its subsidiaries. The Audit Department reports to the Audit Committee at least quarterly and submits an internal control assessment report per year. Actions violating the system are disciplined or penalized, and upon approval by the Board of Directors, the system is enforced.

Internal Control Management Structure



- Review and approve the Internal Audit System. If the system conflicts with national regulations or the Articles of Association, it shall be revised and approved in accordance with the latest provisions.
- Accept objections raised by audited units regarding audit decisions and adjudicate. Hold auditors accountable for violations (e.g., seeking personal gain or leaking confidential information) based on the severity of the misconduct.
- Set up the Audit Department and guide it to work independently, guaranteeing that the Audit Department is not subordinate to the Finance Department or co-located with it.
- Approve the Audit Department's authority to inspect financial records and authorize it to implement temporary protective measures for major urgent matters.
- Conduct audits of the financial transactions, operational performance, and internal control systems of the Company and its subsidiaries.
- Monitor audited units to ensure corrective actions are implemented and conduct follow-up audits on critical projects.



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Internal Control and Risk Management Training

In September 2024, the Company invited Dr. Zhou, an associate professor with a Ph.D. in Management, to conduct training on "Digitalized Internal Control and Risk Management for Enterprises in the Age of Intelligence" for relevant personnel in the Company. The training provided a detailed analysis of how traditional process-based internal control methods can be integrated into a risk management system. It also included practical cases study on digital warning analysis for the two major core business sectors of sales receivables and procurement payables. The training emphasized that in an intelligent environment, companies need to shift from compliance-oriented to strategic-oriented approaches. By constructing risk control systems through data modeling, companies can ultimately achieve an upgrade in intelligent risk management that supports strategic goals and balances risks with performance. This training helped the participants effectively grasp the methods and trends in internal control and risk management, thereby enhancing the Company's internal risk management practices.



Internal Control and Risk Management Training

Key Performance

The Company strictly adheres to national and local tax regulations to ensure the legality, compliance, and efficiency of the Company's tax activities. In 2024, the Company's tax payment amounted to RMB

60.7912 million.

Business Ethics

The Company has always adhered to a zero-tolerance principle, prohibiting any form of bribery, corruption, or graft. The Company has established the *Anti-Fraud Management System*, which regulates the professional behavior of all employees, requiring them to strictly adhere to relevant laws, industry norms and standards, professional ethics, and company regulations, thereby fostering a culture of integrity, diligence, and dedication.

The Company strictly adheres to legal requirements such as the *Anti-Monopoly Law* and *the Anti-Unfair Competition Law*, resolutely eliminating practices like false advertising and infringement of trade secrets that constitute unfair competition. Through system standardization, agreement signing, employee training, and internal supervision, the Company ensures the legality and legitimacy of its business practices.

Anti-Fraud Management System



- Take responsibility for addressing fraudulent behavior, establishing, improving, and effectively implementing anti-fraud procedures and controls including fraud risk assessment and fraud prevention, and conducting self-assessments.
 - Serve as a permanent body for antifraud work, organizing and implementing anti-fraud work across departments and within the Company.

Pledge for Integrity

"Starting from myself, I will uphold the bottom line of honesty and integrity and reject any form of bribery and corruption!"

Prevention and Control of Fraud

Advocating a culture of integrity and honesty

- Lead by example from the senior levels, provide training for all employees, and establish clear behavioral guidelines.
- Encourage reporting unethical behavior and establish policies for rewards and punishments.

Strengthening the assessment of integrity risks

- Incorporate fraud risk assessment into the enterprise risk assessment, proactively identify highrisk corruption scenarios in business operations annually, and issue warnings for related practices.
- Establish anti-fraud control measures at all levels and in all departments, implement control mechanisms at the source, and ensure their effectiveness.

Conducting investigations on key positions

 Conduct background checks on individuals being considered for hiring or promotion to important positions, and maintain formal written records.

Signing integrity agreements

- Have all new employees sign clauses prohibiting commercial bribery in their Letter of Commitment upon Joining the Company.
 - Sign Anti-Commercial Bribery Agreement with suppliers to prohibit commercial bribery practices.

Anti-Corruption Propaganda and Education, Jointly Building a Clean Enterprise

In April 2024, the Company organized a special study and warning education activity on anti-corruption in the factory areas of Suqian and Ningbo. More than 30 key employees in middle and senior management, the procurement and sales departments, party members, and employee representatives participated in the event via video link between the two locations. They collectively studied regulatory documents such as the *Anti-Unfair Competition Law* and the *Criminal Law*, watched special videos on anti-corruption, and analyzed typical cases. This event has deepened the awareness of integrity and disciplinary norms among relevant personnel.



Anti-Commercial Bribery Training

The Company produced exhibition boards, posters, and other materials on anti-corruption themes, which were prominently displayed in publicity areas at the Suqian and Ningbo facilities. Employees were organized to study these materials, with over 200 participants in total, fostering an atmosphere of integrity and self-discipline.



Anti-Corruption Culture Promotion

To effectively prevent and address various violations of rules and discipline, the Company established the *Whistleblowing and Complaint Management Measures*, accepting reports through multiple channels such as phone calls, mailboxes, and in-person visits. This promotes law-based administration, diligence, and integrity among management at all levels. The Audit Department, as the designated unit for handling reported information, is responsible for registering, categorizing, and resolving reported cases within specified time limits. Once a report is verified, the Company will reward the whistleblower based on the amount involved. False accusations or malicious framing will be penalized.



The Company has established a robust whistleblower protection mechanism, strictly safeguarding the identity and information of whistleblowers. All whistleblowing materials are classified as confidential and must not be disclosed or transferred to the reported party. Any form of retaliation is prohibited. If a whistleblower faces unfair treatment -such as job reassignment, demotion, or disciplinary action - due to whistleblowing, the responsible department must investigate and rectify the situation. Those who engage in retaliation will face public censure and fines; cases causing severe harm will be referred for judicial handling.

	Unit	2024	
Total number of confirmed corruption incidents	Cases	0	
Number of employees who have signed the integrity commitment letter	Persons	904	
Number of suppliers who have signed the anti-bribery commitment letter	Number	61	
Total number of litigation/administrative penalty cases for unfair competition	Number	0	





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Product Quality

Product quality is the lifeline of corporate development. The Company continuously improves its quality management system documents in accordance with ISO 9001, IATF 16949, and other relevant quality management system standards. The Company has established institutional documents such as the *Quality Manual, Production and Service Operation Control Procedure*, and *Non-Conforming Product Control Procedure* to ensure all quality activities are conducted in a standardized manner. The Company has established a dedicated Quality Control Center, which consists of two major divisions: quality control and inspection. Equipped with industry-leading quality testing equipment, the center strengthens product quality control.

Quality Management Framework

Quality Control Section

 Be responsible for product quality management, product data analysis and processing, and handling customer feedback and complaints.



Inspection Section

 Be responsible for conducting inspections throughout the entire production process, including incoming material inspection, in-process inspection, online inspection, and final dlivery inspection, covering all stages from raw material intake to finished product shipment.

To continuously enhance quality management, the Company conducts regular internal audits and management reviews of its quality management system. This ensures timely identification and correction of non-conformities, driving ongoing improvements in the system's effectiveness. Additionally, the Company sets annual corporate-level and department-level quality management objectives, including metrics such as powder product yield, employee training rate, product pass rate, and improvement project validation rate. Progress toward these objectives is regularly evaluated. All quality-related objectives for the year 2024 have been achieved.



The Company and Its Major Subsidiary Have All Passed ISO 9001 Quality Management System Certification

Quality Assurance Throughout the Product Lifecycle

The Company implements quality management across the entire product lifecycle, establishes a comprehensive control chain from raw material procurement to production process execution, finished product inspection, and proper handling of non-conforming items, and strengthens process quality control.

Product Lifecycle Quality Management

Quality Control of Raw Materials

- The Company has established a rigorous supplier evaluation and selection mechanism, conducting comprehensive audits of supplier qualifications, production capabilities, and quality assurance systems to ensure all procured raw materials meet powder production quality standards.
- All incoming materials undergo strict inspection per defined sampling plans and testing protocols, with full-item testing conducted.
 Any non-compliant materials are categorically rejected from warehouse entry, guaranteeing product quality at the source.

Production Process Quality Control

- The Company has introduced advanced production equipment and automated control systems to enhance process stability and controllability, effectively reducing human-factor impacts on product quality.
- Quality control checkpoints are implemented at critical production stages, utilizing Statistical Process Control (SPC) for real-time monitoring and analysis of production data to promptly identify and correct abnormal fluctuations.
- Enhanced quality training for production staff strengthens quality awareness and operational skills, ensuring strict adherence to operating procedures.

- Finished Product Quality Inspection and Control
- A comprehensive finished product inspection system has been established, requiring full-item testing of each powder batch (including appearance, particle size, purity, specific surface area, and bulk density) prior to warehouse entry and shipment to ensure compliance with quality standards.
- Advanced testing equipment operated by qualified personnel undergoes regular calibration and maintenance to guarantee accurate and reliable test results.

Quality Improvement Initiatives

The Company emphasizes continuous product quality improvement by establishing a quality issue feedback mechanism. Employees are encouraged to promptly report quality problems discovered during production, with appropriate rewards given for such feedback. Additionally, for quality issues identified through customer feedback or internal findings, the Company forms dedicated quality improvement teams. Using quality management tools (such as 8D reports and fishbone diagrams), these teams conduct root cause analysis, develop and implement effective corrective actions, and track improvement results ensuring closed-loop quality management.

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Conducting Packaging Process Training to Strengthen Quality Awareness

To enhance control over product packaging processes and improve product quality, the Company's subsidiary Guangxin Nano's Packaging Department conducted a training session on packaging requirements in April 2024. The training covered topics including explanations of packaging work instructions, 5S workshop management, and accountability for customer complaints related to packaging. Through this training, the participants gained a deeper understanding of the importance of inspection during packaging, clarified their respective responsibilities, and strengthened their sense of accountability to prevent recurrence of similar issues.



Packaging Process Training Site



Customer Service

The Company consistently adheres to a "customer-centered" service philosophy and establishes an end-to-end customer service system covering pre-sales, during-sales, and after-sales support. Through institutional measures such as the *Sales Management System, Customer-Related Process Control Procedure*, and *Customer Satisfaction Survey Control Procedure*, it continuously enhances service efficiency and customer satisfaction. Focusing on key areas including customer communication, contract fulfillment, complaint resolution, and satisfaction surveys, the Company has implemented robust management processes and operational standards with clearly defined responsibilities to ensure timely identification and effective response to customer needs. Additionally, mechanisms such as customer visits and satisfaction analysis are in place to continually refine service quality and strengthen customer loyalty. Committed to safeguarding customer rights, the Company aims to build long-term, stable, and trust-based partnerships that support sustainable business growth.



Precision in Meeting Customer Needs Earns High Recognition

In July 2024, a technical delegation from an international enterprise conducted a specialized factory audit at the Company's Suqian Base, focusing on evaluating its mass-production capabilities for nano-scale small-particle-size powders. The visit was led by the leadership of the Suqian Base, with full participation from sales, technical, and quality management teams. The audit team conducted a comprehensive review of production line stability and the quality control system, awarding scores above 90 points for both QPA (Quality Process Audit) and QSA (Quality System Audit). The results affirmed the Suqian Base's manufacturing and quality management capabilities in high-end electronic materials, demonstrating the Company's professionalism within the new energy material supply chain. This recognition paves the way for deeper collaboration between both parties.



Factory Audit Meeting at the Sugian Base

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Customer Complaint & Recall Mechanism

The Company has established a comprehensive product service and after-sales system, including the *Customer Complaint Handling Procedure*, which clearly defines responsible departments and workflows at each stage to ensure timely analysis and effective resolution of complaints. Additionally, annual performance targets are set for key metrics such as complaint response rate and resolution rate, safeguarding customer rights and upholding corporate reputation.

Customer Complaint Management Process



Customer Satisfaction Survey

The Company annually develops a customer satisfaction survey plan in accordance with internal control procedures. The plan specifies the target respondents, key focus areas, frequency, and methods of the survey. Regular surveys are conducted to comprehensively assess client evaluations and needs regarding product quality, service levels, complaint handling, and other aspects. Survey results are analyzed yearly, culminating in a *Customer Satisfaction Analysis Report*. Based on the findings, appropriate corrective and preventive measures are formulated and implemented.

Responsible Marketing

The Company adheres to responsible marketing principles and has established the *Sales Management System* to ensure all marketing activities are truthful, transparent, and strictly compliant with relevant laws, regulations, and industry standards. In all communications, the Company prioritizes customer privacy protection and data security compliance. Misleading claims and false advertising are strictly prohibited. Marketing content focuses on genuine product value and social benefits, continuously enhancing customer trust and brand reputation.

Innovation-Driven Development

Innovation and breakthroughs in core technologies form the foundation of The Company' high-quality development. The Company places strong emphasis on R&D investment and technological accumulation. Building upon its core technology - "Atmospheric Pressure Plasma Heating Vapor Condensation Method" - it continuously upgrades and iterates production processes. This drives product diversification from metal powders to non-metal powders, and from single-element metals to multi-component alloys. Through strategic collaborations with clients, the Company actively expands its portfolio of high-value-added products.

As of the reporting period, the Company had been granted numerous honors including "National High-tech Enterprise", "Fourth Batch of National Specialized and New 'Little Giant' Enterprise", "Jiangsu Demonstration Intelligent Workshop", "Jiangsu Enterprise Technology Center", "Jiangsu Metal Ultra-fine Powder Preparation Engineering Technology Research Center", "Jiangsu Nano Metal Powder Engineering Center", "Zhejiang Digital Workshop/Intelligent Factory", and "Suqian Demonstration Intelligent Workshop".

Key Performance

During the reporting period, the Company's R&D investment reached RMB 50.1794 million, accounting for 5.31% of total revenue.

Honors & Certifications

During the reporting period, the Company was recognized as a Specialized and New SME in Jiangsu Province, while its subsidiary the Company's subsidiary Guangxin Nano was designated as Ningbo Enterprise Technology R&D Center.



Green Process R&D Earns Jiangsu Premium Brand Certification

In 2024, the Company's capacitor electrode nickel powder was awarded the "Jiangsu Premium Brand". The product is manufactured using the Company's proprietary Atmospheric Pressure Plasma Heating Vapor Condensation Method for metal powder production. The entire production process consists solely of physical changes and operates within a sealed nitrogen system, where both the process nitrogen and cooling water are recycled, resulting in high resource utilization and environmentally friendly production. The final product exhibits high crystallinity, excellent sphericity, strong oxidation resistance, and superior dispersibility.



Jiangsu Premium Brand Certification

R&D Team Management

The Company adheres to an innovation-driven and talent-led approach, emphasizing the management and development of its R&D team through a well-established incentive mechanism. To continuously advance technological progress and enhance research management standards, the Company has implemented the *Science and Technology Advancement Reward Policy* and the *Intellectual Property Reward Policy*. These policies provide substantial recognition - both honorary and monetary - to employees who make outstanding innovative contributions, effectively motivating R&D personnel and research managers to pursue technological innovation and drive progress.

Key Performance

During the reporting period, the Company employed $135\,$ R&D personnel, accounting for 14.93% of total employees.



Weekly R&D Meetings Enhance R&D Management Efficiency and Collaboration

To improve R&D efficiency, the Company's R&D Department holds regular weekly meetings to promptly identify issues, align objectives, coordinate resources, and enhance cross-departmental collaboration and execution. In December 2024, senior R&D leadership and department heads convened the weekly meeting in the R&D building conference room to focus on key R&D tasks and solutions. The meeting addressed multiple R&D challenges, including equipment optimization during experimental phases and sample refinement. This session further clarified technical problem-solving approaches, enabling all R&D units to advance subsequent work more effectively.



Regular Meeting of the R&D Department

IP Management

The Company prioritizes intellectual property management, with clear guidelines for IP declaration and administration established in the *Employee Handbook and Intellectual Property Reward Policy*. The Company was recognized as a "National Intellectual Property Advantage Enterprise" in 2019 and designated as a "National Intellectual Property Demonstration Enterprise" in 2023. The Company's independent research and development project *Nano Metal Powder R&D* was listed into Jiangsu Province Strategic Emerging Industry Development Special Project, and the *High-capacity Multi-layer Ceramic Capacitor Inner Electrode Nano Nickel Powder R&D and Industrialization* project was listed into Jiangsu Enterprise Innovation and Achievement Transformation Special Fund project. The Company also presided and formulated the industry standard of *Nickel Powder for Capacitor Electrodes*.

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Key Performance

During the reporting period, the Company filed 20 new patent applications, including 13 invention patents and 7 utility model patents;

A total of 12 patents were granted, comprising 6 invention patents and 6 utility model patents.

As of the reporting period, the Company holds a total of 164 valid authorized patents as of the end of the reporting period, including 140 domestic patents (comprising 62 invention patents and 78 utility model patents) and 24 international patents.

Trade Secret Management

The Company adheres to the principles of "unified leadership, tiered responsibility, proactive protection, and focused priorities" in its confidentiality work. This approach integrates confidentiality management with business operations by holding department heads accountable for both operational and confidentiality matters in their respective areas ("who oversees operations is responsible for confidentiality"). This system ensures the security of trade secrets while facilitating smooth business operations. The Company has established a Secret-related Personnel Management System, under which the Confidentiality Committee reviews and manages secret-related matters while implementing tiered management for personnel. All employees are subject to confidentiality requirements outlined in the Employee Handbook, with those handling trade secrets required to sign Non-Disclosure Agreement. Additional departments may execute Confidentiality and Non-Compete Agreements as needed. Regular training programs are conducted to strengthen employees' confidentiality awareness and safeguard the Company's trade secrets

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Honors & Certifications



The Company's Subsidiary Guangxin Nano's Trade Secret Protection Office Was Recognized as Ningbo Trade Secret Protection Demonstration Site

Industry-University-Research Cooperation

The Company actively establishes Industry-University-Research collaborative platforms to conduct joint technological research with universities and research institutions. The Company has established long-term partnerships with leading organizations such as the Ningbo Institute of Materials Technology & Engineering (Chinese Academy of Sciences) and Shanghai Jiao Tong University. These strategic collaborations promote deep integration of industry, university and research, facilitate the transformation of scientific achievements into practical applications, ensure the innovation and advancement of our product technologies, and support the Company's rapid, sustainable, and healthy development.

Intelligent Manufacturing & Data Security

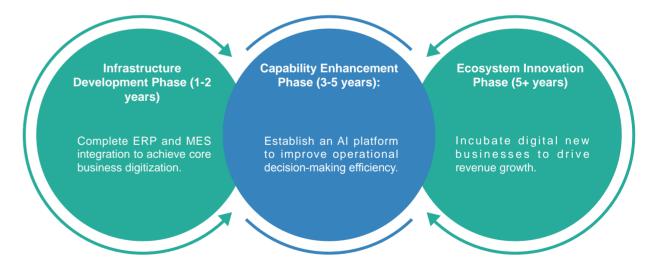
Amid the digital economy wave, The Company is committed to becoming an industry benchmark in digital transformation. By deeply integrating cutting-edge technologies like 5G, AI, and IoT, the Company has established a next-generation enterprise model characterized by "full-factor connectivity, end-to-end intelligent processes, and cross-scenario collaboration". The Company is driving an organizational shift from traditional operations to a "data-driven, intelligent decision-making" paradigm. While prioritizing robust data security management and protection, these initiatives ultimately aim to reconstruct industrial chain value and create ecosystem synergies.

Digital Transformation

Guided by China's national digitalization mission, the Company is committed to driving industrial digital transformation to enhance competitiveness and promote sustainable economic development. The Company has established a three-phase digital transformation roadmap covering infrastructure development, capability enhancement, and ecosystem innovation, achieving long-term sustainable growth through comprehensive digitalization.

The Company's Digital Transformation Objectives and Roadmap

Digitalization objectives: Quantifiable transformation milestones



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Opening

Building a Digital Smart Factory to Enhance Manufacturing Quality and Efficiency

The Company's subsidiary, Guangxin Nano, has established a provincial-level smart factory specializing in high-end nano metal materials for electronic applications. This facility consists of an intelligent nano powder production workshop and a post-processing grading workshop, featuring comprehensive digital and automated systems covering product design, process management, production execution, and warehousing logistics. Through the integrated operation of ERP, MES, WMS, RCS, and LIMS, the factory has established a complete data chain connecting personnel, equipment, materials, methods, and environment. This enables automated production planning, intelligent material distribution, real-time process monitoring, and full product traceability. Since its implementation, the smart factory has achieved significant improvements: increased production efficiency, reduced operational costs, shortened product development cycles, lower defect rates, and enhanced energy utilization efficiency. These advancements ensure consistent product quality while promoting green and high-efficiency manufacturing.

Ensuring Data Security & Customer Privacy

The Company has established comprehensive policies including the *Network and Computer Management System, Electronic Data Security Management Measures*, and *Data Breach Incident Management System* to strengthen its data and network security protection framework. For emergency scenarios involving network or data security incidents, the *Cybersecurity Emergency Response Mechanism* has been implemented to standardize the handling of network and information security anomalies during crises, safeguarding the interests of both the enterprise and its clients. During the reporting period, no major security failures or data breaches occurred.

Data Security Management Requirements

Data Server

 All data servers must implement RAID technology with data recovery capabilities (RAID 1, 3, 5, or 10).

Network Protection

 All ports except those explicitly authorized for server operations must be permanently disabled on both perimeter and system firewalls.

Mobile Device

 After data transfer is completed, all terminal hard drives must be securely destroyed in strict compliance with the Company's Trade Secret Protection requirements, with no long-term data retention permitted under any circumstances.

Terminal Hard Drive

 All workstations must have antivirus software installed, and users are strictly prohibited from disabling or deactivating the software.

Storage Environment

 Room temperature between 10-35°C, relative humidity of 35-80%, equipped with vibration-resistant infrastructure, comprehensive lightning protection, UPS, monitoring systems, access control security, and complete fire suppression facilities.

Data Protection

 Database servers must undergo full database backups at regular intervals, supplemented by daily incremental backups. All database backup files shall be stored off-site (primarily as ransomware protection), and end-user computers must periodically back up data to the designated backup server. The Company has established a holistic data security protection framework to ensure both network and data security. The Company implements stringent security measures across network access, perimeter protection, data encryption, and process management, including multi-layer backup systems, granular access control, file encryption protocols, and digital watermark tracking capabilities. Through advanced network security appliances and data management systems, the Company effectively mitigates risks of external attacks and internal data breaches. Furthermore, the adoption of digital process management tools has simultaneously enhanced operational efficiency and security.

Network and Data Security Protection Framework

Multiple network access and protection guarantees

- Dual-network access points (China Telecom and China Unicom as dual carriers) with primary and backup systems.
 Strict implementation of wired/wireless employee network IP-MAC address binding and access control. Visitor networks are physically isolated.
- Server data employs RAID1, local and off-site encrypted cold backups. UPS and generators are provided for power backup. Server rooms have EMP protection capabilities.

In-depth boundary security protection

- Deploy professional network behavior management systems and core firewalls, integrating capabilities such as intrusion prevention, antivirus, URL filtering, cloud sandboxing, traffic analysis, and SSLVPN.
- Strict control over inbound and outbound data packets, allowing only verified secure traffic.

Data classification and tiered control

- · Utilize an electronic document security management system to implement encrypted classification for work materials.
- Cross-departmental or lower-clearance employees accessing, sharing, or printing high-clearance documents require supervisor authorization and must operate within permitted time limits.

Data encryption management

- Full-disk encryption for work data; files become inaccessible when disconnected from the company network or placed in unauthorized environments (opened documents automatically lock).
- All documents embed special blind watermarks to effectively trace leakage sources.

Systematized business process management

• Leverage professional systems such as Kingdee EAS, Weaver OA, ERP/MES, and FanRuan BI to standardize and digitize financial, approval, resource allocation, and data analysis processes.

Confidentiality Breach Reporting Requirements

Report Content

 Classification level, quantity, and format of the compromised materials; the time, location, and circumstances of the breach; actual or potential damage; and implemented or proposed remedial measures.

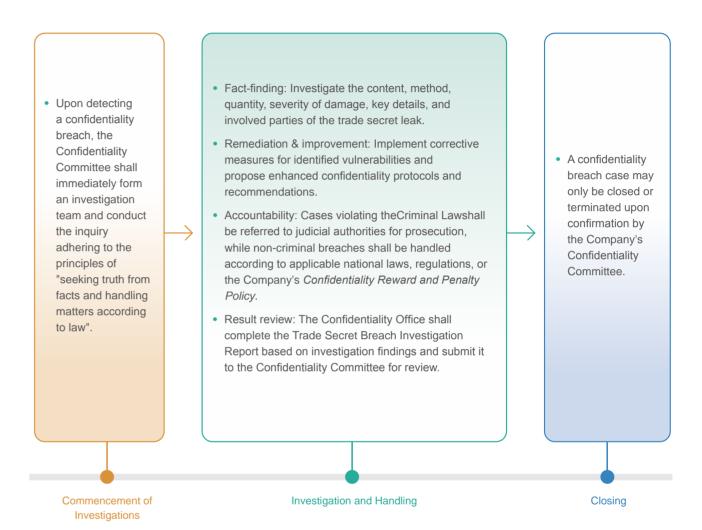
Reporting Deadlines

- Top secret: immediate reporting;
- · Confidential: within 8 hours;
- · Secret: within 24 hours.

Handling of Special Circumstances

- For items with unclear or disputed classification levels, determination shall be made according to the Company's Classification Management Measures.
- Concealment of breaches or obstruction of investigations will result in disciplinary action against both involved personnel and department heads.
- Retaliation against whistleblowers will face severe penalties, while individuals contributing to remediation or providing crucial leads will be rewarded.

Confidentiality Breach Investigation Process





Enhancing Technical Cooperation in Network and Data Security and Strengthening Information System Security Defenses

In 2024, to enhance data security, the Company partnered with a leading technology firm for comprehensive cybersecurity drills. The collaboration focused on critical defense technologies including: intrusion prevention, anti-virus systems, URL remote query, cloud sandbox detection, traffic probes, and internal SSL VPN solutions, significantly upgrading the information system's protective capabilities. Through these joint exercises and technical support, the Company has optimized its security framework, improving both threat identification and response capabilities. This initiative has established a robust foundation for ensuring operational system stability and safeguarding data assets.

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Focusing on Data Security and Conducting Subject Training for Senior Executives

In 2024, the Company conducted specialized data security training for 35 department heads through a one-hour intensive session per participant, designed to enhance leadership's awareness of data compliance and information security risks. The training program systematically covered critical areas including data classification, access control protocols, and risk mitigation strategies. This initiative significantly strengthened management's competency in data security governance, providing vital support for establishing the Company's comprehensive data security management framework.



Data Security Training Site

Supply Chain Security

The safety and stability of the supply chain constitute one of the critical factors ensuring the Company's sustainable and healthy operations. The Company has established the *Supplier Management and Procurement Control Procedure*, continuously improving its supplier management system under the leadership of the General Manager as the ultimate responsible party. This cross-functional system involves coordinated management by the Procurement Department, Quality Department, and R&D Department to guarantee that the supply of raw materials and other resources fully meets the Company's operational and developmental requirements.

Supplier Management

The Company has implemented a comprehensive supplier quality management and evaluation system to ensure raw material quality. New suppliers must pass a three-tier approval process comprising due diligence, sample testing, and small-batch trial before qualifying for procurement. For existing suppliers, the Company conducts annual evaluations to generate *Supplier Assessment Form*, regularly updates the supplier database, and removes ungualified suppliers.

New Supplier Management and Evaluation Process

Supplier Due Diligence

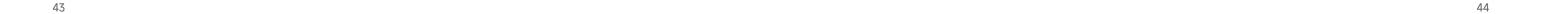
The Company collects information on potential suppliers and preparesNew Supplier Approval Form, which evaluates candidates across multiple dimensions including pricing, production capacity, quality reputation, geographical location, and service level, while consolidating all relevant supplier documentation.

Sample Testing and Small-Batch Trials

- For suppliers providing materials for the first time, the Company conducts sample testing and smallbatch trials following initial due diligence.
- The Quality Control
 Center first issues formal
 quality certification results,
 after which small-batch
 trial production is initiated.
 Only upon successful
 quality verification by the
 Quality Control Center
 may bulk procurement
 proceed.

Supplier Evaluation

- Suppliers must undergo evaluation and obtain approval from the Procurement Department's head, the responsible Deputy Manager, and the Chief Financial Officer before qualifying for procurement.
- For Category A and B materials, suppliers must additionally receive qualification confirmation from the General Manager. The officially approved List of Qualified Suppliers (Outsourcing Partners) requires the General Manager's final authorization before implementation.

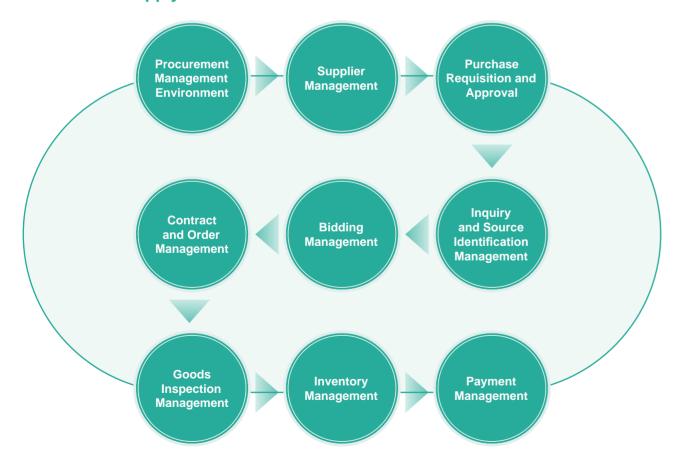


Supply Chain Risk Management

The Company's primary raw materials include nickel blocks, copper rods, silver sand, and auxiliary materials, with prices fluctuating according to global market trends for these metals. To enhance inventory management efficiency, the Company's Marketing Center regularly aggregates customer demand data, based on which the Production Planning Center formulates corresponding production plans and material requirements. The Procurement Department then generates purchase orders by integrating these operational needs with both safety stock requirements and real-time market price fluctuations of bulk raw materials, ultimately executing procurement activities accordingly.

To further strengthen supply chain security and stability, the Company has implemented a comprehensive risk identification and assessment mechanism that covers all procurement stages, thereby enhancing product quality assurance from the source. The Company conducts regular internal control risk identification and evaluation for key procurement processes - including raw material purchasing, supplier qualification, contract management, and inspection/payment - in accordance with the *Procurement Cycle Internal Control Risk Assessment Form.* Through systematic analysis of potential risks in procurement processes - including compliance, quality, delivery, and cost considerations - the Company continuously optimizes its procurement management procedures by incorporating risk-level assessments and control measure recommendations. This approach enhances proactive risk prevention and operational effectiveness, ensuring both stable raw material supply and standardized purchasing decisions, thereby providing robust support for product quality and on-time delivery.

Supply Chain and Procurement Risk Control Process



Sustainable Procurement

The Company's Supplier Management and Procurement Control Procedure clearly define evaluation criteria for Category A and B critical suppliers. Under the "management capability" assessment dimension, suppliers are evaluated based on their certifications in quality, environmental, and safety management systems. The "production capability" dimension comprehensively assesses suppliers' production infrastructure, work environment, workforce competency, and product protection measures to gauge their sustainable development capacity. This dual-dimensional evaluation mechanism effectively mitigates supply chain risks while enhancing overall security and stability.

Transparent Procurement

The Company rigorously enforces transparent procurement practices in supplier ethics management, establishing clear approval standards for each procurement phase to prevent violations and corruption. With key suppliers, the Company signs Anti-Commercial Bribery Agreements that explicitly specify reporting channels for unethical behavior, whistleblower protection mechanisms, and disciplinary procedures. These agreements legally empower the compliant party to unilaterally terminate contracts and seek compensation for damages in case of breach.



Environmental Compliance and Ecosystem Protection

The Company has established management systems including the *Environmental Protection Management Regulations and Operating Procedures* and the *Environmental Safety Monitoring & Measurement Control Procedures*, which clearly define management responsibilities. These systems cover environmental management of production facilities, pollution incident management, and incorporate an environmental performance evaluation mechanism to drive cleaner production. The Company conducts Environmental Impact Assessments (EIA) for all projects in accordance with legal requirements, incorporating ecological and environmental factors into the evaluation scope. The "Three Simultaneities" environmental protection system for construction projects is strictly implemented. Verified records confirm that none of the Company's operational facilities are located within ecological conservation redlines or restricted development zones. The Company has been awarded titles such as Jiangsu Provincial Green Leading Enterprise and Jiangsu Provincial Green Factory and its subsidiary the Company's subsidiary Guangxin Nano has been awarded the titles of Zhejiang Provincial Green Factory, Zhejiang Provincial Water-saving Enterprise, and Ningbo Municipal Zero-waste Factory.

Environmental Management Framework



- As the first person accountable for the Company's environmental protection efforts, they oversee the Company's overall environmental responsibilities, strategically guide the direction of environmental management, and allocate resources to support environmental initiatives.
- As the Company's primary authority for environmental protection management, the department includes dedicated environmental specialists responsible for providing environmental education, training, guidance, inspection, and supervision to all departments.
- In daily operations, the department is tasked with formulating and enforcing environmental policies and plans, regularly monitoring pollutant emissions, ensuring the proper functioning of all environmental protection facilities, and coordinating communication between internal teams and external environmental regulatory agencies, collaboration, and inspections.
- The Company requires all employees to develop environmental awareness. New employees must complete environmental protection training before assuming their positions, covering national laws and regulations, the Company's environmental policies, operating procedures for environmental protection facilities, and emergency plans.
- Employees must undergo at least one annual environmental training session and pass the assessment to remain qualified for work. They must strictly implement environmental protection requirements in their respective job responsibilities.



The Company and Its Major Subsidiary Have All Passed ISO 14001 Environmental Management System Certification

The Company conducts environmental risk assessments and has developed a comprehensive *Emergency Response* Plan for Sudden Environmental Incidents. Based on production process characteristics and environmental risk substances, a two-tier emergency response mechanism (plant-level and facility-level) has been established, with clearly defined responsibilities for the emergency command center and on-site rescue teams. The plan implements end-to-end measures covering prevention & early warning, information reporting, emergency handling, and postincident recovery. Emergency reservoirs, firefighting equipment and other resources are maintained to rapidly address environmental emergencies such as leaks or fires, minimizing environmental pollution and casualties. During the reporting period, the Company achieved its zero-incident target for fires/explosions.

Accident Types & Risk Levels

Risk Unit	Vulnerabilities	Hazardous Materials	Risk Types	Causes	Consequences
Production workshop	Equipment leaks/ improper operation	Nickel powder, ethanol	Leakage, fire, explosion		Equipment leaks or improper operation caused leaks of nickel powder and ethanol, resulting in water and soil pollution; the fires generated by such accidents primarily affect the external environment through radiant heat and dense smoke from combustion impacting ambient air quality. From a safety perspective, the main manifestations are personnel casualties and damage to nearby equipment.
Raw material warehouse	Packaging damage/ tip-over, transport failure	Nickel blocks, powder	Leakage, fire, explosion	Operational errors, poor maintenance	Improper storage of nickel blocks, nickel powder (finished/semi-finished products), or nickel-containing accident wastewater entering surface water through stormwater drainage networks during fire incidents.
Ethanol storage tank	Malfunction	Ethanol	Leakage, fire, explosion		Fire/explosion accidents due to malfunction. Additional ignition risks caused by lightning strikes, static electricity, and electrical sparks.
Gas cylinder room	Malfunction	Ammonia gas	Leakage, fire, explosion		Rupture of cylinders or pipelines may cause ammonia leaks, resulting in contamination of ambient air at the affected site.
Waste gas treatment unit	Failure of waste gas treatment facilities	Non-methane hydrocarbons, particulate matter, nickel and its compounds	Leakage		Failure of waste gas treatment facilities leads to accidental emission of untreated waste gas, impacting the surrounding environment.

Risk Unit	Vulnerabilities	Hazardous Materials	Risk Types	Causes	Consequences
Wastewater treatment unit	Failure of wastewater treatment facilities or pipeline rupture	pH, COD, SS, copper, nickel	Leakage	Operational errors, poor maintenance	Failure of wastewater treatment facilities, pipeline rupture, or similar incidents may result in accidental discharge of high-concentration polluted wastewater, causing contamination to the water environment.
Storage place for hazardous waste	Leakage during hazardous waste storage	Hazardous waste	Leakage, fire, explosion		Leakage during hazardous waste storage may cause water and soil pollution, and potentially trigger fires or explosions.

Environmental Emergency Procedures

Warning & reporting

Opening

- Warning conditions: A warning is triggered when equipment malfunctions, meteorological disasters, or other factors may lead to an environmental incident.
- Reporting procedure: Internally, report to the emergency command center within 1 hour; externally, report to higher-level government authorities, the Ecological Environment Bureau, and other relevant departments within 1 hour.

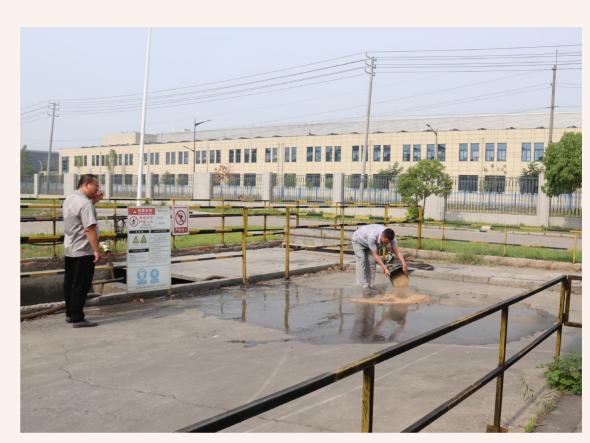
Emergency disposal

- Pollution source control: Close valves, use sandbags to block flow, and activate emergency pools to collect accident wastewater.
- Personnel evacuation: Evacuate to designated assembly points according to the emergency evacuation diagram and conduct a headcount.
- Emergency monitoring: Air monitoring factors include total non-methane hydrocarbons, nickel, and its compounds. Water quality monitoring factors include pH, COD, copper, nickel, etc., with an initial monitoring frequency of up to 6 times per day.

Emergency termination

 The emergency is terminated by order of the command center once conditions such as accident control and pollutant discharge compliance are met.





In June 2024, the Company Conducted Hazardous Material Leakage Drills

Key Performance

During the reporting period, the Company invested RMB 1,159,600 in environmental protection, with no major environmental incidents or regulatory penalties incurred.

Building a Strong Producing Exceptional Safeguarding the **Sharing Development** Governance Foundation Products Green Environment Achievements Conclusion 2024 Social Responsibility Report Opening

Energy and Addressing Climate Change

The Company has established energy management systems including the Energy and Resource Control Procedures, Energy Management Regulations, and Energy Measurement Management Regulations, It implemented a three-tier energy management network with position-based responsibilities, exercising full-process control from energy procurement and usage to measurement and evaluation. Performance-based incentives/disincentives are applied according to quota assessment results. On-site management assessment rules with specified penalties for energy violations were formulated to reduce consumption and improve energy efficiency.

Three-tier Energy Management Network with Position-based Responsibilities



Energy Conservation Reduction Management

Energy Office

- · Communicate energy policies and oversee the company-wide energy work
- · Regularly chair meetings of the "Company Energy Conservation and Consumption Reduction Management Committee" and lead the energyrelated work of energy-consuming branch plants (workshops)
- Inspect the implementation of systems, measures, and guota completion by various departments and designated personnel
- · Review major energy-saving technical renovation projects and the implementation of reward and punishment measures across the Company
- · The General Manager in charge of energy serves as the chairperson, and the person in charge of energy power as the vice-chairperson. Members include the deputy directors in charge of equipment, energysaving engineers, and energy management officers from each workshop (department) and branch plant
- Hold quarterly meetings to review energy-saving measures, energy consumption quotas, and the execution of reward and punishment
- Be responsible for energy management and assessment, consolidating reports, implementing national policies, promoting energy-saving technologies, and holding monthly energy analysis meetings

The Company has established a long-term energy conservation mechanism and develops annual energy-saving plans to implement related initiatives.

The Company exceeded its annual electricity conservation targets during the reporting period, achieving above-plan energy savings:

Annual Electricity Consumption vs. Planned Annual Energy Consumption Targets

Suqian Base 1,519,800 kWh saved

Ningbo Base 5.608.000 kWh saved



ISO 50001 Energy Management System Certificate of the Company

Energy-saving Measures

Energy-saving technical renovation

· Energy conservation and consumption reduction are achieved by implementing energy efficiency upgrades for equipment such as the currentcarrying system, cooling system, and environmental control system, and optimizing processes like metal evaporation, particle forming, particle gassolid separation, and particle grading and dispersion.

Green lighting

 Replace 120W energy-saving lamps with 48W LED clean flat panel lights (specification: 300×1200) and 65W LED lights, which feature low power consumption. long service life, and environmental benefits. A total of 150 lighting fixtures were replaced, saving 95,000kWh of electricity annually.

Clean energy

 A 3,000KW grid-connected photovoltaic power station was constructed on the 18,000-squaremeter factory roof, achieving an annual energy saving of 3 million kWh.

Training and promotion

 Conduct energysaving knowledge training for workshop employees and post slogans in office areas to advocate for green office practices.



Rooftop Photovoltaic System on Factory Building



Electricity Conservation Slogans

	Unit	2024	2023	2022
Gasoline	Liter	15,293.34	15,417.37	14,077.74
Diesel	Liter	3,438.18	3,585.76	5,860.0293
LPG	m³	7.92	7.45	10.775
Indirect energy consumption	tce	13,958.57	11,751.59	15,967.09
Electricity	Megawatt-hour	113,620.76	96,041.54	129,267.88
Total purchased electricity	Megawatt-hour	110,257.79	92,870.10	129,267.88
Self-generated renewable electricity usage	Megawatt-hour	3,362.971	3,171.44	1
Clean energy usage	Megawatt-hour	3,362.971	3,171.44	1
Clean energy usage percentage	%	2.93	3.31	1
Including: solar energy	Megawatt-hour	3,362.971	3,171.44	1
Including: solar energy proportion	%	100	100	1

Data Coverage Explanation:



Motor Frequency Control Optimization Project

In June 2024, the Company implemented a motor frequency control optimization project, including inverter bracket welding and installation. Post-optimization, the project achieves annual electricity savings of approximately 1.5 million kWh per year.

Key Performance

During the reporting period, the Company's subsidiary Guangxin Nano's total greenhouse gas emissions were $18,377\,{\rm tCO_2}{\rm e}$, representing a reduction of $217\,{\rm tCO_2}{\rm e}$ (1.1%) compared to the 2023 total of $18,594\,{\rm tCO_2}{\rm e}$.

	Unit	2024
Scope 1 greenhouse gas emissions	tCO ₂ e	34.914
Scope 2 greenhouse gas emissions	tCO ₂ e	18,342.134



^{1.}The indirect energy consumption, electricity, and total purchased electricity cover operational sites including the Company and the Company's subsidiaries Guangxin Nano and Ningbo Guangqian Electronic Material Co., Ltd.

^{2.} The gasoline, diesel, self-generated renewable electricity usage, clean energy usage, clean energy usage percentage, solar energy, and solar energy proportion cover operational sites including the Company and the Company's subsidiary Guangxin Nano.

^{3.} The LPG covers the operating site the Company's subsidiary Guangxin Nano.

Pollution Prevention and Control

The Company strictly complies with environmental laws and regulations including the *Environmental Protection Law, Law of the People's Republic of China on the Prevention* and *Control of Atmospheric Pollution*, and *Law of the People's Republic of China on the Prevention and Control of Solid Waste Pollution*. It has established management systems such as the *Water Pollutant Discharge Control Procedures, Air Pollutant Emission Control Procedures, Noise Emission Control Procedures*, and *Solid Waste Discharge Control Procedures*, with clearly defined management responsibilities. The Company has achieved 100% compliance with noise, wastewater, and exhaust emission standards at all facility boundaries.

Wastewater Discharge

The Company's wastewater is categorized into industrial wastewater and domestic sewage. Through strict compliance with water pollutant discharge standards, industrial wastewater is fully recycled without external discharge.

Industrial wastewater

 Industrial wastewater primarily comes from acid washing processes, which after being activated, filtered and purified at the wastewater treatment station, is returned to workshops as industrial water and ultimately reused for spray towers and equipment cooling, achieving complete circular utilization.

Domestic sewage

 Domestic sewage, including toilet wastewater and cleaning wastewater, is treated to meet standards through septic tanks and purification tanks before being discharged into the municipal sewage network.

Wastewater Discharge Performance of the Company's Subsidiary Guangxin Nano	Unit	2024
Total wastewater discharged	10,000 m ³	0.89
Including: total industrial wastewater	10,000 m ³	0
Including: total domestic wastewater	10,000 m ³	0.89
Chemical oxygen demand (COD)	Tons	0.36
Ammonia nitrogen content (NH3-N)	Tons	0.02

Exhaust Emission

The Company implements the *Integrated Emission Standard of Air Pollutants* for exhaust emissions. With an annual total emission control target of 0.097 t/a for nickel and its compounds, the Company's actual emissions reached 0.820 kg/a, fully complying with the total quantity control requirements. The Company conducts routine maintenance and testing of oil fume collection/filtration systems and acid mist collection/neutralization systems in accordance with environmental impact assessment approvals and pollution discharge permit requirements. Annual third-party environmental testing is performed. All exhaust gases are treated through bag filters, water spray towers, and biological trickling filters before emission. Exhaust from hazardous waste storage is controlled via sealed containers to ensure compliance with emission standards.

Exhaust Gas Emissions Performance of the Company's Subsidiary Guangxin Nano	Unit	2024
Volatile organic compounds (VOCs) emission	Kg	2,963
Particulate matter (PM) emission	Kg	2,462

Waste Discharge

The Company's waste is categorized into general solid waste, hazardous waste, and domestic garbage. General solid waste, including used crucibles, waste metal powder, discarded filter bags, waste filter cloth, waste filtering materials, waste packaging, and spent water purifier filter cartridges, is managed in compliance with the Standard for Pollution Control on the Storage and Disposal for General Industrial Solid Wastes (GB18599-2001) and recycled by licensed companies for remanufacturing purposes. Hazardous waste such as waste ethanol and sludge is stored according to the requirements specified in the Standard for Pollution Control on Hazardous Waste Storage (GB18597-2001). Domestic garbage is collected and disposed of by environmental sanitation departments The Company classifies, stores, and transports solid waste according to its management regulations, and maintains hazardous waste registries that accurately record generation, collection, storage, transfer, and disposal activities. During the reporting period, the Company achieved its 100% waste disposal rate target.



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Waste Discharge Performance of the Company's Subsidiary Guangxin Nano	Unit	2024	2023	2022
Total waste generated	Tons	270	295.43	309.09
Including: total hazardous waste	Tons	0	33.43	17.54
Including: total non-hazardous waste	Tons	270	262	291.55
Total recycled/reused waste	Tons	270	262	291.55
Waste recycling rate	%	100	88.68	94.32

Hazardous Substance Management

The Company has established hazardous substance management systems including the *Hazardous Substance Management* and Control Procedures and the Toxic and Hazardous Substance Control Regulations for Raw Materials. These systems manage hazardous substances under RoHS (such as cadmium, lead, mercury, etc.) and halogens (chlorine, bromine) throughout production and packaging processes to ensure products comply with international environmental regulations and customer requirements. The procedures require: procurement of environmentally compliant raw materials with supplier test reports, strict IQC inspections of incoming materials, thorough traceability and segregation during manufacturing processes, and clearly defined limit standards for RoHS and halogen substances.

Control of Hazardous Substances

Producing Exceptional

Products

S/N	Prohib	ited Toxic and Hazardous Substances	Objects	Content Standards
1		* Cadmium and cadmium compounds	All raw materials	Limit<5ppm
2		* Lead and lead compounds	All raw materials	Limit<5ppm
3	- Heavy metals -	* Mercury and mercury compounds	All raw materials	Limit<5ppm
4	-	* Cr ⁶⁺ compounds	All raw materials	Limit<5ppm
5		Polychlorinated biphenyls (PCBs)	All raw materials	Prohibited
6	Organochlorine	Polychlorinated naphthalene (PCN)	All raw materials	Prohibited
7	compounds	Chlorinated paraffins (CP)	All raw materials	Prohibited
8		Other organochlorine compounds	All raw materials	Restricted
9		* Polybrominated biphenyls (PBB)	All raw materials	Limit<5ppm
10	Organobromine	* Polybrominated diphenyl ethers (PBDE)	All raw materials	Limit<5ppm
11	compounds	TBBPA-BA	All raw materials	Prohibited
12		Other organobromine compounds	All raw materials	Prohibited
13	Organotin o	compounds (tributyltin, triphenyltin compounds)	All raw materials	Prohibited
14		Asbestos	All raw materials	Prohibited
15		Formaldehyde	All raw materials	Prohibited
16		Ozone-depleting substances	All raw materials	Prohibited
17		Radioactive material	All raw materials	Prohibited
18		compounds (white/yellow phosphorus, arsenic and its npounds, selenium and its compounds)	All raw materials	Prohibited
19		Very High Concern (SVHC) Candidate List recently I by the European Chemicals Agency (ECHA)	All raw materials	Prohibited

Notes: 1. Suppliers must provide written declarations confirming the absence of all prohibited toxic/hazardous substances listed above.

2. For substances marked with "*", suppliers must submit third-party test reports verifying compliance.

Management of Hazardous Chemicals

The Company has established hazardous chemical management systems including the *Hazardous Chemicals Management Procedures and Hazardous Chemicals Control Procedures*. These systems strictly regulate the entire lifecycle of hazardous chemicals - from procurement, warehousing, and storage to distribution, transportation, usage, and waste disposal - to prevent leaks, explosions, and other accidents. The systems clearly define the responsibilities of the Procurement Department, EHS Department, warehouse, and user departments, while specifying operational requirements for each process stage:

Procurement

- The user department submits an application, considering inventory space as needed. The Procurement Department verifies supplier qualifications (e.g., production and business licenses) and prohibits purchases from unlicensed suppliers.
- Confirm compliance with standards for quality, packaging, etc., during procurement. Transporters must be qualified, and safety agreements must be signed to ensure transportation safety.

Ex-warehousing/ warehousing operations

- Warehouse staff must strictly register and inspect incoming goods. Conduct pre-storage checks (e.g., certificates, quantity, labeling); after storage, the warehouse notifies inspection, and materials are used only after approval.
- Fire prevention measures must be taken for personnel, vehicles, and operations entering storage areas. Handle loading/unloading gently to prevent impact or tipping. Wear protective gear when handling corrosive materials, and use spark-free tools for flammable/explosive materials.

Storage

- Store in dedicated warehouses/areas/storage rooms managed by designated personnel. Equip ventilation, explosion-proof, and fire prevention facilities based on material type and properties.
- Chemicals prone to fire/dampness hazards must not be stored outdoors or in damp areas. Do not mix incompatible chemicals or those requiring different firefighting methods. Immediately address any abnormalities during storage.

Material requisition

- Implement an approval system: users submit a Material Requisition Application Form, and it is approved by the workshop director or above, specifying purpose and quantity (1-2 days' supply). Return excess materials promptly.
- Warehouse staff issue materials upon approval. Both parties must wear protective gear; avoid direct hand contact and prohibit eating/drinking in hazardous areas.

^{3.} For restricted toxic/hazardous substances: If supplied materials contain these, suppliers must develop reduction plans with clear timelines to achieve complete elimination.

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Transportation and handling

- Handle gently to prevent impact, dragging, or tipping. Do not transport incompatible or reactive chemicals together. Provide insulation/moisture protection for heat-/damp-sensitive materials.
- Immediately initiate emergency procedures if abnormalities occur during transportation.

Usage

- Follow safety systems and regulations, and wear protective gloves, masks, etc.
- Inspect containers before/after use; avoid spills, tipping, or leaks. User departments must equip relevant areas with firefighting equipment.

Waste disposal

 Follow the Waste Management Procedure: Dispose of hazardous waste (e.g., empty barrels, expired/ remaining chemicals) in designated hazardous waste bins. Hand over to licensed disposal units; no littering is allowed.

Additionally, the Company has formulated the *Emergency Response Plan for Hazardous Chemical Leaks and the Emergency Response Plan for Hazardous Chemical Transportation Accidents*. These plans specify departmental responsibilities, alarm procedures, leak prevention measures, and rescue protocols for chemical leaks and transportation incidents respectively. They provide emergency contact information including the Company's emergency hotline, and adhere to unified command principles to minimize accident impacts.

Resource Utilization

The Company has established a *Water Conservation System* encompassing planned water usage, quota management, and metering systems, with defined reward/penalty mechanisms and a five-year water-saving plan. Implementation is ensured through enhanced inspection/maintenance and awareness training. A Water Conservation Leadership Team, chaired by the Deputy General Manager with members from the Production Department, the Equipment Department, and other key departments, oversees corporate water management and conducts regular usage audits. The Production Department serves as the water resources and metering authority, with designated part-time administrators responsible for internal water consumption measurement and departmental usage reporting. All department heads manage their respective units' conservation efforts, collaboratively advancing water-saving and emission reduction initiatives.

During the reporting period, the Company implemented various water-saving renovation projects and conducted water conservation campaigns, specialized training sessions, and lectures. It actively participated in water conservation training programs organized by water administration authorities. Through measures such as posting water-saving slogans at usage points and displaying banners, the Company enhanced employees' water conservation awareness. The Company has achieved its target of maintaining total water consumption ≤ 218.244 tons.



Publicity for Environmental Protection

	Unit	2024	2023	2022
Total water consumption	Tons	222,723	190,579	306,062
Total net freshwater consumption	m³	222,723	190,579	306,062
Water intake volume by water source: municipal water supply	m³	222,723	190,579	306,062

Data Coverage Explanation:

1.The data in this table cover operational sites including the Company and the Company's subsidiaries Guangxin Nano and Ningbo Guangqian Electronic Material Co., Ltd.

Water Conservation Retrofit Project	Water Savings
Water-efficient sprinklers for landscaping	200m³/a
Circulating water system maintenance	300m³/a
Reuse of purified water production rinse water	1000m³/a
Optimized park irrigation plan	200T/a
Cooling water system maintenance	500T/a
Domestic water pipeline maintenance	500T/a



Automatic Discharge and Recycle Treatment System for Cooling Circulating Water

In November 2024, the Company implemented an automatic discharge and recycle treatment system for cooling circulating water. When water conductivity reaches threshold levels, the system automatically discharges high-conductivity concentrated water to a recycling basin for purification before replenishing the circulation system. This automated supply-discharge system significantly improves water efficiency and reduces circulating water consumption.

The high-conductivity water is collected in the recovery basin and returned to the water treatment system for processing. Based on the actual evaporation rate of the cooling tower, the concentrated water treatment efficiency reaches approximately 70%, with an estimated water reduction of 1,000 m³/a.

The Company promotes green office initiatives by prioritizing digital systems to maximize paperless operations. The Company has implemented OA, ERP, and MES systems to handle all management documents through digital approval and sharing, with the exception of essential physical documents required for on-site operations. As of the end of the reporting period, the Company had digitized 32 approval workflows, achieving significant reductions in both processing time and paper consumption.



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Employee Rights and Benefits

The Company adheres to the principles of "Openness, Fairness, Impartiality, and Merit-based Selection" in employee recruitment. The Company respects and safeguards fundamental employee rights, provides equal development opportunities, and strives to optimize talent utilization across selection, development, deployment, and retention to achieve mutual growth.

Recruitment and Employment

The Company strictly complies with laws and regulations, having established institutional documents including the *Human Resource Management System* and *Employee Handbook*. The Company continuously improves its policy framework for compliant employment and rights protection, prohibiting child labor and forced labor while eliminating discriminatory or harassing behaviors. These efforts actively build a diverse, equitable, and inclusive workplace environment. During the reporting period, the Company recorded zero incidents of child labor, discrimination, or forced labor.

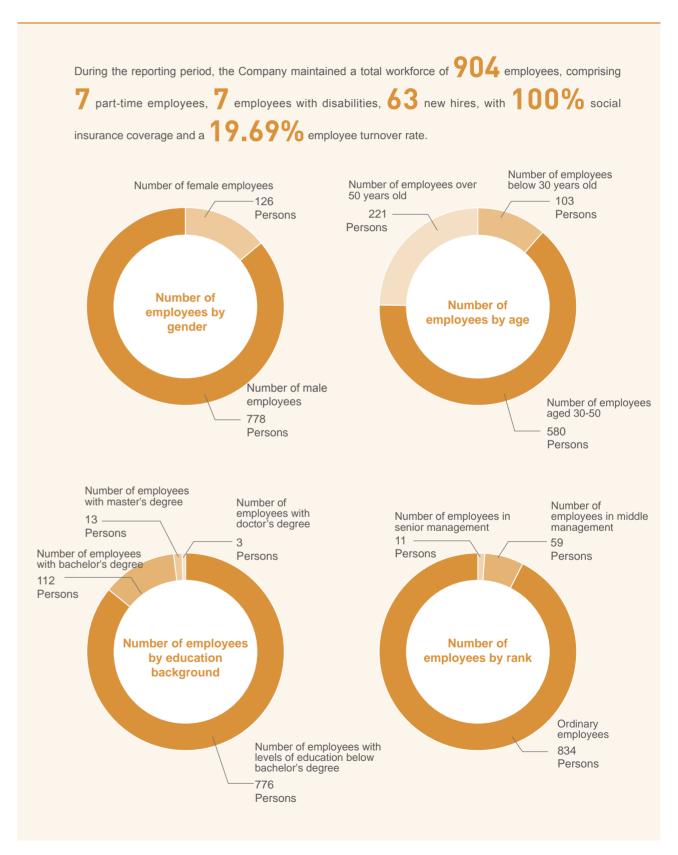
Prohibition of Child Labor

• The Company's Child Labor Prevention Procedures explicitly prohibit the recruitment of minors under 16 years old, with mandatory ID verification during hiring to ensure accurate age confirmation. Should any employee under 16 years of age be identified, the Company will implement all necessary support measures and actions to ensure the safety. health, education, and development of the discharged child laborer.

Non-Discrimination and Anti-harassment

- The Company's Non-Discrimination and Anti-harassment Procedures explicitly guarantee equitable employment opportunities. All employment decisions including hiring, compensation, training, promotion, demotion, and retirement are based solely on job competence and business needs, without consideration of gender, age, religion, race, caste, origin, social background, disability, nationality, union affiliation, political stance, sexual orientation, family responsibilities, marital status, or health conditions. In addition, the Company strictly upholds the dignity and equal status of all personnel by enforcing behavioral standards for employees, suppliers, clients, and visitors within company premises. These measures comprehensively safeguard against physical, verbal, psychological, and sexual harassment or abuse in any form.
- Employees who believe they have experienced discrimination
 or harassment may file complaints orally or in writing directly to
 the General Manager. The General Manager or Deputy General
 Manager will designate investigators to respond with findings
 to the complainant within five working days. For verified cases:
 Minor violations require education and formal acknowledgment
 of wrongdoing; Severe cases will face criminal liability
 prosecution; The involved department must immediately rectify
 discriminatory practices. Additionally, union representatives
 hold monthly meetings with members to review potential
 discrimination or harassment across all operational aspects.

Key Performance



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Compensation and Benefits

The Company recognizes that a comprehensive compensation and benefits system is essential for attracting and retaining top talent. The Company provides competitive salary structures and benefits packages in full compliance with national and local regulations. The Company's compensation structure comprises base salary, overtime pay, comprehensive allowances, bonuses (including perfect attendance awards and discipline-based incentives), and adjustments. The Company guarantees all employee wages meet or exceed local minimum wage standards.

Benefits System

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Special Benefits

- Social insurance: pension insurance, work injury insurance, unemployment insurance, basic medical insurance, critical illness medical aid insurance, maternity insurance
- · Housing fund: housing provident fund
- Leave entitlements: statutory holidays, marriage leave, bereavement leave, work injury leave, maternity leave, and family planning leave, etc.

- Meal subsidy: cafeteria dining allowance
- Housing assistance: Employees residing over 20km from the Company may apply for accommodation or rental subsidies.
- Business travel allowance: official travel expense reimbursement for work-related trips.
- Other benefits: summer welfare benefits, high-temperature subsidies, seniority awards, employee referral bonuses, and holiday gifts/cash allowances, etc.

Statutory Benefits

01

To attract and retain high-level technical talent, the Company implements customized "one-person-one-salary" compensation strategies for individuals with master's degrees (or higher) or senior professional titles, ensuring remuneration aligns with both capability and contribution. Additionally, the Company provides specialized housing subsidies or directly allocates rental accommodations for high-skilled technical talent, while assisting with spouse employment and children's education arrangements to effectively address talent retention concerns. Furthermore, the Company has established a special equity incentive plan, enabling core technical personnel to hold company shares and share in the enterprise's development achievements.

Health and Safety

The Company implements national work safety policies in strict compliance with the *Work Safety Law* and *Occupational Disease Prevention and Control Law*, fulfilling work safety responsibilities through enhanced safety awareness training to prevent major accidents. During the reporting period, the Company was selected as a "Standing Council Member Unit of Sugian Work Safety Management Association".

The Company firmly upholds the "safety first" principle, continuously optimizes its safety management system, has compiled the *Work Safety Rules and Regulations*, rigorously implements hazard identification and remediation, and consistently elevates safety management standards. The Company implements multidimensional safety awareness enhancement through regular safety inspections, specialized training sessions for relevant personnel, and routine emergency drills.







The Company - Grade II Standardized Enterprise for Work Safety Certification

Work safety policy: Safety First, Prevention Priority; People-Oriented, Life Valuing; Comprehensive Management, Continuous Improvement.

The Company has established a work safety leadership group, chaired by the General Manager, responsible for approving safety management objectives. Primary department heads are in charge of daily safety management, while the EHS Department conducts inspections and evaluations of safety implementation.

Key Safety Management Systems

Work Safety Education and Training System

 Provide three-tier work safety training for all employees (including new hires, contract workers, and temporary staff).

Occupational Health Management System and Operating Procedures, etc. Implement occupational health knowledge training and disease prevention
measures for positions exposed to occupational hazards. Employees are required
to understand the occupational hazard factors specific to their roles and comply
with the Company's PPE (personal protective equipment) wearing requirements.

Work Safety Inspection and Hazard Rectification System, Work Safety Hazard Investigation and Governance System, etc.

- Combine specialized inspection with workshop-level inspection, daily inspection
 with regular inspection, and general inspection with key inspection. Ensure
 inspections at every level to plug loopholes. Implement a three-tier safety
 inspection process (company/workshop/team).
- Major safety hazards identified in inspections are promptly reported to relevant personnel for resolution.

Emergency Plan Management System, Emergency Rescue Support System, etc.

 Establish an emergency management system, deploy response measures for sudden accidents in accordance with emergency plans, and ensure the effective execution of emergency work.

Special Equipment Emergency Plan and Safety Operating Procedures, Special Operations Personnel Management System, Special Equipment Management System, etc. By establishing a systematic safety management system for special equipment, the operational risks of forklifts, elevators, pressure vessels, and other special equipment are covered. Targeted emergency plans and safety operating procedures are developed to ensure that relevant personnel are equipped with safety knowledge and certified for their roles, systematically reducing the risk of production interruptions and safeguarding employees' occupational safety.

Safety Responsibility and Reward-Punishment System Establish a reward fund specifically designated for work safety assessment. This
fund is used to recognize and incentivize employees who achieve outstanding
results in work safety, propose reasonable suggestions, promptly eliminate
hazards, meet safety management objectives, and prevent work-related injuries.

The Company sets safety objectives at both the corporate and departmental levels and tracks progress toward these goals.

Overall objective	Completion status
Zero occurrence of fire/explosion	Achieved
No major safety incidents, occupational diseases, or suspected occupational diseases for the year	Achieved
100% completion rate for hazard remediation	Achieved

Key Performance

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During the reporting period, the Company's total investment in work safety amounted to RMB 545,200, with RMB 486,300 allocated to employee work injury insurance.

No incidents of fire, explosion, electric shock, or major financial losses occurred company-wide. There were zero work-related fatalities and zero cases of occupational diseases.

The Company conducts irregular safety risk analyses and compiles safety risk and responsibility lists. These responsibilities are assigned to relevant departments and individuals. Through work safety meetings, monthly safety meetings, annual safety meetings, and ad hoc safety meetings, the Company stays informed about the safety performance during different periods. This strengthens safety management and ensures the effective implementation of all safety measures.

Key Performance

During the reporting period, the Company organized 9 specialized training sessions on hazardous chemical usage, occupational health, fire safety, and emergency response. External emergency regulatory inspections, gas safety checks, special equipment inspections, hazardous chemical usage audits, major holiday inspections, specialized inspections, and routine inspections totaled over 30 instances.

A total of 15 safety training sessions were conducted, with cumulative work safety training hours reaching 776.5.

Case

Work Safety Emergency Drill

In June 2024, the Company conducted a systematic emergency drill for work safety accidents, which included three specialized exercises: fire emergency evacuation, electric shock rescue, and ethanol leak response. Each drill involved five functional teams, such as the emergency rescue team and logistics support team, equipped with corresponding supplies. The entire evacuation process was completed within five minutes. The drill identified shortcomings and issues in employees' emergency response capabilities, providing clear direction for subsequent training and plan improvements.





Fire Emergency Drill

Risk Identification Training

Building a Strong Producing Exceptional Safeguarding the **Sharing Development Products** Green Environment Conclusion 2024 Social Responsibility Report Opening Governance Foundation Achievements

Employee Growth

The Company places high importance on employee growth by establishing a systematic training and learning mechanism to promote long-term sustainable development. At the same time, the Company actively fosters a harmonious and collaborative work environment, conveying warmth through a people-oriented approach, ensuring employees feel valued and supported, thereby advancing together with the Company.

Training and Development

Keeping pace with the times and remaining committed to continuous learning are the cornerstones of maintaining competitiveness and value. Each year, The Company designs customized annual training plans for employees, covering comprehensive and diverse topics such as new employee onboarding, work safety standards reinforcement, operation and management skills enhancement, professional skill development, and R&D innovation breakthroughs. Utilizing a mix of online and offline formats, as well as combining theory with practice, these training programs support holistic employee growth and corporate development.

Employee Career Promotion Path

Ma	nnagement (M)	Pr	ofessional (P)		Sales (S)	F	unctional (F)	Оре	eration worker (W)	
	Management				Technical / fun	ction	al (skills)			Level
M8	General Manager	-								General manager
M7	Deputy General Manager	P8	Chief Engineer							level
M6	Senior Director	P7	Senior Engineer	S8	Seasoned Business Specialist	-				Director
M5	Director	P6	Associate Senior Engineer	S7	Senior Business Specialist	F8	Seasoned Specialist	-		level
M4	Senior Manager	P5	Intermediate Engineer	S6	Business Specialist	F7	Senior Specialist	-		Manager
МЗ	Manager	P4	Junior Engineer	S5	Seasoned Business Officer	F6	Specialist	-		level
M2	Senior Supervisor	P3	Senior Technician	S4	Senior Business Officer	F5	Seasoned Clerk	-		Supervisor
M1	Supervisor	P2	Intermediate Technician	S3	Intermediate Business Officer	F4	Senior Clerk	-		level
		P1	Junior Technician	S2	Junior Business Officer	F3	Intermediate Clerk	-		
				S1	Sales Assistant	F2	Clerk	W3	Senior employees	
						F1	Junior Clerk	W2	Skilled employees	Staff level
								W1	Ordinary employees	



Environmental and Occupational Health & Safety Management System Training

In July 2024, the Company invited external experts to conduct training on Environmental Factors and Hazard Assessment Methods for the general manager and relevant department colleagues. The training focused on ISO 14001 and ISO 45001 standards, emphasizing the identification methods and evaluation requirements for environmental factors and hazards. It clarified the scope of identification, covering areas such as solid waste, wastewater, noise, resource consumption, and fire risks in office and project sites, as well as scenarios requiring re-identification and re-evaluation, and management control measures. Through on-site Q&A assessments, the training ensured all participants correctly understood the knowledge, effectively enhancing their comprehension of the management system.



New Employee Training

In June 2024, to help new hires quickly familiarize with the Company, understand their responsibilities and code of conduct, and gain a comprehensive overview of Company Culture and policies, The Company organized its first batch of new employee training in 2024 for the year, with 17 participants. The HR Department head systematically introduced the Company's culture and policies, while the Safety Office head thoroughly explained safety regulations, corporate safety red lines, job-specific risk points, and protective requirements. By sharing real safety incidents and screening safety awareness videos, the training highlighted the severe consequences of non-compliance (e.g., failing to wear personal protective equipment as required). Discussions centered on "the dangers of complacency" and "the necessity of safety precautions", with new employees actively sharing insights and raising questions.

The training strengthened employees' sense of belonging and alignment with the Company. Participants widely reported that the safety cases left a deep impression, helping them understand the life-saving and familyprotecting principles behind safety rules, thereby reinforcing their commitment to work safety.



New Employee Training

	Unit	2024
Total training hours	Hours	28,757.5
Average training hours per employee	Hours	31.81
Total training hours for senior management	Hours	8.25
Average training hours per senior management	Hours	2.75
Total number of training sessions per year	Times	58
Annual training expenditure	RMB 10,000	10
Number of employees trained	Person-time	1,214

Employee Care

The Company places high importance on employee care and fostering a positive organizational atmosphere. On one hand, the Company actively promotes work-life balance by regularly organizing various cultural and sports activities to enrich employees' leisure time, enhance their satisfaction and sense of belonging, and build a harmonious and cohesive work environment. On the other hand, the Company improves communication and feedback mechanisms, establishes the *Whistleblowing and Complaint Management Measures*, sets up employee suggestion boxes across the facility, and holds regular employee forums to ensure open channels for voicing concerns. Additionally, the Company pays special attention to the well-being of female employees by implementing parental leave policies and organizing dedicated activities during International Women's Day, including gift distributions and health consultation services, to demonstrate comprehensive care for female staff.

Key Performance

During the reporting period, the Company's subsidiary Guangxin Nano conducted its annual employee satisfaction survey, with a total of 222 employees participating. The overall employee satisfaction score reached 94.39 points.



"Warmth Delivery Initiative" for Employees in Special Hardship

To provide tangible support to employees facing extreme financial difficulties, the Company launched its annual "Warmth Delivery Initiative". The program requires subsidiaries and departments to identify eligible employees who meet special hardship criteria and have served the Company for at least one year. Applicants submit supporting documents for departmental verification, followed by reviews at grassroots workshop, branch plant/department levels before final consolidation by the labor union. Approved cases receive tailored financial assistance. In 2024, the Company disbursed RMB 8,000 in aid through this program. By establishing a standardized and transparent application review process, the Company provides timely and effective material assistance as well as emotional support to employees facing significant hardships. This initiative reflects fulfillment of the enterprise's social responsibility toward its workforce and conveys the organization's humanistic care.



Delivering Coolness in the Heat, Conveying Corporate Care

To combat prolonged summer heat and safeguard the health and work safety of frontline employees working outdoors and in high-temperature workshops, the Company implemented measures from July to October 2024 in Ningbo and Suqian. These measures included distributing hightemperature allowances and summer supplies, adjusting cafeteria menus, and providing mung bean soup. Additionally, 500 frontline employees received chilled electrolyte-rich salt soda, effectively reducing the risk of heatstroke and heat exhaustion while preventing sudden health incidents. These actions not only conveyed the Company's warmth to those working in extreme heat but also significantly enhanced the sense of belonging among frontline employees.



Delivering Coolness in the Heat

Building Friendship Through Sports, Promoting Cross-Departmental Exchange and Health

To advocate for a healthy lifestyle, the concept of happy work, and to enhance cross-departmental collaboration, the Company created a WeChat group for sports enthusiasts. Through weekly sign-up activities initiated by the group administrator, employees were encouraged to voluntarily participate in basketball, badminton, or other sports activities after work every Friday. This initiative effectively boosted employees' health awareness, alleviated work pressure, and, more importantly, broke down barriers between departments. It fostered mutual understanding and respect among employees, laying a foundation of trust for formal workplace communication.



Basketball Activity



Badminton Activity

Employee Activities







Fun Sports Day on Dragon Boat Festival





Party Member Study Activity

Empowering Society

The Company is committed to advancing alongside the industry by actively participating in trade associations, exhibitions, and standard-setting initiatives. In 2024, the Company attended the 5th Solid-State Battery Key Materials Technology Conference to stay abreast of cutting-edge industry developments. Additionally, the Company contributed to the revision of the *Micro-Nano Copper Powder* industry standard at a meeting organized by the Chinese Nonferrous Metal Standardization Technical Committee, providing substantial support for the establishment of industry benchmarks.



Participating in Industry Standard Revision Meeting

The Company actively promotes industry-academia-research integration and talent development. In collaboration with the Ningbo Institute of Materials Technology & Engineering, Chinese Academy of Sciences (CAS), the Company co-established a graduate student internship and practice base and founded the "Boqian Scholarship" with an annual fund to encourage outstanding students to engage in scientific research. Furthermore, the Company has established in-depth industry-academia-research partnerships with Dalian University of Technology and China Jiliang University, leveraging combined resources to drive technological innovation and collaborative talent cultivation for the industry.



Co-establishing a Graduate Internship and Practice Base with CAS Ningbo Institute



Supporting CAS Ningbo Institute's Outstanding Graduates Study Tour



Boqian Scholarship Award Ceremony

From 2022 to 2023, The Company launched a rural-enterprise pairing assistance initiative in Daliangshan, Sichuan, donating funds for two consecutive years. Through concrete actions, the Company supported local development, demonstrated corporate responsibility, and contributed to rural revitalization and regional progress.



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Key Performance Table

Category	Indicator	Unit	2024
	Environmental protection input	RMB 10,000	115.96
_	Indirect energy consumption	tce	13,958.57
_	Electricity	Megawatt-hour	113,620.76
Environmental performance	Total purchased electricity	Megawatt-hour	110,257.79
_	Total water consumption	Tons	222,723
	Total net freshwater consumption	m ³	222,723
_	Water intake volume by water source: municipal water supply	m³	222,723
	Number of R&D personnel	Persons	135
_	R&D investment	RMB 10,000	5,017.94
_	Number of valid patents	Number	164
_	Utility patent	Number	62
_	Utility model patent	Number	78
_	Total number of employees	Persons	904
_	Female	Persons	126
Social performance	Male	Persons	778
-	Below bachelor's degree	Persons	776
_	Bachelor	Persons	112
_	Master	Persons	13
-	Doctorate	Persons	3
	Under 30 years old	Persons	103
-	30-50 years old	Persons	580
-	Over 50 years old	Persons	221

Category	Indicator	Unit	2024
	Senior management	Persons	11
	Middle management	Persons	59
	Ordinary employees	Persons	834
	Total investment in work safety	RMB 10,000	54.52
	Total hours of safety training	Hours	776.5
	Total employee training hours	Hours	28,757.50
Social performance	Average training hours per employee	Hours	31.81
	Total training hours for senior management	Hours	8.25
	Average training hours per senior management	Hours	2.75
	Total number of employee training sessions	Times	58
	Number of employees trained	Person-time	1,214
	Employee satisfaction	%	94.39
	Social contribution	RMB 10,000	10

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Stock Exchange "Guidelines" Indicator Index

Topics disclosed	Chapter
Addressing climate change	Energy and addressing climate change
Pollutant emission	Pollution control
Waste disposal	Pollution control
Ecosystem and biodiversity conservation	Environmental compliance and ecosystem protection
Environmental compliance management	Environmental compliance and ecosystem protection
Energy utilization	Energy and addressing climate change
Utilization of water resources	Resource utilization
Circular economy	Resource utilization
Rural revitalization	Empowering society
Social contribution	Empowering society
Innovation-driven development	Innovation-driven development
Technology ethics	Not involved. The core business of the Company does not involve scientific research and technology development in sensitive fields such as life science and artificial intelligence ethics.
Supply chain security	Supply chain security
Equal treatment of SMEs	Not involved. The Company treats SMEs equally, and there is no overdue payment for SMEs.
Product and service safety and quality	Product quality; Customer service
Data security and customer privacy protection	Intelligent manufacturing and data security
Employees	Employee rights and benefits; Health and safety; Employee growth
Due diligence	Risk internal control
Stakeholder communication	ESG Management
Anti-commercial bribery and anti-corruption	Business ethics
Anti-unfair competition	Business ethics

Global Reporting Initiative (GRI) Standards Index

Conclusion

Instruction for Use	The Company has reported the information cited in this GRI content index for 2024 with reference to the GRI Standards.					
GRI 1 used	GRI 1: Foundation 2021					
GRI STANDARD	DISCLOSURE	LOCATION				
	2-1 Organizational details	Introduction to The Company				
	2-2 Entities included in the organization's sustainability reporting	About this Report				
	2-3 Reporting period, frequency, and contact point	About this Report				
	2-4 Restatements of information	About this Report				
	2-6 Activities, value chain, and other business relationships	ESG management				
GRI 2: General Disclosures 2021	2-7 Employees	Employee rights and benefits; Health and safety; Employee growth				
	2-9 Governance structure and composition	Corporate governance				
	2-10 Nomination and selection of the highest governance body	Corporate governance				
	2-11 Chair of the highest governance body	Corporate governance				
	2-16 Communication of critical concerns	ESG management				
	2-17 Collective knowledge of the highest governance body	Corporate governance				
	2-25 Processes to remediate negative impacts	Customer service				
	2-26 Mechanism for seeking advice and raising concerns	Business ethics; Employee growth				
	2-29 Approach to stakeholder engagement	ESG management				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	ESG management				
	3-2 List of material topics	ESG management				
	3-3 Management of material topics	ESG management				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	See the annual report				
	201-3 Defined benefit plan obligations and other retirement plans	Employee rights and benefits				

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GRI STANDARD	DISCLOSURE	LOCATION	
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Empowering society	
	203-2 Significant indirect economic impacts	Empowering society	
	205-2 Communication and training about anti-corruption policies and procedures	Business ethics	
GRI 207: Tax 2019	207-1 Approach to tax	Risk internal control	
	207-2 Tax governance, control, and risk management	Risk internal control	
	207-3 Stakeholder engagement and management of concerns related to tax	See the annual report	
	207-4 Country-by-country reporting	See the annual report	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy and addressing climate change	
	302-4 Reduction of energy consumption	Energy and addressing climate change	
	302-5 Reductions in energy requirements of products and services	Energy and addressing climate change	
	303-1 Interactions with water as a shared resource	Resource utilization	
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	Pollution control	
	303-3 Water withdrawal	Resource utilization	
	303-4 Water discharge	Pollution control	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Energy and addressing climate change	
	305-2 Energy indirect (Scope 2) GHG emissions	Energy and addressing climate change	
	305-5 Reduction of GHG emissions	Energy and addressing climate change	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Pollution control	
	306-2 Management of significant waste-related impacts	Pollution control	
	306-3 Waste generated	Pollution control	
	306-4 Waste diverted from disposal	Pollution control	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Employee rights and benefits	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees Employee rights and		
	401-3 Parental leave	Employee rights and benefits	

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GRI STANDARD	DISCLOSURE	LOCATION	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health and safety	
	403-2 Hazard identification, risk assessment, and incident investigation	Health and safety	
	403-3 Occupational health services	Health and safety	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Health and safety	
	403-5 Worker training on occupational health and safety	Health and safety	
	403-6 Promotion of worker health	Health and safety	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and safety	
	403-8 Workers covered by an occupational health and safety management system	Health and safety	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Employee growth	
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee growth	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Corporate governance; Employee rights and benefits	
GRI 406: Non- discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Employee rights and benefits	
GRI 413: Local Communities 2016 413-1 Operations with local community engagement, impact assessments, and development programs		Empowering society	

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Feedback from Readers

Dear Readers,

Thank you for reading the 2024 Social Responsibility Report of Jiangsu Boqian New Materials Stock Co., Ltd. In order to provide you and other stakeholders with more professional and valuable corporate ESG information, please assist us in answering relevant questions in the feedback form. Your feedback will help us further improve our ESG work in the future.

Multiple-choice Questions (Please mark " ✓ " in the corresponding position)

1. Regarding The Comp	any, what is your identit	y?				
☐ Employee ☐ Cus	stome Supplier	☐ Regulatory Agency	☐ Media ☐ Others (Please specify)		
2. What is your overall evaluation of this report?						
☐ Excellent	□ Good	☐ Average	☐ Poor	☐ Very Poor		
3. How do you think of t	he structure of this repo	rt?				
☐ Very Reasonable	Reasonable	☐ Average	☐ Poor	☐ Very Poor		
4. What is your opinion on the layout design and presentation form of the report?						
☐ Excellent	Good	☐ Average	☐ Poor	☐ Very Poor		
5. What is your evaluation of The Company' comprehensive performance on environmental topics?						
☐ Excellent	Good	☐ Average	☐ Poor	☐ Very Poor		
6. What is your evaluation	on of The Company' cor	nprehensive performance	on social topics?			
☐ Excellent	Good	☐ Average	☐ Poor	☐ Very Poor		
7. What is your evaluation of The Company' comprehensive performance on governance topics?						
☐ Excellent	□ Good	☐ Average	□ Poor	☐ Very Poor		

Open-ended Questions

What are your opinions and suggestions on The Company' ESG work?



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