

# Sustainability Report

ESG | FY 2025



# Table of Contents

## · Chairman's Message 01

### 01

#### About Haiyang Technology

· Company Profile	03
· Development History	04
· Value Chain	05
· Awards and Recognitions	06
· 2025 ESG Highlights	08

### 02

#### Dual Materiality Analysis

· Materiality/Substantive Issue Analysis Process	10
· Stakeholder Communication	11
· List of impact materiality and financial materiality topics	12

### 03

#### Innovation-driven and Differentiated Development

· R&D and Innovation	15
· Differentiated Products	18

### 04

#### Upholding Integrity & Win-win Cooperation

· Compliance and Risk Management	22
Corporate Governance	22
· Economic Performance	25
Tax Governance	25
· Business Ethics	26
Anti-commercial Bribery	26
Anti-unfair Competition	26
· Intellectual Property Protection	28

### 05

#### Harmonious Coexistence with Nature & Green Development

· Green Factory	33
Environmental Compliance Management	33
Water Resource Utilization	37
· Green Products	39
Resource Utilization and Circular Economy	40
Product Use	42
End of Product Life Cycle	43
Consumer health and safety	44
· Energy Utilization	44
· Addressing Climate Change	46

### 06

#### Diversity, Inclusion & Harmonious Development

· Employee Rights and Interests	51
· Recruitment and Retention	54
· Talent Development	57
· Employee Relations	60
· Employee Health and Safety	62
· Social Contribution	66

### 07

#### Responsible Value Chain

· Product Quality and Safety	69
· Customer Relationship Management	72
· Supply Chain Management	73

### 08

#### Appendices

· Appendix 1: Report Preparation Instructions	79
· Appendix 2: ESG Performance Data Sheet	80
· Appendix 3: Sustainable Development Standards Index	86
· Appendix 4: Independent Assurance Statement	90

## Chairman's Message

At Haiyang Technology Co., Ltd., we uphold the values of "Dedication, Innovation, Efficiency, and Win-win" and implement China's strategic goals related to "Carbon Peaking and Carbon Neutrality". We proactively embed the concept of sustainable development into all aspects of operation and management. This is not only the cornerstone of realizing our vision of "Shining like the ocean sun, thriving progressively, leading the industry, and building an enduring foundation", but also the driving force for our high-quality development and march towards a better future.

As a leading manufacturer of polyamide new materials and tire reinforcement materials in China, we have always stood at the forefront of the industry, driven by R&D and innovation for upgrading. In 2025, we will forge ahead with unwavering determination, accelerate the upgrading of low-carbon technologies, deeply integrate into the global energy transition trend, promote the green transformation of the industry, and continuously enhance Haiyang Technology's influence in the global industrial chain value system.

Our Actions

### Environment (E):

- ◆ Continuously optimize factory energy efficiency, promote the in-depth integration of intelligence, digitalization with production and manufacturing. Extensively apply automated equipment and data analysis platforms in the production bases of Tongxin Chemical Fiber and Haiyang Polyamide, optimize processes, improve efficiency, and promote the intelligent transformation of traditional production lines.
- ◆ The Company has been awarded the "Green Fiber Certification Enterprise" and "Green Fiber Product Certification" by the China Chemical Fibers Association, and has maintained the "Jiangsu Provincial Green Factory" certification.
- ◆ The Energy Management System (ISO 50001) and Environmental Management System (ISO 14001) have passed authoritative third-party certifications.
- ◆ Vigorously promote energy conservation and emission reduction: implement projects such as the full-process intelligent transformation of spinning, twisting, and dipping processes, and the energy-saving transformation of dipping machine burners.
- ◆ Organize carbon inventory regularly and update product carbon footprint certificates.
- ◆ Ensure that emissions of air and water pollutants meet standards, noise control meets standards, and solid waste is disposed of in compliance with regulations.

### Social (S):

- ◆ Actively practice the *United Nations Global Compact* (UNGC) and the *United Nations Sustainable Development Goals* (UN SDGs).
- ◆ Adhere to the principles of fairness and justice, respect all employees, and eliminate any acts of human rights violations. Adhere to the talent development strategy, optimize the global talent layout, and ensure employee diversity and inclusion.
- ◆ Promote and participate in international external certifications such as *Together for Sustainability* (Tfs), *Responsible Supply Chain Initiative* (RSCI), and *EcoVadis*.
- ◆ Attach great importance to employees' rights and dignity, respect the expression of individual opinions, and advocate an open communication leadership style.
- ◆ Encourage employees to voluntarily participate in local public welfare donations and community volunteer services.

### Governance (G):

- ◆ Adhere to the management principles of transparency, compliance, and responsibility, and continuously optimize the ESG governance structure.
- ◆ Strengthen data security and risk compliance management, ensure the stable operation of the enterprise with the highest standards, and strictly protect customer privacy.
- ◆ Improve the corporate governance system and business ethics management system, implement the "integrity-based operation" culture, follow the highest guiding principles of sustainable development, and respond to the expectations of stakeholders.
- ◆ Strengthen supply chain collaboration to ensure its stability and sustainability; optimize procurement strategies, improve manufacturing efficiency and product quality, and enhance supply chain resilience.

I am extremely proud of the achievements made by all Haiyang people through joint efforts over the past year. Sound ESG risk management and control is the foundation for enterprises to create long-term value. Haiyang Technology has always adhered to the purpose of satisfying customers, benefiting employees, and contributing to society, and fulfilled the mission of protecting the ecological environment.

Looking forward to the future, I firmly believe that every solid step we take on the road of sustainable development will spread like ripples, releasing lasting and far-reaching influence, and injecting new momentum into industrial progress and social prosperity!

Chairman:



# 01

# About Haiyang Technology

- ◆ Company Profile 03
- ◆ Development History 04
- ◆ Value Chain 05
- ◆ Awards and Recognitions 06
- ◆ 2025 ESG Highlights 08



# Company Profile

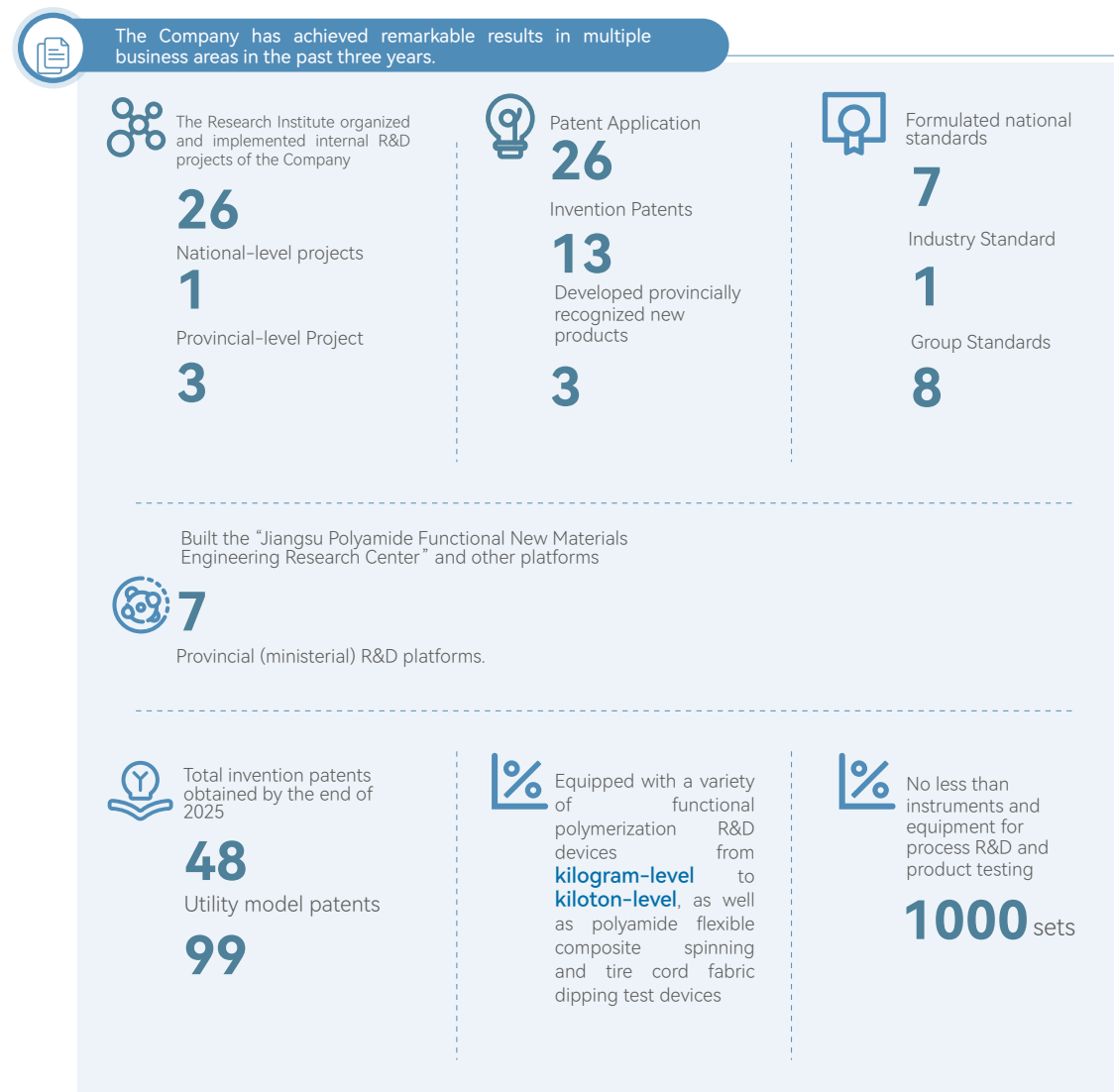


Founded in 1970, Haiyang Technology Co., Ltd. has become a global private technology enterprise integrating R&D, production and marketing, with a product series including polyamide 6 chips, tire cord fabric (tire reinforcement materials), polyamide 6 industrial fibers and modified polyamide new materials after more than 50 years of development. The Company has 6 subsidiaries and holding companies, including Jiangsu Haiyang Polyamide New Materials Co., Ltd., Jiangsu Tongxin Chemical Fiber Co., Ltd. and Jiangsu Huaheng New Materials Co., Ltd. On June 12, 2025, the Company was listed on the Main Board of the Shanghai Stock Exchange (SSE) with the stock code: 603382.

The Company is a high-tech enterprise and a national Specialized, Refined, Differentiated and Innovative (SRDI) "Little Giant" Enterprise. It has carried out in-depth cooperation with a number of universities and research institutes, established an industry-university-research integrated technological innovation R&D system, and is equipped with advanced new product R&D and test equipment in the industry. It has built the "Jiangsu Polyamide Materials Engineering Technology Research Center", been awarded the "China Fishing Chemical Fiber Materials R&D and Production Base", and been recognized as a "National Intellectual Property Advantage Enterprise" by the China National Intellectual Property Administration. The Company has obtained more than 140 invention and utility model patents in total. It led and participated in the drafting of more than 40 national, industrial and group standards. The Company independently developed and built the industry's first intelligent tire cord fabric production line, which realized the in-depth integration of intelligent manufacturing technology and information technology, and was awarded "2025 Jiangsu Advanced-level Smart Factory".

Haiyang Technology focuses on the R&D, production and sales of polyamide products and tire reinforcement materials, and has now formed a complete industrial chain covering polyamide 6 chips, industrial fibers and tire cord fabric. Polyamide 6 chips are mainly used in engineering plastics, spinning, film and other industries, with specific scenarios including automotive parts, electronic and electrical structural parts, food and pharmaceutical packaging and other fields. Industrial fibers are mainly used in tire cord fabric, conveyor belts, transportation belts, fishing nets, cables and ropes, etc. In the tire cord fabric series, polyamide tire cord fabric is mainly used for bias tires and semi-steel radial tires such as bicycle tires, motorcycle tires, truck tires, agricultural tires and engineering tires; polyester tire cord fabric is mainly used for semi-steel radial tires.

The Company adheres to the high-quality green development path of high efficiency, energy saving, environmental protection and intensification, thoroughly implements the development strategy of "differentiation, high level and large scale, continuously accelerates the construction of Smart Haiyang and Happy Haiyang, speeds up talent introduction, increases R&D investment, promotes high-quality development of the Company, satisfies customers, benefits employees and contributes to society.



## Development History

Growing Together with China's Polyamide Industry for more than 50 years:



### Haiyang's Purpose

Satisfy Customers, Employees,  
Contribute to Society



### Haiyang's Values

Dedication, Innovation, Efficiency, Win-win



### Management Philosophy

Be earnest in everything,  
meticulous in every detail;  
Continuous improvement, pursuit  
of perfection



### Development Strategy

Differentiation, high level, large scale

**1970**

Taizhou Synthetic Fiber  
Factory

**1988**

Taizhou Tire Cord Fabric Factory

**1993**

SINOPEC Nanjing  
Chemical Industry Group  
Taizhou Chemical Fiber  
Co., Ltd.

**2006**

Jiangsu Haiyang Chemical  
Fiber Co., Ltd.

**2020**

Haiyang Technology Co., Ltd.

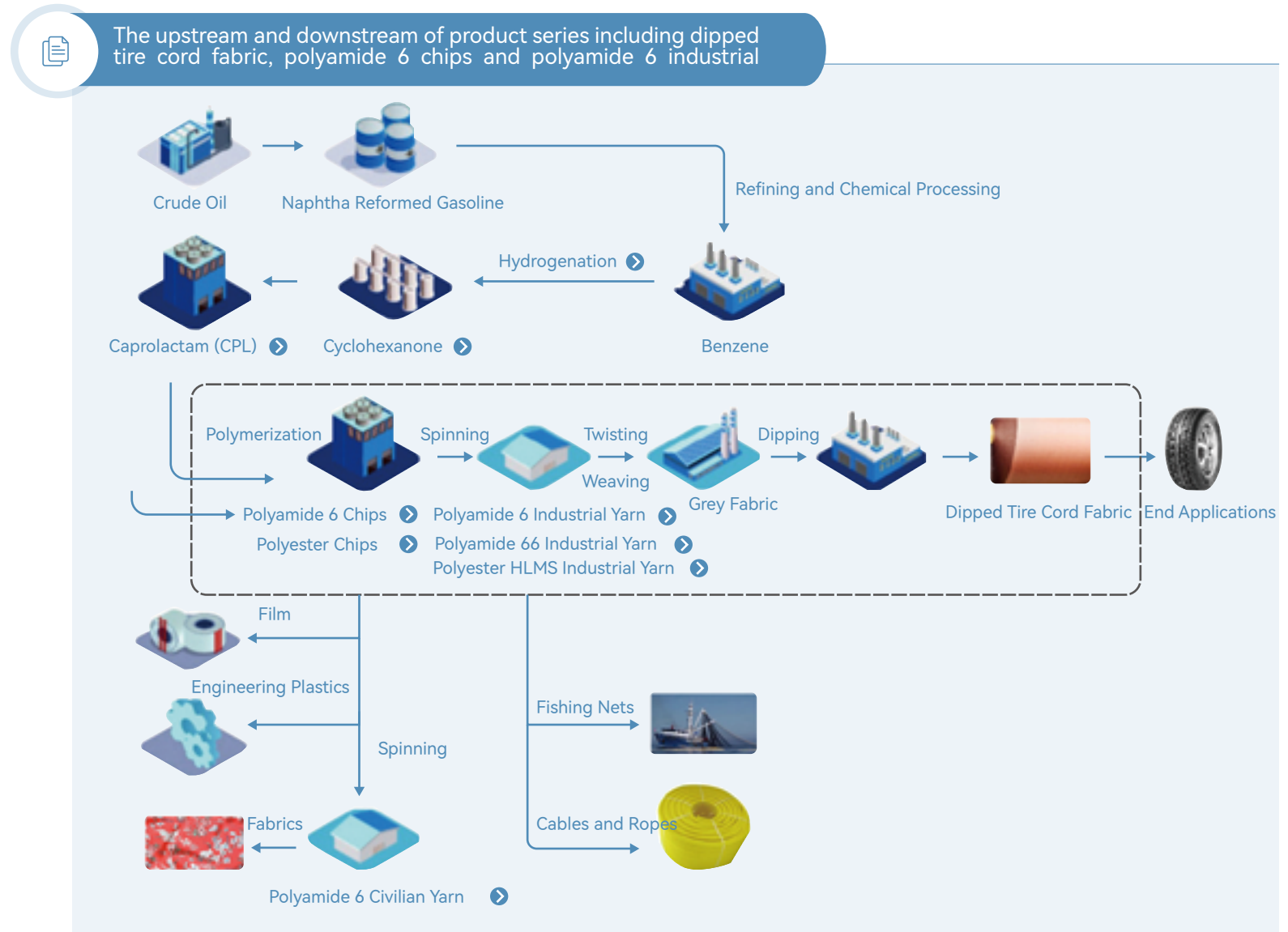
**12-Jun-25**

Listed on the Shanghai Main Board

Moving Forward Together to Create Brighter Achievements

# Value Chain

We are committed to becoming a world-class R&D and manufacturing service provider of series products such as dipped tire cord fabric, polyamide 6 chips and polyamide 6 industrial yarns. We join hands with upstream and downstream value chain partners to pursue excellence in environmental, social and governance aspects, achieve win-win cooperation, and build a sustainable value chain. The product series of dipped tire cord fabric, polyamide 6 chips and polyamide 6 industrial yarns have a complete industrial chain. Its upstream is the chemical industry, and its downstream includes the tire, fabric, fishing net, cable, film and engineering plastic industries.



# Awards and Recognitions

The Company attaches great importance to the balanced development of environment, social responsibility, and governance. Over the past three years, it has gained recognition from customers, media, governments, and third-party platforms, winning numerous awards and honors that inspire us to set higher standards and pursue continuous excellence.



## Environment (E)

ISO 14001 Environmental Management System Certification

ISO 50001 Energy Management System Certification

Greenhouse Gas Emission Verification

Product Carbon Footprint Certification

Green Fiber Certification

Green Factory Certification

Global Recycled Standard (GRS) Certification

Top 100 National Energy Conservation Enterprises

Jiangsu Provincial Energy Measurement Demonstration Enterprise



## Social (S)

ISO 45001 Occupational Health and Safety Management System Certification

Chemical Industry Supply Chain Initiative  
TfS - Together for Sustainability

Responsible Supply Chain Initiative (RSCI)

EcoVadis Silver Medal for Sustainable Development Management System

ISO 9001 Quality Management System Certification

IATF 16949 Automotive Quality Management System Certification

Top 10 Chinese Rubber Reinforcement Materials (Fiber Category) Enterprises



## Governance (G)

National High-Tech Enterprise

National May 1<sup>st</sup> Labor Certificate of Merit

Specialized, Refined, Differentiated and Innovative (SRDI) "Little Giant" Enterprise awarded by the Ministry of Industry and Information Technology

National Intellectual Property Demonstration Enterprise

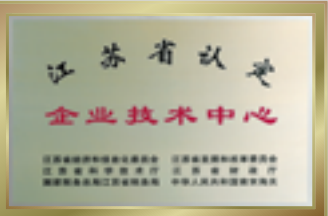
Textile Industry Innovative and Demonstrative Technology Enterprise

Jiangsu Provincial Advanced Intelligent Manufacturing Factory

Jiangsu Provincial Key Cultivated and Developed International Famous Brand

AEO Advanced Certification Enterprise

# National and Provincial Honorary Certificates



# 2025 ESG Highlights



## Economy

Annual operating income:

RMB **4.276** billion

R&D Expense Investment

RMB **147.86** million

R&D expenses account for **3.46%** of operating income

Customer satisfaction rate for chips **97.15%**

Customer satisfaction rate for tire cord fabric **98.00%**

Delivery qualification rate: **100%**

- Number of customer complaints: less than **5** times per year
- Approved **1** National Major Science and Technology Special Project
- Approved **1** Provincial Talent Tackling Joint Project
- Approved **1** Municipal Major Science and Technology Special Project
- Won the **First Prize** of the Excellent Scientific Research Achievement Award by the Ministry of Education
- Won **1** Silver Award for Excellent Patents by China National Textile and Apparel Council
- Won **1** Municipal Gold Patent Award and **2** Municipal Excellent Patent Awards
- 48** invention patents obtained (as of the end of 2025)
- 99** utility model patents obtained (as of the end of 2025)
- 0** major information security incidents
- 0** intellectual property infringement cases
- Number of reported conflict of interest incidents **0** cases
- Awarded National Intellectual Property Demonstration Enterprise**
- The Company passed the ISO 37001:2025 anti-bribery management system certification**



## Environment

The total investment in environmental protection reached RMB **5.37** million

Total weight of recycled and reused water:

**49,555,423** tons

**2,159** tons of recycled feedstock used

Recycled products and packaging materials

**1,013** tons

**0** unexpected major environmental incidents

**1,947,645.6** kWh of photovoltaic power was used

- Polyamide fabric produced from black chips has obtained Green Fiber Certification**
- Comprehensive energy consumption per RMB 10,000 of output value is lower than the Jiangsu provincial local standard Unit Energy Consumption Quota**



## Social

Product Quality Safety Accident

**0**

Skill Certification Coverage Rate

**100%**

Employee satisfaction

**88.95%**

Employee supplementary critical illness insurance/accident insurance coverage rate:

**100%**

**EcoVadis Silver Medal for Sustainable Development Management System**

Total person-times of participation in community / public welfare activities

**152**

On-time Salary Payment Rate

**100%**

Salary growth rate in 2025

**4.77%**



# 02

## Dual Materiality Analysis

- ◆ Analysis Process of Material Topics 10
- ◆ Stakeholder Communication 11
- ◆ List of Impact Materiality and Financial Materiality Topics 12

SDGs Corresponding to This Chapter



# Analysis Process of Material Topics



## Step 01 Identify Stakeholders

To ensure the inclusiveness and balance of material topic management, in accordance with the AA1000 SES stakeholder requirements, the Strategy and ESG Committee reviewed and scored the relevance of 11 types of stakeholders to the Company based on five principles (dependence, accountability, impact, diverse perspectives, and attention). After reviewing the comprehensive scoring results and conducting joint discussions, 7 key stakeholder groups with the highest relevance to the Company in 2025 were identified: Shareholders and Investors, Customers, Employees, Suppliers, Governments and Regulatory Authorities, Financial Institutions, and Communities and the Public. The list was submitted to the Strategy and ESG Committee for approval.



## Step 02 Define the ESG Topic List

With reference to the Global Reporting Initiative (GRI) Standards, the ten principles of the *United Nations Global Compact* (UNGC), the United Nations 2030 Sustainable Development Goals (SDGs), the *Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14 – Sustainability Report (for Trial Implementation)*, and EcoVadis assessments, and by integrating past operational experience and future competitive strategies through value chain analysis, the Company identifies issues based on the four principles of “inclusivity, materiality, responsiveness and impact.” Established a list of material sub-topics through key stakeholder engagement and policy analysis, including 7 environmental sub-topics, 12 social sub-topics and 11 governance sub-topics, totaling 30 sustainable development focus sub-topics.



## Step 03 Research on Materiality Sub-topics

Key stakeholders were invited to conduct assessments on the above 30 material sub-topics. To protect and respect personal privacy, this survey was conducted anonymously. A total of 302 internal and external “Materiality Topic Questionnaires” were collected in this assessment. Collected the attention of key stakeholders on each sustainable development topic and the materiality of each topic’s impact on sustainable development (economic, social and environmental). Meanwhile, we specially invited the Company’s leadership, relevant departments of each topic and relevant experts to complete the financial materiality survey by filling out the “Financial Materiality Topic Questionnaire”.



## Step 04 Dual Materiality Analysis

Defined the report boundary and value chain relationship. The Strategy and ESG Committee, key stakeholders and experts identified and assessed the impact degree, ranked the topics by importance from the two dimensions of “stakeholder attention” and “materiality of impact on sustainable development (economic, social and environmental)”, and formed impact material topics.

Through surveys conducted with relevant internal departments, management, and key stakeholders such as shareholders and investors, as well as communication on financial materiality topics, the rationality of setting the threshold at medium level was confirmed, and the Company obtained the quantitative analysis results of financial materiality assessment. The financial materiality assessment results of specific topics were compared with the set materiality threshold. A topic was determined as financially material if the result exceeded the threshold.



## Step 05 List of Impact and Financial Materiality Topics

Through the analysis of the survey results and the integration of the findings on impact materiality topics and financial materiality topics, the 2025 Dual Materiality Analysis Matrix Chart and the List of Impact Materiality and Financial Materiality Topics of Haiyang Technology were finally determined, which include 5 topics with both financial materiality and impact materiality, 4 topics with financial materiality but no impact materiality, 14 topics with impact materiality but no financial materiality, and 7 topics with neither financial materiality nor impact materiality. The assessment results were reported to the Strategy and ESG Committee, then integrated into the Company’s risk management process, serving as a reference for studying and formulating the Company’s long-term sustainable development goals and strategies.







## Step 06 Reporting and Disclosure

The Strategy and ESG Committee discussed the key presentation methods, approved the boundaries of impact materiality and financial materiality topics, and collected and disclosed relevant content in accordance with the *GRI Standards* and the *Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14 – Sustainability Report*, with reference to the *EU Corporate Sustainability Reporting Directive* (CSRD) and *European Sustainability Reporting Standards* (ESRS).

# Key Concern Topics and Communication Channels of Major Stakeholders

Main Stakeholders	Focus Issues	Communication Channels & Frequency
 <b>Shareholders and Investors</b>	<ul style="list-style-type: none"> <li>Economic Performance</li> <li>R&amp;D and Innovation</li> <li>Anti-Corruption</li> <li>Anti-unfair Competition</li> <li>Business Ethics</li> <li>Addressing Climate Change</li> </ul>	<ul style="list-style-type: none"> <li>Public information (irregular)</li> <li>Shareholders' Meeting (annually)</li> <li>Company website (irregularly updated)</li> <li>Sustainability Report (annually)</li> </ul>
 <b>Customers</b>	<ul style="list-style-type: none"> <li>Green Products</li> <li>Addressing Climate Change</li> <li>Marketing and Labeling</li> <li>Customer Privacy</li> <li>Intellectual Property Protection</li> <li>R&amp;D and Innovation</li> <li>Product Quality and Safety</li> <li>Business Ethics</li> <li>Customer relationship management</li> </ul>	<ul style="list-style-type: none"> <li>Organizational carbon verification certificate (irregular)</li> <li>Pre-sales, in-sales, and after-sales customer services (real-time)</li> <li>Customer factory audits and social responsibility audits (annually)</li> <li>Customer satisfaction surveys (annually)</li> <li>Sustainability Report (annually)</li> </ul>
 <b>Employees</b>	<ul style="list-style-type: none"> <li>Employment Relationship Management</li> <li>Labor Relations Management</li> <li>Occupational Health and Safety</li> <li>Training and Education</li> <li>Diversity and Equal Opportunities</li> <li>Anti-discrimination</li> <li>Child Labor</li> <li>Forced Labor</li> <li>Freedom of Association and Collective Bargaining</li> <li>Employee rights and interests</li> <li>Recruitment and Retention</li> <li>Talent Development</li> <li>Employee Relations</li> </ul>	<ul style="list-style-type: none"> <li>Staff Representative Congress (annually)</li> <li>Employee training and cultural/sports activities (irregular)</li> <li>"General Manager Mailbox" "Employee Complaint Form" (real-time)</li> <li>Employee performance feedback mechanism (annually)</li> </ul>

Main Stakeholders	Focus Issues	Communication Channels & Frequency
 <b>Suppliers</b>	<ul style="list-style-type: none"> <li>Addressing Climate Change</li> <li>Selecting suppliers using environmental standards</li> <li>Selecting suppliers using social standards</li> <li>Supply Chain Management</li> </ul>	<ul style="list-style-type: none"> <li>Supplier Code of Conduct (irregular)</li> <li>Supplier capability survey forms (irregular)</li> <li>Social responsibility and sustainable development questionnaires (irregular)</li> <li>Supplier information security self-assessment activities (irregular)</li> <li>Supplier audit checklists (annually)</li> <li>Daily communication and visits (real-time)</li> </ul>
 <b>Communities and the Public</b>	<ul style="list-style-type: none"> <li>Public Policies</li> <li>Local Communities</li> <li>Wastewater, waste gas emissions and waste management</li> <li>Addressing Climate Change</li> <li>Social contribution and rural revitalization</li> <li>Biodiversity conservation</li> </ul>	<ul style="list-style-type: none"> <li>Media reports (irregular)</li> <li>Company website and official WeChat account news updates (real-time)</li> <li>Public welfare and volunteer activities (irregular)</li> </ul>
 <b>Governments and Regulatory Authorities</b>	<ul style="list-style-type: none"> <li>Energy Management (renewable and non-renewable)</li> <li>Water Resources Management</li> <li>Climate change response Wastewater, waste gas discharge and waste management</li> <li>Public Policies</li> <li>Environmental Protection Services and Advocacy</li> </ul>	<ul style="list-style-type: none"> <li>Government-enterprise communication meetings (irregular)</li> <li>Government-enterprise communication meetings (irregular)</li> <li>Government sewage discharge permit management and waste management system (annually)</li> <li>Regular filing with government departments (irregular)</li> </ul>
 <b>Financial Institutions</b>	<ul style="list-style-type: none"> <li>Energy Management (renewable and non-renewable)</li> <li>Addressing Climate Change</li> <li>Economic Performance</li> <li>Market Performance</li> <li>Indirect Economic Impact</li> <li>Tax Governance</li> <li>Corporate Governance</li> <li>Compliance and Risk Management</li> </ul>	<ul style="list-style-type: none"> <li>Annual financial reports (annually)</li> <li>Shareholders' Meeting (annually)</li> </ul>

# Material Issues List

## A list of 30 ESG material sub-topics (focus) was identified

- Employee rights and interests (Social)
- Recruitment and retention (Social)
- Talent development (Social)
- Employee relations (Social)
- Employee health and safety (Social)
- Social contribution (Social)
- Product use (Social)
- End of product life cycle (Social)
- Consumer health and safety (Social)
- Product marketing and labeling (Social)
- Customer relationship management (Social)
- Rural revitalization (Social)
- Economic performance (Governance)
- Corporate governance (Governance)
- Compliance and Risk Management

- Anti-commercial bribery (Governance)
- Anti-unfair competition (Governance)
- Intellectual property protection (Governance)
- Innovation-driven (Governance)
- Supply chain management (Governance)
- Tax governance (Governance)
- Market performance (Governance)
- Indirect economic impact (Governance)
- Resource utilization and circular economy (Environment)
- Energy utilization (Environment)
- Water resource utilization (Environment)
- Biodiversity conservation (Environment)
- Environmental compliance management (Environment)
- Climate change response (Environment)
- Environmental protection services and advocacy (Environment)

## List of Impact Materiality and Financial Materiality Topics (also known as List of Impact Material Topics and Financial Material Topics)

### Topics with both financial materiality and impact materiality.

- Addressing Climate Change
- Energy Utilization
- Resource Utilization and Circular Economy
- Occupational Health and Safety
- Supply Chain Management

### Financially material, Topics without impact materiality:

- Economic Performance
- Innovation-driven
- Tax Governance
- Compliance and Risk Management

### Not financially material, Topics with impact materiality.

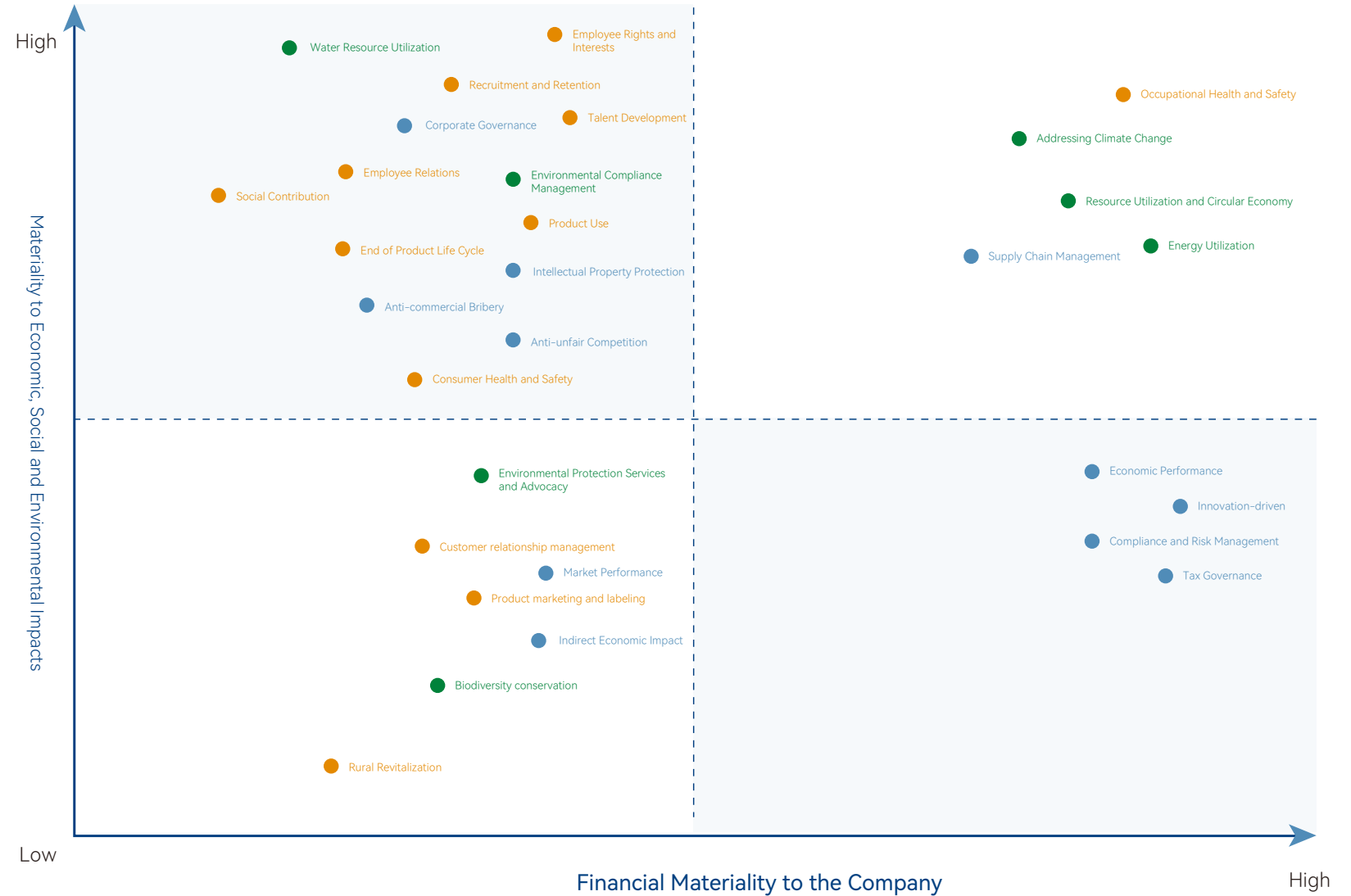
- Water Resource Utilization
- Environmental Compliance Management
- Employee Rights and Interests
- Recruitment and Retention
- Talent Development
- Employee Relations
- Social Contribution
- Product Use
- End of Product Life Cycle
- Consumer Health and Safety
- Corporate Governance
- Anti-commercial Bribery
- Anti-unfair Competition
- Intellectual Property Protection

### Neither financially material, Topics with no impact materiality.

- Biodiversity conservation
- Environmental Protection Services and Advocacy
- Product marketing and labeling
- Customer relationship management:
- Rural Revitalization
- Market Performance
- Indirect Economic Impact

## 2025 Impact Materiality and Financial Materiality Topic Matrix

### List of impact materiality and financial materiality topics (23)



# 03

## Innovation-driven and Differentiated Development

Our Goals and Actions:

- ◆ R&D and Innovation 15
- ◆ Differentiated Products 18



SDGs Corresponding to This Chapter



# R&D and Innovation

## Governance

Haiyang Technology has always adhered to technology as the foundation and innovation as the guide, built a sound R&D system, and established a market-oriented development model of independent R&D plus industry-university-research cooperation. Focus on the development and application of new products, new processes and new technologies such as dipped tire cord fabric, polyamide 6 chips and polyamide 6 industrial yarns, and promote the transformation and upgrading of such products from large-scale production to differentiation, high performance and greening.

The Company has built a research institute as the main body, and has 7 provincial (ministerial) R&D platforms including "Jiangsu Polyamide Functional New Materials Engineering Research Center". Equipped with a variety of functional polymerization R&D devices from kilogram-level to kiloton-level, as well as polyamide flexible composite spinning and tire cord fabric dipping test devices. There are no less than 1,000 sets of instruments and equipment for process R&D and product testing, with an original asset value of no less than RMB 100 million. The proportion of R&D investment in operating income continues to grow. Provided important support for the innovative R&D of new products, new processes and new technologies.

## Strategy

Haiyang Technology insists on a diversified development path centered on polyamide materials and tire reinforcement materials, and implements the development strategy of "Differentiation, High Level, Large Scale". It strives to build itself into a world-class excellent supplier of polyamide materials and tire reinforcement materials, and realize the vision of building an enduring foundation and leading the industry. Investment is made in the R&D of clean technologies to develop safer, greener and more economical new processes and products.

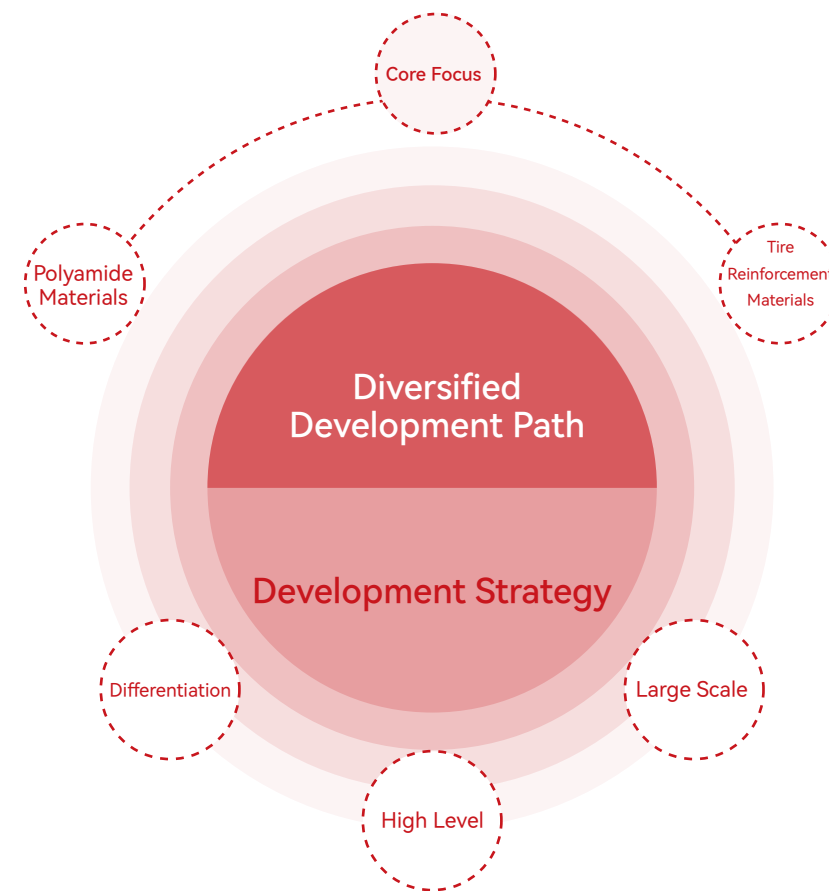
### R&D Personnel & R&D Funds



Number and Proportion of R&D Personnel	Unit	2023	2024	2025
Number of R&D Personnel	Person(s)	87	99	111
Proportion of R&D Personnel in Total Employees	%	5.28	4.55	6.13



R&D Expenses Invested	Unit	2023	2024	2025
R&D Expense Expenditure	10,000 RMB	7,433	11,140	14,786
Proportion of R&D Expenses in Operating Income	%	1.81	2.01	3.46



## Management

In the past three years, the Research Institute organized and implemented **30** R&D projects, including **26** internal projects, **1** national-level project and **3** provincial-level projects. During this period, key core technologies were conquered, such as special polyamide based on structural design and high-throughput characterization, bio-based PA56 copolymer chips, polyamide elastomers and elastic fibers, and in-situ polymerized black chips. A variety of functional and differentiated polyamide 6 chips were developed, and a batch of equipment including high vacuum devolatilization, high-pressure microjet and ultrasonic dispersion were successfully applied to polyamide polymerization for the first time. In the process of promoting scientific and technological innovation, more than **26** patents were applied for in the past three years, including about 13 invention patents; **13** provincially recognized new products were developed; **7** national standards, **1** industrial standard and **8** group standards were formulated.

In July 2025, it was awarded the title of National Specialized, Refined, Differentiated and Innovative (SRDI) “**Little Giant**” Enterprise by the Ministry of Industry and Information Technology (MIIT).



### Key Initiatives

- ◆ **1** national major science and technology special project, **1** provincial talent tackling joint project and **1** municipal major science and technology special project were approved throughout the year.
- ◆ During the reporting period, the Company's high-quality invention patents won **1** Silver Award for Excellent Patents from China National Textile and Apparel Council, **1** Municipal Gold Patent Award and **2** Municipal Excellent Patent Awards.
- ◆ Haiyang Technology attaches great importance to the construction of scientific research teams. Relying on the Research Institute, it vigorously introduces outstanding scientific research talents, establishes and improves education and training institutions for scientific research organizations, and provides corresponding incentives in accordance with talent assessment standards to continuously enhance the Company's endogenous impetus.
- ◆ During the reporting period, the Company organized several special trainings on industrial technology and equipment, covering more than **200** person-times, and effectively improved the technical and operational capabilities of employees.
- ◆ The Company attaches importance to stimulating the vitality of young scientific and technological talents. During the reporting period, **2** young talents were promoted to Vice President of the Company's Research Institute and Deputy Chief Engineer, responsible for the R&D of new products and the industrial transformation of new product achievements respectively.
- ◆ A total of **5** outstanding employees, including excellent laboratory technicians, R&D engineers and project leaders, were commended.

## Objective



### Key Performance

- ◆ In 2023, it was awarded “**Top 10** Enterprises in China's Rope, Cable and Net Industry” and “Demonstrative Technology Enterprise for Innovation in Textile Industry” by China National Textile and Apparel Council.
- ◆ In 2025, it was awarded “**Jiangsu Advanced-level Smart Factory**” by the Department of Industry and Information Technology of Jiangsu Province.
- ◆ In 2025, it won the **First Prize** of the Excellent Scientific Research Achievement Award (Natural Sciences and Engineering Technology) by the Ministry of Education.
- ◆ Awarded the title of “Advanced Enterprise for **Green Development 2024** by China Chemical Fibers Association” in 2025.
- ◆ In 2025, it was awarded the title of “National **Intellectual Property** Demonstration Enterprise” by the China National Intellectual Property Administration (CNIPA).
- ◆ “In-situ Colored Polyamide 6 Chips Based on Aqueous Carbon Black Nanopaste and Preparation Method Thereof” won the **Silver Award for Excellent Patents** from China National Textile and Apparel Council.

As of the end of 2025,

The Company has 30 employees in the Research Institute,

Including

Core Technical Personnel	Master's degree	Bachelor's degree	Professor-Senior Engineer	Senior Engineer	Engineer
<b>12</b> persons	<b>1</b> person	<b>12</b> persons	<b>1</b> person	<b>5</b> persons	<b>5</b> persons

## Strengthened Industry-University-Research Cooperation

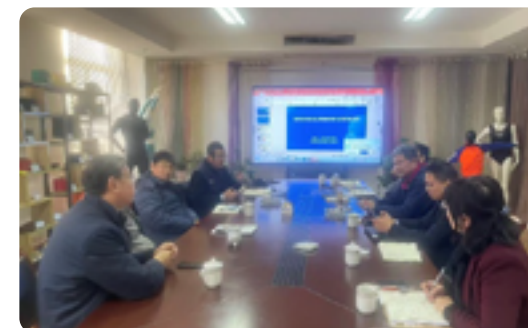
Relying on the Research Institute and taking project tasks as the link, the Company actively carried out close cooperation with universities and research institutes, including Sichuan University, Donghua University, Soochow University, Zhejiang Sci-Tech University, Hunan University of Technology and Qingdao University of Science and Technology, to jointly promote project cooperation and technical research, and accelerate the solution of industrial difficulties and pain points.



On-site inspection by the chief commander and chief engineer of the provincial "Talent Tackling Joint" project



Professor Lan from Sichuan University visited the Company for exchanges.



Dr. Wang from Hunan University of Technology and Prof. Ge from the Chinese Academy of Sciences visited the Company for exchanges.



Inauguration of Haiyang Technology-Hunan University of Technology Polyamide R&D Center



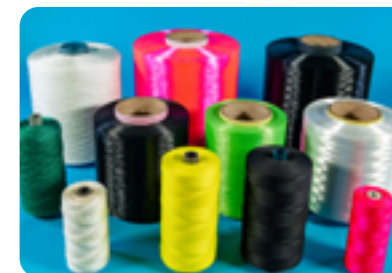
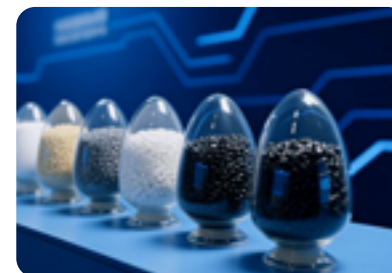
Provincial-level New Technology and New Product Identification Meeting



"Focus on the Transformation and Upgrading of Manufacturing Industry" series of benchmarking activities of the EDP Center, Nanjing University Business School

# Differentiated Products

The Company is one of the major domestic enterprises engaged in the R&D, production, and sales of polyamide materials and tire reinforcement materials series products. The Company adheres to the related diversified development path "focusing on new polyamide materials and tire reinforcement materials", and establishes the vision of "Haiyang, thriving, industry-leading, and sustainable development". After years of industry accumulation and development, it has formed a complete product system covering dipped tire cord fabric, polyamide 6 chips and polyamide 6 industrial products.



## Polyamide 6 Dipped Tire Cord Fabric

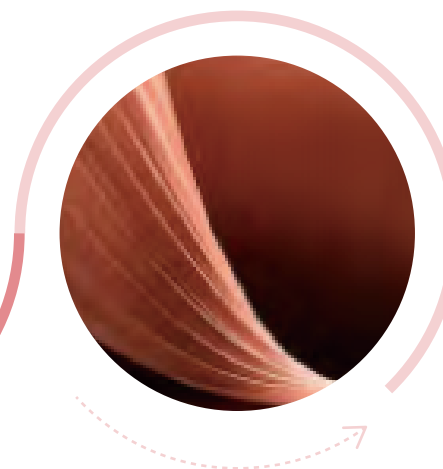
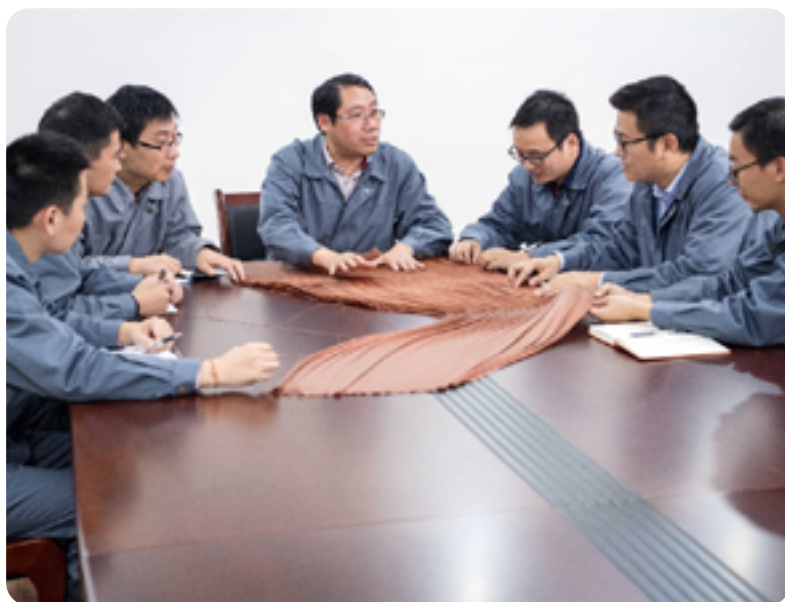
With excellent impact load resistance, fatigue resistance and toughness, it is used in bias tires such as truck tires, agricultural tires, bicycle tires, motorcycle tires, and engineering tires.

## Polyamide 66 Dipped Tire Cord Fabric

It features high strength and high modulus, good dimensional stability, and excellent heat resistance and fatigue resistance. Mainly used in high-performance radial tires, high-speed passenger car radial tires, light truck, bus and heavy truck radial tires, as well as high-performance motorcycle tires and racing tires.

## High Modulus Low Shrinkage (HMLS) Polyester Dipped Tire Cord Fabric

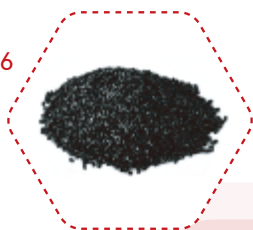
Thanks to its excellent high modulus, dimensional stability, and fatigue resistance, it is widely used in radial tires, industrial conveyor belts, and other fields. In new energy vehicle tires, its lightweight, high-strength, and low-elongation characteristics have driven rapid growth in market demand.



## Product Advantages

Possessing advantages such as high fluidity, easy demolding, good spinnability, and uniform dyeing, it is widely used in engineering plastics, spinning, film, and other industries.

Injection-grade  
Black Polyamide 6  
Chips



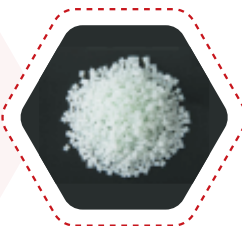
In-situ Polymerized  
Colored Polyamide 6 Chips



Polyamide 6 Powder



Continuous Fiber-reinforced  
Polyamide 6 Chips



**Polyamide 6  
Chips**

Toughened and  
Modified Polyamide  
6 Chips Series

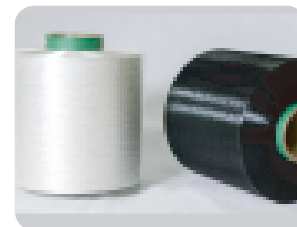


Recycled Polyamide 6 Chips

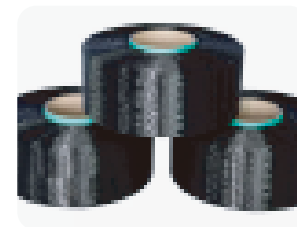


## Product Advantages of Polyamide 6 Twines

Possessing advantages such as high fluidity, easy demolding, good spinnability, and uniform dyeing, it is widely used in engineering plastics, spinning, film, and other industries.



Polyamide 6 High-Strength  
Wear-Resistant Yarn



Polyamide 6 In-situ Polymerized  
Black High-Strength Yarn



Polyamide 6 Colored FDY  
High-Strength Yarn



Polyamide 6 Natural White FDY  
High-Strength UV-Resistant  
Yarn



Polyamide 6 Colored FDY  
High-Strength UV-Resistant  
Yarn

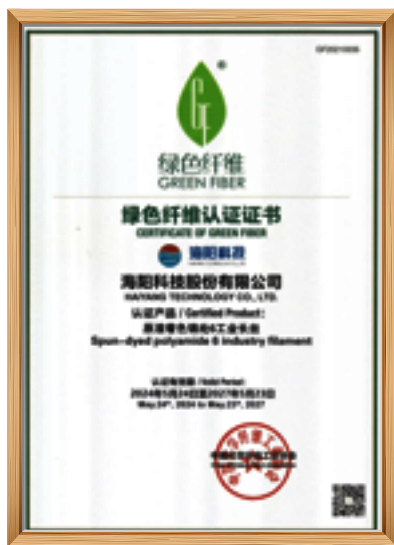


Polyamide 6 Colored FDY  
High-Strength Thread

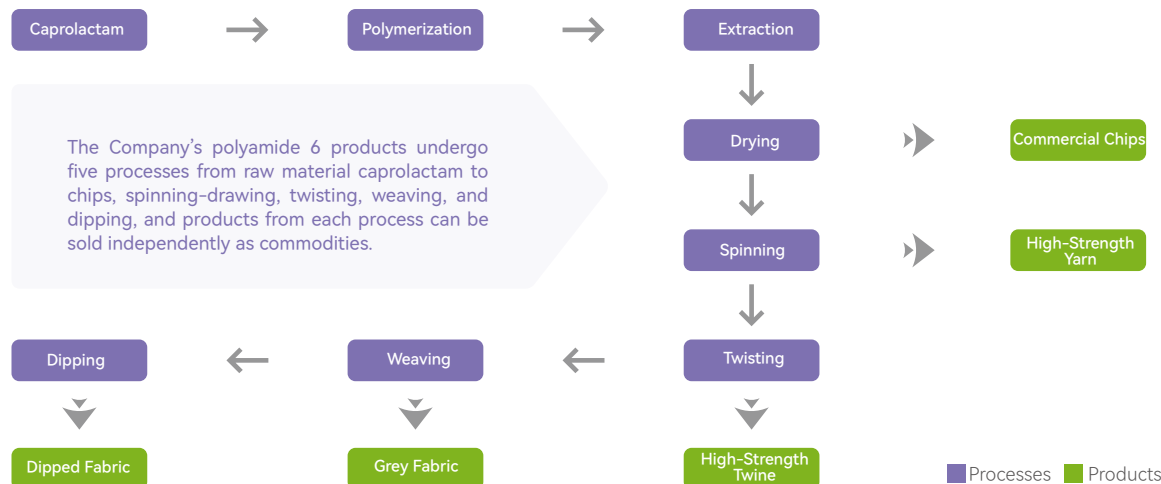
## Product Development Trends and Green Products

In the future, the Company will focus on the aforementioned products to conduct R&D on new processes and technologies, continuously improve product quality, develop new products, and expand business areas. Leveraging its excellent R&D team, multiple core technologies, rich experience in new product R&D and market expansion, the Company will layout and extend downstream, aligning with the future development trends of the industry. This will help the Company optimize its product structure and further enhance its comprehensive competitiveness.

The full-process intelligent operation of twisting, weaving, and dipping processes realized by the 45,000-ton/year HMLS polyester dipped tire cord fabric intelligent technological transformation project is a concrete manifestation of the in-depth integration of the Company's "informatization" and "industrialization". Independently developed by the Company, the project adopts new automated equipment and builds an intelligent manufacturing system centered on MES (Manufacturing Execution System). It helps achieve cost reduction and efficiency improvement, energy conservation and consumption reduction, product quality enhancement, product added value increase, and shorter time-to-market, thereby boosting the Company's core competitiveness and profitability.



The overall technological level of the key technologies and complete sets of equipment for industrialization of high-quality colored in-situ polymerized polyamide 6 chips and fibers developed by the Company has reached an internationally advanced level. Among them, the technology for preparing colored polyamide 6 through low-temperature in-situ continuous polymerization of pigments and caprolactam is internationally leading, with independent intellectual property rights, good spinnability, and no need for re-dyeing after weaving. The products feature more uniform color, no color difference, and higher color fastness. Compared with traditional dyed fabrics, each ton of polyamide fabric produced from Haiyang's black chips reduces carbon emissions by 9%, energy consumption by 7%, and water usage by 42%. The product has obtained the "Green Fiber Certification" issued by the China Chemical Fibers Association (CCFA) and the First Prize for Technological Progress awarded by the China National Textile and Apparel Council (CNTAC). The high-strength colored polyamide yarn developed by the Company has solved the long-standing problem of dyeing wastewater treatment in the industry and won the Product Development Contribution Award issued by the China National Textile and Apparel Council (CNTAC).



# 04

## Upholding Integrity & Win-win Cooperation

Our Goals and Actions:

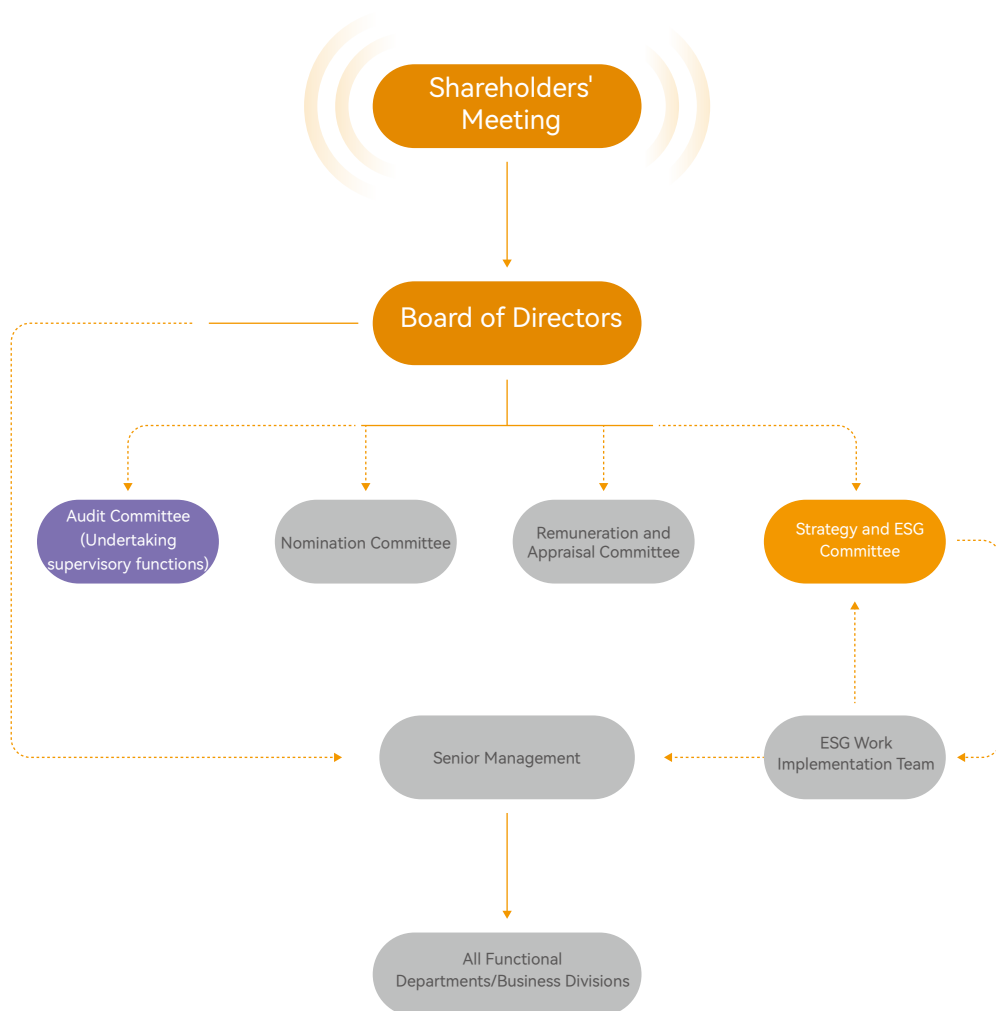
- ◆ Compliance and Risk Management 22
  - Corporate Governance 22
- ◆ Economic Performance 25
  - Tax Governance 25
- ◆ Business Ethics 26
  - Anti-commercial Bribery 26
  - Anti-unfair Competition 26
- ◆ Intellectual Property Protection 28

SDGs Corresponding to This Chapter



# Compliance and Risk Management

## Corporate Governance



In accordance with the provisions of relevant laws and regulations such as the *Company Law of the People's Republic of China* and the *Securities Law of the People's Republic of China*, the Company has established the Shareholders' Meeting, the Board of Directors, and the Board of Supervisors, and appointed senior management personnel. On December 19, 2025, the Company held the Third Extraordinary General Meeting of Shareholders in 2025, which reviewed and approved relevant proposals. In accordance with the *Company Law of the People's Republic of China*, the *Guidelines for the Articles of Association of Listed Companies* and the supporting rules of the CSRC, combined with the actual situation of the Company, the Company will no longer establish a Supervisory Board and supervisors. The functions and powers of the former Supervisory Board will be undertaken by the Audit Committee of the Board of Directors, forming a governance mechanism with clear powers and responsibilities, separate duties, scientific decision-making and coordinated operation.

To actively respond to the new regulatory environment requirements after listing and further improve the modern enterprise system with Chinese characteristics, the Board Office of the Company led and organized the most comprehensive and in-depth revision of the corporate governance system since listing in the fourth quarter of 2025.

The Shareholders' Meeting, the Board of Directors, and the senior management of the Company operate in a standardized manner in accordance with the law, perform their respective rights and obligations, and there have been no major illegal or irregular acts, nor any major defects in corporate governance.

The Company has **9** directors (including **3** independent directors), **5** supervisors, **7** senior management personnel, and **5** core technical personnel. The directors of the Company come from different industries such as chemical fiber, investment, law, and finance, with complementary professional backgrounds and diversified composition, which is conducive to ensuring the rationality and scientific feature of the decisions of the Board of Directors.

During the reporting period, the Company held **4** shareholders' meetings and reviewed and approved **17** proposals.

### Establishment, Improvement and Operation of the Board of Directors System

The convening, proposal, attendance, deliberation, voting, and resolution of all previous meetings of the Company's Board of Directors are in line with the provisions of the *Company Law of the People's Republic of China* and the *Articles of Association*. The meeting records are complete and standardized. In accordance with the provisions of the *Company Law of the People's Republic of China* and the *Articles of Association*, the Board of Directors has made effective resolutions on the appointment and removal of the Company's senior management personnel, the Company's major production and operation plans, investment and financing plans, and major management systems.

- ◆ During the reporting period, the Company held **10** meetings of the Board of Directors, reviewed and approved **40** proposals, and independent directors issued **6** independent opinions;
- ◆ **12** special committee meetings were held, including **7** meetings of the Audit Committee, **0** meetings of the Nomination Committee, **2** meetings of the Strategy and ESG Committee, and **3** meetings of the Remuneration and Appraisal Committee.

## Operation of the Supervisory Board

On December 19, 2025, the Company held the Third Extraordinary General Meeting of Shareholders in 2025, which reviewed and approved relevant proposals. In accordance with the *Company Law of the People's Republic of China*, the *Guidelines for the Articles of Association of Listed Companies* and the supporting rules of the CSRC, combined with the actual situation of the Company, the Company will no longer establish a Supervisory Board and supervisors. The functions and powers of the former Supervisory Board will be undertaken by the Audit Committee of the Board of Directors.

During the reporting period, the Company held a total of **7** Board of Supervisors meetings, and **19** proposals were reviewed and approved.

In 2026, the Company held a meeting of the Strategy and ESG Committee, which reviewed and approved the *2025 Haiyang Technology Sustainability Report*, provided suggestions and guidance for the 2025 ESG work plan, and conducted focused discussions and decisions on the Company's 2026 ESG disclosure work.

For the qualifications, experience, compensation system management and salary information of directors and senior management, please refer to the full text of the 2025 Annual Report and relevant materials, which are available on the Shanghai Stock Exchange website ([www.sse.com.cn](http://www.sse.com.cn)).

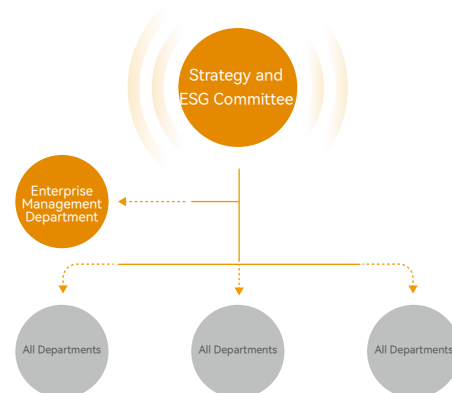
## Compliance and Risk Management

### Governance

In 2025, Haiyang Technology promoted compliance and risk management from top to bottom. The scope of risk management has been fully expanded. Centering on the overall business development goals, the basic processes of compliance and risk management have been integrated into various management links and business processes. The Strategy and ESG Committee is mainly responsible for approving the formulation and update of the Company's risk management principles and systems, ensuring the effectiveness and continuous improvement of the comprehensive risk management system;

Approved the Company's major risk list, major risk events and response plans; approved the annual risk management work report, and continuously evaluated and supervised the effectiveness of the Company's risk management construction and operation. The Enterprise Management Department is responsible for guiding, supervising, organizing, coordinating and promoting the Company's comprehensive risk management work, and timely reporting major and important risks identified during the Company's operations to the general manager. All departments and regions, as directly responsible departments for risks, are responsible for the daily operation of risk-related businesses, implementing risk management improvement requirements, and accepting the evaluation and supervision of risk management work.

The Company's Supervision and Audit Department is responsible for investigating and collecting evidence, handling illegal, disciplinary, and irregular behaviors within the Company such as embezzlement and bribery, abuse of power, neglect of duty, interest transfer, irregularities for personal gain, and waste of company assets, so as to promote the construction of the Company's integrity culture. At the same time, it conducts integrity investigations on behaviors that violate corporate values such as inaction and arbitrary action. The Supervision and Audit Department regularly issues the *Internal Control Audit Report* every year, and reports the verification/audit results and the tracking of improvement progress to the Audit Committee and the Board of Directors. Each department designates a risk control liaison to connect and communicate with the Enterprise Management Department on risk management matters.



### Strategy

In terms of strategic deployment, the short-term focus is on the systematic construction of risk governance: special governance actions are carried out for key business sectors and high-risk areas, and dual guarantees of organizational structure and institutional processes are achieved by collaborating with the Enterprise Management Department across departments and improving the risk identification and assessment mechanism.

In the medium term, with the cooperation of third parties such as suppliers and contractors, it completes the *Engineering Project Audit Report* and the *Engineering Settlement Audit Opinion* to ensure the compliance of anti-corruption activities and avoid corruption incidents among third parties.

Achieve ecological upgrading of risk management in the long run: Build an intelligent risk control center integrating financial, operational and compliance data, establish a risk prediction model through big data analysis, and promote the transformation of risk management from passive response to active prevention.

### Management



#### Key Initiatives

1. Defined the anti-bribery management responsibilities of various posts of Haiyang Technology Co., Ltd., including the Anti-bribery Supervision Committee, General Manager, Management Representative and various departments.
2. The Company has established 15 *Procedure Document Catalogs* for anti-bribery management
3. The *Basic Norms of Enterprise Internal Control* and the *Internal Control System of Haiyang Technology Co., Ltd.* have been effectively implemented.
4. Implemented compliance and risk management practices to improve risk prevention and control capabilities, focused on the compliance construction of environmental protection, occupational health and safety, intellectual property rights, human resources, project management, finance and taxation, and foreign-related businesses, carried out risk investigation and assessment in key areas to ensure the compliant and sound development of the enterprise.
5. Formulated the *Anti-bribery Management Manual* and established and implemented the ISO 37001:2025 anti-bribery management system.

6. Environmental Aspect Identification and Risk Assessment
7. Identification and Risk Assessment of Occupational Health and Safety Hazards
8. Identification and assessment of adverse labor and ethical impacts and risk factors on employees
9. Information Asset Risk Assessment of the Company
10. Anti-corruption and Bribery Risk Assessment
11. The Supervision and Audit Department conducts a company-wide internal control audit regularly every year.
12. The Company passed the ISO 37001:2025 anti-bribery management system certification.



Risk Management Process	Implementation Content	Relevant Departments
<b>Risk Identification</b>	<ul style="list-style-type: none"> <li>◆ All departments identify various internal and external risk factors of the enterprise, summarize past experience to assess the main stakeholders and issues that may be affected, and conduct further evaluation and management.</li> <li>◆ All departments conduct risk management according to their functions, need to continuously pay attention to the development of domestic and foreign risk management, and identify emerging risks.</li> </ul>	<b>All Departments</b>
<b>Risk Assessment</b>	<ul style="list-style-type: none"> <li>◆ After identifying the corresponding risk factors, all departments rate the possibility of the occurrence of risk factors and the negative impact when they occur, quantitatively assess the impact of risks on the Company, and use it as the basis for risk management.</li> </ul>	<b>All Departments</b>
<b>Risk Response</b>	<ul style="list-style-type: none"> <li>◆ The risk analysis results of each department (including risk ratings and response measures) are reviewed by the department supervisor.</li> <li>◆ After being reviewed by the person in charge of each department, the results are submitted to the Enterprise Management Department for re-verification of risk levels/weights to determine the final risk factors that need attention, and formulate the Company's major risk list, major risk events and response plans.</li> <li>◆ The Company's major risk list, major risk events and response plans are submitted to the Strategy and ESG Committee for approval.</li> </ul>	<b>Enterprise Management Departments</b>
<b>Risk Monitoring</b>	<ul style="list-style-type: none"> <li>◆ Track risk changes in real time, conduct closed-loop verification to ensure the effectiveness of response measures, and ensure rapid response to emerging risks. Compile the annual risk management work report.</li> </ul>	<b>Enterprise Management Department Supervision and Audit Department</b>
<b>Risk Review</b>	<ul style="list-style-type: none"> <li>◆ Approve the annual risk management work report, and continuously evaluate and supervise the effectiveness of the Company's risk management construction and operation.</li> </ul>	<b>Strategy and ESG Committee</b>

# Economic Performance

## The Company has sound sustainable operation capacity.

Founded in the 1970s, the Company has adopted a diversified development strategy focusing on polyamide materials and tire reinforcement materials over more than 50 years of operation, forming a product system covering dipped tire cord fabric, polyamide 6 chips and polyamide 6 industrial yarns, and has become a leading enterprise in the domestic polyamide materials and tire reinforcement materials industry. During the reporting period, the Company maintained a large operating scale with an overall upward trend in revenue, demonstrating sound sustainable operation capacity.

## The Company's Future Development Plan

The Company adheres to the related diversified development path focusing on polyamide materials and tire reinforcement materials, implements six development strategies: branding, differentiation, scale, refinement, integration of informatization and industrialization, and talent aggregation, strives to build itself into an excellent global supplier of polyamide materials and tire reinforcement materials, and realizes the vision of sustainable development and industry leadership.

## The Company's Five Core Advantages

The Company has built four industrial bases: Haiyang Technology Co., Ltd. (North Plant), Jiangsu Haiyang Polyamide New Materials Co., Ltd., Jiangsu Tongxin Chemical Fiber Co., Ltd. and Jiangsu Huaheng New Materials Co., Ltd.



# Tax Governance

## Governance

Full-time staff of the Finance Department of Haiyang Technology are responsible for tax compliance management, overall tax risk control, tax policy research and training, and all tax work reports to the Finance Director. Carried out daily tax-related activities such as tax registration, invoice management, routine tax declaration and tax file management. The Finance Department is responsible for formulating tax accounting specifications to ensure the timely and accurate provision of financial data.

## Strategy

The Company's tax strategy centers on the dual goals of "compliant operation" and "value creation": compliance and risk management, and supporting green and innovative development.

## Management



### Key Initiatives

1. Established a tax risk identification and assessment mechanism, regularly monitored key risk points such as related party transaction pricing and tax impacts of new business models, and ensured effective control of tax uncertainties in the short, medium and long term.
2. The Company is committed to improving the transparency of tax information. During the reporting period, the information was ensured to be true and accurate to meet the information needs of investors and other stakeholders.
3. We adhere to the principles of cooperation and integrity, maintain open and constructive communication with tax authorities, actively participate in policy feedback and social governance in the tax field, and maintain a sound tax-enterprise relationship.

## Objective

The Finance Department of the Company set key quantitative indicators at the beginning of the year, such as the accuracy rate, timeliness rate of tax declaration and tax credit rating, tracked the implementation of the indicators on schedule, and conducted a comprehensive assessment at the end of the year. During the reporting period, the Company duly implemented all tax declaration procedures in accordance with the requirements of national tax laws and regulations.

# Business Ethics

Haiyang Technology has improved its corporate governance system and business ethics management system, implemented the corporate culture of integrity-based operation, and followed the highest guiding principles of sustainable development to meet the expectations of stakeholders. Over the past three years, there have been no major incidents of violating social, economic, or environmental-related laws and regulations, nor any reports of business ethics violations.

## Anti-commercial Bribery

### Strategy

**Anti-Corruption Policy:** Prevent illegal, unethical, or breach-of-trust behaviors caused by offering, promising, giving, accepting, or soliciting benefits.

**Conflict of Interest Policy:** Prevent individuals or their work units from having to choose between job responsibilities and personal interests

### Management

In accordance with the *United Nations Convention against Corruption* and the *OECD Anti-Bribery Convention*, the international legal framework against transnational commercial bribery curbs bribery and maintains a fair competitive environment through unified standards. The Company refers to the *International Code of Conduct for Public Officials*, and requires public officials to declare potential conflicts of interest, with disciplinary measures imposed on those who violate the code. The Party Committee of Haiyang Technology implements the *Code of Conduct for Integrity in the Communist Party of China* and the *Regulations on Intra-Party Supervision of the Communist Party of China*. It promotes integrity among all Party members, with a focus on the "key minority", improves the intra-Party supervision system, clarifies the responsibilities and methods of various types of supervision, focuses on the political responsibility of governing the Party, and standardizes accountability work.

### Objective



#### Key Performance During the Reporting Period

- 1.Total number of confirmed corruption incidents: **0**
- 2.Percentage of employees receiving annual integrity training: **100%**
- 3.Number of operating sites with corruption risk assessment conducted: **4**
- 4.Percentage of operating sites that have undergone corruption risk assessment: **100%**
- 5.Employee training rate on conflicts of interest: **100%**
6. Number of reported conflicts of interest: **0**
- 7.Number of reported irregular gift and hospitality incidents: **0**
- 8.Signing rate of supplier integrity agreements: **100%**
- 9.The Company passed the ISO 37001:2025 anti-bribery management system certification.



Anti-bribery Management System Certification Certificate

## Anti-unfair Competition

### Strategy

**Anti-fraud Policy:** To prevent illegal acts of deliberately deceiving others for unfair or illegal benefits. Conflict of Interest Policy: To prevent individuals or their work units from having to choose between job responsibilities and personal interests.

**Anti-Money Laundering Policy:** Prevent the formal legalization of the source, ownership, or purpose of money obtained through illegal or dishonest means by concealing it under legitimate economic activities.

### Management

Haiyang Technology has established and implemented the *Business Ethics Management Measures*, the *Anti-corruption Management Regulations for Sensitive Businesses*, the *Confidentiality and Non-compete Agreement*, the *Information Resource Management System*, the *Employee Handbook*, the *Employee Grievance Handling System*, and the *Basic Norms of Enterprise Internal Control*. It conducts annual education and training to promote business ethics policies among all employees, deepening the corporate culture of integrity-based operation. Since 2018, the Company has participated in the capacity-building and sustainability third-party audit projects of the chemical industry supply chain initiative TFS - Together for Sustainability every year, with no nonconformities identified in the external audit of the business integrity governance chapter.

Haiyang Technology complies with relevant laws and regulations such as the *Anti-Unfair Competition Law of the People's Republic of China* and the *Anti-Monopoly Law of the People's Republic of China* to ensure legal and compliant business operations, strictly prohibit unfair competition and monopolistic behaviors, and actively maintain market order and a fair competitive environment. The Company does not share any market-related confidential information with competitors. It does not share terms, costs, sales/transportation volume, customer names, production volume, prices, profits, or discounts with competitors. In addition, it does not share changes in corporate strategies or pricing policies with competitors.

In terms of non-compete management, the Company clarifies employees' obligations to protect trade secrets and fulfill non-compete obligations by signing the *Confidentiality Agreement* and the *Commitment Letter on Fulfilling Non-compete Obligations* with employees, building a firewall for the protection of the Company's trade secrets and reducing the risk of competitors in the same industry obtaining the Company's trade secrets. By signing the *Supplier Code of Conduct* with suppliers, the Company ensures that suppliers are aware of the Company's anti-fraud policy, anti-money laundering policy, etc., to eliminate unfair competition behaviors.

Since 2018, the Company has participated in the capacity-building and sustainability third-party audit projects of the chemical industry supply chain initiative TFS - Together for Sustainability every year, with no nonconformities identified in the governance chapter of anti-unfair competition.



Professional personnel conducted anti-commercial fraud training

## Objective



### Key Performance

1. Employee training rate on fraud-themed education: **100%**
2. Number of reported commercial fraud incidents: **0**
3. Training rate of all employees on anti-money laundering education: **100%**
4. Number of reported money laundering incidents: **0**
5. Number of reported commercial fraud incidents: **0**
6. Total number of violations related to marketing communications (including advertising, promotions and sponsorships): **0**
7. Number of incidents resulting in fines or penalties due to regulatory violations: **0**
8. Number of incidents receiving warnings due to regulatory violations: **0**
9. Number of violations of voluntary codes: **0**
10. Number of legal proceedings with confirmed anti-competitive, antitrust or anti-monopoly violations involving the Company: **0**
11. Number of reported commercial fraud incidents: **0**
12. Number of reported money laundering incidents: **0**

### Cases

## Business Ethics Training

To ensure the implementation of business ethics, laws and regulations, new employees and regular employees of Haiyang Technology must complete the advocacy and training courses on the core values of business ethics to enhance their awareness of business ethics. After the training, employees sign the *Employee Handbook Confirmation Form*. Attachments to the *Employee Handbook* include the *Provisions on Promoting Anti-commercial Bribery in the Company*, the *Confidentiality and Non-compete Agreement*, the *Information Resource Management System*, the *Measures for the Implementation of Employee Rationalization Suggestions*, and the *Employee Grievance Handling System*. By signing the Supplier Code of Conduct with suppliers, the Company ensures that suppliers are aware of the Company's anti-corruption policy, anti-conflict of interest policy, anti-unfair competition policy, and information security policy, as well as the reporting channels.



Anti-commercial Bribery Training

### Cases

## Business Ethics Risk Assessment

Conduct business ethics risk identification and assessment once a year. The *Social Responsibility and Business Ethics Risk Identification and Assessment Form* includes the implementation status of the anti-corruption policy, conflict of interest policy, anti-fraud policy, anti-money laundering policy, and information security policy, as well as the risk levels of potential risk items. The identification and assessment of business ethics risks are carried out from three aspects: the possibility of incidents related to anti-corruption, anti-unfair competition, and information security, the frequency of exposure to hazardous environments, and the consequences of incidents. The evaluation results are all general impacts with no major impacts. Solutions have been formulated for the main issues identified with general impacts, such as measures to improve the confidentiality system construction of the research institute.

### Cases

## Specific Approval Procedures for Sensitive Transactions

To ensure the impartiality, integrity, and transparency of sensitive business activities such as procurement, finance, and sales, the *Anti-corruption Management Regulations for Sensitive Businesses* have been formulated. For the anti-corruption regulations on procurement business, special processes and forms for the transparency of procurement processes, supplier management, supervision, and accountability have been established. For the anti-corruption regulations on financial business, special processes and forms for the rigor of financial systems, the integrity of financial personnel, and audit and risk control have been formulated. For the anti-corruption regulations on sales business, special processes and forms for the standardization of sales behaviors, customer relationship management, supervision, and punishment have been established.

**Cases**

## Internal Audit of Control Procedures

The Company's Supervision and Audit Department is responsible for investigating and collecting evidence, handling illegal, disciplinary, and irregular behaviors within the Company such as embezzlement and bribery, abuse of power, neglect of duty, interest transfer, irregularities for personal gain, and waste of company assets, so as to promote the construction of the Company's integrity culture. At the same time, it conducts integrity investigations on behaviors that violate corporate values such as inaction and arbitrary action. If any company personnel are found to have engaged in behaviors such as accepting bribes (including kickbacks), embezzlement, or fraud, any person may provide feedback in the form of letters, phone calls, or emails.

In accordance with the *Basic Norms of Enterprise Internal Control* and its supporting guidelines, as well as the *Internal Control System of Haiyang Technology Co., Ltd.*, the Company determines the main units, businesses, matters, and high-risk areas included in the evaluation scope based on the risk-oriented principle. On the basis of daily supervision and special supervision of internal control, the Supervision and Audit Department regularly issues the *Internal Control Audit Report* every year, and reports the verification/audit results and the tracking of improvement progress to the Audit Committee and the Board of Directors. It monitors the implementation of the results of corporate governance audits, strengthens the corporate governance structure, and ensures that the ESG Committee and the Board of Directors effectively perform their supervisory functions to guarantee the effective exertion of the supervisory functions of the ESG Committee and the Board of Directors.

The main businesses and matters included in the evaluation scope include: corporate governance elements such as internal environment, risk assessment, and internal supervision; human resources, financial management, procurement and payment, sales and compliance, inventory management, equipment management, R&D management, project management, contract management, information and control, production management, quality management, internal audit management, and subsidiary control; as well as social responsibility and business ethics. With the cooperation of third parties such as suppliers and contractors, it completes the *Engineering Project Audit Report and the Engineering Settlement Audit Opinion* to ensure the compliance of anti-corruption activities and avoid corruption incidents among third parties.



## Patents

As of the end of 2025

Obtained **48** invention patents    Obtained **99** utility model patents

## Intellectual Property Protection

Haiyang Technology comprehensively protects technological innovation through patents, trade secrets, and other means by continuously optimizing its intellectual property strategy. The Company has established an incentive mechanism to encourage employees to actively apply for patents, fully stimulating their innovation enthusiasm and fostering an enterprise innovation atmosphere.

Haiyang Technology established the enterprise intellectual property management system in December 2018 in accordance with GB/T 29490-2013. Since then, it has continuously improved its intellectual property management systems, including the *Intellectual Property Management Manual*, the *Patent Information Research and Decision-Making System*, the *Patent Information Database and Internal Management System*, the *Patent Information Tracking and Monitoring System*, the *Patent Database Usage System*, and the *Trademark Management System*.

Haiyang Technology strictly complies with relevant intellectual property laws and regulations such as the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, and the *Copyright Law of the People's Republic of China*. It continuously optimizes the innovation management system, improves intellectual property management systems, strengthens intellectual property management, and refines intellectual property protection strategies. The Company has issued and implemented the *Procedure Documents of the Intellectual Property Management System*, conducted full-staff training, and promoted its in-depth implementation.



Intellectual property training lectures

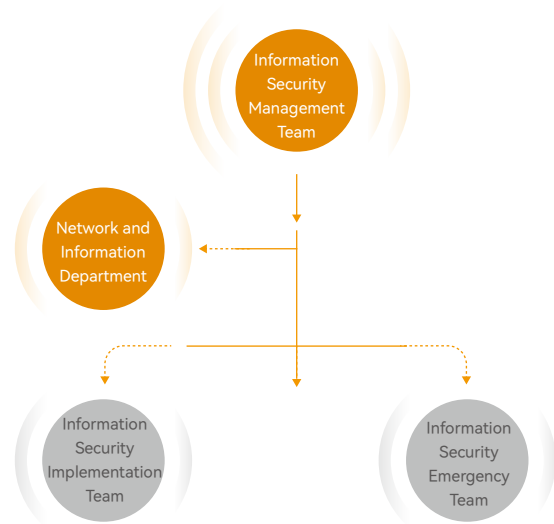


Patent seminars

# Information Security Management

In accordance with the OECD Guidelines for Multinational Enterprises issued by the *Organisation for Economic Co-operation and Development (OECD)*, protecting customer privacy is a recognized goal in the Company's policies. To ensure the effective implementation of the Company's information security management system, the Network and Information Department of Haiyang Technology Co., Ltd. has established an internal management framework to initiate and control the implementation of the information security management system. A management team with the participation of senior management has been set up to approve information security policies, allocate security responsibilities, and coordinate the implementation of the organization's information security measures. It is responsible for information security management, planning, supervision, and promotion to reduce the Company's operational and information security risks. The Information Security Management Team holds regular meetings every year to review the Company's information security management policies and implementation status, and reports the inspection results to the Chairman. No major information security incidents occurred at Haiyang Technology Co., Ltd. in 2025.

## Governance



### Network and Information Department:

Responsible for the construction, operation and maintenance of IT equipment and facilities, information resources, and information security; responsible for assessment and diagnosis work.

### Information Security Management Team:

Responsible for organizing and implementing internal audits of the management system for the integration of informatization and industrialization.

### General Manager:

Responsible for presiding over management reviews.

## Strategy

Information Security Policy: Standardization, Regulation, Integration, Building Smart Haiyang, ensuring the secure collection, processing or storage of third-party information for business purposes

- ◆ Network high availability (reducing network service interruption time and strengthening internal and external network data security);
- ◆ Account management (internal and external service account verification, privileged account verification and management, account access policy management);
- ◆ Strengthened data protection (data backup and off-site backup of information systems);
- ◆ Terminal device management (USB interface control, endpoint detection and response (EDR));
- ◆ External assistance (annual information security incident drills and external service vulnerability scanning)

## Management

The Company respects the privacy of relevant parties and takes reasonable measures to ensure the security of collecting, storing, processing, or disseminating personal data. To protect customer privacy, the Company restricts the collection of personal data, collects data through legal channels, and maintains transparency in the methods of collecting, using, and protecting data. Unless with the customer's consent, the Company does not disclose customers' personal information, does not use customers' personal information for any purpose other than agreed upon, and directly communicates any changes to data protection policies or measures to customers. This includes tangible and intangible assets owned by the Company for which customers have exclusive legal rights, such as special product information, copyrights, and patents. Private property can only be transferred with the owner's consent. Achievements in Promoting and Implementing Information Security Management

Project	Implementation Content
Information Security Education and Training	Formulation of information security systems and enhancing employees' information security awareness through information security promotion.
Information and Data Backup Protection	Conduct regular data backups, including electronic files, desktop files, server operating environments, network settings, etc. Maintain a record retention schedule; third-party data records are generally retained for 3 years, and professional records are retained in accordance with relevant national and industry regulations.

Project	Implementation Content
Terminal Device Management	<p>Measures to prevent illegal access to or disclosure of third-party data: Information security control of terminal devices such as servers, personal computers, and other devices, including software, hardware, antivirus, system updates, sensitive data access control, and subject access permission application procedures.</p> <p>The Company uses Topsec Next-Generation Firewall, which integrates an AI-driven integrated intelligent detection engine and incorporates multiple security modules such as WAF, Botnet &amp; Malware Protection, ADS, HTTPS Traffic Detection, Advanced Threat Protection, Anomaly Behavior Analysis, and DLP. It links multiple network elements of cloud, management, and terminal to provide an upgraded comprehensive security protection plan with "zero" blind spots.</p> <p>Measures to Obtain Stakeholders' Consent in Processing, Sharing, and Retaining Confidential Information:</p> <p>Information System Permission Management: Formulate system permission control policies based on employees' business needs, clarify the permissions of user units and personnel, and properly control and record the process of changes for inquiry. Separate office and R&amp;D environments to block direct access channels for confidential and sensitive data.</p>
Information Security Incident Handling	<p>Established and implemented the <i>Information Security Management System Procedure Documents</i>, entrusted a third party to conduct information system vulnerability scanning, and patched vulnerabilities accordingly.</p> <p>For unexpected information security incidents, establish corresponding solutions, collect evidence, identify and track incidents, reduce the possibility of occurrence and operational losses.</p>
Incident Response Process for Illegal Disclosure of Confidential Information	<p>Establish and implement the <i>Information Security Management Operation Document</i>. Through application identification, user management, content filtering, file filtering, virus defense, intrusion prevention, UR filtering, botnet &amp; malware defense, DDoS protection, encrypted traffic detection, email security, DLP, behavior audit, database security, as well as advanced threat protection and anomaly behavior analysis, ensure that no incidents of illegal disclosure of confidential information occur. Formulate the <i>Information Security Emergency Plan</i> in accordance with laws, regulations and relevant provisions such as the <i>Emergency Plan for Cybersecurity and Information Security Incidents</i>, the <i>Guidelines for Classification and Grading of Information Security Incidents</i>, and the <i>Emergency Plan for Cybersecurity and Information Security Incidents</i>.</p>
Audit of Control Procedures for Preventing Information Security Vulnerabilities	<p>In accordance with the <i>Internal Audit Control Procedure</i>, <i>Management Review Procedure</i>, and <i>Nonconformity, Corrective Action and Preventive Action Control Procedure</i>, the Enterprise Management Department is responsible for organizing and implementing the internal audit and management review of the integration management system of informatization and industrialization, once a year. It also ensures that corrective actions or preventive actions are taken for the causes of nonconformities or potential nonconformities in the control procedures for relevant information security vulnerabilities, and the Enterprise Management Department is responsible for tracking and verifying the corrective actions and preventive actions.</p>

Project	Implementation Content
Information Security Due Diligence on Third Parties	<p>Conduct due diligence on third parties (suppliers, vendors, distributors, contractors, customers) (collect third-party data based on evidence from a risk-based approach) to ensure information security compliance and avoid information security incidents among third parties.</p>
Assessment of Information Security Risks	<p>Conduct information security risk identification and assessment once a year. The <i>Information Security Risk Identification Form</i> evaluates three aspects: the possibility of information security incidents, the frequency of exposure to hazardous environments, and the consequences of incidents. The evaluation results are all general impacts with no major impacts. Solutions have been formulated for the main issues identified with general impacts.</p>



On-site team information security training



On-site Information Security Promotion &amp; Network Information Security Training of the Company

The Appeal and Report Handling Committee consists of the General Manager, Deputy General Manager, Chairman of the Trade Union, Director of the Human Resources Department, and Director of the Supervision and Audit Department. It implements the *Employee Grievance Handling System*. The Company encourages employees and external insiders to report irregularities, accepting both real-name and anonymous reports. After receiving a report, the Company will conduct an investigation, strictly keep the information of whistleblowers and report materials confidential, and will not tolerate retaliation against bona fide whistleblowers.

## Objective



### Key Performance During the Reporting Period

1. Completion rate of information security education and training for all employees: **100%**
2. Number of major information security incidents: **0**
3. Information internal audit and management review: **Once**
4. Proportion of sites with IT security risk assessment conducted: **100%**
5. Number of confirmed information security incidents: **0**

## Reporting Channels of Haiyang Technology

Report to: 2259411553@qq.com

Complaint Hotline: 13815950558

Reporting Mailbox: No. 122 Haiyang West Road, Hailing District, Taizhou City, Jiangsu Province

Submit written appeals/reports through the Company's General Manager's Mailbox.

Submit telephone appeals/reports through the phone number published on the Company's General Manager's Mailbox.

Submit oral or written appeals/reports to the Director of the Human Resources Department or the Chairman of the Trade Union in person.

Submit appeals/reports directly to the Director of the Human Resources Department or the Chairman of the Trade Union via the Company's WeChat Work.

### Cases

Topsec Next-Generation Firewall provides a series of intelligent operation and maintenance management tools, including security monitoring, data center, security center, security policy management, centralized management, and third-party management interfaces, to grasp the security status of the network and reduce the workload of operation and maintenance management.

### Security Operations

- Asset Discovery
- Risk Assessment
- Business Strategy
- One-click Protection

### Security monitoring

- Device Operation
- Network Traffic
- User Behavior
- Security Threats

### Centralized Management Center NGTP/Restful API Linkage with Third-Party Devices

Decision Support	Full Network Security Control	Intelligent Policy Deployment
<ul style="list-style-type: none"> <li>■ Incident Analysis</li> <li>■ Data Statistics</li> <li>■ Decision Support</li> </ul>	<ul style="list-style-type: none"> <li>■ Network Status Monitoring</li> <li>■ Security Incident Monitoring</li> </ul>	<ul style="list-style-type: none"> <li>■ Intelligent Policy Distribution</li> <li>■ Dynamic Policy Migration</li> <li>■ Real-time Policy Optimization</li> </ul>

### Security Policy Management

- Redundant Policies
- Conflict Policies
- Invalid Policies

### Security Data Center

- Behavior Audit
- Security Reports
- Log Records

# 05

## Harmonious Coexistence with Nature & Green Development



Our Goals and Actions:

◆ Green Factory	33
Environmental Compliance Management	33
Water Resource Utilization	37
◆ Green Products	39
Resource Utilization and Circular Economy	40
Product Use	42
End of Product Life Cycle	43
Consumer health and safety	44
◆ Energy Utilization	44
◆ Addressing Climate Change	46

SDGs Corresponding to This Chapter



## Green Factory

In accordance with the requirements for green factory evaluation in the *General Principles for Assessment of Green Factory* (GB/T 36132-2018), the Company carried out the "Green Factory" evaluation to promote the achievement of goals such as intensive factory construction, harmless raw materials, clean production, waste recycling and low-carbon energy use. In December 2023, it was awarded the Jiangsu Provincial Green Factory Certificate issued by the Jiangsu Provincial Department of Industry and Information Technology.



"Jiangsu Green Factory" Certificate

## Environmental Compliance Management

### Governance

The roles, responsibilities and authorities of all departments of the Company are specified in the functional allocation table of the *Management Manual Q/SHYA-2025-1* to plan, support, operate, perform performance evaluation and improve all elements of the environmental management system. *Management System Procedure Document Q/SHY B-2025-1* specifies the specific departmental responsibilities and working procedures for the operation of environmental management.

Based on the analysis of internal and external environment and integrated with green development policies and objectives, the Company defined its organizational structure, positions and responsibilities, and clarified the operation principles, processes and methods to achieve the goals. The Safety and Environment Committee of Haiyang Technology Co., Ltd. is directly led by the General Manager. The Safety, Environmental Protection and Security Department formulates the guidelines and policies for the green factory management system, maintains close contact with government agencies, employees, consumers, NGOs, and suppliers, and actively promotes the construction of green operations, green factories, green products, and a green ecosystem of Haiyang Technology Co., Ltd.

## Strategy

### Environmental Management Policy:

Comply with regulations, promote cleaner production, improve energy efficiency, protect the environment, prioritize prevention, involve all employees, and pursue continuous improvement.

### Environmental Management Policy Commitment:

- Complied with laws, regulations and other requirements related to environment and energy.
- Implemented clean production to reduce energy consumption at the source, promote circular economy and reduce pollutant emissions.
- Adopted new energy-saving technologies, processes, equipment and materials to reduce energy consumption and improve energy and resource utilization efficiency.
- Committed to responsibly managing natural resources such as water by implementing actions to reduce water consumption.
- Committed to maintaining and promoting local biodiversity through sustainable land management and conservation.
- Committed to reducing environmental harm by using alternative materials with lower hazard or toxicity.
- Committed to developing products that reduce harm to the local environment during use.
- Committed to reducing water pollution, ensuring industrial wastewater discharge meets national standards.
- Committed to reducing noise pollution, ensuring noise in industrial areas complies with the *Standard for Boundary Noise of Industrial Enterprises*.
- Committed to ensuring waste gas emissions meet national standards.
- Committed to realizing the recycling and comprehensive utilization of solid waste; Disposal of hazardous waste in accordance with regulations.

## Management

The environmental management system operates effectively. The environmental management systems of all four sites have passed third-party certification and obtained certificates, which can be verified on the website of the State Administration for Market Regulation. Total investment in environmental protection by Haiyang Technology in 2025 reached RMB 5.37 million. 217,958 tons of wastewater was treated and recycled.



## Key Performance

Total investment in environmental protection by Haiyang Technology in 2025 reached RMB **5.37** million.



Environmental Management System Certification Certificate of Haiyang Technology



Environmental Management System Certification Certificate of Haiyang Polyamide



Environmental Management System Certification Certificate of Tongxin Chemical Fiber



Environmental Management System Certification Certificate of Huaheng New Materials



### Key Initiatives for Pollution Prevention and Control of Major Pollutants

1. Haiyang Polyamide actively carried out advanced treatment of industrial wastewater, conducted daily sampling and testing, strengthened wastewater control in workshops, and enhanced employees' environmental protection awareness.
2. Haiyang Polyamide established an online waste gas monitoring platform, improved online testing equipment, gave full play to the emergency early warning role of automatic monitoring data, and enhanced the informatization and digitalization level of environmental management.
3. The Company strengthened the inspection of environmental protection facilities and strictly controlled the generation of particulate matter.
4. In strict accordance with the national pollutant discharge permit management requirements, the Company strictly implemented the self-monitoring plan for pollutant discharge, and invited qualified professional institutions to conduct quality monitoring on air pollutant discharge outlets every month to ensure stable and compliant discharge of air pollutants in the Haiyang Plant.
5. Throughout the year, the Company tested waste gas discharge outlets in accordance with the requirements of the pollutant discharge permit, and all emissions met the standards.
6. Haiyang Polyamide focused on source control and end-of-pipe treatment, strengthened the whole-process production management, reduced raw material consumption and total VOCs emissions. Waste gas treated by RTO incinerator achieves compliant discharge of VODC, SO<sub>2</sub> and NO<sub>x</sub>.
7. Tongxin Chemical Fiber optimized the plant's acoustic environment isolation system, improved noise attenuation efficiency by implementing the construction of factory boundary sound insulation walls and supporting noise reduction facilities renovation projects, effectively reduced the impact of production and operation on the surrounding acoustic environment, and ensured the continuous and stable compliance of factory boundary noise emissions.
8. To effectively prevent and control unexpected environmental incidents, minimize environmental hazards and casualties caused by such incidents, and ensure ecological environment safety and public health, the Company formulated an emergency drill plan for the Haiyang Plant, requiring emergency response plan drills for all posts and types of work. Organized emergency plan drills on safety, fire protection and environmental protection for employees of all workshops and departments of the Company, with 44 drills and 1,513 person-times participating.
9. The Company implemented strict whole-process closed-loop control of hazardous waste, and established a full-chain online declaration system of "generation - warehousing - delivery - entrusted disposal", realizing traceable circulation tracks and accountable responsibilities for hazardous waste. Meanwhile, established and improved the hazardous waste management ledger system, implemented parallel management of monthly, quarterly and annual electronic and paper ledgers, ensured the authenticity, accuracy and completeness of hazardous waste data, and met environmental supervision requirements.
10. The Company formulated a hazardous waste management system and relevant post operating procedures, and strictly implemented them to control the whole process of hazardous waste.
11. The Company carried out relevant knowledge training to enhance the environmental protection awareness of on-the-job employees, and conducted 2 training sessions on environmental protection knowledge concerning hazardous waste.

## Target



### Key Performance During the Reporting Period

- Total treated wastewater volume is **217,957.77** tons, and the discharge meets standards.
- Discharge of COD<sub>Cr</sub> in wastewater meets standards
- Discharge concentration of SS in wastewater meets standards
- Discharge concentration of petroleum substances in wastewater meets standards
- Discharge concentration of volatile phenol in wastewater meets standards
- Discharge concentration of total phosphorus in wastewater meets standards
- Discharge concentration of ammonia nitrogen in wastewater meets standards
- Discharge of pollutants such as ammonia, formaldehyde and non-methane hydrocarbons in waste gas meets standards
- Annual noise emissions at the plant boundary meet compliance standards.

Solid Waste Recycling Rate

**100%**

Hazardous Waste Disposal in Accordance with Regulations

**100%**

Occurrence of leakage pollution accidents

**0** cases

Unexpected Major Environmental Incidents

**0** cases

Received major administrative penalties from ecological and environmental authorities due to environmental incidents

**0** cases

# Green Factory

## Environmental Pollution Prevention and Control Facilities



A new on-line monitoring station for wastewater treatment was built by Haiyang Polyamide



A new RTO waste gas treatment device was built in the dipping workshop of Haiyang Polyamide



Waste gas collection devices were added to the wastewater pretreatment section of the dipping workshop to reduce fugitive waste gas emissions.



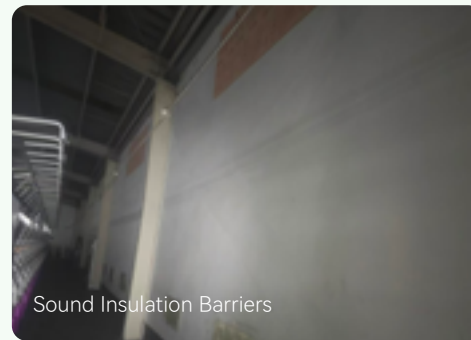
Tongxin Chemical Fiber installed sound insulation barriers on the north side of the intelligent workshop and built sound insulation walls on the north side of the three-strand workshop; the north windows of the north twisting workshop were closed and renovated, the window cavities were filled with sound insulation cotton, and the outer sides were sealed and reinforced with fire-resistant plates.



Spray dust removal facilities were added and bare soil was covered with dust screens at the construction site of Haiyang Polyamide



Testing is carried out by qualified third-party institutions



Sound Insulation Barriers

Tongxin Chemical Fiber installed sound insulation barriers on the north side of the intelligent workshop and built sound insulation walls on the north side of the three-strand workshop; the north windows of the north twisting workshop were closed and renovated, the window cavities were filled with sound insulation cotton, and the outer sides were sealed and reinforced with fire-resistant plates.

# Green Factory



Environmental Pollution Prevention and Control Facilities and Emergency Drills for Unexpected Environmental Events



The Safety, Environmental Protection and Security Department, Dipping Workshop, Mechanical Department, Enterprise Management Department and Storage and Transportation Department of the Company jointly carried out environmental emergency response plan drills with the Ecology and Environment Bureau of Hailing District and the Chengxi Sub-district Office of Hailing District.



Huaheng New Materials organized employees of workshop departments to carry out safety, fire protection and environmental protection drills



Huaheng New Materials is equipped with a spray adsorption waste gas treatment device



Wastewater Treatment Facilities of Haiyang Polyamide



Persisted in monthly online declaration of all hazardous waste items, and simultaneously established standardized and complete offline paper ledgers to ensure consistent online and offline data, verifiable ledgers and full traceability.



# | Water Resource Utilization

The water intake sources of Haiyang Technology Co., Ltd. are groundwater, tap water and steam. Tap water is supplied by Taizhou Water Supply Co., Ltd. through two pipelines with a pipe diameter of DN200 for the Company's production and domestic use; steam is supplied by Taizhou Meilan Thermal Power Co., Ltd. for the Company's production use. The Company has two groundwater extraction wells (Well No. 2 and Well No. 4) for production use. Well No. 2 is located at the Company's wastewater treatment room, and Well No. 4 is located at the Company's weaving workshop. 2# An electro-magnetic flow meter was installed on the water intake pipe of Well No. 2, and a mechanical water meter was installed on the water intake pipe of Well No. 4. Both wells have been connected to the Jiangsu Water Resources Information System. 217,958 tons of wastewater was treated and recycled.

## Strategy

**Adhered to the people-oriented principle, carried out company-wide water conservation activities and publicity.**

## Management



### Key Initiatives

1. The Company is equipped with complete wastewater treatment equipment for homogeneous treatment of production wastewater and domestic wastewater, and has a reclaimed water reuse unit to recycle part of the treated wastewater that meets standards for production.
2. The entire plant uses water-saving appliances to conserve water at the end of use; the Company is equipped with steam condensate recycling equipment to recover steam condensate for production in the polymerization workshop.
3. Huaheng New Materials replaced cooling water with circulating water, reducing water waste by 90%.
4. In 2023, the Company conducted water audit in accordance with the *General Principles of Water Audit in Enterprises* (GB/T 33231-2016), and the next audit is scheduled for 2026.
5. In accordance with the *Jiangsu Provincial Water Conservation Regulations*, a water balance test is conducted every three years. Haiyang Technology Co., Ltd. and Jiangsu Haiyang Polyamide New Materials Co., Ltd. entrusted a third party to complete the *Water Balance Test Report* in June 2023.
6. Rainwater is collected through the plant's rainwater pipeline network and discharged into the municipal rainwater pipeline network.
7. Haiyang Polyamide firmly implemented the enterprise's responsibility for soil pollution prevention and control, refined and improved the *Soil Pollution Hazard Investigation System*, conducted regular inspections of production sites to avoid soil and groundwater pollution incidents, and entrusted qualified third-party institutions to carry out self-monitoring of soil and groundwater.
8. It was awarded Jiangsu Water-saving Enterprise in accordance with the *Jiangsu Provincial Water-saving Enterprise Construction Standards* (2021 Revision) (S. S. J. [2021] No. 12).

## Compliance

The Company has complete water intake and drainage procedures. Water usage has not exceeded the plan in the past three years, water resources fees have been paid on time, and water balance tests have been carried out as required. The water conservation system is sound, water conservation management is in good condition, and water measuring instruments are fully equipped.

## Economic Efficiency

The Company does not use equipment explicitly eliminated by the state, and has implemented water-saving measures such as steam condensate recycling and wastewater recycling. The water quota meets the advanced standard requirements, and various water efficiency indicators such as industrial water reuse rate, indirect cooling water circulation rate and comprehensive water leakage rate meet the standards for water-saving enterprises.

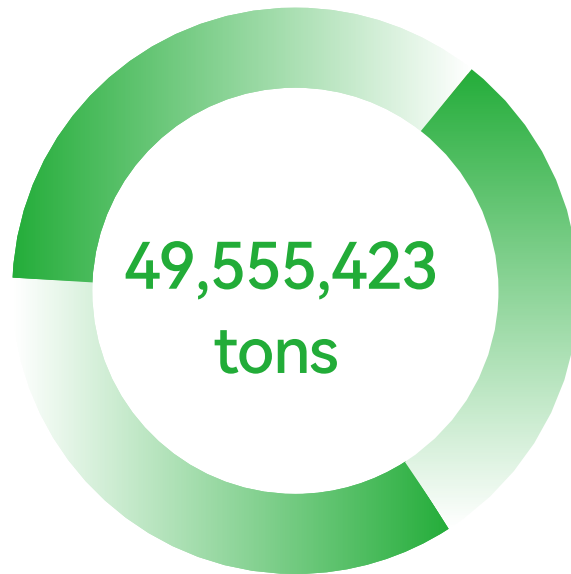
## Ecological and Environmental Impact

Part of the Company's production wastewater is recycled after treatment by the wastewater treatment station, and the rest is discharged into the municipal sewage pipeline network for centralized treatment; domestic wastewater is treated by the plant's wastewater treatment station to meet the connection standards, then discharged into the municipal sewage pipeline network for centralized treatment; rainwater is collected through the plant's rainwater pipeline network and discharged into the municipal rainwater pipeline network. The Company regularly entrusts third-party institutions to conduct wastewater testing. The groundwater in Hailing District, Taizhou City, where the Company is located, is not in the prohibited or restricted exploitation areas.

## Objective

Recycling and Reuse

Total Weight of Water Used



The Huaheng Plant replaced cooling water with circulating water, reducing water waste by 90%

## Biodiversity Conservation Initiatives

The production and operation facilities of Haiyang Technology Co., Ltd. and its subsidiaries are located in industrial parks or urbanized areas, where the direct impacts on ecosystems and biodiversity are minimal. Haiyang Technology has also issued a biodiversity conservation and management policy: Abide by laws and regulations, implement cleaner production, improve energy efficiency, protect the environment, put prevention first, encourage participation of all employees, and pursue continuous improvement. Haiyang Technology is committed to integrating the principles of the *UN Convention on Biological Diversity* and the *Kunming-Montreal Global Biodiversity Framework* into its corporate strategic planning and operational management, and proactively addressing biodiversity loss and land degradation.

Haiyang Technology continuously monitors the impacts of its operations on biodiversity and strictly complies with relevant laws and regulations such as the *Wildlife Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on Environmental Impact Assessment*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Air Pollution Prevention and Control Law of the People's Republic of China*, and the *Regulations of Jiangsu Province on Biodiversity Conservation*. All new projects must undergo environmental impact assessment, in which biodiversity impact assessment is an indispensable part. Ensuring the compliance of pollutant discharge (especially wastewater and chemicals) is the most basic requirement to prevent damage to surrounding ecosystems and protect biodiversity.

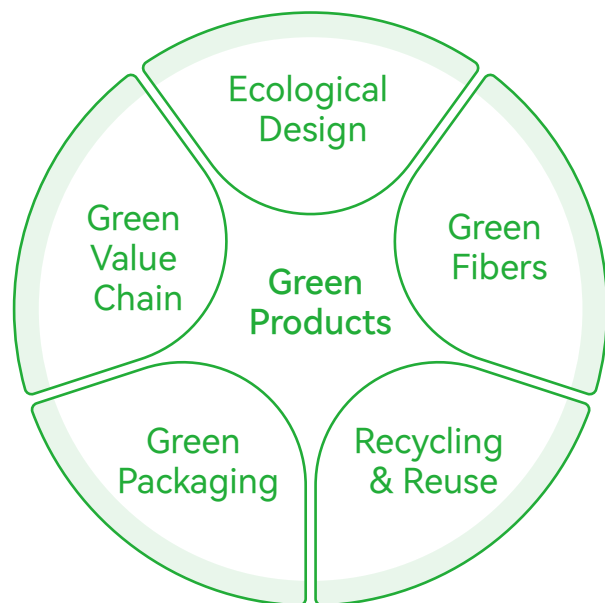


Jiangsu Water-saving Enterprise



Cofferdams were added to the tank farm of Haiyang Polyamide to reduce the risk of pollution caused by raw material leakage.

## Green Products



### Ecological Design

In accordance with the basic principles of *General Principle and Requirements of Eco-design for Products* (GB/T 24256-2009) and with reference to relevant national laws, regulations, standards and specifications on energy conservation, environmental protection, cleaner production and comprehensive utilization, the Company produced high-quality, high-performance, high-efficiency and high-environmental-protection products. At the same time, the Company integrated green ecological requirements throughout the entire design, R&D and production process, and initially established an ecological design technical system, laying a solid foundation for the full implementation of ecological design.

Through an integrated platform for ecological design and green manufacturing, the Company collected data from production design and supply chains, completed life cycle assessments of products, technologies and raw materials, and built an industry-representative ecological design information database, evaluation tools and platform. The Company adopted rational structural and functional design and selected green and environmentally friendly raw materials. For example, the dipping workshop has switched to green and environmentally friendly raw materials encouraged by the state, such as "R Resin".

### Green Fibers

On May 19, 2021, at the China Chemical Fiber Science and Technology Conference, the General Manager of the Company received the Green Fiber Certified Enterprise Certificate awarded by the China Chemical Fibers Association and the Green Fiber Product Certification Certificate from CTTC (China Textile Testing & Certification Group). This marks that Haiyang Technology's colored polyamide 6 industrial yarn meets the requirements set out in the group standard *Technical Requirements for Green Fiber Assessment of the China Chemical Fibers Association* and the *Implementation Rules for Green Fiber Certification* in terms of raw material procurement, production process, safety and environmental protection, and product quality. Since then, CTTC Testing & Certification Co., Ltd. has conducted annual supervision on the continuous compliance and effectiveness of Haiyang Technology Co., Ltd.'s green fiber certification to determine whether to maintain or renew the certification. The Company has achieved green sourcing, green production and green products, allowing consumers to truly enjoy a "green life starting from fibers". It works hand in hand with the China Chemical Fibers Association to promote the greening of the entire textile industry chain. Certification confirms that each ton of polyamide fabric produced from Haiyang's black chips reduces carbon emissions by **9%**, energy consumption by **7%** and water usage by **42%** compared with traditional dyed fabric.



### Product Recycling & Reuse

A pelletizing workshop was set up under the spinning workshop to produce recycled polyamide chips and other products. Polyamide waste yarn and polyamide waste blocks, as main raw materials, can be processed to meet original application requirements or reused for spinning.

The Company has obtained the Global Recycled Standard (GRS) certificate. GRS is an international, voluntary product standard that sets third-party certification requirements for recycled content in products, supply chain oversight, social and environmental practices, and chemical restrictions. GRS certification ensures that the recycled content of products is no less than **20%** and establishes a traceable green supply chain.



# Resource Utilization and Circular Economy

## Governance

The Company designated the competent department for resource utilization and circular economy management, and formulated internal systems covering water resource management, raw material consumption reduction, chemical use and waste management. Integrated resource conservation and recycling into performance appraisal or internal control system. It also clarified the approval process, monitoring mechanism and feedback mechanism for resource use. Conducted training for employees on energy conservation, consumption reduction and resource recycling; advocated cultural concepts such as green office and green production.

## Strategy

The Company takes efficient resource utilization and circular economy as an important part of its sustainable development strategy; specific goals and plans for achieving circular economy have been formulated for each individual item. Adopted response strategies to reduce resource dependence and usage intensity through technological innovation, process optimization and other means.

## Management



### Key Initiatives

- Haiyang (North Plant) and Tongxin Chemical Fiber took the lead in negotiating with workshops and sales departments to recycle paper tubes, packaging materials, wooden pallets and other items for purchased yarns, further reducing the consumption of packaging materials such as paper tubes. Except for plywood pallets, all other civilian yarns use recycled polyester yarn pallets.
- Haiyang Polyamide recycled shells, wooden pallets and molded pallets to reduce the cost of packaging materials.
- Huaheng New Materials introduced an intelligent control system for twin-screw extruders, which reduced raw material feeding deviations through online viscosity monitoring and formula optimization; a closed-loop material conveying system was adopted to prevent material spillage and waste; the drying process was optimized to reduce energy consumption and raw material loss.

## Objective



### Key Performance

- Haiyang (North Plant) and Tongxin Chemical Fiber used approximately **55,00** tons of purchased yarns and sold **144,00** tons of civilian yarns throughout the year. With **70%** of recycled materials used, the cost of packaging materials was reduced by about RMB **2.06** million this year alone, basically flat with **2024**. We coordinated with the two spinning workshops to continue outsourcing and reusing waste polyester yarn paper tubes. Throughout the year, a total of **1.885** million paper tubes were outsourced, processed and replaced at the two plants, saving RMB **3.5** million in costs. The total annual savings from the above measures amounted to RMB **5.56** million.
- Haiyang Polyamide recycled **38,359** shells, **1,287** wooden pallets and **9,696** molded pallets throughout the year.
- The Huaheng Plant introduced an intelligent control system for twin-screw extruders. Through on-line viscosity monitoring and formula optimization, the raw material loss rate was reduced from **3%** to **1.5%**, the energy consumption per unit product was reduced by **12%**, the production efficiency was improved by **10%**, and the raw material cost was saved by about RMB **80,000** per month.

Cases

## Recycling & Reuse

During the reporting period, the total weight of recycled and reused water reached 49,555,423 tons. The total amount of recycled feedstock used was 2159 tons, accounting for 0.58% of all feedstock consumed.

Haiyang (North Plant) and Tongxin Chemical Fiber mainly use used paper tubes for industrial yarn production and recycled packaging materials for packaging.



Cases

## Green Packaging

The Company extensively promoted the use of tank trucks and container sea bags for product transportation to reduce the use of packaging bags; reusable bags were adopted for all internal turnover; pipeline transportation was increased for direct delivery; raw material packaging drums were directly reused as product packaging drums. These measures greatly reduced the consumption of packaging materials and thereby minimized environmental impacts.

Transporting products with container sea bags to reduce the use of packaging bags



Cases

## Product Recycling & Reuse

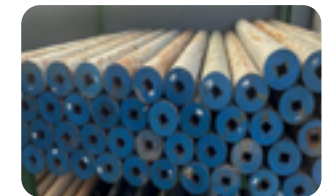
A pelletizing workshop was set up under the spinning workshop to produce recycled polyamide chips and other products. Polyamide waste yarn and polyamide waste blocks, as main raw materials, can be processed to meet original application requirements or reused for spinning. The Company has obtained the Global Recycled Standard (GRS) certificate. GRS is an international, voluntary product standard that sets third-party certification requirements for recycled content in products, supply chain oversight, social and environmental practices, and chemical restrictions. GRS certification ensures that the recycled content of products is no less than 20% and establishes a traceable green supply chain.



Global Recycled Standard (GRS) Certificate of Haiyang Technology Co., Ltd.



Global Recycled Standard (GRS) Certificate of Jiangsu Huaheng New Materials Co., Ltd.



Recycled shells are mainly used in tire cord fabric production, and recycled wooden pallets or molded pallets are mainly used in chip production.



Intelligent control system for twin-screw extruders reduced the raw material loss rate from 3% to 1.5%.

## Product Use

### Strategy

The Company commits to effectively managing the environmental impacts caused by product use. The Company will gradually reduce the environmental impacts caused by customers' direct use of products every year.

### Management



#### Key Initiatives

1. Greenhouse Gas Inventory Report of Haiyang Technology Co., Ltd.
2. Greenhouse Gas Inventory List of Haiyang Technology Co., Ltd.
3. Carbon Verification Audit Report of Haiyang Technology Co., Ltd.
4. Product Carbon Footprint Certification of PA6 In-situ Fiber-reinforced Modified Chips
5. Product Carbon Footprint Certification of Polyamide 66 Dipped Tire Cord Fabric
6. Product Carbon Footprint Certification of Polyester Dipped Tire Cord Fabric
7. Organizational Carbon Verification Statement of Haiyang Technology Co., Ltd.
8. The polyamide modification workshop used recycled materials instead of traditional virgin materials, reducing the product carbon footprint by 25% compared with traditional products, and obtained the green supply chain certification from automotive OEMs.
9. Completely eliminated halogen-containing flame retardants and adopted halogen-free flame retardant modification technology
10. Establish the *Quality Supervision and Management System*
11. Commitment to short-term targets of SBTi Science-Based Targets



Product Carbon Footprint Certification Certificate of PA6 In-situ Fiber-reinforced Modified Chips



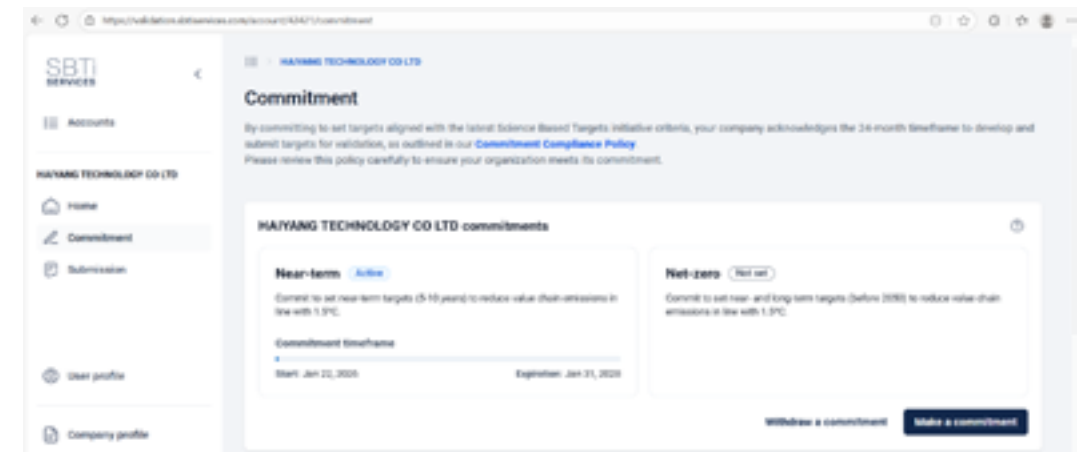
Product Carbon Footprint Certification Certificate of Polyamide 66 Dipped Tire Cord Fabric



Product Carbon Footprint Certification Certificate of Polyester Dipped Tire Cord Fabric



Organizational Carbon Verification Statement of Haiyang Technology Co., Ltd.



Screenshot from the official website showing commitment to short-term targets of SBTi Science-Based Targets

### Objective

The Company commits to optimizing the recycling and reuse of products after use. Based on 2025, the product recovery rate will be increased by 0.5% by 2035.

## End of Product Life Cycle

### Strategy

The Company commits to effectively managing the environmental impacts caused by products at the end of their life cycle. The Company will gradually reduce the environmental impacts generated at the end of product life cycle every year (such as hazardous waste, general waste, emissions, microplastic pollution, etc.).

### Management



#### key action

1. Join hands with the China Chemical Fibers Association to jointly promote the greening process of the entire textile industry chain. Certified data shows that each ton of polyamide fabric produced from Haiyang's black chips reduces carbon emissions by 9%, energy consumption by 7% and water usage by 42% compared with traditional dyed fabric.
2. Release of MSDS Report of Polyamide 6 Tire Cord Fabric
3. REACH Test of Polyamide 6 Tire Cord Fabric
4. ROHS Test of Polyamide 6 Tire Cord Fabric
5. Issuance of MSDS for PA6 Chips
6. REACH Testing of PA6 Chips
7. RoHS Testing of PA6 Chips
8. Product Ecological Design Plan
9. Established the *Environmental Hazardous Substances Management System QSHY B-05-01-11*
10. Agreement with customers on product return and recycling at the end-of-life cycle
11. The Huaheng Plant adopted lightweight PE bags, reducing the thickness of packaging bags from 0.12mm to 0.08mm.



MSDS Report of Polyamide 6 Tire Cord Fabric



RoHS Report of Polyamide 6 Tire Cord Fabric



REACH Test Report of Polyamide 6 Tire Cord Fabric



Green Fiber Certification Certificate



Single-material packaging is adopted to facilitate recycling

## Objective

The Company commits to optimizing the recycling and reuse of products after use. Based on 2025, the product recovery rate will be increased by 0.5% by 2035.

# Consumer health and safety Energy Utilization

## Strategy

The Company commits to effectively managing consumer health and safety. The Company will gradually reduce the health and safety impacts of products and services on customers or

## Management



### Key Initiatives

1. Issuance of MSDS for PA6 chips
2. Release of MSDS Report of Polyamide 6 Tire Cord Fabric
3. REACH Test of Polyamide 6 Tire Cord Fabric
4. ROHS Test of Polyamide 6 Tire Cord Fabric
5. Issuance of the enterprise standard for polyamide 6 dipped tire cord fabric

## Objective

The Company commits to launching products safe for consumers. By 2030, zero product recalls or zero safety incidents will be achieved every year.

## Strategy

**Energy Policy:** Comply with regulations, promote cleaner production, improve energy efficiency, protect the environment, prioritize prevention, involve all employees strategically, and pursue continuous improvement.

### Policy Commitments

- Complied with laws, regulations and other requirements related to environment and energy.
- Implemented clean production to reduce energy consumption at the source, promote circular economy and reduce pollutant emissions.
- Adopted new energy-saving technologies, processes, equipment and materials to reduce energy consumption and improve energy and resource utilization efficiency.
- Committed to responsibly managing natural resources such as water by implementing actions to reduce water consumption.

## Management

The Company has passed the third-party energy management system certification for the second cycle. Coverage Scope: Energy management involved in the production systems, auxiliary production systems and ancillary production systems related to the production of dipped tire cord fabric, polyamide 6 chips and polyamide yarns at the following addresses: No. 122 Haiyang West Road, Hailing District, Taizhou City, Jiangsu Province; No. 2 Chuanghui Road, Taizhou Pharmaceutical High-tech Zone, Jiangsu Province; No. 2 Xinggong Road, Hailing Industrial Park, Taizhou City, Jiangsu Province. During the 2025 National Energy Conservation Publicity Week, the Company held a company-wide training session on energy conservation, efficiency improvement and green development on June 23, 2025.



Energy Management System Certification Certificate of Haiyang Plant



Energy Management System Certification Certificate of Polyamide Plant



Energy Management System Certification Certificate of Tongxin Plant



On-site Training on Energy Management System

## Objective



### Key Performance - Energy Consumption Per Unit Output of Products

1. Polyamide 6 civilian chips meet Level 1 of the energy consumption quota in GB 36889-2025 ( $\leq 100$  kgce/t)
2. Polyamide 6 industrial chips meet Level 1 of the energy consumption quota in GB 36889-2025 ( $\leq 130$  kgce/t)
3. Polyamide 6 industrial filaments meet Level 1 of the energy consumption quota in GB 36889-2025 ( $\leq 160$  kgce/t)
4. Polyamide 6 twisting and weaving meets Level 1 of the energy consumption quota in T/CRIA 26006-2025 ( $\leq 160$  kgce/t)
5. Polyamide 66 twisting and weaving meets Level 1 of the energy consumption quota in T/CRIA 26008-2025 ( $\leq 160$  kgce/t)
6. Polyester twisting and weaving meets Level 1 of the energy consumption quota in T/CRIA 26007-2025 ( $\leq 160$  kgce/t)
7. Polyamide 6 dipped tire cord fabric meets Level 1 of the energy consumption quota in T/CRIA 26006-2025 ( $\leq 150$  kgce/t)
8. Polyamide 66 dipped tire cord fabric meets Level 1 of the energy consumption quota in T/CRIA 26008-2025 ( $\leq 160$  kgce)
9. Polyester dipped tire cord fabric meets Level 1 of the energy consumption quota in T/CRIA 26007-2025 ( $\leq 210$  kgce/t)

**Cases**

### Energy Management System

The Company has upgraded its energy management platform to realize remote data collection and real-time monitoring. It has improved pipelines and installed additional energy management systems to enhance data collection and analysis capabilities. This initiative effectively elevates the level of energy management, supports the refined metering management of energy such as steam, water and electricity, reduces energy consumption and equipment failure rates, and cuts down maintenance workload.


**Cases**

### Energy-saving and Group Control Renovation Plan for Chiller Units

The existing 5 chiller units and supporting facilities of Jiangsu Haiyang Polyamide New Materials Co., Ltd. adopt fixed-frequency control or manual adjustment. This technical transformation has realized load-adaptive frequency modulation. A new group control system was added to integrate equipment management, automatically adjust operating parameters, and realize energy consumption monitoring, fault alarm and unattended operation. It saved 19% of electricity annually compared with the previous model, optimizing energy utilization efficiency. In addition, it reduced manual intervention, realized fully automatic unattended management, and improved system operation stability and intelligence.

**Cases**

### Research on Energy Conservation through Steam Recompression Concentration Technology

With an investment of over RMB 18 million in polymerization production, the Company has carried out technical transformation on the monomer recovery process by adopting technologies such as steam compression concentration, high-efficiency falling film evaporation and tail gas recycling, realizing thermal energy recycling and greatly reducing steam consumption compared with traditional production methods.

**Cases**

### Energy-saving and Noise-reduction Equipment Upgrading at Huaheng New Materials

Huaheng New Materials Co., Ltd. invested RMB 4.5 million to upgrade extrusion equipment by adopting technologies such as permanent magnet synchronous water-cooled motors. The energy efficiency of water-cooled units was about 23% higher than that of traditional air-cooled units, saving 7.1% of power consumption. It is expected to save more than RMB 610,000 in production electricity costs per year, and effectively reduce equipment operation noise.


**Cases**

### Promoting Intelligent and Informatized Operation, Implementing Energy-saving Renovation to Reduce Energy Consumption

The Company promoted the intelligent and digital operation of spinning, twisting, weaving and dipping production at Tongxin Chemical Fiber, Haiyang Polyamide and Huaheng New Materials, as well as energy-saving renovation of production equipment. It implemented group control of chiller units and optimized joint control of air compression systems, realized waste heat recovery and utilization, established an energy management and control platform, and realized intelligent monitoring of equipment energy consumption with real-time large-screen display. Energy consumption was reduced by 7.81% year-on-year.

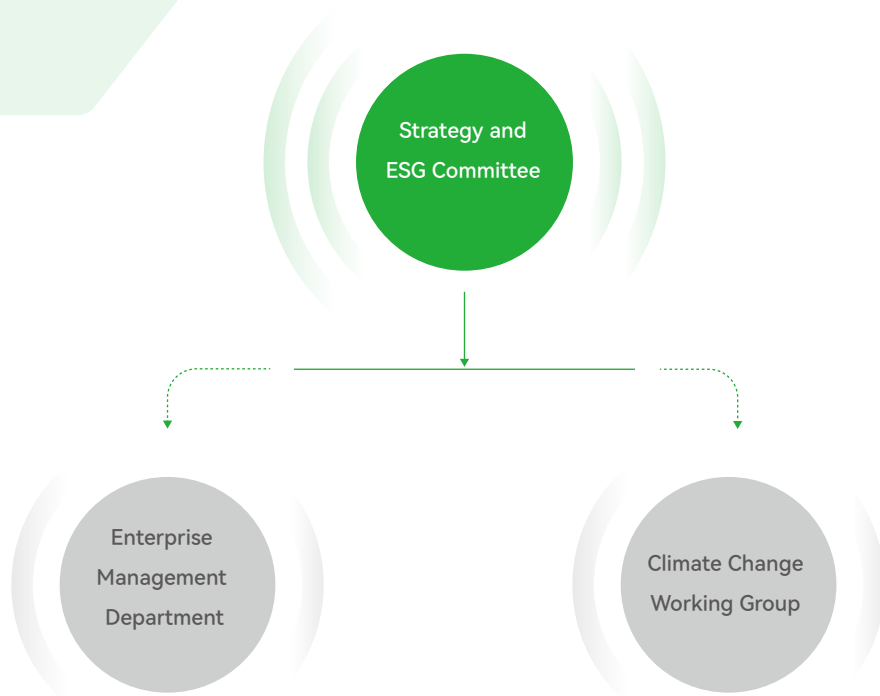
**Cases**

### Research and Application of Energy-saving Technologies for Dipping Machine Burners

The dipping machine burners featured outdated technology, aging equipment, high energy consumption and frequent failures. The original system could not precisely adjust combustion efficiency, resulting in high energy consumption, heavy maintenance workload and high maintenance costs. The technical transformation replaced the aging burners, renovated the air supply system and the Distributed Control System (DCS), and improved control accuracy. After the renovation, the DCS system capacity was expanded with reserved interfaces for intelligent control, optimizing the linkage between burners and auxiliary equipment. Combustion efficiency was improved, gas consumption dropped significantly, maintenance costs were greatly reduced, and equipment operation stability was enhanced.

## Addressing Climate Change

### Governance



#### Strategy and ESG Committee

Oversight  
Role

- Guide, formulate and approve the Company's climate-related vision, goals, strategies, roadmaps and governance structure; identify major climate risks and opportunities;
- Track and supervise the implementation and achievement of climate-related goals.

#### Enterprise Management Department

Management  
Role

- Manage and monitor climate change risks and opportunities;
- Coordinate cross-departmental allocation of carbon reduction resources;
- Communicate with stakeholders and provide insights and suggestions for the identification of climate risks and opportunities, and the formulation of climate-related strategies;
- Establish a climate performance KPI assessment system and conduct annual reviews of goal achievement.

#### Climate Change Working Group

Implementation  
Role

- Implement energy use and carbon emission reduction targets at the operational and product levels;
- Implement climate change-related incentive policies and internal capacity building;
- Propose and implement innovative operations and practices on climate change-related issues.

## Strategy

### Strategy

#### Exploring New Models for Energy-saving and Low-carbon Transformation

Comprehensively promote photovoltaic power generation and increase green electricity procurement; further advance energy conservation and carbon reduction focusing on carbon sources; improve the energy utilization efficiency of production equipment to achieve low-carbon energy use.

### Strategy 2

#### Sustainable Development of the Value Chain

Seek to deepen communication with customers, suppliers and other partners to jointly promote carbon reduction in the industrial chain, strengthen relations with suppliers and business partners across the entire value chain, and collaboratively build sustainable relationships and networks.

## Management

The Company conducted identification and assessment of climate-related risks and opportunities by referring to the classification and definition provisions in IFRS S2 Climate-related Disclosures (*International Financial Reporting Standards Sustainability Disclosure Standard 2 - Climate-related Disclosures*), and integrating its own business characteristics and market environment. It determined material topics through supplier interviews, customer demand analysis and industry benchmarking, evaluated and ranks the importance of climate-related risks and opportunities from the two dimensions of likelihood and impact, and finally identified 3 material risks and 2 material opportunities.



### Climate-related Risks

Risk Type	Climate-related Risks	Risk Description	Potential Financial Impact	Response Measures
Transition Risks	Policy and Regulatory Risks	As policies require enterprises to use clean energy, the initial procurement cost of green electricity is usually higher than that of conventional power, which may drive up the Company's overall operating costs.	Stricter and more transparent disclosure requirements on corporate carbon emissions, emission reduction targets, measures and performance have led to an increase in operating costs.	Stricter and more transparent disclosure requirements on corporate carbon emissions, emission reduction targets, measures and performance have led to an increase in operating costs.
Transition Risks	Market Risks	Market demand shifts toward low-carbon products; price fluctuations of raw materials and energy.	Changes in customer procurement demand led to a decline in demand for traditional goods and services, and failure to meet customers' low-carbon procurement demand resulted in a certain loss of market share.	Changes in customer procurement demand led to a decline in demand for traditional goods and services, and failure to meet customers' low-carbon procurement demand resulted in a certain loss of market share. The rise in prices of raw materials and energy led to an increase in production and operation costs.
Physical Risks	Acute Risks	The increasing frequency of extreme weather events (such as high temperatures, rainstorms or floods) may damage the Company's production facilities and supply chain, causing production halts, delivery delays and extra repair expenses.	Asset damage caused by equipment maintenance, production suspension and other situations resulted in direct economic losses. The interruption of raw material supply caused production delays and corresponding costs.	Asset damage caused by equipment maintenance, production suspension and other situations resulted in direct economic losses. The interruption of raw material supply caused production delays and corresponding costs.



### Climate-related Opportunities

Risk Type	Climate-related Opportunities	Opportunity Description	Potential Financial Impact	Response Measures
Transition Risks	Policy and Regulatory Opportunities	Opportunities from green finance and policy incentives of provincial and municipal governments, green loans supporting technical transformation, and national goals of ecological coordination and carbon peaking.	Lower financing costs for green bonds. Operating revenue: Increased revenue from related products within five years.	Continuously improve the sustainability management system, and actively link sustainable development KPIs with financing projects.
	Market Opportunities	The Company proactively explored technological upgrades of its management system and seized market demand for low-carbon/zero-carbon products, which helped enhance market competitiveness through innovative technologies.	Recycled materials cost less than virgin materials, and third-party low-carbon and zero-carbon certification and publicity create environmental brand premiums. Production costs: Increased R&D investment within three years.	Actively implement the national strategy of vigorously developing the circular economy, and actively promote third-party certified low-carbon products.

## Greenhouse Gas Emissions

The verified total organizational greenhouse gas emissions were **4,393,570** tons of carbon dioxide equivalent (tCO<sub>2</sub>e) during the reporting period from January 1, 2025 to December 31, 2025. The categories are sectioned as follows. It covers four production bases: No. 122 Haiyang West Road, Taizhou City, Jiangsu Province; No. 2 Chuanghui Road, Taizhou Medical High-tech Zone, Jiangsu Province; No. 2 Xingong Road, Hailing District, Taizhou City, Jiangsu Province; and No. 3 Fanrong Road, Ancun Village, Dinggou Town, Jiangdu District, Yangzhou City, Jiangsu Province.



Greenhouse Gas Emission Verification Statement

The Company has constructed and installed a distributed photovoltaic (PV) power generation project in the plant. According to metering, a total of **1,947,646** kWh of photovoltaic power was used from January 1, 2025 (start of PV application) to December 31, 2025.



Distributed Rooftop Photovoltaic Power Stations



Greenhouse Gas Categories	Greenhouse Gas Emissions	Unit
Scope 1: Direct Greenhouse Gas Emissions	21,340.69	tCO <sub>2</sub> e
Scope 2: Indirect Energy GHG Emissions	226,576.66	tCO <sub>2</sub> e
Scope 3: Other Indirect Greenhouse Gas Emissions	4,145,652.49	tCO <sub>2</sub> e

Haiyang Technology is committed to reducing product carbon footprints, including emissions generated during the extraction and processing of raw and auxiliary materials, transportation of raw and auxiliary materials, product production, and downstream transportation. Product carbon footprint certification has been completed for PA6 in-situ fiber-reinforced modified chips, polyamide 6, polyamide 66, polyester dipped tire cord fabric and other products.



Product Carbon Footprint Certification Certificate of Polyester Dipped Tire Cord Fabric

## Target

### Near-term Target

Near-term Target: By 2030, total Scope 1 and Scope 2 CO<sub>2</sub> emissions per RMB 10,000 of output value will decrease by 10% compared with 2025, and total Scope 3 CO<sub>2</sub> emissions per RMB 10,000 of output value will decrease by 5% compared with 2025.

### Medium-term Target

Medium-term Target: By 2040, through measures such as promoting the use of clean energy, improving energy efficiency through centralized equipment control, researching and applying advanced energy-saving technologies, and developing low-carbon materials, achieve the medium-term target of reducing total Scope 1 and Scope 2 CO<sub>2</sub> emissions per RMB 10,000 of output value by 25% compared with 2025, and reducing total Scope 3 CO<sub>2</sub> emissions per RMB 10,000 of output value by 15% compared with 2025.

### Long-term Target

Long-term Target: By 2060, through measures such as expanding the use of clean energy, researching and applying low-carbon product technologies, upgrading and optimizing energy technologies, and supporting and cooperating with suppliers in low-carbon transformation, achieve the long-term target of reducing total Scope 1 and Scope 2 CO<sub>2</sub> emissions per RMB 10,000 of output value by 40% compared with 2025, and reducing total Scope 3 CO<sub>2</sub> emissions per RMB 10,000 of output value by 35% compared with 2025. Improved the regulation and control of total energy consumption and intensity, and gradually shifted to a dual control system of total carbon emissions and intensity.

#### Cases

### Expanding Photovoltaic Power and Green Electricity Use to Reduce Carbon Dioxide Emissions

All factory lighting has been replaced with LED energy-saving lamps and solar lamps, adopting the model of "self-consumption of on-site power generation, with surplus power connected to the grid". The Tongxin and Polyamide factory areas have built 1.9MW photovoltaic power stations on roofs and buildings, with 6MW under construction, generating 9.48 million kWh of electricity annually. The Company plans to achieve full roof photovoltaic coverage by 2028. At the same time, it is negotiating green electricity procurement to reduce carbon dioxide emissions.

#### Cases

### Promoting Material Carbon Reduction, Improving Process Flow and Reducing Energy Consumption

The Company promoted carbon reduction among upstream suppliers and researched the use of bio-based raw materials. It implemented physical recycling of PA6 waste, researched PA6-CPL depolymerization regeneration technology, and reduced carbon dioxide emissions from material use.

Carrying out New Product R&D and Improving Process Flow. The developed in-situ direct fiber-filled polyamide 6 chips integrate Haiyang polyamide polymerization and engineering modification, featuring unique advantages of no drying required and low VOC, filling some gaps in existing technologies. According to third-party carbon footprint certification, the carbon emission per ton of product is 5.86 tCO<sub>2</sub>e, greatly reducing carbon dioxide emissions.



# 06

## Diversity, Inclusion & Harmonious Development

Our Goals and Actions:

- ◆ Employee Rights and Interests 51
- ◆ Recruitment and Retention 54
- ◆ Talent Development 57
- ◆ Employee Relations 60
- ◆ Employee Health and Safety 62
- ◆ Social Contribution 66

SDGs Corresponding to This Chapter



# Employee Rights and Interests

In addition to complying with domestic labor laws and regulations, Haiyang Technology respects relevant international frameworks, principles and guidelines, including the principles of the UN Global Compact, the *UN Guiding Principles on Business and Human Rights*, and the *UN Sustainable Development Goals* (UN SDGs). The Company commits to the ten principles of the UN Global Compact (covering human rights, labor, environment and anti-corruption) and deeply integrates them into its corporate development and operation strategies for responsible business conduct. The Company treats and respects all colleagues with justice and fairness, and prohibits any act that infringes or violates human rights. It provides a reasonable and safe workplace, and ensures that active employees are treated with reasonableness and dignity. No complaints of gender discrimination or incidents involving human rights and regulatory violations in breach of labor laws occurred at the Company in 2025.



Screenshot of the company's participation in the Ten Principles of the UN Global Compact

## Strategy and Management

### Focused Human Rights Policies and Actions

#### ★ Diversity and Equal Opportunities

##### Policy Commitments

- Prohibit discrimination based on race, religion, gender, age, marital status, disability or any other factor in staff recruitment, employment, promotion, salary, rewards and benefits, to ensure equal employment opportunities.
- Except for special job restrictions, commit to no differential treatment in employing employees with disabilities on the aforementioned grounds.
- In personnel management, uphold the principle of "appointing people on merit and placing the right person in the right position".

##### Measures & Actions

- Establish and implement the *Provisions on Anti-discrimination in Employment and Occupation*, the *Human Resources Management System* and the *Employee Handbook*.
- Review the working environment and rules and regulations at any time in line with changes in government decrees and the social environment.
- If any violation of the policies is verified, take necessary improvement measures with the supervisors and restore the employees' due rights.
- Provide post skill training for employees with disabilities, and ensure the same career development paths and promotion channels for them as for other employees.

#### ★ Prohibition of Child Labor

##### Policy Commitments

- Comply with the local legal minimum working age limit and refrain from employing child labor.

##### Measures & Actions

- Establish and implement the *Provisions on Prohibition of Child Labor and Child Labor Remediation Policy*, the *Human Resources Management System* and the *Employee Handbook*.
- No interview shall be arranged for applicants under the age of 16 identified in the employment application form.
- Newly recruited employees must submit relevant identity documents on the reporting date, and shall only be employed upon confirmation of being at least 16 years old.
- Regularly review government decrees to ensure compliance with corporate social responsibility and ethical norms.

## ★ Prohibition of Forced and Compulsory Labor

### Policy Commitments

- The Company recruits employees on a voluntary basis, and strictly prohibits the use of forced, bonded, indentured or involuntary employees.
- The Company respects employees' freedom and prohibits all forms of forced overtime.
- The Company does not charge any referral fees, deposits or other fees in the employee recruitment process, nor does it detain employees' identity cards, certificates or other legal documents.
- The Company pays employees' wages monthly, on time and in full.

### Measures & Actions

- Establish and implement the *Provisions on Anti-Forced Labor*, the *Human Resources Management System*, the *Employee Handbook*, the *Company Performance Assessment Measures* and the *Employee Grievance Handling System*.
- Supervise that all procedures during employment comply with government decrees and customer requirements.

## ★ Reasonable Working Hours

### Policy Commitments

- To ensure employees' work-life balance, daily, weekly and monthly working hours comply with laws and regulations, and a leave system superior to the Labor Law is provided.

### Measures & Actions

- Establish and implement the *Human Resources Management System* and the *Employee Handbook*.
- Adopt an attendance management system that proactively alerts employees to abnormal working hours.

## ★ Compliance with Basic Remuneration

### Policy Commitments

- To ensure employees' economic well-being, the salaries of all employees comply with and exceed the local legal minimum wage standard and international living wage standards, and social insurance is handled in accordance with regulations.
- Provide group insurance, relevant benefits and bonus schemes beyond legal requirements.

### Policy Commitments

- Establish and implement the *Human Resources Management System*, the *Employee Handbook* and the *Company Performance Assessment Measures*.

## ★ Freedom of Association

### Policy Commitments

- Establish stable and harmonious labor relations and protect the legitimate rights and interests of both laborers and the employer.

### Measures & Actions

- Establish the Trade Union Committee of Haiyang Technology Co., Ltd., and elect employee representatives in accordance with the law to safeguard employees' rights and interests.
- Regularly held trade union meetings, and notified employees and their representatives at least four weeks in advance before implementing major operational changes that may have a significant impact on them. It signed the *Collective Contract*, the *Special Collective Contract on Wages*, the *Special Collective Contract on the Protection of Female Employees' Rights and Interests* and the *Special Agreement on Labor Safety and Health with the Company* on behalf of employees. Encourage employees to join the trade union, participate in legitimate leisure activities, and organize employee welfare activities to promote communication among colleagues and enhance physical and mental health. The Company provides funding and venue support for activities held by the Trade Union Committee.

## ★ Safe and Healthy Workplace

### Policy Commitments

- Establish and continuously improve the occupational health and safety management system; adhere to a people-oriented approach, fulfill social responsibilities, and achieve sustainable development. Formulate the *Hazard Identification and Assessment Control Procedure*, the *Safety Management System for Hazardous Chemicals*, the *Occupational Health Management System*, the *Emergency Response Plan for Production Safety Accidents*, the *Compliance Evaluation Procedure*, the *Internal Audit Procedure* and other documents.

### Measures & Actions

- Conduct staff training, workplace inspections and internal/external audits in accordance with government decrees. For details, refer to the "Implementation Content" section of the Occupational Health and Safety chapter.

## Objective

### Key Performance

#### Diversity and Equal Opportunities

Percentage of employees receiving diversity, equity & inclusion training: **100%**  
 Number of discrimination or harassment incidents: **0**  
 Percentage of employees participating in anti-discrimination and anti-harassment training: **100%**

#### Prohibition of Child Labor

Number of child labor and forced labor incidents: **0**  
 Number of child labor, forced labor and discrimination incidents involving service contractors: **0**

#### Prohibition of Forced and Compulsory Labor

Forced labor incidents: **0**  
 Number of forced labor and discrimination incidents involving service contractors: **0**

#### Reasonable Working Hours

Monthly overtime hours in compliance with the *Labor Law*;  
 Weekly working hours in compliance with customer requirements.

#### Compliance with Basic Remuneration

On-time Salary Payment Rate: **100%**  
 Percentage of direct employees covered by the living wage benchmark analysis: **100%**

#### Freedom of Association

Percentage of employees covered by collective bargaining agreements: **100%**

#### Safe and Healthy Workplace

**0** fire accidents and **0** fatal accidents  
 In accordance with GBZ 2.1-2019, the qualified rate of occupational hazard detection is **100%**  
**0** acute poisoning accidents

# Recruitment and Retention

## Strategy

Provide competitive compensation and benefits to attract and retain key talents

## Management

Employees of Haiyang Technology Co., Ltd. uphold the values of dedication, innovation, efficiency and mutual success. The mission of Haiyang Technology Co., Ltd. is: Delivering Value to Customers, Bringing Benefits to Employees, Contributing to Society. The corporate culture encourages employees and customers to jointly create a bright future of technology, helps employees realize self-worth and pursue career development at work. We build a healthy and positive working environment and offer competitive compensation and benefits to attract and retain key talents.

Haiyang Technology provides equal employment opportunities, prohibits discrimination, does not hire child labor or forced labor, all of which are deeply embedded in the corporate culture and fully implemented. Every employee enjoys equal opportunities for employment and promotion, and all forms of discrimination and harassment are strictly prohibited. In terms of anti-discrimination practices, the recruitment, task assignment and promotion of all employees are based solely on personal competence and qualifications, without any distinction or influence from race, class, language, ideology, religion, political affiliation, ancestral home, place of birth, gender, sexual orientation, age, marital status, physical appearance, disability, constellation or blood type. All recruitment brochures and postings carry no gender, age or other restrictive requirements. Suitable positions are arranged for interview and employment based on each applicant's qualifications.



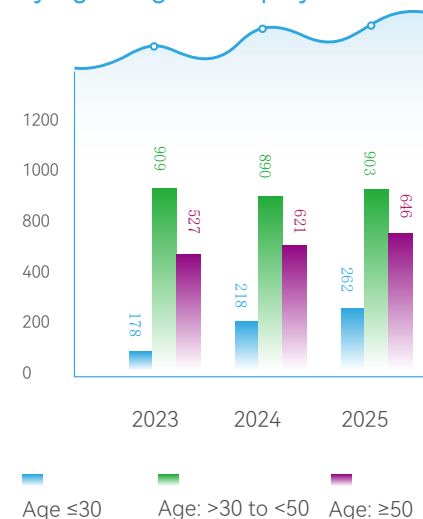
Employees Hired (by Gender)	2023	2024	2025
Number of male employees	942	1034	1122
Number of female employees	672	695	689
Proportion of male employees	54.70	57.76	60.19
Proportion of female employees	39.03	38.83	36.96

Labor Dispatched Employees (by Gender)	2023	2024	2025
Number of male employees	11	5	18
Number of female employees	97	56	35
Proportion of male employees	0.64	0.28	0.97
Proportion of female employees	5.63	3.13	1.88

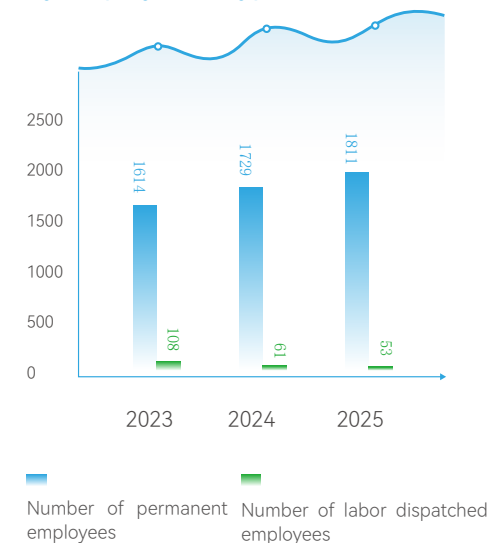
  

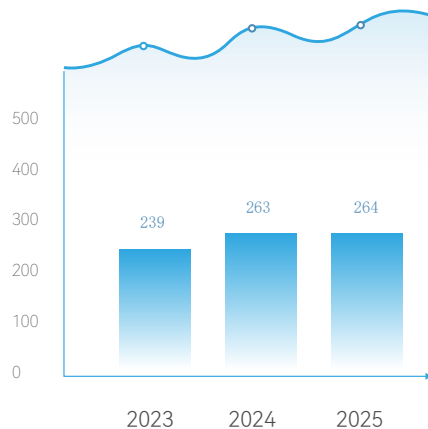
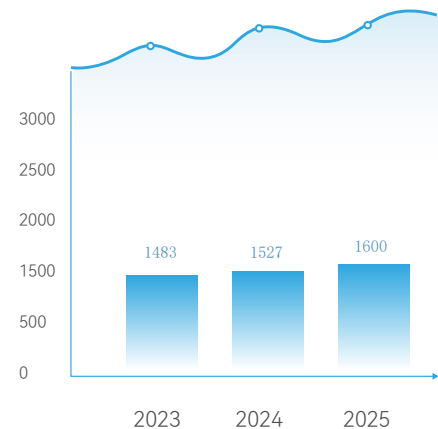
Senior Management (by Gender)	2023	2024	2025
Number of male employees	7	7	6
Number of female employees	2	2	2
Proportion of male employees	77.78	77.78	75.00
Proportion of female employees	22.22	22.22	25.00

By Age (Regular Employees)



By Employment Type



**By Job Rank (Number of Management Staff)**

**By Job Rank (Number of Ordinary Employees)**


New Hires (by Gender)	2023	2024	2025
Number of male employees	392	348	429
Number of female employees	148	140	140
Proportion of male employees	72.59	71.31	75.40
Proportion of female employees	27.41	28.69	24.60

## Expand Recruitment Channels and Launch School-Enterprise Cooperation to Unleash the Potential of Diverse Talents

- Attend job fairs at multiple universities to attract relevant talents. Actively participated in job fairs at universities inside and outside the province every year, such as Shanghai Jiao Tong University, Fudan University, Sichuan University, Donghua University, Xi'an Polytechnic University, Nanjing Tech University, Xuzhou University of Technology, Yancheng Institute of Technology, Taizhou University, etc.; actively participated in the "Taizhou Day" campus talent recruitment activities organized by the Taizhou Municipal Government every year. In 2025, nearly 20 undergraduate talents were recruited through campus hiring.
- Cooperate with undergraduate universities including Yancheng Institute of Technology and Nanjing Normal University Taizhou College, and recruit interns and graduates for study and employment through targeted campus presentations and teacher referrals. 5 new employees were recruited through interviews in 2025.
- Professional technical talents actively engage in internship cooperation with specialized institutions, such as Taizhou Polytechnic College, Taizhou Technician College and Nanjing Chemical Technician College for on-the-job internship programs, which provide interns and graduates majoring in electromechanics, chemical engineering and other fields for employment each year. A stable intake of 20 vocational interns has been maintained annually over the past three years.
- Participate in government-organized recruitment drives in Hubei, Yunnan, Guizhou and other regions. We conduct recruitment promotions in villages nationwide before and after the Spring Festival each year, and organize interested candidates to join the Company in groups after the holiday. More than 34 out-of-town employees were recruited in batches after the 2025 Spring Festival.



School-Enterprise Cooperation - 2025 On-site Spring Job Fair at Universities

## Tracking and Training Program for Newly Recruited Management Personnel

- Adopted the mentor-mentee training method, with designated mentors providing one-on-one training. New employees were followed up at one month, three months, six months and one year after employment, their work status and problems encountered in work and life were tracked, and assistance was provided to solve them.
- After employment, monthly reports shall be written, reviewed and signed by mentors and department heads, and submitted to the Human Resources Department for collection and sorting, which shall be used as materials for subsequent regularization assessment and reference for follow-up training plans.

## Diverse Employee Benefits

In addition to providing employees with leave, insurance and other benefits in accordance with local regulations, Haiyang Technology offers a wide range of welfare programs.

Benefit Type	Project	Proactive Measures / Exceeding Regulatory Requirements
Compensation-related	<ul style="list-style-type: none"> <li>• Wages and salaries</li> <li>• Quarterly Post Star / Annual Commendation</li> <li>• Year-end bonus</li> <li>• Mentor-trainee incentive</li> <li>• Internal/external recommendation award</li> <li>• Encouragement of subsidies for professional title application</li> <li>• Reimbursement of enhanced training expenses</li> <li>• Project award</li> <li>• Employee rationalization proposal award</li> </ul>	<ul style="list-style-type: none"> <li>• Referral bonus: Encourage employees to actively recommend outstanding talents</li> <li>• Quarterly Post Star/Annual Award: Recommended post stars are organized by each sub-trade union every quarter, and certain bonuses are granted upon successful final recommendation.</li> <li>• Mentor-trainee incentive: Reward mentors who train new employees as an incentive for talent development.</li> </ul>
	Leave-related	<ul style="list-style-type: none"> <li>• Weekend breaks, statutory holidays</li> <li>• Women's Day leave</li> <li>• High-temperature leave</li> </ul>

### Supporting

- Gift distribution on Dragon Boat Festival, Mid-Autumn Festival and Spring Festival
- Celebration of major corporate events/activities
- Souvenirs are distributed to all employees on major occasions such as the 50th anniversary of the Company's founding, winning the National May 1st Labor Medal, and listing.

### Health-related

- Onboarding physical examination for new employees
- Annual occupational health examination for on-the-job employees
- The Company pays social insurance and housing fund, and additionally provides group accident insurance, critical illness insurance and employer liability insurance
- The Company purchases extra group accident insurance and critical illness insurance for each employee, and employer liability insurance for re-employed retirees, reflecting the Company's care and responsibility for employees. For employees who have reached the retirement age but cannot go through retirement procedures due to insufficient social insurance contribution years, they may choose to stay according to their own wishes and physical conditions, and the enterprise will continue to pay social insurance for them.

### Activity-related

- International Labor Day "Tug-of-War Competition"
- National Day "Celebrating National Day" competitions: held badminton friendly matches, bonsai exhibitions, etc.
- Organize diverse employee activities to showcase the rich corporate culture of Haiyang

The Company formulates an annual salary increase plan, with a growth rate of 4.77% in 2025. Basic salary increases were adjusted based on Taizhou's CPI; seniority pay and performance bonuses were adjusted, and post allowances for spinning workers and pump/plate workers were increased. In addition, to reward outstanding employees and make their salaries higher than the average level, 231 employees were recommended to receive additional incentive salary increases in 2025, reflecting the principle of "internal fairness and external competitiveness". The salary increase plan was implemented through the Employee Representatives' Congress, which collected employee opinions and conducted collective employee consultations.

## Objective

### Key Performance

Labor contract signing rate for new employees

**100%**

On-time social insurance contribution rate

**100%**

Employee satisfaction

**88.95%**

# Talent Development

## Strategy

With nurturing, motivating and respecting every employee as the core value, we are committed to building a working environment full of innovation and cooperation.

The Company upholds the belief that talent is the primary resource. Building a high-quality workforce is an urgent need for the Company's current development and an inevitable choice to enhance its competitiveness. Everyone can become a talent: technical and management teams with professional expertise, business acumen and management skills are the backbone of the Company; frontline employees with professional skills are also talents.

## Management



### Key Initiatives for Talent Development

1. The Company vigorously promotes the construction of a learning-oriented enterprise, optimizes career planning, and focuses on cultivating and introducing outstanding talents with ideals, professional qualities, innovative spirit and recognition of the Company's culture. We adhere to retaining talents through career development, competitive compensation and corporate culture.
2. Relying on the 1+1+1+N R&D and innovation system, the Company accelerates talent growth through independent cultivation, on-the-job training, external seminars and cooperative training. For the first time in the industry, the Company independently assesses and appoints technicians, senior technicians and chief senior technicians for maintenance and operation, focusing on building three talent teams: engineering technology R&D, operation management, and skilled operation.
3. Based on internal improvement and innovation, the Company strengthens industry-university-research cooperation and has established long-term and stable cooperation with 8 universities and 6 research institutes. It invites top experts and scholars in the industry, accelerates the introduction of high-level core scarce talents, provides R&D funds, jointly builds innovative R&D bases, shares R&D achievements, and enhances R&D and innovation capabilities.
4. The Human Resources Department establishes and implements the *Education and Training Management System*. At the beginning of December each year, the Human Resources Department collects annual employee training needs from all workshops (departments) in accordance with the Company's requirements. By the end of December, it compiles the Company's *Annual Education and Training Plan* based on the submitted training needs, and organizes its implementation after approval by the responsible leaders. All workshops (departments) must properly balance work and study to ensure that employees meet the required training hours and participation rate.
5. The *Annual Education and Training Plan* covers external and internal training. Internal and external training courses are implemented to enrich employees' career development and skills, and experience sharing and inheritance are promoted to achieve mutual learning and professional progress.



Opening Ceremony of New Apprenticeship Training



Training for Human Resources Department staff on the six modules of human resources



## Key Initiatives for Talent Development Planning

### 1. Human resource planning for talent cultivation and introduction:

For core technical leading talents, we adopt a strategy of equal emphasis on introduction and cultivation. In line with the Company's strategic development needs, we introduce high-end talents with cutting-edge technical capabilities in the industry on a full-time or flexible basis through various means. Outstanding talents with exceptional capabilities within the Company will be given opportunities for cross-post training, sent to advanced enterprises in the industry for technical exchanges, encouraged to upgrade their professional and technical capabilities, and supported with project practice. Through project co-construction, technical cooperation and exchanges, we promote in-depth integration of internal and external talents, realize knowledge sharing and capability improvement, provide talent support for the Company's sustainable development, build a complete talent echelon, and ensure that talent reserves keep pace with corporate development.

### 2. Human resource planning for university-enterprise cooperation + talent cultivation and introduction:

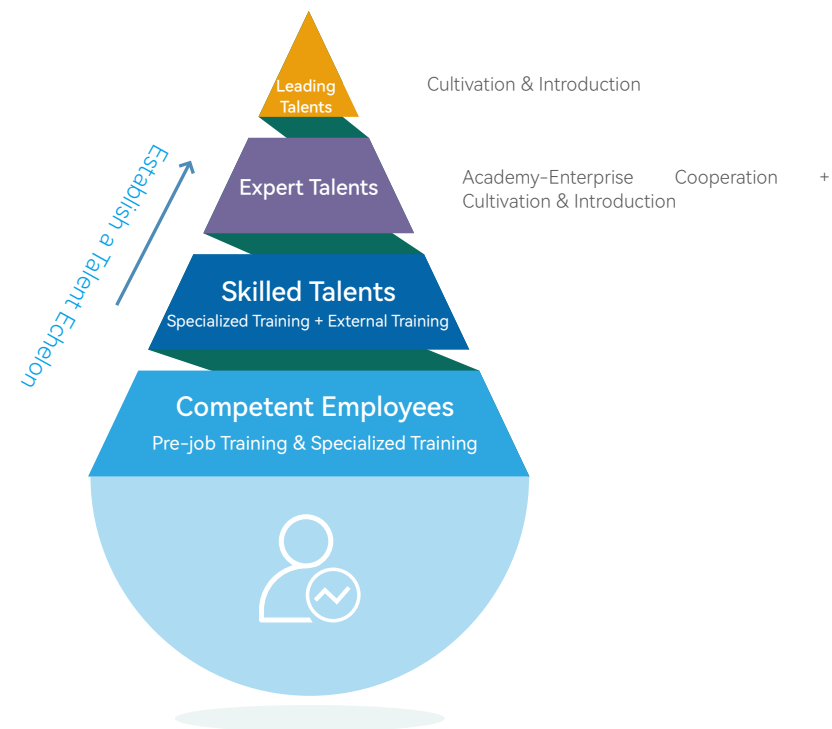
We cooperate with high-level professor teams from renowned universities, give full play to universities' R&D advantages and experimental equipment resources, and invest in establishing R&D bases exclusively or jointly owned by the Company. We invite high-level industry experts as consultants, timely recruit college graduates and mature talents, and arrange technical training in the industry. Meanwhile, we cooperate with Sichuan University, Hunan University, Zhejiang Sci-Tech University and other institutions. The Company puts forward technical breakthrough projects, which are carried out by university professor teams leading the research. This enables members of the Company's project teams to grow rapidly, helps students get familiar with post workflow and skill requirements in practice, enhances their sense of identity and belonging to the Company, and reserves potential talents for the enterprise in advance.

### 3. Human resource planning for special training + external training:

By formulating specialized training courses and combining them with external training, we meet the skill requirements of specific posts in the Company, cultivate corporate technical experts, improve employees' professional skills, comprehensive quality and innovation capabilities, build a high-quality and professional workforce, and provide talent support for the Company's development and the achievement of strategic goals. We regularly hold post skill competitions to stimulate employees' enthusiasm for learning and creative vitality, and form a sound and effective skill competition atmosphere.

### 4. Human resource planning for pre-job training and special training:

A one-week full-time training is provided to help new employees quickly understand corporate culture, rules and regulations. After passing the theoretical assessment, new employees will adapt to their posts ideologically. After being assigned to workshops or departments, they will receive mentor-led training and three-month on-the-job internship to quickly master key operational skills, improve work efficiency, and complete the transformation from "new employees" to "qualified employees" after operational assessment. This enables new employees to quickly adapt to and be competent for their posts, meeting the skill requirements for employees to perform their duties competently.



On-site Examination for Special Training on Post Skills

## Objective



### Key Performance During the Reporting Period

1. The Company has established a closed-loop mechanism covering training demand research, plan formulation and effect evaluation. In 2025, a total of **2,186** person-times of managers, frontline employees and new employees received training, with a training coverage rate of **100%**.
2. Through the "Enterprise Apprenticeship" program in cooperation with the government and technician colleges, the Company organized 1 batch of **49** employees to participate in training, adopting the cultivation model of "dual systems of school and enterprise, integration of work and study". Nearly **20** training sessions have been held in recent years, combining learning with work to improve participants' professional knowledge, operational skills, professional literacy and other capabilities. The second batch of **49** employees has been trained, pending assessment, and will obtain intermediate worker certificates for relevant trades, qualification certificates from technician colleges and corresponding subsidies.
3. For special equipment operation certificates, external training is adopted. In 2025, **76** employees were organized for initial and retraining of special equipment operators, with a **100%** certification rate for post holding.
4. Pass rate of new employees' operational training in one assessment: **95%**.
5. Implementation rate of the annual employee training plan: **100%**.
6. Post-holding rate of certified special operation personnel: **100%**.
7. General assessment rate of operating employees: **100%**.

## Talent Development & Training Framework



Anti-fraud Training



Employee Skills Practical Training



Employee Skill Theoretical and Practical Examinations






Employee Skills Practical Training

# Employee Relations

Haiyang Technology attaches great importance to the rights and dignity of employees, respects the expression of personal opinions, adopts an open leadership style without hierarchical distinctions, and is committed to creating a smooth two-way communication environment. To safeguard and protect employees' rights and interests, the Company regularly holds various communication meetings, including follow-up interviews and confirmation interviews for new employees, labor-management meetings, and annual performance interviews. Smooth communication channels ensure that voices from the grassroots are heard: ideas, needs and on-the-job problems of frontline employees can be effectively conveyed to the management and decision-making levels of the enterprise. Managers stay informed of frontline feedback, and employees' suggestions for optimizing work processes and demands for welfare policies can all be acknowledged by supervisors.

Various email addresses are provided for employees to express their views, helping them raise inquiries, suggestions and complaints. Two-way communication serves as the basis for improving management measures and resolving employee issues. All accepted cases are handled confidentially, with special personnel tracking the progress and results of improvements to ensure harmonious two-way communication between employees and the Company.

Internal Communication Channels	Functions	Person-in-Charge
 Internal Corporate Promotion	Publicity bulletin boards Haiyang's internal journal <i>Voice of Speedy</i> Health promotion bulletin boards Employee WeChat groups	Supervisors at all levels
 Mailboxes	Employee Grievance Mailbox: Accepts all inquiries, suggestions and complaints. Trade Union Mailbox: Accepts welfare-related suggestions and feedback. Workplace Unlawful Harassment Complaint Mailbox (anonymous channel). Breach of Integrity Reporting Mailbox (anonymous channel). Employee Assistance Program Mailbox (anonymous channel).	Committees / General Manager / Deputy General Manager
 Communication Meetings	Annual Staff Representatives' Congress Quarterly Safety Committee Meetings Annual Labor-Management Meetings New Employee Training Situation and Task Report Meetings Dialogue Meetings on Annual Corporate Goals and Tasks	Human Resources Department / Trade Union / Special Committees

## Employee Representatives' Congress of the Trade Union - Freedom of Association and Collective Bargaining



Employee Feedback Channels (Scope of Complaints & Reports and Responsible Parties)	
Adjustment of position and rank	The Appeal and Report Handling Committee consists of the General Manager, Deputy General Manager, Chairman of the Trade Union, Director of the Human Resources Department, and Director of the Supervision and Audit Department. It implements the Employee Grievance Handling System with a 72-hour response mechanism.
Objections to performance appraisal, rewards and punishments	
Unfair treatment by supervisors or colleagues	
Corruption and integrity violations	
Unfair competition practices	
Intellectual property infringement	
Environmental management implementation issues	
Occupational health right management issues	
Labor and human rights issues including workplace harassment	
Information security management implementation issues	
Sustainable procurement management implementation issues	
Objections to training, compensation, benefits, etc.	
Anonymous reporting of various disciplinary violations	
Other matters where complainants have evidence that their rights and interests have been infringed	

## Employee Activities

Haiyang Technology firmly believes that the physical and mental health of employees is an important foundation for stable corporate operation. Only with healthy and happy employees can an enterprise achieve high efficiency. Therefore, Haiyang Technology is committed to providing employees with a flexible workplace environment. Guided by the spirit of integrating welfare, fun and health, the Company designs diverse welfare facilities and activities to help employees cultivate creativity and vitality through work and leisure.

To promote work-life balance, Haiyang Technology encourages employees to establish diverse associations to expand social networks, develop hobbies, build physical fitness, strengthen mutual friendship and enliven the organizational atmosphere. To help employees relieve stress properly and maintain good health amid busy work, the Company's trade union regularly holds a variety of company-wide activities, such as tug-of-war competitions, Long-distance Running Events, Women's Day talent shows, ball games, Spring Festival events, Employees' Book Club, Staff Activity Center, etc. The Company extends care to every employee's family and fosters a strong sense of belonging.



# Occupational Health and Safety

## Governance

The roles, responsibilities and authorities related to occupational health and safety of all departments of the Company are specified in the functional allocation table of the *Management Manual Q/SHY A-2025-1* to plan, support, operate, perform performance evaluation and improve all elements of the occupational health and safety management system. *Management System Procedure Document Q/SHY B-2025-1* specifies the specific departmental responsibilities and procedural working procedures for the operation of occupational health and safety management.

Grounded in safety culture, the Safety, Environmental Protection and Security Department formulates the Company's occupational health and safety management policies and objectives. Through clear division of responsibilities across departments, tiered implementation, and regular meetings of the Company Work Safety Committee, the Company ensures full enforcement of occupational health and safety rules and advances all-round protection for employees.

## Strategy

**Occupational Health and Safety Management Policy:** Comply with regulations, protect employees, prioritize prevention, encourage full participation, and pursue continuous improvement.

**Occupational health and safety management commitment:** Establish and continuously improve the environmental and occupational health and safety management system; adhere to a people-oriented approach, fulfill social responsibilities, and achieve sustainable development.

Haiyang Technology Co., Ltd. upholds the basic requirements of “zero fatalities, zero serious injuries, zero fires” and is committed to building a top-tier occupational health workplace.

## Management

The Company has passed the annual external supervision audit of the ISO 45001 Occupational Health and Safety Management System, external reviews of TFS - Together for Sustainability (chemical industry supply chain initiative), EcoVadis corporate social responsibility rating, and RSCI - Responsible Supply Chain Initiative (automotive industry responsible supply chain program), identifying opportunities to continuously improve employee occupational health and safety.



Occupational Health and Safety Management System Certificate of Haiyang



Occupational Health and Safety Management System Certificate of Tongxin



Occupational Health and Safety Management System Certificate of Huaheng



Occupational Health and Safety Management System Certificate of Huaheng



Responsible Supply Chain Initiative (RSCI)



Fire Safety Management Standard Training



ISO45001 Occupational Health and Safety Management System Training

OHS Project Key Initiatives	
Identification and evaluation of laws and regulations	Established the <i>Compliance Assessment Procedure</i> , conducted annual compliance evaluation of laws and regulations, and tracked the factory's compliance with regulations.
Standardized Management Procedures	The Company continuously collects opinions and suggestions from personnel engaged in relevant operations, and reviews and revises its management procedure documents on an annual basis. This reflects the dynamic and continuously optimizing nature of management. By incorporating input from frontline workers, the company refines its management procedures to adapt to the actual needs and changes of daily operations. Investigated repetitive actions in various positions of the Company and analyzed potential occupational hazards.
Occupational Health and Safety Training	The Company consistently advances occupational health and safety training to ensure 100% of its employees complete required occupational health and safety training programs, with full training records retained electronically. This is intended to ensure compliance with applicable laws and regulations and to meet emergency response requirements. For work activities involving occupational hazards as stipulated by laws and regulations, all relevant personnel must obtain the required operation qualifications in accordance with legal provisions. Through systematic training, employees fully mastered work-related health and safety knowledge, improved risk identification and emergency response capabilities, reduced accident rates, and ensured employees' life safety and the stable production and operation of the enterprise. Organized re-training on safety, fire protection and environmental protection for employees of all workshops and departments of the Company, with 18 training sessions and 1,587 person-times participating.
Occupational Health and Safety Risk Identification and Assessment	<ul style="list-style-type: none"> <li>Establish the <i>Hazard Identification and Assessment Control Procedure</i>, and conduct hazard identification of work environments for employees and contractors once a year to identify all potential dangerous and harmful factors in the work activities, with a total of 11 major hazardous factors identified. Entrusted qualified institutions to systematically identify and assess potential employee health and safety risks, regularly organized occupational health surveillance, and detected occupational injuries at an early stage.</li> <li>Develop safety and health management plans to ensure work environments meet safety and hygiene standards. Supervise and manage on-site operations to verify that work processes are carried out in accordance with operating instructions and safety operation procedures. Analyze safety and health management for construction operations and assess safety and health conditions during construction.</li> <li>All identified risks shall be subject to classified management. Corresponding control measures shall be adopted for risks of different levels, and the implementation of such control measures shall be tracked, so as to control, prevent or reduce hazards and risks in the working environment.</li> </ul>
Contractor Management	Formulate a contractor management system and sign safety management agreements. For contractor operations that may cause serious harm to personnel, property, the environment and other aspects within the plant, such as work at height, hot work and confined space operation, work permits shall be issued, risk identification conducted and safety precautions implemented as required.
Change Management	Establish the <i>Change Management Procedure</i> . One change management item was completed, with zero incidents caused by inadequate change management.
Equipment Management	Establish the <i>Infrastructure and Work Environment Control Procedure</i> to standardize the maintenance of production equipment. Special equipment passed annual inspections with a 100% qualified rate in 2025. For potential failures of safety attachments and excessive wear of some components, the department promptly arranged repairs and replacements, and applied for re-inspection with institutions to conduct re-inspections to ensure all equipment meets safe operation standards.

OHS Project Key Initiatives	
Chemical Management	<ul style="list-style-type: none"> <li>Establish the . The management of hazardous chemicals complies with national laws and regulations, with corresponding systems formulated and implemented. The purchase and use of precursor chemicals and explosive-sensitive chemicals are subject to full supervision by public security authorities. The Polyamide Plant carried out training on hazardous chemicals to enhance the safety awareness of on-the-job employees. Hazardous chemicals temporary storage warehouses are constructed in accordance with regulatory requirements and strictly managed.</li> <li>All chemicals must undergo review and assessment before entering the Company.</li> </ul>
Occupational Hazard Testing	Establish the <i>Occupational Health Management System</i> and conduct regular testing of occupational hazard factors once a year. The Company compiled an assessment of the current status of occupational health and formulated a list for identification and control of occupational hazards.
Occupational Health Management	Establish and implement the <i>Occupational Health Management System</i> . Provide relevant training and post occupational hazard warning signs. Arrange annual occupational health physical examinations and establish employee occupational health files. Attention was paid to employees regularly exposed to risk factors such as chemicals, potentially dangerous machinery, noise or other potential hazards, so as to detect health impacts at an early stage and provide timely treatment. Provided hotlines and employee suggestion channels, and improved the working environment to reduce stress and mental health risks.
Emergency Preparedness and Response	Update the <i>Emergency Response Plan for Production Safety Accidents</i> and formulate an annual emergency drill schedule. Each workshop carries out scheduled emergency drills to improve information acquisition and coordinated response capabilities in emergencies, facilitate more efficient personnel evacuation and emergency rescue, and safeguard the safety of personnel and property. The <i>emergency response plan for production safety accidents</i> has been further improved. Conducted 1 occupational health and safety emergency drill.
Incident Management	Established the <i>Accident Management System</i> . For the mechanical injury accident that caused the death of an employee of the three-dimensional warehouse operation and maintenance contractor, according to the accident investigation report of the Accident Investigation Group of the People's Government of Hailing District, except for the deceased employee, the Company and other personnel are not the responsible units or individuals for the above work safety accident. No administrative penalties were imposed on the Company and its relevant personnel for this work safety accident.
Hazard Investigation and Improvement	Establish the <i>Hazard Investigation and Rectification Management System</i> . Safety hazards identified by managers during routine inspections are promptly reported via the "Exposure & Improvement Channel" on the Fenxiangxiaoke office platform with on-site photos. The responsible department must accept the issue within 24 hours and post rectification photos in the group. Established and publicized an employee complaint and reporting procedure related to health and safety issues. Strengthen occupational disease prevention and control management measures, and improve various occupational disease prevention and control management systems. Regular detection of occupational disease hazards in the workplace is conducted. Regularly inspected the use of personal protective equipment (PPE) by employees.
Implementation Verification	Establish the <i>Internal Audit Procedure</i> . For deficiencies identified in internal inspections, internal audits, customer reviews and external audits, root-cause analysis and corrective actions shall be carried out, and all improvements shall be completed within the specified timeframe.

## Objective



Key Performance During the Reporting Period

Number of fire, explosion, traffic, equipment and fatal accidents: **0**

No unqualified construction or outsourcing teams employed; signing rate of safety agreements: **100%**

**0** acute poisoning accidents

Qualified rate of dust and toxicant testing: **100%**

Pass rate of operational training for new workers, post-transfer training for existing workers, and three-level safety education training: **100%**

Cases

### Theoretical Case Analysis and Examination on Work-related Injury Prevention

Led by the Taizhou Social Security Management Center, a senior expert team in work-related injury prevention (Chengdu Yixun Enterprise Management Consulting Co., Ltd.) was specially invited to give lectures, conduct theoretical case analysis and examinations for employees.



Theoretical Case Analysis and Examination on Work-related Injury Prevention

Cases

### “Prevention - Monitoring - Improvement” - Closed-Loop Management for Continuous Safety Performance Improvement

1. A one-to-one accountability mechanism is established between company executives and workshops/projects (e.g., the Chairman takes direct accountability for the Polymerization Workshop), clarifying direct safety management responsibilities. A quarterly “Safety & Quality Zero-Accident Bonus” is also launched, offering rewards of up to RMB 600 per person to workshop management teams meeting the standard; those failing to meet the standard are disqualified and held accountable. Through “responsibility binding + positive incentives”, management is encouraged to engage with frontline operations, while grassroots teams take initiative in risk prevention and control.
2. The Company has set up an “Exposure & Improvement Channel” on the Xiaoshangxiaoke office platform. Every manager can take real-time photos of potential safety hazards found in daily inspections and publish them for prompt exposure. The responsible department must accept the issue within 24 hours and post photos of rectification in the group. The Enterprise Management Department compiles monthly statistics of exposed items to form an analysis report, which is reviewed and commented on by company executives in the group.



Company executives conducting dual-accountability safety inspections and providing guidance on frontline emergency response drills

**Cases**

## Training on Post Work Instructions (Safety Operation Procedures)

Using Failure Mode and Effects Analysis (FMEA) for risk identification, the Company has reviewed and revised work instructions (safety operation procedures) for all posts and compiled them into a manual for every employee. Each workshop and department organizes training and assessments on the new manual, which are conducted at two levels - workshop/department and company. All personnel must pass a closed-book written examination.

To reduce illegal operations, the Company produced "Operation Instruction" videos with real-person operations, identified safety risks for each operation step and decomposed operation actions in detail. Specified labor protection requirements and reminded precautions, and organized all workshops to study and watch. Signs of "Correct Operation Methods and Incorrect Operation Methods" were posted in the workshops, to help employees learn safe operation in a more intuitive way.


**Cases**

## Strict Contractor Management

The Company verifies the qualifications, business licenses, qualification certificates, safety agreements and other documents of construction units entering the plant, and reviews their safety performance and credit records. All personnel are required to complete plant entry safety training and pass the assessment (passing score  $\geq 80$ ) before entering the construction site. The certification rate for special-type work posts is verified to be 100%. Company safety managers conduct daily patrols to correct illegal operations, implement a permit and approval system for high-risk operations with full-process traceable management, and achieved "zero accidents" in contractor safety operations in 2025.


**Cases**

## Occupational Disease Prevention and Management

The Company has improved the occupational disease prevention and management system: It has established a clearly accountable management structure and sound rules, regulations and operating procedures.

The Company has strengthened source control of occupational hazards: Prior prevention starts with processes and equipment. For example, professional institutions are entrusted to conduct pre-evaluation of occupational hazards and control effect evaluations. Closed production processes are prioritized to reduce workers' direct exposure to hazardous factors. Process management: Dynamic monitoring and hazard remediation. Regular testing is conducted on occupational hazard factors in the workplace (e.g., dust concentration, noise decibels, toxic gas concentration), with at least one comprehensive test per year by a qualified institution.

The Company has enhanced worker protection and health surveillance: It manages Personal Protective Equipment (PPE); and provides full-coverage occupational health surveillance (pre-job, on-the-job and post-job physical examinations).

The Company has built emergency rescue capacity: It organizes at least one emergency drill each year (e.g., chemical leakage and poisoning rescue drill) to improve employees' emergency response, self-rescue and mutual-rescue capabilities.



## Social Contribution (Rural Revitalization)

Cases

### Delivering Jobs to Rural Areas to Support Rural Revitalization

The Company's trade union, together with the Taizhou Hailing Public Security Branch, launched a campaign to deliver legal knowledge and jobs to rural areas, which was widely welcomed by local villagers. Villagers gained employment opportunities, and the Company solved its recruitment difficulties, achieving a win-win result.



Social Contribution and Rural Revitalization	Unit	2023	2024	2025
Expenditure on participating in or organizing community or public welfare	10,000 RMB	6.07	20.514	9.42
Total person-times of participation in community / public welfare activities	Person-times	83	131	152
Total hours of staff participation in community / public welfare activities	Hour(s)	195	356	360

Cases

### Caring for the Disabled and Assisting Vulnerable Groups

We supported the development of local philanthropy. In the future, the Company's investment in public welfare is expected to increase year by year, focusing on building harmony between the enterprise and society.

1. Provided condolences and subsidies to 360 person-times, totaling nearly RMB 345,800. Paid RMB 283,100 for group accident insurance and RMB 671,600 for critical illness insurance for employees. In 2025, 4 employees applied for critical illness insurance claims, and 3 were settled with RMB 100,000 per person; 8 employees applied for accident insurance claims, and 3 were settled with a total of RMB 148,900.
2. To help people in rural and poor areas get employed and out of poverty, the Company recruited personnel from rural areas such as Henan, Yunnan, Guizhou and Shaanxi.
3. The Company purchased local specialty agricultural products such as Xinghua free-range eggs, supported local employment, and helped promote sales and employment in specialized agricultural producing areas.



The Company donated to the Charity Federation of Hailing District, Taizhou City.

## Committed to poverty alleviation and social public welfare undertakings

To promote economic development and maintain social stability, the trade union of Haiyang Technology actively participates in public welfare activities to help vulnerable groups. In recent years, with support from the Party Committee and administration, the Company's labor union has donated more than RMB 1.3 million to Taizhou charity organizations and social groups, and donated 5,000 books worth over RMB 99,000 to the municipal education system. It organized employees to donate money and materials to disaster-stricken areas, and assisted residents in communities surrounding the Company and employees facing financial difficulties due to serious illnesses or accidents, with a total donation of more than RMB 600,000, helping them return to a normal life quickly.



Family members of the rescued people presented silk banners to the Company.



Young Pioneers from Haiguang Primary School visited the Company's labor pioneers



Model workers went to peer enterprises for skill exchanges, and provided on-site guidance to help solve difficulties and bottlenecks in production.

# 07

## Responsible Value Chain

Our Goals and Actions:

- ◆ Product Quality and Safety 69
- ◆ Customer Relationship Management 72
- ◆ Supply Chain Management 73

SDGs Corresponding to This Chapter



# Product Quality and Safety

## Governance

In accordance with IATF 16949:2016 Automotive Quality Management System Standard - Quality Management System Requirements for Organizations in Automotive Production and Related Service Parts and ISO 9001:2015 Quality Management Systems Requirements, the Company formulated a quality management manual that complies with national laws and regulations, customer requirements and various policies. In accordance with the Company's Quality Management Manual, the Company defines the responsibilities of all subsidiaries and departments, and appoints management representatives. Meanwhile, the manual detailed the Company's quality management scope and product types, covering the Company's plastic particles, chips, twines and tire cord fabric.

## Strategy

### Quality Policy:

Pursue high product quality through improvement and innovation; build Haiyang's renowned brand with customer satisfaction.

### Quality Policy Commitment:

Committed to high-quality products/zero defects; attentive and all-round services; reasonable prices/low costs; continuous improvement/beyond expectations.

Committed to providing customers with safe products. Committed to helping customers reduce their carbon footprint.

## Management



## Key Initiatives

1. The Company regularly conducts internal audits and management reviews covering the IATF 16949 and ISO 9001 quality management systems;
2. The product quality control process (quality supervision and management system) was implemented in the supply chain management process, manufacturing process and customer service process;
3. Adopting a training mode that combines online and offline methods with synchronous instruction and self-study, the Company systematically carried out trainings on quality standards, quality tools and process management;
4. Customers are informed of the usage and protection requirements for product shelf life, so as to minimize the resources required for product use and extend the service life of durable goods;
5. Product labels are marked with production date, expiry date and other information to remind customers to manage and use products within their life cycle;
6. Conducted annual third-party testing of products for MSDS, REACH and RoHS, and informed customers of potential health and safety impacts of products;
7. After-sales service was implemented in accordance with the *Management Regulations for Rapid Response to Quality Issues*, and customer complaints were handled in accordance with the *Customer Complaint Handling Process*.
8. Polyamide 6 high-tenacity yarns and twines have passed the hazardous substance test for textiles and obtained the OEKO-TEX® STANDARD 100 textile ecological label.



IATF Certificate of Haiyang Technology Co., Ltd.



IATF Certificate of Jiangsu Haiyang Polyamide New Materials Co., Ltd.



IATF Certificate of Jiangsu Huaheng New Materials Co., Ltd.



IATF Certificate of Jiangsu Tongxin Chemical Fiber Co., Ltd.



OEKO-Tex Standard 100 Textile Ecological Label



OEKO-Tex Standard 100 Textile Ecological Label

# Product Quality and Safety

## Objective



Key Performance During the Reporting Period

Customer satisfaction rate for chips	97.15%
Customer satisfaction rate for tire cord fabric	98.00%
Grade AA rate of tire cord fabric	95.20%
Top-quality rate of civilian chips	98.68%
On-time delivery rate	100%
Delivery qualified rate	100%
Number of customer complaints	Less than 5 times per year
Timely rate of feedback, handling and verification of quality	100%

Cases

## Product Quality Control Process (Quality Supervision and Management System)



### 01 Supply Chain Management

- Raw and auxiliary material acceptance management
- Qualification certification conducted in accordance with ISO 9001 and IATF 16949 standards
- Signing of quality assurance agreements with suppliers



### 02 Production and Manufacturing

- Full-time and part-time quality inspectors for each process
- Control of testing instruments
- Tested in accordance with standards and inspection specifications
- Statistical analysis of non-conforming products
- Delivery quality assurance



### 03 Customer Service

- Customer complaint management
- Issuance of technical standards
- Customer satisfaction survey
- Translation of customer requirements
- Training on customer requirements

## Product safety is managed and controlled based on the Plan-Do-Check-Action (PDCA) cycle

### Plan

#### Identification and Collection of Regulatory and Customer Requirements

The Technical Department is responsible for identifying domestic and foreign regulations and customer requirements on hazardous substance management on a quarterly basis, notifying relevant departments via the internal electronic system to take responsive measures and track the progress of improvements.

#### Update of Restricted and Prohibited Substances List

Revised in accordance with regulatory, customer and internal company requirements.

#### Hazardous Substance Substitution Plan

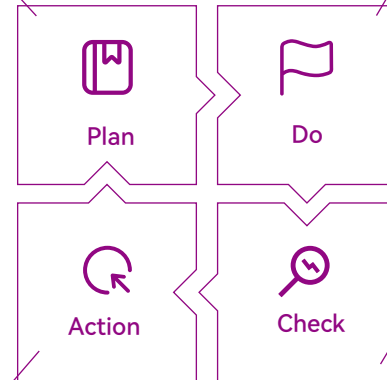
Formulated in accordance with regulatory, customer and internal company requirements.

### Action

#### Management Review

The Quality Supervision Department organizes and presides over cross-departmental management review meetings on a quarterly basis to review hazardous substance management measures and the achievement of annual targets.

Supplier reviews, tracking of deficiency improvement, new material audit and incoming inspection compliance all meet the set targets.



### Do

#### Implementation of Hazardous Substance Substitution Plan

Establish and implement the *Environmental Hazardous Substance Management System*, as well as the enterprise standards of Haiyang Technology Co., Ltd.: *Q/321200WLB004-2020 Polyamide 6 Dipped Tire Cord Fabric and Q/321291WHY001-2022 Polyamide 6 Chips for Civil Use*.

#### New Material Audit

All new chemical raw materials or changes to existing raw materials must be submitted to the Company's Technical Department and Safety, Environmental Protection and Security Department for audit. Further evaluation may only be carried out after confirmation of compliance with environmental, safety and health regulations.

### Check

#### Hazardous Substance Testing of Raw and Auxiliary Materials

Suppliers are required to provide hazardous substance test reports issued by ISO 17025-accredited laboratories, and random sampling tests are conducted to verify the compliance of raw materials.

#### Internal Environmental Testing

In reference to the EU RoHS Directive and REACH Regulation, the Company has established core in-house testing capabilities to regularly monitor hazardous substances in all plants.

✔ Sampling tests of major raw materials have been completed, with all results complying with domestic and foreign regulations on hazardous substance management, customer requirements and the enterprise standards of Haiyang Technology Co., Ltd.

#### Product Hazardous Substance Testing

Sampling tests of major products are conducted annually and sent to external ISO 17025-accredited laboratories for testing, in compliance with the EU RoHS Directive 2011/65/EU (Amendment (EU) 2015/863 to Annex II) and EU REACH Regulation (EC) No 1907/2006.

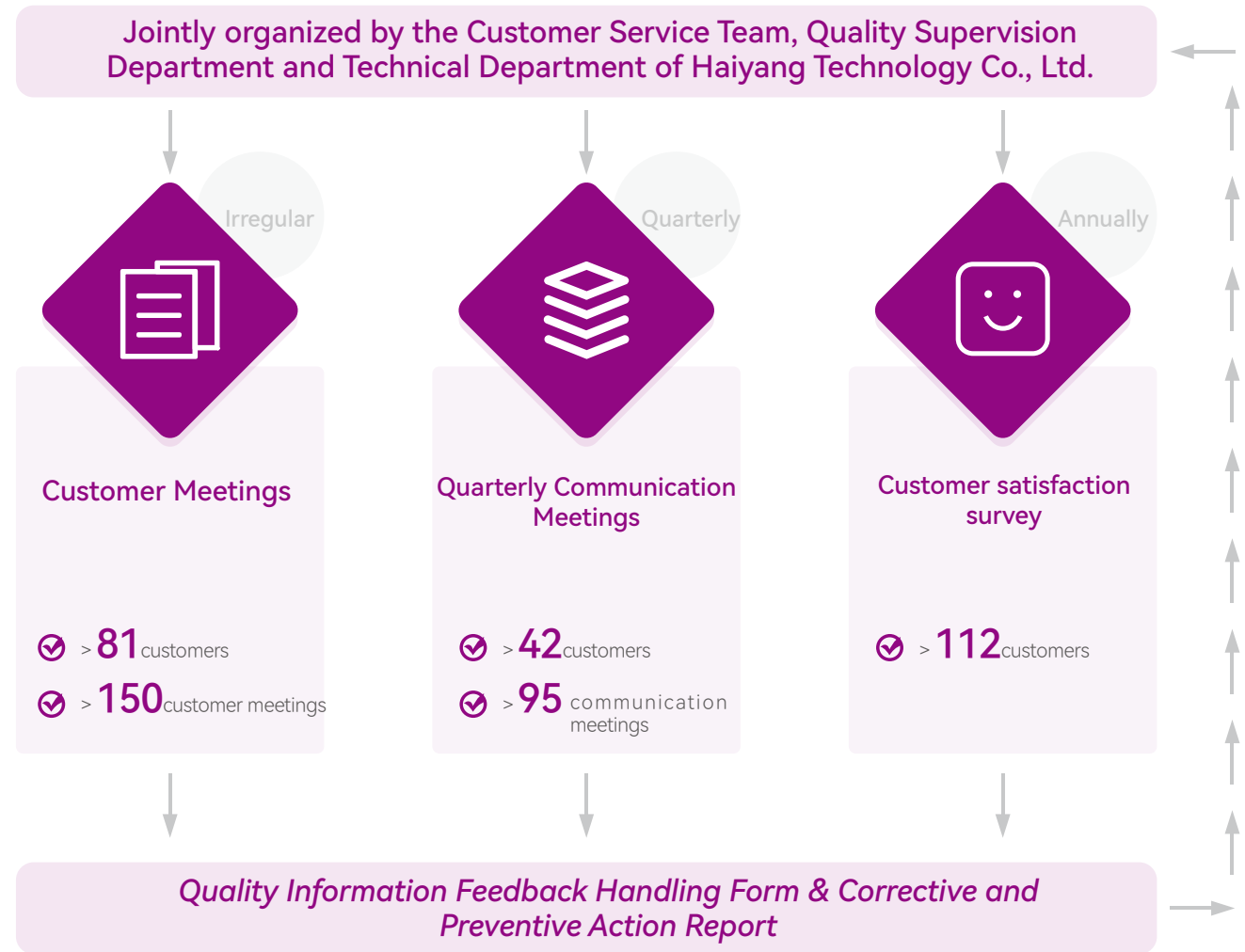
✔ Hazardous substance tests of major products in all plants have been completed, with all results complying with relevant regulations, customer requirements and the enterprise standards of Haiyang Technology Co., Ltd.

## Customer Relationship Management

Customer trust is the core value that Haiyang Technology pursues unremittingly. Haiyang Technology firmly believes that the key to earning customer trust lies in sustained technological innovation and the provision of highest-quality products and services. Guided by the mission of “Empower Customers, Benefit Employees, Contribute to Society”, Haiyang Technology has established a customer service team to deliver world-class services across all areas of product design and production. It commits to premium services to enhance customers’ competitiveness, thereby building deeper partnerships with customers and jointly seizing market opportunities for chips, yarns and tire cord fabrics.

Customer feedback and satisfaction ratings provide opportunities for Haiyang Technology to continuously refine and upgrade its services. The customer service team of Haiyang Technology understands and analyzes customers’ business and product needs through various channels including annual satisfaction surveys, quarterly communication meetings and irregular meetings, and proposes appropriate solutions to strengthen the partnership between the two parties. Haiyang Technology carried out annual satisfaction surveys with more than 112 customers and held over 150 quarterly communication meetings with more than 81 customers.

Amid multiple industrial uncertainties in the chip, twines and tire cord fabric market in 2025, Haiyang Technology actively strengthened close cooperation and communication with customers, and the overall customer satisfaction rebounded from 97.5% last year to 98.0%. In the future, the Company will continue to *strive for win-win cooperation and common development, price support, information sharing, continuous improvement and enhanced communication*. It aims to meet customer needs with *more favorable prices and further improved product stability*, demonstrate stronger supply chain resilience, and achieve the long-term goal of raising customer satisfaction to over 98%. Meanwhile, the customer trust indicator in the annual customer satisfaction survey has taken the lead in rising to 90%.



# Supply Chain Management

To strengthen its supplier management mechanism, Haiyang Technology has formulated the *Sustainable Procurement Management Manual* (HYT SUP01) and *Supplier Management System*, which standardize the selection, review, control, elimination and other management requirements for suppliers. A fair, equal and continuously dynamic supplier management system has been established, regardless of background, culture, race, gender or religious belief, to ensure the procurement of materials with guaranteed quality and quantity and reduce procurement risks. The Company also enhances risk management and control over sustainable supply chains and promotes green and low-carbon supply chain development.

Since 2018, the Company has participated in the capacity building and sustainability audit projects of Together for Sustainability (TfS), a supply chain initiative for the chemical industry; in 2021, it joined the EcoVadis corporate social responsibility rating program; and in 2023, it started to take part in the capacity building and sustainability audit projects of the RS CI-Responsible Supply Chain Initiative. Drawing on the requirements of the TfS initiative, the RSCI initiative and EcoVadis corporate social responsibility ratings, the Company has formulated the *Supplier Code of Conduct of Haiyang Technology Co., Ltd.*, and requires all suppliers that have not joined TfS, EcoVadis or RSCI to sign this Code of Conduct. This ensures that suppliers' supply chain operations comply with corporate responsibility standards covering labor, health and safety, environmental protection and ethics, as well as the laws and regulations of the jurisdictions where they are located. Our mission is to work together with partners in the automotive industry, customers, suppliers and stakeholders to build a more responsible supply chain. This is reflected in ensuring humane working conditions, practicing the concept of sustainable development, fulfilling diligent management obligations, and promoting the advancement of human rights in the supply chain.

## Governance

For newly developed material suppliers intended to be included in the *Qualified Supplier List*, the Company shall conduct scoring in accordance with the requirements specified in the *Business Partner Safety Questionnaire*; only those suppliers that pass the scoring may sign the *Business Partner Trade Security Agreement*. After completing the trade security assessment, in addition to the normal process capability assessment and quality system assessment, suppliers can only be included in the *Qualified Supplier List* after being graded in accordance with the *Supplier Audit Checklist*.

## Strategy



### Sustainable Procurement Management Policy

Shoulder social responsibilities, advance environmental governance, abide by business ethics, and implement sustainable procurement.



### Sustainable Procurement Management Commitment

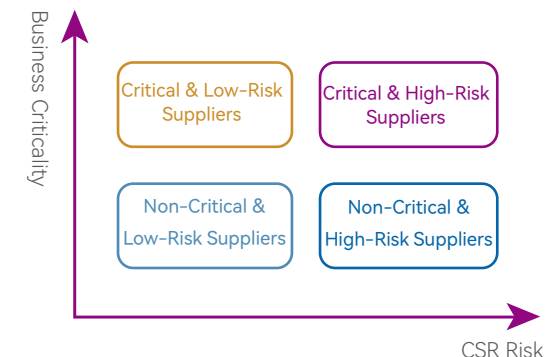
Enhance risk management and control over sustainable supply chains, and promote green and low-carbon supply chains.



## Management

The Company has constructed a matrix based on two dimensions, namely business criticality and CSR risks, and categorized suppliers into four types. It has implemented hierarchical management for suppliers and developed differentiated management strategies accordingly. Business-critical suppliers refer to Class A and Class B suppliers included in the *Qualified Supplier List*. Non-business-critical suppliers refer to Class C suppliers included in the *Qualified Supplier List*. CSR risks are divided into high risk and low risk. A score higher than 80% in the assessment based on the *Social Responsibility and Sustainable Development Questionnaire* and the *Supplier Risk Assessment Form* indicates low CSR risk, while a score lower than 80% indicates high CSR risk. Through classified management, the enterprise can systematically reduce CSR risks and optimize resource allocation efficiency while ensuring supply chain stability.

The Company takes the following actions to integrate social and environmental aspects specified in the *Supplier Code of Conduct of Haiyang Technology Co., Ltd.* into the procurement process and enhance risk management and control over the sustainable supply chain. Suppliers are required to take the *Supplier Code of Conduct of Haiyang Technology Co., Ltd.* as the basis for their operations to improve performance in labor practices, health and safety, business ethics and management systems. Capacity building for sustainable development is promoted among core suppliers to lower the risk of operational disruptions.



## 1. Supplier Classification Management

Business Criticality	CSR Risk	Category	Management Strategy
Critical Suppliers	High Risk	Critical & High-Risk Suppliers (Core High-Risk Suppliers)	High-priority management: Strengthen audits, launch joint improvement plans, sign risk-sharing agreements, and develop emergency backup plans.
Critical Suppliers	Low Risk	Critical & Low-Risk Suppliers (Core Strategic Suppliers)	In-depth cooperation: Long-term agreements, technical collaboration, and priority resource allocation.
Non-Critical Suppliers	High Risk	Non-Critical & High-Risk Suppliers (Potential Risk Suppliers)	Risk control: Rectification within a time limit or replacement, tightened document review, restricted cooperation scale, and elevated compliance requirements.
Non-Critical Suppliers	Low Risk	Non-Critical & Low-Risk Suppliers (Standardized Suppliers)	Simplified management: Standardized processes, no audits required, and centralized procurement.

## 2. Supplier Classification Management Measures

Supplier Classification Management	Critical & High-Risk Suppliers	Critical & Low-Risk Suppliers	Non-Critical & High-Risk Suppliers	Non-Critical & Low-Risk Suppliers
Signing of the Company's Supplier Code of Conduct	Applicable	Applicable	Applicable	Applicable
Social Responsibility and Sustainable Development Questionnaire & <i>Supplier Risk Assessment Form</i>	Applicable	Applicable	Applicable	
Training on the Company's Supplier Code of Conduct	Applicable	Applicable	Applicable	
On-site audit and agreement to improve negative impacts	Applicable			

## 3. Supplier Classification Management

Key Initiatives

- 01 One new supplier was added in 2025, which signed the *Supplier Code of Conduct of Haiyang Technology Co., Ltd.* The percentage of qualified suppliers that had signed the Supplier Code of Conduct stood at 100%.
- 02 Each business contract signed with suppliers includes a clause directly linked to the *Supplier Code of Conduct of Haiyang Technology Co., Ltd.*, with signatures and seals. These provisions/clauses aim to set corporate social responsibility expectations, covering labor practices issues (decent working conditions, health and safety precautions, anti-discrimination/anti-harassment measures, etc.) as well as environmental issues (reduction of energy consumption and greenhouse gas emissions, waste management initiatives, etc.). Such clauses bind suppliers to comply with relevant requirements in contractual form and stipulate disciplinary sanctions in case of breach, including contract termination.
- 03 In accordance with the *Supplier Code of Conduct of Haiyang Technology Co., Ltd.*, the Company conducts annual risk assessments for both new and existing suppliers, covering labor practices, health and safety, environment, business ethics and supply chain management. Suppliers with a score of over 80% in the *Supplier Risk Assessment Form* are defined as low-CSR-risk suppliers, while those scoring below 80% are categorized as high-CSR-risk suppliers. As of December 2025, there were 64 qualified suppliers in total, and all 64 participated in environmental and social responsibility evaluations (risk assessments). It covers all suppliers and product procurement categories under Classes A, B and C in the Qualified Supplier List. The results of this risk analysis serve as input for the Company's supplier classification and targeted supplier management, resulting in the identification of 17 critical high-risk suppliers, 2 non-critical high-risk suppliers, 20 critical low-risk suppliers, and 25 non-critical low-risk suppliers. For the 17 critical high-risk suppliers, the Company signs the *Company's Supplier Code of Conduct* with them, requires them to complete the *Social Responsibility and Sustainable Development Questionnaire* and the *Supplier Risk Assessment Form* on an annual basis, and provides training on the *Company's Supplier Code of Conduct*. On-site audits are conducted, and the suppliers are required to agree to improve any adverse impacts. For the 2 non-critical high-risk suppliers and the 20 critical low-risk suppliers, the Company signs the *Company's Supplier Code of Conduct* with them, requires them to complete the *Social Responsibility and Sustainable Development Questionnaire* and the *Supplier Risk Assessment Form* on an annual basis, and provides training on the *Company's Supplier Code of Conduct*. For the 25 non-critical low-risk suppliers, the *Company's Supplier Code of Conduct* was signed.



## Key Initiatives

**04** In 2025, the Company issued the *Social Responsibility and Sustainable Development Questionnaire* to 64 suppliers on the Qualified Supplier List, and all 64 questionnaires were duly returned. The contents of the *Social Responsibility and Sustainable Development Questionnaires* were further verified via email, telephone and WeChat. For critical high-risk suppliers - such as those with a high business share but environmental violations - the Company required quarterly submission of inspection reports and the development of a green production improvement plan. For non-critical high-risk suppliers, measures included requiring rectification within a specified time limit, supplier replacement, strengthened document review, restricted cooperation scope and elevated compliance requirements. For critical low-risk suppliers, the company deepened cooperation through long-term agreements, technical collaboration, regular joint assessments and priority resource allocation. For non-critical low-risk suppliers, management was streamlined, including standardized procedures, reduced review frequency, centralized procurement and dynamic price negotiation.

**05** The management and purchasers received training on the *Supplier Code of Conduct of Haiyang Technology Co., Ltd.*, and participated in or observe external audits such as Tfs, EcoVadis and RSCI. In internal supplier management, they applied risk assessment tools including the ESG scoring system and supplier evaluation. Through practical application, they were able to identify evidence of non-compliance and put forward rectification suggestions. Social Issues Module: Identification and response to child labor, forced labor, discrimination and harassment; ensuring suppliers comply with statutory wage and working hour requirements, health and safety standards, and supply chain human rights protection (e.g., rights and interests of female employees). Environmental Issues Module: Resource and pollution management; suppliers' energy use efficiency, waste disposal, pollutant emission monitoring and climate change response. Business Ethics Module: Anti-corruption, anti-bribery and transparent procurement procedures. Through systematic training, purchasers have shifted from a "cost-first" mindset to "value-driven" thinking, balancing commercial goals with social and environmental responsibilities in supply chain management. This reduces operational risks for the enterprise while driving the sustainable development of the industrial chain.

**06** On-site audits were conducted for Critical & High-Risk Suppliers, totaling 17 sessions. Against the *Supplier Code of Conduct of Haiyang Technology Co., Ltd.*, a total of 105 nonconformities were identified. The contents of the *Supplier Audit Checklist* covered the main modules of environmental management, occupational health and safety management, labor and human rights, and business ethics. The *Audit Nonconformity Report and Improvement Plan* compiled all nonconformities identified during the audit. For each individual nonconformity, a root cause analysis was conducted, along with corresponding corrective measures, the person responsible, the completion deadline, and joint verification of the evidence supporting the rectification actions.



## Key Initiatives

**07** The Company organized one training session on the *Supplier Code of Conduct of Haiyang Technology Co., Ltd.* for suppliers, highlighting key requirements on energy consumption, carbon emission reduction, employment practices, anti-corruption and business ethics in line with Tfs, EcoVadis and RSCI standards. Helped 6 suppliers participate in EcoVadis assessment and promoted continuous improvement through technical empowerment and resource support. At present, 1 supplier has provided ISO 14064 greenhouse gas verification certificates, and multiple suppliers have provided ISO 14064 greenhouse gas inventory reports. This enhances suppliers' ability to respond to climate change, social risks and market fluctuations, and builds a resilient supply chain. Improved the efficiency of rectifying audit findings for suppliers through supplier capacity building practices.

**08** The Company included the performance on the implementation of the *Supplier Code of Conduct of Haiyang Technology Co., Ltd.* in the *Monthly Performance Appraisal Forms* of relevant purchasers, with a weighting of 5%, and conducted such appraisals on a monthly basis. For suppliers at the same assessment level, the Company allocated the supply share of the same type of materials based on their scores in environmental assessment, occupational health and safety, labor and human rights, ethical reputation and other aspects; the higher the score, the greater the supply share the suppliers obtained. In terms of complaint management, suppliers could file appeals to the Supply Department through the complaint channels, and the Supervision, Audit Department and Enterprise Management Department conducted reinvestigations. The Company has adopted strict measures to follow up on violations, and cooperation will be immediately terminated with suppliers involved in serious acts such as certificate fraud.

**09** This year, focusing on the concept of sustainable development and benchmarking against international standards, Haiyang Technology reconstructed its customs internal control system. By implementing risk investigation and establishing a dynamic early warning model, the Company not only passed the Customs AEO certification again, but also improved the efficiency of supply chain operation, effectively reduced the inspection rate, and consolidated the compliance moat of the Company in the global supply chain.



Haiyang AEO Certification Certificate



Haiyang Polyamide AEO Certification Certificate



AEO Certification Certificate of Tongxin Chemical Fiber



Online training on Customs AEO Enterprise Certification



## Key Initiative – Supplier Diversity Measures

### 10 1) Optimization of Supplier Selection Process

The Company specified in its supplier selection criteria that whether an enterprise is women-owned, women-led, minority-owned, disabled-owned, veteran-owned or disabled veteran-owned shall be taken as one of the important considerations, which carries the same weight as traditional indicators of the enterprise such as product quality, price competitiveness and delivery capacity, so as to ensure that underrepresented enterprises obtain fair competition opportunities.

Equal Treatment of Small and Medium-sized Enterprises (SMEs): Haiyang Technology is committed to building a fair and transparent supply chain system, and promises to set reasonable payment terms for SME suppliers and ensure timely payment. Meanwhile, strengthened daily communication and information sharing with SME suppliers, timely solved problems encountered by SME suppliers in the cooperation process, and jointly built a fairer and more inclusive business ecosystem.

### 2) Support for Supplier Capacity Improvement

In 2025, the Company provided training services to a total of 64 suppliers, including women legal person-owned enterprises, minority-owned enterprises, disabled-owned enterprises, veteran-owned enterprises and disabled veteran-owned enterprises. The number of employees from these enterprises participating in the training reached 68 person-times.

### 3) Economic Contribution

The Company's expenditure on women-owned suppliers kept growing, which directly created a large number of business opportunities for women entrepreneurs, minority entrepreneurs, disabled entrepreneurs, veteran entrepreneurs and disabled veteran entrepreneurs, and boosted the development of relevant industries. According to statistics, the Company's procurement amount of goods and services from women legal person-owned enterprises reached RMB 24.2203 million in 2025, a 9.1% increase compared with 2024. These procurement activities directly and indirectly created more than 591 jobs, covering supplied materials including cotton yarn, magnetic pumps, centrifugal pumps and accessories, spinning oil, desiccants, paper packaging, winding film, black film, wooden pallets office suppliers, etc.



## Key Initiative – Promotion of Green and Low-carbon Supply Chain

- 11 The Company continuously reduced environmental impacts and their external costs, and mitigated the impacts caused by climate change and resource depletion. The Company strengthened the management of suppliers' raw material procurement to reduce the carbon footprint in the raw material acquisition stage and the product production stage.

**(1) Green Supplier Management:** The Company assessed suppliers in accordance with green supplier management guidelines, established and implemented supplier evaluation criteria, and strengthened the management and evaluation of suppliers in the supply chain. When the price difference of raw materials was insignificant, the Company prioritized suppliers with a low carbon footprint of raw materials or low energy consumption per unit product to promote collaborative improvement in the supply chain.

**(2) Product Ecological Design:** The Company implemented ecological design in line with the basic principles of *General Principle and Requirements of Eco-design for Products (GB/T 24256-2009)*, met the conditions specified in the group standard *Technical Requirements for Green Fiber Evaluation* issued by the China Chemical Fiber Association, and obtained the *Green Fiber Certification Certificate*. Based on the analysis of indicator compliance as well as carbon footprint analysis and calculation results, combined with the adoption of environmentally friendly design schemes, the implementation of the extended producer responsibility system, green supply chain management and other work, the Company put forward specific plans for product ecological design improvement, took energy conservation and green development as the improvement direction, and reduced the carbon footprint of products throughout their life cycle.

**(3) Promotion of Green and Low-Carbon Development Awareness:** The Company firmly upheld the principle of sustainable enterprise development, and strengthened the publicity and practice of the life cycle concept. The Company adopted scientific methods to enhance the accumulation and recording of data in the whole process of product carbon footprint, and conducted regular self-inspections on the environmental impacts of products throughout their life cycle, so as to carry out relevant comparative analysis within the enterprise, identify problems, and further improve ecological design management, organization, personnel and other aspects.

## Key Initiatives to Prevent Negative Impacts in Suppliers' Environmental, Health & Safety, Labor and Business Ethics Practices



### 2023

- Monitoring of suppliers' exhaust stacks
- Promotion of ISO 14064 standards
- Sharing of chemical management cases
- Verification of suppliers' child labor and social insurance information
- Emergency response tabletop drills
- Sharing of business integrity cases
- Sharing of intellectual property rights cases
- Benchmarking and self-inspection against RSCI

### 2024

- Guidance for suppliers on RSCI standards
- Greenhouse gas inventory reports
- Suppliers providing CO<sub>2</sub>e data for their products
- Submission of work-related injury reports
- Sampling participation in emergency response drills
- Verification of suppliers' child labor and social insurance information
- On-site reviews of suppliers' chemical management
- Findings from previous supplier on-site reviews
- Sharing of anti-corruption and integrity cases

### 2025

- Guidance for suppliers on RSCI standards
- Greenhouse gas inventory reports
- Supplier product carbon footprint
- Submission of work-related injury reports
- Verification of suppliers' child labor and social insurance information
- On-site reviews of suppliers' chemical management
- Closure of findings from on-site supplier reviews and audits

## Objective



### Key Performance During the Reporting Period

Percentage of core suppliers that have signed the <i>Supplier Code of Conduct</i>	<b>100%</b>
Percentage of suppliers signing contracts with clauses covering environmental, labor and human rights requirements	<b>100%</b>
Percentage of target suppliers that have undergone corporate social responsibility assessment	<b>100%</b>
Percentage of target suppliers that have undergone on-site corporate social responsibility audits	<b>100%</b>
Percentage of purchasers trained in sustainable procurement	<b>100%</b>
Percentage of audited or assessed core suppliers participating in improvement actions or capacity-building	<b>100%</b>
Percentage of core suppliers holding ISO 14064:2019 greenhouse gas inventory reports	<b>15.63%</b>
Percentage of core suppliers providing ISO 14001:2015 environmental management system certification	<b>53.33%</b>
Percentage of core suppliers holding ISO 45001:2018 occupational health and safety management system certification	<b>50%</b>
Number of business ethics incidents among all suppliers	<b>0</b>

**Note 1:** Core suppliers refer to qualified suppliers in Classes A/B/C, with a total of 64 in 2025

**Note 2:** During the reporting period, the certification achievement rate of core suppliers in ISO 14064:2019 greenhouse gas inventory, ISO 14001:2015 environmental management system and ISO 45001:2018 occupational health and safety management system failed to meet expectations, mainly due to problems such as insufficient awareness of the importance of the systems, limited implementation resources and lack of professional guidance among some suppliers. To promote the achievement of goals and focus on suppliers that have not provided reports, we will take actions such as awareness improvement and key screening, professional resource support, and incentive mechanism linkage in 2026.

### Cases

Haiyang Technology Co., Ltd. carries out supplier audits to identify potential risks and improvement opportunities in the implementation of the *Supplier Code of Conduct*.



Opening Meeting of Supplier Second-party Audit



On-site Audit of Suppliers' Environmental and Social Issues

# Sustainable Development Disclosure Framework

## Appendix 1: Report Preparation Instructions

The 2025 Annual Sustainability Report of Haiyang Technology Co., Ltd. (hereinafter referred to as "this Report") is the second ESG report compiled and released by Haiyang Technology. This Report has systematically summarized and disclosed the practices and development of Haiyang Technology in environmental, social and governance aspects during 2025, so as to respond to the concerns of stakeholders over the sustainable development of Haiyang Technology.

### Report Scope

**Time Scope:** The time scope of this report is from January 1, 2025 to December 31, 2025. For certain content, retrospective or extended coverage may apply to reflect business/project continuity or material impacts.

**Organizational Scope:** This Report takes Haiyang Technology Co., Ltd. as the reporting entity, including its branches and subsidiaries. Unless otherwise stated, the scope of this Report is consistent with that of the Company's annual report.

### Preparation Basis

This Report discloses relevant information with reference to the *GRI Standards 2021* by the Global Sustainability Standards Board (GSSB), the UN 2030 Sustainable Development Goals (SDGs), the Ten Principles of the United Nations Global Compact (UNGC), and the framework set out in the *Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No.14 Sustainability Report (for Trial Implementation)*.

### Data Notes

Financial data in this Report are sourced from the 2025 operating statements provided by the Company's Finance Department. Other data are derived from internal documents and authentic operational records of the Company. The Company assumes responsibility for the accuracy of the content in this Report. All financial data are denominated in Renminbi (RMB). Where financial data in this Report differ from the Company's annual financial report, the annual financial report shall prevail.

### Report Assurance

This Report has been assured by Ti Certification (Shanghai) Co., Ltd., a professional third-party certification body, which has issued an assurance statement.

### Report Access

This Report is published in both Simplified Chinese and English. In the event of any inconsistency between the two versions, the Simplified Chinese version shall govern. The electronic version is available on the Company's official website: <https://www.pa6.com.cn/>.

### Terminology Notes

In this Report, unless the context requires otherwise, the following terms shall have the meanings set out below:

Haiyang Technology, Haiyang Technology Co., Ltd., the Company	Haiyang Technology Co., Ltd.
Haiyang	Haiyang Technology Co., Ltd. (North Factory Area)
Haiyang Polyamide, Polyamide New Materials	Jiangsu Haiyang Polyamide New Materials Co., Ltd.
Tongxin Chemical Fiber, Tongxin	Jiangsu Tongxin Chemical Fiber Co., Ltd.
Huaheng New Materials Huaheng	Jiangsu Huaheng New Materials Co., Ltd.
The State, the Government	The People's Republic of China and its administrative authorities

### Contact Us

For any comments or suggestions on this Report, please contact us at:

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Email: 1405242842@qq.com

### Sustainable Development Disclosure Framework



Accountability Organization  
AA10000 AP Standard



Accountability Organization  
AA10000 SES Standard



United Nations Global Compact  
(UN GC Standard)



United Nations 17 Sustainable  
Development Goals (UN 17 SDGs)



Global Reporting Initiative (GRI)  
Standard



Shanghai Stock Exchange Self-Regulatory  
Guidelines

## Appendix 2: ESG Performance Data Sheet

Indicator Name	Unit	2023	2024	2025
<b>E1 Recycled and Regenerated Products and Their Packaging Materials</b>				
Recycled feedstock used	tons	1,580.00	1,888.00	2,158.53
Total Amount of Feedstock Used	tons	282,322.63	380,424.90	369,939.24
Recycled products and packaging materials	tons	918.00	1,015.00	1,003.00
Products Sold During the Reporting Period	tons	288,590.52	384,332.23	370,594.45
Percentage of recycled feedstock used	%	0.56	0.50	0.58
Percentage of recycled products and packaging materials	%	0.32	0.26	0.27
<b>E2 Energy Use</b>				
<b>E2.1 Direct Energy Use</b>				
Gasoline	tons	109.83	66.25	39.65
Diesel	tons	36.25	45.17	38.89
Natural gas	Natural gas	5,940,445.00	8,236,715.00	9,408,757.00
Liquefied petroleum gas	kg	2,091.25	1,890.17	1,755.00
Total	GJ	217,956.43	298,157.76	338,437.68
Direct energy use intensity (GJ / million RMB of operating revenue)		53.00	53.80	79.15
<b>E2.2 Indirect Energy Use</b>				
Purchased electricity (10,000 kWh)	10,000 kWh	28,713.94	34,584.48	34,276.45
Purchased heat	GJ	373,194.33	434,635.10	351,747.02
Total	GJ	1,406,896.24	1,679,676.37	1,585,699.22
Indirect energy use intensity (GJ / million RMB of operating revenue)		342.08	303.06	370.83
<b>E2.3 Renewable Energy</b>				
Photovoltaic power (10,000 kWh)	10,000 kWh	195.06	184.92	194.76
Proportion of photovoltaic power in purchased electricity	%	0.68	0.54	0.57
Percentage of renewable energy in total energy consumption	%	0.28	0.22	0.36
<b>E3 Water Resources &amp; Wastewater</b>				
<b>E3.1 Water Management</b>				
Surface water	tons	41,272.00	56,796.00	48,099.00
Production water	tons	646,485.40	729,476.90	716,601.00
Domestic water	tons	157,109.80	169,617.50	179,927.00
Total discharged water volume	tons	178,456.00	184,728.00	206,129.77

Indicator Name	Unit	2023	2024	2025
Total water consumption	tons	666,411.20	771,162.40	738,497.23
Water use intensity (tons / million RMB of operating revenue)		87.10	74.85	223.55
Total weight of recycled and reused water	tons	47,570,887.00	49,580,312.00	49,555,423.00
<b>E3.2 Wastewater Management</b>				
Industrial wastewater	tons	53,858.00	55,635.00	58,611.00
Domestic wastewater	tons	139,636.15	146,738.84	159,346.77
Total wastewater volume	tons	193,494.15	202,373.84	217,957.77
Wastewater discharge intensity (tons / million RMB of operating revenue)		19.21	12.48	50.97
Chemical Oxygen Demand (COD) emissions	tons	10.08	9.92	12.92
Percentage of suppliers that have significant water-related impacts from wastewater discharge and for which minimum standards have been set for wastewater discharge quality	%	0.00	0.00	0.00
Total ammonia nitrogen emissions	tons	0.24	0.42	0.82
Number of non-compliance incidents against discharge limits	Times	0.00	0.00	0.00
Compliance rate of wastewater pollutant discharge	%	100.00	100.00	100.00
Total number of major leaks	Times	0.00	0.00	0.00
Total volume of major leaks	m <sup>3</sup>	0.00	0.00	0.00
<b>E4 Waste Gas Emissions (Including Noise)</b>				
Particulate matter	tons	1.19	1.48	2.47
Sulfur compounds	tons	0.00	0.00	1.12
Nitrogen oxides	tons	0.00	14.83	13.05
Persistent Organic Pollutants (POPs)	tons	0.00	0.00	0.00
Volatile Organic Compounds (VOCs)	tons	4.29	5.94	3.90
Hazardous Air Pollutants (HAPs)	tons	0.18	0.1	0.39
Total weight of air pollutants	tons	5.71	22.49	21.03
Compliance rate of noise emissions at plant boundary	%	100.00	100.00	100.00
<b>E5 Waste Management</b>				
Hazardous waste	tons	371.84	526.64	550.85
General waste	tons	10,527.14	11,677.08	4,845.86
Total waste	tons	10,898.98	12,203.73	5,396.71
Hazardous waste disposed (incineration or landfill)	tons	396.67	497.50	575.75

## Appendix 2: ESG Performance Data Sheet

Indicator Name	Unit	2023	2024	2025
General waste disposed (incineration or landfill)	tons	0.00	0.00	0.00
Total waste disposed	tons	396.67	497.50	575.75
Hazardous waste recycled (recycling use)	tons	0.00	0.00	0.00
General waste recycled (recycling use)	tons	10,803.00	12,095.00	3,314.00
Total waste recycled	tons	10,803.00	12,095.00	3,314.00
Percentage of recycled or reused materials in the total operational waste of the Company	%	99.12	99.11	61.41
Hazardous waste intensity (tons / million RMB of operating revenue)		0.02	0.02	0.13
General waste intensity (tons / million RMB of operating revenue)		2.73	2.25	1.13
Total disposed waste intensity (tons / million RMB of operating revenue)		2.75	2.26	0.13
Total recycled waste intensity (tons / million RMB of operating revenue)		2.73	2.25	0.78
Compliance rate of solid waste disposal	%	100.00	100.00	100.00
<b>E6 Greenhouse Gas Emissions</b>				
Scope 1 GHG emissions (tons of CO <sub>2</sub> equivalent)	tCO <sub>2</sub> e	13,627.39	6,092.39	21,340.69
Scope 2 GHG emissions (tons of CO <sub>2</sub> equivalent)	tCO <sub>2</sub> e	151,530.25	267,014.70	226,576.66
Scope 3 upstream GHG emissions	tCO <sub>2</sub> e	1,857,582.88	612,478.21	4,131,412.00
Scope 3 downstream GHG emissions	tCO <sub>2</sub> e	23,035.08	7,784.33	14,240.49
Scope 1 and Scope 2 GHG Emissions	tCO <sub>2</sub> e	165,157.64	273,107.09	247,917.35
Scope 1 and Scope 2 GHG Emission Intensity (tCO <sub>2</sub> e per million RMB of operating revenue)		41.27	45.62	57.98
Generation of Ozone-Depleting Substances (ODS) (no fugitive emissions)	tons	3.07	3.07	3.27
<b>Others</b>				
Percentage of operating sites that have undergone specific environmental risk assessments	%	100.00	100.00	100.00
<b>S Social Performance Sheet</b>				
<b>S1.1 Employee Profile</b>				
Total Number of Employees (Direct Recruitment)	Person	1614	1729	1,811
Annual total hiring rate	%	31.36	27.26	30.53
Annual total number of turnover	Person	332	367	326

Indicator Name	Unit	2023	2024	2025
Annual total turnover rate	%	16.16	17.01	14.89
Number and proportion of employees by gender, employment type, position, age group and region				
<b>Employees Hired (by Gender)</b>				
Number of male employees	Person	942	1034	1,122
Number of female employees	Person	672	695	689
Proportion of male employees	%	54.70	57.76	60.19
Proportion of female employees	%	39.03	38.83	36.96
<b>Labor Dispatched Employees (by Gender)</b>				
Number of male employees	Person	11	5	18
Number of female employees	Person	97	56	35
Proportion of male employees	%	0.64	0.28	0.97
Proportion of female employees	%	5.63	3.13	1.88
<b>Company Board of Directors (by Gender)</b>				
Number of male employees	Person	9	9	6
Number of female employees	Person	0	0	0
Proportion of male employees	%	100.00	100.00	100.00
Proportion of female employees	%	0.00	0.00	0.00
<b>Senior Management Positions</b>				
Number of male employees	Person	7	7	6
Number of female employees	Person	2	2	2
Proportion of male employees	%	77.78	77.78	75.00
Proportion of female employees	%	22.22	22.22	25.00
<b>By Region</b>				
Number of mainland employees	Person	1,722	1,790	1,864
Number of overseas employees	Person	0	0	0
Number of mainland temporary employees	Person	0	0	0
Number of overseas temporary employees	Person	0	0	0
<b>By Age</b>				

## Appendix 2: ESG Performance Data Sheet

Indicator Name	Unit	2023	2024	2025
Permanent employees aged ≤ 30	Person	178	218	262
Permanent employees aged >30 to <50	Person	909	890	903
Permanent employees aged ≥ 50	Person	527	621	646
By Employment Type				
Number of permanent employees	Person	1614	1729	1,811
Number of labor dispatched employees	Person	108	61	53
By Job Rank				
Number of management staff	Person	239	263	264
Number of general staff	Person	1483	1527	1,600
New Hires (by Gender)				
Number of male employees	Person	392	348	429
Number of female employees	Person	148	140	140
Proportion of male employees	%	72.59	71.31	75.40
Proportion of female employees	%	27.41	28.69	24.60
Proportion of Vulnerable Groups				
Number of employees with disabilities	Person	39	39	37
Number of ethnic minority employees	Person	2	4	8
Proportion of employees with disabilities	%	2.26	2.18	1.98
Proportion of ethnic minority employees	%	0.12	0.22	0.43
Diversity in Management				
Males in the governance layer	Person	167	181	188
Females in the governance layer	Person	72	82	76
Age of governance layer: ≤30	Person	62	68	66
Age of governance layer: >30 to <50	Person	112	120	115
Age of governance layer: ≥50	Person	65	75	83
Ethnic minority employees	Person	0	0	0
Employees with disabilities	Person	0	0	0
Diversity in General Staff				
Male general employees	Person	786	850	952
Female general employees	Person	697	677	648

Indicator Name	Unit	2023	2024	2025
General employees aged ≤ 30	Person	114	145	202
General employees aged >30 to <50	Person	907	837	807
General employees aged ≥ 50	Person	462	545	591
Ethnic minority employees	Person	2	4	8
Employees with disabilities	Person	39	39	37
New Hires (by Gender, Region and Age)				
Total number of male new hires	Person	392	348	429
Total number of female new hires	Person	148	140	140
Total number of mainland new hires	Person	540	488	569
Total number of overseas new hires	Person	0	0	0
New hires aged ≤ 30	Person	249	191	236
New hires aged >30 to <50	Person	263	263	305
New hires aged ≥ 50	Person	28	34	28
Total number of new hires	Person	540	488	569
Turnover Proportion by Region				
Number of mainland permanent employees	Person	332	367	326
Number of overseas permanent employees	Person	0	0	0
Proportion of mainland permanent employees	%	100.00	100.00	100.00
Proportion of overseas permanent employees	%	0.00	0.00	0.00
Turnover by Age Group				
Permanent employees aged ≤ 30	Person	144	149	98
Permanent employees aged >30 to <50	Person	150	176	128
Permanent employees aged ≥ 50	Person	38	42	100
Turnover Rate by Age Group				
Permanent employees aged ≤ 30	%	43.37	40.60	30.06
Permanent employees aged >30 to <50	%	45.18	47.96	39.26
Permanent employees aged ≥ 50	%	11.45	11.44	30.68
S1.2 Training and Development				
Training breakdown by employee profile, rank, gender and category				

## Appendix 2: ESG Performance Data Sheet

Indicator Name	Unit	2023	2024	2025
Total number of trainees	Person	2052	2102	2,186
Total training hours	Hour	25056	24624	27,266
Average training hours per employee	Hour	12.21	11.71	12
Employee training coverage	%	100.00	100.00	100.00
Training breakdown by job rank				
Number of management staff	Person	241	268	287
Number of general staff	Person	1811	1834	1,899
Share of management staff	%	11.74	12.75	13.13
Share of general staff	%	88.26	87.25	86.87
Total training hours for management	Hour	2312	2592	2,802
Total training hours for general staff	Hour	22744	22032	24,464
Average training hours per manager	Hour	9.59	9.67	9.76
Average training hours per general employee	Hour	12.56	12.01	12.88
Training breakdown by gender				
Number of male employees	Person	1264	1292	1,354
Number of female employees	Person	788	810	832
Proportion of male employees	%	61.60	61.47	61.94
Proportion of female employees	%	38.40	38.53	38.06
Total training hours for male employees	Hour	16384	15904	18,369
Total training hours for female employees	Hour	8672	8720	8,897
Average training hours per male employee	Hour	12.96	12.31	13.57
Average training hours per female employee	Hour	11.01	10.77	10.69
Average training hours per employee	Hour	12.21	11.71	12.47
Total training hours per employee by training category				
Labor & human rights (including anti-discrimination & anti-harassment)	Hour	24	24	28
Environment	Hour	24	24	24
Business ethics	Hour	24	24	24
Sustainable procurement	Hour	24	24	26
Total training hours per employee by training category				

Indicator Name	Unit	2023	2024	2025
Employee training coverage rate for training on labor and human rights, business ethics and sustainable procurement	%	100.00	100.00	100.00
Percentage of employees who have received training on specific environmental issues	%	100.00	100.00	100.00
Number of employees receiving regular performance & career development reviews				
Total male employees	Person	953.00	1,039.00	1,140
Total female employees	Person	769.00	751.00	724
Percentage of employees who have received regular performance and career development assessments	%	100.00	100.00	100.00
Security staff trained on human rights policies or procedures				
Number of security staff trained on human rights policies or procedures	Person	43	43	37
Percentage of security staff trained on human rights policies or procedures	%	2.18	2.12	1.98
S1.3 Rights Protection				
Average total hourly wage for female employees	RMB	34.11	36.43	35.05
Average total hourly wage for male employees	RMB	41.19	43.02	43.03
Labor contract signing rate for new employees	%	100.00	100.00	100.00
Share of basic wages meeting local minimum wage requirement	%	100.00	100.00	100.00
Unadjusted average gender pay gap	%	5.57	2.87	3.83
Employee turnover rate	%	16.16	17.01	14.89
Employee complaint resolution rate	%	100.00	100.00	100.00
Social insurance enrollment rate for all employees	%	93.73	96.59	97.16
Social insurance enrollment rate for direct employees	%	100.00	100.00	100.00
Employee satisfaction	%	84.43	86.02	88.95
On-time Salary Payment Rate	%	100.00	100.00	100.00
Percentage of direct employees covered by living wage benchmark analysis	%	100.00	100.00	100.00
Percentage of direct employees earning below a living wage	%	0.00	0.00	0.00

## Appendix 2: ESG Performance Data Sheet

Indicator Name	Unit	2023	2024	2025
Percentage of all employees earning below a living wage	%	0.00	0.00	0.00
Percentage gap between average wages of sub-living-wage direct employees and the living wage benchmark		0.00	0.00	0.00
Percentage of employees who have received skill-related training	%	100.00	100.00	100.00
Percentage of employees receiving diversity, equity & inclusion training	%	100.00	100.00	100.00
Percentage of operating sites that have undergone human rights impact or risk assessment	%	100.00	100.00	100.00
Number of employees with personal development plans	Person(s)	1722	1790	1,864
Number of internal mobility cases	Person(s)	12	7	0
Number of child labor and forced labor incidents	Person(s)	0	0	0
Number of discrimination or harassment incidents	Person(s)	0	0	0
Percentage of employees participating in anti-discrimination and anti-harassment training	%	100.00	100.00	100.00
Percentage of employees from minority or vulnerable groups in the entire organization	%	1.09	1.05	2.41
Percentage of employees from minority or vulnerable groups in senior management	%	0.00	0.00	0.00
Number of child labor, forced labor and discrimination incidents involving service contractors	Case(s)	0	0	0.00
Change in the ratio of total annual compensation		(0.02)	0.11	3.08
Ratio of total annual salary of the highest-paid individual to the median total annual compensation of all employees	%	14.37	13.35	14.36
Number of employees covered by employee representatives	Person(s)	1722	1790	1,864
Number of employees covered by collective bargaining agreements	Person(s)	1722	1790	1,864
Percentage of employees covered by collective bargaining agreements	%	100.00	100.00	100.00
Parental Leave				
Return-to-work rate after parental leave	%	100.00	100.00	100.00
Retention rate after parental leave	%	100.00	100.00	100.00
S1.4 Occupational Health and Safety				
Number of major fire accidents	Case(s)	0	0	0
Number of new occupational disease cases in the year	Case(s)	0	0	0
Completion rate of occupational health and safety training	%	100.00	100.00	100.00
Coverage rate of occupational health and safety physical examinations	%	100.00	100.00	100.00
Percentage of operating sites that have completed employee health and safety risk assessments	%	100.00	100.00	100.00

Indicator Name	Unit	2023	2024	2025
Fatalities from work-related injuries among direct workforce				
Number of fatalities from work-related injuries	Person	0	0	0
Fatality rate from work-related injuries (per million employees)	10-6	0.00	0.00	0.00
Recordable work injuries				
Number of serious work-related injury incidents (lost workdays ≥ 105 days) involving contractors on company premises	Case(s)	0	0	0
Recordable injury rate of direct labor (per million working hours lost due to work-related injuries)	10-6	1.31	1.80	2.00
Number of recordable work-related injuries among direct workforce	Person	5	8	9
Number of Work-related Accidents	Case(s)	5	8	9
Days absent from work due to work-related injuries and illnesses	Day	7864	7971	8124
Economic Performance Sheet				
G1 Economic Performance				
Operating Revenue (Millions RMB)	million RMB	4,112.75	5,542.41	4,276.05
G2 Sustainable Procurement Indicators				
Total number of suppliers	entities	298	329	366
Number of new suppliers evaluated for environmental and social responsibility	entities	2	8	3
Percentage of new suppliers screened using environmental and social evaluation dimensions	%	100.00	100.00	100.00
Number of suppliers evaluated for environmental and social responsibility (risk assessment)	entities	61	64	60
Percentage of suppliers screened using environmental and social evaluation dimensions (risk assessment)	%	100.00	100.00	100.00
Number of suppliers identified with significant actual and potential negative environmental impacts	entities	0	0	0
Number of suppliers identified with significant actual and potential negative social impacts in the supplychain	entities	0	0	0
Percentage of suppliers identified with significant actual and potential negative environmental and social impacts that agreed to improve after assessment	%	n.a	n.a	n.a
Percentage of suppliers identified with significant actual and potential negative environmental and social impacts with whom relationships were terminated after assessment	%	n.a	n.a	n.a
Percentage of products and services purchased locally	%	99.99	99.99	99.99
Number of suppliers signing the Company's Supplier Code of Conduct	entities	61	64	64
Percentage of core suppliers that have signed the Supplier Code of Conduct	%	100.00	100.00	100.00

## Appendix 2: ESG Performance Data Sheet

Indicator Name	Unit	2023	2024	2025
Percentage of suppliers signing contracts with clauses covering environmental, labor and human rights requirements		100.00	100.00	100.00
Percentage of target suppliers that have undergone corporate social responsibility assessment	%	100.00	100.00	100.00
Percentage of target suppliers that have undergone on-site corporate social responsibility audits	%	100.00	100.00	100.00
Percentage of purchasers trained in sustainable procurement	%	100.00	100.00	100.00
Number of audited or assessed core suppliers participating in improvement actions or capacity-building	entities	11	9	14
Percentage of audited or assessed core suppliers participating in improvement actions or capacity-building	%	18.03	14.29	21.88
<b>G3 Products and Services</b>				
Number of product recall incidents	Case(s)	0	0	3
Number of complaints received regarding products and services	Case(s)	0.00	0.00	0.00
Percentage of key product and service categories requiring improvement in health and safety impacts	%	100.00	100.00	100.00
Total number of violations related to product and service information and labeling				
Percentage of key product or service categories covered and assessed as compliant under product and service information and labeling procedures	%	0	0	0
Number of incidents resulting in fines or penalties due to regulatory violations	Case(s)	0	0	0
Number of incidents warned for violating regulations	Case(s)	0	0	0
Number of incidents violating voluntary codes	Case(s)	0	0	0
Total number of violations related to marketing communications (including advertising, promotions and sponsorships)				
Number of incidents resulting in fines or penalties due to regulatory violations	Case(s)	0	0	0
Number of incidents warned for violating regulations	Case(s)	0	0	0
Number of incidents violating voluntary codes	Case(s)	0	0	0
<b>G4 Customer Privacy</b>				
Number of externally submitted and organizationally verified complaints (involving infringement of customer privacy)	Case(s)	0	0	0
Number of complaints from regulatory authorities (involving infringement of customer privacy)	Case(s)	0	0	0
Total number of confirmed customer data breaches, thefts or losses	Case(s)	0	0	0
<b>G5 Social Impact (Local Community)</b>				

Indicator Name	Unit	2023	2024	2025
Expenditure on participating in or organizing community or public welfare activities	10,000 RMB	6.07	20.51	9.42
Total person-times of participation in community / public welfare activities	Person-times	83	131	152
Total hours of staff participation in community / public welfare activities	Hour	195	356	360
<b>G6 Anti-Corruption Training</b>				
Number of Integrity Training Sessions	Times	2	2	2
Percentage of employees receiving annual integrity training	%	100.00	100.00	100.00
Number of participants in warning education learning	%	100.00	100.00	100.00
Percentage of anti-corruption policies communicated to members of governance bodies				
Members of governance bodies in Jiangsu	%	100.00	100.00	100.00
Members of governance bodies outside Jiangsu	%	0.00	0.00	0.00
Percentage of anti-corruption policies communicated to employees				
Employees in Jiangsu	%	100.00	100.00	100.00
Employees outside Jiangsu	%	0.00	0.00	0.00
Percentage of anti-corruption policies communicated to business partners				
Business partners in Jiangsu	%	100.00	100.00	100.00
Business partners outside Jiangsu	%	100.00	100.00	100.00
Percentage of members of governance bodies trained in anti-corruption				
Members of governance bodies in Jiangsu	%	100.00	100.00	100.00
Members of governance bodies outside Jiangsu	%	0.00	0.00	0.00
Number and percentage of employees trained in anti-corruption				
Number of management staff	Person(s)	223	249	287.00
Number of general staff	Person(s)	1754	1778	1,899.00
Share of management staff	%	100.00	100.00	100.00
Share of general staff	%	100.00	100.00	100.00
Total number and percentage of operating sites that have undergone corruption risk assessment				
Total number of operating sites that have undergone corruption risk assessment	Case(s)	3	4	4
Percentage of operating sites that have undergone corruption risk assessment	%	100.00	100.00	100.00
<b>Anti-Corruption Incidents</b>				
Number of confirmed corruption incidents	Case(s)	0	0	0
Number of reports generated through whistleblowing procedures	Case(s)	0	0	0

## Appendix 2: ESG Performance Data Sheet

Indicator Name	Unit	2023	2024	2025
Total number of confirmed incidents (in which contracts with business partners were terminated or not renewed due to corruption-related violations)	Case(s)	0	0	0
Number of concluded embezzlement lawsuits filed against the Company or its employees	Case(s)	0	0	0.00
Anti-Corruption Actions	Case(s)	0	0	0.00
Number of reported irregular gift and hospitality incidents	%	100.00	100.00	100.00
Number of reported conflict of interest incidents	Case(s)	0	0	0.00
Signing rate of supplier integrity agreements	%	100.00	100.00	100.00
Number of reported commercial fraud incidents	Case(s)	0	0	0
Percentage of high-risk trading partners covered by corruption due diligence procedures				
<b>G7 Anti-Unfair Competition</b>				
Anti-competitive Practices, Antitrust or Anti-monopoly	Case(s)	0	0	0
Number of legal lawsuits in which the Company is identified as a party; Reported commercial fraud incidents	Case(s)	0	0	0
Number of reported money laundering incidents	Case(s)	0	0	0
<b>G8 Information Security &amp; Privacy Protection</b>				
Number of reported information security breach incidents	Case(s)	0	0	0
Number of confirmed information security incidents	Case(s)	0	0	0
Number of verified complaints received (involving violations of customer privacy)	Case(s)	0	0	0
Total number of confirmed leaked, stolen, or lost customer data	%	100.00	100.00	100.00
Signing rate of employee confidentiality agreements; percentage of employees who have received information security training	%	100.00	100.00	100.00
Percentage of high-risk trading partners covered by information security due diligence procedures	%	100.00	100.00	100.00
Percentage of all sites that have conducted internal assessments or reviews on specific business ethics issues	%	100.00	100.00	100.00

## Appendix 3: Sustainable Development Standards Index

### GRI Standards Content Index Table

Haiyang Technology Co., Ltd. reported the information cited in this GRI Content Index with reference to GRI standards from January 1, 2025 to December 31, 2025.

GRI Standard	Disclosure Title	Section Reference
GRI 1: Foundation 2021		
GRI 2: General Disclosures 2021		
Organization and Its Reporting Practices	2-1 Organizational Details	Company Overview
	2-2 Entities Included in the Organization's Sustainability Report	Report Preparation Instructions
	2-3 Reporting Period, Reporting Frequency and Contact Person	Report Preparation Instructions
	2-4 Restatement of Information	Report Preparation Instructions
	2-5 External Assurance	Report Appendices
Activities and Workers	2-6 Activities, Value Chain and Other Business Relationships	Value Chain
	2-72-7 Employees	Recruitment and Retention
	2-8 Workers Other Than Employees	Recruitment and Retention
Governance	2-9 Governance Structure and Composition	Corporate Governance
	2-10 Nomination and Selection of the Highest Governance Body	Corporate Governance
	2-11 Chair of the Highest Governance Body	Corporate Governance
	2-12 Oversight Role of the Highest Governance Body in Managing Impacts	Corporate Governance
	2-13 Delegation of Responsibility for Managing Impacts	Corporate Governance
	2-14 Role of the Highest Governance Body in Sustainability Reporting	Corporate Governance
	2-15 Conflicts of Interest	Omitted; relevant data and information are included in the annual report
	2-16 Communication of Material Concerns	Stakeholder Communication
	2-17 Collective Knowledge of the Highest Governance Body	Omitted; relevant data and information are included in the annual report
	2-18 Performance Evaluation of the Highest Governance Body	Omitted; relevant data and information are included in the annual report
	2-19 Remuneration Policies	Omitted; relevant data and information are included in the annual report
2-20 Procedures for Determining Remuneration	Omitted; relevant data and information are included in the annual report	
2-21 Ratio of Annual Total Remuneration	Omitted; relevant data and information are included in the annual report	

GRI Standard	Disclosure Title	Section Reference
Strategy, Policies and Practices	2-22 Statement on Sustainability Strategy	Chairman's Message
	2-23 Policy Commitments	Chapters 4 to 7
	2-24 Integration of Policy Commitments	Chapters 4 to 7
	2-25 Procedures to Remediate Negative Impacts	Stakeholder Communication
	2-26 Mechanisms for Seeking Advice and Raising Concerns	Stakeholder Engagement / Business Ethics / Employee Relations
	2-27 Compliance with Laws and Regulations	Compliance and Risk Management; All Sections
	2-28 Membership in Associations	R&D and Innovation
Stakeholder Engagement	2-29 Approaches to Stakeholder Engagement	Materiality Analysis
	2-30 Collective Bargaining Agreements	Employee Relations
GRI 3: Material Topics		
GRI 3: Material Topics 2021	GRI 3-1 Process for Identifying Material Topics	Dual Materiality Analysis
	GRI 3-2 List of Material Topics	Dual Materiality Analysis
	GRI 3-3 Management of Material Topics	Dual Materiality Analysis
Material Topic Disclosure Index (Governance)		
GRI 201: Economic Performance 2016	GRI 3-3 Management of Material Issues	Economic Performance
	201-1 Direct Economic Value Generated and Distributed	Omitted; relevant data and information are included in the annual report
	2201-2 Financial Implications of Climate Change and Other Risks and Opportunities	Addressing Climate Change
	201-3 Defined Benefit Plans and Other Retirement Plans	Omitted; relevant data and information are included in the annual report
	201-4 Financial Subsidies Received from Governments	Omitted; relevant data and information are included in the annual report
GRI 205: Anti-Corruption 2016	GRI 3-3 Management of Material Topics	Business Ethics
	205-1 Operating Sites That Have Undergone Corruption Risk Assessment	Business Ethics Compliance and Risk Management
	205-2 Communication and Training of Anti-Corruption Policies and - Procedures	Business Ethics
	205-3 Confirmed Corruption Incidents and Actions Taken	Business Ethics
GRI 206: Anti-Competitive Behavior 2016	GRI 3-3 Management of Material Topics	Business Ethics
	06--1 Legal Actions Regarding Anti-Competitive, Antitrust and Monopolistic Practices	Business Ethics
GRI 207: Tax 2019	GRI 3-3 Management of Material Topics	Tax Governance
	207-1 Tax Policy	Tax Governance
	207-2 Tax Governance, Control and Risk Management	Tax Governance
	207-3 Stakeholder Engagement and Management Related to Tax Concerns	Tax Governance
	207-4 Country-by-Country Reporting	Not applicable due to different national conditions

GRI Standard	Disclosure Item Title	Chapter Index
Material Topic Disclosure Index (Environmental)		
GRI 301: Materials 2016	GRI 3-3 Management of Material Topics	Resource Utilization and Circular Economy
	301-1 Weight or Volume of Materials Used	Resource Utilization and Circular Economy
	301-2 Recycled Feedstock Used	Resource Utilization and Circular Economy
	301-3 Recycled Products and Their Packaging Materials	Resource Utilization and Circular Economy
GRI 302: Energy 2016	GRI 3-3 Management of Material Topics	Energy Utilization
	302-1 Energy Consumption Within the Organization	Energy Utilization
	02-2 Energy Consumption Outside the Organization	No Relevant Data Compiled
	302-3 Energy Intensity	Energy Utilization
	302-4 Energy Consumption Reduction	Energy Utilization
GRI 303: Water and Wastewater 2018	302-5 Reduction of Energy Demand of Products and Services	Energy Utilization
	GRI 3-3 Management of Material Topics	Green Factory
	303-1 Interactions Between the Organization and Water as a Shared Resource	Green Factory
	303-2 Management of Impacts Related to Discharge	Green Factory
	303-3 Water Withdrawal	Green Factory
GRI 304: Biodiversity 2024	303-4 Water Discharge	Green Factory
	303-5 Water Consumption	Green Factory
	Biodiversity 2024 (Omitted)	Green Factory
	GRI 3-3 Management of Material Topics	Green Factory
	GRI 305: Emissions 2016	305-1 Direct (Scope 1) Greenhouse Gas Emissions
305-2 Energy Indirect (Scope 2) Greenhouse Gas Emissions		Addressing Climate Change
305-3 Other Indirect (Scope 3) Greenhouse Gas Emissions		Addressing Climate Change
305-4 Greenhouse Gas Emissions Intensity		Addressing Climate Change
305-5 Greenhouse Gas Emissions Reductions		Addressing Climate Change
305-6 Emissions of Ozone-Depleting Substances (ODS)		ESG Performance Summary
305-7 Emissions of Nitrogen Oxides (NO <sub>x</sub> ), Sulfur Oxides (SO <sub>x</sub> ) and Other Significant Gases		Green Factory
GRI 306: Waste 2020	GRI 3-3 Management of Material Topics	Green Factory
	306-1 Waste Generation and Significant Waste-Related Impacts	Green Factory
	306-2 Management of Significant Waste-Related Impacts	Green Factory
	306-3 Waste Generated	Green Factory
	306-4 Waste Diverted from Disposal	Green Factory

GRI Standard	Disclosure Item Topic	Section Reference
	306-5 Directly Treated Waste	Green Factory
GRI 308: Supplier Environmental Assessment 2016	GRI 3-3 Management of Material Topics	Supply Chain Management
	308-1 New Suppliers Screened Using Environmental Criteria	Supply Chain Management
	308-2 Negative Environmental Impacts in the Supply Chain and Actions Taken	Supply Chain Management
Material Topic Disclosure Index (Social)		
GRI 401: Employment 2016	GRI 3-3 Management of Material Topics	Employee Rights and Interests; Recruitment and Retention
	401-1 New Hires and Employee Turnover	Recruitment and Retention
	401-2 Benefits Provided to Full-Time Employees (Excluding Temporary or Part-Time Employees)	Recruitment and Retention
	401-3 Parental Leave	Recruitment and Retention
GRI 402: Labor-Management Relations 2016	GRI 3-3 Management of Material Topics	Employee Rights and Interests; Recruitment and Retention
	402-1 Minimum Notification Period for Operational Changes	Employee Rights and Interests
GRI 403: Occupational Health and Safety 2018	GRI 3-3 Management of Material Topics	Employee Health and Safety
	403-1 Occupational Health and Safety Management System	Employee Health and Safety
	403-2 Hazard Identification, Risk Assessment and Incident Investigation	Employee Health and Safety
	403-3 Occupational Health Services	Employee Health and Safety
	403-4 Occupational Health and Safety Matters: Worker Participation, Consultation and Communication	Employee Relations
	403-5 Worker Occupational Health and Safety Training	Employee Health and Safety
	403-6 Promotion of Worker Health	Employee Health and Safety
	403-7 Prevention and Mitigation of Occupational Health and Safety Impacts Directly Related to Business Relationships	Employee Health and Safety
	403-8 Workers Covered by the Occupational Health and Safety Management System	Employee Health and Safety
	403-9 Work-Related Injuries	Employee Health and Safety
GRI 404: Training and Education 2016	GRI 3-3 Management of Material Topics	Talent Development
	404-1 Average Hours of Training per Employee per Year	Talent Development
	404-2 Employee Skills Upgrading Programs and Transition Support Programs	Talent Development
	404-3 Percentage of Employees Receiving Regular Performance and Career Development Reviews	ESG Performance Summary
GRI 405: Diversity and Equal Opportunity 2016	GRI 3-3 Management of Material Topics	Recruitment and Retention
	405-1 Diversity of Governance Bodies and Employees	Recruitment and Retention
	405-2 Ratio of Basic Salary and Remuneration of Male and Female Employees	Recruitment and Retention
	GRI 3-3 Management of Material Topics	Employee Rights and Interests; Recruitment and Retention

GRI Standard	Disclosure Item Topic	Section Reference
	406-1 Incidents of Discrimination and Corrective Actions Taken	Employee Rights and Interests; Recruitment and Retention
GRI 407: Freedom of Association and Collective Bargaining 2016	GRI 3-3 Management of Material Topics	Employee Rights and Interests; Employee Relations
	407-1 Operating Sites and Suppliers at Which the Right to Freedom of Association and Collective Bargaining May Be at Risk	Employee Relations
GRI 408: Child Labor 2016	GRI 3-3 Management of Material Topics	Employee Rights and Interests
	408-1 Operating Sites and Suppliers at Significant Risk of Child Labor Incidents	Recruitment and Retention
GRI 413: Local Communities 2016	GRI 3-3 Management of Material Topics	Employee Rights and Interests
	413-1 Operating Sites with Local Community Engagement, Impact Assessment and Development Programs	Social Impact
	413-2 Operating Sites with Actual or Potential Significant Negative Impacts on Local Communities	Social Impact
GRI 414: Supplier Social Assessment 2016	GRI 3-3 Management of Material Topics	Supply Chain Management
	414-1 New Suppliers Screened Using Social Criteria	Supply Chain Management
	414-2 Negative Social Impacts in the Supply Chain and Actions Taken	Supply Chain Management
GRI 416: Customer Health and Safety 2016	GRI 3-3 Management of Material Topics	Consumer health and safety
	416-1 Assessment of Health and Safety Impacts of Product and Service Categories	Consumer health and safety
	416-2 Non-Compliance Incidents Involving Health and Safety Impacts of Products and Services	ESG Performance Summary
GRI 418: Customer Privacy 2016	GRI 3-3 Management of Material Topics	Intellectual Property Protection
	418-1 Verified Complaints Related to Customer Privacy Infringement and Customer Data Loss	Intellectual Property Protection

### Index Table of the Ten Principles of the United Nations Global Compact (UNGC)

UNGC	Disclosure Item Topic	Section Reference
Human Rights		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights	Employee Rights and Interests
Principle 2	Businesses should make sure they are not complicit in human rights abuses	Employee Rights and Interests
Labor Standards		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Employee Relations; Recruitment and Retention
Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labor	Employee Rights and Interests
Principle 5	Businesses should uphold the effective abolition of child labor	Employee Rights and Interests; Recruitment and Retention
Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation	Employee Rights and Interests; Talent Development

UNGC	Disclosure Item Topic	Section Reference
Environment		
Principle 7	Businesses should support a precautionary approach to environmental challenges	Green Factory
Principle 8	Businesses should undertake initiatives to promote environmental responsibility	Green Products
Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies	Green Factory
Anti-Corruption		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery	Business EthicsIntellectual Property Protection

Goal 8		Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Recruitment and RetentionTalent Development
Goal 9		Build disaster-resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation.	R&D and Innovation
Goal 10		Reduce inequality within and among countries	Not Applicable
Goal 11		Make cities and human settlements inclusive, safe, disaster-resilient and sustainable	Social Impact
Goal 12		Ensure sustainable consumption and production patterns	Recruitment and Retention
Goal 13		Take urgent action to combat climate change and its impacts	Addressing Climate Change
Goal 14		Conserve and sustainably use the oceans, seas and marine resources for sustainable development	Not Applicable
Goal 15		Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	Green Factory
Goal 16		Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	Business Ethics
Goal 17		Strengthen the means of implementation and revitalize the global partnership for sustainable development	Supply Chain Management

### Index Table of the UN 2030 Sustainable Development Goals (SDGs)

UN SDGs	Disclosure Item Topic	Section Reference
Goal 1 	End poverty in all its forms everywhere	Economic Performance,Recruitment and Retention
Goal 2 	End hunger, achieve food security, improve nutrition, and promote sustainable agriculture	Recruitment and Retention
Goal 3 	Ensure healthy lives and promote well-being for all at all ages	Recruitment and RetentionEmployee Health and Safety
Goal 4 	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Recruitment and Retention, Talent Development
Goal 5 	Achieve gender equality and empower all women and girls	Recruitment and RetentionTalent Development
Goal 6 	Ensure availability and sustainable management of water and sanitation for all	Employee RelationsEmployee Health and Safety
Goal 7 	Ensure access to affordable, reliable, sustainable and modern energy for all	Recruitment and Retention

Alignment Index Table of the Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14 – Sustainability Report (for Trial Implementation)

Dimensions	Disclosure Item Topic	Section Reference
Environment	Addressing Climate Change	Addressing Climate Change
	Pollutant Emissions	Environmental Compliance Management
	Waste disposal	Environmental Compliance Management
	Ecosystem and Biodiversity Conservation	Biodiversity Conservation Initiatives
	Environmental Compliance Management	Environmental Compliance Management
	Energy Utilization	Energy Utilization
	Water Resource Utilization	Water Resource Utilization
	Circular Economy	Resource Utilization and Circular Economy
Social	Rural Revitalization	Social Contribution
	Social Contribution	Social Contribution
	Innovation-driven	R&D and Innovation
	Science and Technology Ethics	Not involved (Irrelevant to sensitive fields of science and technology ethics)
	Supply Chain Security	Supply Chain Management
	Equal treatment for small and medium-sized enterprises	Supply Chain Management
	Safety and Quality of Products and Services	Supply Chain Management
	Data Security and Customer Privacy Protection	Information Security Management
Governance Related to Sustainable Development	Employees	Employee Rights and Interests, Talent Development, Employee Health and Safety
	Due Diligence	Business Ethics
	Stakeholder Communication	Stakeholder Communication
	Anti-commercial Bribery and Anti-corruption	Anti-commercial Bribery
	Anti-unfair Competition	Anti-unfair Competition

## Appendix 4: Independent Assurance Statement



**TI Group 钛和认证**

### INDEPENDENT ASSURANCE STATEMENT

**TO THE MANAGEMENT AND STAKEHOLDERS OF HAIYANG TECHNOLOGY:**  
 TI Certification (Shanghai) Co., Ltd. (hereinafter referred to as "TI Certification") was commissioned by Haiyang Technology Co., Ltd. (hereinafter referred to as "Haiyang Technology") to conduct an independent third-party assurance of Haiyang Technology 2025 Sustainability Report (hereinafter referred to as "The Report"). TI Certification strictly adhered to the contract signed with Haiyang Technology, conducting the assurance engagement in accordance with the provisions agreed by both parties and within the authorized scope stipulated in the contract. This independent assurance statement is based on the data and information collected by Haiyang Technology and provided to TI Certification. The scope of the assurance engagement is limited to the given information. Haiyang Technology shall be held accountable for authenticity and completeness of the provided data and information.

**SCOPE OF ASSURANCE**  
 Time frame of this assurance  
 ➢ The Report contains the data disclosed by Haiyang Technology Co., Ltd. during the reporting period from January 1<sup>st</sup>, 2025 to December 31<sup>st</sup>, 2025, including governance, environmental and social information and data, methods for management of material issues, actions/measures and the Company's sustainability performance during the reporting period.

Physical boundary of this assurance:  
 ➢ The on-site assurance took place for sampling at below listed location: Haiyang Technology Co., Ltd.-No.122, Haiyang West Road, Hailing District, Taizhou City

Scope of data and information for this assurance:  
 ➢ The scope of assurance is limited to the data and information of Haiyang Technology Co., Ltd. covered by this Report, including their branches and subsidiaries under its operational control.

The following information and data are beyond the scope of this assurance:  
 ➢ Any information and contents beyond the reporting period of this Report; and  
 ➢ The financial data and information disclosed in this Report that have been audited by an independent third party are not verified again herein.

**CRITERIA, TYPES AND LEVELS OF ASSURANCE**  
 This assurance process was conducted by TI Certification's expert team with extensive experience in the environmental, social, governance and other relevant areas and draw the conclusions thereof. The assurance conforms to the following standards:  
 ➢ AAL000AS v3, Type 1 Engagement and Moderate Level of Assurance  
 ➢ GRI Sustainability Reporting Standards (GRI Standards)  
 ➢ Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)

In order to perform adequate assurance in accordance with the contract and provide reasonable assurance for the conclusions, the assurance team conducted the following activities:  
 ➢ Preliminary investigation of the relevant information before the assurance;  
 ➢ Confirmation of the presence of the topics with high level of materiality and performance in the Report;  
 ➢ Testing and assessing a process of measuring, collecting, integrating, and reporting specified performance information and data based on sampling methods and application of analytical procedures;  
 ➢ On-site review of all supporting documents, data and other information provided by Haiyang Technology; Special interview with the representative of Haiyang Technology's management; interviews with the employees related to collection, compilation and reporting of the disclosed information; Observation and examination of operations at the company's subsidiary factories, as well as the management of sustainability-related information and data; and  
 ➢ Assessing the consistency and reliability of the presentation of information related to the scope of assurance in the sustainability report.  
 ➢ Reporting audit observations or recommendations to give the company's management an opportunity to correct errors before the audit process is completed;  
 ➢ Examining the supporting evidence collected to assess the extent to which the relevant evidence and information are presented to support and comply with AAL000AP assurance principles.  
 ➢ Other procedures deemed necessary by the assurance team.

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Page 1 of 3  
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## Appendix 4: Independent Assurance Statement



### INDEPENDENT ASSURANCE STATEMENT

**LIMITATIONS**

- TI Certification planned and executed the assurance in accordance with the scope of the assurance agreed upon in order to obtain all the information, evidence and necessary explanations to provide the basis for the conclusion of the assurance in accordance with the moderate level of AA1000AS v3.
- The assurance process was conducted in the above scope and places. Sampling and verification were adopted for the data and information in the Report by TI Certification, and only the stakeholders within the Company are interviewed; and,
- The information and performance data Procedures performed in a moderate assurance vary in nature from, and are less in extent, than high level assurance.
- The information and performance data related to the assurance, including selected performance-specific information, were limited to the disclosure of the contents of this report. Our assurance did not cover the annual financial report and its financial data, nor did it cover other sustainability topics or matters that were beyond the scope of this assurance.
- The Company's standpoint, opinions, forward-looking statements and predictive information as well as the historical data and information before January 1<sup>st</sup>, 2025 are beyond the scope of this assurance.

**CONCLUSIONS**

Based on the above assurance procedures and methodology performed and the evidence obtained, we conclude that the data and information presented in the Haiyang Technology 2025 Sustainability Report are objective, factual and reliable, without systematic problems. No inaccuracies or unreliable information were found in the reported content. Furthermore, the representations made by Haiyang Technology in the report are fair and balanced, and can be used by stakeholders:

- Haiyang Technology 2025 Sustainability Report and its contents are in adherence to the AA1000AP AccountAbility Principles and align with the information disclosure requirements of the GRI Standards and Guidelines No. 14 of Shanghai Stock Exchange List Self-Regulation of Listed Companies—Sustainability Report (Trial).
- Haiyang Technology has implemented relevant processes and systems to collect and aggregate performance information and data related to materiality issues within the reporting boundary, while the company assessed double materiality issues.
- The sustainability-related information and performance disclosed in the report are evaluated and supported by documentary evidence, which truly reflected management practices of Haiyang Technology in the field of sustainable development.

**ADHERENCE TO THE AA1000AP ACCOUNTABILITY PRINCIPLES**

- Inclusivity**  
Haiyang Technology has comprehensively identified both its internal and external stakeholders. The company recognized seven key stakeholder groups with the highest relevance in 2025, including: shareholders and investor, customers, employees, suppliers, government and regulatory agencies, financial institutions, communities and the public. A stakeholder communication mechanism has been established to regularly gather authentic feedback and expectations from these groups.
- Materiality**  
Haiyang Technology has established a prioritization process for material topics. For the 30 sustainability issues identified for 2025, a two-dimensional assessment was conducted based on "stakeholder concern" and "significance of impact on sustainable development (economic, social, and environmental)". This process generated a ranking of impact materiality. Combined with the results of stakeholder surveys and insights from company leadership and expert opinions, the Company identified sustainability topics highly relevant to its industry. Following review and approval by the Board of Directors and the Strategy and ESG Committee, 15 topics were ultimately selected as material issues for the annual sustainability report, ensuring the report's content remains materiality and aligned with stakeholder expectations.
- Responsiveness**  
In response to stakeholder concerns, Haiyang Technology has clearly disclosed its management approaches and performance across the top 15 material topics. The company has also established multiple stakeholder communication channels, such as shareholder meetings, customer satisfaction surveys, employee performance feedback mechanisms, government-enterprise communication conferences, and routine engagement visits. Throughout the reporting year, Haiyang Technology has fully responded to the key sustainability concerns raised by major stakeholders.

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Page 2 of 3  
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### INDEPENDENT ASSURANCE STATEMENT

**Impact**

Haiyang Technology has continuously improved its sustainability management framework and advanced the development of its corporate sustainability system in line with its established sustainability strategy. Key indicators under each strategic pillar of this framework have been broken down, and the implementation of the strategy is subject to ongoing monitoring. Through this report, Haiyang Technology discloses its performance targets, achievement data, and risk response measures related to sustainability management and operations in key areas. The company has monitored, measured and accounted for the ecosystem that affects the wider community.

**RECOMMENDATIONS**

During the assurance process, the assurance team identified areas of good practice as well as opportunities for enhancement in the sustainability reporting and management systems. These recommendations were communicated on-site to representatives of Haiyang Technology's management for their reference and continuous improvement.

**Intended users of the Assurance Statement**

This Assurance Statement is intended for all stakeholders of Haiyang Technology.

**REPORTING ORGANIZATION RESPONSIBILITIES**

Haiyang Technology establishes and maintains appropriate performance management and internal control systems. It is responsible for the preparation of the Haiyang Technology 2025 Sustainability Report, as well as the collection and submission of sustainability information in accordance with applicable reporting standards. The report is overseen by its management and relevant functional departments, with an obligation to implement and maintain effective internal controls over information and data to support the reporting process.

**ASSURANCE PROVIDER RESPONSIBILITIES**

TI Certification (Shanghai) Co., Ltd. is a certification body approved by the China National Certification and Accreditation Administration (CNCA) and accredited by the China National Accreditation Service for Conformity Assessment (CNAS) and the U.S. International Accreditation Service (IAS). TI Certification is a professional service provider that provides CSR and sustainability services with experienced and technical expertise in the fields of environment, CSR, sustainability and stakeholder engagement. The assurance team at TI Certification strictly adheres to commercial ethics compliance policies and related procedures, and implements principles of integrity, compliance, and conflict of interest management. As a result, our assurance services uphold the principles of independence and impartiality. TI Certification and Haiyang Technology are completely independent entities. There are no conflicts of interest between TI Certification and Haiyang Technology or any of its affiliates or stakeholders. All assurance team members have no business dealings with the company, ensuring complete neutrality in the assurance process. All data and information in the report were provided by Haiyang Technology. Apart from conducting the assurance engagement and issuing the assurance statement, TI Certification was not involved in the preparation or writing of the report.

It is the responsibility of TI Certification to issue an independent assurance statement to Haiyang Technology in accordance with AA1000AS. This independent assurance statement is provided as a conclusion on the assurance of relevant matters within the scope defined in the Haiyang Technology 2025 Sustainability Report, and shall not be used for any other purpose.

TI Certification ensures that all assurance practitioners meet the requirements for professional qualifications, training, and experience, and possess the competence to perform the assurance. All assured results undergo internal review by senior staff to ensure the methods used are rigorous and transparent.

**Signed :**

For and on behalf of TI Certification (Shanghai) Co., Ltd.

  
 Signed by  
 Eric Yang  
 TI Certification Sustainability Authorized Signatory Officer  
 13<sup>th</sup> April 2026 China, Shanghai  
 Address: 7th Floor, NO.767, Changshou Road, Shanghai  
 Email: contact.cbe@titcgroup.com



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Page 3 of 3  
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