中材科技股份有限公司
Sinoma Science & Technology Co.,Ltd

2024

Environmental Social and Governance Report

Sinoma Science & Technology Co.,Ltd

12th Floor, Building 7, Yard 6, North Street,
Dongsheng Science and Technology Park,
Haidian District, Beijing, China

100096

010-88433966-200

sinoma@sinomatech.com

Stock Abbreviation:
Sinoma Science & Technology

Stock Code:
002080

Listed on Shenzhen
Stock Exchange

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About the Report

As the third Environmental, Social and Governance (ESG) Report issued by Sinoma Science & Technology Co, Ltd. (“Sinoma Science & Technology”), this report is prepared in an objective, standardized, transparent and comprehensive manner to fully disclose the specific measures, major practices, highlight cases and key performances in proactively assuming social responsibilities and executing effective management of ESG risks and opportunities by Sinoma Science & Technology in 2024, with a view to responding to the intended expectations of stakeholders and fulfilling its social responsibilities more efficiently

Reporting period

The period covered by this report starts from January 1, 2024 to December 31, 2024. Some content may extend beyond this scope.

Reporting Scope

Unless otherwise indicated, this report is concerned with Sinoma Science & Technology Co, Ltd. and its subsidiaries.

References

This report is prepared in accordance with guidelines set forth in the Reference Indicator System for ESG Reports of Listed Companies Controlled by Central Enterprises (referred to as ESG Indicator System for Central Enterprises), Guiding Opinions on State-owned Enterprises Fulfilling Social Responsibilities Better, Work Plan for Improving the Quality of Listed Companies Controlled by Central Enterprises issued by the State-owned Assets Supervision and Administration Commission of the State Council (“SASAC”), and the Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation), the GRI Standards by Global Reporting Initiative (“GRI”), and the Sustainable Development Goals (UNSDGs 2030).

Data Source

All information data referenced in this report is based on the in-house documentation, statistical report, financial report, etc., of Sinoma Science & Technology. This report is issued after full review by the Board of Sinoma Science & Technology and no presence of inaccurate records, misleading statements or major omissions will be found in this report.

Monetary Unit

Unless otherwise indicated, all monetary amounts are listed in RMB for this report.

Access to the Report

This report is available for reading and downloading at Shenzhen Stock Exchange website (www.szse.cn), and the official website of the Company (www.sinomatech.com).

Other ESG Information

In addition to the Report, Sinoma Science & Technology has publicly released a series of ESG policy statements, including the Environmental Policy Statement, the Policy Statement on Biodiversity, the Sustainable Supply Chain Management Policy Statement, the Occupational Health and Safety Policy Statement, the Supplier Code of Conduct, the Tax Policy Statement, the Code of Business Conduct, the Anti Corruption Policy Statement, the Policy Statement of Human Rights, the Board Diversity Policy Statement, and whose details are available on the company's website:

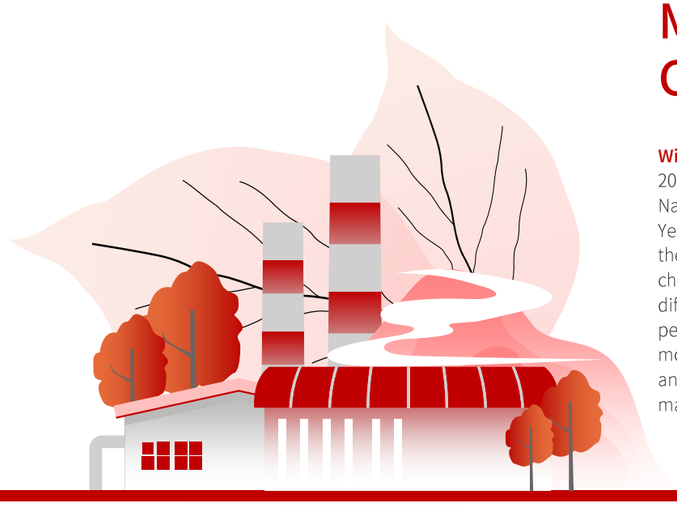
http://www.sinomatech.com/index.php?m=home&c=Lists&a=index&tid=88

Comments & Feedback

Any comments or suggestions regarding the content of this report or the Company's performance in ESG may be communicated to us by calling 010-88433966-200 or via our email at sinoma@sinomatech.com. Any valuable comment and suggestion will help us further improve this report.

Word Substitution

Abbreviated Company Name		Registered Company Name
Sinoma Science & Technology/The Company	Refers to	Sinoma Science & Technology Co., Ltd
CNBMG	Refers to	China National Building Material Group Co., Ltd.
CNBM	Refers to	China National Building Material Company Limited
Sinoma Blade	Refers to	Sinoma Wind Power Blade Co., Ltd.
CTG	Refers to	Taishan Fiberglass Inc.
Zoucheng Company	Refers to	Taishan Fiberglass (Zoucheng) Inc.
Zibo Company	Refers to	Taishan Fiberglass (Zibo) Inc.
Taiyuan Company	Refers to	Taishan Fiberglass (Taiyuan) Inc.
Sinoma Lithium Membrane	Refers to	Sinoma Lithium Membrane Co., Ltd.
NRDI	Refers to	Nanjing Fiberglass Research & Design Institute Co., Ltd.
NRDI (Suqian)	Refers to	NGF (Suqian) New Material Co., Ltd.
Shandong Membrane Material	Refers to	Sinoma Membrane Material (Shandong) Co., Ltd.
Beijing Composite	Refers to	Beijing Composite Materials Co., Ltd.
Suzhou Limited Chengdu/ Chengdu Limited	Refers to	Sinoma Science & Technology (Chengdu) Co., Ltd.
Suzhou Limited	Refers to	Sinoma Science & Technology (Suzhou) Co., Ltd.
Beijing Composite Tengzhou Company	Refers to	Beijing FRP Institute Tengzhou Composite Materials Co., Ltd.
Sinoma Blade (Yiwu)	Refers to	Sinoma (Yiwu) Wind Power Blade Co., Ltd.
Sinoma Blade (Funing)	Refers to	Sinoma (Funing) Wind Power Blade Co., Ltd.
Sinoma Blade (Baicheng)	Refers to	Sinoma (Baicheng) Wind Power Blade Co., Ltd.
Sinoma Blade (Brazil)	Refers to	Sinoma (Brazil) Wind Power Blade Co., Ltd.
Green Energy Company	Refers to	Green Energy Branch, Sinoma (Pingxiang) Wind Power Blade Co., Ltd.
Goldwind	Refers to	Goldwind Science&Technology Co.,Ltd.
Swancor	Refers to	Swancor Advanced Materials Co., Ltd.
GEELY	Refers to	Zhejiang Geely Holding Group



Message from Chairman

With the passage of time, a new chapter unfolds. The year 2024 is pivotal for fully implementing the spirit of the 20th CPC National Congress and achieving the objectives of the 14th Five-Year Plan. Under the effective guidance of CNBMG and CNBM, the Company successfully navigated a complex environment characterized by escalating external pressures and internal difficulties. All cadres and employees of the Company have persevered through cyclical difficulties, accumulated momentum for steady progress, and strived with determination and courage. As a result, notable achievements have been made in high-quality development.

We drive reform with strategic thinking and forge new horizons with a broad vision. Sinoma Science & Technology consistently bears in mind the mission of a central enterprise, embraces the "national priorities", and wholeheartedly serves national strategies. This year, we vigorously advanced 19 national key R&D projects and 11 Group' s "Open Competition Mechanism to Select the Best Candidates" projects, achieving breakthroughs in a number of core technologies and cutting-edge technologies oriented towards major national needs, the world's scientific and technological frontiers, and the main battlefield of the economy. We successfully ensured the smooth progress of major projects such as the CJ-1000A aero-engine, C919 aircraft, and deep-space and deep-sea exploration, demonstrating the responsibility and commitment of a central enterprise.

We promote development through ecological construction and secure the future with green commitments. Sinoma Science & Technology steadfastly implements the concept of green development, deeply advancing safe, green, and low-carbon development. This year, a total of 20 enterprises passed the energy management system certification, 19 enterprises passed the clean production audit, and the total number of green factories reached 20, including 14 national-level green factories. This year, the total installed capacity of photovoltaic power generation reached 63.4 MW, increasing the proportion of green energy by 1.5 percentage points. This year, the Company's Wind ESG and MSCI ESG ratings were upgraded to A and BBB respectively, making a new level of ESG excellence.

We shoulder responsibility to unite hearts and minds, and foster harmony to build the future. Sinoma Science & Technology actively contributes to public welfare and rural revitalization, responds to the "Belt and Road" initiative, and accelerates the development of talent pipelines, so as to make greater contributions to China's economic development and technological progress. This year, we prioritized mutually beneficial collaborations, actively engaged with societal needs, and adapted to evolving market trends. This year, our key businesses expanded their international presence, notably with the Vietnamese separator base achieving stable operation and capturing 40% of the local AGM separator market share. This year, the Company solidified its talent-centric strategy, implementing the "No. 1 Project" and establishing a scientific and technological talent technical sequence.

We are rooted in innovative management and fortified by robust systems. Sinoma Science & Technology is committed to continuously improving its corporate governance. This year, we implemented a hierarchical governance structure based on the Group's philosophy: platform company boards focus on strategy and decision-making, while grassroots boards prioritize risk prevention. This approach has synergistically optimized our governance mechanisms. This year, we achieved initial success in management improvements, made steady progress in green and low-carbon development, continued our intelligent transformation and digital upgrades, and further strengthened our sustainable development framework. This year, the Company diligently advanced state-owned enterprise reform, completing 27 reform tasks across 7 key areas, encompassing 101 detailed work assignments, with a completion rate of 84%.

2024 marked a year of significant achievement for Sinoma Science & Technology, driven by dedicated and diligent efforts. Amidst the accelerating pace of global change, we embraced our responsibilities as a central enterprise, actively fostering international cooperation, facilitating cross-cultural exchange, and participating in green development initiatives. This commitment steadily propels us toward our objective of becoming a world-leading enterprise in the new materials sector.

Chairman of Sinoma Science & Technology

Huang Zaiman

About Sinoma Science & Technology

Sinoma Science & Technology Co., Ltd. was established as a joint-stock enterprise registered with the State Administration for Industry and Commerce on December 28, 2001. The Company's A-shares went listed on the Shenzhen Stock Exchange on November 20, 2006. After the restructuring in 2016, it became a subsidiary of China National Building Material Group Corporation (CNBMG). As of 31 December 2024, the Company has a total employee count of 19,955.

The Company inherited the original NRDI, Beijing FRP Research & Design Institute Materials Co., Ltd. and Suzhou Nonmetallic Minerals, thus inheriting their more than 50 years of core technology resources and talent as advantages. The Company has completed industry chain of nonmetallic mineral material, glass fiber, fiber composite material technology. The Company is a high-tech enterprise integrating R&D, design, product manufacturing and sales, and technology and equipment in the field of special fiber composites in China.

In 2024, the Company focused on certain strategic emerging industries such as new energy, new materials, energy conservation and emission reduction and concentrated our advantageous resources to vigorously develop three leading industries of wind power blades, fiberglass and products, and lithium battery separator. And the Company is, at the same time, engaged in the research and development, manufacturing and sales of high-pressure gas cylinders, membrane materials and other composite materials products. Our business products are closely related to applicable fields of new energy, aerospace, energy conservation and emission reduction.

Corporate Culture

Mission & Vision

The Company sticks to the core values of integrity, respect, innovation and efficiency, and business philosophy of harmonious development of employees, customers, shareholders and the society. With the mission of promoting the development of new materials industry and promoting social technological progress and the goal of meeting customer needs and improving customer value, the Company is committed to building itself into a well-known technology enterprise in China's materials industry that is most respected by customers, and believed by employees and shareholders.

Integrity

To be loyal to shareholders, sincere to customers and responsible for the society. The Company advocates the code of conduct of authenticity, openness, transparency and mutual trust, and establishes a branding image of integrity within the industry.

Respect

To respect customers, suppliers, intellectual property rights and competitors. Internally, the Company advocates team spirit of mutual respect, mutual care and mutual support to earn the respect of society and collaborators.

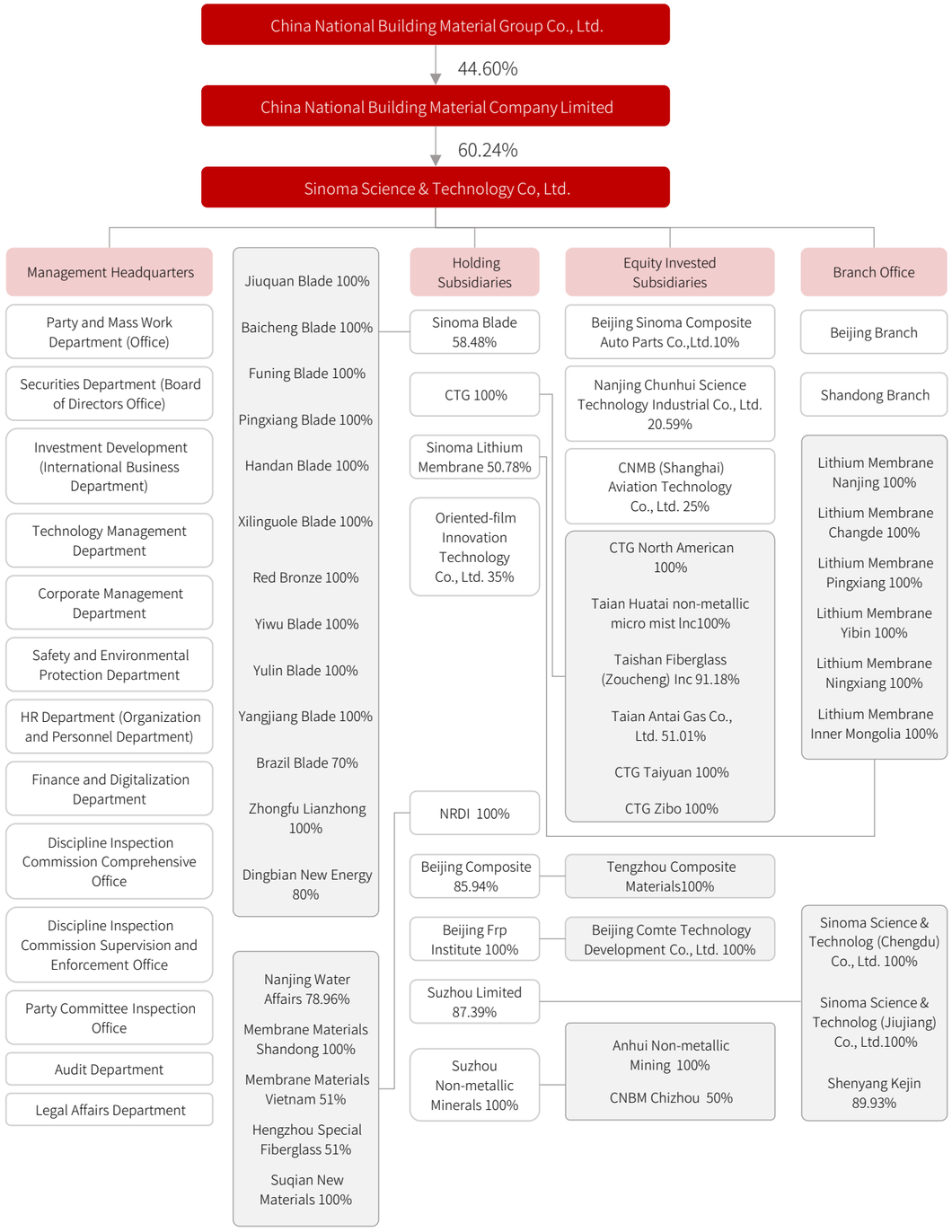
Innovation

To enhance the awareness of innovation, create an innovative environment, maintain competitive advantages through technological innovation, improve operational capabilities through management innovation, and promote the development of the Company through strategic innovation.

Efficiency

The Company advocates the working principles of consistent objectives, rapid response, unified paces and determined implementation in pursuit of a highly efficient and highly effective operation.

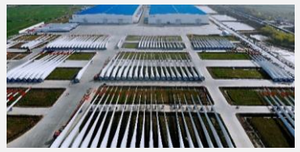
Organizational Chart



Business Overview

Composite wind power blades

Product development has advanced from 1.0MW to 20MW+ in a systematic series, with over 200 models covering various operating environments, including high and low temperatures, high altitudes, low wind speeds, coastal areas, and offshore locations. The company ranks among the industry leaders in terms of scale and specialization, with products exported to 46 countries across 6 continents.

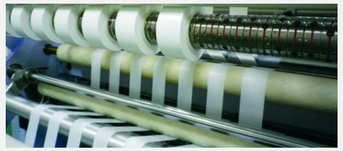


Fiberglass and its products

Major products include various thermoset and thermoplastic fiberglass materials, fine yarn and electronic fabric, roving and multiaxial warp-knitted fabric for wind turbine blades, next-generation low-loss (low dielectric) ultra-thin fiberglass fabric for high-frequency and high-speed printed circuit boards (PCB), fiberglass non-woven fabric, high-zirconia alkali-resistant fiberglass, and fiberglass-based insulation materials. These products are widely used across key industries such as automotive, home appliances, new energy, chemical and environmental protection, electronics and electricals, construction and infrastructure, and marine applications. The company has established long-term and stable cooperative relationships with customers in over 80 countries and regions, including the United States, the European Union, Japan, South Korea, the Middle East, ASEAN countries, and South America.

Lithium-ion battery separator

Our primary offerings are 7-16 μm wet-process separators and ceramic-coated separators. These high-performance products have been certified and are currently utilized by numerous domestic and international high-end lithium battery manufacturers.



Special fibers and composites

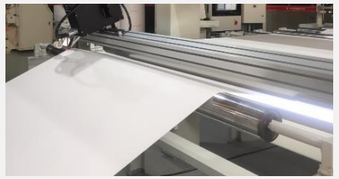
Our primary offerings include high-strength glass fibers, 3D woven fabrics, phenolic resins, large composite molds, various composite materials. These products are widely used in diverse sectors, including aerospace, shipbuilding, rail transit, etc, and are exported to more than 10 countries, including Japan and the United States.

High-pressure gas cylinders

We primarily manufacture and sell regulated CNG cylinders for vehicles, deep-drawn steel CNG cylinders for vehicles, bundled tube containers, and hydrogen cylinders. We are a domestic leader in the industry, particularly in product design, complete manufacturing technology, automated production line control, and product quality, safety, and consistency. Our products are exported to numerous countries and regions, including the Middle East, Southeast Asia, Central Asia, and Eastern Europe.

Filtration materials

Our primary offerings include air dust removal and purification filtration materials and battery separators, among others. Our independently developed membrane filter material has passed the U.S. EPA ETV environmental certification and has been selected as a national key environmental practical technology recommended by the China Environmental Protection Association, effectively reducing PM2.5 dust emissions. Our products are widely used in domestic cement, steel, carbon black, power and other industries, and sold to the United States, Germany, South Korea, the Middle East and other countries and regions.



Engineering technology and equipment

Sinoma Science & Technology possesses complete sets of equipment and engineering design technology for 10,000 tons pool kiln wire drawing, and has been awarded the first prize of the National Science and Technology Progress Award and the National Engineering Design Gold Award twice, having completed the design of more than 30 pool kiln production lines at home and abroad. The company can mass-produce specialized fiberglass equipment such as automatic doffing drawing machines, drying ovens, and metallic heat exchangers. It also offers research on new glass components, fiberglass kiln flue gas treatment technology and equipment, batching technology and equipment, wide-width chopped strand mat units, and computer control systems.

Social Recognition

Sinoma Science & Technology

2024 Top 100 Building Materials Enterprises

Awarded by
China Building Materials Enterprise Management Association

Sinoma Science & Technology

Guoxin Cup ESG Golden Bull Award Top 20 Carbon Neutral Companies

Awarded by
China Securities Journal

Sinoma Science & Technology

CLS ESG Pioneer Award

Awarded by
CLS

NRDI

China Industrial Award

Awarded by
China Federation of Industrial Economics (CFIE)

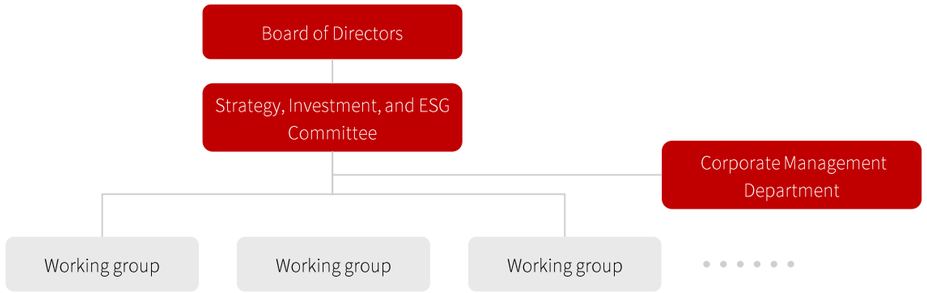
Beijing Composite

20th CCE-JEC Outstanding Innovative Product

Awarded by
Organizing Committee of China International Composites Industrial Technical Expo

ESG Strategies and Management

ESG Governance Structure



Sinoma Science & Technology has established a sound ESG governance framework and formulated the Implementation Details for the Board of Directors' Strategy, Investment, and ESG Committee, positioning the Board of Directors as the highest decision-making body for ESG, responsible for formulating the Company's strategic planning and policy systems in ESG and deliberating on ESG-related proposals. The Board of Directors has established a Strategy, Investment, and ESG Committee. Its main responsibilities include researching and suggesting long-term development strategies and investment, major investment decisions, and ESG initiatives, including but not limited to climate change, employee safety and health, labor management, waste management and pollutant discharges, water management, information security, business ethics, sustainable supply chain building, and other ESG-related work. A working group was set up under the Strategy, Investment, and ESG Committee, responsible for preparing preliminary work for the ESG Committee's decisions. The working group has to provide relevant information to the Company, ensure regular operation and compliance of the ESG Committee, and offer professional support.

Corporate Management Department, the Company's dedicated ESG organization, was set up to incorporate the ESG activities into the routine departmental business management and operations, carry out ESG information collection, reporting and review on a regular basis, increase the statistical control efficiency and ESG activity performances to provide extensive support in the efficient execution and implementation of ESG activities.

Sustainability Indicators Linked to Management Performance

Sinoma Science & Technology has established a comprehensive management incentive and bonus system that closely links sustainability indicators with management performance. It explicitly requires the top executives of each subsidiary to sign the Safety and Environmental Protection Target Responsibility Statement, ensuring 100% coverage. This statement encompasses key topics such as energy conservation and consumption reduction, the promotion of dual-carbon targets, and the injury rate, accounting for 10% of the management's personal performance evaluation. Through this mechanism, the Company has strengthened the sense of responsibility and mission among the management in driving sustainable development and clarified the key roles of each level in achieving the Company's overall sustainability goals.

Management Incentive Recovery Mechanism

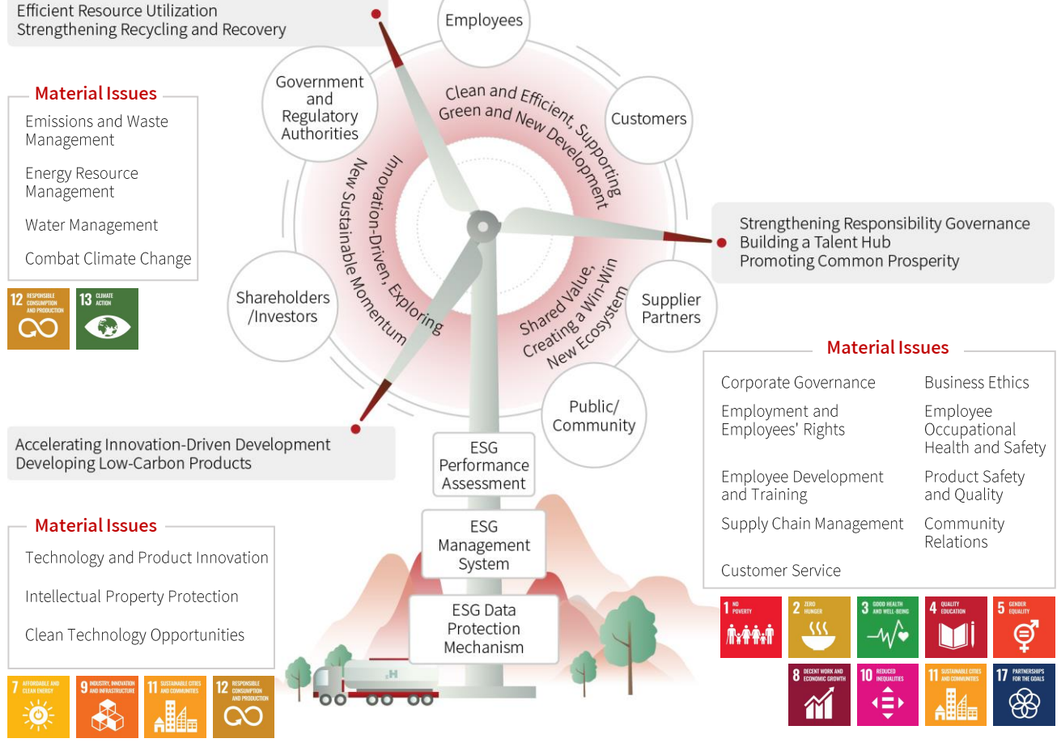
Sinoma Science & Technology has formulated the Measures for Accountability Regarding Business and Investment Responsibility Violations, and established an incentive recovery mechanism aligned with its internal documentation, covering all senior management. In response to any violation involving salary deductions, the Company shall, in accordance with the established regulations, deduct and recovery its annual performance salary or term incentive income (including annual excess profit bonuses), and terminate or recover other medium- and long-term incentive benefits.

Sustainable Development Strategies

Sustainable development is an integral part of the construction of a world-class enterprise. The Company has never forgotten its mission to "drive the development of the new materials industry and promote technological progress in society." Adhering to the business positioning of being "value-oriented, innovative, and international" it accelerated the implementation of the "3461" development strategy, striving to make Sinoma Science & Technology a company of "high efficiency, high quality, and high growth". To explore engines for sustainable business development and enhance the Company's sustainable development management level, the Company continuously internalizes the concept of sustainable development and effectively integrates it with the business development strategy. Leading industrial practices and stakeholders' demands are taken into consideration to help identify development opportunities in the green and low-carbon field, and systematically build and continuously improve the "2367" sustainable development strategy. The goal is to achieve the coordinated development of the business, environment and society, and boost the Company's high-quality development.

The Company kept emphasizing its mission of "driving the development of the new materials industry and promoting technological progress in society" and vision of "striving to become a leading international enterprise in the new materials sector." Efforts were focused on three major directions, namely, innovation-driven, value-sharing, and clean and efficient development, in response to the demands of six major stakeholders, while concentrating on seven critical areas of sustainable development. Sustainable development practices were initiated and promoted from the strategic level to ignite new engines for value growth.

A Panoramic View of Sustainable Development Strategies



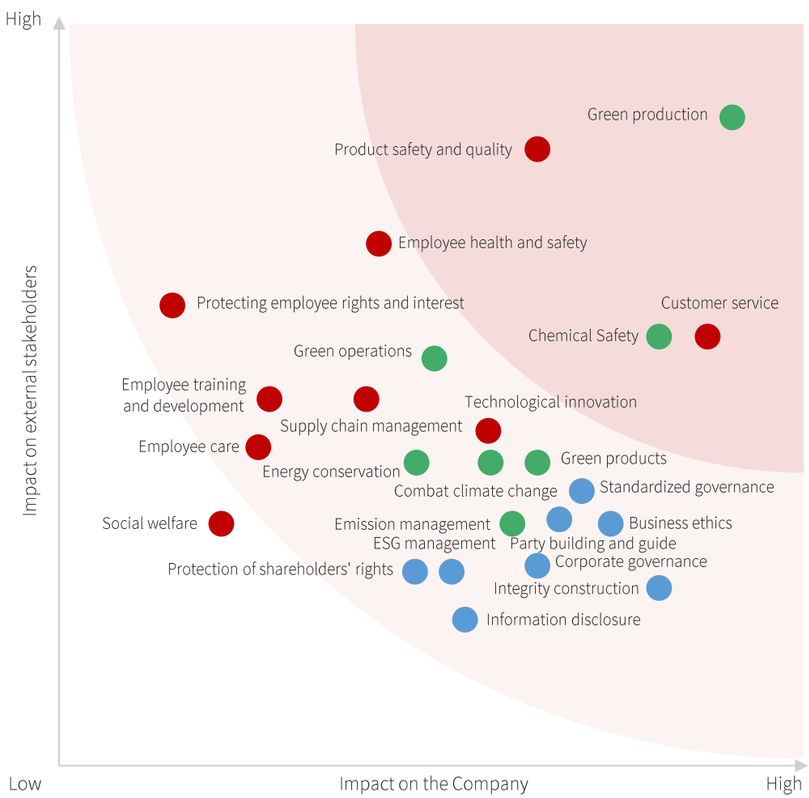
Analysis of Material Issues

In order to understand the concerns, expectations and demands of stakeholders regarding its sustainable development, the Company conducted an analysis on material ESG issues. It followed the established work processes, identified and selected a list of ESG issues relevant to the Company in 2024. These issues were assessed based on their importance to stakeholders and the Company, leading to the creation of a materiality matrix of issues.

Identification of issues → **Questionnaire and interviews** → **Analysis of materiality** → **Confirmation by the management**

Identification of issues	Questionnaire and interviews	Analysis of materiality	Confirmation by the management
Identify major trends pertinent to the Company through full industry-based investigation, then identify important issues based on the national polices and key points of high concern in the capital market.	Know the comments on the materiality assessment of ESG issues from both internal and external stakeholders through interviews, exchange meetings, etc.	Perform rational analysis of the survey results and produce final materiality matrix of stakeholders by fully considering the relevant national policies and key points of high concern in the capital market.	The management of the Company performs careful perusal and review of the results from the analysis of materiality to finally establish key information to be disclosed in this report, objectives of future ESG management and specific implementation plans.

Based on the questionnaire responses, the Company's current materiality matrix of issues is as follows:



Interactions with Stakeholders

Continuous and effective communication with stakeholders forms the solid foundation for the Company ‘s long-term stable operation. The Company places high importance on communication with various stakeholders, with key stakeholders' needs regarding its products, services and operations taken into consideration, the Company will establish various forms of communication media and methods to promote bidirectional and transparent feedback between the whole organization and its stakeholders.

Stakeholders	Expectations and Demands	Communication Mechanisms
Government and Regulatory Authorities	• Legality and compliance in business practices • Implement national policies • Paying taxes in accordance with the law • Green production • Technological innovation	• Work report • Environmental information disclosure • Regular disclosure of corporate information
Shareholders/ Investors	• Creating stable returns • Improving corporate governance • Strengthening investor relation management • Disclosing information promptly, accurately and comprehensively	• Publishing periodic reports • Holding shareholders' general meetings, performance presentations, roadshows • “Easy to Interact” platform (irm.cninfo.com.cn) , investor hotline, enterprise email and other communication channels
Employees	• Safeguarding rights and interests of employees • Guarantee of remuneration and benefits • Occupational health and safety • Career advancement and development	• Safety training and drills • Career development training • Helping employees in need • Employee congresses, employee symposiums, etc.
Suppliers	• Anti-unfair competition • Practicing responsible procurement • Combating corruption and encouraging integrity	• Supplier management assessment and communication • Contract negotiations and daily meetings • Regular disclosure of corporate information
Customers	• Providing safe, environmentally friendly and high-quality products • Technological innovation • Excellent customer service • Integrity management	• Customer satisfaction survey • Customer complaint handling and return visit • Regular disclosure of corporate information
Partners	• Strictly observing business ethics • Promoting industry growth	• Cooperation and communication • Regular disclosure of corporate information
Environment	• “Dual Carbon” strategy • Sustainable development	• Periodic reports
Public/Community	• Green production • Fulling social responsibility	• Participating in community co-construction, contribution • Rural revitalization • Regular disclosure of corporate information

01

Advancing Green Development and Promoting Energy Transformation

The Company has actively enacted green development concepts by formulating the 14th Five-Year Plan for Environmental Protection and Energy Saving and Emission Reduction and making environmental protection and sustainable development one of its core strategies. The Company continuously improves its environmental protection system, strictly adheres to relevant laws and regulations, and has established its own environmental protection policies. To achieve the "dual carbon" goals, the Company adopts a multi-faceted approach, taking active actions to reduce carbon emissions and enhance carbon efficiency. Through research and development, and sales of green products, the Company supports the transformation towards clean energy while seizing green development opportunities, striving to achieve its green development strategic goal of "Enhancing Materials Quality and Improving Life Quality."

Key Performance Indicators

Total Environmental Protection Investment
RMB **172.0520** million

Environmental Cost Savings
RMB **2.2977** million

Number of National-Level Green Factories
14

Number of Legal Entities Certified with ISO14001
37

Number of Legal Entities Certified with ISO50001
20

Number of Legal Entities with Other Certifications (e.g., ISO14064 and Domestic Certifications)
4

Greenhouse Gas Emission Intensity
99.59 tons/million yuan of operating income

Total Nitrogen Oxides (NOx) Emissions
254.12 tons
1.12% decrease year-on-year

Total Sulfur Dioxide (SO_2) Emissions
70.86 tons
22.08% decrease year-on-year

Total Industrial Particulate Matter Emissions
61.82 tons
32.07% decrease year-on-year

Total Generation of Non-Hazardous Solid Waste
65,386.23 tons
11.31% decrease year-on-year

Comprehensive Utilization of Non-Hazardous Solid Waste
35,673.09 tons
17.87% increase year-on-year

Total Direct Energy Consumption
2,189,182.68 MWh
7.64% decrease year-on-year

Total Indirect Energy Consumption
2,881,274.06 MWh
8.07% decrease year-on-year

Total Comprehensive Energy Consumption
5,070,456.74 MWh
7.89 % decrease year-on-year

Operating Income from Green Products with Lower Pollution Characteristics
7,741.4314 million yuan

Operating Income from Products that Promote Green Development of the Society
18,897.9585 million yuan

Improving Environmental Protection System

Green System Building

The Company has always been upholding green management and development principles, strictly adhering to and enforcing critical environmental protection laws of the People's Republic of China. These include Environmental Protection Law of the People's Republic of China, Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, Law of the People's Republic of China on the Prevention and Control of Water Pollution, Law of the People's Republic of China on the Prevention and Control of Soil Pollution, Law of the People's Republic of China on Water and Soil Conservation, Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, Law of the People's Republic of China on the Prevention and Control of Noise Pollution, Law of the People's Republic of China on the Promotion of Clean Production and Energy Conservation Law of the People's Republic of China, which may significantly impact the Company regarding waste gas emissions, greenhouse gas (GHG) emissions, sewage, and waste discharge. In reference to these laws, the Company has developed over 10 management systems, including Energy Saving and Ecological Environment Protection Management Methods, Ecological Environment Protection Responsibility System, Management Rules on Safety and Environmental Protection Due Diligence for Mergers and Acquisitions, the Regulation on Safety and Environmental Protection Supervision and Inspection, the Regulations for the Management of Safety and Environmental Meetings and Emergency Management Methods for Environmental Incidents.

To ensure the implementation of these systems, the Company has continuously improved its environmental management responsibility structure, comprehensive compaction of safety responsibilities. The Chairman and President jointly bear the leadership responsibility for environmental protection. The Vice President in charge of environmental protection work is responsible for the overall execution of these tasks. Other management staff are responsible for environmental protection within their scope of work, and heads of each department, as the primary responsible persons for their department's environmental work, lead their teams to actively practice the Company's environmental management systems, thereby forming a comprehensive top-down management system.

Sinoma Science & Technology is progressively enhancing its certification and system building regarding environmental protection. In 2024, the Company

- Added **4** new green factories, bringing the total number of green factories to **20**, including **14** national-level green factories. The number of green factory certifications accounted for **50%** of all levels of domestic production enterprises;
- Added ISO50001 energy management system certification for **2** enterprises, bringing the all-level cumulative total to **20** enterprises certified under the ISO50001 energy management system, representing **50%** of domestic production enterprises;
- Added ISO14001 environmental management system certification for **5** enterprises, bringing the all-level cumulative total to **37** enterprises certified under the ISO14001 environmental management system, with **33** are production enterprises, representing **83%** of domestic production enterprises;
- Added clean production certification for **2** enterprises, bringing the all-level cumulative total to **19** enterprises certified for clean production;
- Initiated carbon footprint certification for over **20** products across **9** enterprises in total, effectively measuring cradle-to-gate carbon emissions data.

Environmental Risk Prevention

Sinoma Science & Technology actively engages with central and local government regulatory bodies, employing a combination of routine inspections and unscheduled audits to ensure comprehensive coverage of key regional enterprises during annual external environmental inspections, achieving nearly **100% coverage** of all levels of production and operation enterprises. Concurrently, the Company has established a robust internal environmental supervision mechanism, utilizing a combination of on-site inspections and online monitoring to conduct thorough and systematic environmental compliance reviews of all levels of production and operation enterprises, ensuring **full coverage** of environmental inspections of all subsidiaries within the year.

Sinoma Science & Technology organizes drills to deal with environmental emergencies every year, in order to ensure the continuous improvement of its ability to respond to such incidents.

During the reporting period

The Company established **45** emergency response plans for sudden environmental incidents in all levels of subsidiaries

Carried out **105** drills of various types

Involved **10,772** people in these events

Publicity of Environmental Awareness

Sinoma Science & Technology implements the green management system. Through strengthening the awareness of environmental protection and conservation among all employees, it further promotes the special research work of "cost reduction and efficiency increase", comprehensively improves the industrial production and daily office efficiency.

Case: Enhance employees' green awareness and promote green and low-carbon development

During the National Energy Conservation Promotion Week and Green and Low-carbon Day in 2024, Sinoma Science & Technology, relying on relevant theme activities, systematically carried out special training activities such as carbon emission knowledge promotion, environmental knowledge popularization and energy-saving technology exchange, with a total of more than 10,000 person-times trained. These activities not only effectively improves employees' understanding of the importance of energy conservation and emission reduction, but also further strengthens their awareness and ability to practice the concept of green development in their daily work.

- CTG Energy Saving and Environmental Protection Publicity Board

Case: Tengzhou Company practices the concept of green development and promotes its implementation

In March 2024, Tengzhou Company held a voluntary tree planting activity in Beijing FRP Institute Science and Technology Industrial Park, with more than 20 Party members, activists and representatives of league members of the first branch participating. During the activity, everyone shoveled and dug soil, supported trees, pack the new soil firmly, and carefully planted saplings, adding greenery to the park. It has enhanced the employees' sense of responsibility for greening their homes and protecting the environment, contributing to the construction of a green and beautiful park.

- Site of the voluntary tree planting activity

Case: Sinoma Science & Technology strengthens environmental awareness to lay the foundation for green development

Sinoma Science & Technology actively promotes environmental awareness across its units by organizing various educational activities. Through offline initiatives such as displaying promotional banners and online training sessions, the Company educates employees on energy-saving knowledge and practical tips for daily operations. This initiative reinforces the concept of energy conservation and emission reduction, enhances resource-saving awareness, eliminates resource wastage, and advocates for a green development model. Additionally, the Company organized over 14,100 employees to participate in energy conservation and carbon reduction-themed exhibitions hosted on platforms such as the SASAC official website and "Guozi Xiaoxin," further advancing the creation of a resource-efficient enterprise and laying a solid foundation for the company's sustainable development.

- Green and low-carbon promotion

Leading Green Investment

In the process of mergers and acquisitions and investment, Sinoma Science & Technology always insists on including ESG factors into the core considerations, and identifies and evaluates potential risks in a scientific and rigorous manner through systematic ESG due diligence or safety and environmental due diligence, in order to ensure the sustainability and long-term value of transactions.

ESG Due Diligence Process:

- Clarify the survey objectives and scope, and focus on the performance of the target company in environmental protection, social responsibility and corporate governance;
- Through document review, on-site investigation and in-depth interviews, evaluate the actual situation of the target company in environmental management (such as pollution control and resource utilization efficiency), social responsibility fulfillment (such as employee rights protection and harmonious community development) and corporate governance (such as compliant operations and anti-corruption mechanism), and comprehensively identify potential risks and historical problems;
- Conduct in-depth analysis of the target company's environmental liabilities, site pollution history, effectiveness of environmental management systems, and its performance in complying with environmental policies and regulations;
- In response to the identified issues, the Company will formulate a detailed improvement plan, clarify the division of responsibilities, and integrate necessary environmental management measures to ensure that the environmental performance of the target company can be effectively improved after the transaction is completed, and help it achieve its sustainable development goals;
- Transform the above evaluation results and recommendations into a professional due diligence report, providing a scientific basis for transaction decision-making and subsequent integration, and helping realize the steady development and long-term value creation of the Company.

Combating Climate Change

Based on the disclosure framework recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), Sinoma Science & Technology shall guide the relevant work and disclose the Company's climate change information.

Governance

Sinoma Science & Technology has determined the supervision and management responsibilities for climate-related matters, and has established a climate change governance structure led by the Strategy, Investment, and ESG Committee of the Board of Directors. It generally supervises the identification of climate risks and opportunities, as well as the implementation of goals and strategies, reviews the climate change strategy, sustainable development vision, policy and institutional revision, and regularly reports to the Board of Directors every year.

The ESG working group of Sinoma Science & Technology is responsible for comprehensively leading the Company's ecological civilization progress, organizing and implementing tasks related to carbon peak and carbon neutrality, providing professional support for identifying climate change risks and opportunities in the process of strategy formulation, enterprise development and project implementation, and formulating countermeasures for elimination, mitigation, transfer or control according to different types of risks and opportunities. Under the leadership of the Company, each subsidiary company shall set up a corresponding leading group to address climate change issues across disciplines.

In 2024, the Company formulated climate change-related incentives and evaluation indicators for the top management of each subsidiary company. By having management sign the safety and environmental responsibility agreement, the Company linked their bonuses to the company's climate goals (carbon emission reduction and energy efficiency improvement) to ensure that they prioritize environmental factors in decision-making.

Strategy

Sinoma Science & Technology is well aware of the potential impact of climate change on its business and operations. It actively identifies, responds to and seizes climate change risks and opportunities, and fully implements and firmly promotes climate change-related work such as the "Dual Carbon" Work Implementation Plan and Special Action Plan for "Dual Carbon" and Energy Saving and Consumption Reduction in 2024. By formulating a comprehensive climate change strategy, Sinoma Science & Technology can better assess the impact of climate change on its financial and operational dimensions, adjust its countermeasures in a timely manner, actively respond to the national "Dual Carbon" strategy, and further improve its green and sustainable development planning.

Climate-related Risks

Sinoma Science & Technology, based on its own operating conditions, analyzes policies, technologies, market development trends and reputation, identifies climate change risks that are likely to affect its operations, and carries out targeted countermeasures. The specific contents are as follows:

Risk Type		Description & Impact	Actions Taken	Impact Degree	Duration
Physical risks	Acute risks	Short-term extreme weather events like typhoons, heavy rains, and droughts could lead to risks of production stoppages, reduced output, and supply chain disruptions. These may result in equipment damage, safety production incidents, increased costs, reduced capacity and other consequences.	Established an Emergency Response Plan for Sudden Environmental Incidents, organizing annual emergency drills to enhance the company's and employees' capacity to respond to extreme weather, thereby minimizing the impact of climate change on production operations.	High	Short-term
	Chronic risks	Rising temperatures could lead to increased demand for electricity, driving up operational and equipment maintenance costs, and altering product performance; production conditions at the Company's mountainous or coastal bases may be influenced.	Adopted efficient energy-saving equipment and technologies, optimized production processes and workflows to reduce energy consumption.	Medium	Medium-and long-term
Transition risks	Policies and regulations	Environmental regulations are becoming increasingly stringent. The Company's involvement in the production, operation, use, and sales of hazardous chemicals could lead to safety incidents, environmental pollution events, and occupational health hazards due to natural disasters or inadequate management.	Carefully studied relevant policy changes, established comprehensive environmental management systems and safe production management systems, especially strengthening occupational health and safety in hazardous chemical processes.	High	Medium-and long-term
	Technologies	Increasing environmental, performance, and production process requirements and the acceleration of low-carbon transition necessitate costly technological innovations.	Actively participated in carbon emission trading, promoted green energy transformation and energy conservation and emission reduction technical improvements, such as advancing photovoltaic projects and optimizing energy utilization technologies.	Medium	Medium-and long-term
	Market	The growing customer and market demand for low-carbon products and services requires the Company to increase spending on low-carbon technology transformation projects, upgrade high-energy-consuming equipment and gradually increase the use of clean energy.	Accelerated the construction of a green, low-carbon industry layout. Adopted measures like source reduction of carbon emissions and the use of green electricity to reduce the carbon footprint of products.	Medium-high	Medium-and long-term
	Reputation	Customers, suppliers, and other stakeholders are increasingly concerned about the Company's performance in addressing climate change. Failure to respond to their demands or legal and regulatory violations could pose reputational risks and damage the Company's image.	Established a climate change management system, strengthened environmental management and carbon emission control, promptly disclosed ESG reports, and responded to stakeholder demands.	Medium-high	Medium-and long-term

Climate-related Opportunities

Climate change also brings numerous opportunities for the Company at the business level. The Company has identified and taken the following measures to seize opportunities related to climate change, so as to achieve sustainable development.

Opportunities	Actions Taken	Impact Degree	Duration
Improvement of resource efficiency	Enhancing resource use efficiency to achieve cost reduction and efficiency improvements at the resource level, save resource costs and improve production efficiency.	Medium	Short-term
Engagement in carbon trading	Actively participating in carbon emission market trading and promoting energy transformation on the procurement side, reducing the risk of energy and carbon emission price increases in future.	Medium	Medium-and long-term
Green products and services	Focus on new energy wind power blades, lithium battery separators, hydrogen storage cylinders and other new materials, green low-carbon industries and other strategic emerging industries, seize the opportunity of energy transformation, and expand and strengthen green business.	High	Long-term
Policy support	Actively developing green products and services to qualify for policy incentives and subsidies.	Medium	Medium-and long-term
Green finance	Seeking green financial investments and loans to fund the Company's green transformation and support sustainable development.	Medium	Medium-and long-term
Corporate image	Strengthening corporate social responsibility practices, promoting sustainable development concepts, and enhancing public recognition.	Medium	Long-term

The Impact of Climate Change on Finance

Sinoma Science & Technology deeply recognizes that scientifically quantifying the impact of climate risks and opportunities on financial performance is a key measure for a company's high-quality development. During the reporting period, the Company has preliminarily explored the potential impact of climate change risks and opportunities on its financial situation from multiple dimensions. On this basis, we plan to further introduce scenario analysis in the future. By constructing simulated scenarios under different climate conditions, we will deeply analyze the potential risks and opportunities in each scenario, so as to provide strong support for the Company to formulate more forward-looking response strategies, and actively adapt to and mitigate the far-reaching impact of climate change.

Indicator		Unit	Data
Expenditures to address pricing of greenhouse gas emissions	Expenditures on data systems development	RMB 10,000	10.00
Expenditures in response to more stringent emissions and disclosure requirements	Expenditures on annual energy conservation and carbon reduction projects	RMB 10,000	1,496.52
Expenditures to address increasing extreme hot and cold weather	Annual high-temperature subsidies for employees	RMB 10,000	249,652.73
	Annual expenditures for high-temperature resistance and frost protection upgrades of factories and pipelines	RMB 10,000	42.60
Expenditures to address extreme weather events such as floods and typhoons	Annual expenditures for factory reinforcement and reconstruction, and drainage system upgrades Costs of flood and typhoon protection equipment and facilities	RMB 10,000	626.14

The Dual Carbon Strategy

Sinoma Science & Technology fully implements and firmly promotes the "Dual Carbon" Work Implementation Plan and Special Action Plan for "Dual Carbon" and Energy Saving and Consumption Reduction in 2024. It clarifies the Company's internal carbon peak and carbon neutrality goals, and integrates the concept of green development into the whole process of strategy formulation, resource allocation, business expansion and operation management.

In 2024, Sinoma Science & Technology:

Establish a Carbon Management Team

Sinoma Science & Technology actively promotes the establishment of a carbon management team and continuously improves its carbon emission management capabilities. By 2024, the Company has successfully trained 5 people to obtain the qualification of carbon emission management engineer. At the same time, it has organized training for no less than 2,709 personnel related to carbon emission management, continuously consolidating the foundation of carbon management and providing solid talent support and technical guarantee for achieving the "Dual Carbon" goal.

Lay Out Low-carbon Technologies

Sinoma Science & Technology takes the lead in formulating international or national standards related to carbon peak, carbon neutrality and green and low-carbon development. It increases the layout of low-carbon technologies, realizes the lowest comprehensive energy consumption and carbon emission intensity of its main products in history and at an advanced level in the industry, and regularly tracks the implementation of key work every quarter to continuously reduce carbon emissions. In addition, the subsidiaries help deepen the layout of green and low-carbon technologies by carrying out the following tasks:：

- CTG participated in the formulation of the national standard of Greenhouse Gas Emission Accounting and Reporting Requirements Part 35: Glass Fiber Product Manufacturing Enterprises, undertook the first phase of "Open Competition Mechanism to Select the Best Candidates" project of the CNBMG, broke through the second generation of low dielectric glass, low expansion formula technology, and solved the key technical problems such as high temperature melting and clarification of low dielectric glass fiber;
- NRDI took the lead in formulating seven industry standards such as JC/T 2901-2024 Evaluation Guidelines for Green Factories in the Glass Fiber Industry and JC/T 2801-2024 Evaluation Requirements for Green Factories in the Rock Wool Manufacturing Industry, and completed the research and development of hydrogen combustion devices and hydrogen flame and explosion suppression devices;
- Suzhou Limited focuses on the research and development of on-board high-pressure hydrogen storage cylinders, station hydrogen storage containers and tube bundle containers for hydrogen transportation in hydrogen fuel cell vehicles with "high hydrogen storage capacity, high pressure, lightweight and high safety";
- Sinoma Blade actively participated in the second phase of "Open Competition Mechanism to Select the Best Candidates" project of the CNBMG, and improved the implementation plan of the Development and Application of High-performance Green Wind Power Blade Coatings project.

Reduce Energy Consumption

Sinoma Science & Technology is based on the forefront of the industry, focusing on energy management and technological innovation, and continuously improving energy efficiency. The subsidiaries actively carry out relevant work and have successfully developed a number of achievements to synergistically promote the systematic optimization of energy consumption, providing strong technical support for reducing energy consumption.

- Sinoma Blades (Funing) has built and applied an energy management and control platform to improve data collection efficiency. It comprehensively analyzes electricity consumption, and actively implements energy-saving and emission-reduction measures

  Saving electricity **908,000** kWh per year

  Reducing carbon dioxide emissions by about **518** tons

  Reducing the energy consumption per individual blade by **5%**

- CTG through the implementation of systematic energy-saving measures such as kiln insulation, nitrogen compressor application, promotion of medium and low temperature waste heat reuse, introduction of energy-efficient equipment and optimization of production processes

  Saving gas more than **2.9** million cubic meters

  Saving electricity more than **9** million kWh

  Reducing carbon dioxide emissions by about **13,000** tons

- Sinoma Blade (Baicheng) has saved **72,000** kWh of electricity per year by introducing the energy-efficient bipolar permanent magnet frequency conversion air compressor

- Various bases of Sinoma Lithium Membrane have taken measures such as waste heat recovery, fan frequency conversion transformation, condensate water replenishment and preheating transformation

  Completed **122** energy saving projects

  Comprehensive energy consumption decreased by **26%** year-on-year

  Reducing carbon dioxide emissions by about **48,200** tons

  Saving energy costs of RMB **25.86** million yuan

- NRDI installed insulation layer on the flue gas device pipeline and adjusted the process parameters, decreasing natural gas consumption by **29%** year-on-year

- Shandong Membrane Material has implemented oven waste heat recovery, resulting in an **8.5%** reduction in natural gas consumption

Energy Structure Transformation

Sinoma Science & Technology actively increases the optimization and adjustment of its energy structure, focuses on improving the proportion of photovoltaic power generation and green power consumption, actively participates in the trading of energy usage rights, water rights, and pollution discharge rights, and has obtained a number of action results, accelerating the realization of energy transformation and energy saving and emission reduction goals, and promoting sustainable resource utilization.

6 "photovoltaic+" energy factories

3 New photovoltaic construction projects

17.93 MW of photovoltaic installed capacity newly added

Installed capacity of existing new energy projects reached **63.42** MW

"0" coal consumption

Non-fossil energy consumption accounts for more than **3%**

The photovoltaic power supply exceeded **30** million kWh

Green electricity purchase exceeded **20** million kWh

Carbon dioxide emissions are reduced by more than **41,000** tons

Green Factories Construction

Sinoma Science & Technology anchors the goal of green manufacturing and vigorously promotes the construction of green factories. It also plans to launch the construction of glass fiber green manufacturing demonstration factories, the research and implementation of green manufacturing systematic solutions in the park, and explore the systematic solutions for special high-performance glass fiber manufacturing green demonstration factories in due course in the future.

Risk Management

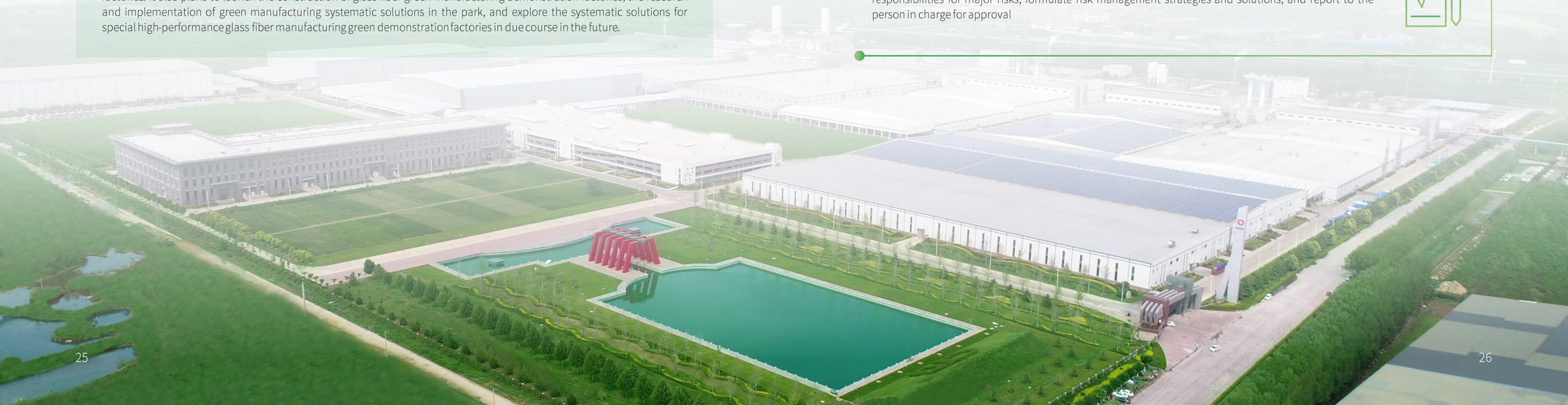
Sinoma Science & Technology attaches great importance to the overall management of climate change risks. It incorporates climate change risks into the Company's overall risk management system and conducts systematic evaluation through the following processes.

Build a risk information database incorporating climate change risks and opportunities based on business and product characteristics, and identify the impact of climate change on the Company's finance, production, assets, supply chain and personnel

Fill in the major risk assessment form, identify and assess the risks related to climate change from the perspectives of risk impact and possibility, and determine the risk level related to climate change

Draw a risk coordinate graph with the degree of impact and possibility as the coordinate axis based on the identification and evaluation results, and specify the corresponding elimination, mitigation, transfer or control measures according to different areas in the coordinate graph, so as to smoothly resolve climate change risks

Fill in the major risk control coordination table, clarify the departments assuming primary and secondary responsibilities for major risks, formulate risk management strategies and solutions, and report to the person in charge for approval



Indicators and Goals

Sinoma Science & Technology actively responds to climate change. Based on analysis of climate change risks and opportunities and its actual conditions, it formulates carbon reduction and energy goals related to climate change and steadily promotes the green transformation of the Company.

Dual Carbon Goals

The Company's carbon emissions per RMB 10,000 of output value shall not exceed the previous year.

Progress in 2024	Completion status
Year-on-year decrease of 8.9%	Completed

The carbon emissions for products of the main business unit shall not exceed the previous year.

Progress in 2024	Completion status
Year-on-year decrease of 3%	Completed

Energy Goals

The Company's comprehensive energy consumption per RMB 10,000 of output value shall not exceed those of the previous year.

Progress in 2024	Completion status
Year-on-year decrease of 6.4%	Completed

The comprehensive energy consumption for products of the main business unit shall not exceed those of the previous year.

Progress in 2024	Completion status
Year-on-year decrease of 1%	Completed

Green and Clean Production

Sinoma Science & Technology attaches great importance to green and clean production, which is an important starting point for enterprises to fulfill social responsibility and promote sustainable development. The Company comprehensively advances the development of the green manufacturing system, adheres to the whole-process management from the source to the end, continuously improves the production processes, enhances the resource utilization efficiency, and reduces pollution emission. Sinoma Science & Technology has formulated and implemented a series of waste gas, waste discharge and Water Management goals, effectively fulfilling its responsibility for ecological and environmental protection and helping to achieve green and high-quality development of the industry.

Waste Gas Management

Waste Gas Emission Goal

Waste Gas Emission Goal	Progress in 2024	Completion status
Reduce waste gas per unit of output value by 10%	Reduce waste gas per unit of output value by 11.8%	Completed

In order to deal with atmospheric pollutants generated from various production lines during production and operational processes, including sulfur dioxide, nitrogen oxides, particulate matter and volatile organic compounds, all production and operational units of the Company have been equipped with corresponding gas treatment environmental protection facilities.

During the reporting period

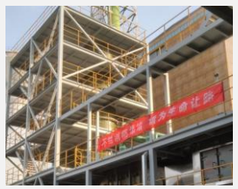
Sinoma Science & Technology achieved

100%

compliance with waste gas disposal and emission standards

Case: CTG Achieves Remarkable Results in Waste Gas Treatment by Empowering Green Development with Technology

CTG aims to achieve an A-level in environmental protection performance and continues to improve waste gas treatment. In 2024, the Company built and put into operation two sets of high-standard advanced waste gas treatment systems, namely Taiyuan Line 1 and Zoucheng Line 5. The newly built waste gas treatment facilities have achieved leapfrog improvement in terms of automatic control and monitoring. The spray system adopts a single-tower operation mode, which significantly improves the treatment efficiency.



- Waste gas treatment facility of Zoucheng Company

- Waste gas treatment facility of Taiyuan Company

Wastewater Management

The wastewater generated by Sinoma Science & Technology primarily comes from production and domestic waste in the factory areas. All production and operational units of the Company have established corresponding facilities to treat waste water. They continue to implement water resource management measures such as separation of clean and dirty water, separation of rainwater and sewage, and separate collection and pre-treatment of production wastewater and domestic sewage. Sinoma Science & Technology and all affiliated full-level production subsidiaries are 100% in compliance with the requirements of the pollution discharge permits. They regularly conduct pollutant emission monitoring and have established and refined ecological and environmental emergency plans. They have also strengthened the maintenance of energy-saving and environmental protection facilities to ensure efficient operation of equipment.

During the reporting period

Sinoma Science & Technology achieved **100%** compliance with waste water disposal and discharge standards

Waste Management

Waste Utilization Goal

Waste Utilization Goal	Progress in 2024	Completion status
Solid waste utilization rate increased by 10% year-on-year	Year-on-year increase of 20%	Completed

Sinoma Science & Technology and its subsidiaries standardize the management of solid waste in production sites and temporary storage sites, set up waste identification signs, establish ledgers for classified storage, supervise and inspect the implementation of measures to prevent dispersion, loss and leakage during storage and transfer, and build environmental protection facilities for waste disposal in all production and operational units.

During the reporting period

Sinoma Science & Technology achieved **100%** compliance with the disposal and emission standards of solid waste and hazardous waste

Cases of Solid Waste and Hazardous Waste Treatment of Subsidiaries

- CTG continues to promote the processing and reuse of waste silk, achieving 100% recycling and reuse of raw silk and waste silk, with a replacement ratio of 5.2%, and has passed the ISCC PLUS (International Sustainability & Carbon Certification PLUS) certification;
- NRDI (Suqian)' s has installed grinding equipment to grind and reuse waste silk in fiber production, realizing the resource utilization of solid waste. It is expected to reduce solid waste by about 120 tons in the whole year;
- Suzhou Limited continues to collect and use carbon fiber ends, saving about 1.5 tons of raw materials throughout the year and effectively reducing resource waste.

Water Management

Water Use Goal

Water Use Goal	Progress in 2024	Completion status
Maintain a recycling water utilization rate of over 53% in major water-consuming units	Maintain a recycling water utilization rate of over 59% in major water-consuming units	Completed

Sinoma Science & Technology attaches great importance to water resource management. The President is directly responsible for relevant affairs, reviewing the overall policy and goals of water resource management, supervising the implementation of relevant management measures, ensuring strategic and comprehensive water resource management, and promoting the continuous improvement of the Company in water resource management.

The water sources of Sinoma Science & Technology and its subsidiaries are surface water, tap water and recycled water. All of the companies have obtained water drawing licenses according to law, and the companies have not encountered problems such as difficulty in obtaining water and insufficient water sources. In 2024, Sinoma Science & Technology improved the efficiency of water resource use through process optimization, management improvement and continuous improvement:

Process optimization

Optimize production process: Replace water-based cleaning with dry cleaning to eliminate unnecessary water usage.

Improve cleaning methods: Adopt high-pressure, ultrasonic cleaning, and other cleaning methods to enhance water usage efficiency.

Management improvement

Encouragement of water recycling: Reuse treated wastewater and rainwater for production processes, landscape irrigation, and road cleaning to reduce the intake of fresh water.

Enhancement of equipment maintenance: Conduct regular inspections and maintenance of equipment to prevent leaks and spills.

Strengthen employee training: Promote water-saving awareness among all employees and disseminate water-saving best practices.

Continuous improvement

Water saving goals setting: Set customized water saving goals based on the results of water usage assessments.

Regular monitoring and evaluation: Monitor water consumption regularly, assess the effectiveness of water-saving measures, and dynamically improve water management plans to enhance overall water efficiency.

Case: CTG drives green transformation with technological innovation to improve wastewater treatment capacity

CTG has always adhered to the concept of green development, actively conducting specialized research on improving the biodegradability of glass fiber sizing agent wastewater. This has greatly enhanced the Company's wastewater treatment capabilities, leading to a substantial improvement in the quality of treated water. As a result, the daily reuse of wastewater has increased to 500 cubic meters, achieving cost savings of RMB 1,500 in water resources daily.

Energy Consumption Management

Sinoma Science & Technology attaches great importance to energy saving and consumption reduction, actively implementing a series of measures to reduce energy consumption. The Company routinely conducts specialized energy audits at its factories, with a particular focus on the operational efficiency of production processes and key energy-consuming equipment. Targeted technological upgrades and management process optimizations are carried out to contribute to the construction of a resource-saving and environmentally friendly society.

Case: Sinoma Blades' digital technology empowers energy management

Sinoma Blades (Funing) has established and applied an energy management platform, improving data collection efficiency and comprehensively analyzing electricity consumption. Through real-time monitoring, statistics, and analysis of electricity usage data, the Company implements energy supervision and arranges staggered production on the production lines. It actively implements energy-saving and emission-reduction measures, saving 908,000 kWh of electricity annually and reducing carbon dioxide emissions by approximately 518 tons.

Material and Packaging Material Management

Sinoma Science & Technology and its subsidiaries have always prioritized material and packaging management as a key initiative, reducing material loss and waste by optimizing the procurement and usage processes of materials. They are committed to promoting lightweight simplified packaging materials, actively taking measures to reduce the use of packaging materials, thereby reducing the generation of packaging waste and lessening the environmental impact, contributing positively to sustainable development.

Major Achievements of the Year

CTG actively promotes the use of recyclable packaging materials, particularly focusing on replacing non-recyclable wooden pallets with recyclable ones. This initiative is now implemented across external shipments, internal transfers, and waste fiber packaging.

Sinoma Blade, in accordance with energy conservation and environmental protection initiatives, continues to implement circular economy reuse projects. By signing packaging reuse and disposal cooperation agreements with suppliers, the company enables original manufacturers to recycle packaging materials, thereby continuously reducing waste generation.

Sinoma Blade has established a detailed warehouse management system, implementing detailed and tiered management of materials to ensure both the efficiency and safety of material storage and circulation.

Seizing Green Opportunities

Sinoma Science & Technology has consistently adhered to the concept of green development, striving to drive the research and application of green products through innovation and industrial upgrading. The Company regards seizing opportunities in clean technology as a core strategic priority. In the production process, the Company implements green product design concepts. In the downstream of the industrial chain, Sinoma Science & Technology's products have played an important role in promoting societal green development. They contribute to energy structure optimization and efficient resource utilization, actively supporting the achievement of the "dual carbon" goals.

Green Product Design

Sinoma Science & Technology conducts product life cycle assessment (LCA), incorporating considerations of resources, health, safety, and the environment throughout the entire life cycle.

01 Product design and development phase

- **Optimize product design:** Use LCA results to guide product design, fully consider energy and water saving factors. Choose more environmentally friendly materials and processes, and provide products that are easy to repair and maintain.
- **Improve product durability:** Use high-quality materials and processes to improve product durability and reduce replacement frequency.
- **Build a sustainable supply chain:** Prioritize environmentally friendly suppliers to reduce carbon emissions across the supply chain.

02 Operation, production and manufacturing phases

- **Reduce water and energy usage:** Invest in renewable energy sources such as solar and wind power, prioritize the use of renewable and recycled materials, and reduce reliance on non-renewable resources.
- **Reduce the use of toxic and hazardous substances:** Strictly abide by relevant laws and regulations, avoid the use of toxic and harmful chemicals, and continuously seek safe alternatives.
- **Adopt efficient production processes:** Improve energy efficiency and reduce water and material consumption.
- **Reduce emissions and waste generation:** Adopt clean production technologies, and implement waste sorting and recycling.

03 Distribution, storage, transportation phase

- **Optimize the selection of packaging materials:** Prioritize recyclable and biodegradable packaging materials while ensuring safety and reliability, minimizing environmental pollution, and preventing leaks during transportation and storage.
- **Reduce environmental impact of transportation:** Continuously optimize transportation routes and prioritize environmentally friendly modes such as rail and sea transport.

04 Product use, disposal and recycling phases

- **Provide product recycling and disposal solutions:** Establish a product recycling system to ensure that the product is properly disposed of at the end of their life cycle, avoiding environmental pollution.

Case: Sinoma Science & Technology's diversified green product practices driving industrial upgrading through green innovation

In 2024, Sinoma Science & Technology newly established Green Energy Company to explore green electricity business and apply it to its own production, thereby driving green development with green energy. CTG, Sinoma Lithium Membrane and Suzhou Limited carried out product carbon footprint third-party verifications and benchmarked against the industry's best levels to identify gaps and weaknesses. The carbon emissions of their products were reduced thank to measures like source carbon reduction and the use of green electricity. CTG's vacuum insulation panels and high-strength integrated panels have been certified as building energy-saving technology products by Shandong Province, contributing to green building renovations.

Case: Sinoma Science & Technology leads green design and expands international influence in hydrogen storage and transportation

From February 28 to March 1, 2024, the H2&FC EXPO, an international hydrogen and fuel cell exhibition, was held in Tokyo, Japan. Suzhou Limited participated with several innovative products. During the exhibition, Suzhou Limited showcased its 70MPa-IV type onboard hydrogen storage tanks and hydrogen supply systems. This system offers high hydrogen storage density, long lifespan, lightweight design, and low cost, all utilizing domestically developed components, breaking the monopoly of foreign technology. The company also displayed the II-type 30MPa bundle-type hydrogen transportation containers and 70MPa hydrogen station storage tank assemblies. Compared to the traditional I-type long tubes, the II-type composite long tubes and mobile storage containers show significant improvements in working pressure and hydrogen storage efficiency, effectively reducing hydrogen storage and transportation costs, further enhancing the company' s reputation in the international hydrogen storage and transportation field.

- Onboard hydrogen storage tanks and supply systems debuted at the Tokyo International Hydrogen and Fuel Cell Exhibition

Promote Green Development

The products developed by Sinoma Science & Technology, such as wind power blades, lithium-ion battery separators, and hydrogen storage cylinders, serve as crucial drivers for promoting green development in society. The core lies in facilitating the smooth operation of efficient, low-carbon, and renewable energy equipment, which helps steer society toward a sustainable development model and provides significant momentum for the growth of the new energy sector.

The cumulative installed capacity of Sinoma Science & Technology's wind power blades products has reached **177** GW

With an annual power generation of approximately **70** million MWh

Has helped reduce carbon dioxide emissions by nearly **49** million tons

Equivalent to creating new forests on **128,000** acres of land

Based on the 2024 production capacity, the Company's lithium battery separator products are expected to achieve carbon reduction of approximately **170,000** tons

Hydrogen storage cylinder products provide clean energy solutions for road transportation and other fields.

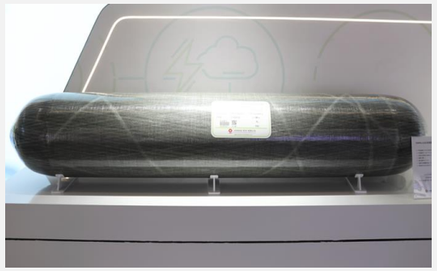
In 2024 **12,000** units were produced

Will contributing to a carbon reduction about **50,000** tons after using it

With their low-carbon and high-efficiency characteristics, these products continue to provide strong support for societal green development.

Case: Green technology empowers hydrogen storage gas cylinder to lead the industrial upgrading with "three breakthroughs"

Sinoma Science & Technology has achieved a breakthrough in the field of hydrogen energy storage through green technology innovation, successfully developing a 70MPa-IV type 210L large-capacity hydrogen storage cylinder. With a single cylinder capable of storing 8.4kg of hydrogen, a vehicle equipped with 10 cylinders can achieve a driving range of up to 800 kilometers. The pressure rating and other technical indicators rank among the industry's best. Additionally, by utilizing domestically produced carbon fibers and innovating integrated winding technology, the Company has overcome challenges related to material import dependency and the lightweighting of cylinders. This product not only enhances the range of hydrogen-powered heavy trucks but also significantly reduces production costs, promoting the sustainable development of the hydrogen energy industry and demonstrating the critical value of green technology in industrial upgrades.



- 70MPa-IV type 210L large-capacity hydrogen storage cylinder

The 70MPa-140L hydrogen bottles produced by Suzhou Limited Chengdu Company successfully supported the operation of China’s first hydrogen energy regional train and high-speed train set. The train generates electrical energy through the electrochemical reaction of hydrogen and oxygen, achieving “zero” carbon emissions throughout the journey. With an estimated annual operation of 300,000 kilometers, each train can reduce carbon dioxide emissions by about 730 tons per year. The train features “larger capacity, faster speed, and longer range.

- Hydrogen Energy Regional Train

The “Xihai Xinyuan No. 1,” the first hydrogen-powered vessel in Jiangxi equipped with the 320L Type III marine hydrogen storage bottles produced by Suzhou Limited Chengdu Company, was successfully launched. This vessel, the first commercial hydrogen fuel cell-powered passenger ship in China, serves as a positive demonstration for exploring hydrogen energy technology in inland shipping. The vessel incorporates internationally advanced design concepts and is equipped with a 35MPa-320L Type III marine hydrogen storage bottle set produced by Suzhou Limited Chengdu Company, with a hydrogen storage capacity of 45.7kg. It is powered by a hybrid hydrogen fuel cell and lithium battery dual power system, with a range of approximately 4 hours. Suzhou Limited’s hydrogen storage bottles are widely used in backup power sources, trams, locomotives, drones, ships, and other fields, contributing to the nation’s green and low-carbon energy transition.

- Hydrogen-powered ship “Xihai Xinyuan No. 1” successfully launched

Case: Innovative cooperation drives green development – Sinoma Blade promotes the green circular economy in the wind power industry

In December 2024, Sinoma Science & Technology signed a strategic cooperation agreement with Goldwind and Swancor to deepen collaboration in the green recycling and reuse of wind turbine resources, jointly promoting the green circular economy in the wind power industry. Sinoma Science & Technology will utilize recyclable resin materials provided by Swancor to produce recyclable resin blades that meet green environmental standards. These blades will ultimately support the construction of Goldwind’s wind turbine units and wind farm projects. Through resource integration and technological innovation, the Company is driving the establishment of a comprehensive green circular system for the wind power industry. This initiative demonstrates the Company's shared responsibility and commitment in environmental protection, resource recycling, and the circular economy, providing strong support for achieving the dual carbon goals and the sustainable development of the industry.

- Signing ceremony of strategic cooperation agreement

Protecting Green Ecosystems

Sinoma Science & Technology regards biodiversity as a core element of global ecological balance. With a strong sense of responsibility, the Company integrates ecological protection into its corporate strategy and operations, striving to minimize potential impacts on ecosystems through green practices.

Case: Beijing Composite's biodiversity protection practices

Beijing Composite has been actively engaged in biodiversity protection practices, setting an example for sustainable development in the industry.

At Yanqing Kangzhuang Plant of Beijing Composite, the Company employees built artificial nests for squirrels to help them survive the winter. Since 2017, Beijing Composite Tengzhou Company has become the habitat of the national second-class protected green-headed ducks, with rare birds such as egrets and wild ducks also settling there, making it a local bird-watching hotspot.

In response to the "World Biodiversity Day" campaign by CNBM, Beijing Composite has enhanced employees' awareness of ecological protection and promoted green development principles through knowledge lectures and themed activities. The Company also installed bird protection slogans and wildlife information boards and initiated riverbank protection initiatives, encouraging employees to jointly protect the ecological environment.

- Ecological coexistence at Beijing Composite's park

02

Upholding People-oriented Value to Build a Harmonious Team

The Company places great importance on building and developing its talent pool, committed to creating a high-quality efficient workforce and providing solid talent support for the long-term development of the Company. To this end, the Company actively recruits excellent talents, provides every employee with a safe, harmonious and secure working environment, builds a broad development platform and continuously enhances employees' sense of belonging and satisfaction through employee care and democratic management.

Key Performance Indicators

Total number of employees
19,955

Employee satisfaction
93%

Total training hours
531,191 hours

Number of participants in occupational health and safety training
141,370

Number of safety inspections conducted
3,434 ,an increase of **7.55%** year-on-year

Number of legal entities certified with ISO 45001
38

Number of work-related fatalities
0

Fatality rate per 1,000 employees
0%

Health and safety-related expenditures
RMB **109.6699** million

Safeguarding Rights and Interests of Employees

Safeguarding Rights and Interests

Sinoma Science & Technology always attaches great importance to employee relationship management, committed to safeguarding employees' rights and creating a harmonious working environment. The Company has established internal regulations such as Labor Contract Management System and Recruitment and Staffing Management System, forming a comprehensive mechanism for protecting employees' rights.

Sinoma Science & Technology advocates equal employment, strictly prohibiting any form of workplace harassment and discrimination. The company does not differentiate hiring based on age, gender, nationality, ethnicity, religious beliefs, or health status, ensuring equal pay for equal work and promoting fair employment.

Regular training, assessments and a robust communication mechanism are in place to prevent potential labor disputes. The Company has also developed Legal Dispute Case Management Procedures to address labor disputes in a fair, just and reasonable manner. The labor unions and HR departments actively communicate and negotiate with employees to ensure their rights and seek appropriate solutions.

Sinoma Science & Technology conducted an internal satisfaction survey in 2024. The results indicated that employees positively evaluated the Company's working environment, benefits, and management performance. In response to the feedback and suggestions from employees, the Company will also take measures to make improvements.

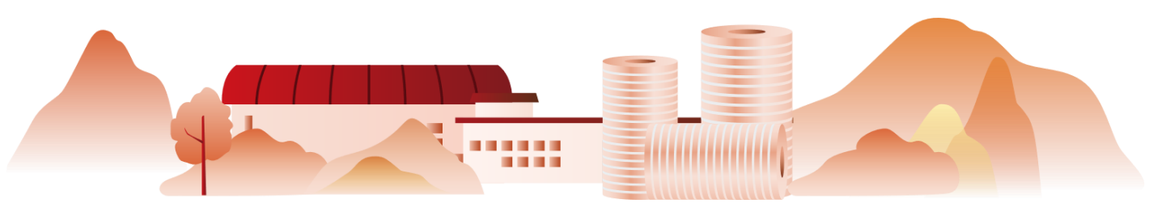
Employee Care

The Company is committed to providing a harmonious and warm working environment for its employees. To this end, it actively cares for its employees and organizes a variety of employee care activities.

In 2024

the Company organized subsidiaries to apply for the Group's "Shanjian Funds for Employees in Need", securing RMB **340,000** in assistance for **13** employees (including their family members) in need.

Sinoma Science & Technology also pays special attention to the needs of female employees, addressing their unique challenges and requirements in the workplace. The Company actively implements supportive initiatives to create a positive working environment for women.



Case: CTG's employee care initiatives to empower women

During the International Working Women's Day, CTG carefully planned a series of related activities, showing respect and care for female employees, highlighting the Company's commitment to social responsibility and humanistic values.

- The labor unions of CTG organized a "Tasting Intangible Cultural Heritage" DIY event, allowing employees to experience traditional craftsmanship and appreciate cultural heritage, thereby enhancing their cultural awareness.
- Zoucheng Company organized a spring outing titled "Celebrate Women's Brilliance in Spring", encouraging female employees to connect with nature and rejuvenate their creativity.
- Zibo Company organized a "Create New Achievements and Embrace New Challenges" walking event to encourage employees to adopt a healthy and proactive lifestyle.
- The Sinoma Shandong Branch organized a "Happy Women's Day · Sweet Life" baking and cake decoration activity, enriching employees' leisure activities and boosting their sense of happiness.

- Happy Women's Day · Sweet Life baking and cake decorating activity

Democratic Management

Sinoma Science & Technology abides by the Trade Union Law of the People's Republic of China, the Constitution of the All-China Federation of Trade Unions, the Regulations on the Congress of Grassroots Trade Union Members, Regulations on Election Work of Grassroots Trade Union Organizations and other laws and regulations. The Company has established and improved a multi-level labor union system.

Comprising **68** grassroots labor unions

The Company adheres to the principle of equipping both labor unions and administrative organizations in parallel, to ensure that "wherever the industrial project reaches, the grassroots labor union organization extends".

The Company has established mechanisms for employee participation in management and supervision, continuously optimizing work systems and innovating methods to ensure standardized and orderly trade union operations. The headquarters and all subsidiaries have established and perfected the Workers' Representative Congress (WRC) reporting system. Proposals and suggestions raised in the WRC and by employee representatives were taken seriously. Systems like WRC Management Methods and Detailed Rules for Factory Affairs Disclosure were optimized to fully leverage factory affairs disclosure columns, improve the Company's governance structure, and solidify grassroots democratic management.

Safeguarding Health and Safety

Safety Production Management

Sinoma Science & Technology regards safety production as its baseline, therefore established management systems such as Safety Production Management System, Safety Production Responsibility System, Management Rules of Hierarchical Risk Control for Safety Production, Major Hazard Source Monitoring and Management Measures of Hazardous Chemicals, Monitoring, Inspection and Management Rules for Safety and Environmental Protection, Management Rules for Safety and Environmental Protection Meetings, Management Rules of Safety Production Education and Training, Management Rules for Safety and Environmental Protection Archives, "Three Simultaneous" Management Methods for Safety Facilities of Construction Projects and Comprehensive Emergency Response Plan. The Company launched safety production campaigns, releasing Three-Year Action Plan for Fundamental Improvement of Safety Production and Frontline Employee Safety Awareness Enhancement Action Plan, ensuring thorough implementation of safety production measures.

In 2024, the Company launched safety technology and information construction initiatives.

36 production enterprises completed the construction of intelligent safety production system to improve the level of intrinsic safety management

Health and safety-related expenditures

RMB **109.6699** million

The Company linked executive compensation to safety-related performance indicators, as outlined in signed safety and environmental responsibility agreements. Sinoma Science & Technology and its subsidiaries reported no major or above responsibility accidents, achieving annual occupational health and safety goals and maintaining stable safety production conditions.

System Development

Sinoma Science & Technology places high importance on the development of safety production systems, actively promoting safety standardization and Occupational Health and Safety Management System certification across its subsidiaries. A total of 21 subsidiaries achieved Level 2 Safety Standardization, 8 achieved Level 3, and 29 domestic enterprises have passed the Safety Production Standardization acceptance. The Company actively promotes Occupational Health and Safety Management System certification, with 38 subsidiaries obtaining certification. The Company has conducted 38 internal audits, 39 external audits and 38 management reviews to ensure continuous improvement and effective operation of the safety production management system, providing a solid foundation for stable development.

Risk prevention

Sinoma Science & Technology upholds the principle of prioritize prevention-oriented safety management, integrating risk prevention throughout its production and operations. Through systematic risk identification, assessment, and control mechanisms, the Company has built a comprehensive safety defense system. This year, Sinoma Science & Technology continued to strengthen its efforts in risk prevention. Through a series of innovative measures and solid actions, the Company further reinforced its safety management foundation and enhanced its risk control capabilities, safeguarding the steady development of the enterprise and the health and safety of its employees.

- Building a dual prevention mechanism, conducting risk identification and hierarchical control. A total of 34,256 risks were identified (21,146 low risks, 11,085 general risks, 2,002 larger risks, and 23 major risks). All-level enterprises discovered 39,032 potential safety hazards, with a completion rate of rectification reaching 100%;
- Inspected 46 enterprises, conducted "Field Investigation without Notice and Report" inspections on 4 enterprises, expert-involved inspections on 3 enterprises, and provided on-site training to 4 enterprises;
- 6 major accident hazards and 1,150 general hazards were found and treated, with a rectification rate of 100%;
- Conducted 1,553 emergency drills including comprehensive drills in major hazard source areas, fire accidents at key fire prevention sites, high-altitude fall, mechanical injury accident drills, and confined space site handling drills. Joined 10 local government emergency drills, and assisted local governments in conducting 22 drills within the Company;
- Developed 46 comprehensive plans, 229 specialized plans, and 466 on-site emergency response plans.

Strengthening Responsibility

Sinoma Science & Technology places great emphasis on responsibility implementation, integrating contractors and subcontractors into the overall safety management system. By signing safety Production Responsibility Agreements with contractors and subcontractors, clarifying safety standards and responsibilities, further strengthening the responsibility implementation mechanism, refining safety management processes, and ensuring that safety production responsibilities are fully implemented at all levels, providing a solid foundation for the Company's safe and stable development.

- Sinoma Science & Technology has signed 28,880 copies of the Safety and Environmental Protection Target Responsibility Agreement and 30,103 copies of the Safety Commitment Letter;
- A total of 213 leaders' work safety responsibility lists and annual work task lists have been formulated and implemented by all subsidiaries, with the formulation and implementation rates reaching 100%;
- A total of 2,989 safety production responsibility assessments were conducted, involving 18,291 people, rewarding 1,232 individuals totaling RMB 248,000, and penalizing 3,619 individuals totaling RMB 690,000;
- Senior executives across all levels of subsidiaries conducted 123 learning, research, and deployment sessions on safety and environmental protection, while enterprise leaders in charge studied and resolved key safety production issues 103 times, totaling 309 items.

Safety Culture Construction

Sinoma Science & Technology places significant importance on safety culture building, considering it a crucial measure to enhance overall safety awareness and strengthen safety defenses. The Company actively promotes "Zero Violations" initiatives for organizations and individuals, selecting and commending individuals who achieve "Zero Violations" at a rate exceeding 5%, fostering an atmosphere where everyone emphasizes safety in everything they do. Additionally, the Company organized more than 5,220 safety production training sessions, cumulatively training 141,300 person-times, with a safety risk prevention training coverage rate reaching 100%. This continuous effort has enhanced employees' safety awareness and operational skills, providing strong cultural support and assurance for safe production.

Case: Conducting Safety Optimization Actions to Eliminate Potential Hazards in Human-Computer Interaction

In August 2024, a safety optimization action was initiated in the packaging section of one of Sinoma Science & Technology's factories. An investigation revealed that there were human-computer interaction risks associated with the operation of robotic arms in the packaging process. Workers needed to enter the operational area of the robotic arms to place box lids, creating significant safety hazards. The Company swiftly launched a special rectification initiative, led by the safety director on-site and organized by the production director, involving multiple departments including the Equipment and Power Department, Quality Management Department, Packaging Group to tackle issues. Through optimizing packaging methods, adjusting fixture designs, upgrading robotic arm programs, and aligning logistics lines, the team effectively resolved the human-computer interaction issues. After continuous improvements, two logistics lines were successfully debugged, completely eliminating the human-computer interaction safety hazards. This resulted in zero human-computer interaction incidents and a reduction of RMB 28 in cost per ton of product. This action exemplified the Company's safety philosophy of "No Safety, No Production", achieving an effective integration of cost reduction and safety improvement, providing strong support for the sustainable development of the enterprise.

- On-Site Guidance for Special Safety Rectification

Safety Culture Construction

Sinoma Science & Technology and subsidiaries actively organized activities such as “Safety Production Month” and “Occupational Disease Prevention Law Awareness Week”

Conducting a total of **88** themed events

With **8,135** person-times

An essay and photography competition was held with **35** participating companies

Resulting in **54** selected entries

47 emergency drills were organized

Involving **1,826** person-times

posting safety banners at prominent areas such as the factory entrance, workshops, and staff cafeterias **235** banners

as well as displaying **290** posters

Drawing of blackboard posters **112** piece

LED **13** LED scrolling screens, display various safety production slogans

Safety inspections were carried out at all levels **3,434** times

With a **100%** corrective action rate for identified hazards

Safety training sessions were conducted, with **10,872** person-times

Cases of Safety Culture Construction in Subsidiaries

- Sinoma Blade participated in the "Everyone Talks about Safety and Everyone Knows Emergency Response" online knowledge competition during the Safety Production Month. A total of **1,186** employees participated in the competition, which fully improved the knowledge reserve of employees on safety production;
- CTG promotes training through assessment and cultivation through practice, enhancing the Company's comprehensive capability to handle emergency incidents.

Chemical Safety Assurance

Sinoma Science & Technology is involved in businesses that handle chemicals with certain safety hazards. The Company knows the potential risks associated with chemical production and is committed to minimizing these risks during the production process. Strictly adhering to relevant laws, regulations, and standards for chemical management, the Company has established a dedicated team to receive, review, study, and respond to downstream customers' requests for verification of environmental regulations related to chemicals. This team also updates and manages the product chemical inventory and global chemical regulations database, ensuring the Company can quickly perform compliance checks and efficiently issue assurance documents.

The Company has formulated the Major Hazard Source Monitoring and Management Measures of Hazardous Chemicals, created a comprehensive system of documents encompassing the management of hazardous chemicals, precursor chemicals, hazardous chemical management and control procedures, and solid waste management and control procedures. This system governs the procurement, storage, transportation, usage, and disposal of hazardous chemicals. Internally, the Company conducts a hazard assessment procedure for all chemicals, recording the relevant assessment results in an internal chemical toxicity database. The Company continuously improves the toxicity information of production materials and strengthens occupational health and safety production in the handling, storage, use, and disposal of chemicals. It establishes a list of personnel in positions that come into contact with chemicals, identifies the number of personnel in these positions, and manages them categorically based on the different chemicals they are exposed to.

Sinoma Science & Technology strictly controls the temporary storage volume of chemicals on-site, ensuring that temporary storage does not exceed 24 hours. Hazardous chemicals are stored in explosion-proof cabinets with appropriate explosion-proof measures in place. The Company has installed chemical detection and alarm devices in accordance with the Standard for Design of Combustible Gas and Toxic Gas Detection and Alarm for Petrochemical Industry (GB/T50493-2019) and established a specialized chemical safety management team to enhance dedicated safety inspections, promptly eliminating potential safety hazards.

Occupational Health Management

Sinoma Science & Technology strictly implements national laws and regulations, including the Law of the People's Republic of China on Prevention and Control of Occupational Diseases, the Regulations on the Prevention and Control of Pneumoconiosis in the People's Republic of China, the Regulations on Labor Protection in Workplaces Where Toxic Substances Are Used, the Regulations on Occupational Health Supervision and Management in Workplaces, and the Measures for the Supervision and Administration of Occupational Health Surveillance by Employers. The Company has also established multiple internal regulations, such as the Employee Occupational Health Surveillance and Records Management Measures and the Safety, Environmental Protection, and Occupational Health Education and Training System. Additionally, the Company has set up an occupational health management institution, chaired by the Chairman of the Board, with the General Manager and the Safety Director serving as Deputy Directors, responsible for:

01	Organizing, supervising, and coordinating occupational safety and health work;
02	Conducting monitoring and assessment of occupational hazard factors to identify occupational disease hazards;
03	Monitoring and evaluating the impact of occupational hazard factors on employees' health;
04	Providing recommendations and technical support for improving the work environment;
05	Organizing occupational health examinations and disease surveillance;
06	Organizing emergency response to occupational health and safety incidents, participating in accident investigation and handling, and implementing corrective and preventive measures.

The Company adopts various measures to safeguard employees' occupational health.

01	Establishing comprehensive ventilation facilities in workshop environments;
02	Equipping workers with appropriate personal protective equipment for their respective positions;
03	Continuously improving dust, poison, noise reduction and emergency management facilities and first-aid equipment in production areas;
04	Posting occupational disease hazard warning cards in key work areas, and regularly conducting occupational disease hazard publicity;
05	Conducting annual physical examinations for personnel in key occupational disease positions;
06	Conducting annual assessments of occupational disease hazard in each workshop;
07	Establishing a smooth internal job transfer mechanism, identifying employees with abnormal physical conditions, and providing special attention to those with chronic diseases or occupational contraindications. Targeted work arrangements are made, and employees with abnormal conditions are prohibited from working alone or in high-risk positions.

In 2024

The Company has conducted occupational health examinations for over **16,000** employees exposed to occupational hazards

occupational health examinations coverage rate **100%**

Across the entire organization, **624** occupational health training sessions

occupational health training sessions reached **37,000** person-times

There were **no** personal injury accidents with serious injuries or above, and **no** new cases of occupational diseases.

2025 Occupational Health and Safety Goals:

The severe injury rate per thousand employees shall not exceed **0.8‰**

The number of new occupational disease cases shall be **zero**

The number of major and above safety production liability accidents shall be **zero**

Promoting Talent Development

Enhancing Compensation and Benefits

Sinoma Science & Technology offers a compensation system that is closely aligned with job responsibilities and individual contributions, with a focus on key positions while also maintaining a reasonable income gap and increasing frontline employees' earnings. The Company ensures the timely and full payment of social insurance and housing provident funds for all employees. Additionally, it provides supplementary benefits such as commercial medical insurance and corporate pensions. These measures not only secure employees' basic living needs but also help alleviate their financial pressures in dealing with emergencies and housing-related issues, further enhancing a multi-tiered benefits system.

The Company adopts a standard working hour system, with 8 hours work a day and 5 working days a week. For hours worked beyond the standard, the Company strictly adheres to national laws and regulations in paying overtime wages or arranging compensatory leave, safeguarding employees' rights. Meanwhile, the Company rigorously complies with national laws and regulations, ensuring employees' entitlement to paid annual leave, sick leave and other holidays and leaves through reasonable work schedules and holiday systems.

Strengthening Talent Acquisition

Sinoma Science & Technology strictly complies with the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, and other relevant laws and regulations. During the recruitment process, the Company rigorously verifies candidates' identity information to prevent the employment of child labor. If any case of child labor employment is discovered, it will be promptly handled in accordance with legal requirements. During the reporting period, the Company did not experience any violations related to forced labor or child labor employment.

Sinoma Science & Technology always regards talent as a key resource for achieving high-quality and sustainable development. The Company promptly formulates recruitment plans based on relevant internal regulations and efficiently identifies the required talent through targeted recruitment methods. In recent years, the Company has continuously optimized its talent recruitment strategy, innovate the recruitment models, expanded recruitment channels, increased the frequency of employer branding events, and enhanced its employer brand influence. The company implements a salary negotiation system for outstanding talents and deepens industry-university collaboration to accelerate the introduction of high-caliber professionals.

In 2024

The Company recruited a total of **2,086** employees, meeting the talent needs for strategic development and contributing to employment stability.

The Company upholds the concept of equality, diversity and inclusiveness. Our employees are diverse in terms of gender, ethnicity, and cultural background, with no discrimination. In both recruitment and training stages, as well as during work processes, the Company adheres to gender equality and ethnic equality, setting no conditions based on gender or ethnicity.

Building a Development Platform

Sinoma Science & Technology aims to become a world-class new materials enterprise, considering talent development a core strategy. The Company promotes deep integration between human resource management and business operations and has established the "No. 1 Project" talent development plan to provide strong talent support for achieving its strategic goals. The Company conducts in-depth research on national and SASAC policies regarding managerial, technological, and international talent development. Based on its own growth trajectory, it explores talent development models tailored to its unique characteristics, focusing on advancing and strengthening various talent teams.

The Company has formulated internal regulations such as the Guidelines for Scientific and Technological Talent Team Construction (Trial) and the Guidelines for Cadre Team Construction (Trial). Through diverse training initiatives, including job rotation, mentorship programs, and on-the-job training, the Company accelerates talent pipeline development. It is committed to building a well-structured, high-quality talent pool, providing strong momentum for sustainable corporate growth.

In its employee career development planning, the Company adheres to the principles of talent growth, draws on advanced market practices, and establishes a scientific career development framework and upward mobility pathways. The Company has established a multi-channel career development pathway, including management, professional, and operational tracks, supported by a systematic training system. Regular skill competitions and other initiatives are organized to facilitate employees' career growth and enhance their capabilities.

Case: Beijing Composite Focuses on Cutting-Edge Fields to Empower Talent Development and Management Improvement

To promote high-quality industrial development and continuously enhance the theoretical knowledge and professional expertise of management personnel at all levels, Beijing Composite organized a capacity-building training program for management personnel. The program focused on key areas such as new quality productive forces, corporate compliance management, international standard quality system development, and financial and accounting knowledge, with lectures delivered by multiple experts and scholars. The invited experts, aligning with the spirit of the 2024 National Two Sessions and the current economic landscape, provided an in-depth analysis of the theoretical essence, strategic significance, and practical development directions of new quality productive forces. They also systematically elaborated on the core aspects of international standard quality systems from eight key perspectives, including the national strategy for building a quality-driven country in the new era, the leadership role of quality management systems, and their promotion and implementation. This training program closely integrated theoretical knowledge with business management practices, providing strong support for the professional development of management personnel.

- Managerial Skills Enhancement Training

03

Enhancing Quality-Driven Growth and Fostering Collaborative Win-Win Partnerships

The Company has always upheld the philosophy of joint development with stakeholders such as suppliers, customers and communities. The Company vigorously develops its leading industries, strives for exceptional product quality and stays dedicated to protecting customer rights. To this end, it continually increases investment in R&D and encourages innovation to meet market demands and drive industry development. It has also constructed a responsible supply chain to ensure the sustainable supply and quality safety of raw materials. With its social and national responsibilities deeply in mind, the Company keeps contributing to the harmonious development of society and exemplifies the responsibility and commitment of a central enterprise through practical actions.

Key Performance Indicators

Number of R&D personnel

2,754, an increase of **8.94%** year-on-year

Number of suppliers with long-term cooperation with the Company

2,618

Total annual taxes paid

RMB **1,161.29** million

Number of suppliers certified through quality, occupational health and safety, environmental, or energy management systems

1,185, an increase of **28.25%** year-on-year

Total social welfare donations

RMB**5.03**million

Product Quality Assurance

Product Quality Control

Sinoma Science & Technology strictly abides by laws and regulations such as the Product Quality Law of the People's Republic of China, and has established the Quality Management System and Quality Manual, clarifying the responsibilities and authority of personnel related to quality, ensuring individual accountability for quality control and guiding continuous improvement in quality management for all subsidiaries, continually driving product quality enhancement.

The Company has established a full-process product quality control mechanism, formulated various procedures such as Quality Cost Management Methods and Product Quality Advanced Planning Control Procedures, so as to strictly control the quality of raw materials and semi-finished products required for production, enforce raw material incoming and product outgoing inspection requirements. The Company has also formulated the Product Quality Incident Investigation Management Method. It is committed to identifying the causes of quality incidents, holding relevant departments and individuals accountable.

The Company exercises strict control over product quality to avoid the sale of non-conforming products, and also standardizes the handling and recycling procedures for non-conforming products. Procedures such as the Non-conforming Product Control Procedure and the After-sales Service Management System have been established, specifying product inspection processes, customer feedback handling processes, the treatment of non-conforming products, and requirements for product recalls.

As of the end of 2024

40
manufacturing subsidiaries of the Company have passed quality system certification.

Protection of Customers' Rights and Interests

To standardize after-sales service, the Company has formulated the Customer Satisfaction Management Methods. This involves collecting customer feedback and regularly surveying and analyzing customer satisfaction and related information. This process precisely identifies and understands customer needs and expectations, enabling the Company to adopt appropriate preventative and corrective measures to improve products and services and enhance customer satisfaction.

The Company has established systems such as the Customer Complaint Management Methods, After-sales Service Management System, and Customer Complaint Handling and Quality Improvement Control Process. These systems specifically outline the procedures for handling customer complaints, including emergency handling procedures, departments responsible for different types of complaints and their duties, and complaint handling time limits. Regarding product complaints, upon receipt, the Company immediately organizes an investigation to determine the cause and conducts sample inspections. The results are swiftly sent back to the customer, and a report is submitted upon the completion of corrective actions, thus forming a closed loop.

To protect consumer privacy, the Company strictly implements its Confidentiality Management System. Customer information and product details are classified as commercial secrets. Personnel involved in confidential matters are required to sign a confidentiality agreement with the Company. Additionally, the Company has established Data Ownership and Protection Agreements and Data Processing Entrustment Agreements with relevant suppliers to further protect customer information.

Information Security Management

Sinoma Science & Technology places significant emphasis on cybersecurity governance, considering it an integral part of its ESG management system. The Company has established a series of internal systems, including the Data Security Management System, Data Center Fault Handling and Disaster Recovery Guidelines, Cybersecurity Incident Emergency Response Plan, and Information System User Account Permission Management Methods. These systems cover various aspects of information and data security management, set standards for identifying violations, and link cybersecurity incidents to the performance assessments of units and responsible individuals, with internal notifications of violation incidents and their handling results, and the pursuit of corresponding responsibilities. During the reporting period, the Company's maintained a good cybersecurity status without any cybersecurity incidents.

To further strengthen the effectiveness of cybersecurity governance, the Company has established a Cybersecurity Leading Group with the chairman as the group leader, the president as the deputy group leader, and the chief financial officer responsible for the specific work. This group is fully responsible for the strategic planning and major security decision-making approval in the field of cybersecurity. Additionally, the Company has set up a cybersecurity working group with the chief financial officer as the group leader, and the heads of the Party and Mass Work Department and the Finance and Digitalization Department as deputy group leaders, responsible for the construction and supervision of cybersecurity systems, risk management and response, and team building and training. Moreover, the Company has also established a cybersecurity emergency command center, responsible for the emergency command and organizational leadership of significant information system incidents, further enhancing the Company's rapid response and disposal capabilities in the field of cybersecurity.

Information Security Management Initiatives of Sinoma Science & Technology

- All employees are required to use a designated third-party enterprise instant messaging tool. This allows the local cybersecurity management team to collect and address regional security issues, initially assess them, and then report them uniformly to higher authorities, ensuring standardized cybersecurity management;
- The Company's website and major systems such as ERP and OA have obtained Level 2 certification under the Protection Level System. Additionally, professional third parties are invited to conduct penetration testing on primary information systems, perform vulnerability scans on secondary units, and implement relevant security patches for identified vulnerabilities and risks;
- Utilize a security information management system, the Company collects and analyzes log data from network devices, servers, and applications. This helps identify abnormal behavior patterns and potential security threats;
- Actively enhance the information security awareness and ability of all employees, and flexibly carry out training on information security basic knowledge, the Company's safety policies and regulations, safety operation skills, emergency response and disposal methods and other topics through centralized case analysis learning and policy document distribution. The Company organizes four centralized learning sessions annually and distributes policy documents 1-4 times per month, effectively improving employees' information security literacy;
- Adopt access control lists, rule optimization, intrusion detection and defense system, and other technical means to strengthen network boundary protection, and formulate a comprehensive information security accident emergency plan covering emergency response procedures, responsibilities of departments and personnel, emergency handling measures, and recovery strategies based on business characteristics and information system architecture;
- Establish an information sharing mechanism with the Company's software and hardware vendors, timely report the incident to them in case of information security incidents, obtain the their technical support, assist the Company in the investigation and disposal of the incident, and timely obtain the security vulnerability information, patch updates and safety recommendations released by vendors;
- After handling an information security incident, the Company promptly conducts a post-mortem analysis to determine the cause, process, and impact of the incident. Specific improvement measures are formulated, and a continuous improvement mechanism is established to track and evaluate the effectiveness of these measures. Regular reviews and updates are conducted on the information security management system.

Innovation-Driven Development

Sinoma Science & Technology adheres to an innovation-driven development strategy, taking it as its mission to promote the development of the new materials industry and the technological advancement of society. It strengthens overall design and planning, continually increases investment in research and development, undertakes numerous significant science and technology projects, and focuses its research and development efforts on key application areas such as aviation, aerospace, shipbuilding, electronics, and new energy.

The Company will continuously play a demonstrative and leading role, constantly improve system development, increase investment in technological innovation, strengthen the focus on critical core technologies, and enhance its capability for independent innovation. With a vision for the greater good of the nation, the Company aims to leverage national resources to empower national heavy equipment, creating a hub for technological innovation and supporting the construction of a powerful materials industry in the country.

Optimizing Management System

As a national-level innovative enterprise, Sinoma Science & Technology continuously perfects its innovation mechanism, enhances its capability for independent innovation, actively overcomes critical material technology bottlenecks, and plays a leading role in corporate technological innovation. With increasing intensity in R&D investment and efficiency in technological output, the Company constantly generates innovative achievements. This nurtures future industries for the Company, accelerates the formation of new productive forces, and provides strong momentum for high-quality development of the enterprise.

The Company places great importance on the construction of a technological innovation mechanism, performing top-level design of the R&D system, clearly defining the research and development function positioning of different departments and subsidiaries, and establishing a comprehensive "four-in-one" scientific and technological innovation system encompassing basic application research, engineering technology research, industrial technology research, and testing and evaluation technology research.

The Company also has established a two-way R&D process driven by both technological R&D and market application, and by market demands and technological research, matching R&D objectives with market demand and enhancing the role of R&D activities in supporting economic growth.

Building a Science and Innovation Platform

Sinoma Science & Technology is one of the first batch of innovative enterprises, one of the first batch of technology innovation demonstration enterprises, and a national high-tech enterprise. It owns 1 national key laboratory, 2 units supported by the National Natural Science Foundation, 3 national engineering technology research centers, 5 postdoctoral research stations, as well as national-level R&D platforms such as the National New Materials Testing and Evaluation Platform. The company also boasts a talented team of experts in the field of new materials research and development. Additionally, Sinoma Science & Technology serves as the chair unit for four National Standardization Technical Committees on fiberglass, carbon fiber, fiber-reinforced plastics, and thermal insulation materials.

In collaboration with CNBM (Shanghai) Aviation Technology Co., Ltd., and Harbin Institute of Technology, which are with professional advantages, was approved to build advanced inorganic fibers and composites national key laboratories, striving to create a number of innovation hubs with full integration of industry-university-research cooperation. On this basis, the Company has achieved a series of significant results in the field of science and technology innovation: Sinoma Science & Technology and NRDI have been approved as affiliated units of the National Natural Science Foundation; Sinoma Blade has been selected as a participating unit in the National Wind Power Technology Innovation Center; And the National Enterprise Technology Center of the Company received an "Excellent" rating in its evaluation. At the same time, the Composites Industry Center of National New Materials Testing and Evaluation Platform has passed the acceptance organized by the Industry Development and Promotion Center, Ministry of industry and Information Technology of the People's Republic of China, ensuring the reliable application of new materials and the continuous development of the industry. Additionally, the Company successfully passed the national technology innovation demonstration enterprise reevaluation.

Case: Sinoma Science & Technology actively builds hubs for science and technology innovation, accelerating the application of composite materials

In October 2024, Sinoma Science & Technology and GEELY officially established the "Joint Innovation Laboratory of Advanced Composites for Automobiles", marking the strategic upgrading of the cooperation between the two parties in the field of composites for new energy vehicles. The cooperation focuses on the application of high-count carbon fiber, thermoplastic recyclable composites and high-strength pultruded composites in automotive parts, aiming to promote automotive lightweight design and industrial upgrading through technological innovation. The establishment of the joint laboratory not only provides new development opportunities for Sinoma Science & Technology in the field of automotive composites, but also demonstrates its proactive efforts in building scientific innovation platforms and promoting industrial technological advancements. That's how we'll deepen the innovation-driven development strategy, contributing to the high-quality growth of China's new energy vehicle industry and supporting the nation's goal of becoming a global leader in automotive manufacturing.

- Unveiling Ceremony of Joint Innovation Laboratory for Composites

Accumulating Significant Achievements

By continuing to deepen its expertise in the field of high-end manufacturing, Sinoma Science & Technology has taken the lead in advanced manufacturing, intelligent manufacturing and green manufacturing technologies across the world. That's how we've upgraded the production lines through "smart equipment, automated logistics, digitized control, and maximized efficiency". In the field of glass fiber intelligent manufacturing, the Company leverages its technical strengths by bringing together top-tier R&D expertise across multiple disciplines such as machinery, thermal engineering, chemical engineering and automation. As a result, we've overcome key core technologies such as stable spinning technology for high-count carbon fiber and stable pre-oxidation and carbonization technology, achieving fully automated and continuous production. The high-performance carbon fiber we offer is featured with excellent performance, good quality, significant reliability and cost-effectiveness, providing robust technical support for the localization of high-end materials in China.

In 2024

Filed **569** patent applications

granted **237** patents

bringing its total number of valid patents to **2,168**

Published **47** standards

Including **2** international standards

23 national standards

7 industry standards

Case: Beijing Composite leads the revision of international standards to fuel industry expansion by embracing technical innovation

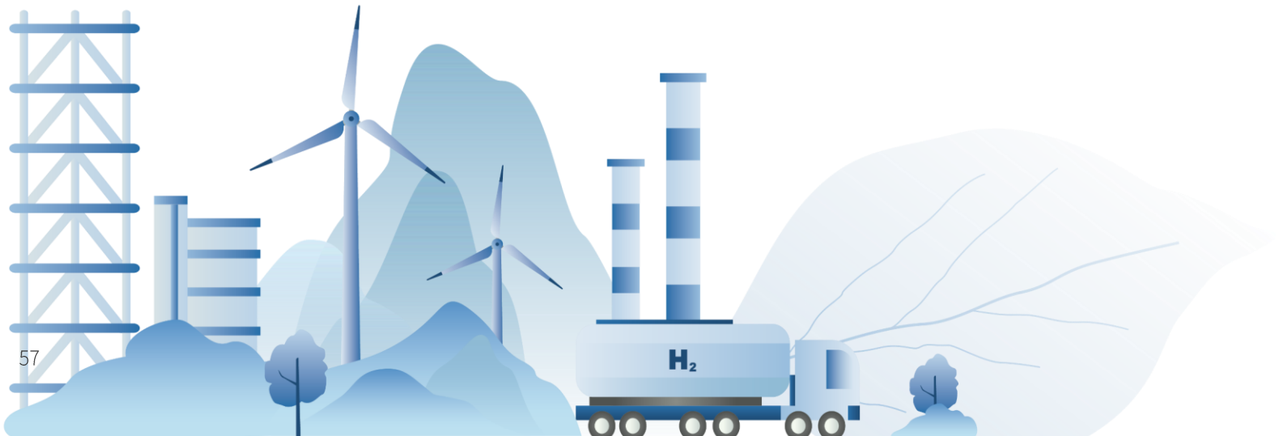
Beijing Composite, a subsidiary of Sinoma Science & Technology, has been committed to innovation-driven development. When leading the revision of the international standard ISO 8605:2024 "Fiber-Reinforced Plastics - Sheet Molding Compound (SMC) - Requirements and Specifications", Beijing Composite, with its deep-rooted technical capabilities and influential industry role, incorporated new content on carbon fiber, recycled carbon fiber, and basalt fiber, etc., refining the naming rules and performance testing requirements for SMC. This revision lasted for 3 years. The draft standard at each stage received 100% affirmative votes from ISO member countries and was finally successfully published. This achievement not only provides technical support for the development of the global SMC industry, but also highlights China's technical strength and fruitful achievements in the field of composite materials. It also reflects central enterprises' dedication to leading industry standardization and internationalization efforts.

- ISO 8605:2024, Fibre-reinforced Plastics - Sheet Moulding Compounds (SMC) - Requirements and Specifications

Intellectual Property Protection

Sinoma Science & Technology has strengthened its awareness of intellectual property rights protection, integrating intellectual property strategy into its overall business development strategy. It actively utilizes the intellectual property rights system to participate in market competition, enhancing its core competitiveness. Through years of experience in intellectual property rights work, the Company has established a closed-loop intellectual property management mechanism based on "creation, protection, operation, and management."

Through the continuous development of the intellectual property protection system, the Company has identified a series of achievements and was honored as a National Intellectual Property Demonstration Enterprise in 2022. The Company has passed the provincial performance evaluation and has been recognized as one of the national first batch patent pilot enterprises, a national intellectual property advantage enterprise, an advanced enterprise in intellectual property management standardization in Jiangsu, and a model enterprise for intellectual property application in Jiangsu. It has also passed the third-party certification — Enterprise Intellectual Property Management Regulations (GB/T29490-2013).



Sustainable Supply Chain

Suppliers Management

Sinoma Science & Technology has established a sound and complete supply chain management system. Guided by the Procurement Management Measures, Headquarters Bidding Management Measures and other rules and regulations, we've strengthened material procurement management and standardized procurement practices, in an effort to guarantee the effective supply of materials required for production and construction. During the reporting period, the Company continued to enhance its bidding management system by establishing a bidding management leading group and a bidding working group. These groups oversee the entire bidding process such as tendering, bid opening, bid evaluation and bid awarding, ensuring comprehensive management. The Company also required its subsidiaries to formulate their own bidding management systems based on their specific business needs, as a way to consolidate and improve the overall bidding framework.

The Company also formulated corresponding rules for supplier qualification, classification and evaluation, and classified suppliers into key suppliers for major materials and general suppliers. The Company conducts on-site audits of suppliers stipulated in the system every year according to the Supplier Audit Management Measures. Suppliers that fail the audit are disqualified, and those involved in violations are added to a "blacklist".

Responsible Supply Chain

Adhering to high standards and strict requirements, Sinoma Science & Technology always gives priority to partners who demonstrate reliable quality, stable operation, good reputation, environmental friendliness and scientific management. The Company strictly abides by national laws and regulations, industry regulations and relevant management systems. It requires all suppliers to be law-abiding and qualified legal entities, with necessary quality, safety, environmental and other operational qualifications. The Company also integrates ESG principles into its supply chain management system, and includes ESG requirements for suppliers in the Supplier Audit Management Measures, in an attempt to build a responsible supply chain.

Strict qualification

To select qualified suppliers, Sinoma Science & Technology strictly carries out qualification audits, meticulously reviewing key factors such as the suppliers' production and delivery capabilities, and the quality of their pre-sales, in-sales and after-sales services. On this basis, Sinoma Science & Technology has been committed to green development and given priority to the purchase of green products. It has established cooperation with suppliers who have obtained certifications such as environmental management systems, quality management systems, occupational health and safety management systems, and energy management systems. It advocates that suppliers should fully consider green production, energy conservation and environmental protection, circular economy, low-carbon practices, employee rights and other factors in product design, production and manufacturing, and encourages suppliers to give priority to green logistics and green packaging to reduce carbon emissions, contributing to a high-quality and sustainable supply chain.

Supplier classification management

Sinoma Science & Technology categorizes suppliers into three levels: A, B and C, according to the importance and type of the materials they supply. Among them, Class A suppliers provide key raw materials or core parts and components, and the products they supply have an important impact on the Company's production and operation. The Company implements key management on them to ensure the stability and reliability of their supply.

Sinoma Science & Technology further classifies suppliers into long-term suppliers and non-long-term ones according to the stability and duration of their collaboration. Suppliers who're included in the 2024 qualified supplier list and have completed the signing of the procurement contract will be regarded as long-term suppliers. We'll establish a stable cooperative relationship with them and provide continuous support and resources, as a way to jointly optimize and upgrade the supply chain.

Awareness promotion

Sinoma Science & Technology attaches great importance to the publicity and implementation of ESG principles in the supply chain. It works to systematically improve the ESG awareness and management ability of all links in the supply chain through multi-level and multi-dimensional training and practical activities. The Company takes a coordinated approach by actively organizing ESG training activities for procurement staff and suppliers. These initiatives aim to strengthen awareness of integrity, self-discipline, safety, and environmental protection, fostering a deep-rooted commitment to the principles of green development.

Subsidiaries' Key Initiatives

Sinoma Blade signed Energy Saving and Consumption Reduction Supplement Agreements, Circular Economy Reuse Cooperation Agreements, and Supplier Integrity Commitment Agreements with suppliers. During the material development process, it referenced the Chemical Blacklist Directory and prohibited the use of materials listed on the blacklist;

Sinoma Blade and CTG signed Supplier Social Responsibility Code of Conduct with suppliers, setting requirements for suppliers and commissioned manufacturers regarding child labor, freedom of association, discrimination, forced labor, working hours, wages and benefits, occupational health and safety, and ethics;

CTG promotes the development of a green logistics system by encouraging suppliers to utilize the digital logistics platform "Vehicle Calling", as a way to drive the construction of an intelligent and efficient supply chain.

Sinoma Lithium Membrane has set up full-time ESG positions and provides ESG training for suppliers from time to time.

Supply Chain Security

Sinoma Science & Technology attaches great importance to supply chain security and risk management. It has incorporated ESG factors into the Supply Chain Risk Management Measures, and requires each subsidiary to formulate and improve their supply chain emergency plans in an attempt to effectively respond to potential risks. Sinoma Science & Technology and its subsidiaries shall, in accordance with the annual supplier audit plan, conduct on-site audits to identify and access environmental and social risks associated with suppliers. For any non-conformity identified, we will clearly outline the requirements and urge suppliers to correct them within one month. In the future, the Company will continue to intensify audits of potential ESG risks among suppliers, guiding them to enhance their awareness of environmental, social and governance risk assessments. That's how we can promote the stability and sustainable development of the supply chain.

Subsidiaries' Key Initiatives

Sinoma Blade formulated the 2024 Risk and Opportunity Analysis and Countermeasures, refining the escalation and handling procedures of abnormal events in the procurement process. As a result, the mechanisms for risk identification and the development of mitigation measures have been standardized.

Sinoma Lithium Membrane updated a Supply Chain Risk Management Method, added the assessment of suppliers' ESG performance, and continuously and regularly conducting risk assessments of raw material and finished product suppliers. This includes, but is not limited to, delivery, production, financial, quality, after-sales service, and market conditions, making risk control tables and closed-loop risk management.

Contributing to Social Welfare

Contribution to Economic Value

Sinoma Science & Technology always upholds the principle of compliant operations. It's well aware that tax compliance is not only a legal requirement, but also a crucial part of corporate social responsibility. We strictly abide by the tax laws and regulations of the countries where we operate, committed to being a responsible corporate citizen. By undergoing regular internal and external audits, we look to ensure that all tax declarations and payments are legal, compliant, accurate and transparent.

The Company supports and actively participates in international tax cooperation, adhering to the standards for tax transparency and information exchange advocated by international organizations such as the Organization for Economic Cooperation and Development (OECD), as a way to improve global tax governance. Besides, the Company regularly releases tax reports, disclosing its tax contributions across various jurisdictions to enhance tax transparency.

In 2024

the Company paid a total of RMB **1.16** billion in various taxes and fees on time and in full.

Giving Back to Society

Sinoma Science & Technology has actively fulfilled its social responsibilities as a central enterprise. Over the years, it has donated to the CNBMG's "Well Constructed" fund

more than RMB **23** million

In 2024, Sinoma Science & Technology donated RMB **5.03** million for public welfare

Including RMB **4.71** million to the "Well Constructed" fund to support targeted poverty alleviation initiatives.

The company actively implements the targeted poverty alleviation work deployed by the State-owned Assets Supervision and Administration Commission (SASAC) and CNBMG, continuously donating to the CNBMG's "Shanjian" Public Welfare Fund

In 2024, the Youth League Committee of Sinoma Science & Technology organized and sent **4** young members to participate in the Group's "Shanjian" Colorful Classroom event.

Over the past 7 years, more than **40** young volunteers from the company have participated in the "Shanxue Plan,"

broadening the horizons of local students and helping them observe the world. Over the years, the Company has consistently sent poverty alleviation cadres to Luoping Village, Banli Town, Sui County, Zhaotong City, Yunnan Province, Guanyun County and Xucun Village, Lianyungang City, Jiangsu Province, and carried out technical poverty alleviation work in Xuanhan County, Dazhou City, Sichuan Province.

Subsidiaries of Sinoma Science & Technology actively participated in targeted assistance donations. NRDI donated RMB **200,000** to the Rural Revitalization Promotion Team of Ganyu District, Lianyungang City, Jiangsu Province;

Taian Antai Gas Co., Ltd. donated RMB **10,000** to Yudong Village Committee, Daoliang Town, Daiyue District, Taian City, Shandong Province to help the poor;

CTG donated RMB **110,000** to Taian Education Foundation and Zoucheng Charity Federation to support local education.

Promoting Rural Revival

The Company actively implements the rural revitalization work deployed by the SASAC and CNBMG. The company coordinates six major support measures—livelihood assistance, industrial assistance, employment assistance, medical assistance, educational assistance, and e-commerce assistance—to send poverty alleviation cadres to precise poverty alleviation areas. It explores models of technical poverty alleviation and job-based poverty alleviation, helping the local communities of affiliated enterprises in poverty alleviation efforts. The company also conducts educational activities for left-behind children and supports the implementation of the national rural revitalization strategy, improving living conditions in rural areas. Over the years, the Company has continuously developed the Zhaotong Green Ecological Cattle Farm Project, developed industries such as honey sales, cold-water fish farming, and tens of thousands of acres of bamboo forests. Additionally, it utilizes CNBMG's "He Bao Dan" e-commerce platform to ensure stable sales channels for products and actively organizes affiliated enterprises to purchase poverty alleviation products, contributing to the local villagers' poverty reduction efforts. The company was awarded the "Advanced Unit in Supporting Rural Revitalization" by the Group.

In 2024

The total investment in rural revitalization amounted to **4.92** million RMB

Case: Sinoma Science & Technology "Well Constructed" Colorful Classroom, bringing hope and warmth

Sinoma Science & Technology has responded positively to the rural revitalization strategy and devoted itself to social welfare undertakings. Through the volunteer activities of "Well Constructed" Colorful Classroom, it has contributed to the education in remote mountainous areas. In August 2024, the Company sent four young volunteers to Luoping Primary School in Banli Town, Suijiang County, Yunnan Province, bringing knowledge and care to left-behind children.

During the event, volunteers from Sinoma Science & Technology donated school supplies, stationery and daily necessities, providing children with essential resources for their education. At the same time, leveraging their professional expertise, volunteers offered a variety of courses including humanities and nature, Chinese and mathematics Olympiad, safety knowledge, scientific experiments, music and dance, and lacquer fan making, which enriched the children's after-school life and sparked their interest in learning. Through these courses, the volunteers not only imparted knowledge, but also planted seeds of gratitude and the desire to give back to society in the children's hearts.

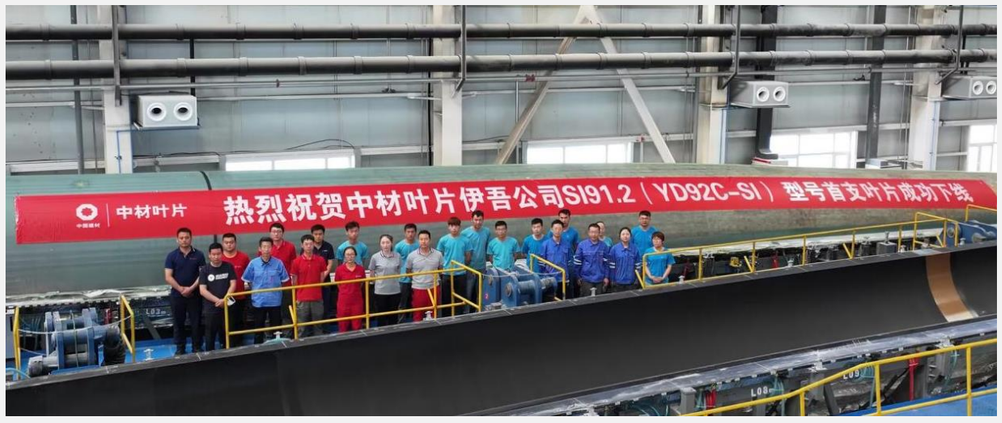
By continuously organizing such volunteer teaching activities, Sinoma Science & Technology has demonstrated the social responsibility and commitment of a central enterprise in rural revitalization. Since the initiative was launched, Sinoma Science & Technology has organized volunteers to participate in education support for seven consecutive years, with more than 40 volunteers involved, bringing knowledge and hope to children in remote mountainous areas.

- "Well Constructed" Colorful Classroom Rural Revitalization Activity

Case: Sinoma Blade (Yiwu) achieves fruitful results in supporting Xinjiang, boosting rural revitalization and ethnic unity

Sinoma Blade (Yiwu) is a key wind turbine blade production base for Sinoma Science & Technology in Xinjiang, a major project in collaboration with the Xinjiang Autonomous Region government and CNBMG. The company produces over 1.2GW of large wind turbine blades annually, covering domestic areas along the "Belt and Road" and Central Asia. It complements the geographical advantage of Jiuquan Company, forming a "1+1>2" operational model that continues to support the economic development of the Xinjiang region. Additionally, Sinoma Blade (Yiwu) and Sinoma Blade (Jiuquan) regard ethnic unity as a fundamental, foundational, and long-term task. The company employs 18 ethnic minority workers and actively promotes ethnic unity and progress. It implements national policies, integrates them into Party building "dual responsibility" and performance assessments, and executes the "master-apprentice" management system to encourage the full integration of employees from all ethnic groups, safeguarding the core principle of ethnic unity.

- The 100th set of blades from Sinoma Blade (Yiwu) was successfully dispatched



- The first SI91.2 (YD92C-SI) model blade successfully rolled off the production line

Deepen Overseas Responsibility Performance

Sinoma Science & Technology actively responded to the national Belt and Road Initiative by carrying out overseas responsibility practices, vigorously conducting international business through its overseas operational entities, and showcasing the Company's technological strength worldwide. The Company diligently fulfilled its social responsibilities, respecting local cultures and continuously enhancing the sense of happiness and belonging among communities where its overseas businesses operate.

Case: Sinoma Blade (Brazil) deepens its overseas responsibilities, supporting Brazil's clean energy development

On August 23, 2024, the first set of GW83.4 blades produced by Sinoma Blade (Brazil) was successfully loaded and shipped, marking the Company's transition from product trial production to mass production and shipment. Since its establishment in May 2022, the Sino-Brazilian team has faced new environments and numerous challenges. Through continuous learning, communication, and teamwork, they have overcome issues such as cultural differences and supply chain integration, achieving a phased victory in cultural integration and successfully meeting their goals. This achievement is the result of the combined efforts of Sinoma Blade (Brazil)'s team, the domestic team, and Goldwind. During the development process, Sinoma Blade (Brazil) actively fulfilled its social responsibilities, creating 459 jobs locally, driving the development of related industries, and injecting strong momentum into Brazil's clean energy transition.

- The first set of GW83.4 blades from Sinoma Blade (Brazil)

04

Strengthening Governance Foundations and Promoting Stable Operations

Sinoma Science & Technology is committed to building a modern corporate governance system. By establishing a systematic, scientifically regulated, and effectively operating governance framework, it ensures the Company's decision-making is scientific and efficient. The Company continually strengthens standardized governance, enhancing management levels and operational efficiency. It places high importance on the transparency of information disclosure, timely and accurately disclosing financial information, business performance, and important issues. Additionally, the Company upholds the business ethics of honesty, integrity, and incorruptible management, firmly adheres to commercial moral standards, and continuously improves corporate governance and responsibility awareness, laying a solid foundation for the sustainable development of the Company.

Key Performance Indicators

Number of directors
7

Number of independent directors
3

Attendance rate of directors at the shareholders' meeting
100%

Number of compliance training sessions
32

Number of anti-corruption training sessions
232times

Coverage rate of anti-corruption training for employees (including full-time, part-time, contractors, and subcontractors)
100%

Strengthening Compliant Operations

Consolidating Governance Structure

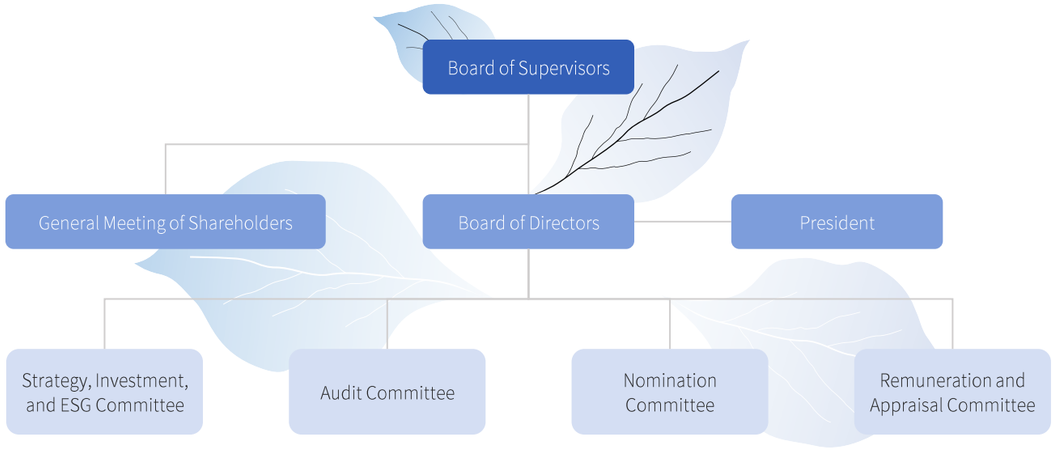
Since its A-share listing in 2006, Sinoma Science & Technology has established and refined a "Three Sessions and One Level" corporate governance structure, comprising the General Meeting of Shareholders, Board of Directors, Board of Supervisors, and Management, characterized by standardized operation, coordinated functioning, and effective checks and balances. It adheres strictly to the requirements of the Company Law of the People's Republic of China, Securities Law of the People's Republic of China, Code of Corporate Governance for Listed Companies, and other relevant laws, regulations, and normative documents, continually improving its governance and internal management to ensure standard operations.

The General Meeting of Shareholders, the Company's authoritative body, convenes in strict accordance with the Rules Governing the Listing of Shares on Shenzhen Stock Exchange, Articles of Association, and Rules of Procedure for Shareholders' Meetings. This ensures that shareholders exercise their rights lawfully. During the reporting period, the Company held one annual and five extraordinary general meetings of shareholders, where 20 resolutions were deliberated and passed.

In the Company, directors are elected following procedures outlined in the Articles of Association, and the composition of the Board of Directors and the qualifications of directors meet legal and regulatory requirements. The Board of Directors convenes meetings in strict accordance the Company Law and the Rules of Procedure for Meetings of the Board of Directors, executes resolutions of the General Meeting of Shareholders and lawfully exercises its powers, without overstepping into the role of the General Meeting of Shareholders, or ultra vires interfering with the Board of Supervisors and Management.

The Board of Directors is composed of 7 directors, including 2 female director and 3 independent directors. The Independent Director System of the Company mandates that independent directors comprise at least one-third of the Board of Directors, including at least one accounting professional. The Company held 8 meetings of the Board of Directors in 2024, where 61 resolutions were deliberated and passed.

The Board of Directors has established Strategy, Investment, and ESG Committee, Audit and Legal Construction Committee, Nomination Committee, and Remuneration and Assessment Committee, focusing on the Company's development strategy, major investment and financing, personnel appointments, and compensation distribution. In 2024, the Company held two Strategy, Investment, and ESG Committee meetings, four Audit and Legal Construction Committee meetings, five Nomination Committee meetings, and one Remuneration and Assessment Committee meeting.



The Board of Supervisors, in accordance with the Company's Articles of Association and the Rules of Procedure for the Board of Supervisors, played a supervisory and managerial role. In 2024, the members of the Board of Supervisors diligently fulfilled their responsibilities and actively carried out their duties. They attended all sessions of the Board of Directors and conducted a series of supervision and auditing activities on various company decisions. The Board of Supervisors consists of five members including two external supervisors and two employee representatives. Five meetings of the Board of Supervisors were convened during the reporting period, reviewing and passing 14 proposals.

Compensation of Directors, Supervisors and Management

Compensation for directors, supervisors, and management is determined through performance evaluations according to the Company's Measures for Administration of Top Management Compensation. The decision process involves the Remuneration and Assessment Committee of the Board of Directors proposing the compensation scheme. The management's compensation is approved by the Board of Directors, while the directors' and supervisors' compensation schemes are submitted to the General Meeting of Shareholders for deliberation and approval.

In 2024, the directors, supervisors, and senior management taking compensation from the Company will have their monthly base salaries determined and disbursed monthly in accordance with the aforementioned compensation system. The performance-based annual salary will be paid out in a lump sum after the year-end performance assessment. Compensation details of the Company's directors, supervisors and senior management are disclosed annually in the Company's annual report.

The Company's senior management compensation aligns with operational performance and comprehensive assessments, linking pay directly with assessment outcomes by rigid realization, and creating a market-based income distribution mechanism for corporate executives, which encompasses both incentives and constraints within a closed-loop management system.

Compliance Management and Internal Control

Sinoma Science & Technology strictly complies with the Company Law of the People's Republic of China, Law of the People's Republic of China on State-Owned Assets of Enterprises, Central Enterprises Compliance Management Measures, Basic Norms for Enterprise Internal Controls, Enterprise Internal Control Application Guidelines as well as other relevant laws, regulations and national system requirements. It establishes and timely revises a series of internal rules and regulations such as the Measures for the Administration of Legal Affairs, the Measures for the Administration of Legal Case Disputes and the Compliance Management System, and continuously improves the system of rules and regulations while bettering the system execution in strict accordance with the "abolition, reform and establishment" work requirements of the superior unit. This year, the Company continued to optimize the online legal review process to ensure that the Company's rules and regulations, major decisions and important contracts are subject to 100% online compliance review. During the reporting period, Sinoma Science & Technology achieved a 100% compliance review rate at all levels.

The Company continues to improve the infrastructure of the compliance organization system and strives to build a compliance management team with high professional level and strong professional quality, the Chief Legal Officer concurrently serving as the Chief Compliance Officer of Sinoma Science & Technology.

By the end of 2024, the headquarters of Sinoma Science & Technology

5 full-time compliance managers

20 part-time compliance managers

Who are responsible for compliance review in their own business field.

The Company attaches great importance to compliance training as an important way to improve employees' compliance awareness, strengthen compliance management and prevent compliance risks.

In 2024, the Company adopted a combination of online and offline training methods

Carried out more than **50** publicity activities at all levels

Held **47** compliance committee meetings

Reviewed **50** topics

According to the 2024 review of the compliance evaluation working group of Sinoma Science & Technology, the Company has established a system and regimes of compliance management, which are effectively implemented. The implementation of the work of each affiliated company is good. There are no major problems in the compliance management work, and the compliance management is effective.

Sinoma Science & Technology has continuously strengthened the construction of the internal control management system to realize the coverage of the internal control system in all business areas and management links. Focusing on the goal of "strengthening internal control, preventing risks, and promoting compliance", the Company improves the implementation of the system through centralized spot checks, special treatment, system publicity and implementation, etc., and strengthens the supervision and evaluation of the internal control system.

To strengthen audit management, Sinoma Science & Technology has established and perfected internal audit management processes, systems, and mechanisms. In accordance with the Audit Law, Basic Rules for Internal Auditing, Regulations for the Implementation of the Audit Law, and other laws and regulations, the Company has established an Internal Audit System, and Implementation Rules of the Audit and Legal Construction Committee of the Board of Directors, thereby establishing an internal audit mechanism and facilitating the supervision of external directors in their duties.

In 2024, the Company had no accountability for violations of laws and regulations.

Risk Closed-Loop Management

Sinoma Science & Technology adheres strictly to the requirements of the Company Law of the People's Republic of China, Securities Law of the People's Republic of China, the SASAC's Comprehensive Risk Management Guidelines for Central Enterprises, China National Building Material Group's Risk Control Management System and other laws, regulations, and national system requirements. It deeply studies the changes in the new Company Law and the new Anti-monopoly Law, prepares a new law analysis report based on the actual operation of the Company, carries out special risk investigation and identification to identify the impact on each affiliated company, and organizes professional internal and external training in conjunction with external lawyers to guide the subsidiaries to prevent and resolve risks. In addition, the Company also formulated the Sinoma Science & Technology Accounts Receivable Risk Management Guidelines and Sinoma Science & Technology Inventory Risk Management Guidelines for the accounts receivable and inventory risks. It revised the Sinoma Science & Technology Legal Affairs Management Measures and Sinoma Science & Technology Legal Case Dispute Management Measures and other internal management systems for compliance risks.

Process of Risk Identification, Assessment, and Response

Identification

At the beginning of each year, conduct a comprehensive risk assessment, collecting risks identified by the Company's risk-responsible departments and affiliated enterprises, continuously improving the Company's risk information database.

Assessment

Evaluate the importance of risks based on their impact and likelihood of occurrence,and determine the annual major operational risks in conjunction with the Company's management practices.

Monitoring

Establish a major risk early warning mechanism, research and develop risk prevention measures and monitoring thresholds in response to changes in regulations and requirements of various special systems, and problems encountered in practice.

Response

Review the Company's risk exposure on a quarterly basis, write risk management quarterly reports, and carry out targeted special risk investigations, dynamic risk analysis, and monitoring work based on the overall risk assessment results, continuously validating and improving the effectiveness of the business continuity management plan.

Reporting

Prepare an annual major risk assessment report each year, covering the identification and assessment of major risks, risk management strategies, and risk solutions, and submit it for review and approval by the Board of Directors, executive meetings, and party committee meetings.

Investor Relation Management

Sinoma Science & Technology adopts an objective and pragmatic approach to viewing the market value of listed companies, placing significant emphasis on capital market performance. The Company strives to align its market value with its intrinsic value and actively engages in cash profit distribution, with the proportion exceeding 30%. Meanwhile, the Company strictly adheres to relevant decision-making processes, complies with information disclosure management systems, and maintains confidentiality of insider information. This ensures that investors can obtain company information openly, fairly, justly, and promptly, thereby protecting their legitimate rights and interests.

Improving Investor Relation Management Structure

The Company has established a comprehensive investor relations management structure. The secretary of the Board of Directors is responsible for investor relation communication and oversees all related activities; The Board Office serves as the functional department for investor communication and handles daily tasks; other subsidiaries and departments assist the Board Office in carrying out these responsibilities effectively.

Enhancing Investor Communication and Engagement

The Company focuses on daily communication and exchange with investors, receives investors for on-site research, and responds to investors' inquiries at any time through telephone, email, and “Easy to Interact” platform (irm.cninfo.com.cn) of SZSE. In 2024, the Company actively replied to questions from investors through SZSE “Easy to Interact” platform (irm.cninfo.com.cn) online. To ensure the fairness of information disclosure, the Company emphasizes training and learning for relevant personnel. It has participated multiple times in events organized by regulatory bodies, exchanges, and listed company associations, such as Shareholders Visit Listed Companies, providing convenience for shareholders to visit the Company, attend discussions, and enhance their understanding of the Company.

The Company continuously improves its investor relations management level and establishes a multi-level benign interaction mechanism. After releasing quarterly reports, semi-annual reports, annual reports, and major announcements, it holds earnings briefings and investor meetings to communicate fully about overall business conditions and important issues with shareholders and potential investors. To accommodate various types of shareholders, meetings are flexibly conducted either as webinars or teleconferences as needed. The online earnings briefings are held on the SZSE Panorama Network (www.p5w.net), where the Company's directors and senior executives participate throughout the event, actively responding to public investor questions, ensuring coverage of different shareholder needs. During the reporting period, the Company held four earnings briefings and major event briefings and participated in numerous ad-hoc research sessions and strategy meetings.

Standardization of Shareholders' Meetings

The Company strictly follows the stipulations and requirements of the Articles of Association and Rules of Procedure for Shareholders' Meetings, regulating the convening, holding, and procedural aspects of general meetings of shareholders, and treating all shareholders equally. During the General Meeting of Shareholders, the Company actively provides an online voting platform to ensure that small and medium shareholders have equal status and fully exercise their rights.

Prior to the General Meeting of Shareholders, the Company discloses notices, agenda items, the method and Prospects location of the meeting in advance, as required by regulations. All shareholders are treated equally, ensuring small and medium shareholders have equal status and fully exercise their rights. During votes on connected transactions, related shareholders abstain from voting. On-site meetings are witnessed by lawyers to ensure complete and accurate meeting records. Following the conclusion of the meeting, the resolutions of the General Meeting of Shareholders are promptly disclosed.

Transparent Information Disclosure

The Company strictly follows the principle of fair, just and open information disclosure and discloses all information that may materially affect the decisions of shareholders and other interested parties in a proactive and timely manner. The website of Shenzhen Stock Exchange is the designated information disclosure media that ensure equal access to information for all shareholders.

The Company released 65 periodic and interim announcements and a number of public online disclosure documents throughout the year of 2024, covering various types of announcements such as annual report, semiannual report, connected transactions, investment projects, etc., effectively fulfilling the information disclosure obligations of listed companies

In 2024, the Company was rated as Grade A in information disclosure by the Shenzhen Stock Exchange and has been widely recognized by regulatory authorities, investors, and the media. The Company will continue to comply with the latest regulatory requirements from regulatory authorities including the China Securities Regulatory Commission and the Shenzhen Stock Exchange, diligently preparing and disclosing regular and interim reports to enhance the quality of information disclosure. This ensures that shareholders and potential investors can timely, accurately, and completely understand important information about the Company's daily operations, internal controls, development strategies, and financial status, enabling them to make informed investment decisions. The Company will efficiently manage and track information disclosure for matters requiring continuous disclosure.

Adhering to Business Ethics

Standardizing Commercial Behavior

The Company strictly complies with the Anti-Unfair Competition Law of the People's Republic of China and other legal and regulatory requirements. It has established and regularly revised a series of rules and regulations, including the Regulations on Implementing a Clean Practice Commitment System for Leadership by the Discipline Inspection Commission, Measures for Constructing a "Comprehensive Supervision" Framework, Anti-Corruption Policy Statement, and Code of Business Ethics. These documents explicitly prohibit behaviors such as the abuse of market-dominant positions, commercial bribery, false advertising, and the infringement of trade secrets, strengthening the supervision of the Company's governance mechanisms, system construction, investment financing, and capital operations. It ensures that all governance entities act legally and responsibly, guaranteeing that business activities are conducted in an open and transparent manner. Additionally, the Company regularly conducts training on anti-unfair competition laws and regulations. Through case studies and warning education, it ensures that employees understand the legal risks and boundaries of acceptable behavior, enhancing their ability to identify and prevent unfair competition practices. The Company has also established a dedicated compliance department responsible for supervising and enforcing relevant policies to ensure that all employees and management adhere to the regulations.

In 2024, the organized the signing of 306 responsibility agreements for clean governance and 2,428 commitment letters. These documents mainly cover the integrated promotion of "three no-corruption" principles (no room for corruption, no opportunity for corruption, and no desire for corruption), and the improvement of the supervision system. In terms of accountability, the party committees, leadership teams, or members who violate the commitments and need to be held accountable will have their eligibility for annual performance evaluations and awards revoked. They will also be excluded from participating in various honorary selections. This approach effectively upholds the authority of the system and promotes the comprehensive and strict governance of the Party.

Strengthening Supervision and Management

Sinoma Science & Technology coordinated various supervisory forces, guiding and urging relevant departments to diligently fulfill their supervisory duties and strengthen integrity risk prevention and control and put more efforts on compliance. The Company, through its Party Committee, conducts annual inspection tours that encompass integrity, anti-corruption, and business ethics, achieving full coverage of all subsidiaries every five years. In addition, through ways such as the "Comprehensive Supervision" work coordination mechanism, and the anti-corruption coordination group meetings, the Company promotes a more precise focus on supervision among all supervisory entities, and enhances timely communication and issue transfer between departments, effectively integrating supervisory strengths, and sharing outcomes.

Sinoma Science & Technology consistently intensifies anti-corruption propaganda and education. Led by the Secretary of the Discipline Inspection Commission, it integrates various means such as Party Committee meetings, office meetings, theoretical study sessions of the central group, annual conferences on improving Party conduct, upholding integrity and combating corruption, monthly discussions on improving Party conduct and upholding integrity, warning education conferences, and anti-corruption training for new employees. These initiatives aim to achieve comprehensive anti-corruption training coverage for all employees and board members, enhance the atmosphere of integrity and cleanliness, and provide a solid disciplinary guarantee for the Company's high-quality development.

Case: CTG Held 2024 Work Conference on Improving Party Conduct, Upholding Integrity and Combating Corruption & Warning Education Conference

CTG convened its annual Work Conference on Improving Party Conduct, Upholding Integrity and Combating Corruption in February 2024. The conference thoroughly implemented the spirit of the plenary session of the Central Discipline Inspection Commission, adhered to the requirements of the superior Party Committee, and deployed key tasks for 2024. The conference emphasized exercising full and strict governance over the Party, deepening political supervision, advancing the construction of a "Comprehensive Supervision" system, acting in strict accordance with the central Party leadership's eight-point decision on conduct, and fortifying the defense line of integrity. Wang Liying, member of the Party Committee and Secretary of the Discipline Inspection Commission of the Company, delivered a work report, analyzed typical cases, and urged all departments to learn from these cases and keep the alarm bells ringing. This conference clarified the direction and tasks of improving Party conduct and upholding integrity, demonstrating the Company's firm resolve to follow business ethics, combat corruption, strengthen the work of improving Party conduct and upholding integrity, and improve supervision and management, thereby ensuring high-quality development.

- 2024 Work Conference on Improving Party Conduct, Upholding Integrity and Combating Corruption

Implementing Transparent Supply

Sinoma Science & Technology mandates its subsidiaries to send a Supplier Integrity Commitment Letter or a Transparent Procurement Agreement to relevant parties when signing contracts with suppliers. These include clauses prohibiting partners from offering any benefits or conveniences to the Company's employees, their relatives, or specific related persons. Additionally, integrity in employment acts as a veto system; and suppliers who violate these terms will not be allowed to participate in bidding and will be added to the Company's Supplier Blacklist. In 2024, 6 suppliers were blacklisted for violating the integrity commitment or for being untrustworthy.

Unobstructed Reporting Mechanism

Sinoma Science & Technology has established regulations such as the Measures for Unobstructed Petition and Complaint Channels of the Discipline Inspection Committee and the Petition Work Management Methods, standardizing the relevant procedures for accountability and reporting. The Company has set up the whistle-blowing hotline, mailbox, and email address, as well as designated reception facilities for reception for whistleblowers, ensuring the convenience and security of reporting channels. For whistleblowers, whether anonymous or not, the Company strictly protects their personal information, guaranteeing that they will not face any form of retaliation or infringement of rights as a result of their reporting.

Future Outlook

Despite the passing clouds that may obscure the sun, spring buds will bloom following a harsh winter. As we approach the pivotal year marking the conclusion of the 14th Five-Year Plan and the first five-year milestone of the New Two-step strategy, Sinoma Science & Technology, under the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, will steer with strategic vision, harness innovation as its driving force, anchor itself in green development, and wield reform as its sharpened blade. As the 15th Five-Year Plan begins, the Company will seize opportunities to embark on a new journey of high-quality development with all its might.

In the new year, Sinoma Science & Technology will resolutely implement the concept of green development and further promote safe, green and low-carbon development. By strengthening the operation of the EHSQ (Environment, Health, and Safety) system, we will deepen the three-year campaign for fundamental improvements in production safety and elevate safety awareness among frontline employees. Aligned with the "dual carbon" implementation plan and inspection rectification requirements, we will accelerate the green and low-carbon transition through initiatives such as carbon management system certification, increased adoption of green electricity, and a higher proportion of non-fossil energy. We will promote low-carbon innovation technologies, enhance the level of energy management and control, and advance research on carbon sinks and carbon rights, transitioning from passive carbon control to proactive carbon management and expanding from organizational to industrial chain carbon management, thereby bolstering sustainable development.

In the new year, Sinoma Science & Technology will remain steadfast in its original mission, continuing to support public welfare and rural revitalization. We will actively integrate into the national development framework and respond to the Belt and Road Initiative, injecting robust momentum into China's economic growth and technological advancement. By further implementing the "Seven Focus" primary-level Party building project, we will transform the political and organizational strengths of primary-level Party organizations into developmental advantages, galvanizing collective efforts to drive high-quality development. With unwavering dedication, Sinoma Science & Technology will amplify its distinctive identity as a central enterprise with Chinese characteristics, foster a reputable brand image, create greater societal value, and promote the harmonious development of business and society.

In the new year, Sinoma Science & Technology will continue to strengthen corporate governance mechanisms, improve the governance level, and solidify the governance structure of "Three Sessions and One Level" (General Meeting of Shareholders, Board of Directors, Board of Supervisors, and Management). We will regulate internal and external business activities, adhere to business ethics, and enhance anti-corruption efforts, cultivating a transparent and integrity-driven business atmosphere. Guided by the Group's three-system framework, we will tighten internal controls, focus on the "Two Funds" (Inventory and Accounts Receivable Funds) and high-risk areas of overseas investments, accelerate the collection of "Two Funds", strengthen audit supervision, and ensure the Company's stability and long-term development.

Heeding the General Secretary's earnest instructions and living up to his ardent expectations, Sinoma Science & Technology will embrace 2025 with a strong sense of mission, following the principles of "seeking progress while maintaining stability, promoting stability while advancing, upholding integrity while innovating, and establishing new frameworks before phasing out old ones". We will sound the clarion call for the development of new quality productive forces driven by scientific and technological innovation, and we will make unremitting efforts to build "a well-known technology enterprise in China's materials industry that is most respected by customers, and believed by employees and shareholders", and to become "a world-class leader in the new materials industry".

Key Performance Indicators (KPIs)

Environmental

Key performance indicators		Unit	2024
Total emission of nitrogen oxides (NOx)		ton	254.12
Total emission of sulfur dioxide (SO2)		ton	70.86
Total emission of industrial particulate matter		ton	61.82
Total emission of volatile organic compounds (VOCs)[1]		ton	65.45
Proportion of companies meeting noise level standards		%	100.00
Total greenhouse gas emissions		ton of CO_2e	2,300,435.11
Direct greenhouse gas emissions (Scope 1)		ton of CO_2e	739,293.41
Indirect greenhouse gas emissions (Scope 2)		ton of CO_2e	1,561,141.70
Greenhouse gas emissions intensity		ton of CO_2e/million yuan of operating income	95.92
The generation of self-produced hazardous solid waste		ton	5,817.39
The intensity of self-produced hazardous solid waste generation		ton/million yuan of operating income	0.24
The generation of self-produced non-hazardous solid waste		ton	65,386.23
The intensity of self-produced non-hazardous solid waste generation		ton/million yuan of operating income	2.73
Comprehensive utilization volume of non-hazardous solid waste		ton	35,673.09
Comprehensive utilization rate of non-hazardous solid waste		%	54.55
Total acceptance and disposal of incoming solid waste		ton	4,866.68
Total acceptance and disposal of incoming solid waste divided by the disposal method	Landfill	ton	0
	Incineration for power generation	ton	475.83
	Incineration without power generation	ton	0
	Other	ton	4,390.85

[1]Due to the establishment of multiple new production and operation sites during the reporting period, there was a significant increase. In the future, data will be uniformly based on this statistical approach.

Key performance indicators		Unit	2024
Total acceptance and disposal of incoming solid waste divided by types	Industrial waste	ton	793.12
	Domestic waste	ton	33.31
	Hazardous waste	ton	40.25
	Other	ton	4,000.00
Industrial wastewater pollutant discharge		ton	4,685,231.88
Domestic wastewater pollutant discharge		ton	729,144.26
Total emission of chemical oxygen demand (COD)		ton	286.32
Total emission of ammonia nitrogen		ton	10.98
Electricity consumption		MW·h	2,191,801.00
Purchased electricity		MW·h	2,156,576.54
Purchased conventional electricity		MW·h	2,136,528.91
Purchased green electricity		MW·h	20,047.63
Self-generated electricity consumption		MW·h	35,224.46
Photovoltaic power generation consumption		MW·h	35,224.46
Equivalent to greenhouse gas emission reductions		ton of CO_2e	29,024.96
Purchased heat[1]		MW·h	705,582.42
Natural gas consumption		MW·h	2,168,462.69
Petrol consumption		MW·h	1,033.86

Key performance indicators	Unit	2024
Diesel comsumption	MW·h	19,686.13
Direct energy consumption	MW·h	2,189,182.68
Indirect energy consumption	MW·h	2,897,383.42
Comprehensive energy consumption	MW·h	5,086,566.10
Comprehensive energy consumption intensity	MW·h/million yuan of operating income	212.08
Total circulating wate	ton	9,259,307.12
Circulating water utilization rate	%	51.82
Water withdrawal	ton	8,608,347.85
Tap water	ton	4,440,935.85
Groundwater	ton	1,649,662.00
Surface water	ton	2,517,750.00
Total water withdrawals in high-stress areas	ton	117,476.00
Total water withdrawals in areas other than those listed above	ton	8,490,871.85
Water withdrawal intensity	ton/million yuan of operating income	358.92
Total amount of water discharged	ton	5,414,376.14
Total water consumption	ton	3,193,971.71
Consumption of non-renewable materials[1]	ton	1,462,064.96
Consumption of toxic and hazardous materials[1]	ton	290.00
Material consumption intensity	ton/million yuan of operating income	60.97
Total consumption of raw material by weight	ton	116,875,311.50
Total recycling amount of raw materials by weight	ton	83,976.06
The recycling rate of of raw material by weight	%	0.07
The consumption of raw material by quantity	-	2,262,896
Total recycling amount of raw materials by quantity	-	305,641

[1]Due to the establishment of multiple new production and operation sites during the reporting period, there was a significant increase. In the future, data will be uniformly based on this statistical approach.

Key performance indicators	Unit	2024
The recycling rate of of raw material by quantity	%	13.50
Total consumption of raw material by area unit	m^2	2,380,000
Total recycling amount of raw materials by area unit	m^2	10,000
The recycling rate of of raw material by area unit	%	0.42
Total consumption of raw material by volume	m^3	495,549
Total recycling amount of raw materials by volume	m^3	495,549
The recycling rate of of raw material by volume	%	100
Area of all manufacturing and operating units	m^3	8,600,866.10
Area for which biodiversity risk assessments have been conducted	m^3	7,040,705.13
Number of sites for all production operations (i.e., factories, mines, project sites, etc.)	unit	41
Number of sites for which biodiversity risk assessments have been conducted	unit	28
Number of environment-related ISO14001 certifications at all levels	unit	37
Number of environment-related ISO50001 certifications at all levels	unit	20
Number of other certifications at all levels(e.g. ISO 14064 and domestic certifications, etc.)	unit	4
Amount of environmental investment	RMB' 0,000 yuan	17,205.20
Amount of environmental savings	RMB' 0,000 yuan	229.77
Amount of energy expenditures	RMB' 0,000 yuan	59,732.41
Operating income from products with lower pollution characteristics	RMB' 0,000 yuan	774,143.14
Operating Income from products that promote green development of the society	RMB' 0,000 yuan	1,889,795.85
Operating income from wind turbine blade products produced	RMB' 0,000 yuan	856,548.41
Carbon emission reductions from wind turbine blade products produced	ton of CO_2e	6,511,673.00
Number of national green factories	unit	14
Number of provincial green factories	unit	3
Number of green factories of other levels	unit	3
Number of stock of enterprises with climate risk response/adaptation plans (e.g. extreme weather contingency plans) in place	unit	27
Number of enterprises under construction with climate risk response/adaptation plans (e.g. extreme weather contingency plans) in place	unit	12

Social

Key performance indicators		Unit	2024
Total number of employees		person	19,955
Total number of employees by gender	Male	person	15,293
	Number of male in STEM[2]	person	2,380
	Female	person	4,662
	Number of female in STEM[2]	person	758
Total number of employees by job level	Senior	person	120
	Female	person	18
	Female in operational positions	person	5
	Male	person	102
	Male in operational positions	person	29
	Minority	person	2
	Middle-level	person	480
	Female	person	104
	Female in operational positions	person	3
	Male	person	376
	Male in operational positions	person	63
	Minority	person	16
	General	person	19,355
Total number of employees by ethnic group	Han	person	18,928
	Minority	person	1,027

[2]Refers to people working in Science, Technology, Engineering, Math.

Key performance indicators		Unit	2024
Total number of employees by employment type	Long-term	person	19,911
	Short-term	person	44
Total number of employees by age	Under 30 years old	person	4,064
	30 to 50 years old	person	14,437
	Over 50 years old	person	1,454
Total number of employees by region	Mainland China	person	19,445
	Region of Hong Kong, Macao and Taiwan	person	0
	Overseas	person	510
Employee turnover rate by gender[3]	Male	%	25.81
	Female	%	20.37
Employee turnover rate by age[3]	Under 30 years old	%	44.31
	30 to 50 years old	%	13.14
	Over 50 years old	%	10.31
Employee turnover rate by region[3]	Mainland China	%	23.50
	Region of Hong Kong, Macao and Taiwan	%	0
	Overseas	%	29.60
Voluntary turnover rate by gender	Male	%	18.95
	Female	%	11.30
Voluntary turnover rate by age	Under 30 years old	%	41.83
	30 to 50 years old	%	11.18
	Over 50 years old	%	9.14
Voluntary turnover rate by region	Mainland China	%	17.60
	Region of Hong Kong, Macao and Taiwan	%	0
	Overseas	%	7.84

[3]The increase in this indicator is due to organizational scale adjustments, personnel optimization, and continuous improvements in intelligent manufacturing during the reporting period.

Key performance indicators	Unit	2024
Number of newly hired employees	person	2,086
Male	person	1,664
Female	person	422
Under 30 years old	person	1,217
30 to 50 years old	person	867
Over 50 years old	person	2
Senior	person	6
Middle-level	person	9
General	person	2,071
Han	person	1,731
Minority	person	355
Number of internal transfers or internal application	person	503
Rate of internal transfers or internal application	%	19.43
Received complaints on violations of employee’ s legitimate rights and interest	case	1
Received complaints on discrimination against applicants and employees	case	0
Number of labour dispute cases	case	4
Number of visits to comfort special employees and help employees in difficulty	person-times	266
Number of employees who were helped to send their children in difficulty to school or who were rewarded for sending their children to school	person-times	35
Number of visits to help critically ill employees	person-times	65
Total expenditure on condolences to special employees and assistance to employees in difficulty	RMB' 0,000 yuan	68.9
Total expenditure on helping children of employees in difficulty to attend school or rewarding employees' children for attending school	RMB' 0,000 yuan	6.78
Total expenditure on helping critically ill employees	RMB' 0,000 yuan	28.21
Number of employee activities were organized and participated in	times	1,265
Number of participation in various events organised by relevant industry associations (at provincial level or above)	times	77
Number of employees participated in various activities	person-times	22,121
Number of employees for whom the Group contributes an enterprise annuity	person	8,087

Key performance indicators		Unit	2024
Number of employees for whom the Group pays supplementary medical insurance and other types of insurance other than five insurances		person	3,749
Number of cases involving suspected child labor and forced labor		case	0
Number of employees joining the labor union		person	18,521
Percentage of employees joining the labor union		%	92.81
Number of employees signing collective agreements		person	11,430
Percentage of employees signing collective agreements		%	57.28
Number of employee representatives		person	1,446
Percentage of employee representatives		%	7.25
Total number of employees participated in satisfaction survey		person	13,025
Percentage of total number of employees		%	65.27
Employee satisfaction rate by gender	Percentage of satisfied male employees participated in satisfaction surveys	%	92.88
	Percentage of satisfied female employees participated in satisfaction surveys	%	93.30
Employee satisfaction rate by age group	Percentage of satisfied employees under 30 years old participated in satisfaction surveys	%	96.61
	Percentage of satisfied employees 30 to 50 years old participated in satisfaction surveys	%	92.17
	Percentage of satisfied employees over 50 years old participated in satisfaction surveys	%	89.51
Employee satisfaction rate by ethnic group	Number of satisfied Han employees participated in satisfaction surveys	%	92.89
	Number of satisfied Minority employees participated in satisfaction surveys	%	94.82
Employee satisfaction rate by job level	Number of satisfied senior employees participated in satisfaction surveys	%	92.64
	Number of satisfied middle-level employees participated in satisfaction surveys	%	95.16
	Number of satisfied general employees participated in satisfaction surveys	%	92.95

Key performance indicators		Unit	2024
Number of factories at safety standardization level I		unit	0
Number of factories at safety standardization level II		unit	21
Number of factories at safety standardization level III		unit	8
Number of factories certified to ISO 45001 occupational health and safety management system		unit	38
Work-related fatalities		person	0
Death rate per thousand		‰	0
Number of zero-fatality project		%	100
Lost Time Injury Frequency Rate (LTIFR) for millions of hours of employees		-	0.1
Number of working days lost due to work-related injuries		days	81.5
Employee Near-Miss Frequency Rate (NMFR)		-	4.79
Total number of contractor employees		person	4,034
Number of work-related deaths of contractors		person	0
Lost Time Injury Frequency Rate (LTIFR) for millions of hours of contractors employees		-	0.25
Contractor Near-Miss Frequency Rate (NMFR)		-	2.11
Person-times of employees participated in occupational health and safety training		person-times	141,370
Number of safety, environmental and health inspections conducted		times	3,434
Number of hidden danger investigation		unit	39,032
Number of hidden dangers for which rectification has been completed		unit	39,032
Rectification rate of hidden danger investigation		%	100
Number of emergency drills, fire drills and other exercises conducted		person-times	30,603
Amount of safety and health related expenditure		RMB' 0,000 yuan	10,966.99
Percentage of employees participated in management training (in all types of training) by gender	Male	%	100
	Female	%	99.78
Percentage of employees participated in management training (in all types of training) by age	Under 30 years old	%	99.90
	30 to 50 years old	%	100
	Over 50 years old	%	100

Key performance indicators		Unit	2024
Percentage of employees participated in management training (in all types of training) by ethnicity	Han	%	100
	Minority	%	99.80
Percentage of employees participated in management training (in all types of training) by level	Senior	%	98.33
	Middle-level	%	99.58
	General	%	99.98
Percentage of employees participated in safety and environmental training by level	Senior	%	91.66
	Middle-level	%	96.04
	General	%	99.76
Percentage of employees participated in skills-based business training by level	Senior	%	68.33
	Middle-level	%	72.29
	General	%	90.41
Percentage of employees participated in management training (including compliance training) by level	Senior	%	98.33
	Middle-level	%	100
	General	%	52.66
Total hours of training by person-time	Total	hour	531,191
	Total hours of safety and environmental training	hour	132,089
	Total number of hours trained in safety and environmental protection	hour	370,715
	Total number of hours trained in management	hour	28,387
Total hours of training by gender (in all types of training)	Male	hour	25.71
	Female	hour	29.67
Total hours of training by age (in all types of training)	Under 30 years old	hour	25.30
	30 to 50 years old	hour	27.00
	Over 50 years old	hour	26.60
Total hours of training by ethnicity (in all types of training)	Han	hour	26.60
	Minority	hour	27.03

Key performance indicators		Unit	2024
Total hours of training by level (in all types of training)	Senior	hour	39.80
	Middle-level	hour	48.80
	General	hour	26.00
Training hours per capita (in all types of training)		hour	26.63
Training cost per capita		yuan	7,350,254.20
Number of suppliers who have established long-term cooperation with the Group	Total	unit	2,618
	Mainland China	unit	2,389
	Region of Hong Kong, Macao and Taiwan	unit	3
	Overseas	unit	226
The costs of products or service procured from suppliers with whom the Group has established long-term cooperation		RMB' 0,000 yuan	1,393,940.43
Number of suppliers that have been screened and controlled for environmental and social risks by the Group	Total	unit	2,121
	Mainland China	unit	2,110
	Region of Hong Kong, Macao and Taiwan	unit	4
	Overseas	unit	7
The costs of suppliers screened and controlled for environmental and social risks by the Group		RMB' 0,000 yuan	1,147,504.46
Among the suppliers that have been screened for environmental and social risks and controlled for long-term cooperation by the Group, the number of suppliers assessed to have significant negative impacts	Total	unit	0
	Number of suppliers with whom corrective measures/improvement plans have been agreed upon	unit	0
	Number of suppliers excluded	unit	0
Number of suppliers participating in supplier training and capacity enhancement among suppliers that have established long-term cooperation with the Group	Total	unit	548
	Number of suppliers screened and controlled for environmental and social risks by the Group	unit	548

Key performance indicators		Unit	2024
Number of ESG training sessions for suppliers or ESG training exchange sessions with suppliers		times	7
Number of suppliers certified by systems such as quality, occupational health and safety, environment or energy management		unit	1,185
Number of all suppliers not in long-term co-operation	Total	unit	1,307
	Number of suppliers screened and controlled for environmental and social risks by the Group	unit	1,073
Number of annual patent applications		unit	569
Number of invention patents		unit	505
Number of annual authorized patents		unit	237
Number of invention patents		unit	190
Cumulative number of valid patents		unit	2,168
Number of invention patents		unit	1,046
Cumulative number of successful software copyright registrations		unit	115
R&D investment		RMB' 0,000,000 yuan	1,271.23
Percentage of R&D investment in operatin revenue		%	5.50
Number of R&D staff		person	2,754
Number of academicians and other cutting-edge personnel		person	1
Number of standards prepared or revised under the auspices of and with the participation of		unit	44
Percentage of products subject to recall for safety and health reasons		%	0
Litigation cases involving the safety and health of products and services		case	0
Totaling complaints about products and services		case	277
Number of complaints properly responded to and dealt with		case	277
Percentage of complaints properly responded to and dealt with		%	100
Number of cases of suspected infringement of intellectual property rights by products and services		case	0
Comprehensive product qualification rate (glass fibre)		%	95.00
Comprehensive product qualification rate (wind turbine blades)		%	100.00

Key performance indicators	Unit	2024
Comprehensive product qualification rate (lithium battery separator)	%	90.00
Comprehensive product qualification rate (gas cylinders)	%	99.70
Number of complaints due to disclosure of customer information	case	0
Total number of clients	unit	4,695
Number of clients participating in satisfaction surveys	unit	724
Number of clients whose survey results were satisfactory	unit	709
Percentage of clients whose survey results were satisfactory	%	15.42
Percentage of customer satisfaction	%	97.92
Amount of taxes paid	RMB' 0,000 yuan	116,128.76
Amount of public charity investment 24(including material donations)	RMB' 0,000 yuan	503
Donations to targeted support areas（Rural revitalization category)	RMB' 0,000 yuan	492
Donations for education (School support)	RMB' 0,000 yuan	11
Number of support projects	unit	5
Number of entrepreneurship training bases	unit	5
Availability of internships for current students	unit	144
Number of established volunteer organizations or groups	unit	5
Number of volunteers among employees	person	533
Number of hours of volunteer activities	hour	365
Amount of corporate support for volunteer activities	RMB' 0,000 yuan	35.7
Number of activities involving or supporting the protection of the rights and interests of women, children or persons with disabilities	times	8

Governance

Key performance indicators	Unit	2024
Operating income	RMB' 000,000 yuan	23,983.85
Total number of corporate entities at all levels	unit	55
Number of corruption cases initiated and concluded against companies and employees	case	0
Number of anti-corruption training sessions held and organized	times	232
Number of directors attending anti-commercial bribery and anti-corruption trainings	person-times	425
Number of employees attending anti-commercial bribery and anti-corruption training (excluding directors)	person-times	24,250
Number of cases in which employees violated the Group’s code of conduct (Corruption or bribery)	case	0
Number of cases in which employees violated the Group's code of conduct (Discrimination or harassment)	case	0
Number of cases in which employees violated the Group's code of conduct (Customer privacy data)	case	0
Number of cases in which employees violated the Group's code of conduct (Conflict of interest)	case	0
Number of cases in which employees violated the Group's code of conduct (Money laundering or insider trading)	case	0

Indicators Index List

Chapter Titles		Reference Indicator System for ESG Reports of Listed Companies Controlled by Central Enterprises	GRI	Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation)
	About the Report	G1.1.1,G4.1.2	GRI1.1.2,1.1.4, 1.3.1,1.3.5,2-1, 2-2	1-2,1-3,1-6
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Questionnaire

Dear Reader:

Thank you very much for taking your precious time reading the Sinoma Science & Technology 2023 Environmental, Social and Governance (ESG) Report. We look forward to your comments and suggestions on the report and our work. You can send your completed questionnaire back to us by mail or by scanning and emailing your valuable comments. Thank you!

Address:

Postal Code:

Phone:

Email:

1. What type of stakeholders does your employer belong to:

☐ Internal Management ☐ Stockholders/Investors ☐ Internal Employees ☐ Suppliers/Partners

☐ Customers and Potential Customers ☐ Governmenta and Regulatory Authorities ☐ Communities

☐ Expert and Scholars ☐ Non-Government Organizations ☐ The Public ☐ Others(please specify)

2. Is the information you are concerned with fully presented in the report?

☐ Yes ☐ Partially ☐ No

3. Your overall comment on the 2024 ESG Report:

・Readability (expressions of clarity, attractive design, engaging and easy to find the required information)

☐ 3 points(Good) ☐ 2 points(Average) ☐ 1 point(Not Good)

・Credibility (reported information is true and credible)

☐ 3 points(Good) ☐ 2 points(Average) ☐ 1 point(Not Good)

・Integrity of information (balanced positive and negative information and meets your needs on the information)

☐ 3 points(Good) ☐ 2 points(Average) ☐ 1 point(Not Good)

4. Are you able to find the information you are interested in from the report with ease?

☐ Yes ☐ Partially ☐ No

5.What would you like to see in addition to what has been disclosed in the report?