

2025 ESG REPORT

ENVIRONMENTAL SOCIAL AND
CORPORATE GOVERNANCE




INTCO
英科再生
STOCK CODE 688087



INTCO RECYCLING  RENEWING THE WORLD

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ABOUT THIS REPORT

INTRODUCTION



This report is the fourth environmental, social and governance report (referred to as "this Report" or the "ESG Report") issued by INTCO Recycling Resources Co., Ltd (referred to as "INTCO Recycling", "we" or "the Company"), which aims to truthfully disclose the ESG performance of the Company in 2025, as well as its responsibility fulfillment practices for important stakeholders such as shareholders, customers, partners, employees, environment, and communities. This Report focuses on the ESG management and achievements about the Company from January 1st to December 31st, 2025 (referred to as the "reporting period"). Unless otherwise specified, certain information and data may refer to periods outside the reporting period.

BASIS OF REPORTING



This Report is in accordance with the *GRI Sustainability Reporting Standards* issued by the Global Sustainability Standards Board (GSSB) (referred to as the "GRI Standards"), and references the *Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14 – Sustainability Reporting (Trial)* and the UN Sustainable Development Goals (SDGs).

REPORTING SCOPE



Unless otherwise stated, the policies and data provided in this Report cover the Company and its subsidiaries, and the scope of this Report is aligned with that of the annual financial report.

DATA SOURCES AND RELIABILITY STATEMENT



The data and textual information disclosed in this Report have been subject to a limited assurance engagement conducted by an independent third-party assurance provider in accordance with the *International Standard on Assurance Engagements (ISAE) 3000 (Revised)*, *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*, the *International Standard on Assurance Engagements (ISAE) 3410*, *Assurance Engagements on Greenhouse Gas Statements*, and other relevant standards. An assurance conclusion has been issued accordingly. The data and cases of this Report are mainly from the Company's statistical reports and relevant documents. The Company's board of directors commits that this Report contains no false records or misleading statements, and takes responsibility for the truthfulness, accuracy, and completeness of the contents.

CONFIRMATION AND APPROVAL



After confirmation by management, this Report was approved by the Board of Directors on April 27th, 2026.

REPORT ACCESS AND CONTACT



This Report is available in electronic form. Readers can visit the Shanghai Stock Exchange (<https://www.sse.com.cn>) and the website of the Company (<https://www.intco.com.cn>). If you have any comments or suggestions on the Company's environmental, social and governance disclosures and performance, please contact us in the following ways:

E-mail: Board@intco.com.cn

Tel: 0533-6097778

MESSAGE FROM THE CHAIRMAN



Frank Liu

Chairman of INTCO Recycling

In 2025, against the backdrop of continued shifts in the global macro environment and industry landscape, INTCO Recycling remained focused on navigating both risks and opportunities. We continued to advance our AI-driven development strategy, deepened our core business in resource recycling and high-value utilization, and achieved another step-up in operating performance. Our annual revenue exceeded RMB 3.5 billion for the first time, underpinned by strong and sustained growth momentum. I want to extend my heartfelt thanks to our global partners, investors, and all stakeholders who care about INTCO's development!


As a pioneer in the global resource recycling industry, we have consistently upheld our mission of “serving environmental needs through human ingenuity”. Driven by AI, we are building a new generation of advanced manufacturing system and embedding trustworthy AI across the full industrial chain of “plastic collection – plastic regeneration – circular reuse,” accelerating our digital and intelligent transformation. Meanwhile, we have always regarded information security and data compliance as fundamental principles, using trustworthy AI to safeguard the rights and interests of our stakeholders. Looking ahead, we will continue to explore the integration of AI technologies and advanced manufacturing, and contribute INTCO's expertise and solutions to sustainable development.

In response to the upgrading of green consumption trends and evolving product needs, we have remained focused on the high-value utilization of recycled plastics made from multiple materials. We continue to broaden our green product portfolio and expand diversified scenario-based solutions. From healthy and comfortable home living to industrial and construction applications that require stringent standards; from refined interior decoration to diverse outdoor settings, we remain committed to a low-carbon and environmentally friendly philosophy. By leveraging recycled materials, we are creating new benchmarks in sustainable living aesthetics and unlocking greater application potential and value.

We uphold the core values of “Love Goodness Truth” and continue to strengthen our systems for employee occupational health and development so that every INTCO employee can grow together with the Company and share in its success. We work closely with supply chain partners to enhance ESG capabilities and deepen collaboration, building a circular industrial ecosystem featuring shared value and green development. Relying on the “INTCO Foundation” and the “INTCO Mutual Aid Fund”, we extend the benefits of development to employees and wider communities, and join hands with all parties to consolidate the foundation for sustainable development.

As a pioneer in green manufacturing in China, INTCO Recycling will continue to deepen its presence across the resource recycling value chain and stay on the main course of circular regeneration. We will continue to take AI as a core engine and serve the world with innovative technologies and quality products, turning the vision of “trustworthy AI+, recyclable homes, and a sustainable future” into shared global practice. We will continue to harness the innovative strength of China's intelligent manufacturing to contribute to the realization of the national Dual Carbon goals, protect our shared planet, and work with society toward a sustainable future for humankind as we write the next chapter for INTCO.

ESG HIGHLIGHTS PERFORMANCE


Total Greenhouse Gas Emissions 

591,835.74 tons of CO₂e


Scope 1 **2,683.95** tons of CO₂e

Scope 2 **55,224.35** tons of CO₂e

Partial Scope 3 **533,927.44** tons of CO₂e

Energy Intensity 

0.36 MWh/ten thousand RMB

Renewable Energy Use 

818.86 ten thousand kWh

General Waste Recycling Rate

84.57%



A Highest Level of Information Disclosure Rating by Shanghai Stock Exchange

A Grade for 2 consecutive years

Percentage of Female Directors **60%**

Percentage of Women in Top Management Positions **80%**



Employee Training Investment 

6,777,900 RMB

Total Training Time **359,520** hours

 Volunteer Activities **375** times

 Employee Participants **2,652**


 Total Volunteer Hours **872** hours

 Business Ethics Training Sessions **9** times


 Business Ethics and Anti-corruption Training Coverage **100%**

Customer Satisfaction Score 

98.2

Charity Donations (Company & Foundation) 

2,396,500 RMB

Strategy and ESG Committee Meetings **3** times 

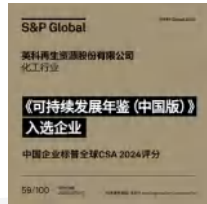
ESG RANKING

S&P Global

S&P Global ESG Score **69**, Ranking in the top **5%** globally



Included in *S&P Global Sustainability Yearbook 2026* for the first time



Included in *Sustainability Yearbook (China Edition)* for two consecutive years



英科再生
2025评级



Rated **AA** from Wind ESG Rating



Best ESG STAR
Market Listed
Companies



All-China
Environment
Federation –
**Included in the
ESG 100 index of
Chinese Enterprises**



China Association for
Public Companies –
"Best Practice Case of
the Board of Directors
of Listed Companies"



- Shanghai Stock Exchange – Key Cases from ESG Practice in Two Decades
- Shanghai Low-Carbon Supply Chain Benchmark Enterprises
- Cailian Press – Cailian Press Zhiyuan Award*ESG Pioneer Award
- ESG Carbon Neutral Taurus Award
- 2025 Golden Dawn Investor Relations Award
- Best Practices in Investor Relations Management for Chinese Listed Companies
- New Quality Enterprise Golden Bull Award
- Shanghai Climate Week – Climate Lighthouse Outstanding Case Award



Rated **B** (Management)
from CDP Climate Change



Outstanding ESG Practice Case
for Listed Companies

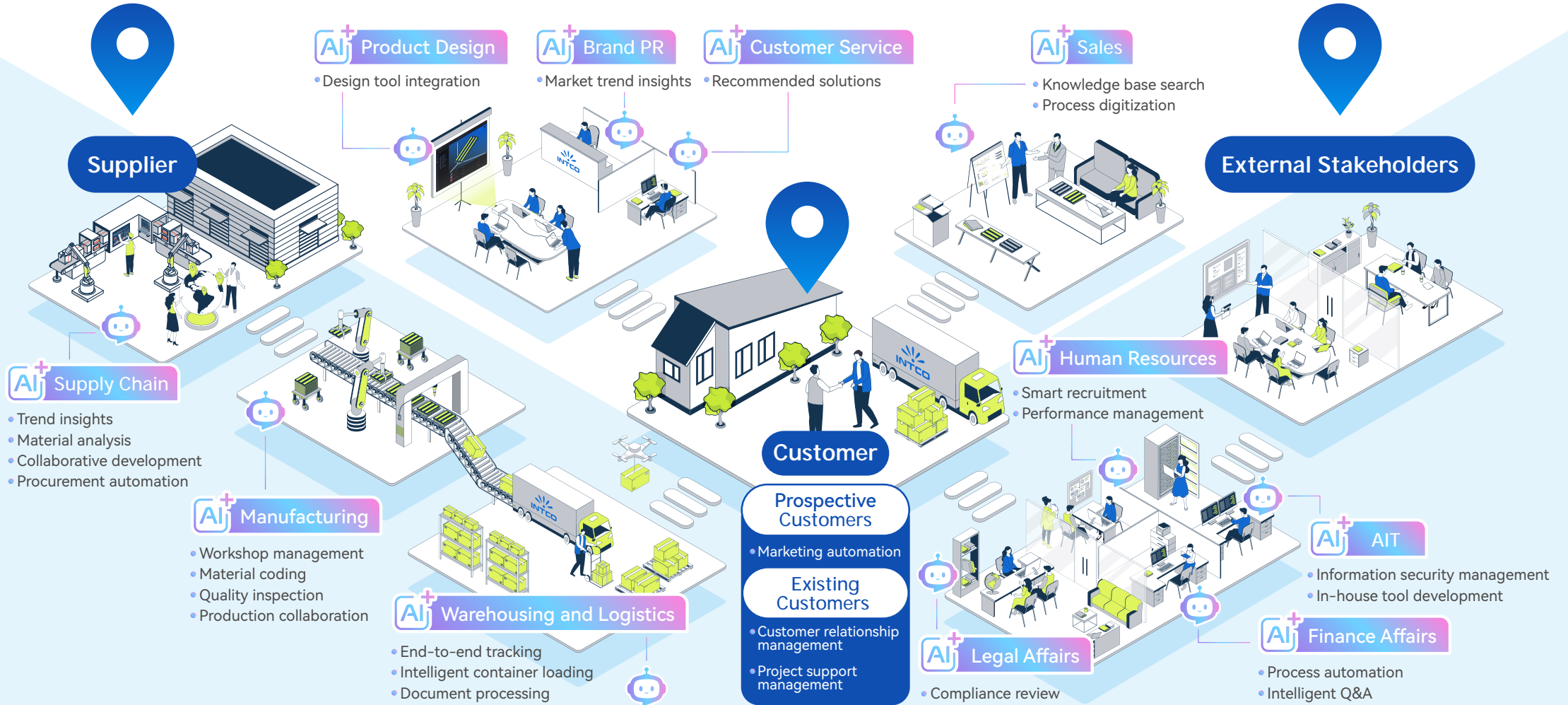
Securities Times –
Ranked among the
"Top 100 ESG
Performers of
Chinese Listed
Companies"

CORPORATE HONORS





TRUSTWORTHY AI+



Lifestyle Aesthetics

r-PS photo frames, picture frames, mirror frames, and other accessories



RENEWABLE HOME

Healthy Living Spaces

r-PS mouldings and wall panels, r-PET acoustic panels, etc.

Scenic Outdoors

r-PE outdoor garden bed, WPC decking and wall panels, etc.





SUSTAINABLE FUTURE



-300,000
Tons/year
Carbon Emissions



-450,000
Tons/year
Crude Oil Resources



+1.6 Million
Boxes/Year
PS Mouldings



+150,000
Tons/year
Recycled Plastic
Production Capacity



-2.7 Million
Trees/Year
were Protected

INTCO

Cumulative Savings

3.4 million Tons
Carbon Emissions

5.1 million Tons
Crude Oil Resources

33 million
Trees be Protected

Upholding the sustainable development philosophy of "INTCO Recycling, Renewing the World," the Company has pioneered a fully integrated industrial model of "plastic recycling-regeneration-reuse." Through this innovative approach, we actively practice the principles of "replacing wood with plastic" and "turning waste into treasure," bringing discarded materials back to life with renewed purpose.

ABOUT INTCO RECYCLING

INTCO Recycling (Stock Code: 688087) is a high-tech manufacturer specializing in the recycling, regeneration, and utilization of renewable resources. The Company has innovatively developed a fully integrated industrial chain for plastic recycling and reuse, and is a pioneering enterprise that seamlessly integrates recycled plastics with the production of fashionable consumer goods.

INTCO Recycling operates six major production bases worldwide, located in Shandong, Shanghai, Anhui, and Jiangsu in China, as well as overseas in Malaysia and Vietnam.

The Company's main product lines include decorative finished frames, decorative building materials, PET products, plastic pellets, and environmental protection equipment. Our products are exported to over 130 countries and regions across the Americas, Europe, Asia, Africa, and Oceania, serving over 12,000 customers worldwide with high-quality products and services.

 **20+** Years

 **3** Business Units


 **6** R&D Bases

 **5,000+** Employees

 **130+** Countries

 **12,000+** Customers



 Shandong INTCO


2005



 Shanghai INTCO


2002



 Jiangsu INTCO

2010



 Anhui INTCO

2010



 Malaysia INTCO


2018



 Vietnam INTCO (Thanh Hoa)

2022

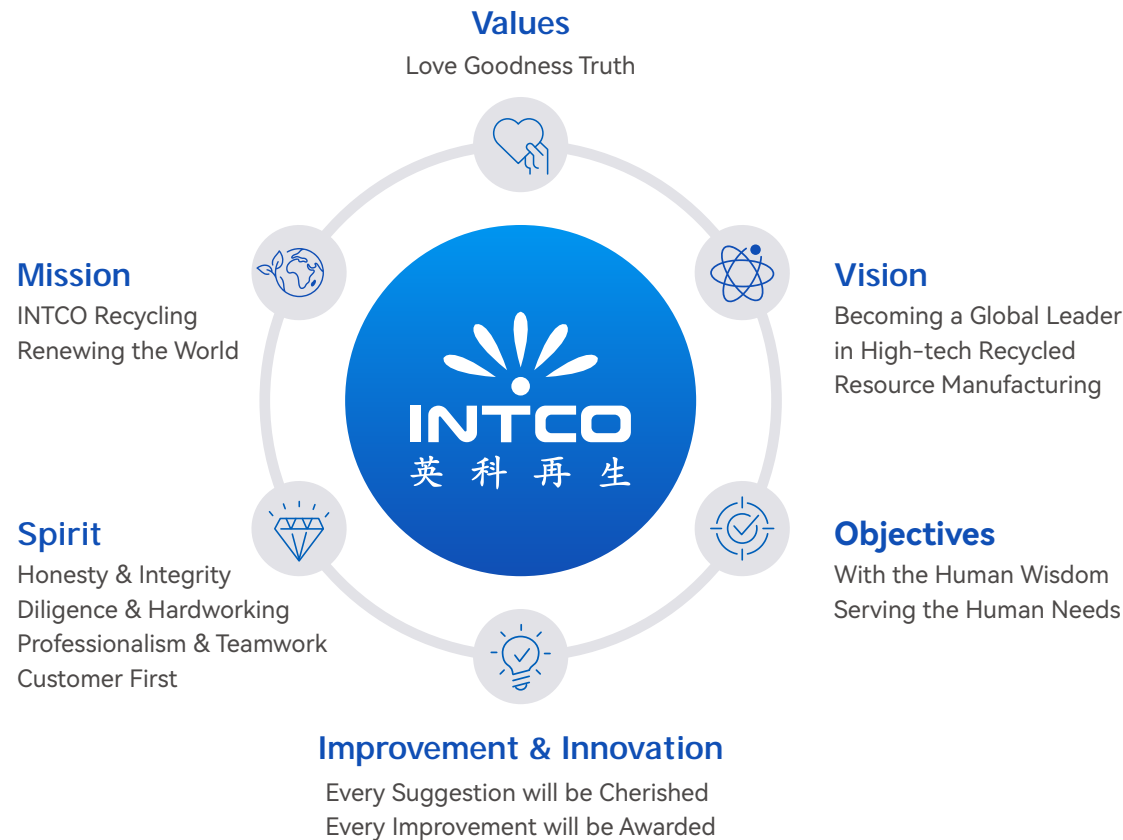


 Vietnam INTCO (Quang Ninh)

2023

CORPORATE CULTURE

INTCO Recycling practices the values of “Love Goodness Truth,” upholding its multi-dimensional responsibilities. The Company continues to drive the development of the plastic recycling economy through the power of technological innovation.



Corporate Values

The Duty to Our Employees

Maximize the Individual Potential of Each Employee

- Recruit and promote the right employees
- Coach and support the development of individual professional skills
- Provide continuous constructive performance assessment
- Encourage innovation and change among employees

The Duty to Our Team

Create a Positive Working Environment

- Encourage teamwork and collaboration
- Recognize and reward outstanding performance
- Provide competitive compensation and benefits
- Promote consistent two-way communication

The Duty to Our Customers

Satisfy Our Customers

- Understand customer vision and strategic objectives
- Continuously improve product, service, and value offerings
- Anticipate and meet customer expectations
- Build strong alliances with customers and suppliers

The Duty to Our Enterprise

Grow Our Business

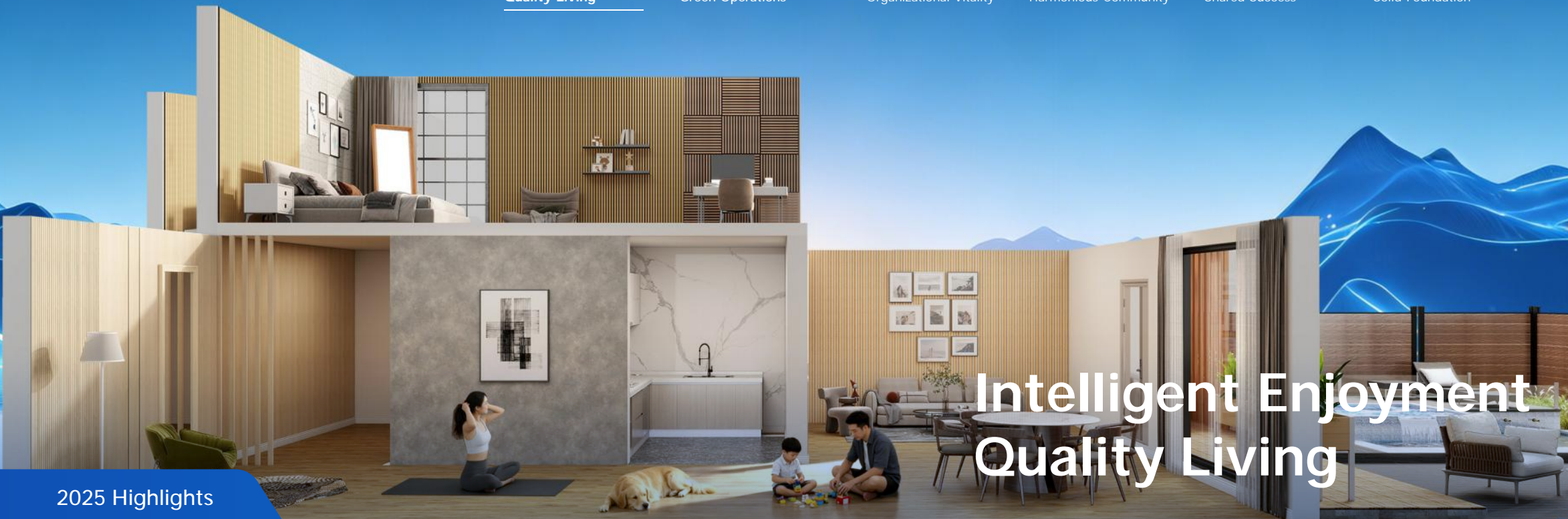
- Enhance long-term profitability
- Expand our business and customer base
- Reinvest in new products, services, and support

The Duty to Society

Practice Ethical Behavior

- Operate with honesty and integrity
- Promote trust, responsibility, and respect
- Encourage employees to recognize and embrace diversity and cultural awareness
- Protect and care for the needs of communities and the environment





Intelligent Enjoyment Quality Living

2025 Highlights

Avoided landfill disposal of

130,136 tons of PS, PET, PE, and PP

Cumulatively reducing carbon footprint by

293,200.6 tons of CO₂e

Invested RMB

119.71 million in R&D

Representing

3.38% of total operating revenue

Held

3,421 intellectual property rights

Key Topics

- Circular Economy Development
- Product Lifecycle Management
- R&D Innovation
- Intelligent Manufacturing
- Customer Relationship Management

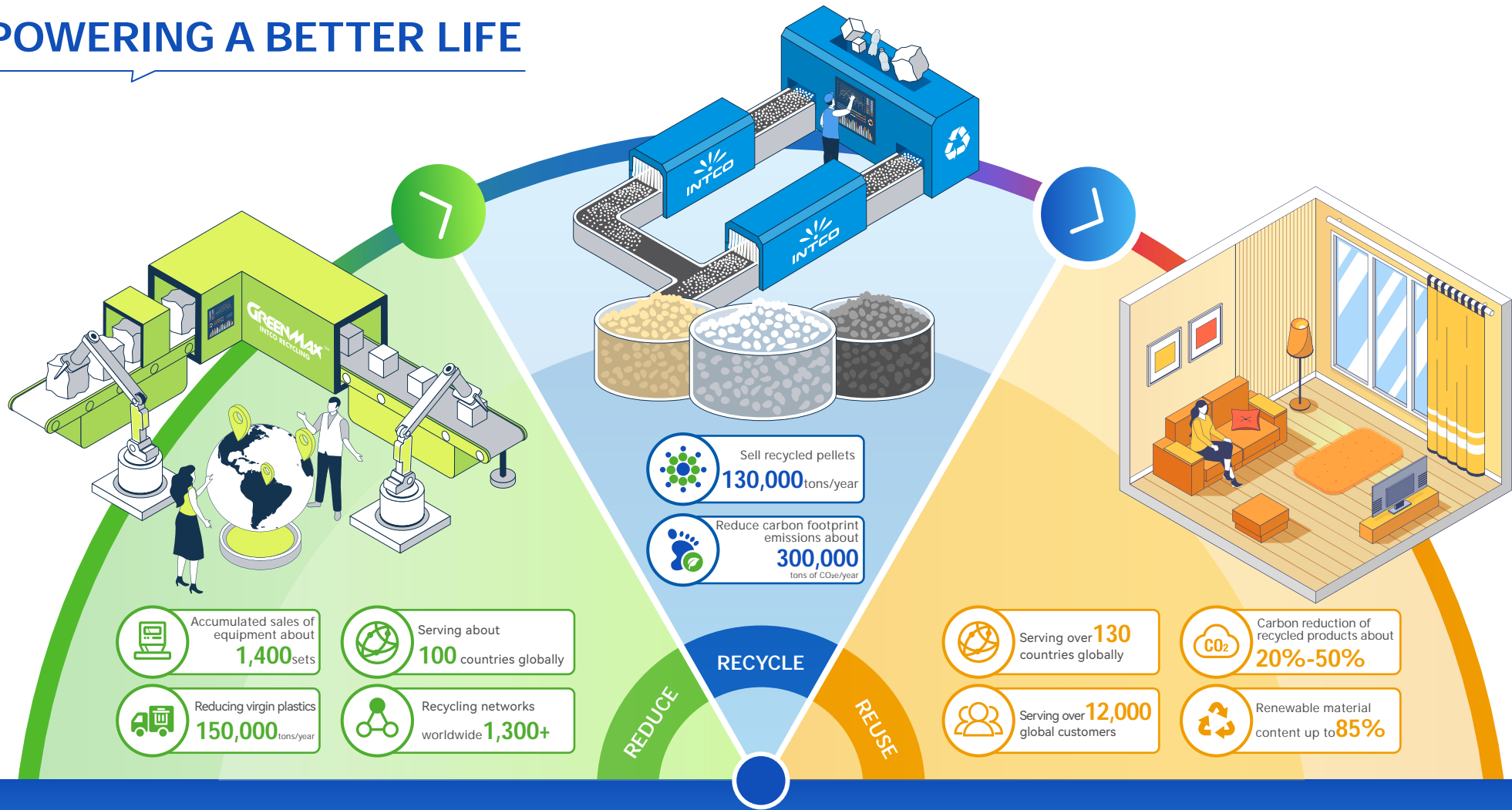
Our Actions

- Deepen circular economy model innovation
- Establishment of a sound product quality and safety supervision management system
- Promoting equipment intelligentization and information automation to develop new quality productive forces
- Enhancing customer experience management and continuously improving product and service quality

Corresponding SDGs



EMPOWERING A BETTER LIFE



With the "plastic circular economy" as its core strategy, INTCO Recycling has built a full life cycle closed-loop system of "plastic collection - plastic regeneration - circular reuse" covering multiple plastic categories including PS, PET, PE, and PP. Its main products cover four major categories: environmental protection equipment, recycled plastics, decorative finished frames, and decorative building materials, achieving a win-win synergy of efficient resource utilization and environmental protection.

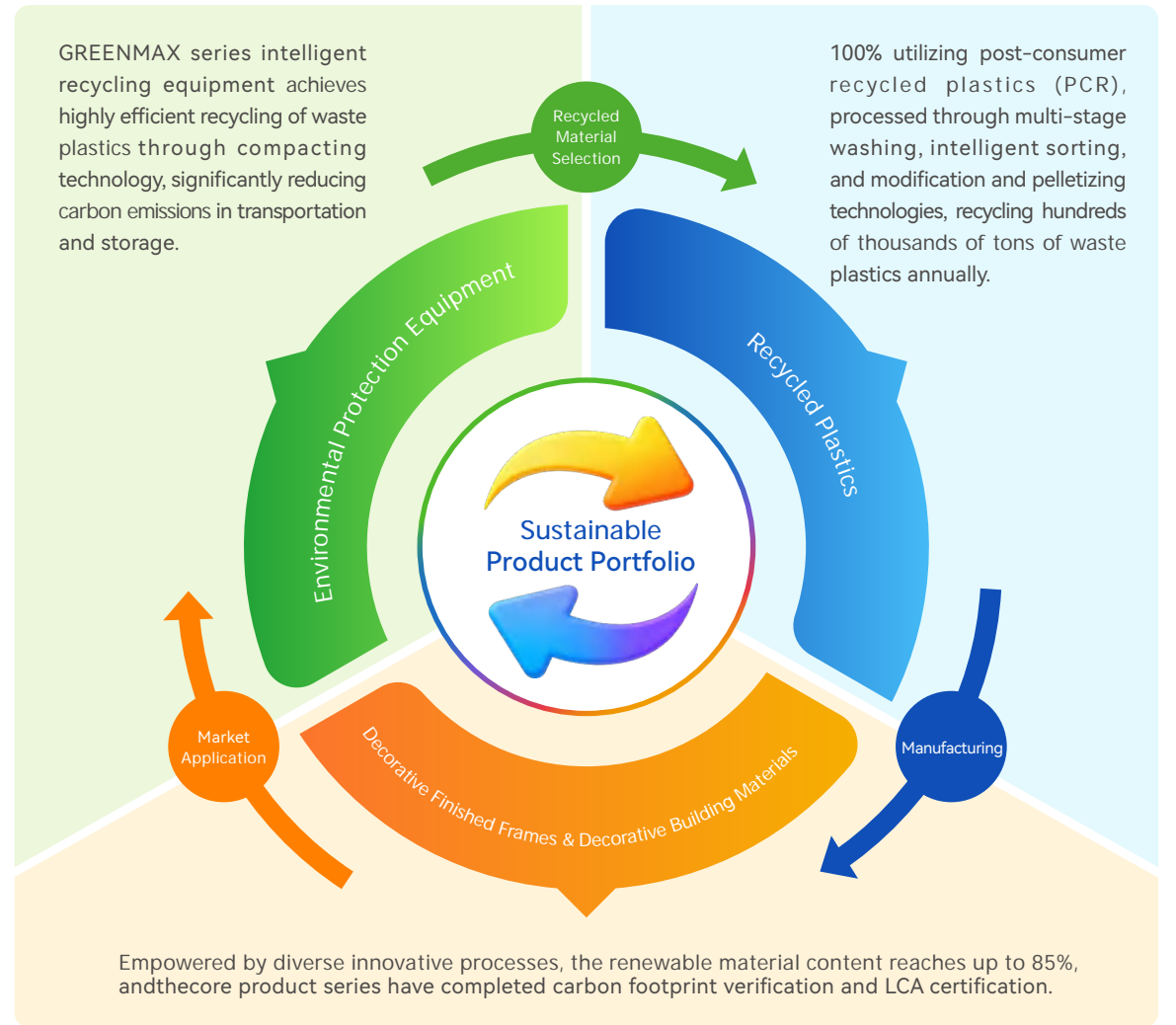
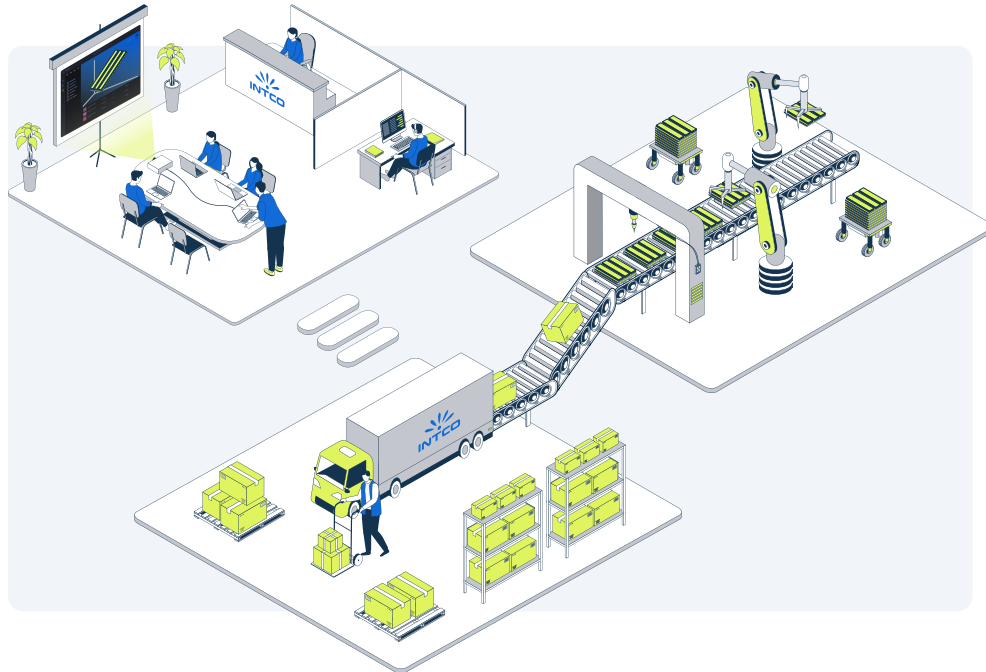
The Company takes sustainable products as its core strategic direction, continuously increasing R&D investment, accelerating the upgrading of intelligent production lines, and building and iterating a diversified product portfolio. The Company has established a product life cycle management system, deeply integrating sustainable design concepts into the R&D process, continuously improving the R&D and design team's capabilities in sustainable innovation, and actively promoting the exploration and implementation of circular economy business models.

Key Performance

By the end of the reporting period,

16 of the Company's product categories have obtained GRS certification, and

1,236 products and packaging have obtained FSC certification.



*The Company has preliminarily established sustainable product management standards covering its four major product series. Based on differentiated evaluations of quantitative indicators, it optimizes the full-chain value creation from recycling to application.

INTELLIGENT RENEWAL THROUGH RECYCLING

The Company's self-developed GREENMAX equipment covers functions such as compacting, washing, and pelletizing of waste plastics, gradually transforming from a single equipment supplier to a comprehensive system solution provider. This layout can effectively improve recycling efficiency and quality, while laying a solid foundation for stable raw material supply and enhanced customer stickiness, thereby strengthening the enterprise's risk resistance.

Through intelligent equipment innovation and global layout, we are driving the plastic recycling industry to transform towards high efficiency, intelligence, and low carbon, providing solid technical support and infrastructure assurance for building a global circular economy system.

Product Portfolio

In 2025, addressing the processing challenges of high-density EPP/EPO/EPE materials, GREENMAX launched the new-generation M-C300E intelligent compacting equipment.

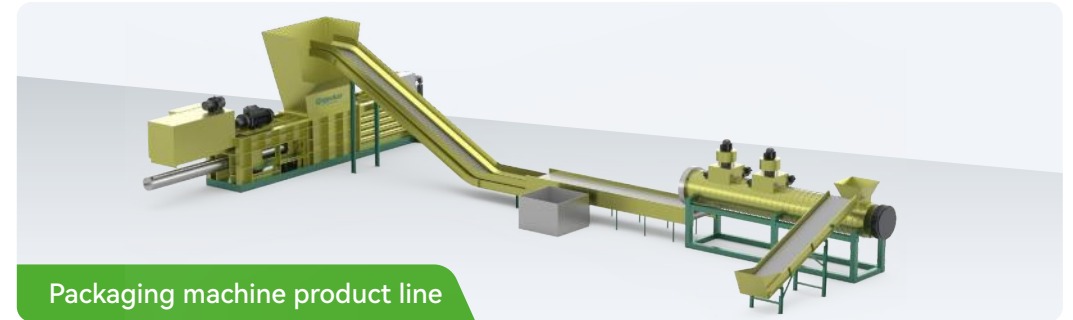
By optimizing the crushing process and hot melt system, the equipment reduces the material processing particle size to **2cm** and simultaneously increases heating power by **30%**. It achieves highly efficient compacting and automated packaging for high-density complex materials, significantly reducing manual dependence and operational costs, and effectively breaking through the technical bottlenecks of traditional processing models.



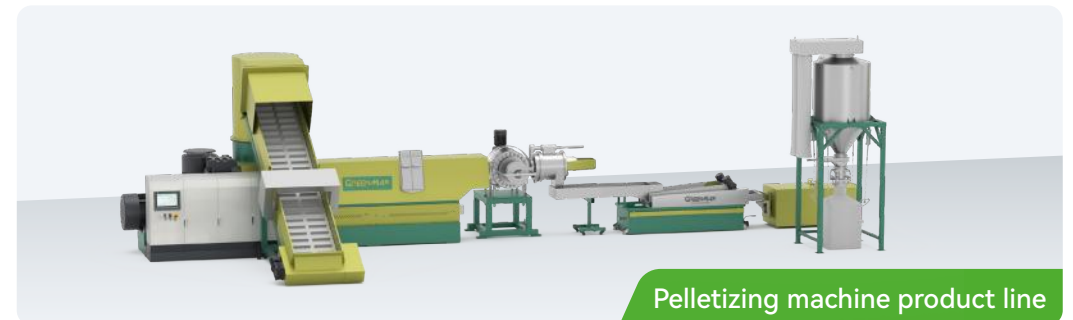
Foam compact and recycle equipment



Plastic cleaning and recycling line



Packaging machine product line



Pelletizing machine product line

Integrated System Design

The H-400 silo-II introduced by the Company in 2025 is a highly efficient integrated device precisely adapted to high-density and high-dust foaming working conditions. The equipment pioneers a dual-silo-in-one design, efficiently unleashing the large production capacity of dual stations; supported by intelligent material buffering, it balances production and maintenance, allowing for overhauls without shutting down; it comes standard with cyclone dust removal on top, strongly suppressing dust dispersion and comprehensively upgrading the clean production experience in the workshop.



In 2024, the Company introduced the M-C300E model specifically designed for highly elastic foamed materials such as EPE and EPP. This integrated system combines feeding, storage, compression, cutting, and conveying, and is equipped with a multi-layer alternating enhanced stirring mechanism to effectively prevent material bridging, with a production capacity of 300 kg/h.



Intelligent System

The GREENMAX intelligent operating system was independently developed and successfully validated in 2024, and achieved large-scale application in 2025. It has been equipped on more than 10 core devices, marking that the equipment's digitalization and intelligent capabilities have entered a substantive implementation stage. Through equipment interconnection and predictive maintenance, the system effectively reduces energy consumption and on-site maintenance frequency, shortens fault response time, reduces high-risk operations, and enhances operational stability and employee occupational health and safety levels.



Intelligent Operation and Maintenance

Remote signal monitoring enables collaborative troubleshooting with clients to remotely diagnose and quickly eliminate faults.

Safe Control

High-precision access control with traceable, full-process recording of operation logs, ensuring the security and compliance of remote connections.

Convenient Management

Support multi-terminal access without APP installation, and open API interfaces to realize interconnection and interoperability of systems.

RENEWING QUALITY PELLETS

Leveraging advanced plastic regeneration and pelletizing technologies, the Company has built a high-purity recycled pellet product portfolio covering four core categories: r-PS, r-PET, r-PE, and r-PP, with performance comparable to virgin materials, meeting the demands of high-end markets. By continuously optimizing production processes, the Company promotes the upgrading of recycled plastics from "substitutes" to "preferred products", providing global customers with high-quality recycled material solutions and achieving a closed loop of commercial value in the circular economy.

In 2025, the Company avoided the landfill disposal of approximately **130,136** tons of waste through its recycled plastic processing business, cumulatively reducing its carbon footprint by around **293,200.6** tons of CO₂e, highlighting the significant environmental benefits of replacing virgin plastics with recycled materials in terms of resource conservation and carbon emission reduction.

r-PS pellets

Environmental Protection Attributes: Strictly controlling hazardous substances and fully complying with EU RoHS standards, ensuring environmental friendliness.

Application Value: The whole process is traceable, with stable performance and good processability, helping customers realize green upgrading and product value addition.

2025 Carbon Emission Reductions*: **207,752.29** tons of CO₂e

Logos: Global Recycled Standard, RoHS, Recycle.

r-PET pellets

Environmental Protection Attributes: High purity and low odor, strictly meeting high-standard food-grade safety requirements.

Application Value: Excellent quality, widely used in high-end fields such as food packaging and beverage bottles, empowering brand sustainable packaging strategies.

2025 Carbon Emission Reductions*: **56,271.60** tons of CO₂e

Logos: FDA, efsa, Global Recycled Standard, ocean cycle, HALAL, RecyClass.

r-PE pellets

2025 Carbon Emission Reductions*: **26,421.78** tons of CO₂e

Environmental Protection Attributes: Excellent impact resistance and chemical stability, durable and easy to recycle.

Application Value: Strong processing adaptability, suitable for blow molding, injection molding, pipes, packaging film, etc., supporting customers to reduce costs, increase efficiency, and realize green manufacturing.

Logos: Global Recycled Standard.

r-PP pellets

2025 Carbon Emission Reductions*: **2,754.93** tons of CO₂e

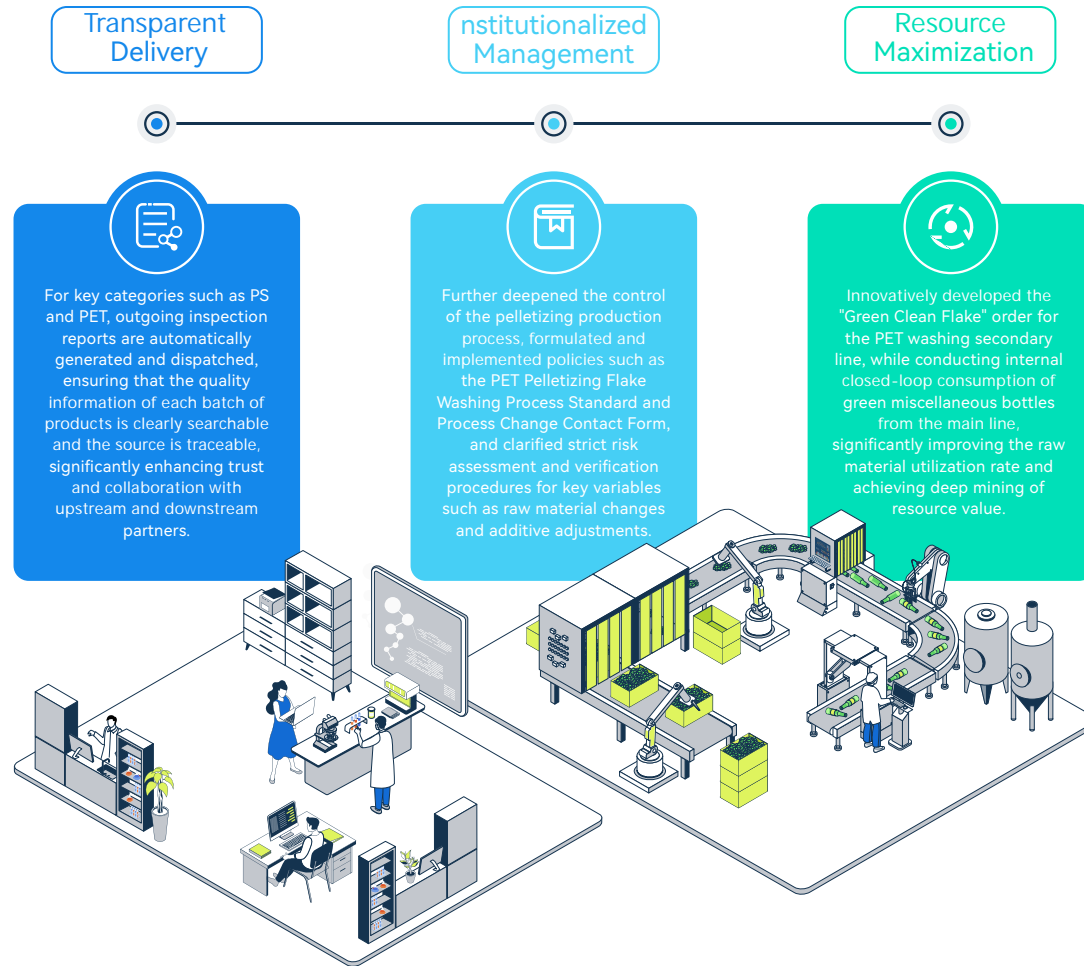
Environmental Protection Attributes: Full process traceability and quality control, safe use through multiple tests such as RoHS, DSC, infrared spectroscopy, etc.

Application Value: Building a high-value utilization loop for PP recycled materials based on modification technology to meet the demand for lightweight, functional, and green customization.

Logos: Global Recycled Standard.

The carbon reduction of r-PET/r-PE/r-PP pellets is calculated based on data from the Association of Plastic Recyclers (APR); the carbon reduction of r-PS pellets is calculated based on product carbon footprint verification reports and the Ecoinvent 3.10 database.

In 2025, the Company further enhanced the transparency of pellet quality management and completed the upgrading of its quality informational management system. It can automatically aggregate raw material supplier data as well as raw material quality assessment and acceptance status, realizing full-process quality traceability management of raw materials and products.



Innovative Modification Breakthroughs

The Company adheres to independent R&D and continues to make breakthrough progress in the field of plastic modification.

In 2025, the Company successfully developed a new recycled HIPS modified material, whose impact strength increased significantly by **125%**, and realized internal independent substitution of toughening agents, reducing the related raw material costs by **48%**.

This innovation not only patches the product's performance shortcomings but also opens up significant profit margins, providing the industry with a solution that combines both economic and environmental benefits.

Green Collaborative Practices

The Company upholds the concept of openness and mutual benefit, deeply connects with global supply chain partners, and jointly accelerates the scaled application of recycled materials in diverse scenarios.

In 2025, the Company reached strategic synergy with a world-leading consumer electronics brand, successfully delivering approximately **1,000** tons of r-EPS electrical packaging materials containing **50%** recycled GPPS content (corresponding to a finished product volume of about **41,700** cubic meters), achieving carbon reductions of about **900** tons of CO₂e.



This cooperation not only verified the commercial viability of recycled materials in high-end electronic packaging but also provided a replicable practical model for the green transition of the industry.

ELEGANT AND BEAUTIFUL HOME

The Company upholds the core philosophy of a "responsible approach to product life cycles", building a closed-loop management system that covers raw material acquisition, manufacturing, logistics transportation, end utilization, and disposal, ensuring that all links strictly benchmark international environmental standards (such as the ISO 14000 series) and the relevant laws, regulations, and industry standards for each product category. To scientifically empower green design, the Company has built a hierarchical, multi-method concurrent Life Cycle Assessment (LCA) strategy.

The Company deeply integrates environmental sustainability DNA with modern aesthetics, advocating a new trend of green consumption through a diversified product portfolio, and driving the home and building materials industries towards a low-carbon transition. We prioritize the use of post-consumer recycled plastics to reduce reliance on virgin plastics, significantly lowering carbon emissions and environmental impact. Simultaneously, we actively choose recyclable materials to ensure that products are easy to recycle and reuse after their life cycle ends.

Key Performance

The Company has commissioned a third-party organization to complete full life cycle assessments on three types of decorative building materials: r-PS wall panels, r-PET acoustic panels, and r-PE WPC decking.

In-Depth Assessment

Implement in-depth LCA for representative products, pinpoint high environmental load stages, and guide material selection and design optimization.



Rapid Iteration

Adopt simplified LCA for comparison among products of the same type and model, and support rapid green upgrading.



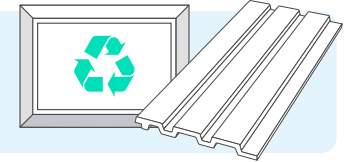
Multi-Dimensional Verification

Integrate external tools (e.g., carbon footprint) and third-party data, and conduct specialized quantification of key indicators such as carbon emissions.



We integrate green design concepts throughout our two major product series: decorative finished frames and decorative building

materials, with renewable material content reaching up to **85%**.



The decorative finished frames series uses r-PS extrusion molding, supplemented by bending, surface treatment, and other processes to present a refined texture. The decorative building materials series employs diverse processes such as integrated extrusion molding and PET felt needle punching, allowing eco-friendly materials and modern aesthetics to complement each other in functional scenarios.

While pursuing green and low-carbon goals, the Company adheres to the baseline of product safety. We continuously increase R&D expenditures, optimize production processes, actively explore more environmentally friendly and safer alternative raw materials, and collaborate with industry associations to jointly elevate industry standards.

Risk Control

Implemented a risk assessment mechanism across all product lines to avoid potential human health and environmental hazards from the source.

Dual Assurance

Commissioned third parties to test the content of hazardous substances in raw materials according to international authoritative standards such as ISO 16000, and continuously invested in advanced testing equipment to strengthen internal self-inspection capabilities, ensuring that hazardous substance limits for all products 100% comply with stringent global regulatory requirements such as REACH and RoHS.

Serious Commitment

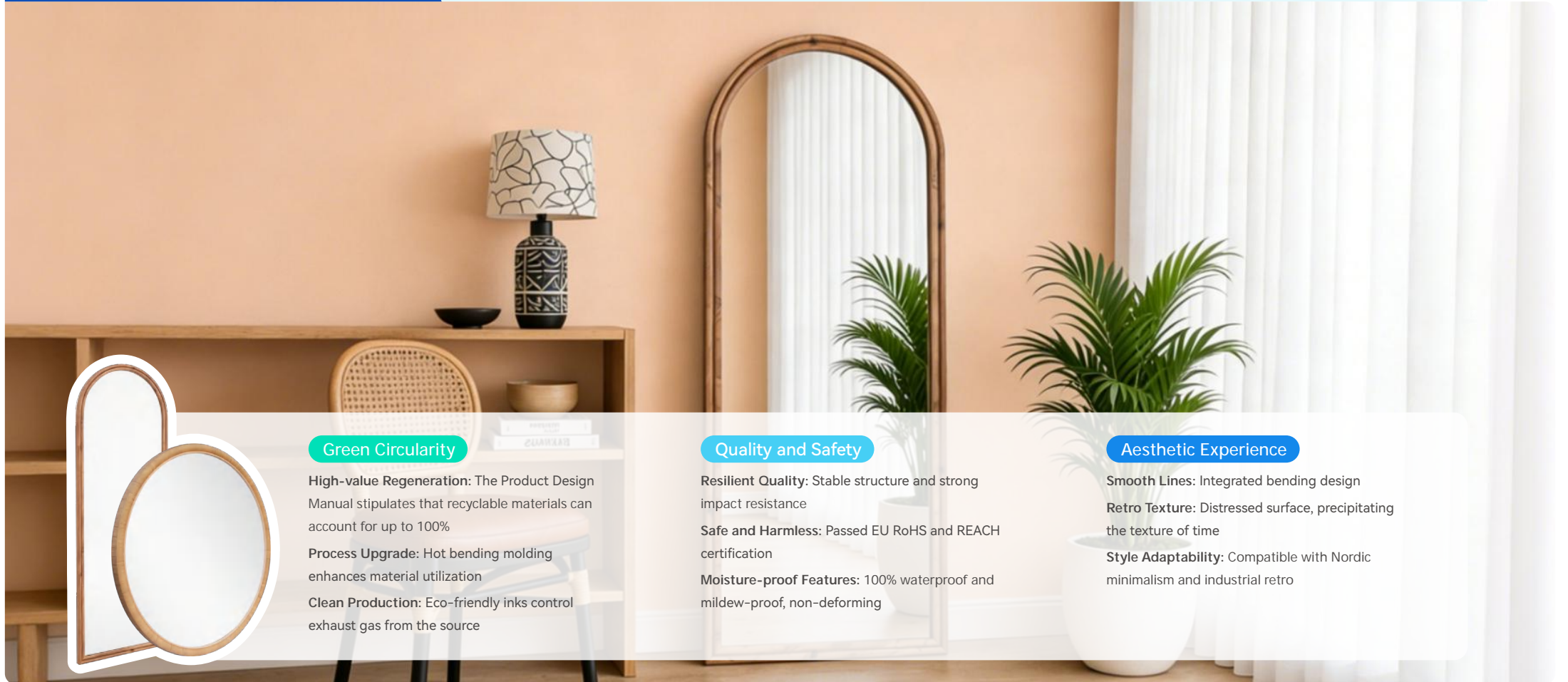
The Company guarantees that all products across our entire line do not contain EU-banned hazardous substances, safeguarding user health and the ecological environment.

Lifestyle Aesthetics

Star
Product

r-PS Curved Mirror Frames

Replaced traditional solid wood with recyclable r-PS, integrating environmental protection into daily aesthetics.



Green Circularity

High-value Regeneration: The Product Design Manual stipulates that recyclable materials can account for up to 100%

Process Upgrade: Hot bending molding enhances material utilization

Clean Production: Eco-friendly inks control exhaust gas from the source

Quality and Safety

Resilient Quality: Stable structure and strong impact resistance

Safe and Harmless: Passed EU RoHS and REACH certification

Moisture-proof Features: 100% waterproof and mildew-proof, non-deforming

Aesthetic Experience

Smooth Lines: Integrated bending design

Retro Texture: Distressed surface, precipitating the texture of time

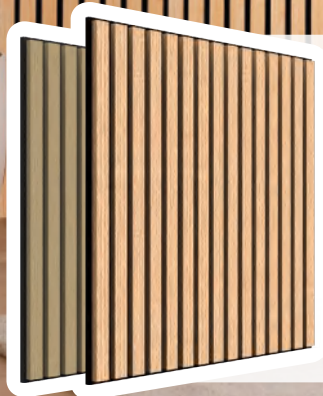
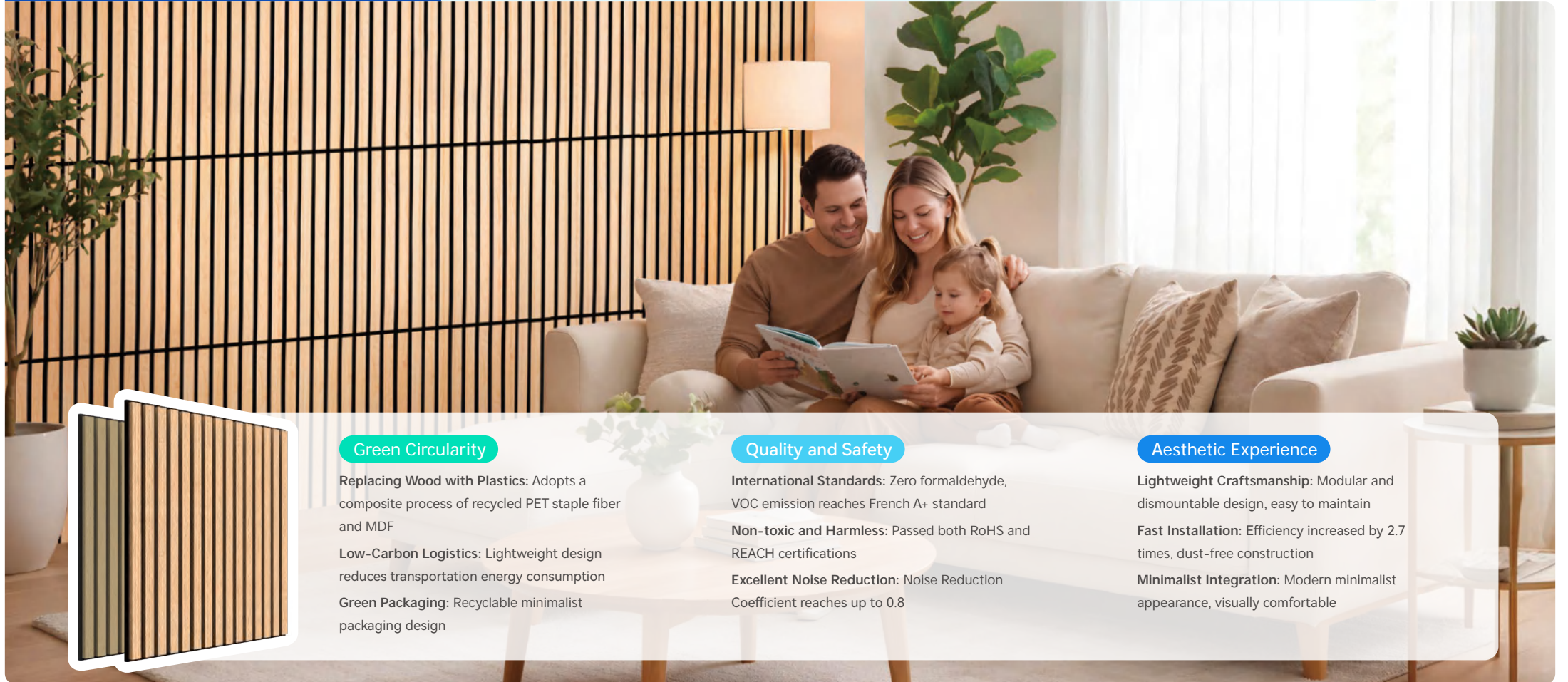
Style Adaptability: Compatible with Nordic minimalism and industrial retro

Star
Product

Healthy Living Spaces

r-PET Acoustic Panels

Transforms recycled PET fibers into high-performance acoustic materials, safeguarding tranquillity and health.



Green Circularity

Replacing Wood with Plastics: Adopts a composite process of recycled PET staple fiber and MDF

Low-Carbon Logistics: Lightweight design reduces transportation energy consumption

Green Packaging: Recyclable minimalist packaging design

Quality and Safety

International Standards: Zero formaldehyde, VOC emission reaches French A+ standard

Non-toxic and Harmless: Passed both RoHS and REACH certifications

Excellent Noise Reduction: Noise Reduction Coefficient reaches up to 0.8

Aesthetic Experience

Lightweight Craftsmanship: Modular and dismountable design, easy to maintain

Fast Installation: Efficiency increased by 2.7 times, dust-free construction

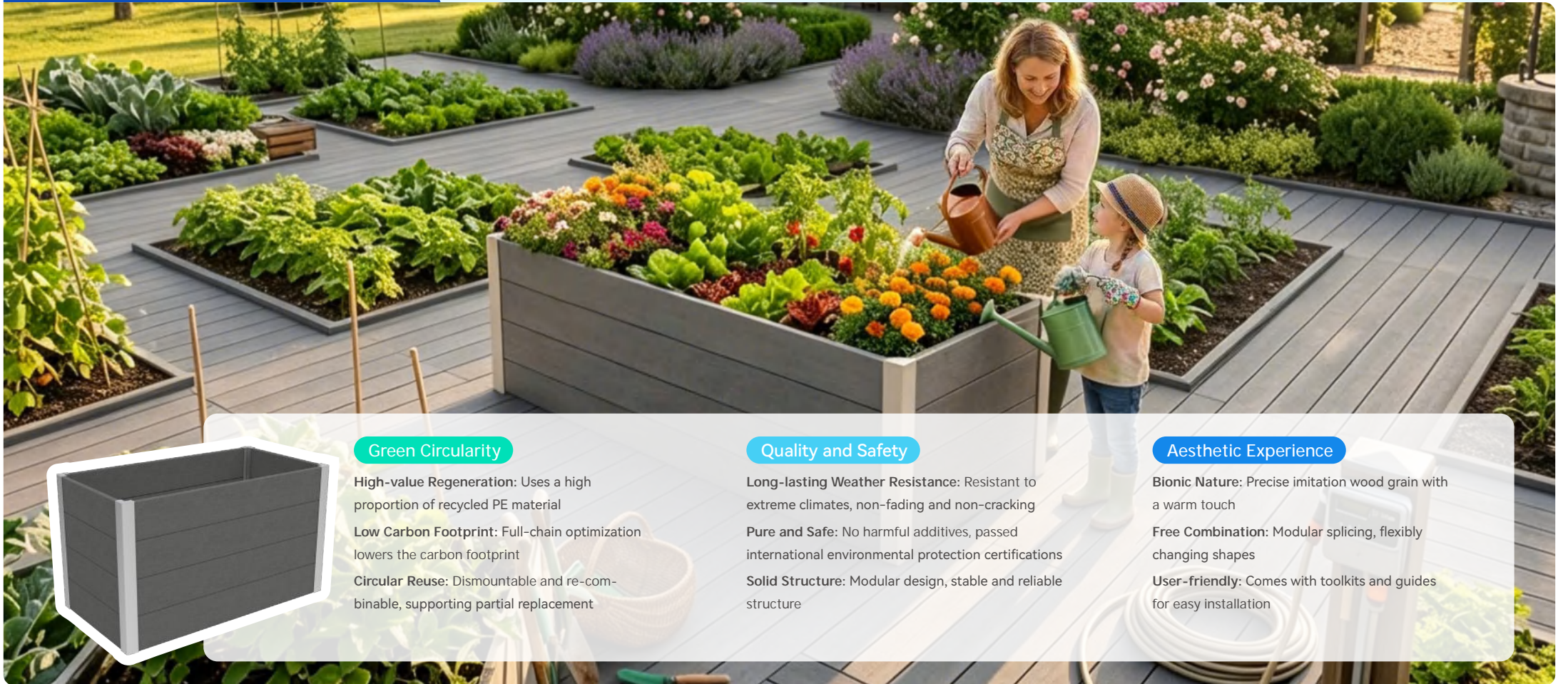
Minimalist Integration: Modern minimalist appearance, visually comfortable



Scenic Outdoors

r-PE Modular Garden Bed

Made from recycled PE to create durable gardening products, constructing an original ecological outdoor green space.



Green Circularity

- High-value Regeneration:** Uses a high proportion of recycled PE material
- Low Carbon Footprint:** Full-chain optimization lowers the carbon footprint
- Circular Reuse:** Dismountable and re-combinable, supporting partial replacement

Quality and Safety

- Long-lasting Weather Resistance:** Resistant to extreme climates, non-fading and non-cracking
- Pure and Safe:** No harmful additives, passed international environmental protection certifications
- Solid Structure:** Modular design, stable and reliable structure

Aesthetic Experience

- Bionic Nature:** Precise imitation wood grain with a warm touch
- Free Combination:** Modular splicing, flexibly changing shapes
- User-friendly:** Comes with toolkits and guides for easy installation

DELIVERING HIGH-QUALITY SERVICE WITH INTEGRITY

Responsible Marketing

INTCO Recycling strictly complies with relevant laws and regulations such as the Law of the People's Republic of China on the Protection of Consumer Rights and Interests and the Advertising Law of the People's Republic of China, conducting product marketing activities in accordance with legal and regulatory requirements. The Company continuously improves its review mechanisms for promotional content and marketing information, standardizes the promotional practices of sales personnel and partners, and firmly prohibits violations such as false information and exaggerated advertising.

The Company has further strengthened its responsible marketing management. For products involving materials certified under the Global Recycled Standard (GRS), the Company strictly requires upstream suppliers to provide valid documentation, ensuring traceability and compliance of raw material sources, and guaranteeing the authenticity and verifiability of marketing claims. This protects customers' legitimate rights and interests and continuously fosters a trustworthy, transparent, and healthy market environment.

The Company has independently built a digital marketing system, enhancing brand visibility and market expansion efficiency through precise online promotion. By integrating market research with website optimization, the Company continuously improves the communication effectiveness and user reach of its proprietary platforms, effectively supporting successful global customer acquisition and service, and driving high-quality business growth.



In 2025, the Company accelerated the development of an AI-powered marketing automation system, leveraging AI technologies to expand customer markets and utilizing AI tools to optimize the creation of marketing content. This enhanced brand communication efficiency and market responsiveness, enabling customers to efficiently understand the advantages of the Company's products.




AI+ Marketing Automation

With the continuous expansion of its global business, INTCO Recycling actively leverages AI technologies to upgrade its market expansion model, breaking through the efficiency bottlenecks of traditional business development with digital and intelligent solutions, thereby providing more timely and precise responses and services to customers worldwide.


Intelligent Customer Communication

Utilizes AI technology to gain insights into customer needs and enable personalized interactions, enhancing communication efficiency and building stronger collaborative trust.




Lead Management

Employs intelligent tools to identify potential customer intentions and implement hierarchical management, improving sales conversion efficiency.



Customer Segmentation Operation

Leverages digital capabilities to enrich customer profiles and establish a scientific customer segmentation management system, enabling precise service alignment with customer needs.



Company continues to advance responsible marketing training, requiring sales personnel to accurately convey product information and strengthening the professional capabilities and compliance awareness of the sales team. Meanwhile, the Company conducts specialized training on key customer platform operations, covering analysis of best-selling and new products, marketing video production, and other topics. Through a combination of training and hands-on practice, the team's e-commerce operation capabilities and market responsiveness has been effectively enhanced. In addition, the Company organizes thematic training sessions on product knowledge and protection of trade secrets, comprehensively improving employees' professional competence and risk prevention awareness, thereby providing strong support for achieving compliant, precise, and efficient marketing.

Promoting Industry Development

Participating in Industry Exchanges and Fostering Collaborative Development

INTCO Recycling actively participates in renowned domestic and international industry exhibitions, continuously deepening external cooperation and technological exchanges to advance the sustainable development of the plastic recycling and circular utilization industry.

Key Performance

During the reporting period, the Company participated in a total of **43** exhibitions, receiving **8,146** visitors.



The 138th China Import and Export Fair (Canton Fair)



Ambiente Frankfurt (Spring Consumer Goods Fair)



K Show



CHINAPLAS International Trade Fair for Plastics and Rubber

Customer Relationship Management

The Company continuously optimizes its customer service system, actively adopts intelligent technologies to enhance customer relationship management, promptly responds to and properly handles customer inquiries, and drives continuous improvement in service quality and customer experience.

AI+ Customer Relationship Management

Centered on customers' end-to-end service needs, the Company deepens the application of AI technology to optimize management processes, enhance service efficiency and response speed, and advance customer management toward refinement, efficiency, and intelligence.



INTCO Recycling has established the Customer Complaint Control Procedure to standardize the processes for receiving, responding to, and handling customer complaints. This system promotes thorough problem analysis and the implementation of corrective and preventive actions, ensuring that customer feedback is promptly communicated, effectively analyzed, and rapidly addressed, thereby minimizing quality losses and continuously enhancing customer satisfaction.

The Company adheres to a customer-centric approach, deeply integrating customer feedback into the entire process of product iteration and service optimization. By building a diversified customer communication network that combines online and offline channels, the Company provides convenient and efficient pathways for feedback tailored to different customer segments. Leveraging a digital customer service platform, customers can access real-time consultation and submit issues through AI-powered chatbots, online forms, or dedicated email addresses. A dedicated customer service hotline is also maintained to ensure uninterrupted communication. For special groups such as elderly and disabled individuals, the Company continuously improves accessible and age-friendly service procedures to enhance inclusivity and service accessibility. For significant matters or complex issues, the Company conducts offline on-site communications to comprehensively meet customer service needs across various scenarios.

The Company has established a standardized, closed-loop customer complaint management mechanism, enabling full-process control from complaint intake to root cause analysis, responsibility assignment, corrective action verification, and implementation of outcomes. This ensures efficient response, clear accountability, and effective improvements, driving continuous enhancement in both product and service quality. Meanwhile, the Company strictly enforces service protocols during complaint handling, promptly confirming receipt of complaints to customers and clearly communicating expected resolution timelines and follow-up arrangements, thereby safeguarding customers' rights to information and oversight.

Key Performance

During the reporting period, the Company achieved a **100%** customer complaint closure rate.

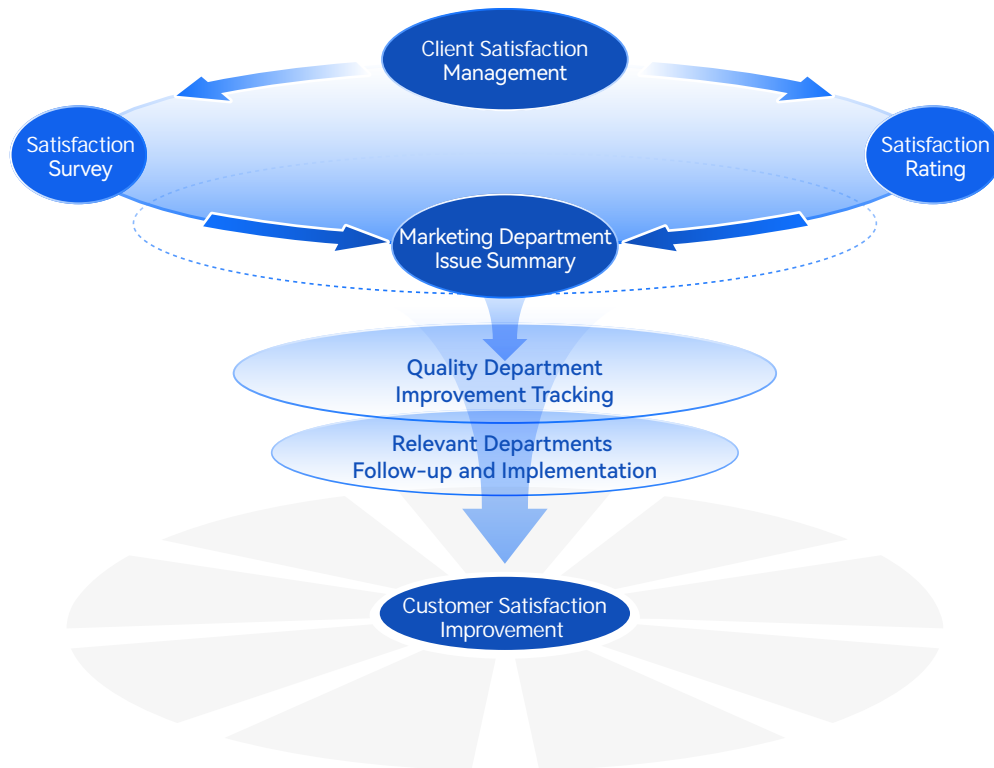
INTCO Recycling Customer Complaint Handling Process



Customer Satisfaction Management

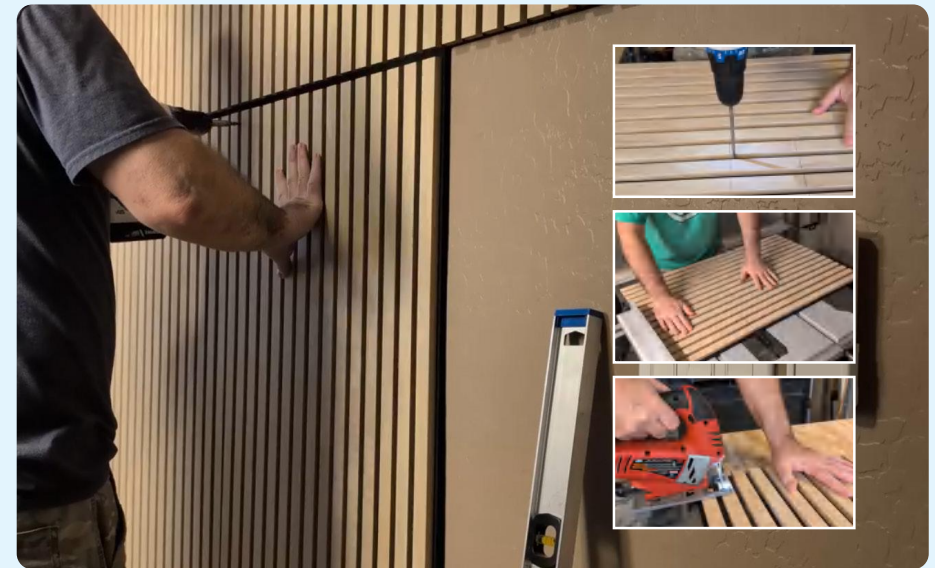
The Company consistently adheres to a customer-first principle and has established and implemented the *Customer Satisfaction Control Procedure*. It conducts regular customer satisfaction surveys annually, evaluating aspects including product quality, after-sales service, new product development capability, responsiveness to issue resolution, and on-time delivery. The Company continuously listens to customer feedback and optimizes service processes accordingly to enhance the overall customer experience.

Customer Satisfaction Research Management



Localized Brand Communication and Product Experience Services

To enable overseas customers to gain a more intuitive and authentic understanding of product functions, installation, usage, and actual effects, the Company has partnered with local content creators abroad to produce material on product experience, installation guidance, and practical tips from the perspective of local users. This approach has effectively increased market recognition and boosted sales of related acoustic panel products.



Additionally, for large decorative panel products, the Company offers sample trial experience services, allowing customers to physically assess material, craftsmanship, color, and quality before purchase. This minimizes expectation gaps and significantly improves customer satisfaction.

Key Performance

In 2025, the Company achieved a customer satisfaction score of **98.2**.

BUILDING A TRUSTWORTHY CHOICE

INTCO Recycling has always regarded R&D and innovation as the core driving force for development, focusing on technological breakthroughs and industrial upgrading. The Company strictly implements relevant standards for intellectual property protection, strengthening the foundation for innovative development and continuously enhancing its core competitiveness. Meanwhile, the Company adheres to the principle of quality excellence, rigorously controlling product quality throughout its entire lifecycle. Leveraging a comprehensive quality management system and refined control mechanisms, the Company ensures consistent and reliable product quality, delivering high-quality products and services to customers.

STRENGTHENING R&D INNOVATION

The Company has established an efficient and collaborative R&D system, releasing the Research and Development Project Management System Manual to build a full-cycle management mechanism covering project initiation, execution, and outcome implementation. It optimizes resource allocation, strictly controls key milestones, strengthens the management of key technological breakthroughs, improves R&D efficiency and achievement transformation capabilities, stimulates innovation vitality through standardized and refined management, and promotes rapid product iteration.

In 2025, the Company launched its R&D management system, achieving digital closed-loop control over the entire R&D process. Through automated data collection, intelligent verification and full-process traceability, the Company has continuously improved R&D management efficiency, consolidated its compliance foundation, and provided robust support for technological innovation and high-quality development.

Innovative R&D of Modification Technology Advances the Plastics Circular Economy

Equipped with proprietary advanced plastic modification technology, INTCO Recycling transforms waste plastics into high-performance, customizable recycled plastic transit containers, breaking through the performance bottlenecks of conventional recycled plastics. Through the application of novel modification techniques and specialized additives, the product demonstrates significant improvements in strength, toughness, wear resistance, and aging resistance, approaching or even surpassing the quality of virgin materials. Combined with an innovative foldable structural design, the containers are lighter, stackable and easy to transport, increasing logistics and storage space utilization by 80%. The Company has established a closed-loop, full-industry chain covering collection, recycling, and high-value utilization, enabling efficient resource circulation while reducing energy consumption and production costs—driving green industrial upgrading through technological innovation.

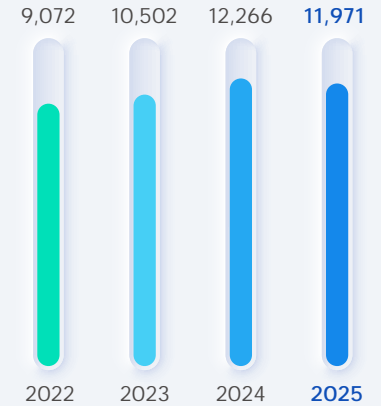


Innovative R&D of J-C50 Thermal Melting Machine for Efficient and Intelligent Molding of Recycled Plastics

The Company independently developed the J-C50 thermal melting machine, enabling continuous, intelligent, and highly efficient molding of recycled plastics. Adopting innovative mold and structural design, the machine integrates automatic air-cooling system and an online cutting system to achieve continuous, precise length cutting, automatically producing standardized blocks. This reduces labor intensity and reliance on packaging while enhancing production continuity. Additionally, the machine is equipped with an activated carbon filtration system that effectively adsorbs dust and volatile impurities generated during heating, significantly reducing emission risks and fully meeting environmental, safety, and regulatory requirements.



R&D Expenditure (ten thousand RMB)



Number of R&D Staff (person)



Intellectual Property Management

The Company strictly abides by the Patent Law of the People's Republic of China, the Trademark Law of the People's Republic of China and other relevant laws and regulations. The Company has established the Intellectual Property Management System and the Intellectual Property Incentive System, promoted the development of its intellectual property management system, and defined the protection standards and implementation measures for various types of intellectual property, including patents, trademarks, copyrights, new product technologies and trade secrets, thereby comprehensively mitigating infringement risks and safeguarding the Company's legitimate rights and interests. The Company has maintained certification in accordance with the Enterprise Intellectual Property Compliance Management System-Requirements (GB/T 29490-2023) for consecutive years, safeguarding its innovative development through compliance management.

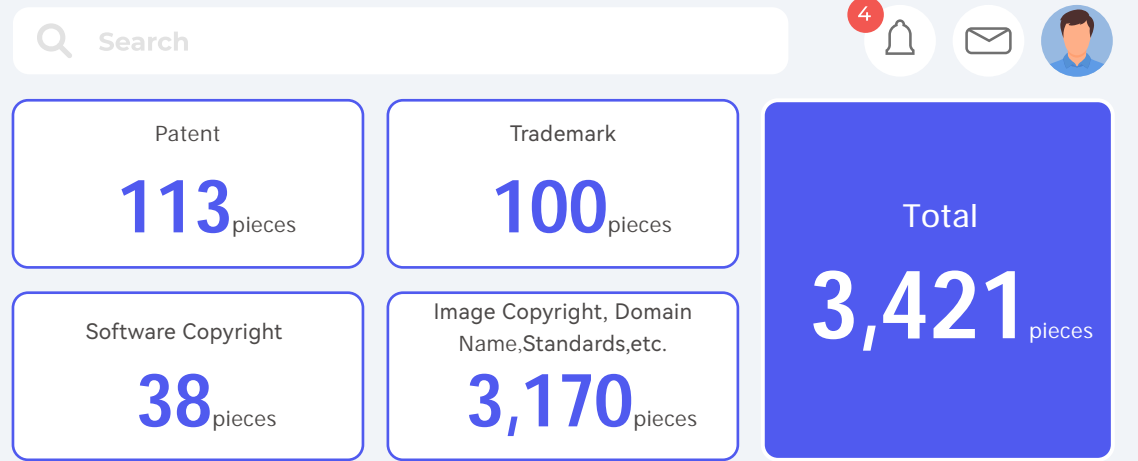


The Company collaborates with external professional institutions to deploy a digital patent search platform. At critical stages such as research project initiation, new product launches, and the introduction of new technologies, it conducts patent and related literature search and analysis to effectively avoid redundant research and infringement risks, thereby enhancing innovation efficiency and compliance standards. In addition, the Company has begun developing an internal intellectual property management system covering multiple modules such as patent metrics, patent incentives, and intellectual property administration, enabling centralized management of intellectual property outcomes.



INTCO
英科再生

- Intellectual Property (IP)
- Indicator Management
- Incentive Application
- Patent Management
- Trademark Management
- Document Management



ENHANCING THE QUALITY CONTROL SYSTEM

INTCO Recycling adheres to the quality philosophy of "Quality First, Prevention-Centric", implementing strict quality control throughout the entire product lifecycle. The Company deepens its enterprise-wide quality culture and ensures high-quality products and services through a standardized and efficient quality management system, laying a solid foundation for sustainable development.

Quality Management System

The Company strictly complies with laws and regulations such as the *Product Quality Law of the People's Republic of China* and the *Foreign Trade Law of the People's Republic of China*, as well as the requirements of the ISO 9001 quality management system. It has formulated and implemented multiple management systems, including the *Quality Manual* and the *Product Safety Management Control Procedure*, establishing a clear division of responsibilities and an efficient operational quality management framework. The Company adopts a management mechanism in which the General Manager oversees quality management, while a designated Management Representative is responsible for quality supervision and internal-external coordination, ensuring effective transmission of management responsibilities and successful implementation of control measures.

Focusing on key stages such as research and development, production, and delivery, the Company has established a full-process quality control mechanism and implements standardized inspection and measurement procedures to ensure that products meet stringent standards in environmental protection, safety, and quality. In 2025, the Company revised several systems, including the *Outgoing OQC Work Instructions*, the *Product Risk Assessment Control Procedure*, the *Nonconforming Product Control Procedure*, the *Identification and Traceability Control Procedure*, and the *Product Recall Procedure*, continuously improving its quality control system and comprehensively enhancing quality management capabilities.

INTCO Recycling regards quality management system certification as a core element of compliant operations and quality assurance. The Company actively promotes certification initiatives and fully cooperates with audits and oversight conducted by third-party auditing agencies, customers, and suppliers, thereby strengthening its quality defense line through full-process control.

关键绩效

In 2025, the Company underwent **47** customer audits and **93** third-party audits, achieving a **100%** pass rate.



As of the end of 2025, the coverage rate of ISO 9001 quality management system certification across INTCO Recycling's manufacturing facilities reached **66.67%**.







In 2025, we achieved several key breakthroughs in quality compliance:

July 2025: The Malaysia factory became a partner of Operation Clean Sweep (OCS), committing to full implementation of the OCS program with the goal of achieving zero pellet, flake, and powder loss. The facility also obtained OCS certification from the Malaysian Plastics Manufacturers Association, demonstrating our commitment to green and sustainable development through precise production management.



April 2025: Our recycled PET products successfully obtained FSSC 22000 food safety certification, complying with ISO 22000:2018, ISO/TS 22002-4:2013, and FSSC 22000 Annex requirements. This certification enables the production of recycled PET flakes, pellets, and clean flakes for use in the food and beverage industry, providing authoritative compliance assurance for applications involving food contact.

In 2025, the Company continued to advance its product international certification efforts. The building materials product series successfully obtained a range of certifications in the construction materials field, aligning product performance in safety, environmental protection, and quality with international standards, further strengthening competitiveness in the global market.

Category	Core Certification / Standard	Test Method / Standard	Result
Safety		EN 15102	PASS
Chemical Control		REACH Regulation, RoHS 2.0 (EU 2015/863)	PASS
Indoor Air Quality		ISO 16000	
Acoustic Performance		ISO 354	NRC=0.8
Weather Resistance		ISO 4892-2	> 3000h

In terms of new product design and development, the Company has established the *New Product Introduction and Prototyping Guidelines*. Closely integrating customer needs, the Company conducts strict quality testing and comprehensive evaluation on new products, and implements orderly quality management throughout the whole process from prototyping and small batch trial production to mass production, so as to ensure standardized, controllable processes and stable quality in product R&D and volume production.

In terms of finished product quality management, the Company carries out Design Failure Mode and Effects Analysis (DFMEA) and Process Failure Mode and Effects Analysis (PFMEA) for building materials and profile products made of PS, MDF and PE. It systematically identifies potential failure risks across the entire product life cycle, including raw and auxiliary material procurement, production processes, finished product assembly and packaging, warehousing, and logistics and transportation, establishes prevention and response mechanisms, and realizes proactive control and closed loop management of quality risks throughout the chain.

The Company continuously implements the *Quick Response Quality Control Mechanism / QRQC*. Through real time identification and rapid response to various quality abnormalities in the whole production and operation process, it ensures timely and effective control and closed loop resolution of quality issues and continuously maintains stable production and product quality.

Quick Response Mechanism for Quality Abnormalities



Quality Information Management

INTCO Recycling has fully launched an information-based material inspection system across all production bases. Through digital means, the system realizes automatic statistics and real-time monitoring of core data throughout the incoming material inspection process, covering key quality indicators such as defect rate. It also supports detailed analysis and report generation by multiple dimensions including material type, supplier and purchaser, providing data support for quality control in the material management process.



Enhancing Enterprise-wide Quality Awareness

Enterprise-wide Quality Standardization Initiative

To strengthen the foundation of quality management, achieve full-process quality control with participation from all employees, and establish a standardized and systematic quality management system, the Company launched the enterprise-wide quality standardization initiative in 2025. Centered on the product lifecycle, the initiative systematically advances five core areas:



New Product Introduction:

Establish standardized control processes from design review and sample verification to pilot production release, clearly defining quality standards and responsibilities at each stage to proactively identify and mitigate design and process risks;



Supplier Management:

Standardize supplier qualification review, in-process audits, and performance evaluation systems, and establish collaborative improvement mechanisms to ensure consistent quality across the supply chain;



Manufacturing:

Refine work standards for each production process, strengthen patrol inspections at critical control points and data traceability, eliminate non-compliant operations, and achieve closed-loop quality control throughout production;



Training and Assessment for All Employees:

Develop a tiered and categorized training and assessment system covering quality knowledge, operational procedures, and anomaly handling capabilities. Through regular evaluations, promote continuous learning and reinforce the quality foundation across all staff;



Quality Culture Development:

Integrate quality principles into daily operations through awareness campaigns, role model recognition, and case sharing, fostering a quality culture where "everyone values quality and everyone upholds quality," and driving the sustained and long-term implementation of quality management.

Implementing Enterprise-wide Quality Training

In 2025, the Company continued to deepen its quality culture by comprehensively organizing targeted quality training programs covering all employees. The training content included key modules such as quality standards, inspection methods, non-conforming product control, handling of abnormalities in externally procured materials, product defect assessment, and finished goods warehouse management. These initiatives further strengthened employees' quality awareness and practical capabilities, providing solid support for quality control throughout the product lifecycle.



During the reporting period, the Company conducted a total of **179** quality training sessions, achieving **100%** employee participation.



Specialized Training on MDF Acoustic wall panel Processes

In 2025, for acoustic panel products involving different manufacturing processes, the Company further improved its process standard documents for acoustic panels. It conducted special training sessions focusing on core process standards, quality control points and safe operation specifications, and disseminated knowledge on process risk identification and hazard prevention and control. This further strengthened all employees' awareness of process compliance, quality and safety, built a solid line of defense for process quality and safety throughout the full product lifecycle, and effectively ensured efficient and orderly production and operation as well as stable and controllable product quality.



Intelligent Manufacturing Green Operations

2025 Highlights

Implemented **14,922** lean improvement projects, with a **29.23%** increase year-on-year

Invested RMB **11,507,900** in environmental protection initiatives

Utilized **8.1886** million kWh of renewable energy

Comprehensive energy consumption intensity: **0.36** MWh per RMB 10,000

Greenhouse gas emissions intensity from own operations: **0.16** tons CO₂e per RMB 10,000

90.37% of packaging materials made from recycled/renewable materials

Key Topics

- Intelligent Manufacturing
- Responding to Climate Change
- Energy Management
- Water Resource Management
- Pollution Prevention

Our Actions

- Advance intelligent manufacturing
- Address climate change
- Enhance resource efficiency
- Optimize green operations

Corresponding SDGs



DIGITAL INTELLIGENCE EMPOWERMENT AND UPGRADING

The Company takes digital and intelligent transformation as the driving force and lean management as the core, continuously deepening its intelligent manufacturing layout and iteratively improving the lean management system. Through comprehensive, multi-dimensional integration of resources and process optimization across the entire value chain, the Company enhances collaboration efficiency across internal functions. With an efficient and coordinated operating model, a continuously refined management system, and intelligently upgraded manufacturing capabilities, the Company is steadily strengthening the foundation for high-quality development and injecting strong internal momentum into its sustainable growth.

IMPROVING COLLABORATIVE EFFICIENCY



Lean System Iteration

The Company has comprehensively established and deepened its lean management system and developed the "INTCO Lean System" to realize intelligent management of the lean system. By systematically building a full-process standardized and collaborative management framework, it has formed an efficient closed-loop management ecosystem of "project implementation – improvement delivery – effectiveness analysis – intelligent evaluation". Through systematic management measures, the Company continuously promotes cost reduction and efficiency improvement, optimizes resource allocation, and steadily enhances overall operational quality and collaborative management capability.



In 2025, the Company implemented labor efficiency optimization in **17** key areas, completed **25** lean improvement projects, and launched **41** QCC improvement initiatives.

PMC Management Transformation, Breaking Through Operational Bottlenecks

In 2025, the Company's Vietnam base comprehensively advanced lean improvements in the Production and Material Control (PMC) management system, refining production coordination, order delivery, and material availability assurance processes to drive efficient end-to-end production collaboration.

Leveraging lean improvement initiatives, the PMC management effectiveness at the Vietnam base significantly increased, achieving a material availability rate of 92.6%, a timely output rate of Bill of Materials (BOM) of 94%, and a sales order on-time delivery rate of 93.7%, effectively ensuring stable and efficient operation of production and business activities at the base.

Promoting Lean Production to Enhance On-Site Operational Efficiency

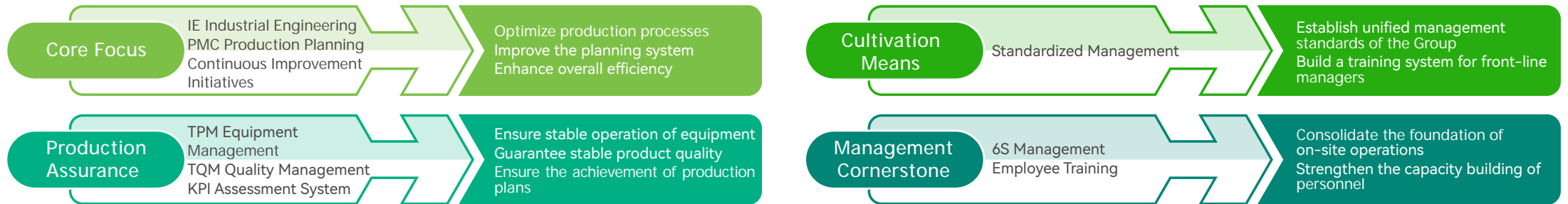
In 2025, the Company's Vietnam base continued to deepen lean production by establishing a rapid response mechanism for production abnormalities, implementing standardized quick model changeover procedures, and carrying out automation and ergonomics improvements for fixtures and tooling. These initiatives effectively reduced operational intensity and significantly improved workshop operational efficiency. Through the implementation of targeted lean projects, multiple core production indicators of the Vietnam base showed continuous improvement, achieving an 8.2% increase in production capacity compliance rate and a 17.4% increase in plan achievement rate.

In 2025, the Company collaborated with third-party professional institutions to advance the upgrade of lean management, iterated and optimized the lean operation structure, took performance improvement as the core main line, and advanced in depth focusing on three key dimensions: performance formulation, application of performance improvement tools, and lean talent training. It deeply integrated lean management tools such as 6S visualization, operation standardization, Industrial Engineering (IE), and problem-solving methodologies, built a standardized and systematic lean production management system, and improved the standardization and scientization level of lean operation.



Lean Consulting Promotes Standardization of Workshop Management

By implementing lean consulting projects across all production bases, the Company has actively built a lean management system:



On this basis, the Company has refined lean improvement measures: established an indicator system for labor efficiency and equipment efficiency, built a closed-loop mechanism for efficiency abnormalities, and promoted an overall efficiency increase of 10%; constructed product-level cost prediction and accounting tools to optimize costs; realized "One INTCO, One Standard" through top-level design, and implemented unified lean standards with improvement weeks as the carrier; introduced lean Yellow Belt, Green Belt, Black Belt certification and five-star team training system, achieving 100% pass rate for Yellow Belt certification and one-star certification; introduced the improvement week tool, sorted out improvement projects and promoted closed-loop problem solving, achieving the management goal of each employee solving two problems through improvement weeks per month.

Performance System Optimization

The Company has established a strategic map covering four dimensions: finance, market and customers, internal operations, and organizational growth. This map is progressively broken down to form Company-level and department-level KPI systems. An annual performance dynamic optimization mechanism has been implemented to ensure that performance indicators are aligned with business development. Meanwhile, the Company holds monthly performance review meetings and tracks the implementation of improvement measures through a digital progress dashboard, enabling full-process closed-loop management.

In 2025, the Company launched the IBS performance management information system, which integrates functions such as data entry, indicator configuration, visualized display, intelligent identification of abnormal indicators, and closed-loop management of improvement tasks. The system automatically issues alert for abnormal indicators and sends notifications, significantly improving data accuracy and management efficiency, thereby providing strong data support for lean operations and data-driven decision-making.

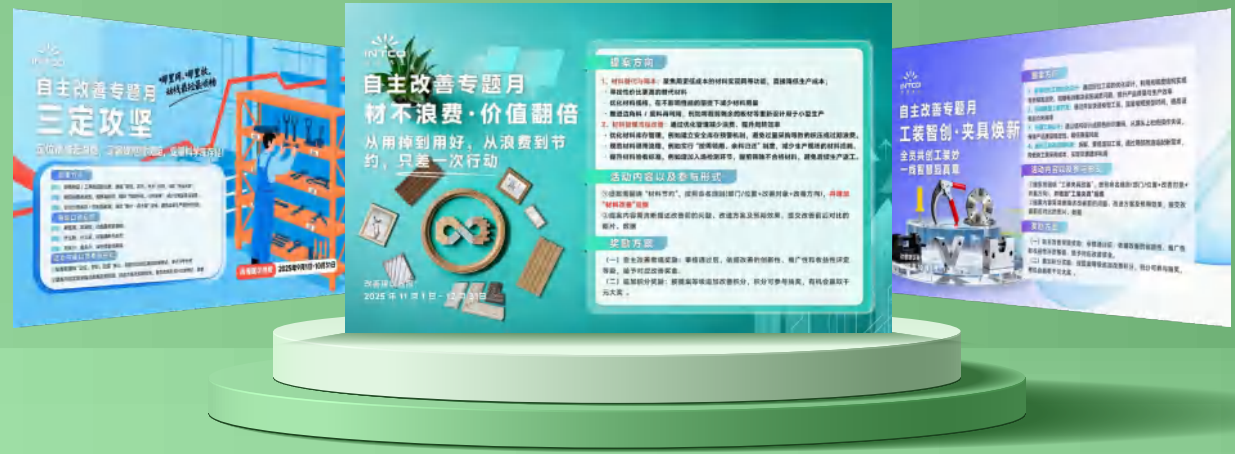
Figure Caption: Monthly Performance Visualization Feature in the IBS System



Lean Culture Development

The Company a culture of continuous improvement involving all employees, promoting deep engagement in improvement and innovation through incentive platforms such as an improvement suggestion system.

Throughout the year, the Company organized **29** Improvement Week events and **102** sessions of monthly themed continuous improvement activities. Combined with a diversified matrix of featured activities, the Company has continuously deepened the penetration of the improvement culture, promoted full employee participation in improvement initiatives, and built an improvement culture system featuring "incentives + activities + tracking".



AI+ Employee-Driven Continuous Improvement

The Company has established an AI-driven continuous improvement system to achieve full-process visualization, data management, and standardized management of improvement proposals. The system integrates functions such as visualized tracking, offline proposal registration, quantified incentive points, AI-powered intelligent review, and one-click report export, significantly enhancing the efficiency of evaluation and implementation of lean improvement proposals.

In 2025, the system recorded **51** offline proposals and accumulated **21,232** proposal points, continuously empowering a company-wide culture of improvement through digital technologies.



Key Performance

In 2025, the Company submitted a total of **14,922** continuous improvement and innovative improvement proposals, representing a year-on-year increase of **29.23%** compared to 2024.



At the capability development level, the Company has systematically organized lean skills, focusing on 17 core lean tools for specialized training, cultivating an internal team of lean experts to provide talent support for the effective implementation of lean management. Meanwhile, the Company has officially launched the Gold Standard Team Leader Program, continuously driving improvements in overall factory production and operations performance.

Gold Standard Team Leader Training and Certification: Strengthening the Foundation of Lean Talent

In 2025, the Company launched the Gold Standard Team Leader Development Program simultaneously across all manufacturing bases, further enhancing team leaders' capabilities in on-site management, stable production, and continuous improvement.

The program included **14** training modules focused on core competencies such as lean principles, standardized work, communication skills, line balancing, management walkthroughs, Job Instruction (JI)/Job Relations (JR) methods, and QCC improvement activities, with over **2,800** training participations in total. Based on training participation and examination results, the Company conducted a comprehensive certification process, successfully cultivating and certifying **267** team leaders during the year.



DEEPENING INTELLIGENT MANUFACTURING

Information Automation

The Company deepened the construction of information automation across the entire production and operation process, focusing on core areas such as production scheduling collaboration and quality traceability to carry out intelligent upgrading. By optimizing the on-site MES system, integrating data from multiple platforms, and building a digital dashboard for procurement and materials, the Company ensures efficient connectivity of production scheduling collaboration information. Meanwhile, relying on a full-process information system, the Company constructed a quality traceable control system from raw materials to finished products, empowering the production and operation to improve quality and efficiency through data-driven approaches.

AI+ Production Efficiency Enhancement

◦ Workshop MES System

Launched and improved the MES systems across multiple production workshops, enabling end-to-end digital management including production planning distribution, progress tracking, and labor efficiency data statistics. Integrated with equipment to automatically calculate material consumption, enhancing production coordination efficiency and raw material utilization.

◦ Production Management Dashboard

Monitored production line density and capacity in real time via the Feishu platform. Predefined production milestones trigger advance alerts to relevant personnel, effectively reducing production delays.

◦ Procurement Process Optimization

Established a procurement reminder workflow on the Feishu platform to prompt procurement staff to verify material lists and place orders promptly, significantly reducing the occurrence of missed orders.



The Company has deployed AI technologies across its entire production process, systematically enhancing production efficiency and quality control capabilities through digitalization.

AI-powered Production Scheduling Tool

Utilizes AI scheduling algorithms to enable intelligent order forecasting and planning, integrating data across sales, procurement, production, and logistics. This ensures real-time information synchronization and efficient communication across all stages.

AI Vision Inspection System

Implements an AI vision-based color sorting system that leverages high-speed visual recognition to accurately identify and remove impurities within milliseconds, achieving a sorting accuracy of 99.9%. Seamlessly integrated with automated conveyor lines, it enables unmanned operations and increases sorting efficiency by 40%.

AI Process Assistant

Introduces the "Process Assistant," a tool that consolidates production knowledge into a database, providing frontline workers with instant technical support. This reduces delays caused by information retrieval and ensures continuous, efficient production operations.



Equipment Automation

The Company has implemented equipment automation upgrades across various production stages, enhancing production automation through intelligent logistics layout, equipment iteration in production processes, and the application of smart machinery. Through systematic automation improvements, the Company aims to minimize manual intervention and operational errors, driving production operations toward higher efficiency, precision, and safety, thus establishing a solid equipment foundation for lean manufacturing.

Integrated Intelligent Material Handling System Upgrade in Workshops



In 2025, building upon the existing Rail Guided Vehicle (RGV) intelligent conveying platform on production lines, the Company further upgraded its intelligent transportation system by introducing Automated Guided Vehicle (AGV) based material handling systems in workshops such as extrusion and material mixing. This system enabled data interoperability and collaborative operations with RGVs through intelligent scheduling, forming an integrated intelligent material handling network. It automatically handled tasks such as order dispatching, route navigation, material loading, and replenishment based on production line requirements, achieving full automation of raw material transportation. This significantly reduced labor intensity and safety risks, while improving the stability and accuracy of material delivery, ensuring stable and safe production operations.

PE Workshop Wood-Plastic Composite Production Automation Project

The Company actively promoted the green and intelligent upgrading of the PE wood-plastic composite (WPC) production process by implementing the PE WPC automation project. Focusing on the professional and intelligent production line transformation for board and profile products, the project efficiently adapted to the post-processing requirements of various PE WPC products.

Integrating multiple advanced precision equipments with a supporting central control system, the project achieved intelligent collaboration and unmanned operation in each production process, effectively improving production efficiency, reducing labor costs, and driving the Company's production to enhance quality and efficiency.



Automation Equipment Empowers Process Upgrading

In 2025, the Company promoted automation and intelligent upgrading throughout the entire production process. Focusing on three major directions: R&D of intelligent equipment, transformation of core production lines, and optimization of key processes, the Company achieved a lean upgrading of its production model from three dimensions: labor efficiency improvement, cost optimization, and quality assurance, further consolidating the foundation of digital production.

Integrated Printing & Cutting Machine

Independently developed integrated equipment combining printing and cutting processes. Automatic cutting and unloading are realized immediately after printing. Upon full implementation, staffing in relevant posts has been reduced by 30%, effectively boosting production efficiency in the cutting process.



Automation Upgrading of Labeling Process

The automatic label placing machine centered on a four-axis robotic arm has been implemented, integrating high-precision motion control with flexible pick-and-place technology to achieve automatic label retrieval, intelligent positioning, and stable application, thereby improving labeling efficiency, consistency, and overall production standardization.

Full-Automatic Laminating Line

The full-automatic laminating line was put into operation. Supported by six closed-loop processes and intelligent configuration, it has increased production capacity by 50%, cut operating headcount by 60%, and raised labor efficiency by 275%, while improving processing accuracy and production stability.



PRACTICING GREEN MANUFACTURING

The Company has always adhered to green manufacturing, committed to reducing carbon emissions and resource consumption of products, improving resource utilization efficiency, and building an efficient, clean and low-carbon green production and operation model. It has thoroughly implemented the 3R principles (Reduce, Reuse, Recycle), addressed climate change challenges through technological innovation, and continuously enhanced environmental management.



CONSOLIDATING ENVIRONMENTAL COMPLIANCE

The Company strictly abides by the *Environmental Protection Law of the People's Republic of China*, the *Energy Conservation Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law of the People's Republic of China* and other relevant laws and regulations and continuously improves the development of its environmental management system. In 2025, the Company formulated the Environmental Management Policy, which clarifies requirements including environmental protection target responsibilities, construction project management, environmental protection facility operation, environmental incident emergency response, environmental training, rewards and penalties assessment. It regulates the management of "three wastes", hazardous waste and waste hazardous chemicals, strengthens the control of raw material loading, unloading and leakage, implements environmental governance and risk prevention responsibilities, and ensures the green and compliant operation of the enterprise.

The Company has established and improved its environmental management organizational structure. The Board of Directors, as the highest decision-making body for environmental management policies, bears ultimate oversight responsibility for the implementation of environmental management strategies and improvement of environmental performance, regularly evaluates environmental management effectiveness, and ensures the achievement of corporate environmental objectives. Meanwhile, the Company has set up an Environment, Health and Safety (EHS) Committee led by the General Manager, with members including heads of all business divisions and core departments, to coordinate the planning, operation and continuous optimization of the environmental management system. The Company abides by national and local ecological and environmental laws and regulations and adheres to high standards in environmental protection and ecological management. In the past 4 years, there have been no instances of significant administrative penalties due to violations of environmental or ecological protection regulations.



✓ Key Performance

As of the end of the reporting period,

85.71% of INTCO Recycling's manufacturing facilities have obtained ISO 14001 environmental management system certification.

STRICT CONTROL OF POLLUTION EMISSIONS

Waste Gas Discharge

The Company has formulated the *Waste Gas Absorption System Operating Procedures* to regulate the treatment of waste gas generated in the production process and strictly ensure that waste gas is discharged up to standard. During the loading and unloading of raw materials and products, automated enclosed loading and unloading facilities are adopted to reduce fugitive waste gas emissions at the source. Waste gas from various exhaust outlets of production equipment is fully collected and effectively treated through combined processes such as recycling, caustic scrubbing absorption and adsorption, so as to ensure stable and compliant discharge of waste gas. The Company regularly entrusts qualified third-party professional institutions to conduct environmental impact assessments. Through scientific evaluation and systematic analysis, it accurately identifies environmental risk points and continuously optimizes waste gas treatment and environmental protection schemes. Meanwhile, the Company actively promotes the construction of online VOCs monitoring facilities, carrying out real-time monitoring and dynamic control over key parameters of waste gas emissions. Digital means are adopted to improve the accuracy of waste gas emission supervision, realizing transparent, standardized and long-term environmental management.

VOCs Treatment for PET Felt Production Line

The Company actively develops green production lines with ultra-low emissions, adhering to the clean production concept of combining source prevention and end-of-pipe treatment. It has innovatively adopted the synergistic treatment technology of "high-voltage electrostatic precipitation + two-stage activated carbon adsorption", which stably controls the VOCs emission concentration of the acoustic cotton production line to < 5mg/m³, far exceeding stringent national and local emission standards, effectively reducing environmental impact. Meanwhile, the production line is equipped with intelligent fan variable-frequency and energy management systems that dynamically optimize energy consumption, reduce greenhouse gas emissions, and enhance equipment resource efficiency through data-driven predictive maintenance.



关键绩效

Waste gas emission

Nitrogen Oxides (NO_x)

0 tons

Sulfur Oxides (SO_x)

0 tons

VOCs

8.84 tons



Waste Discharge

The Company strictly abides by the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes* and other relevant laws and regulations. It has established and continuously improved its waste management system, standardized the control of various waste types in classification, storage, transfer and disposal, and achieved compliant whole-process control of waste and closed-loop management of environmental risks.

In accordance with relevant national standards, the Company has constructed standardized temporary solid waste storage sites within its production areas, equipped with anti-seepage, enclosed and odor control facilities to prevent secondary pollution from solid waste storage at the source. Meanwhile, the Company rigorously enforces management standards for timely removal and compliant disposal, ensuring a 100% safe disposal rate for both industrial solid waste and hazardous waste.

For general industrial solid waste, the Company has established an efficient recycling system to promote the internal circular reuse of such waste. For portions that cannot be directly recycled, the Company transports them to designated compliant disposal sites in strict accordance with relevant regulations for centralized and standardized treatment, maximizing the resource utilization rate of solid waste.

For hazardous waste, the Company carries out classification, identification, collection and management in strict accordance with the National Catalogue of Hazardous Waste. It also entrusts qualified third-party institutions to conduct standardized disposal of hazardous waste. The Company also implements targeted measures such as source material substitution to effectively reduce the total generation of hazardous waste and minimize its potential impact on the surrounding ecological environment.

Malaysia Base Participates in DOE Hazardous Waste Management Training

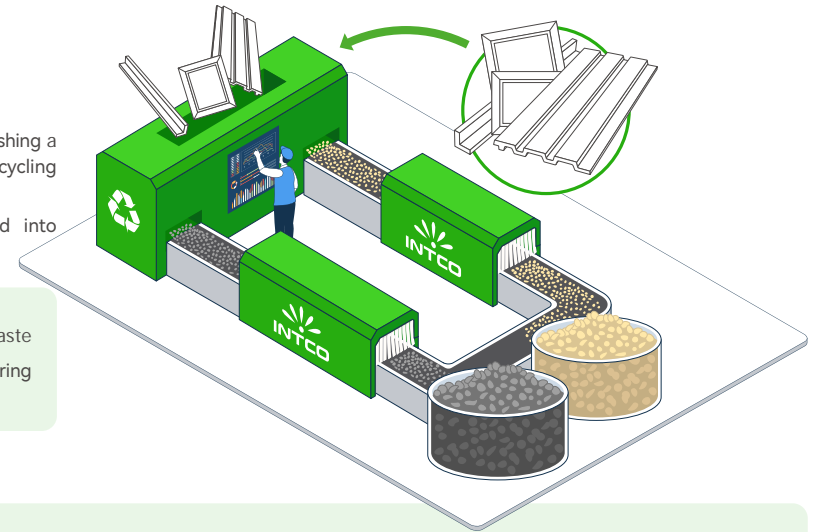
In February 2025, employees of the Company's Malaysia base attended a special training session for the Certified Practitioner in Solid Waste Management (CePSWaM) organized by the Department of Environment (DOE) of Malaysia. The training covered relevant regulatory requirements and practical specifications, including hazardous waste identification and classification, standardized management of temporary storage areas, record keeping, full-process traceability, and legal transfer and disposal. Participants comprehensively studied key control points throughout the hazardous waste management process and have fully applied this knowledge to standardize on-site hazardous waste management practices and improve record documentation at the site. This has further enhanced the site's compliance with hazardous waste regulations, effectively reduced environmental compliance risks, and promoted continuous improvement in environmental management.



Closed-Loop Recycling of Waste Frames to Achieve Circular Resource Reuse

INTCO Recycling actively implements the concept of circular economy development by establishing a production waste recovery and utilization system. The Company carried out closed-loop recycling and reuse of waste materials generated during production, such as PS waste frames.

Through multiple professional processing procedures, production waste is converted into high-quality recycled pellets, realizing efficient circular reuse of resources.



In 2025, the Company cumulatively recycled approximately **9,764** tons of waste frame strips and related materials, with all produced recycled pellets reused in the manufacturing process, effectively reducing resource consumption and waste emissions.

Key Performance

Waste	Total non-hazardous waste generated	Non-hazardous waste recycled/reused	Non-hazardous waste treated	Total hazardous waste generated
	11,700.93 tons	9,895.55 tons	1,573.38 tons	698.28 tons

Wastewater Discharge

The Company actively implements scientific and rational wastewater management, optimizes water resource allocation plans based on actual production and operation, and effectively ensures the sustainable supply and efficient utilization of water resources. For wastewater pollutants discharged during the rainy season, the Company strictly implements rain-sewage diversion management, clarifies disposal procedures and division of responsibilities, and ensures such wastewater is effectively treated through dedicated treatment facilities and discharged in compliance with standards after testing, so as to prevent pollution to the surrounding water environment.

For waste acid, waste alkali, various residual liquids and organic solvents generated in the production process and equipment maintenance, the Company establishes special ledgers for full-process traceability and gives priority to recycling such materials back into production. Portions that cannot be directly recycled are professionally treated to meet relevant standards and then uniformly sold to qualified third-party entities for standardized disposal. Meanwhile, throughout the entire equipment maintenance process, the Company centrally collects generated wastewater, utilizing dedicated collection devices and treatment facilities, standardizing disposal procedures, strictly preventing leaks of various pollutants that could cause secondary contamination, and fulfilling comprehensive control responsibilities for wastewater and associated pollutants across the entire process.

Key Performance

Wastewater Discharge

COD BOD Ammonia Nitrogen

0tons 0tons 0tons

Intelligent Upgrade of Wastewater Treatment Plant at Anhui Base

In 2025, INTCO Recycling’s Anhui Base completed the intelligent upgrading of its wastewater treatment station. It fully implemented automatic data recording and a full-process automated control system, realizing real-time monitoring, storage and traceability of key indicators including water quality, flow rate and equipment operation. This has replaced traditional manual ledgers, ensuring stable compliance and efficient control throughout the entire wastewater treatment process.

In addition, the filter press equipped in the wastewater treatment system adopts advanced solid-liquid separation technology, which can precisely control the moisture content of treated sludge at 50% to 60%. This significantly reduces sludge volume and disposal costs, further improving the wastewater treatment efficiency of the base.



RESPONDING TO CLIMATE CHANGE

Adhering to the concept of green and low-carbon development, the Company fulfills its corporate environmental responsibilities and builds a sustainable green development model focusing on three dimensions: climate governance, resource efficiency optimization, and green operations.

CLIMATE RISK GOVERNANCE



According to the *Global Risks Report 2025*, climate risks have become one of the major global risks. Against this backdrop, the Company follows the disclosure framework and recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and actively advances climate management across four dimensions: Governance, Strategy, Risk Management, and Metrics and Targets. The Company has established a closed-loop climate risk management process of identification, assessment, analysis, response, and monitoring. The Company carries out systematic climate impact assessments on a regular annual basis to identify physical and transition risks and opportunities, and formulates climate response plans based on the results to strengthen its capabilities in addressing climate-related risks and capturing climate-related opportunities. Based on the assessment conducted, given the low-carbon and environmentally friendly nature of the Company's business, no material reputational risks or market risks have been identified at present.

Climate Governance

The Company attaches great importance to climate-related issues and has established a top-down climate governance structure. It has incorporated climate management into its overall enterprise risk management framework and formulated corresponding control measures. Climate-related performance requirements have also been incorporated into the annual individual performance assessments of relevant senior executives, production heads, and the EHS Department, to promote the effective implementation of relevant work through remuneration-linked incentives.

INTCO Recycling Climate Governance Structure

Board of Directors

Responsible for reviewing and making decisions on climate change-related matters, including climate strategy, risk management, and oversight of climate response progress.

Strategy and ESG Committee of the Board of Directors

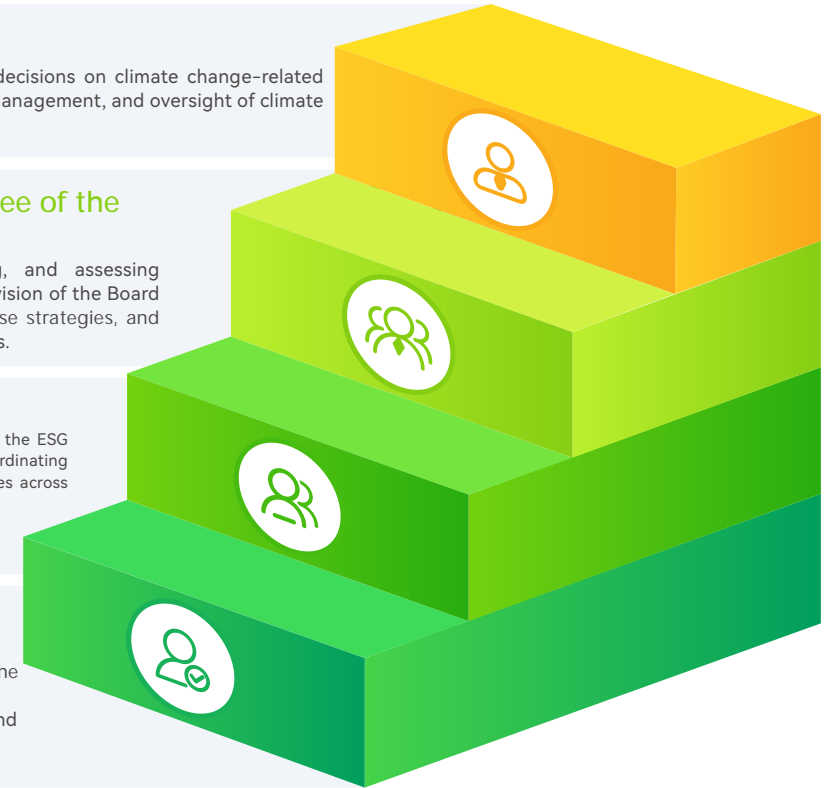
Responsible for identifying, analyzing, and assessing climate change impacts under the supervision of the Board of Directors, formulating climate response strategies, and reporting to the Board on an annual basis.

ESG Executive Team

Led by the General Manager of the Company, the ESG Executive Working Group is responsible for coordinating the implementation of climate-related initiatives across business segments, reporting progress to the Committee, and providing information for decision-making.

Functional and Business Units

Implement climate change initiatives in line with the Company's climate strategy and targets, including energy management and extreme weather response, and report progress on a regular basis.



Identification, Assessment and Response to Climate Risks and Opportunities

Physical Risk Identification & Impact Assessment List

	Risk	Impact Pathway	Impact Time Horizon	Impact Value Chain	Response Measures
Acute	Typhoon	Typhoon events may cause damage to equipment, facilities and buildings at production bases, resulting in asset impairment and increased maintenance outlays.	Short term Medium term	Upstream Production Transportation	<p>Conduct regular assessments of climate hazard risks and strengthen protection for vulnerable equipment and facilities.</p> <p>Improve the climate risk early warning mechanism and closely monitor weather alerts issued by meteorological authorities.</p> <p>Establish emergency response plans for extreme weather.</p> <p>Work with government authorities and business partners to strengthen joint disaster prevention systems.</p> <p>Purchase insurance for key equipment and facilities.</p>
	Heavy Rainfall	Heavy rainfall may disrupt transportation routes, leading to delivery delays and affecting revenue.		Upstream Production Transportation	
	Extreme Heat	Extreme heat may reduce the productivity of outdoor workers, affect employee health, and increase expenditures on heatstroke prevention supplies and high-temperature allowances.		Production	
Chronic	Sea Level Rise	<p>Seawater intrusion and flooding may impact production plants in coastal areas, disrupting production and business operations.</p> <p>Seawater corrosion may impact production equipment and facilities, influence production safety, diminish asset longevity and increase maintenance outlays.</p>	Long term	Production	<p>Conduct comprehensive analyses of the natural environmental conditions in project locations and develop optimal planning solutions to enhance resilience to sea level rise.</p>

Transition Risk Identification & Impact Assessment List

Risk	Impact Pathway	Impact Time Horizon	Impact Value Chain	Response Measures	
Policy Risk	Carbon Market	The trading mechanism of China's national carbon emissions trading market may expose the Company to carbon mitigation risks, increasing operating and management costs.	Short term Medium term Long term	Upstream Production Transportation	Implement energy conservation and emission reduction initiatives and formulate targeted plans based on the characteristics of each business segment. Continuously monitor carbon market policies, including carbon prices, CCER trading rules, and carbon quotas. Formulate the Internal Carbon Pricing Policy.
	International Trade	Products exported to overseas markets (including the EU and other regions) may be subject to policy requirements and restrictions related to carbon tariffs and carbon footprint, which may increase R&D expenditure for compliant production.	Short term Medium term	Upstream Production Transportation	Expand the coverage of carbon footprint certification for the Company's products. Monitor policy requirements related to carbon tariffs, promptly assess export costs, and adjust business portfolio accordingly.
	Disclosure Requirements	Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial) requires disclosure on climate change response around the dimensions of "governance, strategy, impacts, risks and opportunities, and metrics and targets," , leading to increased compliance costs.	Short term Medium term	Upstream Production Transportation	Adhere to regulatory disclosure requirements, identify and assess climate-related risks and opportunities, and disclose relevant climate management measures.
Technology Risk	Low-carbon Technologies	The development of green and energy-efficient production technologies and products may result in increased R&D expenditures.	Short term Medium term Long term	Production	Strengthen feasibility studies on the R&D and application of low-carbon technologies to reduce the risk of investment failure.

Opportunity Identification & Impact Assessment List

Risk	Impact Pathway	Impact Time Horizon	Impact Value Chain	Response Measures
Use of Renewable Energy	Introduce renewable energy to effectively reduce greenhouse gas emissions and mitigate potential future costs arising from carbon quotas and carbon pricing.	Medium term Long term	Production Transportation	Clean energy development Procurement of green electricity Application of renewable fuels
Green and Low-carbon Products	Launch green, low-carbon products to align with consumer preferences for green consumption, generating substantial operating revenue.	Short term Medium term Long term	Upstream Production Transportation	Integrate green and low-carbon principles into production technologies and product R&D. Collaborate with upstream and downstream partners to jointly develop green and low-carbon products.
Green Finance	Leverage preferential policies from financial institutions for green loans, including interest rate concessions, guarantee exemptions and credit enhancements, to reduce financing costs.	Short term Medium term Long term	Production	Continue to monitor policies, including <i>the Green Bond Principles</i> and <i>the Green Credit Guidelines</i> , and proactively advance green investment and financing arrangements.

Scenario Analysis

To further identify the impacts of climate change, the Company conducted scenario analysis to assess the potential effects of future climate change on its production and operations. For transition risks, the Company selected the International Energy Agency (IEA)'s Net Zero Emissions by 2050 Scenario (NZE), Announced Pledges Scenario (APS), and Stated Policies Scenario (STEPS) for scenario analysis. The results indicate that, under the low-carbon emissions scenario (i.e., NZE), the Company may face increasing pressure for energy conservation and carbon reduction development, which could lead to potential compliance costs for emissions and replacement costs for energy-saving equipment. For physical risks, the Company selected the Intergovernmental Panel on Climate Change (IPCC)'s Shared Socioeconomic Pathway (SSP1-2.6) and Shared Socioeconomic Pathway (SSP5-8.5) to analyze the impacts of climate hazards. The results indicate that under the Shared Socioeconomic Pathway (SSP5-8.5), extreme weather events become more frequent and severe worldwide, exposing the Company's production, operations, assets and equipment to potential losses from climate hazards.

Supporting the Green and Low-carbon Transition of a Globally Renowned Retail Enterprise

In response to the low-carbon transition needs of a globally renowned retail chain concerning green packaging, storage and logistics, the Company has developed high-strength recyclable paper pallets to replace the traditional "carton + wooden case" model. Meanwhile, it has optimized packaging structures for fragile products by adopting lightweight and recyclable designs. To meet the clamp handling requirements at distribution centers, the Company has collaborated with an ISTA-certified laboratory to conduct professional testing and verification, supporting greenhouse gas emission reductions in its supply chain and driving the global retail industry toward a green, low-carbon, efficient and compliant transition.

Through these optimization measures, packaging waste has been reduced by approximately **30%**. The adoption of ultra-thin stretch film has cut the use of virgin plastics by around **40%**.



Climate Metrics and Targets

Resource Conservation Targets:

Per-unit energy consumption target
3% reduction compared to 2025

Per-ton water usage target
3% reduction compared to 2025

2025 Greenhouse Gas Emissions

Direct GHG emissions intensity
0.01 tCO₂e/ten thousand RMB

Indirect GHG emissions intensity^[Including Scope 2]
0.16 tCO₂e/ten thousand RMB

Product Carbon Certification

The Company is committed to reducing carbon emissions across the entire product life cycle, conducting carbon footprint verification for core products, tracking product carbon emission profiles and providing low-carbon products to society. By the end of the Reporting Period, the Company selected three product categories – r-PS 3D wall panels, r-PET acoustic panels, and r-PE WPC decking – to conduct full lifecycle carbon footprints assessments and obtain related certifications.

r-PS 3D wall panels

Achieved **53.68%** carbon emission reduction compared to conventional PS wall panels.

r-PET acoustic panels

Achieved **54.15%** carbon emission reduction compared to conventional PET acoustic panels.

r-PE WPC decking

Achieved **21.84%** carbon emission reduction compared to conventional PE WPC decking.



产品碳足迹核查声明书

OPTIMISING RESOURCE EFFICIENCY

The Company regards resource conservation as an important strategy for corporate development. It places great emphasis on the rational use of resources, continuously strengthens scientific management of energy and water consumption, formulates standardized internal management systems, implements measures for the efficient use of resources, and leverages innovation strengths to optimize resource efficiency.

Energy Management

In strict compliance with relevant laws and regulations, the Company has established a comprehensive energy management system, standardized resource use procedures, actively advanced the development of the energy management framework, and conducted regular energy audits to comprehensively identify improvement opportunities across all aspects of energy management. To achieve precise control over energy consumption, the Company has installed electricity meters and introduced an intelligent energy management system for real-time data collection and monitoring, abnormal energy consumption identification, and dynamic adjustment of equipment power output based on the real-time load and process requirements of each production lines. These efforts have effectively avoided energy waste and reduced greenhouse gas emissions. In addition, the Company actively developed photovoltaic power generation projects and continued to promote the substitution and application of clean energy, upholding the concept of green operation.

Key Performance

During the reporting period, the Company carried out ISO 50001 energy management system certification, with certified operating sites accounting for **16.67%**.



Energy Monitoring

The Development of Energy Management System and Digital Transformation

The Company continued to upgrade its energy management system and advance digital transformation by introducing the Mogulinker Energy Management System and establishing an integrated energy monitoring platform. The platform enables real-time and accurate data collection, dynamic monitoring, and centralized visualization of key energy sources such as water, electricity and gas, providing data-driven scientific support for energy conservation.

Leveraging platform data analysis, the Company identified opportunities for energy efficiency improvement across production processes, developed differentiated energy conservation measures, and dynamically optimized energy consumption strategies. The intelligent warning function integrated in the system automatically triggers alarms when energy consumption indicators deviate from preset thresholds, enabling timely intervention and response. This effectively avoids equipment failures caused by abnormal energy use and ensures production continuity and operational stability.

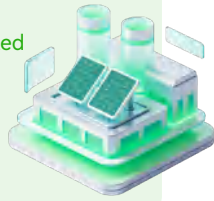


Green Energy Consumption

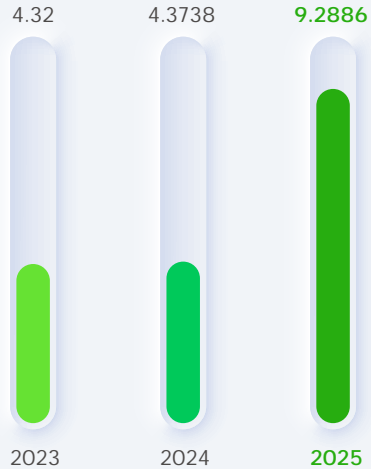
The Company actively responds to the national "Dual Carbon" strategic goals, accelerates energy transition, makes full use of its premises to develop renewable energy projects, and increases the proportion of green energy utilization.

Key Performance

As of the end of the reporting period, the Company had cumulatively constructed **10.3** MW of photovoltaic power generation and reduced **4,928.53** tons of greenhouse gas emissions.



Photovoltaic power generation (million kWh)



Shanghai Base Launched a BIPV Project to Advance Energy Transition Through Building Integrated Photovoltaic

The Shanghai base has implemented a Building Integrated Photovoltaics (BIPV) project. Compared with conventional rooftop-mounted photovoltaic systems, BIPV deeply integrates photovoltaic power generation with building structures by directly incorporating photovoltaic modules into factory roof structures, enabling them to serve as both building materials and power-generating units. This not only effectively reduces overall building operation and maintenance costs, but also fully utilizes existing rooftop resources without occupying additional land, achieving the integration of power generation and building functions. Meanwhile, the project delivers enhanced waterproofing and wind resistance performance, ensuring building safety and structural integrity while enabling clean energy generation.

During the reporting period, the project generated **1.388** million kWh of electricity upon commissioning, achieving revenue of RMB **1.523** million, and effectively reducing greenhouse gas emissions by **736.47** tons.



Water Resource Management

The Company continues to strengthen its water resource management system. Focusing on self-driven and innovation-driven improvement, it has established incentive mechanisms for water resource management, continuously improved water metering, and identified weak links in water management. In addition, the Company actively promoted advanced and high-efficiency water conservation practices, replaced aging water facilities and equipment, eliminated water waste such as running, overflowing, dripping and leaking, thereby effectively improving water use efficiency. Meanwhile, the Company has actively implemented water recycling measures to promote the efficient recycling and rational use of water resources.

Water Resource

Waterworks/municipal water
433,285 Tons

Water reuse
70,062 Cubic Meter

Water consumption in water-stressed areas *
69,573 Tons

Note: 1. "Water-stressed areas" are based on "high risk" and "very high risk" areas as defined by the World Resources Institute (WRI) Aqueduct Global Water Risk Tool; 2. Water consumption = water withdrawals - water discharges

DEEPENING GREEN OPERATIONS

The Company remains committed to the path of green and sustainable development, deeply integrating the green philosophy into its entire operation process. Focusing on six areas including green production, green packaging, green warehousing, green logistics, green office operations and green finance, the Company optimizes resource efficiency, reduces environmental impact, establishes a green operating system across the entire value chain, and fulfills corporate environmental responsibilities.

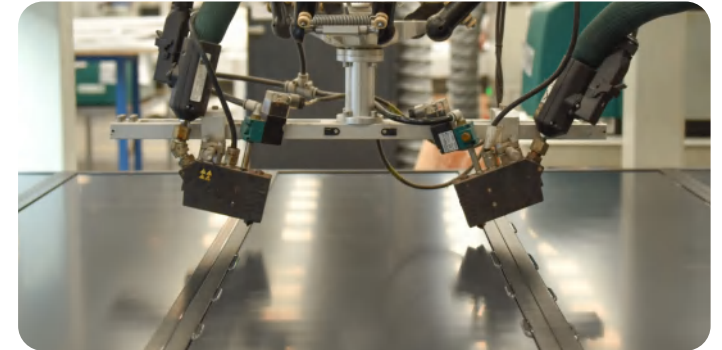
Green Production

The Company integrates the green and low-carbon philosophy throughout the entire production process. Focusing on optimizing production processes and upgrading production equipment, the Company continuously advances green, refined and intelligent transformation across production activities. It strives to reduce resource consumption and environmental impact at the source, promoting the coordinated development of production efficiency, product quality and environmental benefits. With concrete actions, it consolidates the foundation for green production and supports the development of a low-carbon, efficient and sustainable production system.



Automated Glue Dispensing Process for Mirror Frames

To advance low-carbon, eco-friendly production, the Company upgraded the automated glue dispensing process for mirror frames using parallel robots. The traditional extensive and continuous glue application was replaced with precise, structured intermittent dispensing, eliminating glue overflow and dripping. This has reduced the use of cleaning solvents, mitigated secondary pollution from discarded wiping cloths, and lowered VOC emissions at production sites. Meanwhile, the upgrade reduced rework and scrap caused by glue overflow and improved product qualification rates. While ensuring mirror frame quality, the upgraded process has cut adhesive consumption by approximately 40%, reducing material consumption from the source of production and delivering coordinated improvements in environmental performance, quality and efficiency. This demonstrates the Company's commitment to green production and supports the transition of production toward low-carbon and refined operations.



Application of Nano-infrared Heating Technology

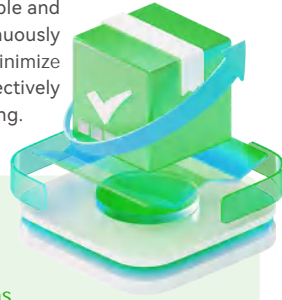


The Company continues to advance the green and low-carbon transformation of production, focusing on systematic energy efficiency upgrades for high-energy-consuming processes. During the year, the Company prioritized heating system upgrades in the injection molding and extrusion processes by scaling up the application of nano-infrared heating technology to replace conventional heating methods, thereby achieving both lower energy consumption and improved product quality, supporting the green upgrading of production operations.

- Shandong Base** Conventional heating tubes were replaced with nano-infrared heating tubes. Leveraging their rapid temperature rise, uniform heating and precise temperature control, heat loss has been significantly reduced by 30%–50%, delivering outstanding energy conservation performance.
- Shanghai Base** Infrared nano heaters were installed on frame-strip extrusion machines to replace conventional cast-aluminum heaters, achieving energy savings of approximately 5%.
- Lu'an Base** Far-infrared heaters were used for heater replacements to reduce energy waste, achieving heating energy saving rate of 10%.

Green Packagin

The Company focuses on source reduction and process energy conservation, pursuing recyclable and lightweight packaging solutions. It continuously innovates and optimizes green packaging to minimize adverse environmental impacts and effectively advances the green transformation of packaging.



📦 Packaging Materials

Total plastic reduction **1,056** tons

Percentage of packaging materials made from recycled/reclaimed materials **90.37%**

Promotion of Recyclable Packaging

In 2025, the Company continued to promote recyclable pallet packaging to replace traditional carton packaging. A total of 171,814 cartons were eliminated throughout the year, effectively reducing the generation of disposable packaging waste and enabling the recycling of packaging resources.



Lightweight Material Upgrade

The Company adopted 1.7S-specification materials in product packaging to replace the original 1.9S materials. By optimizing material thickness to achieve weight reduction and resource conservation, it cut plastic usage by 32,642 kg over the year, reducing raw material consumption while maintaining packaging protection performance.

Green Warehousing

The Company is committed to building an efficient, low-carbon and energy-saving green warehousing management system, with green principles embedded across the entire warehousing operation. Leveraging digitalized and intelligent warehousing systems, the Company precisely controls end-to-end warehousing processes to reduce inefficient operations and resource waste, while intelligent operations optimize inventory scheduling and cut warehousing energy consumption. In addition, the Company has established high-bay warehouses to maximize space utilization and reduce resource loss caused by land occupation. By optimizing item storage modes, it continuously improves operation efficiency and resource utilization, driving the low-carbon and green transformation of the warehousing sector.

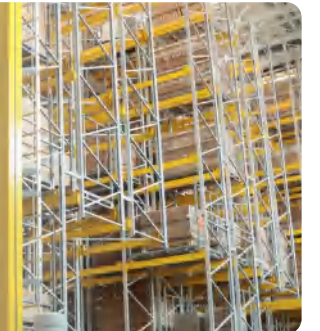
Digitalized Warehousing

- Material requisitions via mobile terminals enable material delivery to production lines within 2 hours.
- The material planning and kitting system provides visibility into the kitting status of scheduled production and material shortages for both warehouses and production lines.
- Digitalized inbound and outbound inventory management eliminates manual counting and verification.
- Digitalized management of arrival schedules helps prevent early deliveries, reduce inventory levels and avoid stock stagnation.



Intelligent Warehousing

- The application of semi-automated shuttles helps shorten forklift travel paths and significantly improves cargo handling efficiency.
- The automated material replenishment system improves the efficiency of material distribution and communication.
- Through automation upgrades to the hardware warehouse and label warehouse, conventional shelving was replaced with fully automated high-bay racking for centralized storage, saving 2,900 square meters of space.
- The finished goods warehouse is designed as a fully automated stacker crane AS/RS, increasing space utilization by 80% and saving 4,000 square meters of space.



Green Logistics

The Company has further integrated internal and external transport capacity and information resources. Guided by its digital logistics system, and considering cargo categories, timeliness requirements, costs and transport efficiency, the Company scientifically determines optimal transport modes and plans detailed logistics routes, reducing logistics turnover frequency and inefficient losses. At the same time, the Company has stepped up efforts to promote the use of clean transport fuels and advance the transition from fuel to electricity, gradually replacing traditional fuel-powered transport vehicles with new energy electric vehicles. This helps reduce carbon emissions and exhaust pollution at the source and supports the development of an intelligent, green and low-carbon modern logistics ecosystem.

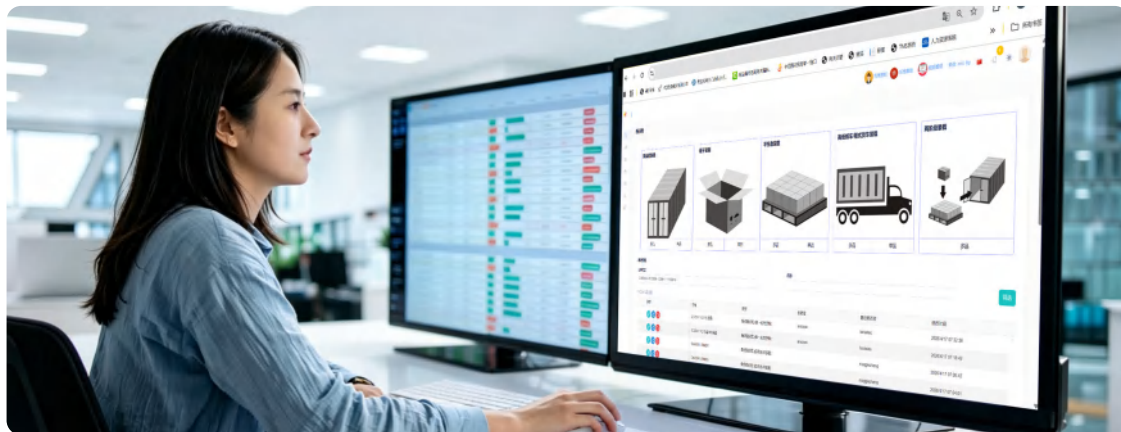


The Digital Logistics System (TMS) Supports Green Logistics Upgrading

In 2025, the company logistics segment advanced the digital upgrade of its logistics operations by rolling out a new-generation TMS logistics management system. This comprehensively promoted the intelligent, efficient, refined and green transformation of logistics operations, supporting the development of a low-carbon and efficient green logistics system.

The new TMS system incorporates an AI-enabled automatic container-loading calculation function, which uses intelligent algorithms to accurately calculate loading plans, reducing manual time and labor input for container loading calculations and improving loading efficiency. By combining multiple dimensions such as cargo category and specifications, weight parameters and transport requirements, the system generates multiple optimized loading plans, maximizes container loading rates, reduces the number of transport trips, and lowers logistics energy consumption and carbon emissions at the source.

In addition, through an EDI data interface, the new system achieves seamless connectivity with the Shandong Yungang platform, enabling interoperable port logistics data and precise end-to-end traceability across the logistics chain. The system also incorporates a Feituo tracking module to provide full-process visual monitoring of cargo transportation and dynamic updates on key stages such as destination port customs clearance and cargo pick-up and delivery. This enables end-to-end traceability, controllability and precise optimization in cross-border logistics, improves transportation timeliness, reduces inefficient turnover, and lowers carbon emissions during logistics operations.



Multiple Bases Optimized Logistics Routes and Transport Models to Reduce Energy Consumption and Greenhouse Gas Emissions

To further embed the concept of green logistics development, the Shandong, Shanghai and Lu'an bases focused on optimizing transportation routes. Based on the actual needs of cargo logistics, the Company integrated diversified transport resources, including road, rail and sea freight, and upgraded the traditional single-mode transport model into a more flexible, efficient multimodal transport, improving transport efficiency, conserving energy and reducing emissions. Specifically:



The Shandong base further optimized its sea-rail intermodal transportation by replacing conventional fuel-powered short-haul drayage trucks with new energy electric vehicles. In 2025, this initiative cumulatively saved 28,200 liters of fuel, further advancing the implementation of green logistics.

The Shanghai base optimized its transport model by shifting from road transport via Yangshan Port to water transport via Dushan Port. In 2025, this adjustment cumulatively saved 6,912 liters of fuel, effectively reducing the carbon footprint of the transportation process.

The Lu'an base actively advanced the concept of green transportation by adopting sea-rail intermodal transport routes, reducing the energy consumption associated with conventional road transport. In 2025, this initiative cumulatively saved 62,361 liters of diesel, further improving the green logistics transport system.

Key Performance

In 2025, **2,797** containers were transported via sea-rail intermodal transport, accounting for **11.9%** of total transport volume and reducing carbon emissions by **222.23** tons.

Green Office

The Company actively practices the concept of green development. Through a combination of measures including the use of eco-friendly construction materials, digital office practices, the application of energy-saving equipment and systems, and the promotion of green commuting, it has continuously improved the green and low-carbon operation of its office premises.



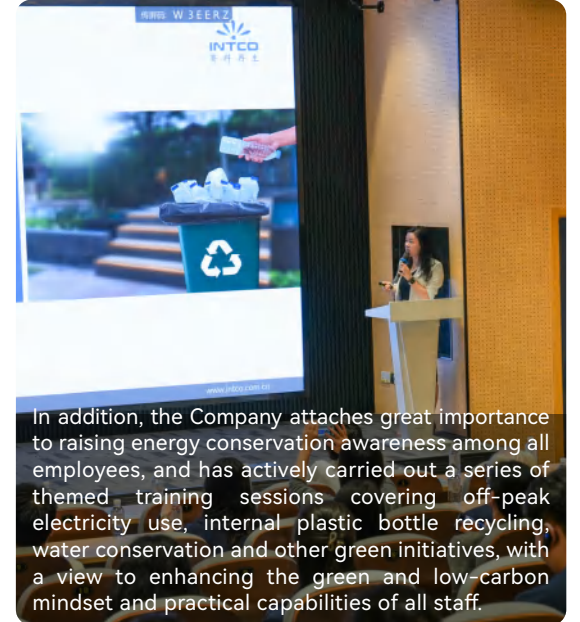
Eco-friendly Construction Materials

Achieved 100% usage of recycled building materials across all buildings, dormitories, and cafeterias.



Applied digital office platforms and promoted digital reporting and online meetings. Encouraged e-invoicing and paperless processing for no-invoice scenarios, enabling online process management and paperless approval

Digital Office



In addition, the Company attaches great importance to raising energy conservation awareness among all employees, and has actively carried out a series of themed training sessions covering off-peak electricity use, internal plastic bottle recycling, water conservation and other green initiatives, with a view to enhancing the green and low-carbon mindset and practical capabilities of all staff.

Energy-saving Management

Applied LED lighting, intelligent dimming systems and other efficient energy-saving equipment and systems. Promoted energy-saving practices, encouraged employees to switch off power and lighting when not in use, and placed energy-saving reminders next to switches.



Replaced office fuel vehicles with new energy electric vehicles. Cooperated with airport buses and other public transportation resources to reduce carbon emissions.

Green Travel

Key Performance

During the reporting period, the Company conducted **29** environmental protection training courses, covering a total of **9,531** participants and achieving **100%** employee coverage.



Green Finance

The Company actively participates in advancing sustainable finance. In compliance with policy standards such as the *Green Bond Principles* and *Green Credit Guidelines*, it has achieved cooperation agreements with multiple financial institutions and successfully obtained qualifications as a green mark credit enterprise and green loans. Such funds have been actively channeled into green projects including environmental protection, energy conservation and consumption reduction, renewable energy, and pollution control, effectively minimizing the ecological impact of its production and operations. Through financial support, the Company empowers its green and low-carbon transformation and sustainable development.



At the end of the reporting period,
INTCO Recycling obtained RMB **837** million credit line.



Intelligent Integration Organizational Vitality

2025 Highlights

Awarded

"Forbes China Most Popular Employer among Employees of the Year"

Employee satisfaction rate reached

96.30%

RMB **6,777,900**
invested in employee training

359,520
total training hours

100% training coverage

Key Topics

- Talent Attraction and Development
- Diversity and Equity
- Employee Rights and Benefits
- Occupational Health and Safety

Our Actions

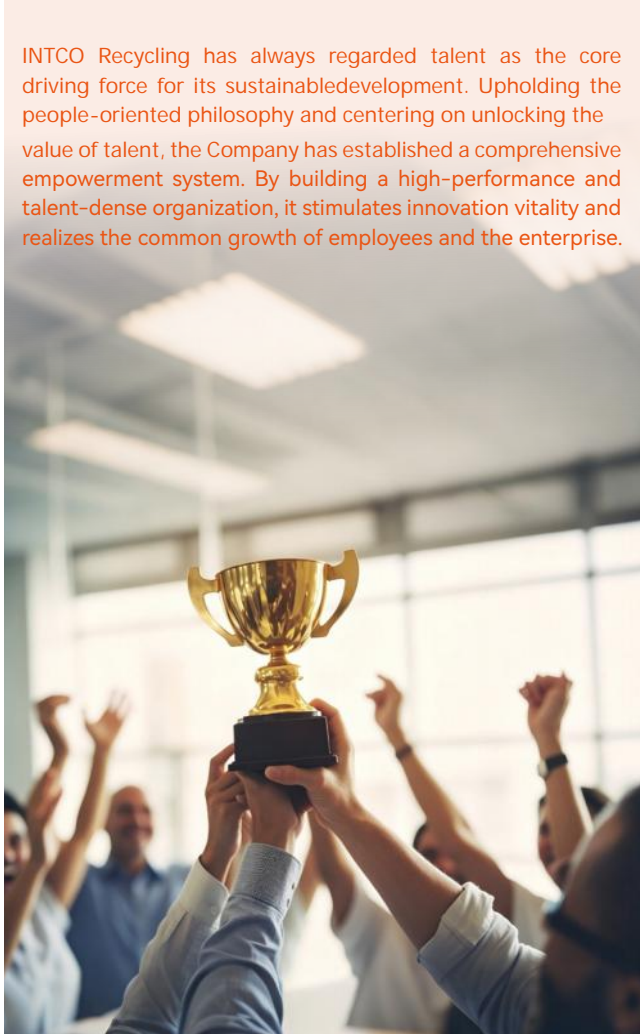
- Promoting intelligent talent management and applying AI technology to enhance recruitment efficiency and decision-making scientificity
- Creating a compliant, fair, diverse, and inclusive workplace environment, and perfecting rights protection and anti-discrimination systems
- Perfecting comprehensive compensation and care systems, balancing employee career development and well-being
- Practicing safety management, strengthening the safety awareness of all employees, and enhancing emergency response capabilities

Corresponding SDGs



EMPOWERING EMPLOYEE GROWTH

INTCO Recycling has always regarded talent as the core driving force for its sustainable development. Upholding the people-oriented philosophy and centering on unlocking the value of talent, the Company has established a comprehensive empowerment system. By building a high-performance and talent-dense organization, it stimulates innovation vitality and realizes the common growth of employees and the enterprise.



ACTIVATING TALENT VALUE

Smart Talent Management

As a high-tech manufacturer of resource recycling, INTCO Recycling's business covers more than 130 countries and regions, continuously deepening its global layout. Facing large-scale talent needs across multiple bases, professions, and regions, the Company has continuously increased its investment in digitalization and intelligence in recent years, introducing AI technology into key recruitment processes to accelerate the construction of a talent management system in the smart era. In 2025, the Company officially launched the AI recruitment innovation strategy, focusing on marketing, technical, functional, management trainee, and production positions, to develop a new intelligent recruitment system through digitalized and systematic approaches.



AI+ Talent Recruitment

INTCO Recycling launched the AI resume screening project to improve recruitment efficiency, reduce recruitment costs, and optimize the enterprise's talent resource management level. The project focuses on building two core systems:



Talent Pool Precise Matching System:
Relying on AI technologies such as natural language understanding and intelligent search engines to accurately talent needs and deeply match candidates.

Overseas Resume Automated Processing System:
Achieving automatic downloading of overseas resumes, AI translation for minor languages such as Vietnamese and Indonesian, and synchronously uploading them back to Feishu Recruitment.

Key Performance

- Recruitment efficiency increased by over **60%**
- Recruitment costs reduced by **20-30%**



INTCO Recycling built an AI interview system tailored to its own needs, assisting interviewers in asking questions efficiently and advancing the interview process, achieving a scientific and objective assessment of candidates from multiple dimensions such as talent profiles, professional capabilities, and comprehensive qualities.



- Core capabilities: Equipped with functions such as multi-round follow-up questioning, scenario simulation, and practical programming tests for technical roles. It can handle tens of thousands of parallel interviews in a single day, meeting the large-scale recruitment needs of multiple bases and positions.
- System integration: Directly connected with Feishu Recruitment to form a digital closed loop, allowing candidates to interview flexibly 24 hours a day.
- Application value: AI reports help interviewers make precise decisions and expand the boundaries of HR's work capabilities.

With its outstanding practices in intelligent, humanized, and efficient recruitment, INTCO Recycling was awarded the "2025 NFuture AI Recruitment Excellence Award", fully reflecting the Company's forward-looking layout in talent management in the digital era.

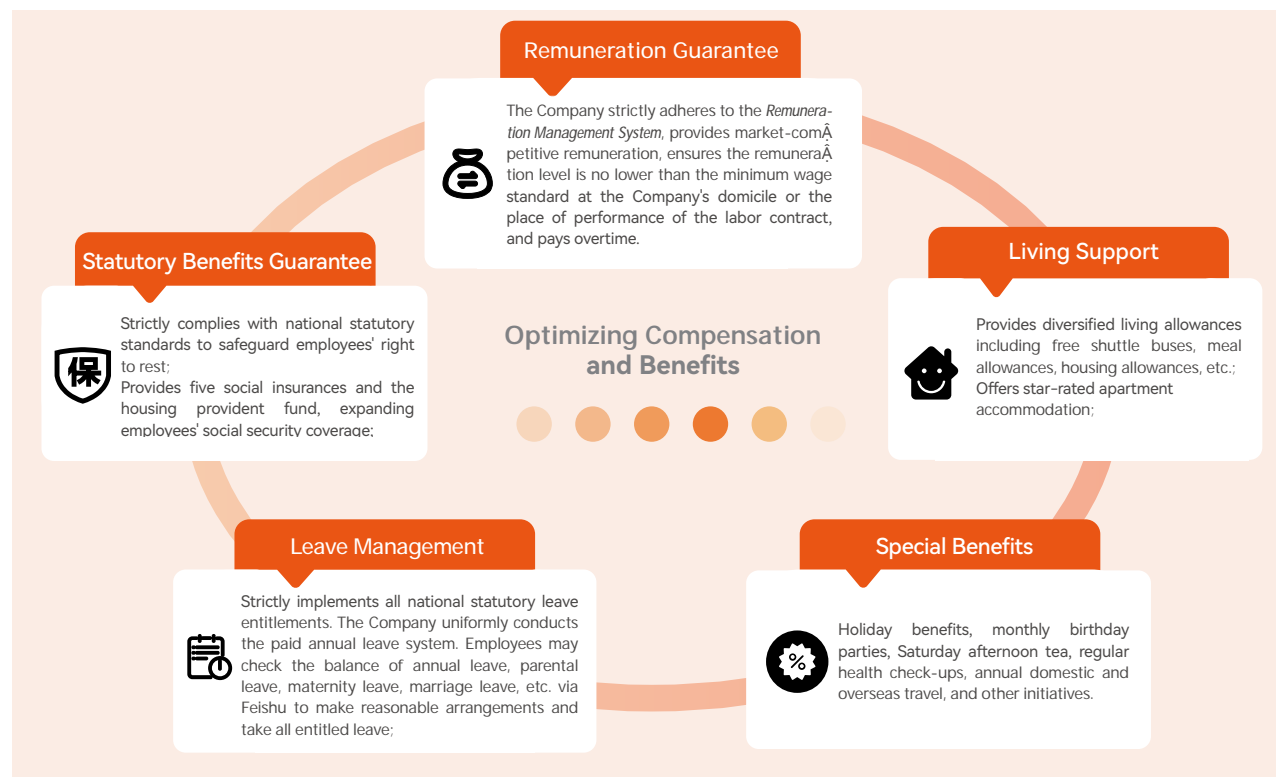
2025 EMPLOYER HONORS OVERVIEW



Optimizing Compensation and Benefits

The Company actively responds to international human rights frameworks, including the *Constitution of the International Labor Organization* and the *Elimination of Discrimination in Respect of Employment and Occupation*, and strictly complies with the *Labor Law of the People's Republic of China*, the *Company Law of the People's Republic of China*, and other applicable laws and regulations in regions where it operates. It formulated and issued the Labor Policy, clarifying requirements regarding labor remuneration, overtime management, maximum working hours, equal remuneration for men and women, and the shortest notice period for layoffs and terminations. This policy applies to all employees of the Company and its subsidiaries, as well as suppliers, contractors, and other partners who have business cooperation with the Company.

Meanwhile, the Company continuously increases resource investment to build a comprehensive, multi-level compensation system covering compensation guarantees, statutory rights, life support, humanistic care, long-term development, and risk protection. We are committed to building a solid foundation for employees' material life and rights protection, erecting a barrier for career development and risk protection, and effectively enhancing employees' sense of belonging, well-being, and professional identity.



Upgrading Performance Appraisal

In 2025, INTOCO Recycling deepened the construction of its human resources management system, using performance reform and talent development as the core drivers. The Company comprehensively promoted the digitalization of performance appraisal, relying on the Feishu platform to implement the KPI evaluation system and build a scientific and systematic performance management model.

The Company established a systematic performance appraisal system, closely linking departmental objectives with individual performance, and implementing scientific weight distribution. We practice agile management concepts and establish a dynamic monthly indicator mechanism, supporting employees to flexibly set objectives based on phased priorities; through regular communication, continuous feedback, and periodic adjustments, we strengthen process management and improve assessment accuracy and recognition. In addition, the Company regularly conducts multidimensional 360 evaluations to achieve a comprehensive and multidimensional assessment of employee performance.

2025 Restricted Stock Incentive Plan

Granted **7.37** million shares

Granted to **607** people

Accounting for **15.36%** of the Company's total employees at the end of the previous year

To establish a long-term incentive mechanism, attract and retain outstanding talent, and enhance motivation, thereby closely aligning the interests of shareholders, the Company, and its core team, the Company implemented a "Restricted Stock Incentive Plan" based on the principle of commensurate rewards and contributions.



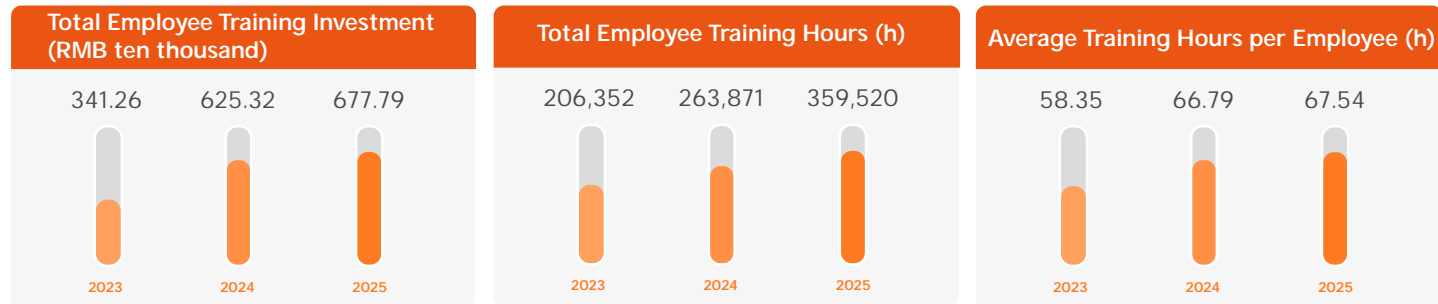
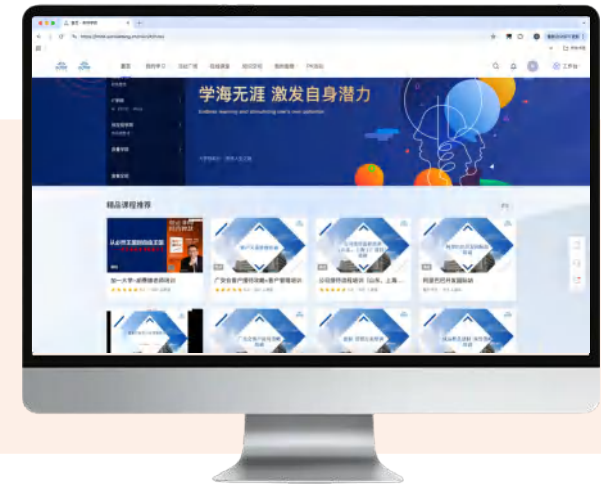
MULTIDIMENSIONAL TALENT DEVELOPMENT PLATFORM

Employee Training System



To help new employees quickly adapt to their positions and integrate into the corporate culture, the Company has established a one-on-one exclusive mentorship mechanism. Experienced senior employees act as mentors, providing precise assistance in work guidance, skill transfer, and cultural integration, helping new employees quickly familiarize themselves with job responsibilities, enhance professional capabilities, and merge into the team atmosphere, effectively solidifying the foundation for talent development.

The INTCO Academy online platform provides employees with comprehensive and diversified courses covering everything from onboarding to subsequent career development, with the system comprehensively covering core categories such as leadership training, cultural education training, and digital transformation training.



AI Capability Building

In 2025, to ensure the safe, standardized, and orderly implementation of AI technology, the Company continued to strengthen internal capacity building, regularly conducting employee skill training and safety awareness enhancement activities to help all employees efficiently adapt to AI office scenarios.

In 2025, we organized a total of **20** AI-related training sessions, including **15** internal specialized training sessions and **5** external expert training sessions, achieving full-level coverage from frontline workers to management.

The Company conducts specialized training on AI knowledge and skills for all employees, systematically teaching practical methods and operational techniques to improve daily work efficiency. The training content covers core modules such as the efficient use of AI software, application skills of large language models, AI-empowered applications of multi-dimensional tables, and usage methods of knowledge Q&A tools, simultaneously sharing practical cases of AI applied to business process optimization. Through combining theoretical instruction and practical exercises, it helps employees master the safe, efficient, and standardized usage methods of AI tools in their daily work.



The Company invites external supplier trainers and industry experts to conduct special AI training, explaining the practical application of mainstream AI tools, and sharing cutting-edge technological trends and safety risk prevention cases. Through precispecial training, we broaden employees' horizons, strengthen their understanding of AI application trends and safety management points, and promote the integration of advanced concepts into the Company's AI R&D and management practices.



Efficiency Pioneer AI+ Competition

Key Performance

Coverage: The entire Group

Number of applicants: **758**

Types of organized courses: **3**

Number of training sessions

carried out: **7**

Number of high-quality solutions

produced: **25**



Efficiency Pioneer AI+ Competition

CREATING A FULFILLING WORKPLACE

INTCO Recycling is committed to building a quality workplace, improving mechanisms to protect employee rights and enhance well-being. Through various initiatives, it attracts and retains top talent, optimizes organizational ecology to unlock employee potential and vitality, achieves shared growth between employees and the enterprise, and injects sustained momentum into its long-term strategic development.

PRECISE TALENT ATTRACTION AND RETENTION Talent Acquisition Management

INTCO Recycling strictly complies with various laws and regulations in regions where it operates and has developed a *Human Resources Management Policy* to ensure that all recruitment processes are lawful, compliant, and fair, providing equal employment opportunities to all candidates. In recruitment and employment-related policies, the Company clearly stipulates that employees will not face discrimination or differential treatment based on factors such as gender, age, nationality, race, religious belief, family status, or health conditions, actively upholding the principles of diversity and inclusion throughout the talent acquisition process, adhering to the principle of fair employment, and demonstrating the enterprise's humanistic responsibility.

Regarding specialized campus recruitment training, the Company officially launched the "Talent Program" this year. This program is a strategic upgrade project in INTCO's talent acquisition, tailored specifically for graduates from top global universities, focusing on attracting talents in fields such as AI, computer science, and equipment manufacturing. Based on a global perspective, the project builds a high-growth, high-challenge, and high-reward career development pathway for the selected candidates, helping them accelerate their growth in key areas such as technological innovation, intelligent manufacturing, and global market expansion, becoming the backbone of industry development.

2025 Talent Program First Stop at Tsinghua University

INTCO Recycling successfully held the first stop of the "Talent Program" at Tsinghua University. The Company's founder and chairman attended the event, sharing his entrepreneurial journey with Tsinghua students and encouraging them to seize opportunities and dare to innovate. In the interactive session, the chairman answered students' concerns regarding global environmental trends, AI-enabled manufacturing, corporate global competition, and career development one by one, proposing that the core competitiveness of manufacturing lies in technology and talent. As the landmark first stop of the "Talent Program," this event used a top university as a fulcrum, opening a new chapter for INTCO Recycling to precisely attract and cultivate leading industry talents.



Key Performance

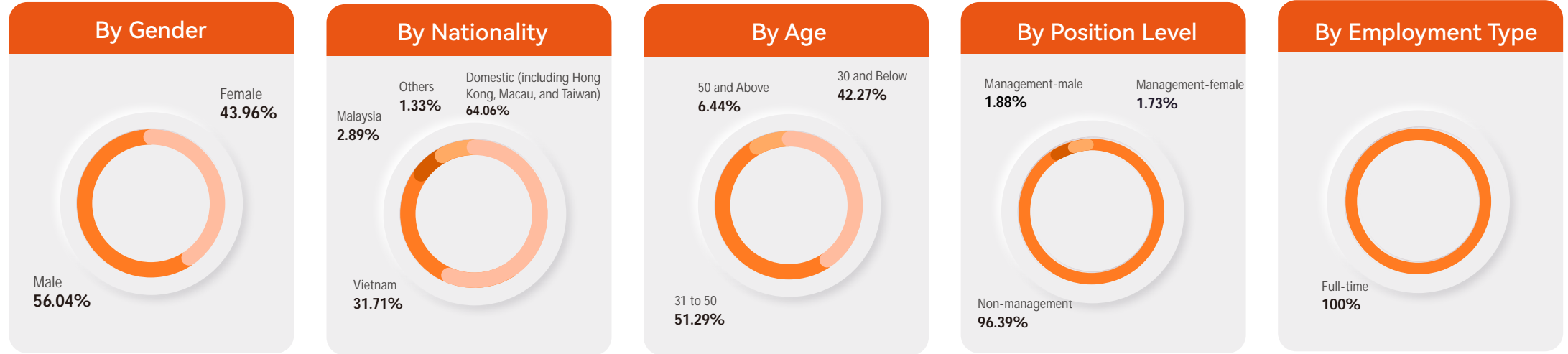
In 2025,
The Company recruited **204**
INTCO Young talents
Conducted internal competitions
for **124** positions
Appointed and promoted **101**
management personnel



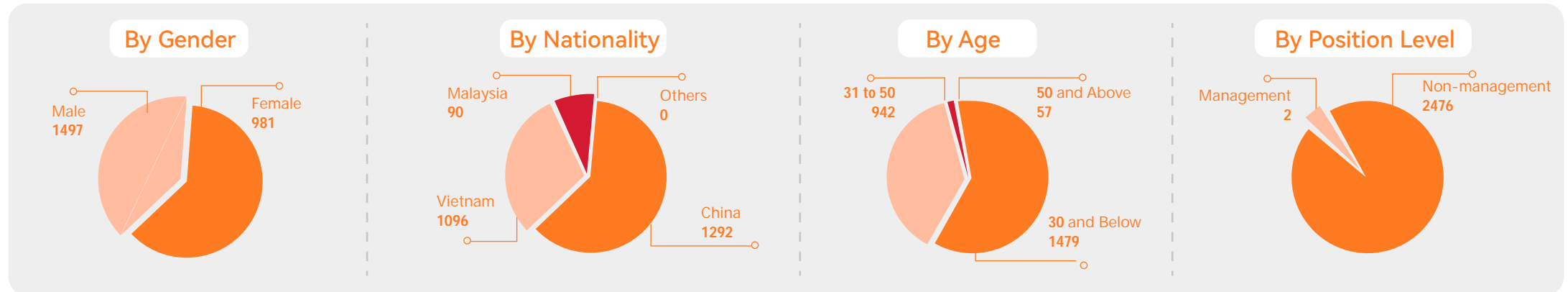
In 2025, the "INTCO Young Program" has been continuously advanced. The "INTCO Young Program" is a comprehensive development program tailored by INTCO for fresh graduates. Spanning three years, the program consists of three phases: integration and learning, departmental professional enhancement and cultivation, and excellence cultivation. Focusing on five core objectives including cultural integration and professional development, the Program has coordinated multiple stakeholders such as trainees, mentors and senior management, established an all-staff empowerment mechanism, and strived to cultivating versatile workplace talents.



2025 Employee Composition



2025 New Hire Composition



Employee Turnover Management

INTCO Recycling highly values employee turnover management, viewing talent retention as a crucial part of corporate talent development. Centered on the core goal of stabilizing the workforce, the Company actively listens to employee appeals, closely monitors employees' work experiences and career development needs, responds to and resolves employee concerns in a timely manner, continuously optimizes the employee work experience, and takes multiple measures to solidify the foundation of talent retention.

Key Performance

As of the end of the reporting period,

The Company's total employee turnover rate was **18.49%**

The voluntary employee turnover rate was **18.49%**

Employee Turnover in 2025

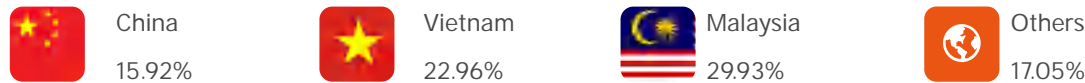
By Gender



By Age



By Nationality



By Position Level



SAFEGUARDING RIGHTS AND INTERESTS

Human Rights Management

INTCO Recycling actively aligns with international human rights frameworks, including the *Constitution of the International Labor Organization*, the *Universal Declaration of Human Rights*, and strictly complies with the *Labor Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of Minors*, and other laws and regulations in regions where it operates, continuously improving internal policies such as the *Human Rights Policy* and the *Prohibition of Forced Labor Control Procedure*. The Company's human rights policy applies to all employees of the Company and its subsidiaries, as well as all external parties who have business relationships with the Company, explicitly prohibiting human trafficking, forced labor, child labor, and violence and harassment.



To systematically identify and address human rights issues that may arise during operations, ensuring the rights of stakeholders such as employees, communities, and suppliers are respected and protected, the Company has developed a Human Rights Due Diligence Process, conducting due diligence through four steps: identification, assessment, disposal, and tracking. Additionally, the Company places importance on the human rights policies of suppliers and partners, regularly conducting human rights assessments for key suppliers, and requiring them to adhere to human rights standards consistent with the Company's to jointly foster a safe and equitable workplace.

The Company maintains a zero-tolerance policy toward any human rights violations, with disciplinary actions clearly defined in the *Employee Handbook*. The Company respects and upholds employees' rights to freedom of association and collective bargaining. By the end of the reporting period, there were no incidents of child labor, forced labor, or significant labor disputes reported.


Key Performance

The collective agreement signing rate reached **100%**



Anti-Discrimination and Harassment

The Company firmly opposes any form of discrimination and harassment, maintaining a zero-tolerance policy. We clearly define disciplinary rules and response protocols through the *Employee Handbook*, the *Anti-Discrimination Control Procedure*, the *Anti-Harassment Control Procedure*, and the *Sexual Harassment Protection Policy*. Depending on the type and severity of discrimination and harassment, the Company will take measures such as issuing warnings, adjusting job positions, or lawfully terminating labor contracts.

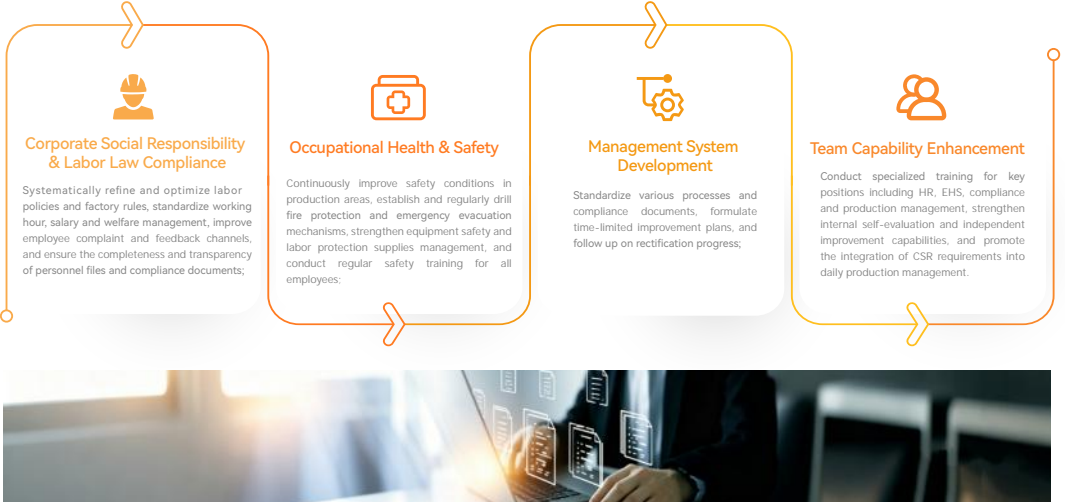


Various production bases of the Company actively promote international ethics and social responsibility certifications, strictly following international standards and client requirements, and fully cooperating with full-process audits by third-party organizations and clients, practicing responsibility through transparent and standardized operations.

The Vietnam and Lu'an bases passed the BSCI social responsibility audit of the European Foreign Trade Association, with the Vietnam base upgraded to a B rating. The Vietnam base also passed the SMETA ethical trade audit initiated by Sedex. These two authoritative international audit certifications fully prove the Company's comprehensive strength in social responsibility management, labor rights protection, and supply chain compliance construction.

Responsible Sourcing Advisory Program

In 2025, the Company successfully participated in and implemented the Responsible Sourcing Advisory Program (RSAP) organized by an international client. Relying on this project, the Company has formed scientific and systematic management results in protecting the legitimate rights and interests of employees, demonstrating its firm commitment to safeguarding employee rights, providing a safe and healthy working environment, complying with local regulations and international social responsibility standards, and building an internationally trusted partnership.



To better implement the Company's policies regarding human rights, anti-discrimination, and anti-harassment, in terms of internal promotion, the Company conducts specialized training on human rights protection, anti-discrimination, and anti-harassment for all employees to further strengthen compliance awareness and responsibility awareness, and clarify behavioral baselines. Regarding reporting channels, the Company established a dedicated whistleblower email and hotline, setting up online and offline

anonymous reporting channels, establishing tiered reporting, rapid response, and standardized handling procedures, and regularly disclosing the receipt and handling of reports. Simultaneously, the Company continuously improves whistleblower

Key Performance

During the reporting period, the Company received no reports of employee discrimination or harassment.

Employee Communication

To achieve comprehensive, multi-level employee communication and rights protection, INTCO Recycling has built a multi-dimensional internal communication mechanism and a humanistic care system.

In terms of regular communication, INTCO Recycling has established an employee communication and appeal response mechanism. Through various formats such as the specialized collection of "Golden Ideas," the Labor Union Employee Representative Congress, and the semi-annual employee representative meetings, the Company regularly engages in deep discussions with employee representatives on working conditions, daily demands, and other issues, precisely identifying employees' actual needs, and promptly driving issue rectification and management optimization.



Besides the formal appeal response mechanism, the Company always advocates an open, sincere, and positive colleague communication culture. By implementing heartwarming initiatives such as "Praise Cards," it guides employees to actively recognize and acknowledge the bright spots and value contributions of their colleagues, conveying respect and goodwill through positive reinforcement.

The Company conducts an annual employee satisfaction survey covering all staff, following a scientifically structured process, with an indicator system covering core dimensions such as job satisfaction, sense of job purpose, career well-being, and work stress.

Key Performance

In 2025,

96.30% of employees reported high satisfaction.

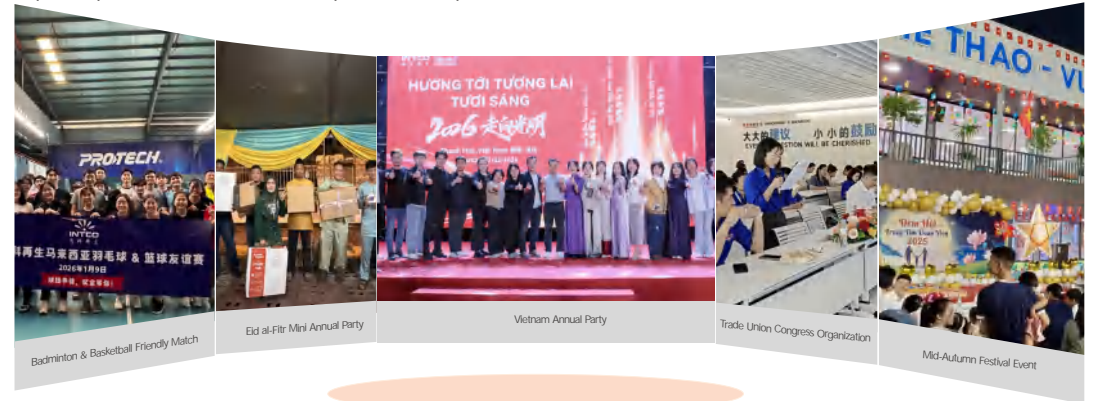
DIVERSITY, EQUITY AND INCLUSION

INTCO Recycling upholds the workplace philosophy of diversity and inclusion, cultivating humanistic construction centered on equality and respect. We respect the diverse national and ethnic backgrounds of our global employees, embrace varied lifestyles and religious beliefs, actively support minority groups such as people with disabilities, sincerely care for female employees, and strive to build a harmonious workplace ecosystem of equality and mutual acceptance.

DEEPENING DIVERSITY AND INCLUSION

Cultural Integration

INTCO Recycling's overseas bases consist of multi-national and multi-ethnic employees from China, Vietnam, Malaysia, India, etc. The Company strictly respects their religious beliefs and cultural customs, providing universal ingredients in cafeterias to accommodate different employees' dietary needs. In addition, the Company organizes diverse collective activities to celebrate various traditional festivals, inviting employees and their families to participate, putting care and warmth into practice, and building an open and interactive cultural exchange platform. Meanwhile, the Company organizes multicultural inclusion training, guiding all employees to respect differences and learn from each other, continuously fostering an equal, open, and inclusive workplace atmosphere.



Empowering People with Disabilities

Based on the actual needs of people with disabilities, INTCO Recycling has built a dual-track support system of "fixed employment + centralized assisted employment" to create a diverse and inclusive employment environment. Internally, we connect with the Disabled Persons' Federation to conduct special recruitment, tailoring positions for persons with disabilities; build barrier-free facilities, conduct skill training and psychological counseling, and comprehensively help employees with disabilities quickly integrate into the team. Externally, we linked with the "Rukang Home" in Chuantai Community, Linzi District, launching a manual outsourcing cooperation model, enabling people with disabilities to achieve employment and increase income at home. In 2025, due to its solid initiatives and outstanding contributions in the field of disability support, INTCO Recycling was jointly awarded the title of "Advanced Collective for Assisting the Disabled in Shandong Province" by the Working Committee on People with Disabilities of the Shandong Provincial People's Government and other departments.

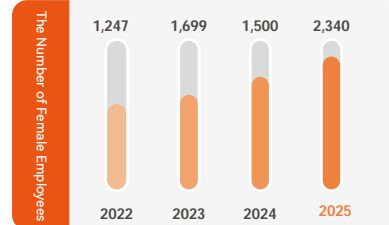


Key Performance

As of the end of the reporting period, The Company employed **44** people with disabilities and **142** ethnic minority employees.

Shining "Her Power"

INTCO Recycling highly values the protection of female employees' rights and welfare care. In terms of distinctive festival activities, the Company focuses on specific occasions such as Women's Day, carefully planning themed activities to convey respect for female employees. In regular activities, the Company offers boutique courses such as flower arranging, makeup, yoga, and dance, building a high-quality platform for female employees to relax, interact, and improve themselves. Furthermore, all company bases have standardized "Mom Lounges," continuously optimizing the nursing room environment to create comfortable and convenient dedicated care spaces for pregnant and breastfeeding female employees, effectively enhancing their sense of gain, happiness, and belonging.



Gender Diversity Indicator

Percentage in 2025

Target Percentage by 2030

Share of women in total workforce	43.96%	/
Share of women in all management positions (including junior, middle and top management)	47.92%	/
Share of women in top management positions	80.00%	68%
Share of women in junior management positions	46.00%	50%
Share of women in management positions in revenue-generating functions	66.67%	68%
Share of women in STEM-related positions	34.60%	40%

*Due to a change in the statistical scope for junior female management and STEM related positions this year, the relevant proportions and targets have been adjusted accordingly.

CONVEYING ORGANIZATIONAL WARMTH

INTCO Recycling has always prioritized employee care as a cornerstone of its corporate development. Upholding a people-centric philosophy, the Company focuses targeted efforts on three core dimensions: employee welfare, working conditions, and family benefits. Through diverse and practical caring initiatives, the Company continuously launches various employee support programs to translate humanistic care into tangible action. By fostering and perpetuating organizational warmth, the Company aims to strengthen employees' sense of belonging and well-being, and is dedicated to building a warm, vibrant, and fulfilling workplace. This enables the enterprise and its employees to advance hand in hand and achieve synergistic, coordinated development.

Employee Benefits

Work Stress Relief

Provide exclusive relaxation services including massage, hot spring therapy, bone setting and foot massage to effectively alleviate work fatigue, with head massage services covering over 500 employees



Mental Health Care

Invite senior psychological experts to carry out featured activities such as art therapy for stress relief, comprehensively and multi-dimensionally caring for employees' physical and mental health



Physical Health Care

- Construct supporting facilities such as gyms and health stations
- Regularly host various sports events, such as the "INTCO Table Tennis Tournament" and "INTCO Recycling Basketball Tournament", to guide employees to enhance their physical fitness and forge team spirit through diverse sports activities



Diverse Humanistic Care

- Leverage traditional festivals including Spring Festival and Dragon Boat Festival to carefully plan and launch a series of featured cultural events
- Regularly organize activities such as group movie screenings and afternoon tea to enrich employees' daily life
- Regularly arrange team building tours for employees. This year, we organized tours to Hong Kong-Zhuhai-Macao, covering over 400 person-times; and team building activities in Huanghuaxi, Yinghuashan and other locations, with a cumulative coverage of over 2,000 person-times

Working Conditions

INTCO Recycling continuously optimizes working conditions from the dual dimensions of humanistic care and hardware facilities, creating a safe, comfortable, and convenient working environment. In terms of humanistic care, the Company implements a flexible work mechanism, allowing employees to flexibly clock in and out, balancing their work pace and life needs, and enhancing the flexibility and adaptability of work arrangements. For hardware facilities, the Company continuously improves infrastructure construction, setting up dedicated employee resting areas in workshops; all bases are equipped with AED emergency facilities, with professional usage training provided simultaneously, building a strong defense line for employee health and safety; Meanwhile, the Company further expands the layout of Smart Cafeterias, comprehensively upgrading hardware facilities to enhance the employee work experience from the details.



AED Usage Training

INTCO Recycling Smart Cafeterias Cover All Bases



Vietnam Base Smart Cafeteria

In 2025, INTCO Recycling's Smart Cafeterias system was further expanded to two overseas bases, achieving 100% coverage of production bases, driving dining management toward digital and intelligent upgrading. The system supports employees' independent meal selection, which not only optimizes employees' dietary choices and enhances their dining experience but also effectively reduces food waste, deeply integrating employee care with green operations, and using digital means to practice the concept of resource conservation, fully demonstrating the Company's dual emphasis on employee well-being and sustainable development.

Family Benefits

INTCO Recycling focuses on employees' family needs, building a comprehensive family benefit system to effectively alleviate the pressure of balancing work and family, demonstrating corporate humanistic care. In 2025, the Company actively prepared a nursery, hiring professional external teachers to provide teaching and self-study services, covering the care and learning needs of children across various age groups. Regarding leave benefits, the Company strictly implements statutory paid parental leave and offers an additional exclusive "Mom Leave" for female employees, which is uniformly applied across the Group, solidifying family life guarantees for employees across multiple dimensions.



INTCO Recycling Employee Nursery

STRENGTHENING THE FOUNDATION OF SAFETY

The Company consistently prioritizes employee health and safety, strictly adheres to relevant laws and regulations such as *the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases and the Work Safety Law of the People's Republic of China*. The Company has continuously improved its occupational health and safety management system, enhanced employees' safety awareness and emergency response capabilities, and built a solid line of defense for workplace safety.

SAFETY MANAGEMENT MECHANISM

The Company has established an EHS Committee, led by the General Manager, with safety officer representatives designated by each functional department to participate in daily work. As the highest decision-making body for the implementation of occupational health and safety policies, the Board of Directors exercises comprehensive supervision and management over the Company's EHS management work. The EHS Committee is responsible for organizing daily safety inspections, promptly feeding back potential safety hazards and management issues identified during inspections, supervising the relevant responsible departments to complete rectification within a time limit and form closed-loop management. The Committee also communicates and collaborates closely with frontline employees, fostering a collective commitment to safety and driving continuous improvement and enhanced effectiveness in occupational health and safety management.

The Company has formulated and strictly enforces a *Workplace Safety Commitment System* covering all employees, clearly defining safety responsibilities and performance standards for each position, thereby reinforcing safety accountability at every level and ensuring full compliance with safety management requirements. Additionally, an annual safety bonus incentive mechanism has been established, directly linking bonus disbursements to the implementation of safety practices and the achievement of safety targets. This approach fully motivates employees to actively and proactively participate in workplace safety, ensuring orderly and standardized advancement of the Company's safety initiatives.

In accordance with the *Safety Policy and Objectives*, the Company scientifically establishes annual occupational health and safety goals, defining annual priorities, key tasks, and implementation pathways. These goals are cascaded down to all organizational levels and individual positions, with factories serving as the fundamental implementation units to systematically advance various safety initiatives and continuously improve occupational health and safety management standards. Furthermore, ESG principles have been deeply integrated into the performance evaluation system for managerial staff, significantly increasing the weight of indicators related to quality control, safety, and environmental protection. This strengthens managers' sense of responsibility toward safety management and ensures effective implementation of safety accountability across the organization.

2025 Safety Production Targets and Completion Status

- ✔ Zero major mechanical equipment accidents
- ✔ Zero fire or explosion accidents
- ✔ Zero serious injury accidents
- ✔ Zero occupational disease cases
- ✔ 100% compliance rate for safety education
- ✔ 100% certification rate for special operations personnel
- ✔ 100% rate of certified personnel on duty
- ✔ Zero radiation or other accidental safety incidents
- ✔ Zero environmental pollution incidents
- ✔ Zero major environmental incidents involving contractors
- ✔ Facility and equipment integrity rate > 95%
- ✔ Safety facility integrity rate 100%
- ✔ Zero shutdowns or business suspension penalties
- ✔ Zero major production safety accidents with significant

direct economic losses

*A major production safety accident with significant direct economic losses refers to a production safety accident that results in a one-time direct economic loss exceeding RMB 1 million.



2026 Safety Production Targets

- Zero major mechanical equipment accidents
- Zero fire or explosion accidents
- Zero serious injury accidents
- Zero occupational disease cases
- 100% compliance rate for safety education
- 100% certification rate for special operations personnel
- 100% rate of certified personnel on duty
- Zero radiation or other accidental safety incidents
- Zero environmental pollution incidents
- Zero major environmental incidents involving contractors
- Facility and equipment integrity rate > 95%
- Safety facility integrity rate 100%
- Zero shutdowns or business suspension penalties
- Zero major production safety accidents with significant

direct economic losses

The Company continuously improves its occupational health and safety management system, clearly prioritizes various safety action plans, and closely aligns them with annual safety targets to effectively address diverse health and safety risks. For employees in special positions exposed to occupational hazards, the Company regularly organizes targeted occupational health examinations and ensures routine health checkups for all employees, establishing comprehensive employee health records to effectively safeguard their physical well-being and life safety. The Company has steadily advanced external occupational health and safety audits and certification. In 2025, 50% of operational sites have obtained ISO 45001 occupational health and safety management system certification and work safety standardization certification.

The Company places high importance on occupational health and safety risk management, systematically conducting job hazard assessments and implementing routine quarterly monitoring of hazard factors such as production equipment and working environments. Multi-point monitoring devices for dust, noise, and hazardous gases are deployed across work areas to enable real-time risk surveillance. Meanwhile, the Company strictly enforces access control and full-process safety management for external contractors, requiring all external personnel to sign documents including the *Notice to External Personnel*, the *Construction Safety Management Agreement*, and the *Personal Health Commitment Letter*, thereby strengthening safety awareness among construction personnel and establishing a comprehensive, traceable occupational health and safety risk monitoring and control system.

The Company routinely conducts hazard assessments, on-site inspections, and specialized equipment checks. All identified safety hazards are promptly registered, classified, controlled, and rectified within specified timeframes, with full tracking of correction progress and follow-up verification to ensure closed-loop management of hazard remediation. The Company has established a performance evaluation mechanism for hazard assessments and rectification to continuously improve the quality of inspections and the effectiveness of corrective actions, thereby solidifying its safety production defense line.



The Company has established specialized emergency response plans for accidents such as fires and chemical leaks, clearly defining emergency organizational structures, response procedures, handling measures, and support mechanisms. All employees are required to strictly follow emergency management procedures, with enhanced emergency training and drills to ensure rapid and effective responses to emergencies, thereby improving the Company's overall emergency response capabilities. During the reporting period, the Company had no any chemical leakage incidents.

Key Performance

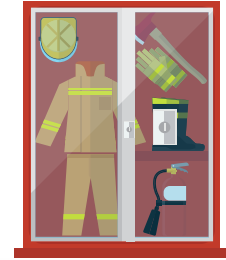
In 2025, the Company achieved a **100%** coverage rate for occupational health examinations among employees.

Work-Related Fatalities of INTCO Recycling in the Past Four Years

	2022	2023	2024	2025
Number of Work-Related Fatalities for Employees (Person)	0	0	0	0
Number of Work-Related Fatalities for Contractors(Person)	0	0	0	0
Number of Tier 1 Process Safety Events per Million Working Hours (Case)	0	0	0	0

Building a Solid Fire Safety Line of Defense

To effectively prevent fire incidents and reduce safety risks, INTCO Recycling's Shandong base has implemented multiple fire protection measures to enhance emergency response speed and firefighting efficiency, while strengthening employees' fire safety awareness and practical skills:



Professional Equipment Configuration

Based on production processes and material characteristics, specialized foam fire trucks and foam fire suppression systems have been deployed to quickly control initial fires and suppress fire spread, significantly improving on-site firefighting and emergency response capabilities.

Emergency Response Team Development

A part-time fire brigade has been established within the base, with clearly defined roles and response protocols; weekly routine drills such as hose connection, equipment operation, and evacuation procedures are conducted, along with regular professional training and joint exercises with local fire departments to enhance scientific rescue capabilities.

Rapid Response Mechanism

Mini fire stations have been set up in each production workshop, fully equipped with fire-fighting equipment and emergency supplies to shorten the emergency response radius; the night duty system has been improved to achieve 24-hour uninterrupted fire safety duty, ensuring that emergency situations are responded to and handled in the first place.

Digital Management Upgrade

In collaboration with the IT department, a customized fire inspection mobile application has been independently developed on the Feishu platform, enabling information-based, standardized, and visualized management of fire safety facilities. Through online inspections, real-time data upload, automated alerts, and closed-loop tracking, the system ensures full traceability and verifiability of facility management, continuously improving management precision.

Regular Drills Strengthen Emergency Response Capabilities



To enhance fire safety management within the facility and improve the fire emergency response system, the Company regularly conducts specialized fire emergency drills. These drills simulate scenarios such as equipment fires in production workshops and are coordinated by the emergency response command team. They strictly follow standardized procedures, including fire alert reporting, orderly evacuation of personnel, initial fire suppression, on-site safety cordon, and post-incident handling. Through realistic drills, the Company further optimizes its emergency coordination mechanisms and effectively strengthens employees' emergency response skills and sense of responsibility for fire safety.

All subsidiaries of the Company actively implement the requirements of production safety management, regularly organize various types of safety emergency drills such as fire response, hazardous chemical leakage response, special equipment emergencies, flood and disaster prevention, and electric shock first aid, continuously improve the emergency plan system, strengthen all employees' safety prevention awareness and emergency response capabilities, and fully build a long-term line of defense for production safety.

PROMOTING SAFETY CULTURE

The Company promotes the development of a safety culture, carries out safety publicity and guidance as well as various practical measures to improve the overall safety prevention literacy and professional emergency response capabilities of all employees. The Company regularly holds safety work meetings and organizes regular special safety training, covering key areas such as forklift operation specifications, electrical safety control, high-altitude operation protection, and interpretation of the *Law on the Prevention and Control of Occupational Diseases*, ensuring the comprehensiveness and professionalism of employees' safety knowledge and operational skills. In addition, the Company strictly implements the requirements for the management of safety education and training, specifying that all new employees must complete systematic safety education and training as well as assessments before taking up their posts, ensuring that they proficiently master the safety-related knowledge and skills required for on-the-job production, and preventing various potential safety hazards in production operations from the source.



Key Performance

During the reporting period,

the Company carried out **157** occupational health and safety training sessions with a total of

10,682 participants and a total

training duration of **652** hours

In 2025, the Company continued to carry out regular thematic publicity activities such as Safety Month and Fire Prevention Month, and regularly organized various special emergency drills including mechanical injury, fire, electric shock, and dust explosion. Through practical training mode, it continuously improved the emergency response efficiency and sudden risk disposal capabilities of all employees. The Shanghai Base simultaneously implemented the "Safety and Environmental Star" selection and management mechanism, adopting an incentive method combining public recognition and cash rewards, which effectively mobilized the enthusiasm of all employees to take the initiative to report potential safety hazards and implement 6S on-site management. It further enhanced employees' sense of professional honor and corporate belonging, promoted the creation of a good atmosphere of "competing for safety, environmental protection and tidiness" in the production workshop, and laid a solid foundation for the construction of a safety culture.



Intelligent Care Harmonious Community

2025 Highlights

Charitable donations from the Company and its foundation amounted to RMB

2,396,500

2,652 employee
participated in the
volunteer activities

The total duration of
activities reached
872 hours

Conducted **375**
volunteer activities

Organized **18**
environmental
education activities

A total of **10,475**
participants took part in the
science popularization activities

Key Topics

- Community Engagement and Development

Our Actions

- Establishing diverse characteristic philanthropic projects around elderly care, education support, and disability assistance to form a systematic philanthropy system
- Conducting environmental science popularization and practical activities for youths to promote the widespread adoption of low- carbon concepts
- Focusing on rural education assistance and continuously investing in educational support actions

Corresponding SDGs



EXPANDING THE PHILANTHROPIC NETWORK

INTCO Recycling continues to expand a multi-collaborative philanthropic network. Leveraging the INTCO Foundation and INTCO Mutual Aid Fund, the Company has built a public welfare system that "supports the society externally and cares for employees internally". Meanwhile, it focuses on environmental science popularization and green education, promoting the circular economy concept among campuses and communities to embody its commitment to sustainable development.

INTCO FOUNDATION

Guided by the principle of "Love Goodness Truth," the INTCO Foundation adheres to the original intention of aiding impoverished communities and helping social and natural harmonious development. Since its establishment, the Foundation has actively responded to national calls, focusing on areas such as community harmony and rural revitalization to conduct philanthropic practices, incubating a variety of characteristic philanthropic projects.



Key Performance

By the end of the reporting period, the Company cumulatively conducted **375** volunteer activities, with **2,652** employee volunteer participations, totaling **872** service hours, and charitable donations from the Company and its foundation reached RMB **2,396,500**.

"INTCO Mobility Assistance Program" Elderly Care Philanthropic Practice in Baoshan, Shanghai

INTCO Recycling participated in the "Joyful Aging Companion" elderly assistance project initiated by the Shanghai Private Enterprise Public Welfare Foundation Alliance, conducting Double Ninth Festival elderly care actions. As an alliance member, the INTCO Foundation donated 100 professional wheelchairs adapted for the elderly. These wheelchairs feature lightness, stability, and ease of operation, fitting the physiological characteristics and comfort needs of the elderly, genuinely providing travel convenience for elders with limited mobility, practicing corporate social responsibility through philanthropic action, and conveying the corporate warmth of respecting and loving the elderly.



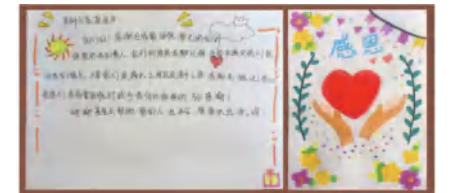
"Framing a Better Life Initiative" Linking International Children's Art Exhibitions to Practice Green Development



INTCO Recycling deeply linked with the "One Mountain, One Water, One World" international children's art exhibition, participating in the 2025 Beijing 798 International Children's Art Week and the Food and Agriculture Organization of the United Nations World Food Forum Chengdu Launch Week activities, providing recycled eco-friendly photo frames for mounting all exhibited artworks, thereby reducing reliance on natural resources, avoiding forest felling, and lowering carbon emissions. Meanwhile, it conveyed the concept of sustainable development to the public, earnestly fulfilling the ecological responsibility of a recycling technology enterprise.

"Echo Project" Helping Hearing-Impaired Children

The INTCO Foundation donated to the "Echo Project" and helped officially launch it in Beijing, benefiting 20 hearing-impaired children aged 2-7 and their impoverished families. Following the project's launch, parent classes were held to explain the use of hearing aids and rehabilitation techniques, simultaneously hosting parent activities and public safety training for hearing-impaired children, aiding their rehabilitation and family empowerment from multiple dimensions.



INTCO Recycling's Philanthropic Achievements Showcased at the 2025 China Charity Fair

As one of the 7 exhibiting representatives of the Shanghai Private Enterprise Foundation Alliance, the INTCO Foundation participated in the 2025 China Charity Project Exchange Exhibition. Focusing on four major directions—disability care, educational support, community welfare, and sustainable development—the Foundation systematically displayed the results of recent philanthropic projects and deeply exchanged and shared experiences with national philanthropic organizations, industry experts, and partners. This exhibition laid the foundation for INTCO Recycling's subsequent philanthropic project innovation and deepened cooperation, and the Company will continue to focus on social concerns to promote the effective implementation of philanthropic projects.



INTCO MUTUAL AID FUND

The INTCO Recycling Employee Mutual Aid Fund strictly complies with the *Articles of Association of the Employee Mutual Aid Fund*, actively practicing the purpose of "mutual aid and relief, poverty alleviation". Internally, the fund provides timely and powerful assistance to employees facing unexpected emergencies, major illnesses, or family hardships, genuinely building a solid backing for employees' work and life, effectively enhancing employee belonging and corporate cohesion. Externally, the fund actively expands the radiation scope of philanthropy and social influence, proactively extending a helping hand to vulnerable groups in the community, solidly carrying out educational assistance and other philanthropic practices, extending the internal spirit of mutual aid to the societal level, and using tangible actions to give back to the community and society.



*Linzi District Industrial Workforce Reform Promotion Conference & National Model Workers Inspirational Deeds Report Meeting

INTCO Labor Union's "Assistance and Education Delivery" Activity

INTCO Recycling Labor Union launched the "Assistance and Education Delivery" Glimmer Dream-Building Education Action, precisely assisting 37 disadvantaged families. The targets of assistance cover impoverished employees within the Company, children of workers in new employment forms across the district, and left-behind children. INTCO Recycling established a "One-on-One Growth Mentor" mechanism, pairing corporate party members and model worker representatives with assisted students, providing each student with an annual grant of RMB 1,000 until they reach 18 years of age. This education assistance action is centered on the core concept of "supporting intelligence + supporting ambition," and INTCO Recycling will continue to deepen educational assistance through diversified and precise measures to earnestly fulfill its corporate social responsibility.



Key Performance

By the end of the reporting period, the Employee Mutual Aid Fund had disbursed nearly RMB **690,000** in relief funds, genuinely benefiting **49** needy employee families.

PROMOTING ENVIRONMENTAL AWARENESS

INTCO Recycling upholds sustainable development as its core responsibility, viewing the popularization of environmental protection concepts as an important practical direction for the enterprise, and actively practicing its green development mission. As a deep cultivator in the resource recycling field, the Company proactively participates in various green environmental practices and focuses even more on cultivating the environmental awareness of the next generation, tangibly conveying the concepts of resource circulation and low-carbon environmental protection to consolidate the consensus and strength of society for green development.

Key Performance

By the end of the reporting period:

the Company organized a total of **18** environmental education activities with a cumulative **10,475** participants, achieving an increase of more than **8** times compared with the previous year

The Company was successfully selected as "Shanghai Municipal Environmental Education Base"

"Green Sprout Initiative" Enters Yunnan Schools and Hosts Badong Study Tour

In 2025, INTCO Recycling's "Green Sprout Initiative" entered schools in Yunnan to conduct green science popularization education, sequentially visiting Fuxing No. 2 Complete Primary School, Zhuji Town Central Complete Primary School, and Kuishan Town Central Complete Primary School in Xuanwei City, covering over 1,200 teachers and students. INTCO Recycling hosted the opening ceremony of the Badong No. 1 Middle School Shanghai Public Welfare Study Tour Camp, an important extension of the INTCO Foundation's "Green Sprout Initiative". The Company led students on an in-depth tour of the enterprise, comprehensively demonstrating the full process of waste plastics from recycling and processing to transformation into recycled products; it offered characteristic handicraft courses of the Green Sprout Initiative, allowing students to create imaginative works with their own hands while gifting them recycled plastic photo frames. This activity made the concept of environmental protection tangible, allowing teenagers to intuitively feel the value of resource recycling.



INTCO Recycling Supports Shanghai's Waste Sorting Promotion

INTCO Recycling was invited to participate in Shanghai's National Urban Domestic Waste Sorting Promotion Week, deeply engaging in the "Where Did the Recyclables Go" sitcom, showcasing its fully integrated plastic "Collection - Regeneration - Reuse" industrial chain. The Company actively practices the "Replacing Wood with Plastics" concept, transforming waste plastics into tens of thousands of eco-friendly products such as finished frames and decorative building materials, intuitively presenting the circular reuse process of recyclables. Due to its outstanding contributions in the fields of waste sorting and resource regeneration, INTCO Recycling received honorary commendation from the "Hushang Recycling" platform.



INTCO Recycling Plastics Circular Science Popularization Career Day

INTCO Recycling partnered with the Shanghai High School International Division to conduct a Career Day activity, helping students concretely understand professional concepts related to the circular economy by hosting a special lecture on plastic recycling, combined with case studies and diagrams to deconstruct the complete plastic recycling loop. The event also organized students to visit the recycled plastic finished products exhibition hall, displaying products made of recycled plastics such as finished frames and home wall decorative building materials, intuitively presenting the value of resource utilization of waste plastics. This activity integrated the concept of sustainable development into youth education, building a professional platform for students to explore career development directions in the environmental protection field.



ADVANCING RURAL REVITALIZATION

INTCO Recycling actively practices corporate social responsibility, taking rural revitalization as an important direction for philanthropic practices, focusing precisely on the actual needs of rural areas, linking across multiple dimensions such as educational support and livelihood improvement to implement pragmatic measures, and promoting sustainable economic and social development while ensuring the Company's healthy growth and continuously rewarding investors.

In the future, the Company will further combine its business operations to make supporting rural revitalization and consolidating and expanding the achievements of poverty alleviation a strategic priority, driving the development of distinctive rural industries through its own business model, promoting local employment, and achieving the organic unity of social and economic benefits.

Key Performance

By the end of the reporting period, the Company's cumulative investment in rural revitalization reached

RMB **239,705**, covering multiple provinces including Yunnan and Sichuan.

"Firefly Education Support" INTCO Recycling's Education Support in Nanjian, Yunnan



During the 2025 back-to-school season, INTCO Recycling traveled to Nanjian Yi Autonomous County, Dali, Yunnan Province, to conduct an education support action. The foundation donated RMB 50,000 in financial aid to local students to cover tuition and living expenses while also preparing a full set of back-to-school supplies such as backpacks, stationery, and books to help assisted students start the new semester. INTCO Recycling has long upheld philanthropic concepts and deeply cultivated the field of educational support; this action is a significant practice in fulfilling corporate social responsibility, paying attention to rural education development, and promoting educational equity.

"Firefly Education Support" Liangshan Prefecture Yi-Road Companion Education Support Project



The Liangshan Yi-Road Companion education support project supported by INTCO Recycling funded 170 students from disadvantaged families throughout the year, 46 of whom successfully graduated this year. The project synchronously conducted a series of activities such as monthly study meetings, picture book reading, and summer emotional stress management camps, organized family visits, volunteer service practices, and other assistance actions, distributing reading books to students and conducting expression and stress-resistance training, accompanying multiple disadvantaged students to achieve physical and mental growth and capability transformation, escorting the growth of disadvantaged students in Liangshan with continuous support.

STRENGTHENING COMMUNITY PARTNERSHIPS

INTCO Recycling deeply practices the concept of community co-building, actively linking governments, community organizations, and other multiple stakeholders to consolidate synergistic development efforts, precisely docking with community development needs, and empowering community construction and enhancing community well-being through diverse actions.

"Framing a Better Life Initiative" INTCO Practices Community Responsibility

As a National Civilized Unit, INTCO Recycling actively supports local Qixi Festival-themed cultural activities, participating in cultural heritage-related activities alongside community residents. During the event, INTCO Recycling took commemorative photos for couples celebrating their golden anniversaries and gifted them customized eco-friendly photo frames. This activity organically combined environmental concepts with family tradition inheritance, enriching community cultural life while earnestly fulfilling corporate social responsibility, fully demonstrating the enterprise's humanistic care and social warmth.



INTCO Recycling Sponsors the 19th Zibo City Sports Games

As a naming sponsor and strategic partner, INTCO Recycling sponsored the "INTCO Cup" 19th Zibo City Sports Games. Hosted by the Zibo Municipal People's Government, the event featured multiple major and minor events, attracting over 12,000 participants. INTCO Recycling has long used sports as a carrier to fulfill social responsibilities, continuously investing in sports philanthropy for nearly a decade: in 2012, it helped bring a Gymnastics World Cup stage to Zibo; partnered with the Yao Foundation to carry out the basketball season for 7 consecutive years; and regularly named grassroots sports events. This sponsorship is a specific measure of the enterprise giving back to its hometown and practicing the "Love Goodness Truth" values, aiding public health and urban sports development.



INTCO Recycling's Vietnam Base Participates in Thanh Ma Village Community Co-building

INTCO Recycling's Vietnam base launched a philanthropic action targeting the livelihood and educational difficulties of Thanh Ma Village in Thanh Hoa Province, Vietnam. The Company donated 100 care packages to local disadvantaged children to help them with their studies; Meanwhile, the Company installed 22 solar streetlights on unlit road sections, solving travel difficulties for residents. This activity received strong support from the local government and active participation from company employees; it is a significant practice for the Company to fulfill its corporate social responsibility, deepen community connections, and convey social warmth.



Intelligent Connectivity Shared Success

2025 Highlights

Achieved **100%** signing rate for the *Supplier Anti-bribery Commitment*

Supported **378** significant suppliers with development measures, among them

Covering **100%** of significant suppliers in Tier - 1

Selected as a benchmark case of Shanghai Low-Carbon Supply Chain Enterprises

Key Topics

- Supplier Management
- Customer Relationship Management

Our Actions

- Built a closed-loop, full lifecycle management system for suppliers covering admission screening, performance evaluation, and dynamic classification
- Implemented ESG performance evaluation and targeted capacity-building for suppliers
- Deepened the integration of industry, academia, research and application, actively participated in industry activities, and promoted collective progress across the industry

Corresponding SDGs



STRENGTHENING SUPPLY CHAIN RESILIENCE

INTCO Recycling strictly complies with the laws and regulations of its operating regions and internationally recognized standards. It systematically promotes the standardization, digitalization, and green transformation of supplier management, and is committed to building a responsible, transparent, and resilient global supply chain system. The Strategy and ESG Committee of the Board of Directors serves as the highest decision-making and supervisory body, comprehensively coordinating ESG management across the supply chain.

The Company has formulated and publicly disclosed the *Supplier Code of Conduct*, incorporating key ESG requirements such as the protection of human rights and labor rights, environmental protection and business ethics into supplier admission reviews and periodic evaluation procedures. In 2025, the Company comprehensively revised the *Supplier Management Plan and Management System*, optimizing the coordination mechanism between the Procurement and Quality Departments in supplier lifecycle management, and further refined the processes for qualification assessment, performance evaluation and exit management, strengthening the institutional foundation for the sustainable operation of its supply chain.

At the operational level, the Company has established a digital, end-to-end control mechanism covering key stages such as procurement, production and logistics. Through a tiered and categorized supplier management system, we accurately identify key suppliers and implements differentiated management measures. By continuously deepening supplier partnerships through strategic collaboration and value co-creation, the Company further enhances supply chain resilience and strengthens the capability to manage sustainability-related risks across the supply chain.

Key Performance

As of the end of the reporting period, the Company had a total of **2,292** suppliers, including **1,934** domestic suppliers and **358** overseas suppliers.



STANDARDIZING COLLABORATION MECHANISMS

System Upgrade

In 2025, the Company completed a comprehensive upgrade of its Supplier Relationship Management (SRM) system and actively explored the integration of frontier technologies such as AI, driving supplier management from "process digitalization" to "intelligent decision-making." The upgraded system covers key processes including admission assessment, qualification review, performance evaluation, and tiered management, establishing an end-to-end digital management closed loop and significantly enhancing supply chain transparency and operational efficiency.



Supplier Lifecycle Management

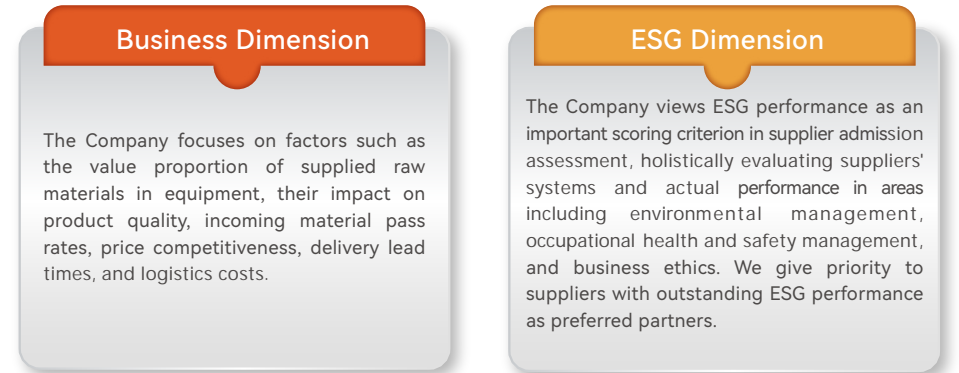
Upgrade Dimensions	Core Functions	Management Values
Intelligent Admission	The system automatically captures suppliers' basic information and verifies the authenticity of their qualifications. Suppliers that are dishonest or restricted are subject to a "one-strike rejection" mechanism.	Improves data accuracy and strengthens compliance and risk control.
Dynamic Evaluation	Key performance indicators are automatically collected and analyzed across multiple dimensions, supporting real-time ratings and intelligent decision-making.	Achieves performance visibility and optimizes resource allocation.
Finance and Tax Synergy	Advancement of the "procurement digitized electronic invoice linked to input invoice" function enables automatic matching and verification.	Improves tax compliance and audit efficiency.

AI+ Supply Chain Management

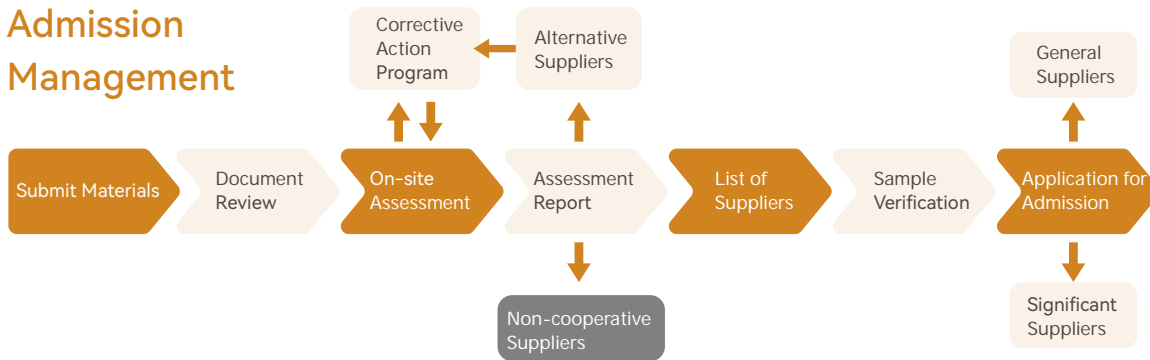
In 2025, the Company integrated AI technologies into supply chain management, building a data-driven digital procurement system to enable intelligent decision-making and risk control.



The Company applies rigorous screening criteria for supplier admission. The Supply Chain Management Department, together with Technical, Production, and other relevant departments, forms cross-functional teams to conduct on-site assessments of new suppliers and systematically assesses their production processes, quality control, and ESG practices. The assessment covers both business relevance and ESG performance:



Admission Management



Supplier Admission Workflow



Based on comprehensive assessment results, the Company classifies suppliers with elevated ESG risks or high business importance as significant suppliers, serving as key management targets for continuous monitoring. For prospective partners with significant risks, the Company may postpone cooperation or decline engagement, resuming the assessment process only after such risks have been adequately mitigated.

Total number of Tier-1 suppliers	1,601
Number of significant suppliers in Tier-1	321
Percentage of total spend on significant suppliers in Tier-1	78%
Number of significant suppliers in non-Tier-1	576
Total number of significant suppliers	897

Note: Tier-1 suppliers refer to those who directly engage in business transactions with the Company. Non-Tier-1 suppliers refer to upstream suppliers in the supply chain of Tier-1 suppliers.

COMPREHENSIVE RISK MANAGEMENT AND CONTROL

In 2025, the Company fully implemented supplier tiering standards, establishing a groupwide, dynamic tiered management mechanism based on a comprehensive assessment of factors including cooperation scale, performance, strategic value, and ESG risks. This marked a shift in the Company's supply chain management approach from a one-size-fits-all standard to precise, differentiated management, enabling systematic resource allocation, reducing supply chain risks, and enhancing resilience and sustainable competitiveness.

Assessment and Oversight Mechanism Remediation Capability Building

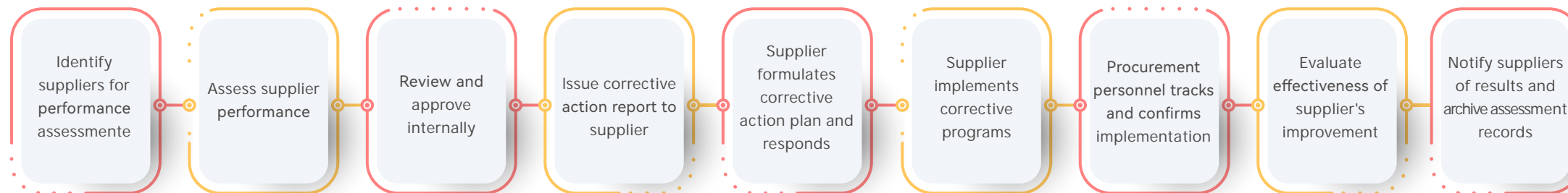
The Company requires all suppliers to sign the *Supplier Anti-Bribery Commitment* and strictly comply with the *Supplier Code of Conduct*. We carry out routine supplier oversight through diverse measures, including monthly procurement reviews, social responsibility audits, and on-site EHS inspections. Assessments combine daily performance monitoring with periodic evaluations. The procurement team conducts desktop or on-site assessments, and fully documents results in the supplier management system, creating a traceable audit trail.

The Company integrates international clients' social responsibility standards into internal management protocols, with particular focus on ISO 9001 Quality Management System certification, ISO 14001 Environmental Management System certification, and third-party quality system certifications or audit approvals from major international clients, ensuring consistency and reliability across the global supply chain.

The Company has established a "identify-remediate-verify-improve" closed-loop management mechanism. When issues are identified during assessment, cooperation is suspended and a *Corrective and Preventive Action Notice* is issued. The Company assists suppliers in developing remediation plans, providing remote or on-site technical support while monitoring remediation progress. If the supplier fails to meet the Company's minimum ESG standards within the specified time frame, the business relationship will be terminated.

The Company maintains a comprehensive supplier audit training program, regularly organizing cross-functional training to enhance supplier management and procurement personnel awareness and practical skills regarding the *Supplier Code of Conduct* and supplier ESG management. Training covers ESG policy interpretation, risk identification methodologies, audit procedures, and remediation tracking, ensuring relevant personnel possess the expertise required for effective sustainable supply chain management.

Supplier Performance Assessment and Improvement Workflow



SUPPORTING PARTNER GROWTH

INTCO Recycling adheres to the philosophy of "empowerment and mutual success," deeply integrating development initiatives into the full lifecycle of supplier management, helping suppliers enhance their technical capabilities, management standards, and ESG performance. The Company designs and implements capability-building programs in areas such as quality management, lean production, and environmental compliance, and regularly organizes project improvement meetings to share industry best practices, driving continuous improvement in product and service quality and ESG performance.

Green Value Incentive

The Company innovatively established a "carbon credit" exchange mechanism, converting environmental performance into quantifiable development resources and creating an incentive mechanism for emissions reduction. Each ton of CO₂ reduced by suppliers can be exchanged for technical support, training resources, or priority cooperation benefits. In 2025, the Company further refined the carbon credit standards, simplified the declaration process, enabled automatic credit calculation across dimensions including energy consumption, materials, packaging and logistics, and supplemented the program with low-carbon training services. Carbon credits are directly linked to supplier cooperation ratings and order allocation mechanisms, driving the green transformation of the supply chain.

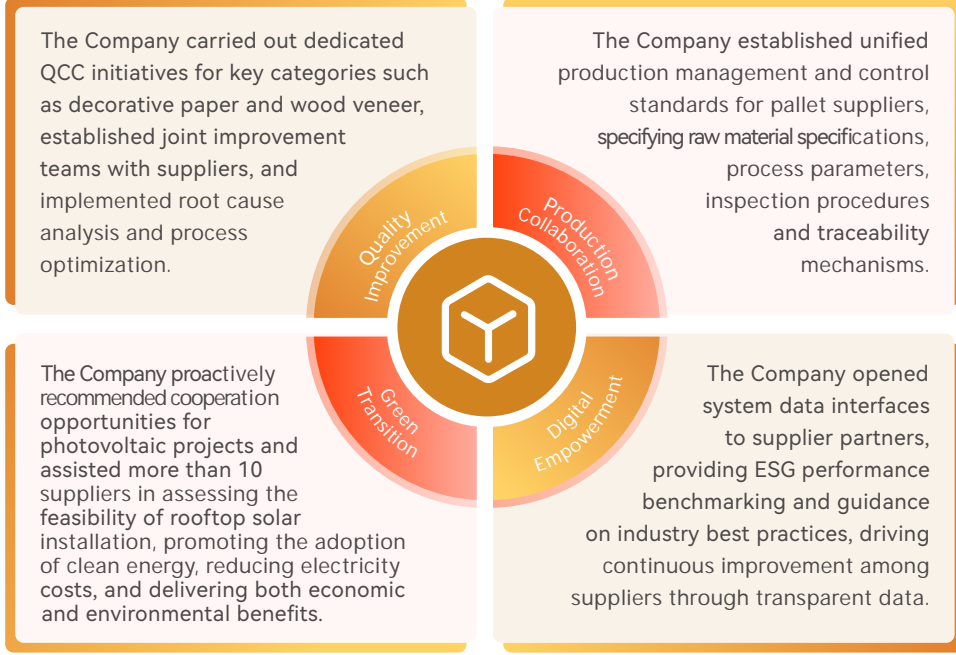


Benchmark Recognition: Selected as a Shanghai Low-carbon Supply Chain Enterprise

In 2025, INTCO Recycling was selected as a Shanghai Low-carbon Supply Chain Benchmark Enterprise, marking authoritative recognition of the Company's achievements in recycled resources utilization, green manufacturing and the development of a low-carbon supply chain system. Through measures such as digital management platforms, carbon footprint accounting, optimization of the energy mix, and innovation in green warehousing and logistics, the Company has actively advanced the development of a green and low-carbon supply chain system.



Special Capability-building Initiatives in 2025



关键绩效

KPIs for sustainable supply chain management during the reporting period:

Indicator	Number	Remarks
Number of unique significant suppliers supported with development measures	378	42% of unique significant suppliers supported in development measures
Number of unique significant suppliers assessed via desk assessments/on-site assessments	608	68% of unique significant suppliers assessed
Number of unique significant suppliers assessed with substantial actual/potential negative impacts	10	Corrective actions and improvement plans formulated for all issues
Number of unique significant suppliers with substantial actual/potential negative impacts with agreed corrective action/-improvement plan	10	Development measures integrated throughout the entire rectification process
Number of unique significant suppliers with substantial actual/potential negative impacts that were terminated	9	Failed to meet the minimum ESG standards

Note: All supplier figures disclosed in the table represent deduplicated unique supplier counts, covering both Tier-1 and non-Tier 1 suppliers.

FOSTERING A SYNERGISTIC ECOSYSTEM

A healthy industrial ecosystem is fundamental to sustainable corporate development. INTCO Recycling is committed to building an open, collaborative and mutually beneficial industrial ecosystem by advancing resource sharing, joint standard-setting and value co-creation. Working together with government authorities, industry associations, research institutions and value chain partners, the Company seeks to inject new momentum into industry development.

GOVERNMENT-ENTERPRISE COLLABORATION LEADERSHIP

The Company actively participates in government-enterprise exchanges and industry association activities, demonstrating leadership and responsibility in the green economy and circular economy fields. Through close interaction with government authorities and proactive engagement in industry organizations, the Company continues to expand its development opportunities and set a benchmark for sustainable development in the industry.

Supporting Urban Civility Development

In May 2025, as a National Civilized Unit, INTCO Recycling was invited to participate in the second season of the Shanghai municipal thematic event "Embracing the Covenant of Civilization," organized for Shanghai civilized units to support cultural tourism, commerce, sports, and exhibitions. The Company used immersive displays to vividly present the full process of turning waste plastics into valuable resources, and showcased our distinctive model of integrating plastic recycling and regeneration with fashion consumer product applications, effectively raising public awareness of and participation in resource recycling.



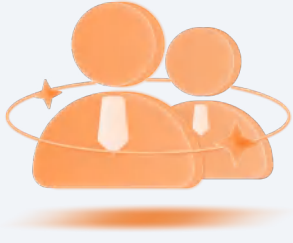
Delivering Green Value Across Industries



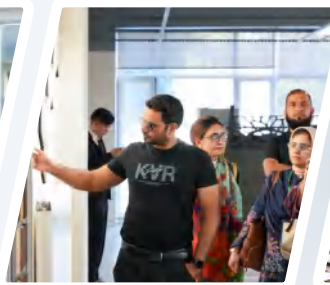
In 2025, the High Net Worth Institute organized a visit to INTCO Recycling for more than 50 financial experts and entrepreneur delegates. The group toured the Company's full recycled plastics circulation industrial chain, gaining an in-depth understanding of the closed-loop system covering waste plastics recycling, intelligent compaction, recycled pellet production and green products. During the visit, renowned financial commentator Dr. Ma Hongman delivered an on-site lecture and exchanged views with participants on the future economic outlook and green industry development trends. The event fostered deeper interaction between the industrial and financial communities, and raised INTCO Recycling's brand recognition in the sustainability field.



Deepening International Green Cooperation



In 2025, INTCO Recycling welcomed a delegation from Pakistan's Ministry of Commerce and Ministry of Finance. Hosted by Shandong Foreign Trade Vocational College under the auspices of China's Ministry of Commerce, the visit provided the Company with an opportunity to fully demonstrate our technological capabilities and innovation achievements in resource recycling and utilization. We also introduced our innovative, fully integrated plastics circularity value chain, promoting in-depth exchanges between China and Pakistan in the green industry field, and laying a solid foundation for deeper international cooperation.



Empowering a New Chapter in Green Development

In December 2025, a delegation led by the Deputy Director of the United Front Work Department of the Gansu Provincial Party Committee and Director of the Gansu Provincial Ethnic and Religious Affairs Commission visited INTCO Recycling to conduct research on efforts to strengthen awareness of the Chinese nation as a community. The delegation viewed a corporate video presentation and toured the exhibition hall and production workshops to gain a detailed understanding of the Company's development history, production, operations and export business. The visit promoted deeper government-enterprise exchanges, and showcased INTCO Recycling's active efforts to advance the coordinated development of ethnic unity and progress together with green manufacturing.



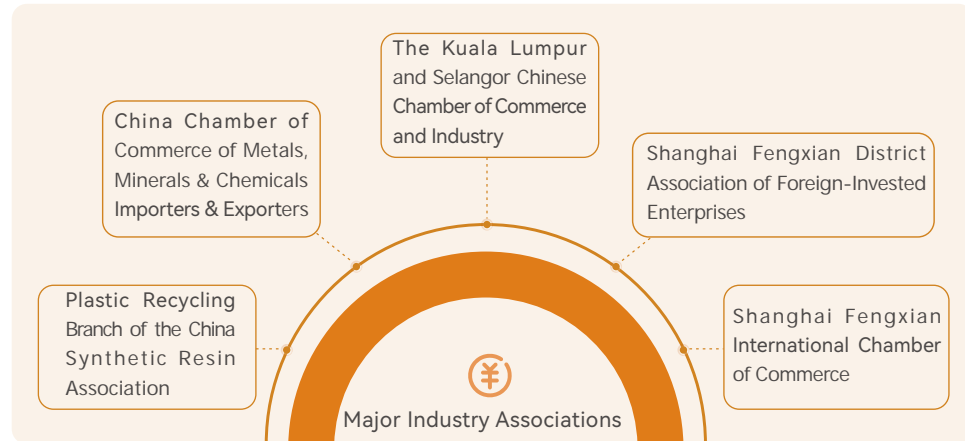
Advancing Industry Association Collaboration

The Company actively joins influential industry associations and promotes the flow of knowledge and value co-creation through technical exchanges, academic sharing, and strategic cooperation. In 2025, the Company officially joined the Special Committee of Extruded Polystyrene Foam Board (XPS) of the China Plastics Processing Industry Association (CPPPIA), marking its strategic transition from a supplier of recycled PS raw materials to a provider of green XPS board solutions. This move provides policy, technical, and market support for building an industrial "recycling-regeneration-high-value utilization" closed loop and for consolidating the Company's position as a global leader in recycled plastics.



Key Performance

During the reporting period, the Company contributed a total of RMB **182,000** in industry association fees.



Formulating Industry Standards

The Company actively establishes collaborative relationships with external certification bodies, research institutions, and industry partners to jointly advance the development and implementation of national and association standards. We also formulate enterprise standards based on our product characteristics, production processes, and market needs.

关键绩效

As of the end of the reporting period, the Company had led or participated in the development of **25** standards.

Standards Led or Participated in by INTCO Recycling (Selected examples)

Standard Title	Type of Standard
Plastics—Recycled plastics—Part 6: Polystyrene (PS) and impact-resistant polystyrene (PS-I) materials	National standard
Plastics—Recycled plastics—Part 5: Acrylonitrile-butadiene-styrene (ABS) materials	National standard
Plastics—Recycled plastics—Requirements for restricted substances	National standard
Guidelines for the recovery and recycling of plastics waste	National standard
Classification and code of waste plastics	National standard
Guidelines for Corporate Environmental, Social and Governance (ESG) Information Disclosure	Association standard
Guidelines for Corporate Environmental, Social and Governance (ESG) Evaluation	Association standard

CO-CREATING CUSTOMER VALUE

Leveraging our global presence, we work closely with industry peers, customers, suppliers, and other partners to advance resource circularity and industrial collaboration. Focusing on efficient recycling of different types of recycled plastics, we share technological achievements, integrate upstream and downstream resources, and provide innovative solutions that help customers reduce costs and improve efficiency, while jointly advancing sustainable development goals.

During the expansion of a new facility, a leading electronics recycler in India faced challenges arising from the large volume and high transportation costs of rigid PU foam. Following a systematic evaluation, the company selected the GREENMAX H Series hydraulic compactor. The equipment achieves a volume reduction ratio of 8–12 times, compressing PU foam to a density of over 300 kg/m³, and reduces energy consumption by 15%–20%. Once operational, it is expected to reduce annual transportation volume by 3,000–4,000 m³, equivalent to eliminating 120–150 truck trips, thereby significantly reducing costs and carbon emissions and supporting EPR implementation in India.



A globally renowned Japanese automotive parts manufacturer had long faced challenges in handling foam packaging waste from logistics operations. After introducing GREENMAX foam recycling equipment in 2025, the manufacturer significantly reduced waste storage space, cut waste disposal costs by 30%, and improved warehouse operating efficiency. The equipment enabled the circular use of foam resources, with recycled materials being used in downstream product manufacturing, thereby successfully establishing a closed-loop system of "recycling–regeneration–reuse" and setting a benchmark for green operations in the automotive industry.



In 2025, the data R&D center of a renowned North American university introduced GREENMAX compaction equipment to conduct on-site compression of EPS, EPP, and EPE foam packaging waste generated in daily operations. The equipment significantly reduced waste volume, greatly cutting warehouse space usage and the frequency of outbound transportation. This helped the institution reduce waste disposal costs by 30%, while also lowering energy consumption and carbon emissions from transportation, providing a replicable model for green operations in research institutions.



Under Oregon's EPR framework in the United States, the Circular Action Alliance (CAA) introduced GREENMAX compaction equipment in 2025 to locally compress EPS foam, reducing volume by more than 90% and significantly cutting warehousing and transportation costs. The compressed blocks were then transported to INTCO Recycling's plant for pelletizing and were processed into high-value products such as picture frames, achieving closed-loop resource utilization. This solution provides a sustainable pathway for hard-to-recycle EPS materials and offers a replicable model for EPR implementation in other states.



INTEGRATING INDUSTRY, ACADEMIA, RESEARCH AND APPLICATION

The Company adheres to the philosophy of open innovation and actively promotes the integrated synergy of industry, academia, research, and application. We continuously deepen our long-term strategic cooperation with universities, including Tsinghua University and China University of Petroleum. By establishing high-quality internship and practice platforms, we help students effectively translate theoretical knowledge into practical application. At the same time, leveraging the research strengths of universities in frontier fields, we drive ongoing breakthroughs in technological innovation and the upgrading of management models, jointly empowering the high-quality development of the industry.

Integrating Industry and Academia to Nurture New Talent for the Industry

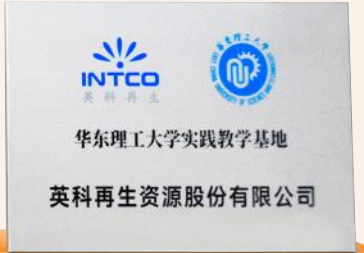
In October 2025, INTCO Recycling's Malaysia base hosted a university student delegation for the 2025 Plastic Circular Design Challenge, organized by the Malaysian Plastics Manufacturers Association. Through an introduction to the Company's development journey, a thematic presentation on its plastics circularity system, on-site visits to production workshops, and technical Q&A exchanges, students gained firsthand insight into the full value chain from waste plastics collection, sorting, and processing to the production of recycled pellets. The visit built a bridge between campus creativity and industrial practice, helping university students translate circular plastics concepts into design proposals with greater practicality.



University-Enterprise Collaboration through Corporate Open Day Series



In 2025, INTCO Recycling launched a nationwide series of Corporate Open Day activities for universities across China, covering multiple core bases and attracting more than 600 teachers and students from over 20 universities. Through immersive visits to production workshops, R&D centers and living support facilities, together with alumni sharing sessions, the activities comprehensively showcased the Company's leading strengths and future strategy in the field of resource recycling, giving students fresh perspectives on industry trends and career choices.



As of the end of 2025, INTCO Recycling had signed agreements with multiple universities, including Tsinghua University and East China University of Science and Technology, to establish "University Student Employment and Practice Bases." This marked the shift of cooperation from introductory visits to collaborative base development, providing young talent with a stable and systematic development pathway.



Intelligent Governance Solid Foundation

2025 Highlights

Conducted **4** integrity training sessions
with **196** participants

Delivered **24** information security training sessions,
achieving **100%** employee coverage

Delivered **20** AI-related training sessions,
achieving **100%** employee coverage

Key Topics

- Corporate Governance
- Business Ethics
- Risk Management
- Customer Privacy

Our Actions

- Enhanced the efficiency and diversity of the governance structure to strengthen corporate governance capabilities
- Improved business ethics and risk management systems to fully implement compliant operations
- Upheld technology ethics and privacy protection laws and regulations to build a secure and trustworthy digital ecosystem

Corresponding SDGs

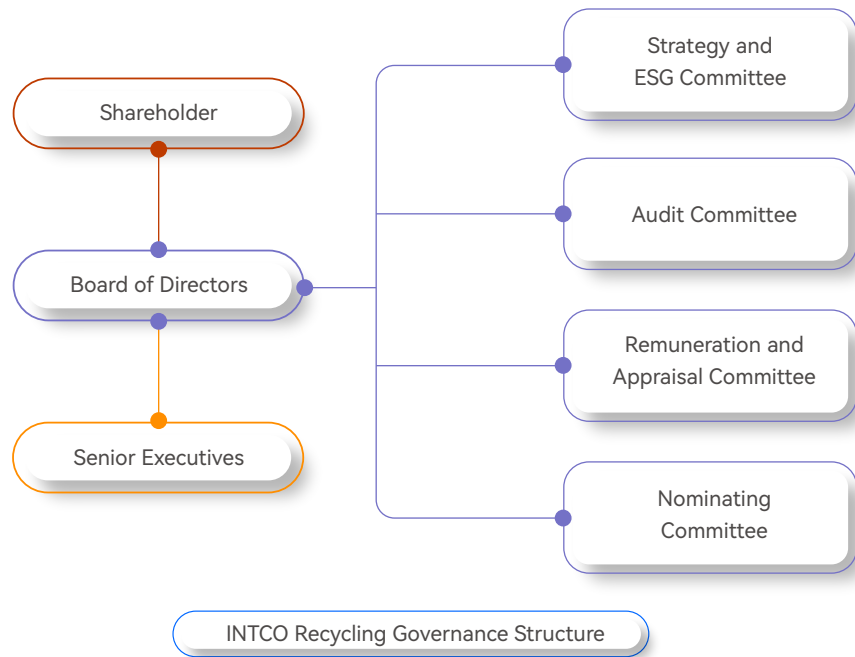


OPTIMIZING CORPORATE GOVERNANCE

DIVERSE AND TRANSPARENT GOVERNANCE

Corporate Governance Structure

With the Board of Directors as the core of governance framework, INTCO Recycling has established a clear governance system of "decision-making - oversight - execution", and promotes the coordinated implementation of ESG and business management through four specialized committees.

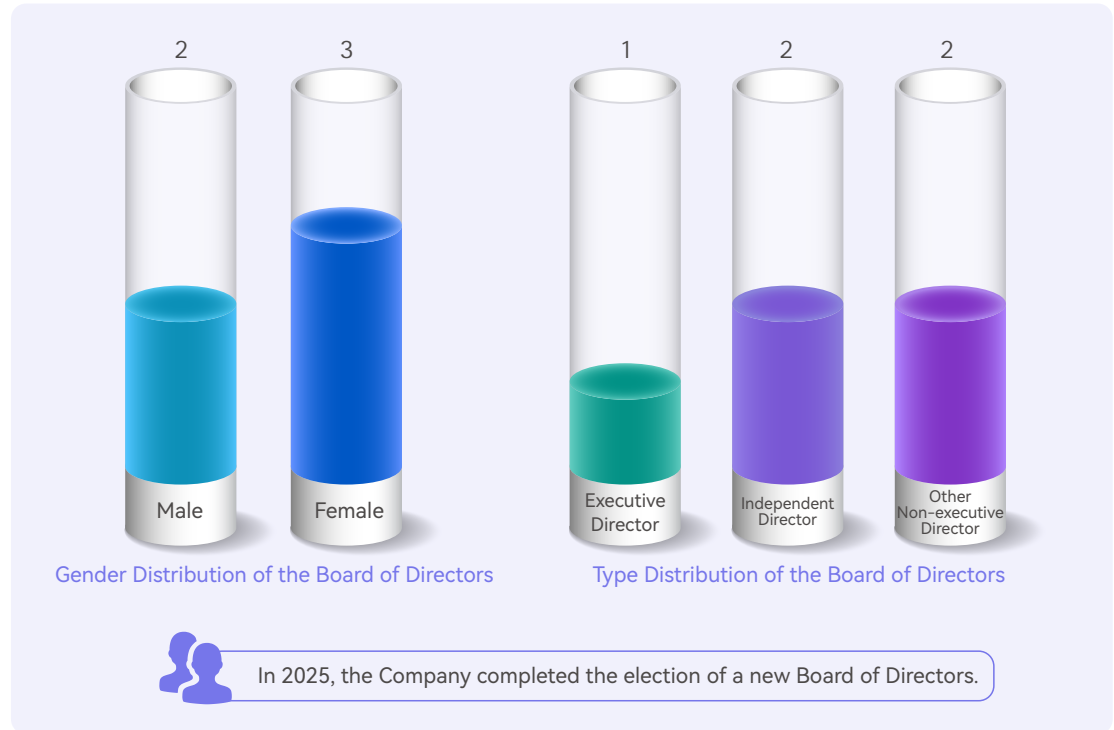


Board Diversity

The Company firmly believes that a diverse governance structure is essential for enhancing decision-making quality and organizational resilience. In its Board Rules of Procedure, the Company specifies that when selecting director candidates, it considers not only factors such as experience, skills, professional knowledge, and personal integrity, but also diversity factors including gender, nationality, ethnicity, race, religion, and cultural background.

Key Performance

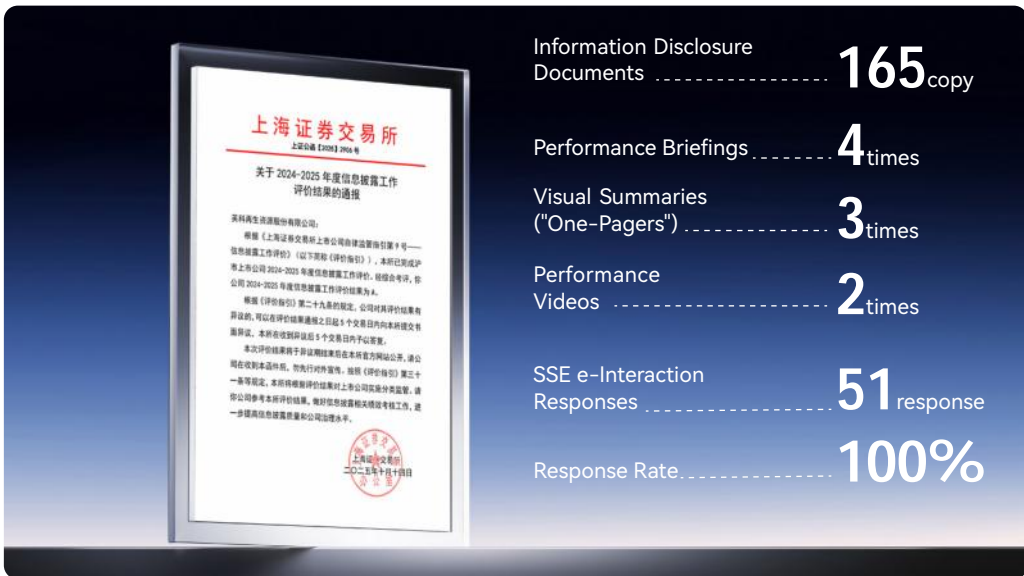
As of the end of the reporting period, the Board of Directors comprised **5** members, including **2** independent directors, with women comprising **60%** of the total.



High-Quality Information Disclosure

The Company strictly complies with the *Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of the Shanghai Stock Exchange* and the *Administrative Measures on Information Disclosure by Listed Companies*, and continuously improves the information disclosure procedures and internal review mechanisms to ensure that material information disclosures, including periodic reports and interim announcements, are truthful, accurate, complete, timely, and comprehensive. Meanwhile, through the official website, WeChat Official Account, and major domestic and international media channels, we carry out multi-dimensional communication on topics including corporate governance, product quality, technological innovation, and social responsibility, effectively safeguarding investors' and minority shareholders' right to information and lawful interests.

INTCO Recycling also discloses ESG-related information through various professional platforms. In addition to data platforms used by customers and government authorities, its principal public disclosure channels include:

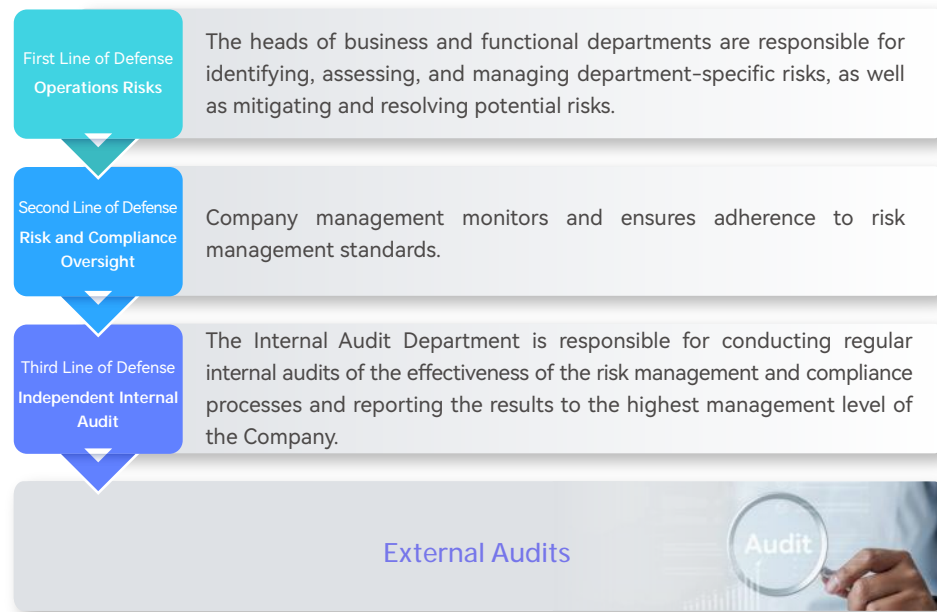


STRENGTHENING RISK PREVENTION AND CONTROL

INTCO Recycling integrates risk management into strategic decision-making and daily operations, and has established a risk management framework covering principal businesses, systematically advancing risk identification, assessment, response, and ongoing monitoring. Through structured control mechanisms, the Company enhances operational resilience and compliance standards, providing support for long-term value creation and sustainable development goals.

Risk Management Structure

The Company continues to improve internal control and risk governance framework. Leveraging a "three lines of defense" structure, we clarify responsibilities and oversight arrangements, strengthens the identification, assessment, response, and ongoing monitoring of key risks, and safeguards compliant and effective operational decisions.



Risk Management Structure

Risk Control Mechanism

The Company strictly complies with internal policies including the *Internal Control Management Policy* and has established a risk prevention and control system with clear responsibilities, traceable processes, and effective execution. By covering key areas, clarifying role responsibilities, and strengthening controls over critical nodes, the Company systematically enhances the ability to identify, assess, and respond to risks, laying a solid foundation for long-term and stable operations.



Risk Control Process

During the reporting period, we focused on key supply chain risks by upgrading the supplier risk early warning and dynamic scoring system, improving the full-lifecycle supplier risk control framework, achieving full coverage of supplier commitment letter signings, and strengthening the identification and rectification of key risks.

Control Dimension	Core Measures	Management Objective
Risk Early Warning Mechanism	Incorporated credit and compliance information, including lists of dishonest entities and judgment debtors, into supplier onboarding and ongoing cooperation management; Focused on monitoring changes in the credit status of customers with extended payment terms	Improve the timeliness and accuracy of risk identification, and enhance the efficiency of early warning and corrective action
Full-cycle Control	Optimized prepayment strategies to reduce capital risks; Collaborated with the IT department to enable continuous monitoring of risk indicators; Strengthened the review of abnormal situations while introducing intelligent tools	Strengthen risk controls at all stages of supplier cooperation and enhance the granularity of risk management

The Company conducted multiple rounds of internal audits covering key areas such as finance, attendance, contracts, expense reimbursement, incoming material inspection, and inventory management. Through a closed-loop remediation process, it promoted the effective implementation of internal policies and further strengthened the effectiveness of internal controls.

The Company embeds compliance requirements upfront and throughout the entire business process, ensuring that suppliers sign the Supplier Anti-Bribery Agreement as required, and continuously strengthens risk controls and accountability at key nodes. Meanwhile, the Company further optimized its contract risk alert function to automatically flag contractual performance risks based on the performance cycle, enhancing focus on critical nodes and avoiding omissions in contract fulfillment.

Identification and Response to Emerging Risks

Emerging Risk	Risk Description	Potential Impact on the Company	Mitigation Measures
Geopolitical Risk	Rising global geopolitical uncertainty may disrupt cross-border logistics, drive volatility in shipping costs, and lead to changes in trade terms.	Cost and compliance pressures: longer procurement cycles, higher transportation costs, and increased review requirements that may give rise to breach and penalty risks.	Optimize logistics routes and carrier mix; Establish a trade compliance monitoring and early warning mechanism; Strengthen due diligence and sanctions screening.
Data Security Risks Arising from AI Applications	Information security risks such as data breaches and account takeovers may increase; AI-enabled fraud techniques are becoming more sophisticated and may be exploited across procurement, sales, and financial approval processes.	Operational and reputational risks: data breaches, business interruption, financial loss, and weakened customer trust.	Define boundaries for AI use and data classification requirements; Strengthen system security protection; Conduct anti-fraud and privacy compliance training.

Risk Culture Development

The Company regards risk culture building as a key pillar of risk management. We provide regular training and communications for the Board of Directors and all employees, focusing on business ethics, compliance management, and intellectual property rights. Through targeted outreach and continuous reinforcement, the Company strengthens employees' capabilities in risk identification, compliance execution, and risk prevention and control, supporting sound and standardized operations.

The Company conducts comprehensive risk awareness programs to continuously enhance employees' capabilities in preventing and managing risks within their respective professional areas. We revised our procurement contract templates to address major contract performance risks and delivered multiple specialized contract management training sessions to reduce such risks.

Contract Performance Risk Training

In 2025, the Company conducted specialized training on procurement contract management, systematically strengthening employees' risk management capabilities across three dimensions: key contract terms, performance monitoring, and exception handling. The training clarified acceptance standards, breach-of-contract liability, monitoring channels, and exception-handling procedures, guiding employees to maintain timely attention, close communication, and robust evidence retention to minimize contract performance risk to the greatest extent possible.

Key Performance

During the reporting period, the company conducted **6** trainings on intellectual property rights, achieving **100%** employee coverage.



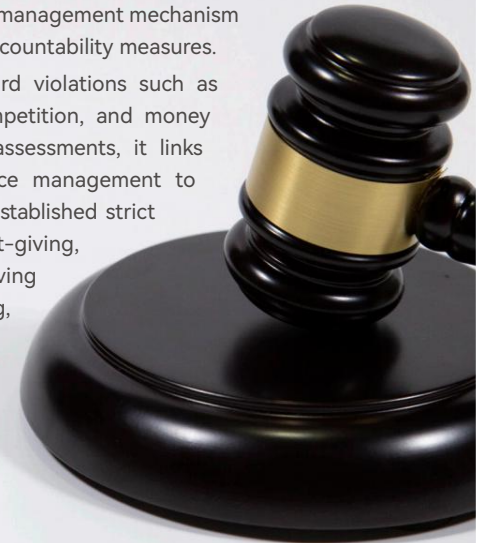
UPHOLDING BUSINESS ETHICS

Business Ethics Management

The Company has established and continuously strengthened its business ethics and anti-corruption management system and strictly enforced national laws and regulations such as the *Company Law of the People's Republic of China* and the *Anti-Unfair Competition Law of the People's Republic of China*. It clearly defines the boundaries of conduct and compliance requirements applicable to employees and business partners. The Audit Committee under the Board of Directors provides overall oversight of related work and forms a closed-loop management mechanism through internal supervision, commitment signing, and accountability measures.

The Company maintains a zero-tolerance stance toward violations such as bribery and kickbacks, conflicts of interest, unfair competition, and money laundering. Through regular internal audits and risk assessments, it links business ethics requirements to employee performance management to strengthen compliance execution. The Company has also established strict rules for key scenarios such as business entertainment, gift-giving, and supplier management, to prevent any incidents involving corruption, bribery, extortion, fraud, money laundering, insider trading, or similar misconduct.

At the same time, through its employee conflict of interest disclosure mechanism, the Company further strengthens its business ethics management and guides employees to uphold sound values and high standards of professional conduct.



Employee Conflict of Interest Disclosure Mechanism

The Company requires employees to make regular disclosures regarding matters such as the employment of relatives or friends, financial interests and investments, outside employment, office relationships, gifts, and business influence, strengthening the internal supervision system.

The Company continues to implement policies on clean and transparent procurement, embedding integrity requirements into supplier management and key procurement control points. During supplier onboarding and cooperation, we require suppliers to sign the *Supplier Anti-Bribery Commitment*. In addition, during preliminary on-site visits and similar processes, the Company communicates anti-bribery requirements to suppliers and distributes anti-bribery reminder cards, strengthening preventive controls against the improper transfer of benefits at an early stage.

✓ Key Performance

In 2025,

100% of employees had signed the *Integrity and Self-discipline Commitment*.

100% of major suppliers had signed the *Supplier Anti-Bribery Commitment*.

We reported no business ethics incidents or illegal acts involving corruption, bribery, conflicts of interest, fraud, money laundering and unfair competition.



Anti-corruption Warning and Education Activities

In 2025, INTCO Recycling carried out anti-corruption warning and education activities across its four major bases in Shandong, Shanghai, Anhui, and Jiangsu. Employees from Internal Control and Supply Chain Departments participated in the activities, which totaled approximately 35 hours of training, achieving 100% coverage across all business and functional departments. The activities aimed to help employees clearly understand behavioral boundaries and compliance "red lines," and encouraged participants to apply what they had learned to risk identification, process execution, and self-discipline in daily business scenarios, further strengthening the foundation of business ethics.



Reporting Channels and Protection Measures

The Company has formulated and published the *Code of Conduct*, *Anti-Bribery Management System*, *Whistleblower Protection Policy*, and *Anti-Fraud, Whistleblowing and Complaint Management Policy*. We encourage all employees and external stakeholders to report misconduct either anonymously or by real names through multiple channels, including the Feishu platform, email, and telephone hotlines.

The Company is committed to protecting complainants and whistleblowers during investigation and strictly prohibits any form of retaliation, reprisal, or suppression against whistleblowers, ensuring fairness and security throughout the process. Any individual who improperly discloses whistleblowers' information or retaliates against them shall be dealt with seriously in accordance with the Company's policies. If any violation of laws is involved, the case shall be transferred to the judicial authorities in accordance with the law.

The Company has established the INTCO Complaint and Reporting Platform as a unified intake channel to facilitate employees and business partners in submitting clues and opinions. The Platform regularly pushes corporate anti-corruption cases, reminders on integrity during holidays, and other materials to all employees, further strengthening compliance guidance and risk prevention.



Enhancing Awareness of Business Ethics

New Employee Onboarding and Ongoing Promotion



The Company continues to advance a culture of integrity by combining onboarding training with ongoing communication to deliver business ethics and compliance education to all employees. The focus is on promoting and implementing reporting channels, relevant policies, and compliance requirements to ensure that employees understand the path for reporting violations. Meanwhile, the Company has continuously strengthened awareness in key areas such as workshops, warehouses, offices, cafeterias, and dormitories by displaying reporting platform access information and posting regular posters and display boards, further enhancing employees' understanding of and adherence to business ethics standards.

Key Performance

During the reporting period,

a total of over **2,000** new employees participated in the induction training.



Supplier Integrity Cooperation Promotion Activity



In 2025, the Company organized its first Supplier Integrity Cooperation Promotion activity, further clarifying the boundaries of cooperation and compliance requirements. The activity covered approximately 40 participants and lasted two hours, with a focus on interpreting typical violation cases and corresponding disciplinary measures, while also communicating complaint and reporting channels to strengthen suppliers' compliance awareness and standards of integrity in cooperation.

Group Integrity Compliance Policy Training



In 2025, the Company continued to strengthen integrity risk prevention and control by promulgating the Group's integrity compliance policy among all employees, clarifying behavioral standards and management requirements. Drawing on typical violation cases in recent years, the Company conducted warning and education activities to explain the consequences of disciplinary violations and accountability mechanisms, reinforcing employees' awareness of and respect for compliance red lines and promoting the effective implementation of integrity requirements in daily business operations.

STRENGTHENING ESG MANAGEMENT

The Company embeds ESG management into its strategic planning and operational decision-making. Through innovation in circular recycling and industrial collaboration, we establish end-to-end management across the full value chain, spanning technology R&D, production and operations, and the delivery of low-carbon products. Supported by institutionalized and process-based ESG management mechanisms, we continue to enhance value chain resilience and operational quality, contributing to the achievement of global carbon neutrality goals.

ESG GOVERNANCE FRAMEWORK






The Company has established the Strategy and ESG Committee of the Board of Directors and formulated the *Implementation Rules for the Strategy and ESG Committee of the Board of Directors*, clarifying the division of responsibilities and rules of procedure. Chaired by the Chairman of the Board, the Committee is responsible for reviewing and overseeing major ESG matters. An ESG Executive Team has been established under the Committee to coordinate the implementation of ESG initiatives, working with functional and business departments to ensure full delivery, forming a three-tier ESG governance structure of "Committee – Executive Team – Units."



STAKEHOLDER ENGAGEMENT

The Company regards stakeholder engagement as a fundamental part of its ESG management. We continuously collect opinions and expectations through regular communication channels and integrate feedback on key topics into operational management and decision-making, promoting collaborative value creation.

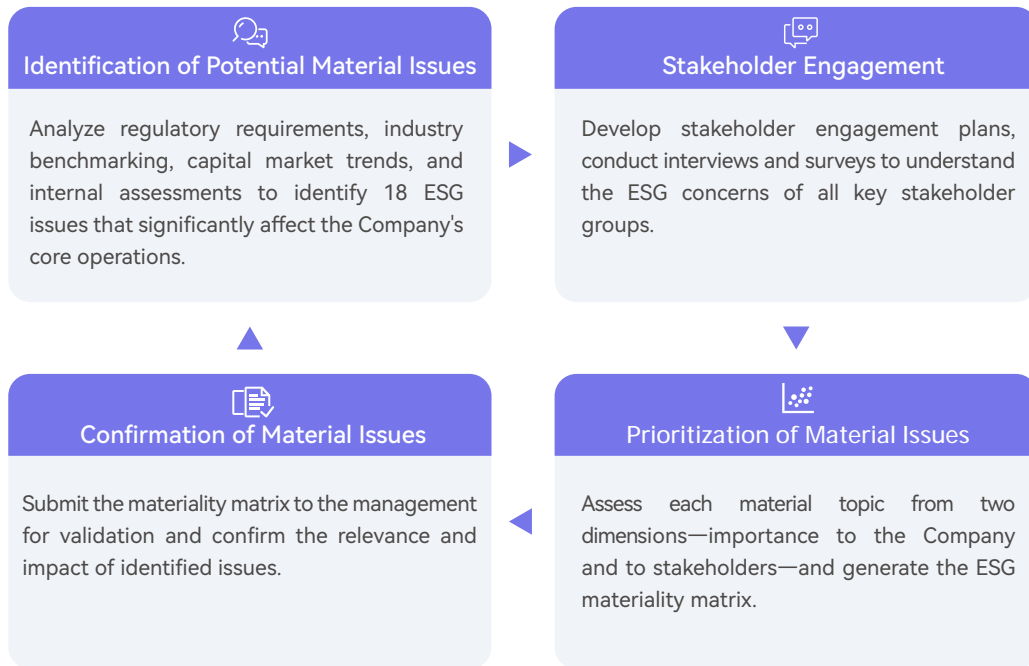
During the reporting period, drawing on the GRI Standards, domestic and international ESG trends, and industry priorities, and based on own business characteristics, the Company systematically identified key stakeholders closely related to corporate governance and operational activities.

Stakeholders	 Government and Regulatory Agencies	 Shareholders and Investors	 Clients / Consumers	 Employees	 Partners (Suppliers and Other Partners)	 Community	 Media
Expectations and Demands	<ul style="list-style-type: none"> Compliance operation Drive social employment Product quality and safety 	<ul style="list-style-type: none"> Reduce operational risks Improve corporate governance Timely investment returns Protection of investor rights Promote technological innovation 	<ul style="list-style-type: none"> Product and service quality Customer relationship management 	<ul style="list-style-type: none"> Protection of basic rights Career development path Healthy, safe, and comfortable work environment Compensation and benefits 	<ul style="list-style-type: none"> Conduct fair trade Promote industry progress 	<ul style="list-style-type: none"> Support community development Participate in public welfare Support disaster relief 	<ul style="list-style-type: none"> Daily communication Information disclosure Thematic interviews and exchanges
Our Response	<ul style="list-style-type: none"> Comply with laws and regulations Implement regulatory requirements Support local economic development Improve product quality 	<ul style="list-style-type: none"> Enhance risk management Improve profitability Strengthen corporate governance Disclose information in accordance with laws Protect the rights of minority investors 	<ul style="list-style-type: none"> Provide high-quality products and services Strictly fulfill contractual obligations 	<ul style="list-style-type: none"> Comply with labor laws and regulations Provide employee development planning Organize employee care initiatives 	<ul style="list-style-type: none"> Establish transparent procurement mechanisms Foster mutual benefit and cooperation Responsible sourcing Participate in setting industry standards 	<ul style="list-style-type: none"> Engage in charity and voluntary services Contribute to rural revitalization Support education and elderly care Environmental education 	<ul style="list-style-type: none"> Provide transparent disclosure Conduct media visits and communications
Communication Channels	<ul style="list-style-type: none"> Research reception Daily working meetings Thematic sessions Information submission and correspondence 	<ul style="list-style-type: none"> Shareholders' meetings Earnings briefings Press releases, information disclosures Roadshows and reverse roadshows 	<ul style="list-style-type: none"> Customer satisfaction surveys Customer communication and visits Online channels (App, Website, 400 Hotline, etc.) 	<ul style="list-style-type: none"> Employee congress Employee communication and engagement Employee training and development programs Employee care initiatives 	<ul style="list-style-type: none"> Industry associations and chambers Industry exhibitions Open and transparent bidding Supply chain partner training and management 	<ul style="list-style-type: none"> Charity events Volunteering activities 	<ul style="list-style-type: none"> Press releases Media interviews

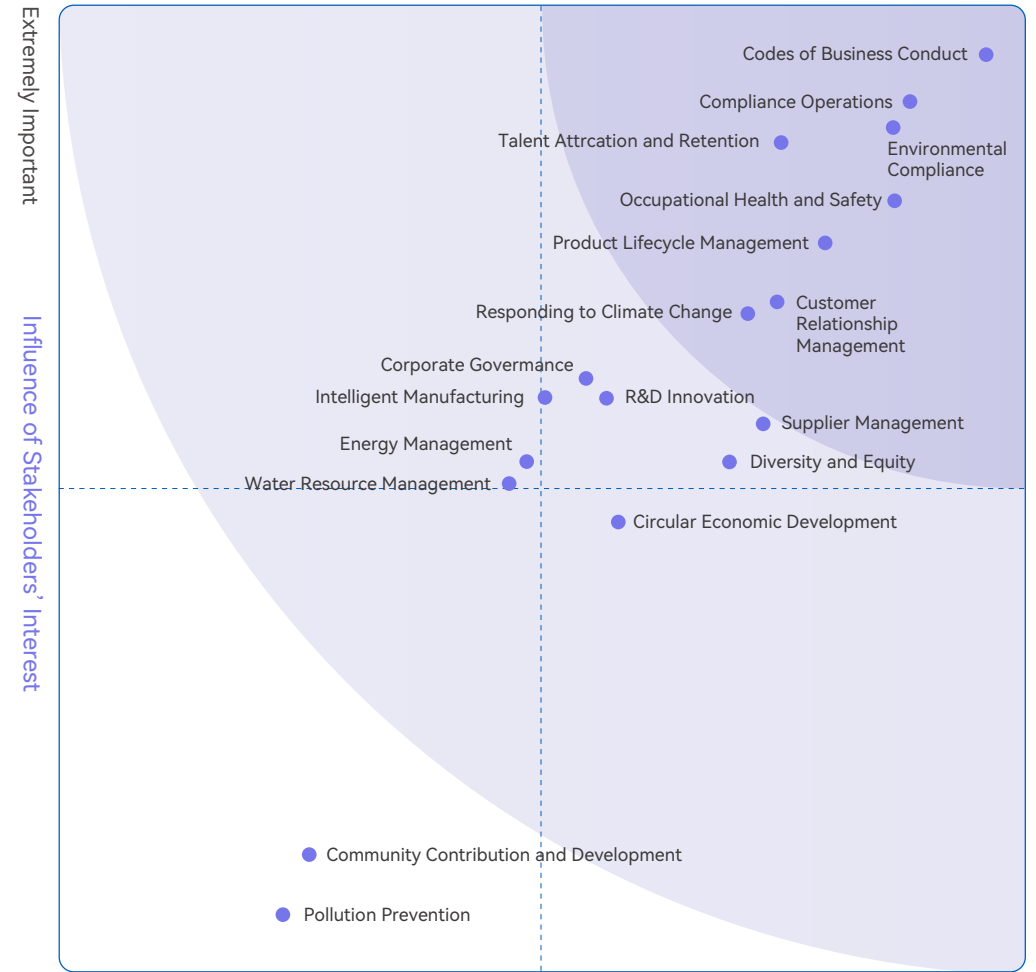
MATERIALITY ASSESSMENT

The Company has established an annual materiality assessment mechanism. Based on benchmarking analysis, strategic priorities, and feedback from internal and external stakeholders, the management of the Company identified and assessed 18 material topics in accordance with the principle of double materiality. These topics are considered to have significant impacts on society and the environment, as well as material implications for the Company's development and long-term value creation. The assessment results were reviewed and confirmed by the Strategy and ESG Committee of the Board of Directors and are disclosed and addressed in this Report.

Materiality Identification and Assessment Process



ESG Materiality Matrix of INTCO Recycling



SAFEGUARDING INFORMATION SECURITY

ENSURING DATA SECURITY

To systematically enhance its information security governance, the Company continues to upgrade its information security governance structure and policy framework, clarify responsibilities, strengthen key controls, and extend relevant requirements to external stakeholders, facilitating the effective implementation of standardized information security management.

Information Security Policies and Systems

The Company strictly complies with laws and regulations including the *Cybersecurity Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China*, and the *Data Security Law of the People's Republic of China*. We continue to improve internal policies such as the *Information Security Management Policy*, *Data Center Backup Management Policy*, *Information System Development Management Policy*, and *IT Equipment Maintenance Management Policy*, clearly defining information security management requirements. The Company has also established corresponding system access control policies for systems including NC and MRP.

In 2025, the Company revised the *IA-AS-1001-A3 Information Security Management Policy*, adding illustrative cases to the information security incident reporting procedures, which are accessible to employees via Feishu. Meanwhile, we established dedicated operation and maintenance groups for key systems and launched an IT workspace available to all employees, facilitating the submission of issues and responses from IT personnel.

For key external stakeholders such as visitors, customers, and suppliers, the Company has established stringent information security requirements and strictly controls data access and export permissions to reduce the risk of information leakage. During the reporting period, the Company experienced no information security breaches or other cybersecurity incidents, with zero information security vulnerabilities found and zero customers, clients, and employees affected by compliance violations.

Information Security Governance Structure

The Company has appointed a senior-level executive as AIT leader to oversee the Company's IT strategy, system architecture, and infrastructure development. This leader also serves as the highest management authority for IT and information security, taking full responsibility for the supervision and management of information security. For critical system operations, the Company implements authorization and approval controls, maintains operation logs, and strengthens the traceability and compliance of key system operations.

Information Security Risk Prevention

The Company has built a zero-trust security framework based on the principle of "never trust, always verify." We apply tiered authentication and access controls to different devices and users, reducing internal cybersecurity risks at the source.

Key Performance

During the reporting period, the signing rate of information security confidentiality agreements reached **100%**



Zero-trust Security Framework

Information Security Management Plan

The Company has established hierarchical response procedures for information security incidents of different severity levels and conducts quarterly vulnerability scans. We carry out focused inspections and risk monitoring on infrastructure, application systems, and network environment, improving response efficiency and standardization through continuous follow-up and iterative optimization.

The Company also regularly uses vulnerability management tools and cybersecurity training ranges to conduct attack-and-defense validation exercises. Additionally, we collaborate with external security experts to review security architecture, assess the soundness and effectiveness of network architecture and security design, and promptly identify and address potential risks and vulnerabilities.

Vulnerability Scanning, Auditing & Inspection



- Quarterly vulnerability scanning, verification, and equipment security inspection
- Semi-annual security policy audit and optimization
- Biannual 24/7 emergency response drills with specialized reports
- Periodic attack surface assessment, security advisories, and annual report
- Annual cybersecurity awareness training

External Assessment & Certification



- December 2025: Engaged a third-party firm for internal/external network vulnerability scanning; delivered inspection reports
- October 2025: Engaged a third-party firm for cybersecurity classified assessment; the Company passed Level 3 Cybersecurity Classified Protection annual re-certification

Information Security Training

The Company continues to strengthen employees' information security awareness by conducting two company-wide information security training sessions each month. Training topics cover fundamental information security knowledge, security technologies and application practices, data protection and compliance requirements, and secure operating protocols. To enhance practical response capabilities, the Company also conducts scenario-simulated phishing email attack drills, helping employees strengthen their ability to identify and guard against security threats through hands-on practice.

Key Performance

During the reporting period,
the Company conducted **24** relevant trainings, achieving a **100%** employee participation rate.
the average training hours per employee reached **24** hours for the whole year.



External Engagement

To keep pace with industry developments and continuously enhance cybersecurity management capabilities, the Company actively participates in external forums, training programs, and technical exchange activities related to information technology development and cybersecurity. Drawing on external best practices through these activities, we promote the continuous optimization of information security management capabilities.

Fortinet Accelerate 2025 – North Asia Tour

On June 5, 2025, the Company participated in Fortinet Accelerate 2025, hosted by Fortinet. Under the theme "Fortify Your Tomorrow," the event focused on cutting-edge topics including SASE, AI security, and cloud cybersecurity, and explored the development of AI-driven security architectures and security practices in complex network environments. During the roundtable sessions, the Company gained deeper insight into industry best practices. Combined with own existing deployment of Fortinet firewalls, FDR, and related policies and training, the Company further refined the coordinated protection approach covering technology, management, and people. This enhanced business continuity and operational stability, providing useful reference points for further strengthening the Company's information security capabilities.

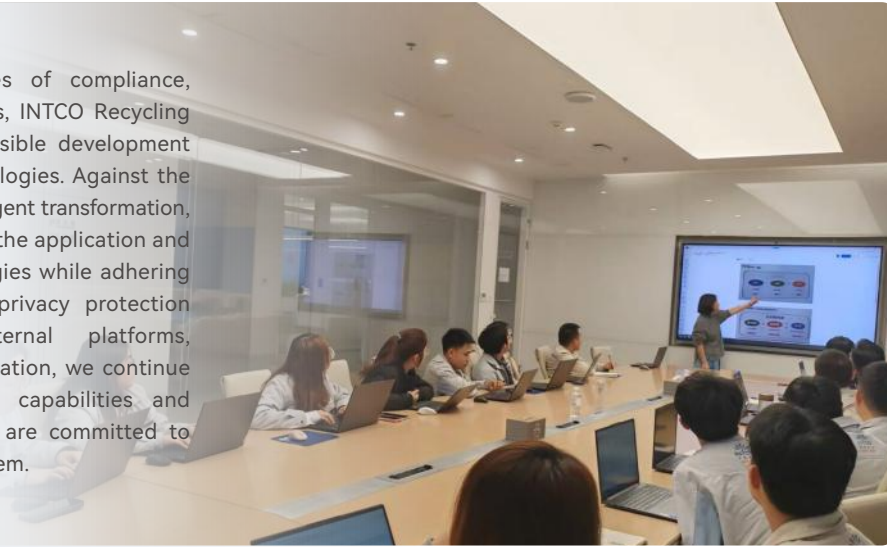


CSOP Cybersecurity Operations in Practice Conference

On August 21, 2025, the Company participated in the 7th CSOP Cybersecurity Operations in Practice Conference. The conference focused on cybersecurity developments such as attack-and-defense exercises, ransomware attacks, phishing attacks, and vulnerability exploitation, while also addressing the latest advances in the application of large AI models and threat intelligence. Under the theme "New Landscape, New Practice," the conference featured exchanges on practical security operations strategies and experience in protecting critical infrastructure. Through this participation, the Company gained deeper insight into industry technology trends and operational best practices, gaining valuable opportunities to learn from real-world attack-and-defense experience and stay abreast of emerging developments.

AI Information Security

Grounded in the principles of compliance, security, and trustworthiness, INTCO Recycling is committed to the responsible development and application of AI technologies. Against the backdrop of digital and intelligent transformation, the Company is accelerating the application and development of AI technologies while adhering to technology ethics and privacy protection regulations. Through internal platforms, training, and practical application, we continue to enhance employees' AI capabilities and compliance awareness, and are committed to building a trusted AI ecosystem.



The Company embeds ethics requirements throughout the entire technology development process and conducts ethical assessments for AI projects at the project initiation stage, focusing on data-use compliance, fairness in model decision-making, and transparency. The technology and legal teams jointly review relevant matters to ensure compliance with applicable laws, regulations, and industry standards. Senior management also regularly reviews AI application projects to promote compliance and controlled operation of AI technologies.

In 2025, the Company assigned an IT Business Partner (ITBP) to each business department to drive the deep integration of AI tools with business scenarios and comprehensively enhance the organization's digital capabilities. We deployed internal AI assistants on the Feishu platform for information retrieval and workflow management, reducing the risk of internal information leakage and supporting employees in the secure use of AI tools. At the same time, the Company upgraded the AIOps intelligent O&M model by leveraging intelligent assistants and an AI knowledge base to provide targeted Q&A support and enable the intelligent generation of office documents, thereby improving workplace efficiency and accuracy.

Data Privacy Protection

Strictly comply with data protection laws and regulations, and ensure compliance in data collection, usage, storage, and other processes
Continuously improve management measures for personal information protection based on actual business operations

System and Network Security

Deploy large-scale AI models in a private environment to safeguard systems against malicious attacks, abuse, and data leakage
Conduct regular security testing and vulnerability scanning
Establish a multi-layered security protection mechanism

Right to be Informed

Carefully review AI-generated content and improve relevant notices and explanations in applicable scenarios

Science & Technology Ethics Norms

Pay close attention to fairness, bias risks, and ethical issues in AI applications
Improve the explainability of AI-driven decision-making



PROTECTING CUSTOMER PRIVACY

The Company places high priority on customer data security and consumer privacy protection. In compliance with the *Personal Information Protection Law of the People's Republic of China*, we have established stringent customer privacy management measures, centrally manages customer information through the CRM system, and apply classification and tiering encryption for customer data to comprehensively safeguard customer privacy.

To strengthen employees' awareness of customer privacy protection, the Company continues to organize sharing sessions on typical privacy protection cases, enabling employees to identify and prevent potential risks.

Centralized CRM Management

Data Minimization: Strictly limits the scope of data collection and access permissions to prevent any unauthorized use.

Access Control: Strengthens approval procedures for customer data access and restricts non-essential external exports to reduce the risk of data leakage.

- 01 Immediately contact the digital automation department after the incident
- 02 Conduct a risk assessment and determine priorities, and respond based on the results of the assessment
- 03 Inspect devices involved in the incident to determine the cause of the data breach
- 04 Isolate and disable the affected devices
- 05 Establish incident response records, analyze causes, strengthen relevant protections, and conduct thorough inspections at each base

Customer Privacy Breach Response Process



APPENDIX 1: SUMMARY OF 2025 ESG KEY PERFORMANCE INDICATORS

Key Performance	2022	2023	2024	2025	Unit
Key Economic Performance					
Revenue	205,605.56	245,507.70	292,374.12	354,621.70	Ten thousand RMB
Profit	23,977.58	19,565.37	30,731.95	28,573.45	Ten thousand RMB
Key Environmental Performance					
Energy Use					
Gasoline	98,011	117,159	200,704	218,904	Liter
Diesel	159,181	225,651	424,009	467,748	Liter
Natural gas	407,080	743,058	778,987	468,277	Cubic Meter
Liquefied natural gas	--	--	--	11	Ton
Purchased electricity	70,023,245	92,677,515	82,457,219	110,594,487	kWh
Purchased steam	--	--	7,402	5,991	Ton
Energy Consumption					
Direct energy consumption	6,481.50	10,365.18	13,456.28	11,259.94	MWh
Indirect energy consumption	70,023.24	92,677.52	88,690.11	115,639.24	MWh
Total energy consumption	76,504.74	103,042.70	102,146.40	126,899.18	MWh
Energy intensity	0.37	0.37	0.35	0.36	MWh/ten thousand RMB
Greenhouse Gas Emissions					
Direct GHG emissions (Scope 1)	1,442.49	2,295.12	3,087.04	2,683.95	tons of CO ₂ e
Direct GHG emissions intensity	0.007	0.01	0.01	0.01	tCO ₂ e/ten thousand RMB
Indirect GHG emissions (Scope 2)	36,517.70	47,568.53	43,678.73	55,224.35	tons of CO ₂ e
Indirect GHG emissions intensity	0.18	0.17	0.15	0.16	tCO ₂ e/ten thousand RMB
Partial other indirect GHG emissions (Scope 3)	--	534,933.56	587,082.17	533,927.44	tons of CO ₂ e
Partial other indirect GHG emissions intensity	--	1.93	2.01	0.04	tCO ₂ e/ten thousand RMB
Total GHG emissions (Scope 1 + Scope 2+Partial Scope 3)	37,960.19	584,797.21	633,847.94	591,835.74	tons of CO ₂ e
Intensity of own-operation GHG emissions	0.18	0.18	0.16	0.16	tCO ₂ e/ten thousand RMB
Water Resources					
Total water withdrawal	224,287	311,111	326,225	433,285	Ton
Total water discharge	150,134	261,436	207,415	290,528	Ton
Total water consumption	74,153	44,177	113,152	142,757	Ton

Key Performance	2022	2023	2024	2025	Unit
Waste Water					
BOD	0.34	0	0	0	Ton
COD	1.00	0	0	0	Ton
NH3-N	0	0	0	0	Ton
Waste					
Total non-hazardous waste generated	10,444.76	5,311.08	9,020.55	11,700.93	Ton
Non-hazardous waste recycled/reused	9,612.65	3,738.53	8,040.45	9,895.55	Ton
Non-hazardous waste treated	832.11	1,572.55	980.10	1,573.38	Ton
Total hazardous waste generated	81.98	529.48	943.32	698.28	Ton
Hazardous waste recycled/reused	--	--	3.45	0	Ton
Hazardous waste treated	--	--	939.87	698.28	Ton
Waste Gas					
Nitrogen oxides emissions	0	0	0	0	Ton
Sulfur oxides emissions	0	0	0	0	Ton
VOCs	3.83	7.02	4.71	8.84	Ton
Packaging Materials					
Total packaging material	9,077.70	13,352.06	16,279.00	21,098.00	Ton
Paper consumption	7,572.00	12,076.15	14,762.00	19,066.00	Ton
Plastic consumption	1,505.70	1,275.94	1,517	2,032.00	Ton
Total plastic reduction in packaging (replacing plastic with paper)	--	--	960	1,056.00	Ton
Percentage of packaging materials made from recycled/renewable materials	83.41	90.44	90.68	90.37	%
Key Social Performance					
Employment					
Total number of employees	2,986	3,536	3,951	5,323	Person
Employment Category					
Full-time	2,985	3,536	3,951	5,323	Person
Part-time	1	0	0	0	Person
Employees Composition					
Male	1,739	2,036	2,252	2,983	Person
Female	1,247	1,500	1,699	2,340	Person
Aged 30 and under	1,103	1,378	1,562	2,250	Person
Aged 31 to 50	1,585	1,850	2,088	2,730	Person
Aged 51 and above	298	299	301	343	Person

Key Performance	2022	2023	2024	2025	Unit
Chinese employees	2,458	2,805	2,985	3,410	Person
Overseas employees	528	731	966	1,913	Person
Management Diversity					
Number of senior management-male	360	105	96	100	Person
Number of senior management-female	123	74	85	92	Person
New Employees Overview					
Total number of new employees	622	1,122	1,317	2,478	Person
Male	386	665	808	1,497	Person
Female	236	457	509	981	Person
Aged 30 and under	351	641	762	1,479	Person
Aged 31 to 50	267	445	539	942	Person
Aged 51 and above	4	36	16	57	Person
Chinese employees	181	946	833	1,292	Person
Overseas employees	441	176	484	1,186	Person
Employees Turnover					
Total number of employee turnover	630	1,000	917	1,189	Person
Employee turnover rate	21.09	21.47	18.90	18.49	%
Male	21.03	22.03	20.60	17.87	%
Female	21.28	20.69	16.48	19.37	%
Aged 30 and under	25.99	29.59	22.71	18.41	%
Aged 31 to 50	16.20	15.16	15.49	18.22	%
Aged 51 and above	23.65	15.52	19.37	21.51	%
Management turnover rate	--	8.79	13.74	8.20	%
Non-management turnover rate	--	21.98	19.10	18.80	%
Chinese employee turnover rate	22.81	23.33	18.42	15.92	%
Overseas employee turnover rate	11.82	13.78	20.33	23.61	%
Occupational Health and Safety					
Number of EHS training sessions	109	117	135	157	Session
EHS training coverage rate	100	100	100	100	%
Investment in EHS	923.05	718.51	997.04	1150.79	Ten thousand RMB
Number of work-related accidents	15	20	28	27	Case
Number of deaths due to work-related incidents	0	0	0	0	Person

Key Performance	2022	2023	2024	2025	Unit
Employee Training					
Total hours of employee training	134,508	206,352	263,871	359,520	Hour
Employee training coverage	100	100	100	100	%
Average training hours per employee	45.05	58.35	66.79	67.54	Hour
Supply Chain Management					
Number of suppliers	1,214	1,166	1,226	2,292	Unit
Chinese supplier	1,075	841	1,018	1,934	Unit
Overseas supplier	139	325	208	358	Unit

Note: The 2025 employee turnover rate is calculated based on employee departures that occurred without external third-party involvement.

APPENDIX 2: GRI STANDARDS INDEX

INTCO Recycling has reported the information for the period from January 1, 2025 to December 31, 2025 in accordance with the GRI Standards
GRI 1: Foundation 2021

GRI Standard	Disclosure	Chapter	Page/Notes
GRI 2: General Disclosures 2021			
The organization and its reporting practices			
2-1	Organizational details	About INTCO Recycling	10
2-2	Entities included in the organization's sustainability reporting	About this Report	2
2-3	Reporting period, frequency and contact point	About this Report	2
2-4	Restatements of information	No restatements of information	
2-5	External assurance	Independent Third-Party Assurance Report	117
Activities and workers			
2-6	Activities, value chain, clients/consumers, government and regulatory agencies, NGOs, community, media, suppliers and other business relationships	About INTCO Recycling Strengthening Supply Chain Resilience	10 81-85
2-7	Employees	Creating a Fulfilling Workplace Summary of 2025 ESG Key Performance Indicators	62-66 108-111
2-8	Workers who are not employees	No workers who are not employees	-
2-9	Governance structure and composition	Optimizing corporate governance	92-99
2-10	Nomination and selection of the highest governance body	Optimizing corporate governance	92-99
2-11	Chair of the highest governance body	Optimizing corporate governance	92-99
2-12	Role of the highest governance body in overseeing the management of impacts	Strengthening ESG Management	100-102
2-13	Delegation of responsibility for managing impacts	Strengthening ESG Management	100-102
2-14	Role of the highest governance body in sustainability reporting	About this Report	02
2-15	Conflicts of interest	Optimizing corporate governance	92-99
2-16	Communication of critical concerns	Strengthening ESG Management	100-102
2-17	Collective knowledge of the highest governance body	Strengthening ESG Management	100-102
2-18	Evaluation of the performance of the highest governance body	Strengthening ESG Management	100-102
2-19	Remuneration policies	Disclosures are omitted due to commercial confidentiality restrictions	
2-20	Process to determine remuneration	Disclosures are omitted due to commercial confidentiality restrictions	
2-21	Annual total compensation ratio	Disclosures are omitted due to commercial confidentiality restrictions	

GRI Standard	Disclosure	Chapter	Page/Notes
Strategy, policies and practices			
2-22	Statement on sustainable development strategy	Message from the Chairman	03
2-23	Policy commitments	Empowering a Better Life	13-26
		Digital Intelligence Empowerment and Upgrading	34-39
		Practicing Green Manufacturing	40-43
		Responding to climate change	44-55
		Creating a Fulfilling Workplace	62-66
		Strengthening the Foundation of Safety	70-72
		Strengthening Supply Chain Resilience	81-85
		Optimizing corporate governance	92-99
		Strengthening ESG Management	100-102
		Safeguarding Information Security	103-107
2-24	Embedding policy commitments	Empowering a Better Life	13-26
		Digital Intelligence Empowerment and Upgrading	34-39
		Practicing Green Manufacturing	40-43
		Responding to climate change	44-55
		Creating a Fulfilling Workplace	62-66
		Strengthening the Foundation of Safety	70-72
		Strengthening Supply Chain Resilience	81-85
		Optimizing corporate governance	92-99
		Strengthening ESG Management	100-102
		Safeguarding Information Security	103-107
2-25	Processes to remediate negative impacts	Empowering a Better Life	13-26
		Building a Trustworthy Choice	27-32
		Strengthening the Foundation of Safety	70-72
		Creating a Fulfilling Workplace	62-66
		Diversity, Equity and Inclusion	66-69
		Safeguarding Information Security	103-107
2-26	Mechanisms for seeking advice and raising concerns	Optimizing corporate governance	92-99
2-27	Compliance with laws and regulations	Not occurred during the reporting period	
2-28	Membership associations	Fostering a Synergistic Ecosystem	85-90
Stakeholder engagement			
2-29	Approach to stakeholder engagement	Strengthening ESG Management	100-102

GRI Standard	Disclosure	Chapter	Page/Notes
2-30	Collective bargaining agreements	Creating a Fulfilling Workplace	62-66
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	Strengthening ESG Management	
3-2	List of material topics	Strengthening ESG Management	100-102
Economics			
GRI 201: Economic Performance 2016			
3-3	Management of material topics	Strengthening ESG Management	100-102
201-1	Direct economic value generated and distributed	Summary of 2025 ESG Key Performance Indicators	108-111
201-2	Financial implications and other risks and opportunities due to climate change	Responding to climate change	44-55
201-3	Defined benefit plan obligations and other retirement plans	Creating a Fulfilling Workplace Diversity, Equity and Inclusion	62-66 66-69
201-4	Financial assistance received from government	Disclosures are omitted due to commercial confidentiality restrictions	
GRI 202: Market Presence 2016			
3-3	Management of material topics	About INTCO Recycling	10
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	The company adheres to the principle of equal pay for equal work. Disclosures are omitted due to commercial confidentiality restrictions	
202-2	Proportion of senior management hired from the local community	Disclosures are omitted due to commercial confidentiality restrictions	
GRI 203: Indirect Economic Impacts 2016			
3-3	Management of material topics	Expanding the Philanthropic Network Advancing Rural Revitalization Strengthening Community Partnerships Fostering a Synergistic Ecosystem	74-77 78 79 85-90
203-1	Infrastructure investments and services supported	Expanding the Philanthropic Network Advancing Rural Revitalization Strengthening Community Partnerships Fostering a Synergistic Ecosystem	74-77 78 79 85-90
203-2	Significant indirect economic impacts	Expanding the Philanthropic Network Advancing Rural Revitalization Strengthening Community Partnerships Fostering a Synergistic Ecosystem	74-77 78 79 85-90
GRI 204: Procurement Practices 2016			
3-3	Management of material topics	Strengthening Supply Chain Resilience	
204-1	Proportion of spending on local suppliers	Disclosures are omitted due to commercial confidentiality restrictions	81-85

GRI Standard	Disclosure	Chapter	Page/Notes
GRI 205: Anti-corruption 2016			
3-3	Management of material topics	Optimizing corporate governance	92-99
205-1	Operations assessed for risks related to corruption	Optimizing corporate governance	92-99
205-2	Communication and training about anti-corruption policies and procedures	Optimizing corporate governance	92-99
205-3	Confirmed incidents of corruption and actions taken	Optimizing corporate governance	92-99
GRI 206: Anti-competitive Behavior 2016			
3-3	Management of material topics	Optimizing corporate governance	92-99
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Optimizing corporate governance	92-99
Environment			
GRI 301: Materials 2016			
3-3	Management of material topics	Responding to climate change	44-55
301-1	Materials used by weight or volume	Summary of 2025 ESG Key Performance Indicators	108-111
301-2	Recycled input materials used	Responding to climate change	44-55
301-3	Reclaimed products and their packaging materials	Responding to climate change	44-55
GRI 302: Energy 2016			
3-3	Management of material topics	Responding to climate change	44-55
302-1	Energy consumption within the organization	Summary of 2025 ESG Key Performance Indicators	108-111
302-2	Energy consumption outside of the organization	Summary of 2025 ESG Key Performance Indicators	108-111
302-3	Energy intensity	Summary of 2025 ESG Key Performance Indicators	108-111
302-4	Reduction of energy consumption	Responding to climate change	44-55
302-5	Reductions in energy requirements of products and services	Responding to climate change	44-55
GRI 303: Water and Effluents 2018			
3-3	Management of material topics	Practicing Green Manufacturing Responding to climate change	40-43 44-55
303-1	Interactions with water as a shared resource	Practicing Green Manufacturing Responding to climate change	40-43 44-55
303-2	Management of water discharge-related impacts	Practicing Green Manufacturing Responding to climate change	40-43 44-55
303-3	Water withdrawal	Responding to climate change Summary of 2025 ESG Key Performance Indicators	44-55 108-111
303-4	Water discharge	Practicing Green Manufacturing Summary of 2025 ESG Key Performance Indicators	40-43 108-111
303-5	Water consumption	Responding to climate change Summary of 2025 ESG Key Performance Indicators	44-55 108-111

GRI Standard	Disclosure	Chapter	Page/Notes
GRI 305: Emissions 2016			
3-3	Management of material topics	Practicing Green Manufacturing	40-43
		Responding to climate change	44-55
305-1	Direct (Scope 1) GHG emissions	Summary of 2025 ESG Key Performance Indicators	108-111
305-2	Energy indirect (Scope 2) GHG emissions	Summary of 2025 ESG Key Performance Indicators	108-111
305-3	Other indirect (Scope 3) GHG emissions	Summary of 2025 ESG Key Performance Indicators	108-111
305-4	GHG emissions intensity	Summary of 2025 ESG Key Performance Indicators	108-111
305-5	Reduction of GHG emissions	Responding to climate change	44-55
305-6	Emissions of ozone-depleting substances (ODS)	No ODS emissions during company operations and production processes	
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Practicing Green Manufacturing	40-43
		Summary of 2025 ESG Key Performance Indicators	108-111
GRI 306: Waste 2020			
3-3	Management of material topics	Practicing Green Manufacturing	40-43
306-1	Waste generation and significant waste-related impacts	Practicing Green Manufacturing	40-43
306-2	Management of significant waste-related impacts	Practicing Green Manufacturing	40-43
306-3	Waste generated	Practicing Green Manufacturing	40-43
		Summary of 2025 ESG Key Performance Indicators	108-111
306-4	Waste diverted from disposal	Practicing Green Manufacturing	40-43
		Summary of 2025 ESG Key Performance Indicators	108-111
306-5	Waste directed to disposal	Practicing Green Manufacturing	40-43
		Summary of 2025 ESG Key Performance Indicators	108-111
GRI 308: Supplier Environmental Assessment 2016			
3-3	Management of material topics	Strengthening Supply Chain Resilience	81-85
308-1	New suppliers that were screened using environmental criteria	Strengthening Supply Chain Resilience	81-85
308-2	Negative environmental impacts in the supply chain and actions taken	Strengthening Supply Chain Resilience	81-85
Social			
GRI 401: Employment 2016			
3-3	Management of material topics	Creating a Fulfilling Workplace	62-66
401-1	New employee hires and employee turnover	Creating a Fulfilling Workplace	62-66
		Summary of 2025 ESG Key Performance Indicators	108-111
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Empowering Employee Growth	57-61
		Diversity, Equity and Inclusion	66-69
401-3	Parental leave	Empowering Employee Growth	57-61

GRI Standard	Disclosure	Chapter	Page/Notes
GRI 402: Labor/Management Relations 2016			
3-3	Management of material topics	Creating a Fulfilling Workplace	62-66
402-1	Minimum notice periods regarding operational changes	Creating a Fulfilling Workplace	62-66
GRI 403: Occupational Health and Safety 2018			
3-3	Management of material topics	Strengthening the Foundation of Safety	70-72
403-1	Occupational health and safety management system	Strengthening the Foundation of Safety	70-72
403-2	Hazard identification, risk assessment, and incident investigation	Strengthening the Foundation of Safety	70-72
403-3	Occupational health services	Strengthening the Foundation of Safety	70-72
403-4	Worker participation, consultation, and communication on occupational health and safety	Strengthening the Foundation of Safety	70-72
403-5	Worker training on occupational health and safety	Strengthening the Foundation of Safety	70-72
403-6	Promotion of worker health	Strengthening the Foundation of Safety	70-72
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Strengthening the Foundation of Safety	70-72
403-8	Workers covered by an occupational health and safety management system	Strengthening the Foundation of Safety	70-72
403-9	Work-related injuries	Strengthening the Foundation of Safety Summary of 2025 ESG Key Performance Indicators	70-72 108-111
403-10	Work-related ill health	Strengthening the Foundation of Safety	70-72
GRI 404: Training and Education 2016			
3-3	Management of material topics	Empowering Employee Growth	57-61
404-1	Average hours of training per year per employee	Empowering Employee Growth Summary of 2025 ESG Key Performance Indicators	57-61 108-111
404-2	Programs for upgrading employee skills and transition assistance programs	Empowering Employee Growth	57-61
404-3	Percentage of employees receiving regular performance and career development reviews	Empowering Employee Growth	57-61
GRI 405: Diversity and Equal Opportunity 2016			
3-3	Management of material topics	Diversity, Equity and Inclusion	66-69
405-1	Diversity of governance bodies and employees	Diversity, Equity and Inclusion	66-69
405-2	Ratio of basic salary and remuneration of women to men	The company adheres to the principle of equal pay for equal work. Disclosures are omitted due to commercial confidentiality restrictions	
GRI 406: Non-discrimination 2016			
3-3	Management of material topics	Creating a Fulfilling Workplace	62-66
406-1	Incidents of discrimination and corrective actions taken	Creating a Fulfilling Workplace	62-66
GRI 407: Freedom of Association and Collective Bargaining 2016			
3-3	Management of material topics	Creating a Fulfilling Workplace	62-66
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Creating a Fulfilling Workplace	62-66

GRI Standard	Disclosure	Chapter	Page/Notes
GRI 408: Child Labor 2016			
3-3	Management of material topics	Creating a Fulfilling Workplace	62-66
408-1	Operations and suppliers at significant risk for incidents of child labor	Creating a Fulfilling Workplace	62-66
GRI 409: Forced or Compulsory Labor 2016			
3-3	Management of material topics	Creating a Fulfilling Workplace	62-66
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Creating a Fulfilling Workplace	62-66
GRI 410: Security Practices 2016			
3-3	Management of material topics	Creating a Fulfilling Workplace	62-66
410-1	Security personnel trained in human rights policies or procedures	Creating a Fulfilling Workplace	62-66
GRI 413: Local Communities 2016			
3-3	Management of material topics	Advancing Rural Revitalization	78
		Strengthening Community Partnerships	79
		Fostering a Synergistic Ecosystem	85-90
413-1	Operations with local community engagement, impact assessments, and development programs	Advancing Rural Revitalization	78
		Strengthening Community Partnerships	79
		Fostering a Synergistic Ecosystem	85-90
413-2	Operations with significant actual and potential negative impacts on local communities	Disclosures are omitted as it is not applicable	
GRI 414: Supplier Social Assessment 2016			
3-3	Management of material topics	Strengthening Supply Chain Resilience	81-85
414-1	New suppliers that were screened using social criteria	Strengthening Supply Chain Resilience	81-85
414-2	Negative social impacts in the supply chain and actions taken	Strengthening Supply Chain Resilience	81-85
GRI 416: Customer Health and Safety 2016			
3-3	Management of material topics	Building a Trustworthy Choice	27-32
416-1	Assessment of the health and safety impacts of product and service categories	Building a Trustworthy Choice	27-32
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Not occurred during the reporting period	
GRI 417: Marketing and Labeling 2016			
3-3	Management of material topics	Empowering a Better Life	13-26
		Building a Trustworthy Choice	27-32
417-1	Requirements for product and service information and labeling	Empowering a Better Life	13-26
		Building a Trustworthy Choice	27-32
417-2	Incidents of non-compliance concerning product and service information and labeling	Empowering a Better Life	13-26
		Building a Trustworthy Choice	27-32
417-3	Incidents of non-compliance concerning marketing communications	Not occurred during the reporting period	

GRI Standard	Disclosure	Chapter	Page/Notes
GRI 418: Customer Privacy 2016			
3-3	Management of material topics	Safeguarding Information Security	103-107
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Not occurred during the reporting period	

APPENDIX 3: GUIDELINES NO. 14 OF SHANGHAI STOCK EXCHANGE FOR SELF-REGULATION OF LISTED COMPANIES—SUSTAINABILITY REPORT (TRIAL)

Disclosure	Chapter	Pages
Climate change tackling	Responding to climate change	44-55
Pollutant discharge	Practicing Green Manufacturing	40-43
Waste disposal	Practicing Green Manufacturing	40-43
Ecosystem and biodiversity protection	This topic did not meet the thresholds for financial materiality or impact materiality during the reporting period.	
Environmental compliance management	Practicing Green Manufacturing	40-43
Energy usage	Responding to climate change	44-55
Usage of water resources	Responding to climate change	44-55
Circular economy	Empowering a Better Life	13-26
Rural revitalization	Advancing Rural Revitalization	78
Contribution to the society	Expanding the Philanthropic Network	74-77
Innovation-driven	Empowering a Better Life	13-26
Ethics of science and technology	Safeguarding Information Security	103-107
Supply chain security	Strengthening Supply Chain Resilience	81-85
Equal treatment to small and medium-sized enterprises	This topic did not meet the thresholds for financial materiality or impact materiality during the reporting period.	
Safety and quality of products and services	Building a Trustworthy Choice	27-32
Data security and customer privacy protection	Safeguarding Information Security	103-107
Employees	Empowering Employee Growth Creating a Fulfilling Workplace Diversity, Equity and Inclusion Strengthening the Foundation of Safety	56-72
Due diligence	Creating a Fulfilling Workplace	62-66
Communications with stakeholders	Strengthening ESG Management	100-102
Anti-commerical bribery and anti-corruption	Optimizing corporate governance	92-99
Anti-unfair competition	Optimizing corporate governance	92-99

ASSURANCE STATEMENT



天合新能源有限公司
TIANHE ENERGY RESOURCES CO., LTD.
100000 Beijing, China

Assurance Report on Sustainability Information

TCFAAR (2024) No. 7972

To the Board of Directors of INTCO Recycling Resources Co., Ltd.

We have been engaged to conduct an independent assurance engagement on the "2025 Environmental, Social, and Governance (ESG) Report" (the "2025 ESG Report") prepared by INTCO Recycling Resources Co., Ltd. (the "INTCO Recycling" or the "Company").

I. Subject Matter Information

The subject matter of this assurance engagement comprises the following selected key indicators from the 2025 ESG Report:

- (I) Total Energy Consumption
- (II) Purchased Electricity
- (III) Photovoltaic Electricity Generation
- (IV) GHG Emissions (Scope 1)
- (V) GHG Emissions (Scope 2)
- (VI) Total GHG emissions (Scope 1 & 2)
- (VII) Total Water Consumption
- (VIII) Environmental Protection Expenditure
- (IX) Total Number of Employees
- (X) Total Number of Female Employees
- (XI) Total Workforce by Age Group
- (XII) Contract Signing Rate

Our assurance engagement was limited to the above-selected key indicators presented in the 2025 ESG Report and does not cover other disclosures contained therein.

II. Criteria for the Preparation of Subject Matter Information

The criteria used by the Company to prepare the selected key indicators is set out in the Appendix "Criteria for the Preparation of Key Indicators" (the "Criteria").

III. Responsibilities of the Management

The Company's management (the "Management") is responsible for the selection of the Criteria and the preparation of the selected key indicators presented in the 2025 ESG Report in accordance with the Criteria. This responsibility includes the design, implementation, and maintenance of internal controls relevant to the key indicators to ensure that they are free from material misstatement, whether due to fraud or error.

IV. Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants. Our firm applies the "International Standard on Quality Management 1 - Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements", which requires the firm to design, implement, and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

V. Our Responsibilities

We have conducted our assurance engagement in accordance with the "International Standard on Assurance Engagements 3000 (Revised) - Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" (ISAE 3000), "International Standard on Assurance Engagements 3410 - Assurance Engagements on Greenhouse Gas Statements" (ISAE 3410), etc.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Since we did not perform the procedures typically undertaken in a reasonable assurance engagement, we do not express a reasonable assurance opinion. Our assurance work included identifying areas where selected key indicators in the 2025 ESG Report might be subject to material misstatements, designing and performing assurance procedures responsive to the identified risks and obtaining relevant evidence. The procedures performed depend on our professional judgment and assessment of engagement risks.

The specific assurance procedures include:

- (I) Interviews with relevant personnel of INTCO Recycling;
- (II) Reviews of relevant supporting documentation;
- (III) Analytical procedures applied to selected key indicators;
- (IV) Recalculation of selected key indicators through sampling.

VI. Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the selected key indicators presented in the 2025 ESG Report are not prepared, in all material respects, in accordance with the Criteria.

VII. Intended Use of This Report

This report has been prepared solely for the board of directors of INTCO Recycling and is not to be used for any other purpose. We do not assume responsibility towards or accept liability to any other parties for the content of this report.

Appendix: Criteria for the Preparation of Key Indicators



普华永道中天会计师事务所(特殊普通合伙) LLP
Chinese Certified Public Accountant: 张永明

Chinese Certified Public Accountant: 蒋超君

Date of Report: April 27, 2026

Note: This assurance report is prepared in Chinese, and the English translation is provided for reference purposes only.

Appendix: Criteria for the Preparation of Key Indicators

1. Total Energy Consumption: The total energy consumption for 2025 (including electricity, natural gas, gasoline, diesel, etc.) was calculated in accordance with the General Rules for Calculation of Comprehensive Energy Consumption (GB/T 2589-2020).
2. Purchased Electricity: The total consumption of purchased electricity for 2025.
3. Photovoltaic Electricity Generation: The total amount of electricity generated from photovoltaic sources for 2025.
4. GHG Emissions (Scope 1): The Scope 1 greenhouse gas emissions of INTCO Recycling for 2025 cover direct emissions from sources owned or controlled by the Company, including stationary sources, mobile sources, and some fugitive emissions. The calculation method is primarily based on the Greenhouse Gas Protocol, the "General Rules for Calculation of Comprehensive Energy Consumption" (GB/T 2589-2020), and other relevant standards.
5. GHG Emissions (Scope 2): The Scope 2 greenhouse gas emissions of INTCO Recycling for 2025 correspond to emissions associated with purchased electricity. The emission factor adopts the 2023 national average carbon dioxide emission factor for electricity as determined by the Ministry of Ecology and Environment.
6. Total GHG Emissions (Scope 1 + Scope 2): The total greenhouse gas emissions for 2025, combining the above Scope 1 and Scope 2 emissions.
7. Total Water Consumption: The total amount of water resources consumed by all business activities of the Company in 2025.
8. Environmental Protection Expenditure: The total expenditure on environmental protection by the Company in 2025.
9. Total Number of Employees: As of December 31, 2025, the total number of contract-based employees at INTCO Recycling.
10. Total Number of Female Employees: As of December 31, 2025, the total number of female contract-based employees at INTCO Recycling.
11. Total Workforce by Age Group: As of December 31, 2025, the number of employees at INTCO Recycling categorized by age group. The age groups are defined as: under 20 years old (excluding 20), 20-29 years old (excluding 30), 30-39 years old (excluding 40), and 40 years old and above.
12. Contract Signing Rate: As of December 31, 2025, the proportion of employees at INTCO Recycling who have signed labor contracts.