

**NOVOSENSE**

**HKEX: 02676.HK**

**SSE STAR MARKET: 688052.SH**

**2025**

**Environmental, Social, and  
Governance (ESG) Report**



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## About This Report

### Report Overview

This represents the fourth Environmental, Social and Governance (ESG) Report released by Suzhou Novosense Microelectronics Co., Ltd. It is compiled based on the company's specific efforts in bolstering corporate governance, safeguarding employees' rights and prioritizing R&D and innovation throughout the year 2025. Its aim is to showcase the company's ESG approach and its commitment to fulfilling corporate social responsibility for the year.

### Reporting Period

January 1, 2025 to December 31, 2025. Some contents are backdated to previous years or extended to subsequent years, as appropriate, to enhance the readability of this report.

### Reporting Scope

Unless otherwise specified, the scope of this report is consistent with the scope of the company's annual report.

### Abbreviations

For ease of expression and reading, "NOVOSENSE", "the company" or "we" will be used to represent "Suzhou Novosense Microelectronics Co., Ltd". and its subsidiaries in the report.

### Data Sources

The data and examples cited in this report are all from the official working documents, financial reports and statistical data of NOVOSENSE and its major subsidiaries, and have been reviewed and confirmed by the relevant departments of the company to ensure that there are no false records, misleading statements or material omissions. In case of any discrepancy between this report and the company's annual report, the latter shall prevail.

Unless otherwise specified, all currencies and amounts in this report are denominated in CNY.

### Reference Standards

This report follows *Guidelines No. 14 of Shanghai Stock Exchange for the Self-Regulation of Listed Companies—Sustainability Report (Trial), Appendix C2 Environmental, Social and Governance Reporting Code of the Listing Rules* issued by the Hong Kong Stock Exchange, and refers to *Global Reporting Initiative: Sustainability Reporting Standards (GRI Standards) (2021 Edition)*, *China CSR Reporting Guidelines (CASS-ESG 6.0)* issued by Research Center for Corporate Social Responsibility, Academic Division of Economics, Chinese Academy of Social Sciences.

### Access to the Report

This report includes three versions: Simplified Chinese, Traditional Chinese, and English. In case of any ambiguity, the Simplified Chinese version shall prevail. You can download the electronic version of this report from the website of Suzhou Novosense Microelectronics Co., Ltd. ([www.novosns.com](http://www.novosns.com)) for more information of the company.

### Feedback

If you have any opinions or suggestions on the sustainable development of the company, please provide your feedback in the following ways to help us make continuous improvement.

**Tel: +86-512-6260-1802**

**Email: [pr@novosns.com](mailto:pr@novosns.com)**

## Message from the Chairman

Dear colleagues, partners, and readers,

2025 marked the 12th anniversary of NOVOSENSE's founding. Over these twelve years, we are staying true to its original aspiration as reflected in our values "Robust, Reliable, Keep Learning, Persist in Long-term Value". We are working alongside our employees, customers and partners and staying committed to our path in order to open up new possibilities. The company has remained steadfast in its long-term strategic vision, continuously strengthening its technological and product capabilities through stable and resilient growth. On December 8, 2025, NOVOSENSE officially commenced trading on the Main Board of the Hong Kong Stock Exchange. This milestone underscores the company's commitment to deepening its Chinese market presence while accelerating global customer service, fostering supply chain synergy, accelerating the development of an integrated industrial ecosystem, and taking its globalization strategy to a new level. On behalf of the Board of Directors, I would like to express my sincere appreciation to our employees for their hard work, to our customers for their trust and to our partners for their support!

### Deepening Commitment amid the Industry Transition

At this juncture, the semiconductor industry is progressively moving from a phase of cyclical adjustment toward a more rational and structured development stage. The ongoing evolution of the industry landscape has put forward higher standards for companies' strategic foresight, execution capabilities, and long-term investment ability. Globally, the analog semiconductor sector continues to maintain robust growth resilience. In China, the industry's growth potential is particularly significant, driven by the deepening synergy of the local industrial ecosystem. NOVOSENSE has consistently advanced along its predefined strategic direction, focusing on key applications while continuously strengthening

R&D and building capabilities. The company has also constantly refined its stable supply and delivery systems, enabling sustainable and orderly development in the face of a volatile and complex environment.

### Pursuing Achievements for Sustained Growth

In the automotive sector, NOVOSENSE has extended its product coverage to critical systems including traction inverters, On-Board Chargers (OBCs), Battery Management Systems (BMS), and thermal management solutions for new energy vehicles. The company continues to expand its presence into domains such as body electronics, automotive lighting, intelligent cockpits, chassis control, and safety systems, contributing to system-level innovation for low-carbon, safe, and intelligent electric vehicles. In the pan-energy sector, NOVOSENSE has persistently deepened its expertise, establishing comprehensive solutions for key scenarios spanning new energy power generation, power transmission/distribution, and high-power consumption. Focusing on signal chain, power management, sensing, and real-time control, the company has established a robust product portfolio and is actively pursuing higher integration and broader application scenarios. In emerging fields such as embodied intelligence, NOVOSENSE is steadily advancing. Starting from functional requirements, we position ourselves on the "smart terminal" track and proactively built forward-looking technical reserves in key areas including intelligent perception, intelligent decision-making, and intelligent execution. These advancements demonstrate the company's proven ability to deliver highly reliable solutions within complex systems, while simultaneously establishing a solid foundation for sustained long-term growth.

### Harnessing Green, Future-facing Chip Products as a Growth Driver

NOVOSENSE's values are deeply intertwined with the idea of sustainability, which we actively integrate into our corporate governance and operational management. We prioritize investments in environmentally friendly R&D to drive the industry toward low-carbon and intelligent transformation. We are also committed to the growth of every employee, cultivating a safe, equal, diverse, and inclusive work environment. This approach has strengthened employee engagement and belonging. Our specialized training programs – such as *XIN HUO*, *XIN SHI*, and *XIN KONG* – continuously empower team development and professional growth. Guided by the principle that states, "Quality begins with design and is integrated throughout the entire product lifecycle", we have fostered a "Quality First" culture, with a view to ensuring high customer trust and sustained competitiveness. We have deepened partnerships across the global supply chain, offering customized solutions to enhance our clients' system performance. Through flexible, efficient service capabilities, we have supported clients in optimizing costs, unlocking value, and tapping into both existing and emerging market opportunities.

### Rooted in the Local Market while Embracing the Global Stage

Like the rising sun moving along its radiant path, NOVOSENSE has made an exciting journey, expanding from China to the global stage. We will strive to become an indispensable "co-builder" and "preferred partner" amid the intelligent and electrified transformation of the global automotive and energy industries. As we set sail on this new voyage, we remain committed to collaborating with all stakeholders on our shared sustainability journey. Together, we will navigate challenges, pioneer new horizons and forge ahead.



**Wang Shengyang**

Chairman of NOVOSENSE

## Board Statement

During the reporting period, the Board of Directors, as the highest decision-making body for ESG governance of the company, is fully responsible for the supervision, guidance and review of ESG affairs, ensuring the effective implementation of ESG strategy in daily operations. The Board of Directors attaches great importance to risk management work and has incorporated ESG key risks into the company's comprehensive risk management system. It regularly tracks environmental objectives and controversies, and promotes comprehensive and full process risk management and control through risk assessment, process control and event response.

The company identifies, evaluates and prioritizes significant ESG issues related to the company's business operations from the dimensions of impact materiality and financial materiality, with reference to regulatory requirements such as *Guidelines No. 14 of Shanghai Stock Exchange for the Self-Regulation of Listed Companies—Sustainability Report (Trial), Appendix C2 Environmental, Social and Governance Reporting Code of the Listing Rules* issued by the Hong Kong Stock Exchange, and refers to the United Nations Sustainable Development Goals (SDGs) and the *GRI Standards* issued by the Global Reporting Initiative, we identify, evaluate and prioritize major ESG issues, screen out substantive issues and set ESG goals related to business operations.

The preparation of this report strictly follows the relevant regulations of the Shanghai Stock Exchange and the Hong Kong Stock Exchange, and the compliance with ESG reporting guidelines can be found in the index table of this report. This report has been reviewed and approved for publication by the Board of Directors.



# A Closer Look at NOVOSENSE: Embarking on a New Chapter

## Company Profile

NOVOSENSE Microelectronics (688052.SH, 02676.HK) is a highly robust & reliable analog and mixed signal chip company. Since its establishment in 2013, the company has been focusing on sensor, signal chain, and power management, providing comprehensive semiconductor products and solutions, which are widely used in automotive, industrial, information communication and consumer electronics markets.



All-category mixed digital-analog chip provider



Leader among China automotive chip providers



Leader among digital isolator, isolated driver and sensor providers

## Global Presence

R&D and sales in China and other countries:



## Corporate Culture



Sense & Drive the Future, Build a Green, Smart and Connected World with Semiconductors

Robust, Reliable, Keep Learning, Persist in Long-term Value



Values

## Core Business

### Product Offerings

NOVOSENSE always adheres to the core values of “Robust, Reliable, Keep Learning, Persist in Long-term Value”, with a view to providing reliable products to customers and serving as a trustworthy partner for industry players.

We maintain a comprehensive semiconductor product portfolio, spanning sensors (magnetic, pressure, temperature and humidity sensors), signal chain solutions (isolation, interface and general-purpose signal chains), power management (drivers, power path protection and high/low-side switches), and MCU and ASSP across diverse application areas. At the end of 2025, we had more than 3,900 models available for sale.

## Core Business

### Markets

We are committed to continuously expanding our product offerings and tailoring them to address evolving application scenarios. We aim to provide a complete suite of solutions for automotive electronics, pan-energy<sup>1</sup>, and consumer electronics, among other areas. Our products are mainly applied in the following downstream markets:

#### Automotive Electronics

Chips are the core driving force behind technological innovation in the automotive industry, enabling electrification and intelligence. NOVOSENSE is dedicated to providing comprehensive chip solutions for the automotive sector, with its products widely applied in critical systems such as main inverters, on-board chargers, battery management, and thermal management. Additionally, the company continues to expand its innovative solutions, further covering areas like body electronics, smart cockpits, vehicle lighting, chassis control, and safety systems, helping the automotive industry move toward a smarter and more efficient future.



#### Renewable Energy and Power

From a system design perspective, efficiency, miniaturization, reliability and longevity are the focuses of the pan-energy industry, including photovoltaic and wind power companies. With chip solutions characterized by high quality, small size and high integration, NOVOSENSE offers a diverse and flexible technology portfolio for energy systems that meets diverse needs. Our products are widely used across a range of scenarios, including string and centralized photovoltaic inverters, micro and household energy storage inverters, energy storage converters, wind power converters, charging station system control and modules, AC-DC and DC-DC power supplies, mobile energy storage equipment, energy management systems (EMS), and uninterruptible power supply (UPS). In this way, we are supporting the energy industry's efforts to become more efficient, reliable and intelligent, and promoting the sustainable development of clean energy technology.



#### Industrial Automation

The industrial automation sector is developing rapidly as it pursues greater intelligence, accuracy and efficiency. In this context, NOVOSENSE's chip solutions are celebrated for their low power consumption, high reliability and high integration, which enable industrial systems to save energy, cut costs and raise efficiency. The company's products cover multiple scenarios, such as industrial frequency converters, servos, stepping motors, intelligent instruments, industrial robots and humanoid robots, and provide strong technical support for raising the intelligence, efficiency and reliability of industrial control systems.



#### Consumer Electronics

Personal consumer electronics and household appliances are entering a new era of intelligence and sophistication. With its advanced sensors and driver chip technology, NOVOSENSE is committed to achieving high-precision detection and high-performance control, with a view to driving innovation and competitiveness for the industry. The company's solutions are not only extensively applied to white goods such as washing machines, air conditioners and refrigerators, but also cover a wide range of small smart appliances such as robotic vacuum cleaners, humidifiers, ironing machines, coffee machines and health pots, empowering smart home life for consumers in an all-round way, and making home life more intelligent, convenient and efficient.



As a forerunner in China's green smart chips, NOVOSENSE actively responds to the social call for eco-environmental initiatives. By leveraging its three core technology areas – sensors, signal chains, and power management – as foundational pillars, the company has developed a comprehensive green product portfolio serving critical sectors including automotive, industrial, and energy. With its excellent technological capabilities and forward-looking strategic positioning, NOVOSENSE continues to lead the way in driving environmental sustainability and innovation.

In 2025, the distribution of NOVOSENSE's products in terms of downstream applications was as follows:

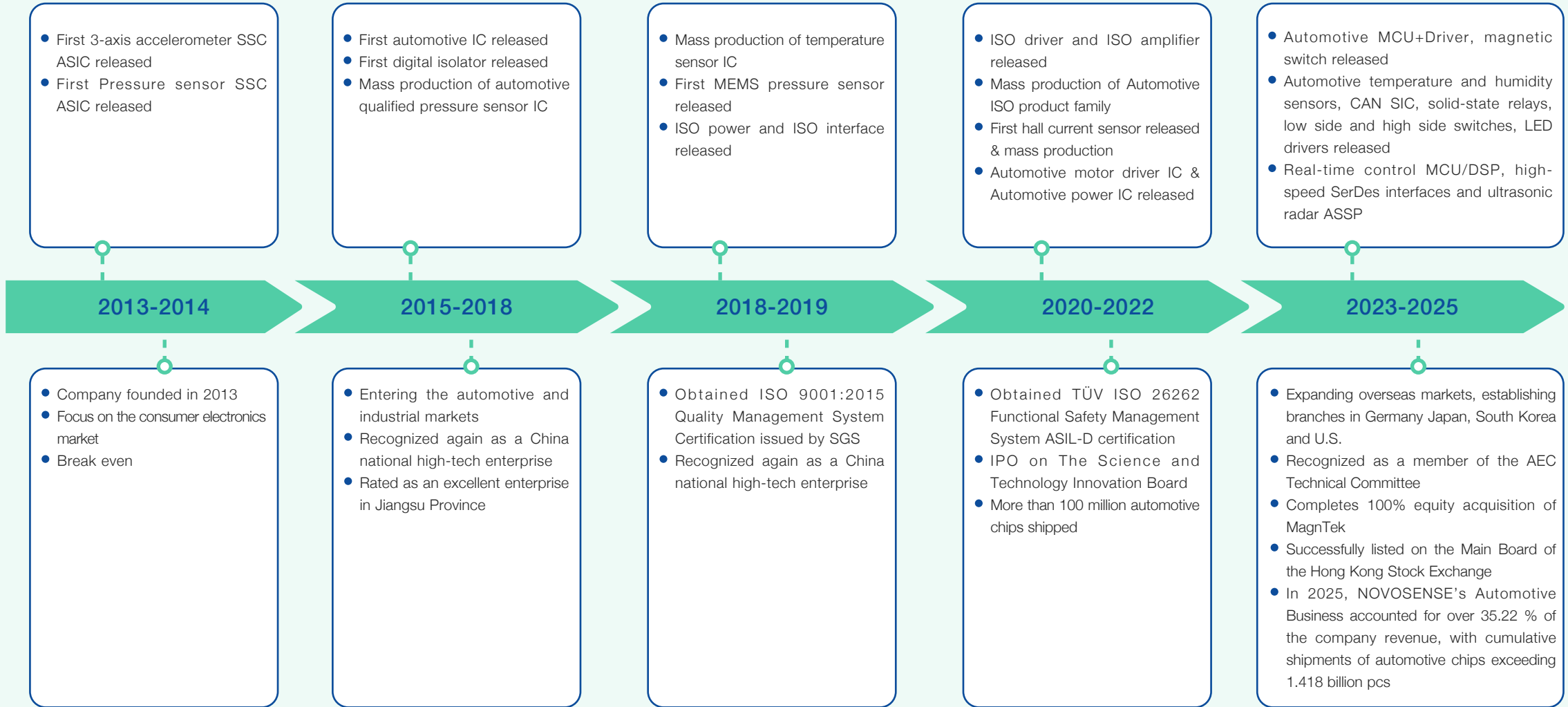
Automotive electronics | **35.22%**

Pan-energy | **52.92%**

Consumer electronics | **11.86%**

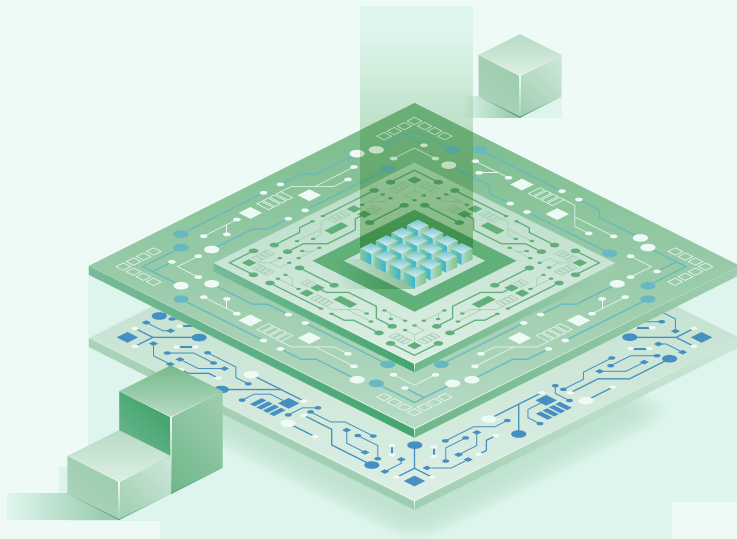
<sup>1</sup> The pan energy field mainly refers to industrial applications around energy systems, including various fields such as photovoltaic, energy storage, modular power supply, industrial control, power electronics, and white electricity, from power generation to transmission, distribution, and finally to power consumption.

# History



## Feature Chip-Powered Smart Mobility for a Sustainable Future

In respect of long-term global carbon neutrality goals, carbon reduction continues to present significant challenges for the industry. The semiconductor industry—as the linchpin for integrating digital technologies with low-carbon models—is playing an important role in empowering the green transformation. NOVOSENSE has always embraced the concept of technology-driven sustainability and has integrated low-carbon practices into its innovation and cooperation efforts. Through our technological breakthroughs and partnerships, we have injected new momentum into the sustainable development of China’s chip industry.



### Chip-Driven Smart Manufacturing: Powering Green and Safe Mobility

As the automotive sector advances along the dual tracks of intelligentization and decarbonization, chips have emerged as the defining element of product performance and ecosystem value. At the core of our strategy are three foundational technologies – sensors, signal chains, and power management – which form the cornerstone of our product innovation. By embedding safety, reliability and green-efficiency design principles into our development process, we deliver highly integrated, low-power consumption chip solutions that meet the highest functional safety standards. These innovations not only ensure the security of every journey, but also actively reduce energy consumption and resource utilization across the entire vehicle lifecycle. Through this approach, we are transforming technological advancements into tangible, sustainable mobility offerings.

#### Our automotive LED driver ICs ensure safe and reliable mobility solutions

NOVOSENSE’s automotive LED driver ICs are specially designed for automotive lighting applications including headlights and taillights. Widely adopted in scenarios such as full-width taillights, turn signals, brake lights, grille lights, and Intelligent Signal Display (ISD) systems, these solutions deliver highly integrated driving capabilities for smart automotive lighting. This product series has obtained DEKRA’s ISO 26262:2018 ASIL B Functional Safety Product Certification, demonstrating compliance with automotive functional safety requirements for both systematic and random hardware failures at the ASIL B level. These chips incorporate multiple safety mechanisms that are able to detect anomalies in both internal components and external systems. With its additional Fail-Safe control functionality, the solution ensures systems transition to predefined safe states when malfunctions are detected, significantly enhancing safety for both vehicle occupants and pedestrians. Through innovative thermal sharing design, the product series reduces the number of chips needed and the system’s thermal output, lowering overall energy consumption by the vehicle while extending the service life of lighting systems. This helps reduce maintenance needs, component replacements, and related resource consumption across the vehicle lifecycle. This product series is 100% certified for functional safety, enabling automotive manufacturers and Tier 1 to efficiently meet global vehicle safety regulations and supply chain compliance requirements.

 Featured product



## Chip-Driven Smart Manufacturing: Powering Green and Safe Mobility

### Our magnetic position switch sensors enhance efficiency and device longevity

NOVOSENSE's magnetic position switch sensors employ non-contact sensing technology to replace traditional mechanical switches and potentiometers, significantly reducing system power consumption while extending the service life of end devices. This solution is being widely applied in industrial IoT, automotive, home appliances, and consumer electronics, enabling low-power device management, condition monitoring, and safety detection. Through high-reliability design, dual-output architecture, and multi-configuration solutions on a single wafer, the technology simplifies peripheral circuits, reduces BOM material usage, optimizes inventory management, and minimizes production waste. Its compact, low-power design supports more compact end products, contributing to energy efficiency and resource optimization throughout the product lifecycle.



### Our automotive audio digitization solution redefines audio architecture for sustainable mobility

NOVOSENSE's automotive audio digitization solution is designed in accordance with the latest digital audio network standards established by China's National Technical Committee of Auto Standardization. This innovative solution uses a single unshielded twisted pair cable to achieve synchronized transmission of audio, control signals, and clock signals over distances of up to 80 meters. The design eliminates the need for independent power supply at each node, while keeping deterministic latency below 50 microseconds and supporting up to 32-channel capability. These technical advantages position the solution to meet the demanding requirements of high-end applications such as active noise cancellation and high-definition audio systems. By replacing traditional multi-analog cable harnesses with digital audio networks, the solution reduces cable harness quantity and weight by approximately 75%, lowers raw material usage intensity, and indirectly improves energy efficiency through vehicle lightweighting.



### Our impact pressure sensor products enable faster response, building a strong line of defense for vehicle occupant safety

NOVOSENSE's Crash air pressure sensor products address important safety scenarios such as side collisions, effectively solving the insufficient response of traditional accelerometers in rapid pole collisions. The China's New Car Assessment Program (C-NCAP 2024) has added the side collision tests which demands higher occupant protection standards, achieving effective identification within 7ms has become essential for reliable side curtain airbag deployment. This solution introduces pressure sensors in door areas, and the sensors work synergistically with accelerometers, significantly improving the timeliness and reliability of side curtain airbag activation. Initially adopted in premium vehicles, the technology is now expanding to conventional models, providing more robust passive safety protection for occupants. In terms of safety compliance, the sensor solution is designed according to automotive functional safety standards, meeting ASIL B(D) and supporting upper-level system to achieve ASIL D. It operates reliably under harsh conditions, delivering stable signals for critical occupant protection systems and ensuring overall vehicle safety performance. We are also evaluating the feasibility of applying fluorine-free material during chip design for the solution, offering more sustainable process options while enhancing vehicle safety. This proactive approach aligns with increasingly stringent environmental regulations and guides automotive electronics toward safer, more sustainable development.



## Chip Synergy: Co-building an Open and Collaborative Ecosystem

While deeply cultivating technological innovation, we also adhere to the industrial concept of “open coexistence”. We are committed to fostering collaboration with industry stakeholders and advancing collective progress in the chip sector. We actively organize and participate in industry summits, forums, and other events, deeply engaging in the development of technology roadmaps and industry standards. By collaborating with upstream and downstream partners along the value chain, we drive joint innovation and tackle technical challenges together. We share leading practices and explore cutting-edge technologies with industry experts, enterprises, and partners to consolidate industrial synergies and promote high-quality development. During the reporting period, we partnered with ecosystem stakeholders across multiple domains to cultivate a collaborative industrial ecosystem characterized by shared technological advancements and complementary resources. By pursuing the dual strategies of “technological breakthroughs” and “ecosystem co-construction”, we have not only strengthened our competitive advantages in core markets such as automotive electronics and new energy, but also helped the industry move towards more efficient, clean and low-carbon business models.



### NOVOSENSE actively participates in the development of the “China Technology Roadmap for Energy-Saving and New Energy Vehicles 3.0”

Featured event

As a representative enterprise in the China’s automotive chip industry, NOVOSENSE has played a pivotal role in the development of the “Technology Roadmap for Automotive Chips” under “Technology Roadmap for Energy Saving and New Energy Vehicles 3.0”. The company’s technical and market experts were invited to serve as members of the expert panel, contributing to the formulation of technical pathways, development goals, and standard frameworks in critical areas such as automotive-grade sensors and driver chips. NOVOSENSE shared its technical insights and industry practices as part of this process.



### Driving an intelligent future and empowering the intelligent electric ecosystem – NOVOSENSE attends the China EV100 Forum

Featured event

From 28 to 30 March 2025, the China Electric Vehicle 100 Forum (2025), themed “Strengthening Electrification, Advancing Intelligence, and Achieving High-Quality Development”, was held at the Diaoyutai State Guesthouse in Beijing. As a leading enterprise in China’s automotive analog chips, we were invited to attend the forum. Wang Shengyang, Founder, Chairman, and CEO of NOVOSENSE, attended the council meeting and gave an interview to the media. In addition, Yao Di, Vice President of NOVOSENSE, delivered a keynote speech at the Smart Automotive Innovation Technology and Industry Forum, highlighting how Chinese chips can solidify the foundation of electrification, accelerate the intelligentization process, and foster global supply chain collaboration around sustainable innovation.





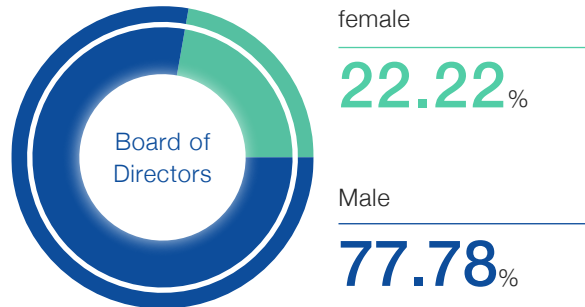
# Compliance Governance

## Corporate Governance

### Corporate Governance

NOVOSENSE is committed to enhancing modern corporate governance and continuously improving management standards. The company has established a comprehensive governance framework that clearly delineates the authority and accountability of all key stakeholders, including the General Meeting of Shareholders, Board of Directors (with its specialized committees), the management, and operational departments. Each functional department has defined responsibilities, cooperating to ensure the separate and effective exercise of decision-making, execution, and oversight functions. By implementing a rigorous, balanced, and efficient governance framework, the company has achieved operational stability and sustainable growth.

By the end of the reporting period, NOVOSENSE had 9 directors (including 4 independent directors), including 2 female members (accounting for 22.22% of total members) and 7 male members.



In 2025, NOVOSENSE convened meetings as follows:

General Meeting of Shareholders <b>4</b> meetings	Board of Directors <b>8</b> meetings	Audit Committee <b>6</b> meetings	Strategy and ESG Committee <b>4</b> meetings
Nomination Committee <b>2</b> meetings	Compensation and Appraisal Committee <b>3</b> meetings	Board of Supervisors <b>6</b> meetings <sup>2</sup>	

<sup>2</sup> In 2025, we have reviewed and approved the cancellation of the Board of Supervisors and other related matters.

# Compliance Governance

## Information Disclosure

NOVOSENSE diligently adheres to the stipulations outlined in *the Administrative Measures for Information Disclosure of Listed Companies*, alongside other relevant laws and regulations. We have formulated and implemented a comprehensive *NOVOSENSE Information Disclosure Management Mechanism*, meticulously organizing the information disclosure process. Additionally, we have compiled the *NOVOSENSE Information Disclosure Manual for Securities Affairs* of the company, facilitating effective management and execution of information disclosure responsibilities. Upholding the principles of truthfulness, accuracy, completeness, timeliness, and fairness, we ensure prompt disclosure of information that may significantly influence the company’s operations, safeguarding investors’ right to pertinent information.

While formulating a sound and effective information disclosure system, the company comprehensively regulates the behavior of insiders and information reporting procedures. We rigorously enforce the transmission, review, and disclosure processes for undisclosed information, while enhancing the awareness of insider information confidentiality and registration among relevant personnel. These measures are implemented to eradicate instances of insider trading, and further improve the transparency and compliance of corporate governance.




In 2025, the company prepared and disclosed **4** periodic reports and issued **170** other information disclosure documents.



## Investor Relations Management

NOVOSENSE focuses on establishing a long-term and stable good relationship with investors, actively carries out investor management based on the principles of compliance, equality, initiative, honesty and trustworthiness, and formulates the *NOVOSENSE Investor Relations Management System* in accordance with the *NOVOSENSE Guidelines for Investor Relations Management of Listed Companies*. We improve the level of investor relations management, build a two-way communication platform with investors, and promptly convey relevant information on business management and major decisions to investors, thereby enhancing investors’ understanding and recognition of the company.

The company continues to improve its communication mechanism with investors and maintains active interaction through diverse communication channels. These channels include shareholder (general) meeting, SSE e-interactive platform, investor consultation hotlines, reception of institutional surveys, participation in brokerage strategy meetings, and performance briefings. Through these diverse communication channels, we not only answer investors’ questions, but also listen to investors’ opinions and suggestions, and provide reference information for the company’s decision-making based on its actual operation.

<p>Received <b>200</b> institutional surveys</p> 	<p>Issued <b>4</b> pieces of investor relations activity minutes</p> 	<p>Answered investor calls every day</p> 
<p>More than <b>650</b> institutions attended the performance briefings for annual, first and interim reports</p> 	<p>Responded to questions on the SSE e-interactive platform <b>39</b> times</p> 	

# Compliance Governance

## Risk Control and Compliance Management

Compliance is the bottom line for NOVOSENSE's operations. We have incorporated enterprise risk management and compliance management into our strategic planning, continuously building and improving our compliance system and internal control system. We aim to foster a company-wide awareness of compliance management and enhance our risk management capabilities to ensure the healthy development of the company.

The company has established a robust risk governance and compliance management system. The Audit Committee is established under the Board of Directors as a professional supervisory body. The Internal Audit Department of the Company works independently under the guidance of the Audit Committee and reports directly to the Audit Committee, exercises its duties independently and is not subject to interference from other departments or individuals. The department responsibilities are as follows:

### Risk control and compliance management structure:

<p><b>Board of Directors</b></p>	<p>Responsible for establishing, maintaining, and ensuring the effective implementation of internal controls within the company.</p>
<p><b>Audit Committee</b></p>	<p>Responsible for guiding and supervising the establishment and operation of internal audit function, internal control system and compliance system, including reviewing the annual internal audit work plan of the company, listening to reports on internal audit, internal control and compliance governance, evaluating the operation and outcome of internal control system and compliance system, supervising the governance of important compliance risks and the rectification of major issues.</p>
<p><b>Management Team</b></p>	<p>Responsible for the design of company processes and systems, compliance management, and implementation and effective operation of internal control activities in the daily operation process of the company.</p>
<p><b>Risk Control and Compliance Center</b></p>	<p>It consists of an Internal Audit Department, an Internal Control Department, and a Compliance Department to ensure the company's standardized operation and controllable risks.</p> <ul style="list-style-type: none"> <li>• Internal Audit Department: Carry out internal audit work in accordance with the audit plan approved by Audit Committee, comprehensively audit the business management activities of various functional departments and subsidiaries of the company, and reasonably cover potential fraud risks during the internal audit process.</li> <li>• Internal Control Department: Responsible for the construction and implementation management of the internal control system, guiding the company in carrying out internal control management work, supervising and inspecting the effectiveness of internal control, and promoting the rectification of discovered internal control deficiencies.</li> <li>• Compliance Department: Establish and improve a compliance management system, carry out compliance risk identification and assessment, coordinate the promotion of compliance risk governance and response work, and organize the construction of compliance culture and professional compliance training.</li> </ul>

In 2025, the company continuously refined relevant policies, including the *NOVOSENSE Compliance Management Operational Regulations* in alignment with regulatory requirements and business needs. It conducts regular compliance risk assessments focusing on key compliance domains, such as trade control, anti-commercial bribery, intellectual property, anti-unfair competition, information security, and labor and employment. Leveraging the existing risk classification system and business process framework, the company systematically identifies and analyzes relevant compliance risks. Based on the likelihood and potential impact of these risks, the company performs a graded assessment and comprehensive analysis, resulting in a supporting risk register along with corresponding mitigation measures. Through rigorous, standardized closed-loop management, the company ensures the effective implementation of control measures. Compliance risk assessment, as a critical component of the company's risk management system, is embedded with a regular and formalized operational framework. This mechanism continuously supports risk identification, response, and improvement, aiding the company in maintaining stable operations and achieving long-term sustainable development.



In 2025, the company provided **7** compliance-related training sessions, amounting to **11** hours

# Compliance Governance

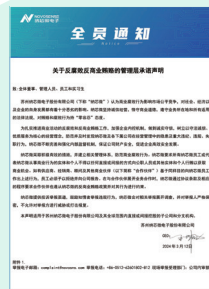
## Business Ethics

### Anti-Fraud and Anti-Bribery

NOVOSENSE upholds the highest standards of integrity and business ethics, maintaining a strict “zero tolerance” policy against bribery and corruption. We hold ourselves accountable for all business activities and are dedicated to fostering a transparent and ethical corporate culture, ensuring full compliance with laws, regulations, and ethical standards. We have integrated a comprehensive integrity management framework into daily practices, establishing an industry-leading governance system. To reinforce this commitment, we have established a robust oversight mechanism with multi-channel whistleblowing system that ensures unimpeded reporting and accountability. We also have strengthened training and awareness initiatives, such as anti-corruption training and mandatory business ethics programs to embed integrity into corporate culture.

The company adheres to relevant laws and regulations on integrity, self-discipline, and business ethics, including the *Company Law of the People’s Republic of China* and the *Anti-Money Laundering Law of the People’s Republic of China*. We have formulated a series of rules and regulations such as the *NOVOSENSE Anti-Commercial Bribery Management and Operations Mechanism* and the *NOVOSENSE Anti-Commercial Bribery FAQs*. During the reporting period, the company updated the *NOVOSENSE Anti-Commercial Bribery Code of Conduct* and expanded the scope of regulated conduct.

NOVOSENSE has joined the China Enterprise Anti-Fraud Alliance and the Trust and Integrity Enterprise Alliance, with a view to strengthening its commitment and practices in anti-corruption and integrity management. Through these efforts, we are not only ensuring the company’s compliant operations, but also actively cultivating a culture of integrity in the industry.



NOVOSENSE’s Management Commitment on Anti-Corruption and Anti-Commercial Bribery



NOVOSENSE has joined the China Enterprise Anti-Fraud Alliance as a member



TRUST AND INTEGRITY  
ENTERPRISE ALLIANCE  
阳光诚信联盟

NOVOSENSE is a member of the Trust and Integrity Enterprise Alliance



# Compliance Governance

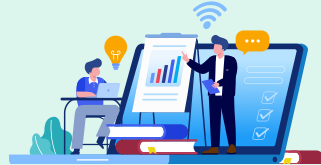
The company consistently integrates compliance and internal control requirements into daily operations through systematic process and mechanism design, ensuring all employees uphold the principles of integrity and self-discipline in their work, thereby collectively safeguarding the corporate integrity culture. For example, we have embedded risk assessment controls in our procurement and reimbursement system workflows to identify potential compliance risks, and thereby, enhance our compliance risk management.

NOVOSENSE is committed to ensuring integrity and transparency in business processes. We actively cooperate with customers to sign integrity agreements or commitments, and require all distributors and key suppliers to sign the *NOVOSENSE Code of Business Conduct for Business Partners*. Simultaneously, the company actively advances compliance and integrity initiatives within internal operations, ensuring full compliance in terms of business conduct through a combination of internal and external measures.

## Supply chain compliance and integrity training and system co-construction



On June 10, 2025, the company carried out a special activity on supply chain compliance and integrity, and further deepened the construction of supply chain business ethics by combining training, publicity and employee co-creation. This event targeted sensitive positions such as procurement, based on business reality, combined with the form of workshops, and revolves around topics such as basic requirements for anti-commercial bribery, typical risk situations, and code of conduct for communication and standardization. This training achieved 100% coverage of management and employees in the procurement function, which helps to unify internal compliance awareness, strengthen awareness of integrity and self-discipline, and further enhance employees' understanding and execution of business ethics requirements. The company continues to promote the integration of relevant systems into daily practice, promote the effective implementation of business ethics management in supply chain management, and provide support for the construction of a sunny and sustainable supply chain system.



To better manage conflicts of interest and promote the standardized development of business management, the company has established the *NOVOSENSE Conflict of Interest Policy* to strictly prevent and manage potential related-party transactions, improper benefit transfers, and other improper behaviors, safeguarding the legitimate rights and interests of the company and its shareholders. Simultaneously, the company has implemented the *NOVOSENSE Anti-Fraud and Reporting System*, establishing a dedicated professional ethics and fraud case reporting mailbox, and has developed a comprehensive multi-channel reporting mechanism that includes letters, emails, telephone calls, in-person interviews, and etc., ensuring seamless and accessible reporting channels.

To ensure the confidentiality of reported matters, the company maintains strict confidentiality throughout the processes of registration, report acceptance, investigation, reporting, and storage, to prevent leaks or data loss. Any form of retaliation against whistleblowers is strictly prohibited. Any individual who discloses reported information, retaliates against whistleblowers, or harasses investigators faces serious consequences, including dismissal or termination of their employment contracts in accordance with company policy. In cases where illegal or criminal activities are suspected, the relevant parties will be held accountable in accordance with the law.

The company has established a multi-channel reporting platform, including specific channels as follows:

- Online platform: Office Automation (OA) reporting platform

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- Email: [complaint@novosns.com](mailto:complaint@novosns.com)

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- Address: Internal Audit Department, Suzhou Novosense Microelectronics Co., Ltd. No. 9 Dongdangtian Lane, Suzhou Industrial Park, Jiangsu Province, China

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- Tel: +86-512-6260-1802 (ext. 812)

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# Compliance Governance

To enhance the business ethics competence and compliance awareness of all employees, the company has integrated business ethics into various aspects of employee development, including training programs, compliance promotion efforts, and awareness research, thereby creating a comprehensive and systematic framework for ongoing education and cultivation:

**Systematic implementation of training programs**

To achieve full coverage of compliance and anti commercial bribery training, the Business Ethics and Code of Conduct is included in the training and promotion of employees at all levels. In 2025, such trainings have been conducted, including: 1 annual training on compliance and business ethics for all employees, 5 specialized training sessions on compliance and anti-commercial bribery for new employees, 1 workshop on building the Supply chain Sunshine System, training on anti-commercial bribery as part of the Management Turnaround Plan, and special topics of the company leadership summit.

**Ongoing operation of compliance communication platform**

The official compliance account was officially launched in April 2025, focusing on core compliance issues such as anti-commercial bribery and anti-corruption, anti-unfair competition, and trade secret protection. In 2025, a total of 10 dedicated promotional articles were released, continuously reinforcing the compliance mindset of all employees.

**Comprehensive survey of compliance awareness**

From June to July 2025, the company conducted a special survey on compliance awareness among all employees to evaluate the current state of compliance understanding within the organization. The survey aimed to accurately assess employees' comprehension and implementation of key compliance requirements, providing valuable data to inform future improvements in the compliance system and enhancements to promotional and training initiatives.

In 2025, the company rigorously enforced its compliance management systems and implemented various promotional and developmental measures. The corporate culture of compliant and honest operations has been seamlessly integrated into daily business practices. In 2025, we received no reports nor identified any cases involving bribery, fraud, or other violations of business ethics, such as commercial bribery or embezzlement. The effective compliance management constructs a robust defense mechanism to support the company's high-quality growth.

## Anti-Monopoly and Anti-Unfair Competition

The company places great emphasis on anti-monopoly and anti-unfair competition management and adheres to the requirements of laws and regulations such as the *Anti-Monopoly Law of the People's Republic of China* and the *Anti-Unfair Competition Law of the People's Republic of China* actively building a robust internal control system. It has successively formulated and implemented specialized policies such as the *NOVOSENSE Anti-Unfair Competition Management Policy*, the *NOVOSENSE Anti-Monopoly Compliance Management Measures* and the *NOVOSENSE Anti-Monopoly Compliance Manual*, clearly defining requirements for full-process management, standardizing business conduct and operational procedures, and establishing a strong defense mechanism against monopoly and unfair competition from an institutional perspective.

At the same time, the company is strengthening compliance and coordination across the entire industry chain. It has formulated the *NOVOSENSE Code of Business Conduct for Business Partners*, which clarifies the standards and behavioral requirements for compliance operations among business partners, fostering collaboration between upstream and downstream stakeholders. Additionally, the company has incorporated anti-monopoly and anti-unfair competition requirements into the *NOVOSENSE Employee Manual*, defining employee behavior norms, enhancing compliance awareness and risk prevention consciousness among all staff, and improving the company's overall compliance management level. These measures effectively prevent various types of unfair competition and mitigate risks related to anti-monopoly compliance in business operations.

In 2025, the company encountered no violations related to anti-monopoly or unfair competition laws and regulations.

## Transparent Tax Payment

Lawful and honest taxation is a cornerstone of enterprises' fulfillment of social responsibilities and a demonstration of business credibility. The company strictly abide by relevant tax laws and regulations, such as the *Regulations of the People's Republic of China on the Implementation of the Enterprise Income Tax Law* and the *Announcement on the Relevant Policies for Deepening Value-Added Tax Reform*, proactively fulfilling our tax obligations, adhering to tax laws, and promptly declaring and paying all required taxes to the authorities. By actively supporting the implementation of national tax policies, the company not only fulfills its role as a responsible corporate citizen but also contributes to the sustainable development of the local economy and society.

To effectively manage tax risks, the company has established a normalized tax risk management mechanism, which includes regular and ad hoc tax risk assessments. This enables the company to accurately identify and promptly address potential tax-related risks. Furthermore, the company strictly adheres to relevant regulations by ensuring timely and accurate disclosure of tax information, thereby maintaining the legality, standardization, and transparency of the entire tax management process. The company remains committed to resolutely combating any form of tax evasion.

In 2025, the company did not violate any laws or regulations related to taxation. The tax management work was carried out in a compliant and orderly manner.



# ESG Governance

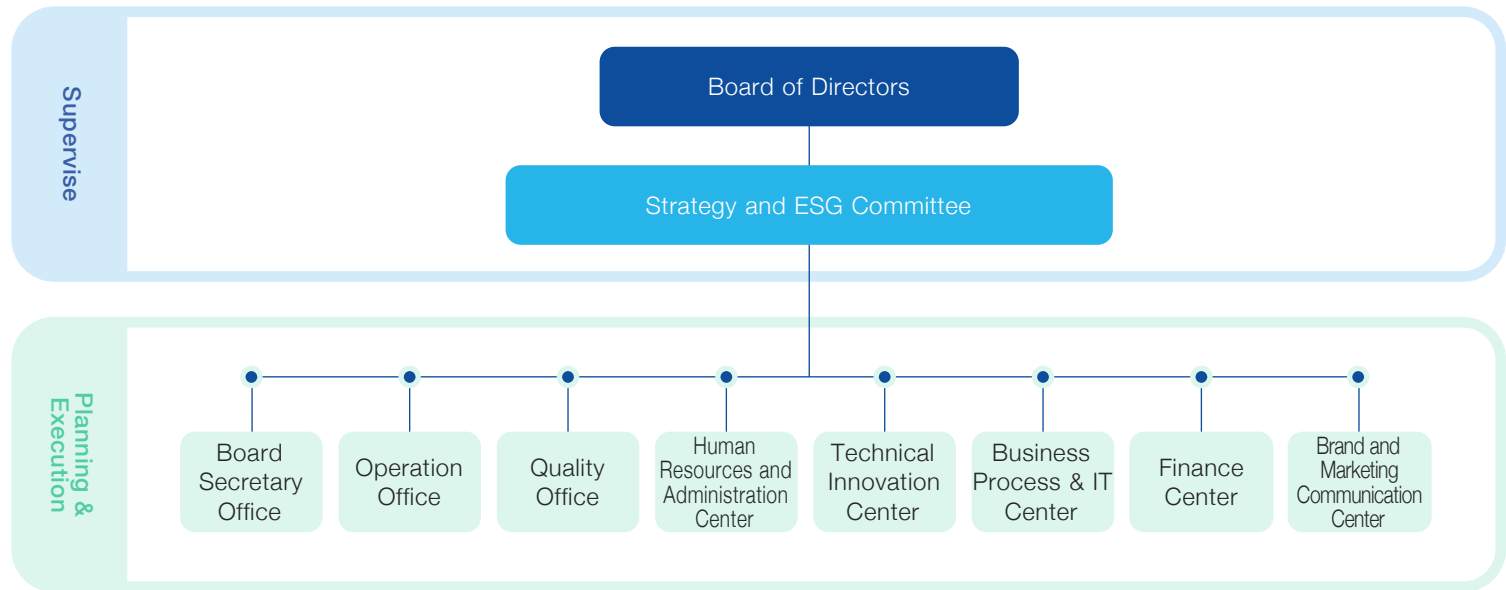
## ESG Governance

The company has established a sound ESG governance structure. To ensure effective implementation of its sustainable development strategy, the company has established a comprehensive three-tier ESG management system, including board of directors who is responsible for strategic decision-making, senior management who oversees its implementation and various departments and subsidiaries executing and implementing specific initiatives. At the board level, the Strategy and ESG Committee serves as the central governing and decision-making body for all ESG-related matters. This committee is responsible for coordinating the planning, execution, and oversight of the company's ESG strategy, with core responsibilities as follows:



- Research and advise on the company's long-term development strategy and major investment decisions.
- Guide the company's strategic plans related to sustainable development and ESG, and supervise the implementation of related work.
- Pay attention to ESG-related risks and opportunities that may have a significant impact on the company's business, and put forward corresponding suggestions.
- Review the company's annual ESG report.

The company's senior management is responsible for decision-making and monitoring related to the plans and actual results of the company's sustainable development management to support the supervision of the Strategy and ESG Committee. Meanwhile, all departments, branches, and subsidiaries collaborate in promoting blueprint planning and operations concerning sustainability management. This includes studying relevant policies, refining internal systems, establishing robust protocols, conducting ESG practices, and gathering and assessing data. The company has established a normalized ESG communication and feedback mechanism, actively listening to internal and external opinions and suggestions, and effectively communicating and implementing measures and feedback in environmental, social and governance, providing a strong organizational framework to support the advancement of the company's sustainable development efforts.



To deepen the integration of ESG principles into its core business strategy and reinforce management accountability for long-term sustainable growth, the company incorporates key ESG metrics—such as customer satisfaction, invention patent counts, IP system development, technology platform advancement, R&D capacity enhancement, supply chain optimization, and organizational capability building—into senior executives' compensation evaluations. By employing market-driven incentive mechanisms, the company motivates executives to focus on creating long-term value and embed sustainability into every aspect of corporate management and operations.

# ESG Governance

## ESG Goals

With the support of management, to advance ESG initiatives, the company has set systematic long-term ESG goals aligned with business needs, implemented annual review processes, and regularly assessed progress. Based on these evaluations, they establish specific targets for the following year, ensuring steady progress in ESG implementation.



Some of the goals are as follows:



Human Resources and Administration Center

- Continue to build cultural values to help the company gain cultural drive and employee recognition for ESG
- Make targeted continuous improvement based on employee satisfaction surveys
- Continue to build systematic talent development programs and channels
- Integrate corporate knowledge resources and build a knowledge-based organization



Board Secretary Office

- Be responsible for publicity and implementation of anti-commercial bribery, including 1 training for all employees, 1 training for suppliers, and 1 training for senior management each year
- Implement the anti-commercial bribery compliance management process



Operation Office

- 100% coverage of safety training
- 100% coverage of safety inspection
- 0 safety and environmental accidents throughout the year
- Ensure capital investment for production safety
- Enhance cooperation with car use platforms and use new energy vehicle services to continuously reduce carbon emissions

# ESG Governance

## ESG training and promotion

The company embeds ESG principles into every aspect of its operations and governance, developing a multifaceted ESG training and communication framework that combines internal promotion and external outreach. This approach enhances employees' understanding and practical application of ESG, effectively communicates the company's commitment to sustainability, and fosters a greener industry ecosystem through collaborative efforts.

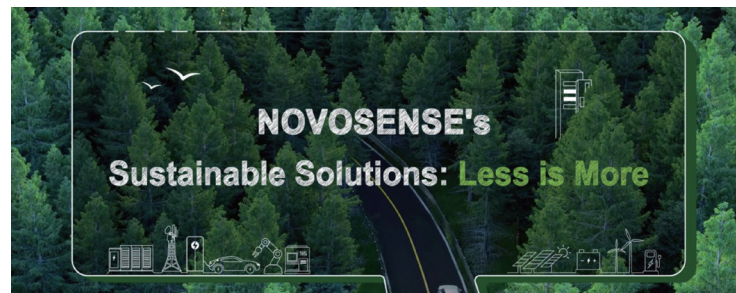


In December 2025, leveraging the ESG report initiative as a catalyst, the company hosted a kickoff meeting for the ESG working group and relevant departments. The meeting featured a dedicated 1-hour session for publicity and mobilization, aimed at clarifying ESG promotion expectations and assigning departmental responsibilities.

In October 2025, the company organized a specialized exchange session involving key departments related to ESG, focusing on the core ESG issues pertinent to each functional area. Drawing from the company's past ESG practices and industry best practices, the interactive discussion explored how relevant departments could integrate ESG considerations into their daily work, collate relevant materials and actions, and gain a more specific and intuitive understanding of ESG. This exchange effectively enhanced the level of attention and awareness toward environmental, social, and governance factors within the organization.



In June 2025, in celebration of World Environment Day, the company organized a series of internal and external promotional activities centered around the concept of ESG. Externally, the themed video titled "Xindong Earth | Green Subtraction of NOVOSENSE" was released across multiple social media platforms, showcasing the environmental value of our products and effectively communicating our sustainability vision. Internally, the company launched an ESG knowledge competition and interactive offline activities, engaging over 150 employees and significantly deepening their understanding and recognition of the company's ESG achievements.



To address the sustainable development needs of the industry, the company has committed to responsible marketing, leveraging multiple platforms to establish a structured ESG external communication platform. Through diverse online and offline activities and innovative media displays, the company actively participates in industry exchanges, fostering the widespread adoption and collaborative implementation of ESG concepts within the industry.



### Promotion within the company profile

NOVOSENSE has embedded ESG principles into its corporate profile, articulating the company's ESG values and strategic direction to customers, business partners, and other key stakeholders through visually compelling presentations.

### Dedicated section on the official website

The company has established a dedicated "Sustainable Development" section on its official website. This platform showcases the company's ESG concepts, strategic plans, practical achievements, and the latest updates, serving as a centralized hub for sharing ESG-related information and concepts with the public.

### Business communication

In our online promotions, we highlighted advancements in new energy vehicle systems, renewable energy solutions such as photovoltaics, and other cutting-edge fields, demonstrating how ESG concepts are deeply integrated into our core business. We showcased the practical pathways through which the company supports sustainability through technological innovation. Simultaneously, we contribute to the development of industry standards, engaging in industry forums, and sharing our ESG best practices, further driving the green and low-carbon transformation of the industry through collaborative efforts and synergistic innovation.

### ESG promotion in the exhibition hall

We have established an innovative multimedia interactive display area in our exhibition hall to showcase the application scenarios of our products in new energy vehicles, photovoltaic energy storage, and other cutting-edge fields, visually demonstrating the tangible contributions of our products in advancing green transportation, renewable energy utilization, energy conservation, and emissions reductions, and strengthening stakeholders' recognition of the company's ESG values.









# ESG Governance

## Communication with Stakeholders

NOVOSENSE regards stakeholder communication as the cornerstone of sustainable development. By establishing a diversified and targeted multi-channel communication and feedback mechanism, NOVOSENSE collects and identifies the demands of various stakeholders, incorporates their ESG concerns into the company's strategic decisions, and deepens the participation of various stakeholders in ESG management, so as to enhance the company's sustainability performance in a targeted manner and effectively respond to the expectations of various stakeholders.

During the reporting period, we also carried out various stakeholder communication activities, such as distributors conference, supplier conferences and media summits, to enhance communication with stakeholders.



Stakeholder category	Issues of concern	Communication methods and the company's responses	Countermeasures
 <b>Company employees</b>	<ul style="list-style-type: none"> <li>Product quality management</li> <li>Product R&amp;D and technology innovation</li> <li>Occupational health and safety</li> </ul>	<ul style="list-style-type: none"> <li>Reporting and communication</li> <li>Job evaluation and assessment</li> <li>Symposiums</li> </ul>	<ul style="list-style-type: none"> <li>Conduct roundtables and townhall meetings</li> <li>Conduct annual employee satisfaction surveys</li> <li>Organize diverse employee training programs</li> </ul>
 <b>Suppliers</b>	<ul style="list-style-type: none"> <li>Information security and privacy protection</li> <li>Business ethics</li> <li>Supply chain management</li> </ul>	<ul style="list-style-type: none"> <li>Daily communication</li> <li>Special meetings</li> <li>Supplier exchange meetings</li> </ul>	<ul style="list-style-type: none"> <li>Adopt TQRDC management dimensions</li> <li>Conduct annual audits on key suppliers</li> </ul>
 <b>Customers</b>	<ul style="list-style-type: none"> <li>Customer rights protection</li> <li>Product quality management</li> <li>Product R&amp;D and technology innovation</li> </ul>	<ul style="list-style-type: none"> <li>Daily operation communication</li> <li>Professional service team/sales team</li> <li>Customer talks</li> </ul>	<ul style="list-style-type: none"> <li>Formulate the "Robust &amp; Reliable" quality policy to ensure quality</li> <li>Conduct customer satisfaction surveys</li> <li>Establish a sound complaint handling mechanism</li> </ul>
 <b>Media</b>	<ul style="list-style-type: none"> <li>Information security and privacy protection</li> <li>Business ethics</li> <li>Product R&amp;D and technology innovation</li> </ul>	<ul style="list-style-type: none"> <li>Release information to the public media</li> <li>Organize media meetings</li> <li>Accept media interviews</li> </ul>	<ul style="list-style-type: none"> <li>Conduct training on information security, business ethics, etc.</li> <li>Participate in interviews, talks and other media activities</li> </ul>
 <b>Investors or shareholders</b>	<ul style="list-style-type: none"> <li>Economic performance</li> <li>Product R&amp;D and technology innovation</li> <li>Product quality management</li> </ul>	<ul style="list-style-type: none"> <li>Performance roadshows/briefings</li> <li>Investor research and communication</li> <li>Information disclosure</li> </ul>	<ul style="list-style-type: none"> <li>Conduct investor exchanges, meetings, roadshows, etc.</li> <li>Regularly publish announcements and disclose information truthfully, accurately and completely</li> </ul>
 <b>Industry associations</b>	<ul style="list-style-type: none"> <li>Clean energy and renewable energy use</li> <li>Resource and energy consumption management</li> <li>Product R&amp;D and technology innovation</li> </ul>	<ul style="list-style-type: none"> <li>Industry association activities</li> <li>Daily communication</li> <li>Information disclosure</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen strategic cooperation</li> <li>Conduct experience exchange</li> <li>Adhere to technology innovation, etc.</li> </ul>
 <b>Government or supervisory authorities</b>	<ul style="list-style-type: none"> <li>Risk control</li> <li>Resource and energy consumption management</li> <li>Product R&amp;D and technology innovation</li> </ul>	<ul style="list-style-type: none"> <li>On-site inspection</li> <li>Project approval</li> <li>Work report/meeting discussion</li> </ul>	<ul style="list-style-type: none"> <li>Conduct daily communication and reporting</li> <li>Accept supervision and assessment</li> <li>Strengthen operational compliance management</li> </ul>
 <b>Non-profit or community organizations</b>	<ul style="list-style-type: none"> <li>Non-profit charity</li> <li>Employee care and rights</li> <li>Response to climate change</li> </ul>	<ul style="list-style-type: none"> <li>Cultural exchange</li> <li>Information disclosure</li> </ul>	<ul style="list-style-type: none"> <li>Take an active part in community charity activities</li> <li>Carry out multi-party cooperation to promote local employment</li> </ul>

# ESG Governance

## Analysis of Material Issues

The company attaches importance to the identification and management of ESG issues. Based on the characteristics of the industry and the actual needs of the company’s operation management, we identified, assessed, and screened important sustainability issues systematically. In 2025, the company completed the updating and optimization of the ESG material issues database and continued improving ESG issue management.

To ensure that the issues are comprehensive, pertinent and scientific, the company adopts a combination of criteria benchmarking, policy analysis, and peer benchmarking and widely collects feedback from internal and external stakeholders. Based on the results of our research, the company has completed a comprehensive categorization and rigorous validation process, resulting in the development of a structured ESG material issues matrix, which is fully detailed in this report. This matrix serves as a cornerstone for prioritizing and executing the company’s ESG initiatives, offering clear and actionable guidance for their advancement and successful implementation.

### Material Issue Analysis Process



#### Issue identification

Make extensive reference to industry leading practices and industry hotspots, combined feedback from stakeholders and external experts, and studied sustainability standards in China and international, as well as ESG rating indicators in the capital market. We have identified material issues that reflect the company’s impact on society, environment, and governance.



#### Scoring interval determination

Identify and define the factors that influence the materiality evaluation of ESG topics, and establish a scoring range of 1 to 5 points.



#### Stakeholder survey

Extensively invite internal and external stakeholders of the company to participate in a survey, aiming to assess the likelihood, scale, and scope of the impact of each issue. Evaluate material issues from the perspectives of “financial materiality” and “impact materiality”, and assign scores to each issue based on these two dimensions.



#### Setting threshold

Based on the company’s actual circumstances and relevant international sustainability standards, the threshold for issue materiality has been set at 3 points.

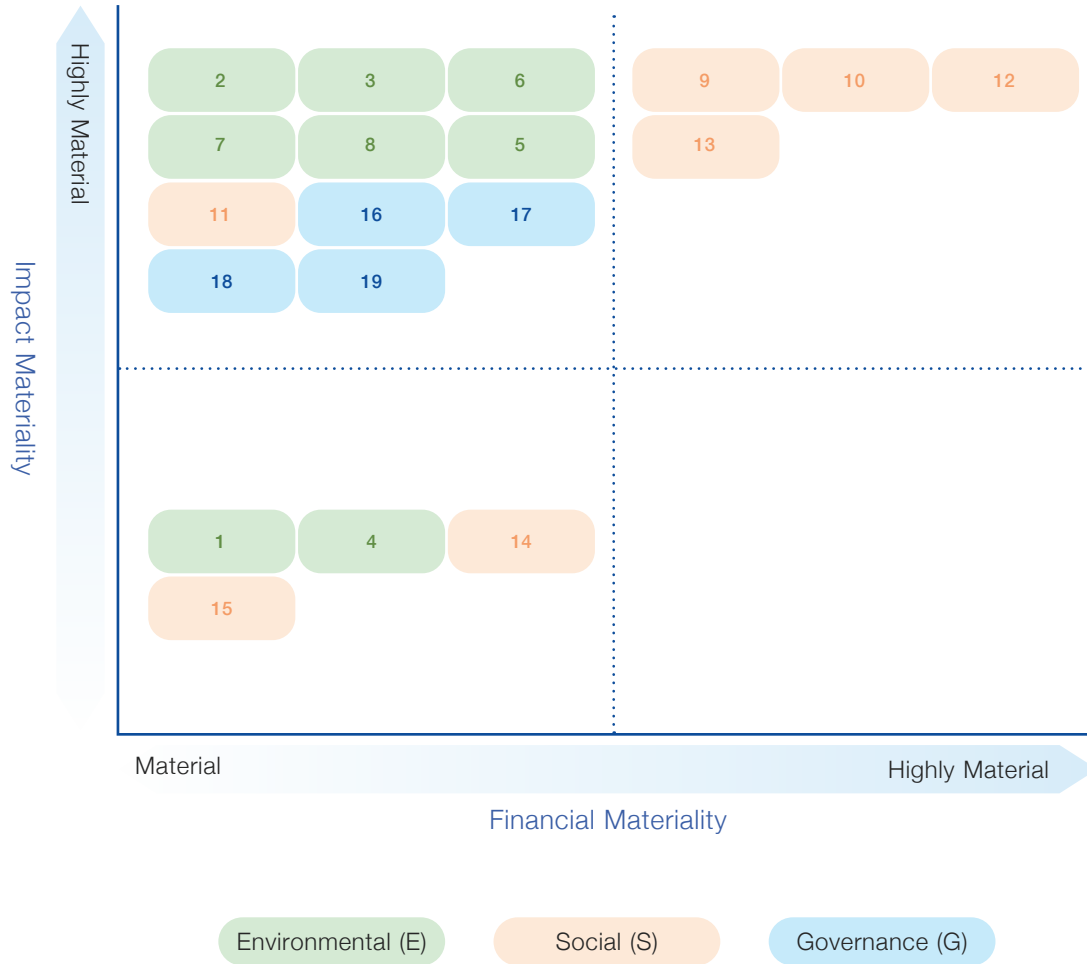


#### Forming conclusion

Compare the materiality score of each topic derived from the survey with the established threshold to reach the final conclusion of the issue materiality evaluation.

# ESG Governance

The matrix categorized the materiality of issues into four tiers based on their financial materiality and impact materiality, as follows:



Issue No.	Issue Category	Issue	Financial Materiality	Impact Materiality
1	E	Discharge of pollutants		
2	E	Disposal of waste		✓
3	E	Environmental compliance management		✓
4	E	Response to climate change		
5	E	Opportunities in clean technology		✓
6	E	Energy utilization		✓
7	E	Water usage		✓
8	E	Circular economy		✓
9	S	Employees	✓	✓
10	S	Supply chain security	✓	✓
11	S	Data security and client privacy protection		✓
12	S	Safety and quality of products and services	✓	✓
13	S	Innovation-driven	✓	✓
14	S	Rural revitalization		
15	S	Contribution to the community		
16	G	Due diligence		✓
17	G	Anti-commercial bribery and anti-corruption		✓
18	G	Anti-unfair competition		✓
19	G	Communication with stakeholders		✓

In the future, we will continue to pay attention to feedback from various stakeholders and update the issue library, and plan to expand the survey scale in addition to the original stakeholders participating in material issue assessment when conditions are ripe. Our aim is to better understand the demands of various stakeholders, thereby supporting the adjustment of business management strategies and the deepening of sustainable development efforts.

# Information Security

## Information and Privacy Security

We are committed to effectively protecting trade secrets and personal information of customers and employees, and strive to ensure information security in business activities and data compliance. We strictly comply with the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, and other laws and regulations of the places where we operate, and a series of internal management measures have been formulated. In 2025, the company also formulated the new *NOVNSENSE Information Security Management Committee Operation Manual*, clarifying the information security management framework.

The company has obtained the TISAX (Trusted Information Security Assessment Exchange) AL3 certification, which marks that the company has reached an advanced level in the industry in terms of data security protection and information risk management, thereby building a solid information security defense for business operations and win-win cooperation.



During company operations, customers or potential customers are required to provide certain personal information (such as name, email, company/school) when registering or logging into the official website. Additionally, our business activities involve the personal information (including name, phone number, and email) of customer or contract contacts, which pertains to information security and privacy protection.

To mitigate risks related to information security, we have taken the following steps:

- Enabled the *NOVOSENSE User Agreement* (in Chinese and English) on the company's official website to ensure that user consent has been obtained prior to the collection of personal information and that the information collected is accurate, complete and comprehensive;



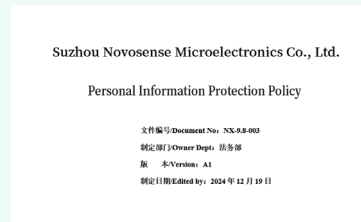
- The *NOVOSENSE Code of Business Conduct for Business Partners* includes personal information protection as a key requirement. By emphasizing supplier compliance and promoting clear management practices, we can enhance the governance of information security within our value chain.

# Information Security

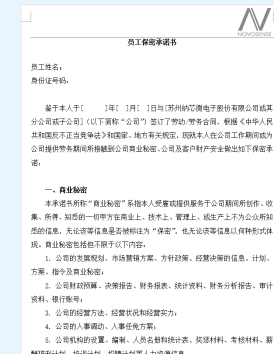
- The company has developed the *NOVOSENSE Employee Manual*, which is signed by all employees, specifies confidentiality requirements and IT management requirements, including account and password protection, data and documents protection, network security protection, customer privacy protection, security incident reporting, and security training.



- Formulated a the *NOVOSENSE Personal Information Protection Policy*, which includes the *NOVOSENSE Personal Information Impact Assessment Operations Guide*, clarified the person responsible for personal information protection, specified the internal requirements for the use of customers' personal information, established purpose-based use limits and set appropriate access rights, established a deletion mechanism for personal information to minimize the storage time for personal information, and deleted or anonymized personal information that exceeded the time limit.



- Employees are required to sign the *NOVOSENSE Confidentiality Commitment* as part of the onboarding process. The commitment defines the scope of the company's trade secrets, including documents, materials, meeting minutes, letters, plans, and computer software owned by the company, materials of the company's existing and potential business partners, and customer profiles, customer information, customer lists and customer contact information, including in respect of both the company's existing and potential customers. It also defines the confidentiality obligations and liabilities for breaches, which are binding on all employees.







Confidentiality obligations and breach of contract obligations to be strictly performed by employees:

# 100% coverage



# Information Security

We have also released the *NOVOSENSE Confidentiality Policy* and the *NOVOSENSE Detailed Rules for the Implementation of the Confidentiality Policy*, which specify relevant requirements related to the information classification system, encryption system, and review and approval system:

 <p>The company uses the encryption system to encrypt all internal sensitive information and prevent data leakage. The outward transmission of sensitive information requires the approval of the superior;</p>	 <p>When an employee uses a company computer, all documents must be marked with a confidentiality level, with "Confidential" being the lowest level;</p>	 <p>As part of the employee departure process, we examine the outgoing file log of the employee; and if any anomalies are identified, the employee's superior and HR are notified so that further action can be taken;</p>	 <p>The information security department timely supervises and verifies abnormal situations through regular audits.</p>
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At the same time, the company has established a robust information security system, which includes the *NOVOSENSE Data Encryption Management Policy*, the *NOVOSENSE Access Control Management Policy*, the *NOVOSENSE Information Assets Management Policy*, the *NOVOSENSE Supplier Information Security Management Policy*, the *NOVOSENSE Compliance Obligation Management Policy*, and the *NOVOSENSE Information Security Review Policy*. Together, these policies form a comprehensive mechanism for preventing and controlling information leaks. Additionally, to address sudden information security incidents, the company has developed the *NOVOSENSE Information Security Risk Management Policy*, the *NOVOSENSE Information Security Incident Management Policy*, and the *NOVOSENSE Information Security Guideline*. These documents clarify the risk response process and disposal criteria, and enhance the company's emergency response capabilities.

The company prioritizes the development of information security awareness among all employees, regularly conducting comprehensive training programs and practical exercises that cover the entire workforce. These initiatives aim to continuously enhance employees' awareness of information privacy and security. This year alone, two major information security awareness training sessions were held: a comprehensive security training in June and a network security-focused session in September. Additionally, the company provides information security training for new hires, ongoing awareness campaigns, and multiple phishing email simulations, ensuring full coverage of all employees.

## Promotion activities in Cybersecurity Awareness Month



In September 2025, aligned with the objectives of the National Cybersecurity Week— "to strengthen societal awareness and protective skills in cybersecurity and safeguard national cybersecurity"—the company elevated its Annual Cybersecurity Awareness Week to a Cybersecurity Awareness Month. This initiative further reinforced employees' cybersecurity consciousness and bolstered the organization's defenses against cyber threats.

The campaign adopted a "weekly theme" approach, leveraging the IT service desk to disseminate cybersecurity knowledge and utilizing the "internal information communication platform" to facilitate interactive discussions among employees. Key topics for discussion included identifying phishing emails, managing password security, adhering to data protection standards, and mitigating risks associated with public Wi-Fi usage. Through these efforts, the program systematically enhanced employees' cybersecurity awareness and practical protective skills, thereby strengthening the company's information security defense mechanisms.

In 2025, the company experienced no breaches of customer privacy or major information security incidents.



# Putting People First and Supporting Employee Growth

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- 39 Occupational Health and Safety
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NOVOSENSE adheres to the people-oriented philosophy, actively responds to the United Nations Sustainable Development Goals 3, 4, 5, 8, and 10. We recruit talents extensively, care for employees, and are committed to providing a safe and comfortable working environment while building a career platform that promotes the shared growth of both employees and the company.



## Our Actions :

- Emphasize employee diversity and ensure that every employee is treated equally
- Continuously optimize the compensation and benefits system to maintain industry competitiveness, attract and retain outstanding talents
- Conduct annual employee engagement and satisfaction surveys, and take targeted measures to improve areas in need of enhancement, thereby continuously increasing employee satisfaction
- Offer various training programs to help employees continuously improve their skills and capabilities, and support their career development
- Set an annual “zero-accident” goal to comprehensively ensure the occupational health and safety of employees



# Our Employees

## Governance

The company strictly complies with relevant laws and regulations such as the *Labor Law of the People’s Republic of China*, the *Labor Contract Law of the People’s Republic of China*, the *Work Safety Law of the People’s Republic of China*, the *Law of the People’s Republic of China on the Prevention and Control of Occupational Diseases*, and has formulated systems such as the *NOVOSENSE Compensation Management System*, the *NOVOSENSE Recruitment Management System*, the *NOVOSENSE Management System for Safety Management Organizations and Management Personnel*, the *NOVOSENSE Occupational Wellness Management System*, the *NOVOSENSE Fire Control Management System*, etc., During the reporting period, we updated the *NOVOSENSE Training Management System* and newly established the *NOVOSENSE Comprehensive Performance Management System*.

In 2025, we have won the trust and support of our employees through practical actions and gained external recognition:

2025 Top Human Resources  
Management Awards  
(Top Employer)



2025 Top Human Resources  
Management Awards  
(Best Training Practice)



## Strategy

We strongly believe our people represent the most critical asset for achieving long-term sustainable growth. Therefore, we have put in place open communication channels and robust internal frameworks, through which we ensure the protection of employees’ fundamental rights and interests. We periodically assess the current state of our talent pool and anticipate relevant talent trends to ensure our teams’ core competencies align with future business needs. By implementing a systematic talent strategy, we are committed to building a diverse and inclusive workplace. We continue to upskill our people so that they can adapt to new technologies and evolving work models. We provide equal career development and transition opportunities. In addition, we continuously foster a safe and healthy work environment to elevate employee well-being and their sense of belonging. Our goal is to ensure that every employee can realize self-value and grow personally and professionally along with the company.

Analysis of employee-related risks and opportunities

Type	Risk/Opportunity description	Probability of occurrence	Impact on the reporting entity	Potential financial impact	Mitigation measures
Managing risks	Inappropriate human resource incentive and restraint systems, along with inadequate management of key-position personnel, may lead to talent loss, low operational efficiency, or the leakage of key technical know-how, trade secrets, and national security information.	Low	Medium and long term	Increased operating costs	Establish an appropriate compensation and benefits framework that ensures accurate payroll calculations and processing and that can effectively motivate employees and align with corporate strategic development goals.
Operating opportunities	A diverse, equitable, and inclusive work environment contributes to improved employee well-being and a strengthened sense of belonging, thereby fully unleashing talent potential and innovation vitality.	High	Medium and long term	Decreased operating costs	Put in place diversified employee care programs and an attractive compensation and benefits framework to continuously improve employee satisfaction.

We have developed corresponding management approaches to address the employee-related risks and opportunities outlined above. For further details, refer to the subsequent sections of this chapter.

# Our Employees

## Impact, Risk and Opportunity Management

We integrate the identification and assessment of employee-related potential risks and opportunities into our daily operations. For each identified issue, we develop specific mitigation and control measures, which are designed to enhance our overall employee management system and further stimulate the vitality of talent for the company's sustainable growth.

**Risk identification**

We identify employee-related potential risks in various areas including employee rights protection, employee career development, and human resources compliance management, and evaluate how these risks would impact the company.

**Risk assessment**

We assess and assign a response priority level to each identified risk. These assessment results serve as the basis for formulating mitigation measures and risk management plans.

**Response measures**

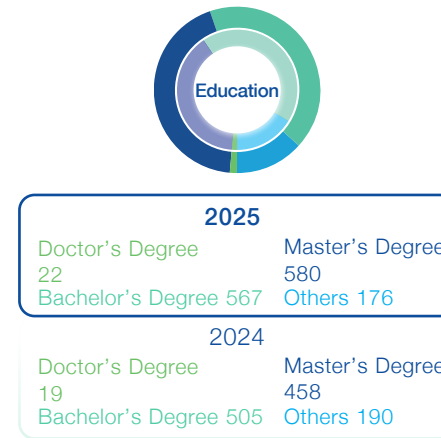
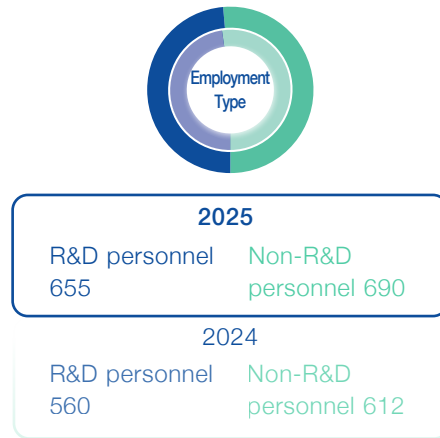
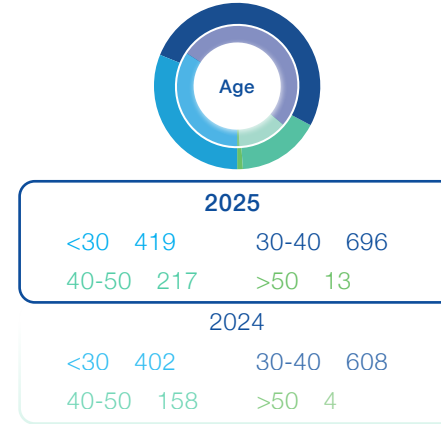
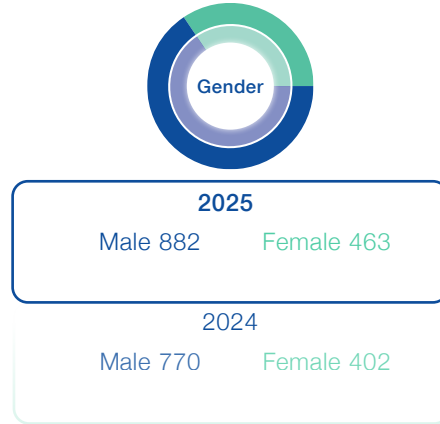
The Human Resources Department works with the relevant responsible departments to develop a specific response plan according to the specific response priority level.

**Risk monitoring**

On a regular basis, the Human Resources Department works with the relevant responsible departments to conduct reviews and tests of the implementation of human resources-related controls to verify whether the planned responses are operating effectively.

## Metrics and Targets

By the end of the reporting period, NOVOSENSE had a total of 1,345 employees, as follows:



# Our Employees

## Employee Recruitment

We are committed to the principles of open recruitment, fair competition, and merit-based selection. The *NOVOSENSE Employee Handbook* explicitly prohibits discrimination based on ethnicity, race, skin color, religion, gender, age, or disability, to ensure equitable treatment for all candidates throughout the hiring process. Our recruitment procedures and selection criteria are guided by annual staffing plans and hiring strategies across departments, maintaining consistency and transparency.

Through multiple public channels – including our official WeChat account, corporate website, and recruitment platforms – we disseminate job information using accessible and non-discriminatory language. This ensures clarity, understandability and inclusivity in all job postings. Additionally, NOVOSENSE provides training to interviewers, emphasizing adherence to the principles of “compliance, fairness, qualification-based entry, and mutual choice” in recruitment. In alignment with our global business strategy, we expanded our talent acquisition efforts to multiple countries during the reporting period, successfully hiring employees from Japan, South Korea, Germany, France, Italy, and the United States. We believe that team members from different backgrounds bring different perspectives and ideas that can enhance the creativity and performance of the team.

In 2025, 37% of new hires joined through employee referrals. Competitive compensation, benefits, and robust career development opportunities not only elevate employee satisfaction but also motivate existing staff to recommend outstanding talents. 17% of new hires originated from campus recruitment, reflecting our strong appeal to universities and our commitment to nurturing young talent. 83% of new hires came from social recruitment, underscoring the attractiveness of our company’s value proposition and career opportunities to high-caliber professionals in the broader market.

### New hires in 2025



**37%** employee referrals

**17%** campus recruitment

**83%** social recruitment

## Employee Resignation

We uphold the legal rights and interests of former employees during the resignation process, ensuring all steps are lawful and compliant. Furthermore, we maintain an open attitude towards rehiring former employees and make sure that they know they are welcome to rejoin NOVOSENSE in the future.

In 2025, the turnover rate of NOVOSENSE employees was 13.61%, which is lower than the industry average.

	2025	2024	
By gender	Male	13.95%	/
	Female	12.96%	/
By region	China	13.64%	9.96%
	Overseas	12.00%	5.88%
By age	<40	13.99%	9.80%
	>40	11.74%	10.49%

# Employees’ Rights and Interests

## Protecting Employees’ Rights and Interests

NOVOSENSE upholds a people-centric approach, safeguarding the rights and interests of employees and fostering a conducive work culture. In strict compliance with relevant local laws and regulations, including the *Labor Law of the People’s Republic of China*, the *Labor Contract Law of the People’s Republic of China*, the *Law of the People’s Republic of China on the Protection of Minors* and the *Law of the People’s Republic of China on Trade Unions*, we have put in place a safe and healthy working environment, and an appropriate recruitment and remuneration policy. We respect the rights of all employees and offer them competitive compensation and welfare benefits. Through these actions, we aim to build trust and support from employees and foster harmonious, stable labor relations.



### Employment Contract Signing

We ensure that 100% of our employees are provided with labor or service contracts that comply with regulatory standards, explicitly stating their positions, working hours, labor protections, and compensation details. We are fully committed to protecting the legal rights and interests of every employee.



### Prohibition of Child Labor and Forced Labor

We explicitly prohibit the employment of minors. We utilize professional recruitment platforms, requiring all applicants to truthfully input their age information into the system prior to onboarding. The system includes a minor age reminder function, and the backend allows verification of applicants’ age data to prevent child labor at the source. The *NOVOSENSE Employee Handbook* provides channels for reporting child labor-related issues, including suggestions, complaints, or grievances to line managers/department heads, or Human Resources. We have also established an “Employee Voice” mailbox for communication, offering anonymous reporting options to fully protect employee rights. Relevant responsible departments or individuals are required to respond to reports within seven working days, conduct investigations and follow-ups, and provide conclusions and feedback.

We ensure all employees receive appropriate protection and benefits, and we strictly prohibit the use of unqualified workers, as well as forced or compulsory labor. We have put in place robust policies and processes to manage and supervise our recruitment, training, and working conditions, including regular reviews, compliance reporting, and the receiving and addressing of complaints. This guarantees our employees are treated with respect and fairness.



### Comprehensive Performance Management

In 2025, we revised the *NOVOSENSE Comprehensive Performance Management System*. By setting clear performance goals, implementing timely and effective process management, and ensuring fair and impartial evaluations, we have advanced performance management through a PDCA (Plan-Do-Check-Act) closed-loop cycle. Our performance management cycle aligns with the natural calendar year, during which employees work with their manager to align goals and develop action plans, regularly communicate their progress, and conduct periodic reviews to drive a closed-loop of continuous improvement. We have launched a leadership empowerment program to equip managers with performance management tools. To ensure transparent communication during annual performance evaluations, the company specifically organizes performance communication sessions for managers and employees before annual performance reviews. Through a multi-level evaluation and coordination process involving employees, managers, senior executives, and the CEO, we ensure the relative fairness and objectivity of the evaluations. If employees have objections to their performance results, they can appeal through appropriate channels, with the Human Resources and Administration Center taking the lead in communication and feedback.



# Employees’ Rights and Interests



## Compensation and Benefits

In accordance with national laws and regulations, as well as local requirements in regions where we operate, we have established the *NOVOSENSE Compensation Management System*. We aim to establish a fair and appropriate compensation system linking employee remuneration to the company’s financial performance and their contribution. This is to ensure fairness and to enhance our talent attraction, motivation, and retention. We ensure that our compensation policy is fair and reasonable, competitive, cost-effective and able to effectively motivate our employees. In compliance with national and local labor laws and regulations, we provide statutory benefits such as social insurance, housing provident funds, and paid annual leave. Beyond statutory requirements, we offer market-competitive supplementary benefits, including paid welfare leave, supplementary commercial insurance, team-building funds, holiday greetings gifts, and employee birthday allowance.

In 2025, we revised the *NOVOSENSE Attendance and Leave Management System* to further standardize our national public holiday and company-provided additional annual leave policy. We offer flexible work hours to help employees achieve a healthy work-life balance. In accordance with national policies, we offer female employees maternity and breastfeeding leave, as well as providing paternity and childcare leave for all employees.



## Human-centric Management

NOVOSENSE embraces a human-centric management approach that harmonizes standard and flexible working hours. Under the standard working hours framework, employees have the flexibility to adjust their schedules with the approval of their Line managers. Additionally, we offer VPN solution to facilitate employees’ work remotely or from home, thereby improving work efficiency and quality of life.



## Labor Union Activities

NOVOSENSE actively listens to employee feedback and is committed to safeguarding employee rights while driving sustainable corporate development. To this end, we have established a labor union with 100% employee membership.

Through the union, the company ensures employee voices are heard, and we promote initiatives that enhance our people’s welfare and professional growth. The labor union regularly organizes team-building activities, cultural celebrations and health programs, among other initiatives, with the goal of enriching employees’ work-life experience and boosting their job satisfaction and sense of belonging.



## Employee Communication

To communicate with employees, we have built seamless communication channels through diversified engagement activities, enabling us to gain a timely understanding of employee needs while strengthening cohesion. Our work-in-progress employee communication framework consists of three strategic components:



For our international employees, we have established a dedicated Global Operations Task Force to systematically collect and respond employee feedback from overseas locations.

# Employees’ Rights and Interests



## Annual Employee Engagement and Satisfaction Surveys

We conduct annual employee engagement and satisfaction surveys to gauge our staff’s overall perception of the company, engagement levels, and satisfaction with various aspects such as the work environment, compensation, growth opportunities, and promotions. Additionally, this survey serves as a platform for employees to voice their ideas and suggestions.

Survey results are disclosed across the company in the following year to ensure that all employees understand our overall engagement and satisfaction levels, as well as improvement plans.

## 2025 Employee Satisfaction Survey Results



In 2025 employee engagement and satisfaction survey, employees participated enthusiastically (91.4 % of active employees participated in the survey).

In this all-employee survey, we used the engagement dimensions (motivation, achievement, vitality, loyalty, identification, and satisfaction) to understand employees’ attitudes toward the organization and work, and used the satisfaction dimensions (good leadership, good direction, good work, good culture, and good return) to identify the factors that drive employee engagement, located problems, and understood the root causes. The survey result showed an engagement score of 88.0 and a satisfaction score of 87.5. With the collaboration of heads from various departments, we formulated targeted improvement initiatives and periodic review plans to ensure continuous progress.

Active staff participation:	Engagement score:	Satisfaction score:
<b>91.4%</b>	<b>88.0</b>	<b>87.5</b>



## Employee Shareholding

NOVOSENSE has fully implemented employee shareholding plans to motivate staff and align their personal growth with the company’s corporate development goals. Prior to our listing on China’s A-share market, we set up three employee stock ownership plans: *NOVOSENSE No. 1*, *NOVOSENSE No. 2* and *NOVOSENSE No. 3*, enabling our people to directly participate in the company’s growth. After listing, the company launched two equity incentive plans to further align employee and corporate interests. These initiatives have engendered greater enthusiasm and creativity among employees while fostering shared growth.



In 2025, our employee shareholding was as follows:

Since the company’s listing in 2022,  
**2** employee restricted voting incentives  
have been implemented

a total of **8** million restricted  
voting shares

granting shares to employees;  
**507** person/times on  
a cumulative basis

representing  
**4.92%** of the  
total share capital



# Employees’ Rights and Interests

## Employee Activities

At NOVOSENSE, we integrate employee care into our daily operations. We have put in place diverse, inclusive employee activities and welfare initiatives. We work to foster a warm and inclusive corporate atmosphere to bring an enhanced sense of belonging and well-being for employees and aim to build a sustainable ecosystem for mutual growth between the company and our workforce.

### Festive Care and Daily Welfare

We have designed a comprehensive employee welfare system around festive and daily scenarios, ensuring care extends to employees across regions and roles while strengthening value alignment between employees and the organization.

**International Women’s Day Craft Activities:** On 7 March 2025, our Suzhou, Shanghai, and Shenzhen offices jointly hosted craft workshops for female employees, delivering festive gifts as well as immersive experiences to celebrate the occasion.

**Traditional Festival Welfare:** For Dragon Boat Festival, we distributed customized camping gift boxes to encourage employees to connect with nature and balance work and life; for Mid-Autumn Festival, we provided mooncakes and personalized RUI XIANG cards (pre-paid gift card), preserving traditional customs while offering flexible options to meet diverse preferences and enhance employee satisfaction.

**Themed Afternoon Teas:** We have introduced monthly themed afternoon teas across offices since 2025, covering festivals like Lantern Festival and Halloween, as well as creative sessions such as ice cream DIY and childhood snack sharing. These events are designed to create equal cross-departmental interaction opportunities, breaking down barriers and increasing bonding within the organization.



# Employees’ Rights and Interests

## Cultural, Sports, and Health Initiatives

To prioritize employees’ physical and mental health, we have launched diverse cultural, sports, and health initiatives, designed to help reduce occupational health risks by encouraging employees to maintain a healthy lifestyle and support their holistic development.

### 30-Day Workout Challenge:

In May 2025, we launched the “Lose Weight, Gain Health” workout challenge, mobilizing and motivating employees to cultivate regular workout habits.

### Interest clubs:

In July 2025, we opened interest clubs for badminton, basketball, photography, and board games. These clubs allow employees from different departments to engage in non-work-related activities based on shared interests and provide an extra way for them to strike a better work-life balance for enhanced workplace well-being.

### Department-level team building:

standing practice of providing each department with discretionary team-building funds, recognizing and respecting the diverse needs of our employees, strengthening team trust through self-organized activities.



### Our annual sports games

In early June 2025, we held a two-day sports event in Shanghai. More than just games, this initiative showcased our commitment to employee well-being and team cohesion. By increasing physical and mental health awareness and collaboration, the event underlined our unwavering focus on staff welfare and wellness. Also, by integrating inclusion and diversity in our design of the activities, including fun ball games, we further strengthened employee cohesion and their sense of belonging.



Featured event

## Family Care and Cross-Cultural Engagement

We foster family care and cross-cultural engagement. To this end, we have created diverse interactive platforms designed to enhance cohesion and collaboration within or across teams by eliminating misunderstandings or misconceptions and to drive diversity within the organization.

### Family Day Event

In August 2025, we organized a Family Day event in our Suzhou and Shanghai offices, themed “NOVOSENSE Family Day: Together Towards a Better Future”. Using this initiative, we extended our care for employees beyond the workplace. Our Family Day activities included a flea market, interactive games, and the “Chip Classroom” session, which all together provided an extra opportunity for our employees to bond and spend some quality time with their families and for their families to experience and appreciate their hard work and our corporate values. This initiative vividly reflected our commitment to encourage “decent work” and “work-life balance” under ESG principles.



Featured event

### Our Global Culture Exploration Program

In July 2025, we launched a “Global Culture Exploration Program”, inviting our overseas employees to share videos or photos that capture local authentic cityscapes and culinary traditions. This initiative serves as a cross-cultural bridge, bringing to life the richness of global cultures and dissolving cultural misconceptions. By promoting cultural understanding and integration within our global workforce, the program exemplifies our ESG commitments on diversity and inclusion.



Featured event

# Training and Career Development

## Employee Training

To upskill our employees and achieve sustainability over the long term, we continue to improve our employee training and development mechanism. Through standardized and systematic training programs, we provide every employee with equal access to high-quality learning and development opportunities at NOVOSENSE.

During the reporting period, we updated and implemented the *NOVOSENSE Training Management System*, designed to further establish training requirements at the corporate and department levels and in key business areas, highlighting the importance of training planning and maintaining consistency and sustainability in training program design. Our talent development framework consists of three pillars: Leadership, Professional Competence, and General Knowledge and Skills. These training programs cover all employees by using a combination of online and offline methods. Employees are encouraged to take and complete training courses in accordance with their job requirements and business lines. This approach ensures equal access to learning and development opportunities for all staff.

For new hires in China and overseas, we continue to expand our training scope with updated training topics and improved course design. We use a combination of e-learning courses and in-person training sessions to cover a variety of topics, including general information about NOVOSENSE and NOVOSENSE's corporate culture, quality management, compliance & risk control requirements, and IT systems, among others. These training initiatives are designed to help employees understand our operational frameworks and compliance requirements and develop their accountability and risk awareness. To accumulate and pass on our expertise and experience, we leverage activities such as tech salons as part of our structured approach to transferring professional expertise and experience. We aim to gradually establish a knowledge-sharing mechanism that supports the co-construction of employee capabilities and the enhancement of organizational learning ability.

Through our continuous capability-building efforts and effective learning platforms, we have not only equipped our employees with enhanced skills and resilience, but also strengthened our learning agility as an organization. This ensures a stable supply of talent for us to maintain robust and compliant operations and value creation over the long term.

### Launch of our e-learning platform *NOVOSENSE Academy*



On April 23, 2025, our e-learning platform *NOVOSENSE Academy* was officially launched as a strategic initiative to empower our employees throughout their career development at NOVOSENSE. With this digital learning platform, we encourage self-learning, knowledge sharing, and interactive collaboration. To reward participants with points and credits commensurate with their engagement levels, we have developed the *NOVOSENSE Academy Management Guidelines*.



# Training and Career Development

To identify and develop internal trainers, the company invites knowledgeable and experienced colleagues to share their expertise. This approach helps transform tacit knowledge into explicit knowledge and organizes existing explicit knowledge, driving the development of a robust knowledge management mechanism and support the building of a learning organization. Furthermore, we organize diverse knowledge-sharing activities to foster a more positive and open sharing culture.



### Training Implementation:

Aims to enable the company to better extract and disseminate the professional knowledge of the members of the organization, enhance the knowledge value of the organization, put into practice the cultural value of "Keep Learning", and provide employees with more opportunities for self-cultivation and development, so as to achieve win-win results for the company and employees. In 2025, the number of internal trainers increased to 216, and the internal training provided covered nearly 7,177 participants.



### Knowledge Sharing:

Aims to promote the accumulation, sharing and dissemination of knowledge and experience within the company, stimulate the enthusiasm and passion of employees to actively share, realize the integration of internal resources and the improvement of human efficiency, create a better learning-oriented organizational atmosphere and establish incentive measures.



	2025		2024	
	Percentage of employees trained	Average training duration/hours	Percentage of employees trained	Average training duration/hours
<b>By gender</b>				
Male	100%	25.67	100%	28
Female	100%	27.43	100%	29
<b>By job grade</b>				
Senior management	100%	33.20	100%	24
Middle management	100%	15.83	100%	36
Other employees	100%	25.49	100%	27



During the reporting period, NOVOSENSE invested nearly

CNY **4** million in employee training,

holding **356** sessions,

achieving **100%** employee coverage,

with **24.60** hours of training on average per employee,

These efforts significantly enhanced employees' professional skills and capabilities, boosting the company's overall competitiveness.

# Training and Career Development

## Employee Development

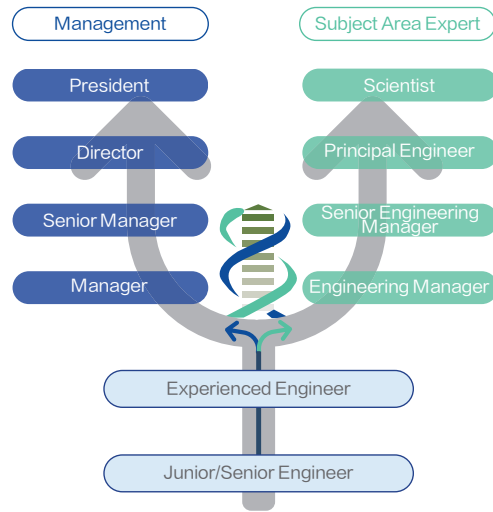
A robust talent pipeline is essential to our business operations and sustainability over the long term. By meeting training needs from individuals in different roles and in different career stages, we continue to enhance our competency-based training and development mechanism, and systematically train and develop individuals in key roles and key capabilities.

We have established a dual-track career development system integrating management and professional pathways, supplemented by a horizontal development mechanism, to provide employees with transparent, diverse, and sustainable career guidance.

Career development paths:

Professional track	For employees who aspire to specialize in a technical field, NOVOSENSE provides systematic training and development opportunities to help them enhance their professional technical capabilities. We encourage employees to become experts in their fields through continuous learning and practice. We have established and released key frameworks including the Career Ladder Criteria, Benchmark Job Competency Criteria, Technical Expert Qualification Criteria, along with the clarification of authorities, responsibilities, and benefits. These criteria aim to better guide employees in deepening their technical expertise and achieving sustainable career growth. Notably, the Benchmark Job Competency Criteria now apply to 65% of our workforce. Additionally, the first-round evaluation of the NOVOSENSE Technical Committee members has been successfully completed, and ongoing technical seminars continue to be held to foster knowledge sharing.
Management track	For employees who aspire to move into management roles, NOVOSENSE offers leadership programs to help managers adapt to their roles and improve their management and leadership skills. By taking various training courses and gaining practical experience, managers can more effectively lead their teams and promote the achievement of the company's strategic goals. We have further refined and clarified our "selection, appointment, development, retention and exit" policies and processes for managers. Building on existing frameworks, we have systematically defined the mission, responsibilities, and competency requirements for managers. We have strengthened our transition programs for new managers, the <i>XIN KONG</i> program for experienced managers, and the Advanced Management Program. Additionally, we successfully hosted our First NOVOSENSE Leadership Conference.
Lateral rotation	For employees who aim to broaden their career horizons, NOVOSENSE offers internal job transfer and internal recruitment, enabling employees to gain broader experience through different roles and expand their career paths. Such cross-departmental collaboration not only enhances employees' overall skills but also strengthens teamwork across different teams.

## Career Development Paths



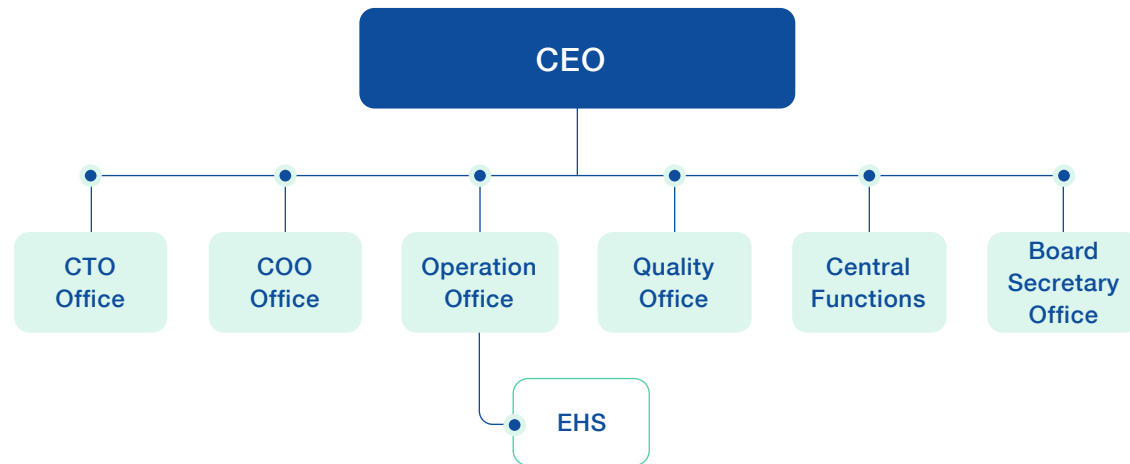
Regarding career development and promotion, we have established a robust selection and development mechanism centered on job competency, work performance, and business needs. Within the relevant policy frameworks, we carefully consider the employees' own career aspirations to provide eligible staff with opportunities for expanded responsibilities and career growth. This mechanism helps ensure fairness and compliance with the established procedures, supporting the orderly development and sustainable growth of our talent pipeline.

<b>XIN HUO Program</b>	For Campus hire: to facilitate the transition of new graduates from academic to professional environments, we have implemented a phased development approach integrating structured training with job-based practice. This is to prepare them for their job professionally, help them quickly adapt to the new environment and support them in further understanding, adapting to and improving in their roles. During the reporting period, 46 recent graduates participated in the <i>XIN HUO</i> program.
<b>XIN SHI program</b>	For key business personnel: we focus on the three key competency indicators – goal planning, critical thinking, and problem-solving. Through mid-to-long-term integrated training programs that combine theoretical development with practical application, we aim to build foundational capabilities and strengthen our critical talent pipeline. During the reporting period, 35 participants successfully completed the first cohort of this systematic development initiative.
<b>XIN KONG Program</b>	For frontline managers: we have put in place systematic training on management knowledge and practical application, which are designed to support frontline managers in clarifying their roles and responsibilities and improve their business execution and management skills. During the reporting period, 24 frontline managers participated in the <i>XIN KONG</i> program.

# Occupational Health and Safety

At NOVOSENSE, we place a high priority on employees' health and safety, and we continue to strengthen our safety policies and practices to foster a secure and healthy work environment. Based on the *Work Safety Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, and other relevant laws and regulations of the places where we operate, we have formulated the *NOVOSENSE Management System for Safety Management Organizations and Management Personnel*, the *NOVOSENSE Occupational Health Management System* and the *NOVOSENSE Fire Control Management System* by drawing on management concepts and methods from leading global practices. During the reporting period, we introduced the *NOVOSENSE Hazardous Chemicals Safety Management System* to standardize our practices and establish required procedures for the purchase, transportation, loading/unloading, storage, usage, and disposal of hazardous chemicals. We have established a production safety committee and clearly defined the production safety responsibilities of departments and personnel at all levels. In accordance with the *NOVOSENSE Production Safety Meeting Management System*, we hold at least a production safety-related meeting every quarter, ensuring the steadily advancing safety management work.

We maintain a rigorous commitment to occupational health and safety. Annually, we engage an independent third-party to conduct occupational hazard testing and evaluation in our laboratories, with all test results meeting regulatory standards. In addition, our EHS department performs annual environmental, health, and safety risk identification and assessment, with outcomes consistently indicating low risk levels. Based on various risk categories, the company implements preventive and emergency preparedness from perspectives including equipment safety and management controls.



Organization Chart of NOVOSENSE's Safety Committee

In 2025, we maintained an impeccable safety record with no safety violations, employee injuries, or occupational disease incidents reported. No fatal workplace accidents occurred in 2025 or during the preceding three years, demonstrating the effectiveness of our safety controls and our sustained commitment to operational excellence.



# Occupational Health and Safety

## Production Safety Training

We continue to improve our safety culture, further enhance safety awareness through employee training, and regularly carry out safety awareness and safety capability training in multiple dimensions around the occupational health and safety management system. We want to ensure that employees understand the necessary production safety knowledge, improve employees' safety literacy and safety awareness, enhance employees' attention to production safety, and create a strong production safety atmosphere.

Throughout the year, we systematically conducted safety training programs covering multiple key areas, including specialized chemical handling, electrical safety, radiation protection, personal protective equipment (PPE), general safety knowledge, and fire safety. We installed Automated External Defibrillators (AEDs) in key office areas and engaged external professional firms to deliver specialized AED training. Training topics include cardiopulmonary resuscitation (CPR) essentials, hands-on practical skills, and the proper use of AED devices. These initiatives have further enhanced employees' safety awareness and emergency response skills,

### Our fire safety drill in 2025

On November 25, 2025, to reinforce our safety management system and enhance employees' emergency response skills in fire incidents, we conducted a comprehensive fire safety drill. The exercise comprised the orderly evacuation of staff to designated safe zones, rapid assembly at pre-determined gathering points, and demonstration of the proper use of fire extinguishers. Post-drill analysis identified several improvement opportunities, which were immediately addressed through targeted action plans.

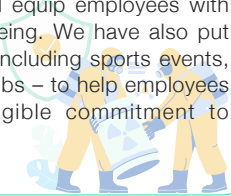


## Occupational Health Management and Radiation Protection

At NOVOSENSE, the primary occupational health hazard is ionizing radiation in respect of X-ray positions. To address this issue, we have established a multi-tiered protection system that covers annual safety inspections and declarations for radiation equipment; portable radiation detectors in work areas, with regular environmental hazard monitoring; strict pre-employment, on-the-job, and post-employment health checks; and requirements for all staff who may reach X-ray to wear personal radiation dosimeters to track cumulative exposure in real time. By effectively managing compliance in respect of equipment, dynamic environmental monitoring and individual protection, we have achieved zero cases of occupational radiation diseases for three consecutive years.

At NOVOSENSE, we place a high priority on employee feedback regarding health and safety in the workplace. We regularly collect employee input through proactive engagement, including soliciting assessments on the availability and usability of personal protective equipment (PPE). The EHS Department oversees the distribution of PPE, while the Quality Department conducts cross-verification to ensure compliance with relevant usage and storage requirements, thereby safeguarding employee safety.

We are committed to supporting the physical and mental health of every employee. To this end, we have integrated a range of mental health and stress management courses into our training platform, designed to raise awareness and equip employees with tools to regulate their psychological well-being. We have also put in place diverse activities and resources – including sports events, fitness classes, family days, and interest clubs – to help employees alleviate stress, demonstrating our tangible commitment to employee care.



### NOVOSENSE's production safety data in 2025:



# Social Welfare and Responsibility

NOVOSENSE keeps fulfilling corporate social responsibility while developing rapidly and growing in scale. We actively participate in community charity activities in the places where we operate, give back to society through donations, agricultural assistance and other behaviors, and strive to promote harmonious integration between the company and the community and achieve common development of the company and the community.

## NOVOSENSE donated to the “SMIC Liver Transplant Program for Children”

Featured event

In September 2025, NOVOSENSE donated CNY100,000 to the China Soong Ching Ling Foundation under the “SMIC Liver Transplant Program for Children” to help teenage liver patients from poverty-stricken families nationwide receive medical operations.



## Agricultural assistance activity – purchase of charity oranges

Featured event

In early December 2025, NOVOSENSE launched a third agricultural assistance activity – purchasing charity oranges from fruit farmers with disabilities and distributing them to. The amount reached CNY78,000. This warm initiative supported disabled fruit farmers, conveyed the company’s care for employees and customers, and also fulfilled the company’s social responsibility.



## Acts of kindness – extending care at welfare institutions

Featured event

On May 29, 2025, NOVOSENSE donated supplies worth CNY9,500 to underprivileged children at the Renai School in Suzhou Industrial Park, Jiangsu Province, China. These children include orphans, those with serious illnesses or disabilities, and those from low-income families. The donation not only brought warmth to the children but also raised awareness among labor union members about disadvantaged groups.



NOVOSENSE firmly believes that the company’s growth is deeply rooted in societal support and trust. In the future, we will continue to actively promote social causes, encourage our employees to engage in charitable activities and support these efforts through practical action.



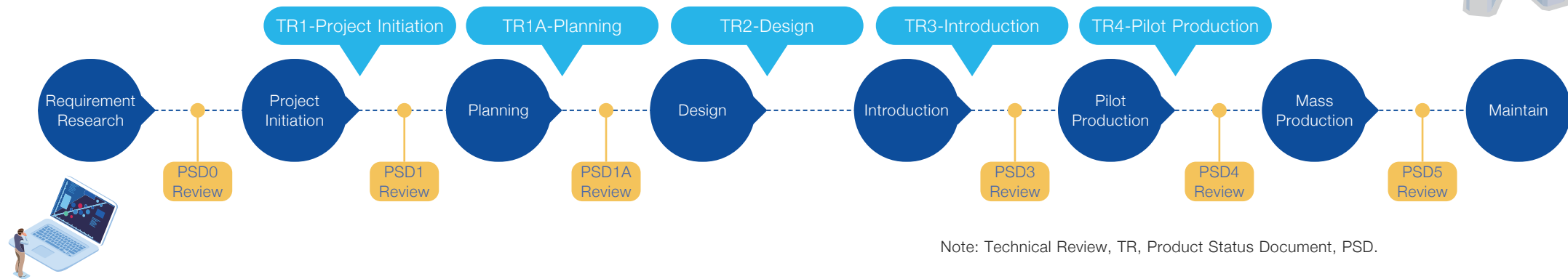
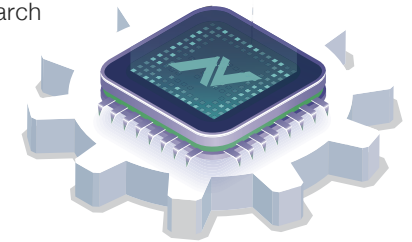
# Technology Innovation

Focusing on client applications, NOVOSENSE continues to develop competitive chip products, and has established strong technical barriers across multiple fields, including sensors (e.g., magnetic, pressure, temperature, and humidity sensors), signal chains (e.g., isolators, interfaces, and universal signal chains), power management (e.g., drivers, power path protectors, and high-side/low-side switches), as well as MCU and MCU+ series. At the same time, we attach importance to the building of basic R&D capabilities, including core IP accumulation, functional safety development capability, process development capability and product engineering capability, forming the R&D base of NOVOSENSE. In addition, we encourage innovation, especially around customer applications, and strives to provide greater value to customers through new products, technologies and processes.

## Governance

At NOVOSENSE, we firmly believe in the importance of managing and protecting intellectual property rights. To this end, the company has developed several internal policies, including the *NOVOSENSE Intellectual Property Management Policy*, which provides detailed regulations on patent management, trademark management, integrated circuit layout design management, computer software copyright management, intellectual property search management, intellectual property agency management, and other related matters. The company has implemented a standardized patent evaluation mechanism, defined clear patent review and evaluation criteria, and centralized patent management through an online system to ensure the efficiency and quality of patent applications. Additionally, employees are required to adhere to relevant laws and regulations on intellectual property, as well as the company's internal intellectual property rules, ensuring legal and compliant practices in research and development, production, sales, and other areas.

In terms of the research and development system, we have put in place comprehensive and robust R&D systems and processes:



Note: Technical Review, TR, Product Status Document, PSD.

NOVOSENSE's R&D processes

# Technology Innovation



Intellectual Property Compliance Management System Certification

To foster R&D innovation, we have implemented a comprehensive incentive mechanism centered on intellectual property rights. This mechanism rewards research and development teams that achieve innovative outcomes through a standardized and transparent system. By doing so, it strengthens the innovation drive among R&D personnel, enhances the cohesion of key technical talent, and accelerates the delivery of high-quality research outputs and patents. Ultimately, this framework provides a robust foundation for sustaining long-term innovation.

In 2025, the company obtained the *Enterprise Intellectual Property Compliance Management System Requirements (GB/T 29490-2023)* certification.

## Strategy

Sustained innovation serves as a cornerstone for fostering long-term partnerships and trust with business partners and other stakeholders. It is also a crucial enabler for maintaining technological competitiveness and driving the company’s long-term development. By consistently investing in R&D, nurturing talent, and building strategic business networks, the company fosters the accumulation of technical expertise and optimizes its product portfolios. This approach drives the evolution of products and solutions toward higher efficiency and intelligence, ultimately ensuring the steady advancement of our innovation initiatives.

Analysis of risks and opportunities related to innovation

Type	Risk/Opportunity description	Risk Probability	Impact cycle	Potential financial impact	Response measures
<b>Intellectual property risks</b>	The company holds a substantial portfolio of patents, posing a risk of unauthorized use of its intellectual property during business operations.	Low	Short to medium term	Decrease in operating income	<ul style="list-style-type: none"> <li>Conduct intellectual property training.</li> <li>Establish a monitoring mechanism for intellectual property infringement, using big data technology to monitor infringement behavior in the market in real time, and take timely legal measures.</li> </ul>
<b>Technical risks</b>	Technical talent shortage and loss.	Low	Short to medium term	Decrease in operating income	<ul style="list-style-type: none"> <li>Protect the rights and interests of employees.</li> <li>Expand recruitment channels.</li> </ul>
<b>Market opportunities</b>	Technological breakthroughs catalyze the transformation of industries toward more advanced and intelligent growth.	Medium	Medium term	Increase in operating income	<ul style="list-style-type: none"> <li>Adopt cutting-edge technologies and innovative management models; continuously promote green development concepts for industrial upgrades.</li> </ul>

The company has developed relevant management methods for the risks and opportunities related to innovative research and development, described as below.

# Technology Innovation

## Management of impacts, risks, and opportunities

The company embeds its innovative R&D risk management process into the broader internal risk management framework. Aligned with the unique characteristics of R&D innovation, we have developed tailored identification methods and evaluation approaches. Through targeted, regular risk assessments, we identify potential risks and establish comprehensive management processes, including identification and evaluation, prioritization, monitoring and mitigation, as well as continuous integration and adaptation. These measures enable us to implement effective risk management throughout the R&D lifecycle.



### Risk identification

Drawing on macroeconomic trends, industry developments, and internal R&D data, we conduct a thorough assessment of all facets of R&D operations. Spanning the entire lifecycle of R&D projects – from initiation and advancement to final delivery and acceptance – we methodically identify and categorize potential risks, such as technical feasibility risk.



### Risk assessment

We categorize and prioritize risks based on their likelihood of occurrence and potential impact. Risks that pose a significant negative impact on R&D projects and have a high probability of occurring are promptly escalated.



### Response measures

We implement intellectual property protection measures and conduct specialized training programs, and strengthen the conversion and output of intellectual property achievements from innovation projects. We develop tailored strategies for risks at different response levels.



### Risk monitoring

We assess and manage risks while tracking their development, the implementation of mitigation efforts, and new factors impacting outcomes to ensure continuous monitoring. We periodically assess the effectiveness of risk response measures and make necessary adjustments.



# Technology Innovation

## Metrics and objectives

We continue to strengthen the output and conversion of intellectual property achievements from innovation projects. For the core project, focusing on target market positioning, product functional characteristics, and application scenarios, the company actively engages in patent mining and implements strategic IP portfolio development to strengthen the protection of R&D innovations. It also establishes annual patent filing targets and systematically advances patent application efforts aligned with business needs.

As of the end of 2025, the company and its subsidiaries had accumulated 511 intellectual property rights in total. During the reporting period, the company filed 110 intellectual property applications, including 59 invention patent applications, and acquired 92 intellectual property rights, including 40 invention patents, during the year.

	New in the current year		Cumulative	
	Number of applications	Number of acquisitions	Number of applications	Number of acquisitions
Invention patents	59	40	304	163
Utility model patents	18	17	111	91
Design Patent	/	/	1	1
Software copyrights	/	/	37	38
Integrated Circuit Layout-Design	21	27	213	206
Overseas Intellectual Property Rights	12	8	54	12
Total	110	92	720	511

In 2025, NOVOSENSE invested CNY **795** million in the field of R&D and innovation.



The company conducts annual training related to intellectual property protection, with a total of 8 sessions in 2025, totaling 8 hours, covering all R&D personnel. The training content covers the general process of patent applications, the writing of patent application documents, patent infringement/analysis and retrieval, AI empowers research, development and innovation, usage requirements, and risk warnings for registered trademarks, etc.

**Intellectual Property Training on *Full Analysis of Patent Application and Infringement Responses*** Featured event

On August 15, 2025, the company conducted a specialized intellectual property rights training session, centered on key topics such as infringement detection, infringement analysis, and risk mitigation strategies. Utilizing case studies, technical features comparisons, and interpretations of relevant legal frameworks, the company methodically identified critical aspects of patent applications and infringement risk management. This effort was aimed at enhancing employees' expertise in identifying and preventing patent-related risks.

# Technology Innovation

## Collaborative innovation

During the reporting period, the company entered into strategic collaborations with key industry partners within priority application domains, focusing on developing innovative solutions tailored to real-world applications, with the aim of expanding our technological boundaries and injecting new momentum into the industry’s sustainable and high-quality development.

### NOVOSENSE collaborates with UAES and Innoscience to develop an innovative approach for new energy vehicle power electronics



On September 29, 2025, NOVOSENSE, UAES, and Innoscience officially signed a strategic cooperation agreement. The collaboration focuses on advancing the power electronics systems for new energy vehicles, with a particular emphasis on the joint development of intelligent and integrated gallium nitride (GaN)-related products. Leveraging accumulated third-party technology, the newly developed intelligent GaN product aims to deliver more reliable driver and GaN protection integrated solutions, thereby enhancing system power density. Additionally, the three parties will collaborate to promote the industrialization of these solutions, contributing to the sustainable development and value enhancement of the new energy vehicle industry.



In addition, we have also been actively engaging in research projects on other platforms. Through in-depth collaboration with academic institutes and industry peers, we have demonstrated our strong innovation capabilities and growth potential.

### NOVOSENSE attended the Workshop on IC Advances in China (ICAC) 2024 and 2025

The Workshop on IC Advances in China (ICAC) is committed to fostering a premier platform for technical collaboration among academic and industry professionals in the field of integrated circuit design in China. This year’s ICAC is jointly organized by Fudan University, the University of Macau, the University of Electronic Science and Technology of China, Tsinghua University, and Southeast University.



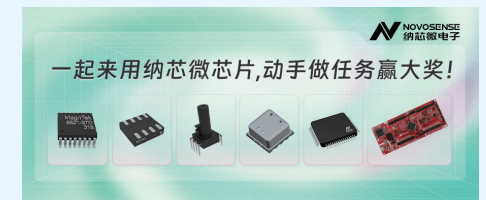
### NOVOSENSE attends the 19th Annual Meeting of Deans (Department Heads) of School of Electronic Information of Chinese Universities in 2025 and the Second National Forum on the Construction of Electronic Information Disciplines in Higher Education Institutions

The Annual Meeting of Deans (Department Heads) of School of Electronic Information of Chinese Universities was initiated by the Chinese Institute of Electronics. This year’s session was jointly organized by the National Committee for the Construction of Electronic Information Disciplines in Higher Education Institutions under the Chinese Institute of Electronics and the Department of Electronic Engineering at Tsinghua University.



### NOVOSENSE collaborates with Eetree to launch the 7th WeDesign Chip Design Competition

WeDesign, organized by Eetree, is an activity aimed at fostering collaborative design and shared experiences. Its purpose is to bring together enthusiasts to engage in the chip design process, participate in chip verification, and uncover the intricacies of chip technology.



# Quality Management Governance

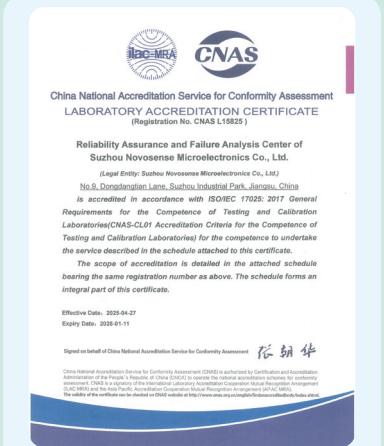
NOVOSENSE strictly complies with laws and regulations, including the *Product Quality Law of the People's Republic of China*, and the *Consumer Rights and Interests Protection Law of the People's Republic of China*, as well as relevant national standards. We consistently prioritize product quality and reliability, adhering to high standards and stringent requirements. The company upholds the quality management philosophy of "quality starts from design and runs through the entire product life cycle", establishing a scientific and systematic Total Quality Management. By strengthening organizational capabilities and promoting IT integration of process systems, we ensure the effective implementation and execution of the system. By the end of the reporting period, the company had obtained a series of reliable and trustworthy system certifications.



Since 2015, NOVOSENSE has obtained and maintained the ISO 9001:2015 Quality Management System Certification.



In 2025, NOVOSENSE was granted the ISO 26262 ASIL D Defined-Practiced certification by TÜV Rheinland for its functional safety management system, demonstrating that the company's functional safety system has reached the highest international standards with mature practical capabilities. Simultaneously, the high-safety automotive-grade chips have passed the highest-level ASIL D certification.



Since 2022, NOVOSENSE Reliability Assurance and Failure Analysis Center has obtained laboratory accreditation certification.



# Quality Management Strategy

The company has established a “R&R” quality policy centered on Robust & Reliable, laying a solid foundation for continuously delivering high-quality products and services. The company has always considered the quality of its products and services as a key manifestation of its core competitiveness. Through our comprehensive quality management system, we guarantee excellence throughout every aspect of the entire product and service life cycle, spanning from research and development design to manufacturing, and extending to after-sales service.



NOVOSENSE’s Robust & Reliable quality policy

## Analysis of quality-related risks and opportunities

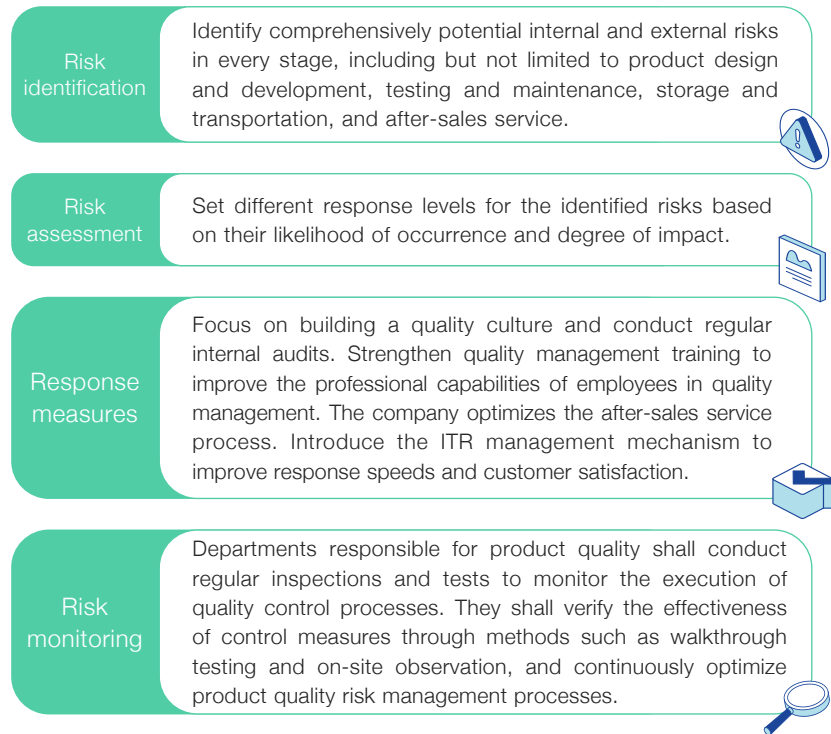
Type	Risk/Opportunity description	Probability of occurrence	Impact cycle	Potential financial impact	Response measures
Market risks	<ul style="list-style-type: none"> <li>Customers increasingly prefer products with lower carbon emissions and reduced power consumption. If the company fails to meet customer expectations in areas like energy conservation and emission reduction, it may face the risk of customer attrition.</li> </ul>	<ul style="list-style-type: none"> <li>Medium</li> </ul>	<ul style="list-style-type: none"> <li>Short to medium term</li> </ul>	<ul style="list-style-type: none"> <li>Decrease in operating income</li> </ul>	<ul style="list-style-type: none"> <li>Increase R&amp;D investment, optimize product design to gradually reduce product energy consumption, and enhance market competitiveness.</li> <li>Continuously monitor market trends and stay innovative.</li> <li>In terms of customer service, the company optimizes the after-sales service process and introduces the ITR management mechanism, significantly improving response speed and customer satisfaction.</li> </ul>
Product risks	<ul style="list-style-type: none"> <li>Product risks caused by low product quality and low pass rates</li> </ul>	<ul style="list-style-type: none"> <li>Low</li> </ul>	<ul style="list-style-type: none"> <li>Short to medium term</li> </ul>	<ul style="list-style-type: none"> <li>Decrease in operating income</li> </ul>	<ul style="list-style-type: none"> <li>The company focuses on strengthening internal quality management capabilities, continuously improving the relevant training system, and increasing investment in quality management training. In 2025, we organized a total of 37 quality-related training courses, with a total of 138 hours.</li> <li>We have established a complete internal mechanism in the business processes of R&amp;D, manufacturing and sales to ensure the product qualification rate.</li> </ul>
Market opportunities	<ul style="list-style-type: none"> <li>Market opportunities brought by the trend of automotive intelligence.</li> </ul>	<ul style="list-style-type: none"> <li>High</li> </ul>	<ul style="list-style-type: none"> <li>Short to medium term</li> </ul>	<ul style="list-style-type: none"> <li>Increase in operating income</li> </ul>	<ul style="list-style-type: none"> <li>Accelerate product iteration speed, improve product performance and energy efficiency ratio.</li> </ul>

The company has developed relevant management methods for the quality-related risks and opportunities, described as below.

# Quality Management

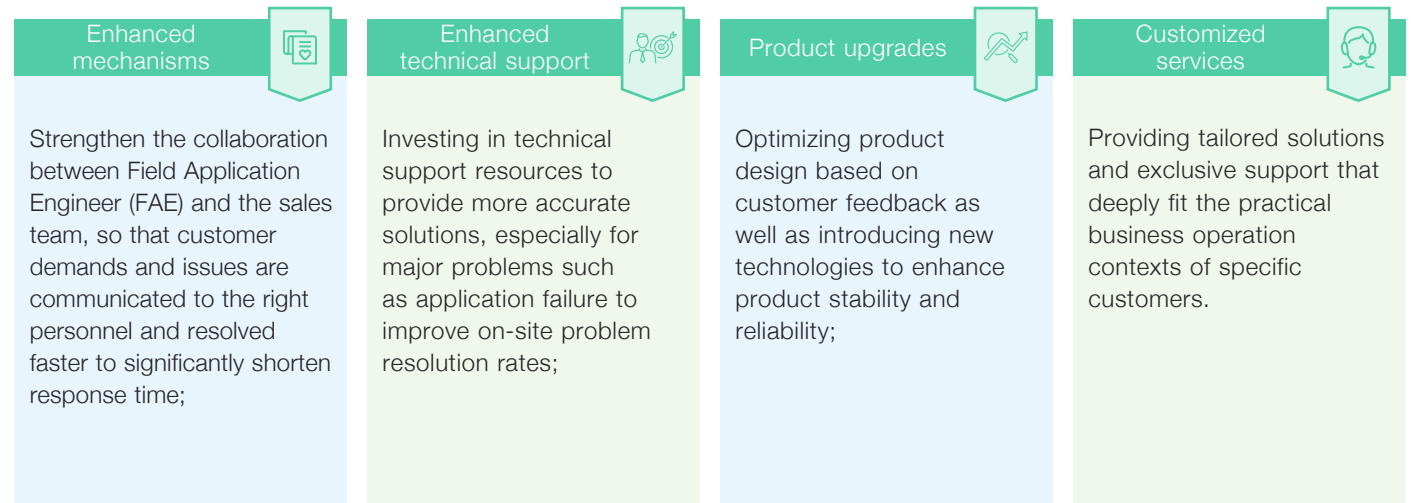
## Management of impacts, risks, and opportunities

The company integrates quality management requirements into daily operations and business management processes, identifying and assessing quality-related risks and opportunities based on product characteristics and business operations. It establishes corresponding control and improvement mechanisms to drive the continuous enhancement of the quality management system and ensure the consistent improvement of product and service quality.



During the reporting period, we carried out a customer satisfaction survey on all fronts, covering major customer groups. By combining quantitative and qualitative analysis, we evaluate the level of customer satisfaction in areas including product performance, service quality, technical support and response efficiency. The survey results successfully met the goals established last year, with an overall score improvement compared to 2024. This demonstrates strong customer recognition of the company’s comprehensive capabilities.

To continuously improve customer satisfaction, the company has taken multiple targeted measures:



Through these targeted measures, we transform customer voice into the driving force for service and product iteration. In this way, we are able to continue to build trust and stickiness among our customers.

# Quality Management

## Customer complaint handling mechanism

The company always attaches great importance to the handling and improvement of customer complaints, and regards them as an important source of feedback for optimizing product and service quality. We systematically gather customer feedback and opinions across multiple channels, including regular customer visits, e-mail and customer service hotlines that are available 24/7. In addition, the company manages customer complaints using a closed-loop approach, under which we receive, investigate and resolve complaints, and then identify improvement opportunities. Every customer complaint is thoroughly tracked and addressed, with timely updates provided on the resolution. Additionally, we have established a Product Safety Conformity Representative (PSCR) role, dedicated to overseeing automotive product compliance and conformity. Due to our continuous efforts, we have achieved impressive results in handling customer complaints in recent years:

- ▶▶ The company introduced an intelligent customer complaint data analysis system, which enables escalation of customer complaints, where appropriate, and real-time analysis of trends, helping us accurately identify and resolve common issues in products or services.
- ▶▶ We optimized resources and our organizational structure, which has significantly reduced our response time and improved customer satisfaction. In addition, for certain key complaints, we have increased our resources and efforts to ensure that the core demands of customers are completely resolved.

During the reporting period, there was no recall of the sold products due to safety and health concerns.

Going forward, NOVOSENSE will continue to integrate intelligence and insightful predictability into its customer complaint management system, transforming customer voice into the cornerstone for product innovation and service quality enhancement.



# Supply Chain Management

## Governance

The company strictly adheres to relevant laws and regulations, including the *Bidding Law of the People’s Republic of China*, and has established a comprehensive set of policies such as the *NOVOSENSE Procurement Control Procedure*, the *NOVOSENSE Supplier Quarterly Performance Evaluation Form*, the *NOVOSENSE Supplier Review Plan*, the *NOVOSENSE Business Continuity Management Procedure*, the *NOVOSENSE Hazardous Substance Management and Control Procedure*, and the *NOVOSENSE Environmental Protection Protocol*. These measures are designed to strengthen supplier management and foster a long-term, mutually beneficial partnership with them. Relying on an objective and quantifiable supplier management system, the company coordinates procurement, quality, technological innovation, legal affairs, safety, and environmental protection departments to jointly conduct comprehensive evaluations of sustainable development dimensions, including technology, quality, responsiveness, delivery time, business and pricing, as well as business ethics, environmental safety, social responsibility, and occupational wellness. This ensures the sustainability of the supply chain and involves quarterly tracking and evaluation of core suppliers, fostering long-term partnerships. Committed to the principles of fairness, impartiality, and openness, we rigorously assess and evaluate supplier qualifications to build a robust and comprehensive supplier management system encompassing the admission, evaluation, risk management, and exit of suppliers. In 2025, the company updated the *NOVOSENSE Supplier Management System* to further refine management requirements for suppliers at different tiers and continuously enhance the quality and performance of the supply chain.

## Strategy

The supply chain is a core component of a company’s daily operations. We are committed to practicing responsible production practices and building a sustainable supply chain system. By deepening supply chain management, strengthening quality and safety control, and promoting environmental approaches, we strive to build a diversified supplier base. At the same time, we continue to drive a low-carbon transformation of our supply chain to adapt to changing market and social needs. This strategy aims to ensure the efficiency and reliability of the supply chain, while reflecting our firm commitment to responsible and sustainable operations.

Analysis of risks and opportunities related to supply chain management

Type	Risk/Opportunity description	Probability of occurrence	Impact cycle	Potential financial impact	Response measures
<b>Policy and legal risks</b>	Supply chain disruption caused by external factors such as geopolitical tensions.	Medium	Medium term	Increased operating costs	<ul style="list-style-type: none"> <li>Continuously promote supply chain localization and actively carry out diversified procurement.</li> <li>Achieve technological autonomy, increase research and development investment, and enhance independent innovation capabilities.</li> <li>Closely monitor global developments, continuously adapt our supply chain emergency response plans to ensure timely and effective adjustments.</li> </ul>
<b>Market risks</b>	Given the high concentration of suppliers and the scarcity of certain products, if the company fails to maintain stable cooperative relationships with certain suppliers, it may adversely affect the company’s operations.	Medium	Medium term	Increased operating costs	<ul style="list-style-type: none"> <li>Establish a diversified supplier strategy to reduce reliance on a single supplier.</li> <li>Establish long-term and close partnerships with existing suppliers.</li> </ul>
<b>Management risks</b>	Improper supplier selection, unsuitable procurement methods, unscientific bidding or pricing mechanisms, and inadequate authorization and approval processes may result in high costs, poor quality of purchased products, and exposure to fraudulent or unethical practices.	Low	Short term	Increased operating costs	<ul style="list-style-type: none"> <li>Implement full-process oversight of procurement activities, adhere to established review and approval procedures, ensure timely execution of procurement activities, guarantee compliance and operational efficiency in procurement operations, and support the seamless operation of the company’s core business activities.</li> </ul>
<b>Opportunities</b>	Establish long-term strategic partnerships with suppliers to overcome the limitations of the global supply chain and enhance localization rates.	High	Long term	Reduced operating costs	<ul style="list-style-type: none"> <li>Continuously improve the localization rate of supply chains.</li> </ul>

The company has developed relevant management methods for the risks and opportunities related to supply chain management, described as below.

# Supply Chain Management

## Management of impacts, risks, and opportunities

The company embeds supply chain management requirements into daily operations and business processes, continuously identifies and assesses risks and opportunities related to the supply chain based on supplier types and business process characteristics, enhances control and fosters collaborative management of critical processes, and bolsters the stability and overall resilience of supply chain operations.

### Risk identification

Regularly identify potential risks in the selection, procurement, transportation, warehousing, and production processes of suppliers of raw materials and finished products.

### Risk assessment

Conduct a comprehensive assessment of external risks of the supply chain, such as fluctuations in raw material prices, bankruptcies of suppliers, and logistics disruptions.

### Response measures

Based on the results of risk assessment, a detailed emergency plan is to be developed, covering the reporting, assessment, decision-making, execution, and recovery of supply chain disruption events, as well as specific resource allocation strategies.

### Risk monitoring

Establish an effective monitoring system to collect key data in real time. Conduct annual reviews and implement continuous monitoring of supply chain operations through on-site inspections of product logistics and warehousing locations, enabling timely identification of potential issues.

The company has established the *NOVOSENSE Business Continuity Management (BCM) Procedures* and the *NOVOSENSE Business Impact Analysis (BIA) Management Procedures*. It conducts Incident Management Planning (IMP) and Risk System Assessments at least once every six months, developing business continuity strategies to address situations that may cause supply interruptions and ensuring production continuity. In 2025, the BCM risk assessment for core suppliers fell within the low-risk range, and the company continued to drive supplier improvement through quarterly supplier ratings.

In terms of supply chain risk management, we have taken measures to reduce relevant business risks, including the following:

- We have entered into long-term cooperation agreements with strategic suppliers of production materials, while controlling the sources of raw materials to ensure they are in stable supply and of reliable quality.
- In response to national localization strategies, we have continued to advance supply chain localization, moved such efforts upstream to Tier-2 materials, and implemented comprehensive localization assessments and refined management.
- In 2025, the company launched a new digital supply chain management initiative, developing a comprehensive automated procurement reporting system, implementing a robust pricing framework, and ensuring seamless integration between the SRM system and IPD research and development processes. Additionally, the project focused on optimizing information exchange and enabling real-time queries.

## Metrics and objectives

Local suppliers are a key consideration for establishing collaboration, fostering technological progress, lowering procurement costs, and minimizing carbon emissions from transportation. As of the end of the reporting period, the company has a total of 1,358 suppliers, with more than 70% of its raw materials from local suppliers, effectively reducing transportation carbon emissions, improving supply chain efficiency and resilience, and assisting local economic development and employment.

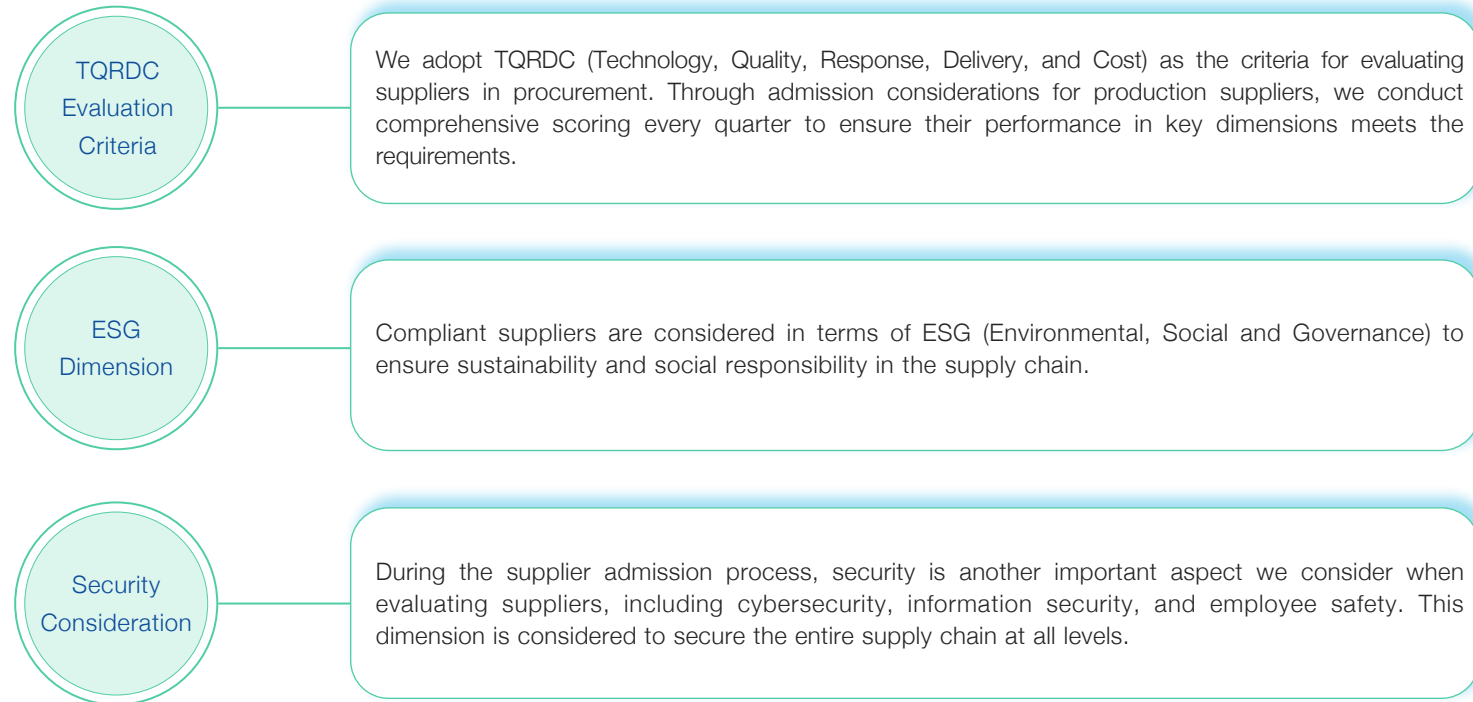
In 2025, the company achieved a 100% coverage ratio for its supplier audits. Furthermore, the company also achieved a 100% coverage ratio for customer-requested audits, focusing on various OEM processes and systems. By the end of the reporting period, 100% of the company's Tier A core suppliers had obtained internationally recognized certifications, including ISO 9001, ISO 14001, and ISO 45001.

The company views supply chain management as a critical foundation for ensuring business continuity, maintaining product quality and driving sustainable development. To achieve this, the company constantly refines its full-life-cycle supply chain management mechanism, encompassing supplier admission, performance evaluation, supervision and review, and exit management. These efforts are aimed at fostering a responsible supply chain ecosystem.

# Supply Chain Management

## Supplier admission management

The company implements a multi-dimensional evaluation mechanism during the supplier admission process. This mechanism considers five key evaluation elements: technical capability, quality level, response efficiency, delivery capability, and cost performance. Additionally, the company integrates ESG standards and safety management requirements into its systematic admission evaluation and continuous management practices for production-type suppliers.



During the admission process, we implement a structured evaluation framework and conduct a comprehensive review process, including expert assessments, to evaluate suppliers across critical dimensions such as technical capability, quality management, business continuity, and operational compliance. This rigorous approach ensures that suppliers demonstrate stable performance capabilities and a solid foundation for sustainable operations.

To further enhance supplier management, the company employs standardized assessment tools, including the *NOVOSENSE Technical Assessment Form*, the *NOVOSENSE Quality System Assessment Form*, the *NOVOSENSE Quality Process Assessment Form*, and the *NOVOSENSE BCM Audit Form*, to identify potential risks and conduct targeted communication with suppliers. This process facilitates the confirmation and rectification of identified issues, ensuring closed-loop management to address all concerns. Only after completing this thorough resolution process can suppliers be formally admitted into the qualified supplier system.



# Supply Chain Management

## Supplier evaluation and incentives

For core suppliers, the company conducts a quarterly performance evaluation based on the *NOVOSENSE Supplier Quarterly Performance Evaluation Form*. A cross-functional assessment team, comprising representatives from procurement, technological innovation, quality, external manufacturing, EHS, and other departments, evaluates suppliers across four key dimensions: quality, delivery, collaboration, and ESG performance. Based on the comprehensive evaluation results, the company implements tiered management of suppliers, fostering strategic cooperation and recognizing top performers. This approach aims to continuously improve supplier capabilities, align with the company’s vision of sustainable operations, and build a responsible supply chain that drives collaborative progress.



## Supplier ESG management

In the process of supplier admission and routine management, the company places increasing emphasis on integrating ESG-related considerations into its decision-making processes. Key aspects of Environment, Health, and Safety, as well as quality management systems, have been incorporated into the *NOVOSENSE Supplier System Assessment Form*, ensuring that the evaluation scope encompasses critical areas such as environmental protection, fire safety, production safety, hazardous substance management, employee training, and secondary supplier management. This approach supports the identification of supplier compliance levels and potential ESG risks.

In the practice of supplier management, the company conducts periodic audits and evaluations tailored to the category and risk characteristics of individual suppliers. To monitor ESG performance comprehensively, the company employs a combination of three-year periodic assessments and annual evaluations, creating a robust framework for ongoing oversight.

Additionally, the company has established specialized agreements, including the *NOVOSENSE Confidentiality Agreement*, the *NOVOSENSE Quality Agreement*, and the *NOVOSENSE Environmental Protection Protocol*, to integrate environmental, quality, and compliance requirements into the supplier management framework. These measures promote the gradual implementation of supply chain responsibilities and requirements. Furthermore, the company has implemented a supplier exit mechanism and corresponding processes to ensure the continuous optimization of the supplier structure. Notably, in 2025, the company did not terminate cooperation with any supplier due to ESG-related issues.

## Conflict minerals

As a chip company, we keep tracking the international community’s views and development trends on conflict minerals. The company has developed the *NOVOSENSE Hazardous Substance Control Procedure* to standardize the compliance process for conflict minerals management. This procedure clarifies internal governance and supply chain management requirements through establishing corresponding data management and reporting mechanisms. These measures enable the identification and disclosure of conflict mineral risks within the supply chain, ensuring transparency and accountability. The company actively collaborates with customers to complete relevant information declarations and continuously enhances the transparency of its supply chain.

The company’s existing suppliers have conducted investigations with reference to the Conflict Minerals Report (CMT), and have followed the process to determine whether the investigation results meet the conflict-free metal requirements of the Democratic Republic of the Congo.

Investigation results and measures:

- If conflict minerals are not involved, the audit result is PASS;
- If conflict minerals are involved, a new source of minerals must be selected and effective evidence of improvement and preventive measures must be provided in order to comply with the requirements for conflict-free metals.

For suppliers potentially involved in conflict minerals, we promptly conduct an investigation to verify their compliance with the Democratic Republic of Congo (DRC)’s conflict-free metals requirements. Where applicable, suppliers are required to perform due diligence and annual country-of-origin investigations into the source and chain of custody of conflict minerals and other minerals, including cobalt. These investigations must adhere to nationally or internationally recognized due diligence frameworks. Suppliers must provide the necessary information using the Conflict Minerals Reporting Template (CMRT) or Cobalt Reporting Template (CRT) available on the RBA official website. If required, they should also submit a Conflict Minerals Declaration.

In addition, we conduct annual surveys of refineries/smelters to verify whether they remain on the RMI qualified smelter list.

In 2025, the company required core suppliers to declare minerals using the CMRT form, achieving a 100% coverage rate for core supplier declarations. Based on this year’s investigation results, the company did not identify any supplier involved in the use of conflict minerals during the supply chain investigation.

The company will continue to monitor international regulations and regulatory developments, and further enhance conflict mineral management and information disclosure mechanisms based on business realities, and maintain close cooperation with suppliers, customers and industry organizations to jointly and continuously promote implementation of responsible mineral procurement practices.

# Green Operations: Working Together to Build a Green Future

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Based on green and sustainable business, NOVOSENSE actively responds to the United Nations Sustainable Development Goals 6, 7, 11, and 13, adheres to the green and low-carbon development approach, continuously improves the efficiency of energy resource utilization while striving for innovation and development, and keeps inspiring new ideas for low-carbon operations based on operating practices.



## Our Actions :

- Launch green products to empower customers with green options and jointly achieve the green development targets
- Gradually reduce carbon emissions and prioritize the use of new energy vehicles in cooperation with car use platforms, minimizing carbon emissions during operations
- Gradually increase the use of renewable energy, such as PV, to optimize the energy structure
- Enhance employees' environmental protection awareness and create an atmosphere of environmental protection within the company



# Environmental Management

NOVOSENSE 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*, and other applicable laws and regulations of the places where it operates. We have established and updated systems such as the *NOVOSENSE Energy Resource Management Control Procedure* to regulate the use of energy and resources, continuously strengthen the publicity and implementation of environmental protection related contents such as green office and green mobility, and strive to build ourself into a resource-saving and environment-friendly company, in order to enable the coordinated and sustainable development of human beings, resources and the environment.



## Environmental Policy

**Comply with laws and regulations:** Comply with national laws and regulations as well as industry and local environmental policies

**Prevention of pollution:** Establish environmental awareness among all employees and improve the ability to prevent and control pollution accidents

**Energy saving and consumption reduction:** Use energy resources rationally and effectively, reduce waste, and adopt environmentally friendly products

**Continuous improvement:** Implement effective improvement measures for problems that need to be rectified, and continuously improve environmental performance



By the end of the reporting period, NOVOSENSE has been certified with ISO 14001 Environmental Management Systems.







ISO 14001 Certification

# Energy Conservation and Emissions Reductions

## Energy and Resource Management

### Energy Consumption

The company’s energy consumption primarily comes from its offices, R&D facilities, and IT infrastructure operations. With a continuous focus on energy use efficiency, the company advanced the standardization and refinement of its energy management through a combination of system development and technological measures.

NOVOSENSE’s energy consumption	 Diesel (liter)	 Power consumption (kWh)	 Comprehensive energy consumption (tons of standard coal) <sup>3</sup>	 Overall energy consumption intensity (tons of standard coal per million CNY revenue)
2025	14.00	18,958,959.00	2,331.10	0.69
2024	0	12,702,719.00	1,561.16	0.80

<sup>3</sup> The comprehensive energy consumption refers to the General Rules for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020) issued by the State Administration for Market Regulation and the National Standardization Administration of the People’s Republic of China. In 2025, the company added new equipment, resulting in an overall increase in energy consumption.

Amid profound shifts in the global energy landscape, the company is actively exploring viable pathways to enhance energy efficiency. It has gradually adopted smart management solutions while assessing the potential of clean energy. Building on these efforts, it has deployed distributed PV projects and other clean energy initiatives, achieving 100% power self-using. In daily operations, the company is continuously improving energy efficiency by constructing a modular server room, implementing intelligent control of air conditioning systems, and optimizing equipment maintenance.

### Energy-saving practices in the modular server room



In 2025, the company’s modular server room was officially put into operation. Compared to a traditional server room under equivalent loads, it reduced annual electricity consumption by approximately 247,800 kWh during actual operation. The solution adopts a modular, standardized design that balances flexible scalability with operational reliability. It integrates energy-saving technology and an intelligent management system, enabling remote monitoring and energy efficiency management of the server room’s operational status. Furthermore, the pre-assembly construction method significantly shortened the construction cycle and enhanced the construction efficiency. The server room features a compact structure and incorporates energy-saving devices such as a DC variable frequency compressor and EC fans, achieving annual energy savings of around 50%.

### Intelligent office air conditioning management



The company has implemented a smart air conditioning control system across its primary office spaces. This system centrally controls cooling temperatures and operating schedules, dynamically adjusting settings based on seasonal changes, holiday arrangements, and other factors. By balancing workplace comfort requirements with energy conservation, this approach significantly reduces unnecessary energy consumption and delivers tangible environmental benefits throughout the workspace.

# Energy Conservation and Emissions Reductions

## Water Resource Management

The company’s daily operations involve water use mainly for office purposes, with no process water required for design or R&D activities. Accordingly, its water resource management focuses on standardized practices and conservation efforts. Specific requirements are outlined in the *NOVOSENSE Energy Resource Management Control Procedure*.

In 2025, water consumption data figures were as follows:

	Total water withdrawal/ton	Tons of water withdrawal per million CNY revenue
2025	10,703.00	3.18
2024	8,724.00	4.45

The company regards “fostering water conservation awareness” as a key approach for advancing water resource management. Through a combination of internal campaigns and daily management practices, it encourages employees to develop water-saving habits. Daily inspections and monthly audits are conducted on major water facilities to prevent non-essential losses such as pipeline leaks. Fixed assets are being upgraded to reduce water waste, with sensor-activated faucets and water-saving toilets being progressively installed in sanitary areas. Additionally, the company has replaced traditional bottled water dispensers with direct drinking water systems in office areas. Regular maintenance – including filter cartridge replacements and water quality testing – is entrusted to suppliers to enhance the standardization and safety of drinking water management.



Water conservation slogan

## Pollutant Management

We strictly abide by the *Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* and other laws, regulations and standards on environmental protection and pollution prevention of the places where we operate. During the reporting period, the company updated the *NOVOSENSE Environmental and Energy Management System*, further clarifying management requirements for exhaust gas monitoring and hazardous waste disposal. Pollutants are now classified and managed in strict compliance with regulations to minimize potential environmental impacts and enhance resource recycling.

	2025	2024
Waste gas (m <sup>3</sup> )	3,305.1	3,792.6
Among them, hydrogen chloride/ton	0.01	0
Among them, total non-methane hydrocarbons/ton	0.02	0.006
Hazardous waste (ton) <sup>4</sup>	8.87	2.36
General industrial solid waste (ton)	101.93	57.5
Among them, Recyclable waste (ton)	81.00	18.9

During the reporting period, no incidents occurred where the company was subject to environmental penalties.

<sup>4</sup> Production capacity increases in 2025 and some electronic products reach their service life for unified disposal.

# Energy Conservation and Emissions Reductions

## Green Office Initiatives




Based on workplace scenarios, the company continuously promotes green office practices. By integrating policy guidance into daily management, it reduces resource consumption and environmental impact through measures such as:

- Promoting double-sided printing and establishing a “reused paper” recycling area in printing zones
- Advancing paperless operations by leveraging the OA system and digital reimbursement processes to minimize paper documentation
- Supporting remote collaboration via teleconferencing and video conferencing systems, thereby reducing business travel and associated resource usage
- Posting green office and energy-saving slogans to enhance employee environmental awareness
- Promoting electricity-saving initiatives and adopting energy-efficient office equipment and materials



## Waste Management

The company attaches great importance to the standardized management of waste, and strengthens corresponding management efforts through a series of measures. This includes clarifying the responsibilities of relevant departments and implementing classified collection and compliant disposal of both office waste and domestic waste.

 Non-hazardous waste	Primarily consists of domestic waste generated from office activities. Recyclables such as discarded cartons are uniformly recycled and processed by third-party vendors.
 Hazardous waste	Mainly derived from chemicals used in the Quality Chemistry Laboratory. Such hazardous waste is disposed of by qualified parties and filed with the government’s online reporting system.
 Office equipment and consumables	Assets such as photocopiers are leased, and related consumables are uniformly recycled and processed by the lessor.

## Waste Gas Management

NOVOSENSE’s Shanghai and Suzhou offices are the main office areas and do not involve waste gas emissions. Exhaust gases are mainly generated from processes such as baking and experimental testing within our Quality Laboratory. The company has installed exhaust gas treatment facilities, such as activated carbon adsorption equipment and ventilation hoods, to centrally treat the relevant exhaust gas and effectively reduce fugitive emissions. Additionally, the company annually engages certified third-party agencies to test the treated emissions. Results consistently confirm that discharge concentrations meet all applicable regulations and standards.

## Wastewater Management

Wastewater, primarily comprising office and domestic sources, is discharged into municipal sewage pipelines as required by local environmental protection authorities. Wastewater testing is conducted annually.

# Raw Material Usage

## Hazardous Substances Management

The company places high importance on product compliance and environmental risk management. It has formulated the *NOVOSENSE Hazardous Substances Management* and the *NOVOSENSE Control Procedure and the Environmental Compliance Agreement* to regulate hazardous substances in internal operations and raw material procurement. These documents clearly define the management scope, threshold standards, and applicable customer and regulatory requirements for hazardous substances. These mechanisms prevent materials and components containing hazardous substances from entering our products, thereby reducing their potential impact on the environment and human health.

The company complies with the EU Restriction of Hazardous Substances (ROHS) Directive and REACH Regulation, including all applicable annexes and amendments, to ensure its products meet these green regulatory standards.

To align with the company’s environmental protection objectives, product characteristics, applicable laws and regulations, and customer requirements, the company regularly updates its internal environmental standards. It also establishes and maintains internal control standards, such as the *NOVOSENSE Hazardous Substances Control List*, and communicates these requirements to the supply chain through established systems and channels.

In terms of capacity building, the company provides trainings on hazardous substances management at least annually for employees involved in hazardous substance reviews and supplier audits. These trainings cover management processes, legal and regulatory updates, and key customer requirements. Additionally, procurement personnel receive training on basic knowledge of hazardous substances at least once a year to ensure effective implementation of hazardous substances management requirements.

## Use of Packaging Materials

In terms of product packaging management, the company optimizes packaging design and material specification regarding areas such as packaging material quality, resource utilization, and production efficiency. Through implementing standardized communication and collaborative improvements with suppliers, the company reduces redundant packaging while ensuring product requirements are met, thereby promoting efficient resource use.



# Responding to Climate Change

As the world transitions towards green, low-carbon development, climate change has become a critical issue shaping industrial growth models and the long-term viability of businesses. As a chip design company, NOVOSENSE not only focuses on its own operational energy consumption and emissions management, but also prioritizes delivering energy efficiency benefits through its products. In the R&D process, the company emphasizes key metrics such as low power consumption, high reliability, and an extended service life to support enhanced system operational efficiency and prolonged lifecycles of end products. NOVOSENSE’s relevant chip products are widely applied in sectors such as automotive, industrial control, and energy management. By reducing energy consumption during the usage phase, these products help downstream applications achieve their carbon reduction goals.

Furthermore, NOVOSENSE has integrated climate change considerations into its corporate governance and daily operational management frameworks based on its business characteristics. Focusing on governance, strategy, risk management, and emissions reduction initiatives, the company has gradually developed a climate change management approach aligned with its business and continues to advance relevant internal management and practices.

## Governance

In terms of governance, the Board of Directors and its Strategy and ESG Committee oversee and provide guidance on climate-related risks and opportunities. Through a multi-department collaborative mechanism, they identify and assess the potential impacts of climate change on the company’s business operations and development strategies. They also incorporate relevant climate-related topics into the company’s corporate governance and daily management processes (see the “ESG Governance” section of this report for details), progressively promoting systematic internal management of climate-related issues. Please refer to page 18 for relevant governance structures.

## Strategy

Type	Climate-related risks and business impacts	Impact cycle	Potential financial impact	Response measures
Physical risks	<p><b>Acute</b></p> <p>Sudden extreme weather events such as rainstorms and typhoons may trigger a series of risks such as production suspension and reduction at the supply chain end and difficulties in product transportation, which may lead to reduced business stability and increased costs. Major extreme weather disasters are also very likely to cause employee safety accidents, etc., adding more unfavorable factors.</p>	Medium-term	Increase in capital expenditure	<ul style="list-style-type: none"> <li>Strengthen early warning and risk prevention for extreme weather events, continuously optimize relevant emergency response plans, and minimize disaster losses.</li> <li>Regularly assess the impact on capital expenditure based on extreme weather frequency and scale, and establish a dedicated fund for post-disaster reconstruction based on the assessment results.</li> </ul>
	<p><b>Chronic</b></p> <p>Long-term changes in climate patterns (such as persistent high temperatures) may trigger, for example, increased operating costs due to increased cooling demand in summer, as well as cost inputs due to subsequent restructuring of energy use.</p>	Medium and long-term	Increase in operating expenses	<ul style="list-style-type: none"> <li>Continuously optimize existing facilities for energy efficiency and cost reduction, promote clean energy adoption, assess the feasibility and costs of accessing renewable energy, increase the share of renewable energy use, and mitigate the risk of future fossil fuel price increases.</li> </ul>
Transition risks	<p><b>Policy and laws</b></p> <p>With the improvement and introduction of policies, regulators are bound to adopt more stringent GHG emission limitation measures and strengthen GHG emission disclosure requirements. With the acceleration of China’s carbon emissions trading market and the successive improvement of international carbon tariffs and other policies, the subsequent fulfillment of carbon emissions compliance requirements may lead to an increase in costs. Changes in policies may also lead to the early retirement of existing fixed assets such as energy-consuming equipment; There may be a risk of being held legally liable or facing fines and financial losses due to failure to comply with relevant climate policies or laws.</p>	Medium-term	Increase in operating expenses	<ul style="list-style-type: none"> <li>Strictly implement policies and regulations while strengthening capabilities in compliance risk management, energy conservation, and emissions reduction.</li> <li>Continuously monitor the introduction and update of relevant policies and regulations, and study implementation requirements as they are released and formulate relevant measures on time.</li> <li>Strengthen internal carbon management, promote the use of energy-saving and emissions-reduction technologies internally, and explore internal carbon pricing mechanisms.</li> </ul>

# Responding to Climate Change

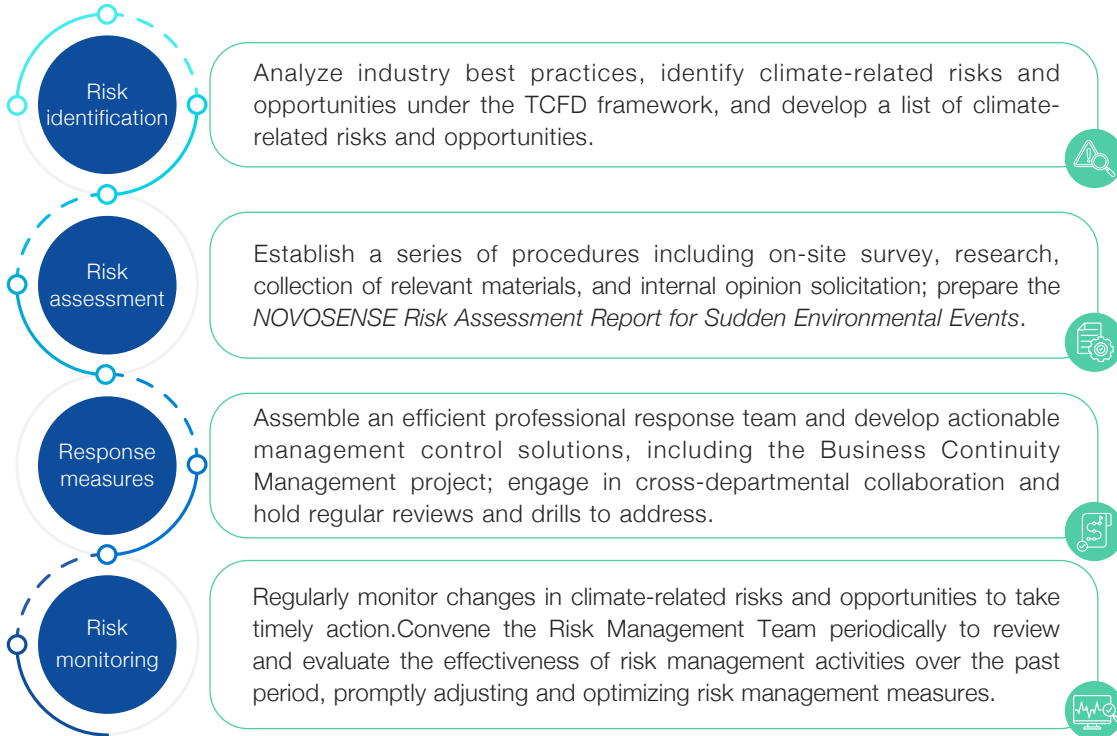
Type	Climate-related risks and business impacts	Impact cycle	Potential financial impact	Response measures
Transition risks	Technology  The process of production technology innovation and iteration to meet environmental requirements and new product R&D and innovation may lead to an increase in the front-end cost of investing in new technologies or adopting/deploying new operations and processes.	Medium and long-term	Increase in capital expenditure	<ul style="list-style-type: none"> <li>Strengthen technology empowerment, and continuously enhance the company's digitalization, intelligence, and sustainability levels.</li> </ul>
	Market  With the guidance of policies and markets, and the gradual improvement of customers' low-carbon and environmental awareness, customers may turn to greener products, such as raw materials with sustainability certification, which will affect the procurement of raw materials.  As a supplier in the new energy vehicle industry chain, changes in customer behavior, such as the implementation of projects related to addressing climate change by customers, will also impose relevant requirements on the supply chain.	Medium and long-term	Increase in operating expenses  Adjustment in business direction and service content	<ul style="list-style-type: none"> <li>Establish an efficient communication mechanism with property owners to promptly understand their preferences and fulfil their demand for eco-friendly products.</li> <li>Continue to promote energy efficiency, optimization, and waste management measures at existing facilities.</li> </ul>
	Reputation  With stakeholders' increasing attention to climate change-related issues, reputational damage may result if the company fails to meet stakeholders' expectations or commits violations related thereto.	Medium-term	Increase in operating expenses	<ul style="list-style-type: none"> <li>Continue promoting the concepts of green operations and green lifestyles to the general public through media channels to enhance customer confidence.</li> </ul>

Type	Climate-related opportunities	Impact cycle	Potential financial impact	Responses
Technology	Deliver solutions enabling low-carbon digital transformation in the real economy to generate increased business revenue.	Short and medium-term	While capital expenditure increases, it may bring more revenue	<ul style="list-style-type: none"> <li>Develop and promote green and low-carbon products and services with rich technological accumulation, advanced process level, and continuous cutting-edge research.</li> </ul>
Shifts in customer preference	Develop low-carbon products that meet customer preferences and demand for carbon neutrality goals, expanding market share.	Medium-term	While capital expenditure rises, it could lead to greater market share	<ul style="list-style-type: none"> <li>Study market trends to support energy upgrade and transition initiatives.</li> </ul>

# Responding to Climate Change

## Risk Management

Tailored to its business model and operational characteristics, the company has incorporated climate-related risks and opportunities into its risk management process. This addition accounts for the potential impacts of climate change on business continuity, compliance requirements, and operating costs, providing a valuable enhancement to the company’s overall risk management.



## Metrics and Targets

In 2025, the total amount of GHG emissions is 10,074.01 tCO<sub>2</sub>e<sup>5</sup>. Details are as follows:

	2025	2024
Scope 1 GHG emissions (tCO <sub>2</sub> e)	18.83	0
Scope 2 GHG emissions (tCO <sub>2</sub> e)	10,055.18	7,244.36
Total GHG emissions (tCO <sub>2</sub> e)	10,074.01	7,244.36
Intensity of GHG emissions (tCO <sub>2</sub> e per million CNY revenue)	2.99	3.70

<sup>5</sup> Scope 1 GHG Emissions: The company’s refrigerant emissions and diesel usage multiplied by the corresponding emission factor, with reference to GHG Protocol and the *IPCC 2014 Climate Change Synthesis Report*.

Scope 2 GHG emissions: The amount of electricity purchased by the company multiplied by the corresponding emission factor. The emission factors refer to the *Notice on Carrying Out Greenhouse Gas Emission Reporting and Verification for Some Key Industries 2023-2025*.

Total GHG emissions: Sum of direct GHG emissions and indirect greenhouse gas emissions.

# Responding to Climate Change

To address Scope 2 greenhouse gas emissions, the company, based on its operations and energy consumption patterns, has planned and initiated a phased adoption of clean energy. During the reporting period, it implemented relevant application practices as part of a phased exploration to optimize its energy mix and increase clean energy usage.

### Featured solution: Application practice of rooftop PV



During the construction of its new Suzhou office, NOVOSENSE planned and installed rooftop PV tailored to the office's specific conditions. This initiative supplies clean energy for certain office activities, supporting daily power demands without compromising operational stability. The project replaced a portion of conventional grid electricity with renewable energy, making a direct contribution to reducing carbon emissions from the office's operations. It also provides a valuable practical experience for implementing low-carbon energy solutions in office environments.



At the same time, we also pay attention to indirect GHG emissions (Scope 3) related to our business activities, and based on our actual situation, explore lower-carbon travel options in controllable scenarios such as employee business travel. In 2025, NOVOSENSE continued to partner with AutoNavi to provide its employees with new energy vehicle-based business travel service. This collaboration aims to guide and support more low-carbon travel choices while ensuring efficiency and safety in business travel. During the reporting period, through this collaboration, greenhouse gas emissions associated with these travel scenarios were reduced compared to traditional travel methods, achieving a total reduction of 32,237 kgCO<sub>2</sub>e.

Additionally, the company organizes green initiatives tailored to its workplace's unique context to enhance employee environmental awareness and engagement. These activities integrate environmental concepts into daily operations and team culture, fostering a more resource-efficient and low-carbon office environment.

### Tree-Planting Day Green Initiative



On March 12, 2025, NOVOSENSE demonstrated its commitment to green environmental protection and corporate social responsibility by organizing a tree-planting activity around its office to celebrate Tree Planting Day. During the event, employees collaborated to plant saplings and nurture the young trees. This initiative not only enhanced the office landscape but also deepened participants' understanding of ecological conservation and green development. By putting green principles into action, the activity helped raise environmental awareness among staff and further supported the company's ongoing efforts to cultivate a sustainable workplace culture.



# Outlook

Building on its long-term commitment and deep understanding of core markets, NOVOSENSE proactively identifies and adapts to evolving trends in the policy environment, customer needs, supply chains, and talent ecosystems. This agility allows it to respond quickly, flexibly, and efficiently that yields significant operational advantages. With the acceleration of a new round of scientific and technological revolution and industrial transformation in the world today, opportunities and challenges are intertwined. NOVOSENSE strives to create highly competitive products and services and become a high-quality, innovative and reliable world-class chip company.

In the future, the company will continue to deeply integrate market prospects and customer needs, provide comprehensive semiconductor products and solutions, and continue to deepen its presence in the automotive, pan energy and intelligent terminals. With the mission of “Sense and Drive the Future: Build a Green, Smart and Connected World with Semiconductors”, the company is committed to providing chip-level solutions to link the digital world and the real world.

In addition, we will continue to implement the sustainable development approach. While maintaining business growth, we will actively fulfill our corporate social responsibility in terms of environment (E), society (S) and governance (G) to promote the sustainable development of the company and society as a whole.



# Appendix

## Honors and Awards



Jiangsu Provincial Analog and Hybrid Signal Chip Engineering Research Center  
Jiangsu Development & Reform Commission



Gasgoo Awards 2025: Top 100 Players of China's New Automotive Supply Chain  
Gasgoo



2025 China Top Chip Enterprise Award  
NE Times



CERTIFICATE OF APPRECIATION  
DVN Shanghai 2025



2025 Outstanding Automotive Chip Supplier in China  
21 IC



2025 China Automotive Chip Innovation Achievement Award (NSI1311-Q1SWVR)  
The China Association of Automobile Manufacturers



2025 China Automotive Chip Innovation Achievement Award (NSI6602B-Q1)  
The China Association of Automobile Manufacturers



2025 Outstanding Technical Innovation Product  
The 20th "China Chip"



2025 Excellent Product Award for Automotive-Grade Chip Application  
The 20th "China Chip"



2025 Influential Automotive Chip Award  
China Automotive Chip Alliance



2025 E-Drive Technology Innovation Award  
NE Times



Outstanding AI Robot Innovative Product Award  
Elecfans



2025 Outstanding Motor Control Technology Product Award  
Elecfans



New Quality Productive Forces Award for Industrial Chips  
Gongkong Network



## Report Index

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

Number	Topic	Relevant section in this report
1	Climate change tackling	Responding to Climate Change
2	Pollutant discharge	Energy and Resource Management
3	Waste disposal	Emissions Management
4	Ecosystem and biodiversity protection	No significant relevance <sup>1</sup>
5	Environmental compliance management	Energy and Resource Management Emissions Management
6	Energy usage	Energy and Resource Management
7	Usage of water resources	Energy and Resource Management
8	Circular economy	Energy and Resource Management
9	Rural revitalization	Social Welfare and Responsibility
10	Contributions to the society	Social Welfare and Responsibility
11	Innovation-driven	Technology Innovation
12	Ethics of science and technology	No significant relevance <sup>2</sup>
13	Supply chain security	Supply Chain Management
14	Equal treatment to small and medium-sized enterprises	No significant relevance <sup>3</sup>

Number	Topic	Relevant section in this report
15	Safety and quality of products and services	Product Management
16	Data security and customer privacy protection	Information Security
17	Employees	Our Employees Employees' Rights and Interests Training and Career Development Occupational Health and Safety
18	Due diligence	ESG Governance
19	Communications with stakeholders	ESG Governance
20	Anti-commercial bribery and anti-corruption	Compliance Governance
21	Anti-unfair competition	Compliance Governance
22	Clean Technology Opportunities	Green Office Responding to Climate Change

#### Notes:

1. The company's production and operational activities do not have a material impact on the ecosystem and biodiversity.
2. The company has not engaged in such activities as scientific research and technology development in an ethically sensitive domain such as life sciences and artificial intelligence.
3. The balance of accounts payable (including notes payable) does not exceed CNY 30,000,000,000 or represents less than 50 percent of the total assets at the end of the reporting period.

## The Hong Kong Stock Exchange’s Environmental, Social and Governance Reporting Code

Environmental, Social and Governance Reporting Code		Section in the Report
<b>Part B: Mandatory Disclosure Requirements</b>		
	Governance Structure	Board Statement
	Reporting Principles	About this report
	Reporting Boundary	About this report
<b>Part C: “Comply or explain” Provisions</b>		
<b>Subject Area A. Environmental</b>		
<b>Aspect A1. Emissions</b>		
A1	<p>General Disclosure Regarding exhaust emissions, discharge to water and land, generation of harmful and harmless waste, etc.:</p> <p>(a) Policies; and (b) Comply with relevant laws and regulations that have a significant impact on the issuer.</p> <p>Note: Exhaust emissions include nitrogen oxides, sulfur oxides, and other pollutants regulated by national laws and regulations. Hazardous waste refers to those defined by national regulations.</p>	Energy Conservation and Emissions Reductions
A1.1	Types of emissions and related emission data.	Energy Conservation and Emissions Reductions
A1.3	Total amount of hazardous waste generated (in tons) and (if applicable) density (in units of production, per facility).	Energy Conservation and Emissions Reductions

Environmental, Social and Governance Reporting Code		Section in the Report
A1.4	Total amount of harmless waste generated (in tons) and (if applicable) density (in units of production, per facility).	Energy Conservation and Emissions Reductions
A1.5	Describe the emission targets set and the steps taken to achieve them.	Energy Conservation and Emissions Reductions
A1.6	Describe the methods of handling hazardous and harmless waste and describe the waste reduction goals set and the steps taken to achieve them.	Energy Conservation and Emissions Reductions
<b>Level A2: Use of Resources</b>		
A2	<p>General Disclosure Policies for the effective use of resources, including energy, water, and other raw materials. Note: Resources can be used for production, storage, transportation, buildings, electronic equipment, etc.</p>	Energy Conservation and Emissions Reductions
A2.1	The total consumption of direct and/or indirect energy (such as electricity, gas, or oil) by type (calculated in thousands of kilowatt hours) and density (calculated in units of production and facilities).	Energy Conservation and Emissions Reductions
A2.2	Total water consumption and density (calculated in units of production and per facility).	Energy Conservation and Emissions Reductions
A2.3	Describe the energy efficiency goals set and the steps taken to achieve them.	Energy Conservation and Emissions Reductions
A2.4	Describe any issues that may arise in obtaining suitable water sources, as well as the water efficiency goals set and the steps taken to achieve these goals.	Energy Conservation and Emissions Reductions
A2.5	The total amount of packaging materials used in the finished product (in tons) and (if applicable) the proportion per production unit.	Energy Conservation and Emissions Reductions

Environmental, Social and Governance Reporting Code		Section in the Report
<b>Level A3: Environment and Natural Resources</b>		
A3	General Disclosure Policies to reduce the significant impact of issuers on the environment and natural resources.	Energy Conservation and Emissions Reductions
A3.1	Describe the significant impact of business activities on the environment and natural resources, and the actions taken to manage these impacts.	Energy Conservation and Emissions Reductions
<b>B. Society</b>		
<b>Level B1: Employment</b>		
B1	General Disclosure Regarding compensation and termination, recruitment and promotion, working hours, holidays, equal opportunities, diversification, anti discrimination and other benefits and benefit: (a) Policies; and (b) Comply with relevant laws and regulations that have a significant impact on the issuer.	Our employees
B1.1	The total number of employees by gender, type of employment (such as full-time or part-time), age group, and region.	Our employees
B1.2	Employee turnover rate by gender, age group, and region.	Our employees
<b>Level B2: Health and Safety</b>		
B2	General Disclosure Regarding providing a safe working environment and protecting employees from occupational hazards: (a) Policies; and (b) Comply with relevant laws and regulations that have a significant impact on the issuer.	Occupational wellness and Safety

Environmental, Social and Governance Reporting Code		Section in the Report
B2.1	The number and rate of work-related deaths per year in the past three years (including the reporting year).	Occupational Health and Safety
B2.2	Lost working days due to work-related injuries.	Occupational Health and Safety
B2.3	Describe the occupational wellness and safety measures adopted and the relevant implementation and monitoring methods.	Occupational Health and Safety
<b>Level B3: Development and Training</b>		
B3	General Disclosure Policies related to enhancing employees' knowledge and skills in fulfilling job responsibilities. Describe the training activities.	Training and Career Development
B3.1	Percentage of trained employees by gender and employee category (e.g. Senior management, Intermediate management, etc.).	Training and Career Development
B3.2	The average number of hours per employee completed training, divided by gender and employee category.	Training and Career Development
<b>Level B4: Labor Standards</b>		
B4	General Disclosure Regarding the prevention of child labor or forced labor: (a) Policies; and (b) Comply with relevant laws and regulations that have a significant impact on the issuer.	Employees' Rights and Interests
B4.1	Describe measures to review recruitment practices to avoid child labor and forced labor.	Employees' Rights and Interests
B4.2	Describe the steps taken to eliminate violations when they are discovered.	Employees' Rights and Interests

Environmental, Social and Governance Reporting Code		Section in the Report
<b>Level B5: Supply Chain Management</b>		
B5	General Disclosure Manage environmental and social risk policies in supply chain.	Supply Chain Management
B5.1	Number of suppliers by region.	Supply Chain Management
B5.2	Describe the practices related to hiring suppliers, the number of suppliers who have implemented these practices, and the methods of implementing and monitoring these practices.	Supply Chain Management
B5.3	Describe practices for identifying environmental and social risks at each stage of the supply chain, as well as relevant execution and monitoring methods.	Supply Chain Management
B5.4	Describe the practice of promoting the use of environmentally friendly products and services when selecting suppliers, as well as relevant implementation and monitoring methods.	Supply Chain Management
<b>Level B6: Product Responsibility</b>		
B6	General Disclosure Wellness and Safety, Advertising, Labeling and Privacy, and remediation Methods for the Products and Services Provided: (a) Policies; and (b) Comply with relevant laws and regulations that have a significant impact on the issuer.	Quality Management
B6.1	The percentage of products sold or shipped that require recovery for safety and wellness reasons.	Quality Management
B6.2	Number of complaints received regarding products and services and response methods.	Quality management

Environmental, Social and Governance Reporting Code		Section in the Report
B6.3	Describe practices related to the maintenance and protection of intellectual property rights.	Quality Management Technology Innovation
B6.4	Describe the quality verification process and product recycling procedures.	Quality Management
B6.5	Describe consumer data protection and privacy policies, as well as relevant implementation and monitoring methods.	Information Security
<b>Level B7: Anti-corruption</b>		
B7	General Disclosure Regarding the prevention of bribery, extortion, fraud, and money laundering: (a) Policies; and (b) Comply with relevant laws and regulations that have a significant impact on the issuer.	Compliance Governance
B7.1	The number and outcome of corruption lawsuits filed and concluded against the issuer or its employees during the reporting period.	Compliance Governance
B7.2	Describe preventive measures and reporting procedures, as well as relevant implementation and monitoring methods.	Compliance Governance
B7.3	Describe anti-corruption training provided to director and employees.	Compliance Governance
<b>Level B8: Community Investment</b>		
B8	General Disclosure Policies related to community participation to understand the needs of the operating community and ensure that its business activities consider the interests of the community.	Social Welfare and Responsibility

Environmental, Social and Governance Reporting Code	Section in the Report
B8.1 Focus on areas of contribution (e.g. education, environmental matters, labor needs, wellness, culture, sports).	Social Welfare and Responsibility
B8.2 Resources (such as money or time) used in a focused area.	Social Welfare and Responsibility
<b>Part D: Climate Related disclose</b>	
<b>D (I) Governance</b>	
Governance body responsible for overseeing climate-related risks and opportunities	Responding to Climate Change
Management's role in the management processes, monitoring measures and procedures used to monitor, manage and monitor climate-related risks and opportunities	Responding to Climate Change
<b>D (II) Strategy</b>	
Climate-related risks and opportunities	Responding to Climate Change
Business Model and value chain	Responding to Climate Change
Strategy and Decision Making	Continuous improvement and supplementation
Financial condition, financial performance and cash flows	Continuous improvement and supplementation
Climate Resilience	Continuous improvement and supplementation
<b>D (III) Risk Management</b>	
Processes and policies for identifying, assessing climate-related risk, prioritizing and maintaining monitoring	Responding to Climate Change
Process and related policies for identifying and evaluating climate related opportunities, prioritizing and maintaining monitoring	Continuous improvement and supplementation
How and to what extent is the identification, assessment, prioritization and monitoring process of climate-related risks and opportunities integrated into the issuer's overall 'risk management' process.	Continuous improvement and supplementation

Environmental, Social and Governance Reporting Code	Section in the Report
<b>D (IV) Metrics and Targets</b>	
GHG Emissions	Responding to Climate Change
Climate-Related Transition Risk	Climate related transitions, physical risk and opportunities have been systematically identified, but no relevant financial quantitative analysis has been conducted yet. We will conduct relevant works in due course when conditions are ripe and will include the information in our disclosures
Climate-Related Physical Risk	Climate related transitions, physical risk and opportunities have been systematically identified, but no relevant financial quantitative analysis has been conducted yet. We will conduct relevant works in due course when conditions are ripe and will include the information in our disclosures
Climate-Related Opportunities	Climate related transitions, physical risk and opportunities have been systematically identified, but no relevant financial quantitative analysis has been conducted yet. We will conduct relevant works in due course when conditions are ripe and will include the information in our disclosures
Capital Utilization	Capital utilization of climate-related risks and opportunities, internal carbon price, incorporation of climate related factors into compensation policies and climate related target setting have not been carried out yet, and relevant work will be carried out when conditions are ripe and disclosed in the report
Internal Carbon Price	Capital utilization of climate-related risks and opportunities, internal carbon price, incorporation of climate related factors into compensation policies and climate related target setting have not been carried out yet, and relevant work will be carried out when conditions are ripe and disclosed in the report
Pay	Capital utilization of climate-related risks and opportunities, internal carbon price, incorporation of climate related factors into compensation policies and climate related target setting have not been carried out yet, and relevant work will be carried out when conditions are ripe and disclosed in the report
Climate-Related Goals	Capital utilization of climate-related risks and opportunities, internal carbon price, incorporation of climate related factors into compensation policies and climate related target setting have not been carried out yet, and relevant work will be carried out when conditions are ripe and disclosed in the report

## GRI Standards Index

### Statement of use

Suzhou Novosense Microelectronics Co., Ltd. has reported the information cited in this GRI content index with reference to the GRI Standards for FY2025.

### GRI 1 used

GRI 1: Foundation 2021

GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organizational details	Company Profile
	2-2 Entities included in the organization's sustainability reporting	About This Report
	2-3 Reporting period, frequency and contact point	About This Report
	2-4 Restatements of information	Not involved
	2-5 External assurance	Not yet conducted, planned for adoption in the future
	2-6 Activities, value chain and other business relationships	Corporate Culture
	2-7 Employees	Our Employees
	2-8 Workers who are not employees	Our Employees
	2-9 Governance structure and composition	Compliance Governance Please refer to the company's Annual Report 2025
	2-10 Nomination and selection of the highest governance body	Compliance Governance
	2-11 Chair of the highest governance body	Please refer to the company's Annual Report 2025
	2-12 Role of the highest governance body in overseeing the management of impacts	Compliance Governance
	2-13 Delegation of responsibility for managing impacts	Compliance Governance
	2-14 Role of the highest governance body in sustainability reporting	ESG Governance
	2-15 Conflicts of interest	Not involved

GRI Standard	Disclosure	Location	
GRI 201: Economic Performance 2016	2-16 Communication of critical concerns	Compliance Governance ESG Governance	
	2-17 Collective knowledge of the highest governance body	Compliance Governance ESG Governance	
	2-18 Evaluation of the performance of the highest governance body	ESG Governance	
	2-19 Compensation policies	Employees' Rights and Interests	
	2-20 Process to determine compensation	To be further enhanced	
	2-21 Annual total compensation ratio	To be further enhanced	
	2-22 Statement on sustainable development strategy	To be further enhanced	
	2-23 Policy commitments	To be further enhanced	
	2-24 Embedding policy commitments	To be further enhanced	
	2-25 Processes to remediate negative impacts	To be further enhanced	
	2-26 Mechanisms for seeking advice and raising concerns	To be further enhanced	
	2-27 Compliance with laws and regulations	Compliance Governance	
	2-28 Membership associations	The company has joined relevant industry associations	
	2-29 Approach to stakeholder engagement	ESG Governance	
	2-30 Collective bargaining agreements	To be further enhanced	
	GRI 3: Material Topics 2021	3-1 Process to determine material topics	ESG Governance
		3-2 List of material topics	ESG Governance
		3-3 Management of material topics	ESG Governance
	GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Please refer to the company's Annual Report 2025
		201-2 Financial implications and other risks and opportunities due to climate change	Responding to Climate Change
		201-3 Defined benefit plan obligations and other retirement plans	Please refer to the company's Annual Report 2025
		201-4 Financial assistance received from government	To be further enhanced

GRI Standard	Disclosure	Location
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	To be further enhanced
	202-2 Proportion of senior management hired from the local community	To be further enhanced
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	To be further enhanced
	203-2 Significant indirect economic impacts	To be further enhanced
GRI 204: Procurement Practices 2016	204-1 Procurement practices	Supply Chain Management
GRI 205: Anti- corruption 2016	205-1 Operations assessed for risks related to corruption	To be further enhanced
	205-2 Communication and training about anti- corruption policies and procedures	Compliance Governance
	205-3 Confirmed incidents of corruption and actions taken	Compliance Governance
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti- trust, and monopoly practices	Compliance Governance
	207-1 Approach to tax	Compliance Governance
GRI 207: Tax 2019	207-2 Tax governance, control, and risk management	Compliance Governance
	207-3 Stakeholder engagement and management of concerns	Compliance Governance
	207-4 Country-by- country reporting	To be further enhanced
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Energy Conservation and Emissions Reductions
	301-2 Recycled input materials used	To be further enhanced
	301-3 Reclaimed products and their packaging materials	Energy Conservation and Emissions Reductions
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Conservation and Emissions Reductions
	302-2 Energy consumption outside of the organization	Energy Conservation and Emissions Reductions
	302-3 Energy intensity	Energy Conservation and Emissions Reductions
	302-4 Reduction of energy consumption	Energy Conservation and Emissions Reductions
	302-5 Reductions in energy requirements of products and services	To be further enhanced

GRI Standard	Disclosure	Location
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Energy Conservation and Emissions Reductions
	303-2 Management of water discharge- related impacts	Energy Conservation and Emissions Reductions
	303-3 Water withdrawal	Energy Conservation and Emissions Reductions
	303-4 Water discharge	To be further enhanced
	303-5 Water consumption	Energy Conservation and Emissions Reductions
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	The company has no relevant operations
	304-2 Significant impacts of activities, products, and services on biodiversity	To be further enhanced
	304-3 Habitats protected or restored	To be further enhanced
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	To be further enhanced
GRI 305: Waste 2020	305-1 Direct (Scope 1) GHG emissions	Responding to Climate Change
	305-2 Energy indirect (Scope 2) GHG emissions	Responding to Climate Change
	305-3 Other indirect (Scope 3) GHG emissions	To be further enhanced
	305-4 GHG emissions intensity	Responding to Climate Change
	305-5 Reduction of GHG emissions	Responding to Climate Change
	305-6 Emissions of ozone-depleting substances (ODS)	Energy Conservation and Emissions Reductions
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Energy Conservation and Emissions Reductions
GRI 306: Supplier Environmental Assessment 2016	306-1 Waste generation and significant waste- related impacts	Energy Conservation and Emissions Reductions
	306-2 Management of significant waste- related impacts	Energy Conservation and Emissions Reductions
	306-3 Waste generated	Energy Conservation and Emissions Reductions
	306-4 Waste diverted from disposal	Energy Conservation and Emissions Reductions
	306-5 Waste directed to disposal	Energy Conservation and Emissions Reductions

GRI Standard	Disclosure	Location
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supply Chain Management
	308-1 New suppliers that were screened using environmental criteria	Supply Chain Management
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Our Employees
	401-2 Benefits provided to full- time employees that are not provided to temporary or part- time employees	Employees' Rights and Interests
	401-3 Parental leave	Employees' Rights and Interests
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	To be further enhanced
	403-1 Occupational health and safety management system	Occupational Health and Safety
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety
	403-3 Occupational health services	Occupational Health and Safety
GRI 403: Occupational Health and Safety 2016	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety
	403-5 Worker training on occupational health and safety	Occupational Health and Safety
	403-6 Promotion of worker health	Occupational Health and Safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety
	403-9 Work-related injuries	Occupational Health and Safety
	403-10 Work-related ill health	Occupational Health and Safety
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Training and Career Development
	404-2 Programs for upgrading employee skills and transition assistance programs	Training and Career Development
	404-3 Percentage of employees receiving regular performance and career development reviews	Training and Career Development
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Compliance Governance Our Employees
	405-2 Ratio of basic salary and compensation of women to men	To be further enhanced

GRI Standard	Disclosure	Location
GRI 406: Non- discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Employees' Rights and Interests
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	No relevant operations Employees' Rights and Interests
	408-1 Operations and suppliers at significant risk for incidents of child labor	No relevant operations Employees' Rights and Interests
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	No relevant operations Employees' Rights and Interests
GRI 409: Forced or Compulsory Labor 2016	409-1 1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	No relevant operations Employees' Rights and Interests
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	To be further enhanced
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	None
	413-1 Operations with local community engagement, impact assessments, and development programs	Social Welfare and Responsibility
GRI 413: Local Communities 2016	413-2 Operations with significant actual and potential negative impacts on local communities	None
	414-1 New suppliers that were screened using social criteria	Supply Chain Management
GRI 414: Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and actions taken	Supply Chain Management
	415-1 Political contributions	None
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Quality Management
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Quality Management
	417-1 Requirements for product and service information and labeling	Quality Management
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	None
	417-3 Incidents of non-compliance concerning marketing communications	None
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Compliance Governance

## Feedback

Dear readers:

Thank you for reading this report. In order to continuously enhance and improve our sustainability management, we sincerely hope to hear your valuable opinions and suggestions. Please assist in completing the content of this page and provide us with feedback in the following ways.

Email: [pr@novosns.com](mailto:pr@novosns.com)

Address: No. 9 Dongdangtian Lane, Suzhou Industrial Park, Jiangsu Province, China

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1. What is your overall assessment of this report?

Very good Good Average

2. How would you rate the clarity, accuracy and completeness of the information and data disclosed in this report?

Very good Good Average

3. How well do you think this report reflects the company's significant economic, social and environmental impacts?

Very good Good Average

4. How well do you think the company has done in protecting the interests of stakeholders?

Very good Good Average

5. Your opinions and suggestions on the company's sustainability management:

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# NOVOSENSE

## Suzhou Novosense Microelectronics Co., Ltd.

 No. 9 Dongdangtian Lane, Suzhou Industrial Park, Jiangsu Province, China

 +86-512-6260-1802       [www.novosns.com](http://www.novosns.com)