



# 2025

Environmental, Social  
and Governance Report

**Haitian International Holdings Limited**

(Incorporated in the Cayman Islands With Limited Liability)  
Stock Code: 1882



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# About the Report

Haitian International Holdings Limited hereby publishes the Environmental, Social and Governance (ESG) Report (hereinafter the “Report”) for the year 2025 to inform stakeholders of the Group’s performance regarding environment, society and governance.

## Reporting Scope

Unless otherwise specified, the Report covers the performance of Haitian International Holdings Limited and its subsidiaries (collectively referred to as “Haitian International”, “the Group” or “we”) during the period from 1 January 2025 to 31 December 2025 (“the Reporting Period”). To ensure the integrity of the Report, description in some parts of the Report goes beyond the above scope.

## Reporting Standards and Principles

This Report has been prepared in accordance with the *Environmental, Social and Governance Reporting Code* (《環境、社會及管治報告守則》) (the “ESG Reporting Code”) set out in Appendix C2 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). For information on governance, it is recommended to read in conjunction with the *Corporate Governance Report* (《企業管治報告》) in the annual report of the Group published on 27 April 2026. The ESG Report is prepared in accordance with the following reporting principles:

- **Materiality:** In preparation of this Report, the Group has identified main stakeholders and determined material ESG issues based on stakeholder engagement and materiality assessment.
- **Quantitative:** The key performance indicators (“KPIs”) in the environmental and social aspects are disclosed on a quantitative basis, accompanied by a narrative to explain their purposes and impacts in the Report. Comparative data on KPIs from previous years are also provided in the Report.
- **Balance:** The Report follows the balance principle to objectively present the Group’s ESG performance.
- **Consistency:** Unless otherwise specified, the statistical approaches for relevant disclosures in the Report are consistent with those in the 2024 *Environmental, Social and Governance Report* (《環境、社會及管治報告》), and will remain unchanged in subsequent years.

## Data Source

The data cited in this Report include the business data and annual financial data from the Group’s actual operations, as well as the data derived from relevant internal statistical reports, administrative documents and other reports. Unless otherwise specified, all currencies in the Report refer to RMB. If there is any inconsistency with the financial report, the financial report shall prevail.

## Report Availability

The Report is published in both Chinese and English. Should there be any discrepancy between the two versions, the Chinese version shall prevail. The electronic version of the Report is available for viewing or download on the HKEXnews website (<http://www.hkexnews.hk>) and the website of the Group (<http://haitianinter.com/>).

# Chairman's Statements

2025 marks the conclusion of China's 14th Five-Year Plan and the preparation phase for the 15th Five-Year Plan. It also represents a strategic window for moving toward greater future from our past achievements and propelling high-quality development of the manufacturing industry to new heights. Amid the deepening synergy between a new wave of industrial transformation and low-carbon transition, great opportunities for industry growth are unfolding. The transformation and upgrading of traditional industries have driven strong demand for efficient and environmentally-friendly machinery and equipment. National policy guidance and support for intelligent manufacturing and green manufacturing have further expanded development prospects for the injection moulding machine industry. In the face of emerging opportunities, Haitian International adheres to the corporate mission of "Communication, Innovation, Efficiency" and embeds the philosophy of sustainable development into key aspects such as operation management, product innovation and manufacturing, sales and customer service, and community engagement, with the aim of creating long-term benefits for our stakeholders, including shareholders, customers, employees, and partners.

We continuously improve our governance of ESG issues. We have established and continuously enhanced our ESG governance structure to clarify the duties and responsibilities of all levels. The Board of Directors of the Group assumes full responsibility for ESG-related matters, and oversees the implementation of ESG strategies in a top-down manner. Under the Board, the ESG Supervision and Executive Committee and the ESG Working Group drive ESG initiatives forward and ensure that ESG concepts are deeply integrated into daily operations. With the ongoing optimisation of the ESG system and practical accomplishments, Haitian International has received an A rating in the MSCI ESG rating, fully demonstrating the Group's outstanding performance in ESG governance.

We actively fulfil our corporate environmental governance responsibilities. Guided by the concept of green development, we not only ensure compliance with pollutant discharge standards, but also steadily advance green and energy-efficient upgrades of production equipment and processes. In addition, relying on the "Smart Energy and Environmental Management Platform", we leverage digital technologies to optimise energy management and enable real-time monitoring and precise control of energy consumption. On the product front, Haitian International continued to enhance its clean technologies and fully rolled out its fifth-generation (G5) models, featuring greater intelligence and integration, as well as improved energy efficiency and performance. Compared with the equivalent G3 models, the G5 models can reduce the overall operating energy consumption by more than 20%, meeting the growing global demand for environmentally-friendly products. Haitian International is committed to providing customers with diversified solutions such as digital production, material lightweighting, and recyclable materials, leading the value chain upstream and downstream toward a greener and cleaner future.

We value our collaboration with employees, partners, and customers. Regarding our employees, we adhere to the principle of "people-oriented" management. With an incentive mechanism based on capability, performance and dedication, we offer a competitive remuneration and benefits system, and provide systematic skills training to help employees thrive with us. Regarding our partners, we ensure cooperation with high-quality suppliers who focus on environmental and social responsibilities through a sound supplier admission and assessment mechanism. We also empower suppliers to boost their performance through diversified initiatives such as management coaching and resource sharing, working together to build a stable, efficient, and premium supply chain ecosystem. Regarding our customers, we always adhere to the "customer-oriented" principle, continuously optimise our professional customer service system, and enhance our product quality control to ensure the delivery of high-quality products. Moreover, we actively fulfil our social responsibilities by participating in public welfare and charitable activities, delivering love and good deeds in the fields of poverty alleviation, education, medical care and other social welfare, and giving back to the society as a corporate citizen.

Haitian International has delivered greater economic and social benefits through the continuous improvement of its governance system and the deepening of sustainability-related measures in environmental and social aspects. In the future, we will continue to provide our customers with technologically-innovative, high-quality and environmentally-friendly products, and collaborate with stakeholders to build a new ecosystem for high-quality industry development. Finally, on behalf of the Board of Haitian International, I would like to express my sincere gratitude to all stakeholders, partners and friends who have long shown interest in and supported the development of the Group!

# I. About Haitian International

## 1. Company Profile

Founded in 1966, Haitian International Holdings Limited specialises in the research, development, production and sales of plastic injection moulding machines (PIMM) that are precise, highly-efficient, energy-saving and environmentally-friendly. The Group has long focused on strengthening the enterprise through technology, and continuously carries out technological innovation and product optimisation. With a nationally-recognised enterprise technology centre and a postdoctoral workstation, we provide products in every field of the plastics processing industry, under the brands of “Zhafir”, “Haitian”, etc., which are widely applied in various industries including automobiles, household appliances, consumer goods, electronics and medical devices. Our products are sold to customers from over 130 countries and regions, winning a variety of honours, including “Famous Chinese Brand”, “Major Chinese Brand for Export Sales” and “State Science and Technology Advancement Award”. The Group actively provides high quality services to customers all over the world.

## 2. Awards and Recognitions in 2025

Entities Rewarded	Title/Award	Awarded by
Haitian International Holdings Limited	2025 “Shanghai Stock Exchange Eagle · Gold Quality” Leading Enterprise Award	China Association for Public Companies, Shanghai Securities News, www.cnstock.com
Haitian Plastics Machinery Group Co., Ltd.	First Prize of the Science and Technology Award for Plastic Machinery	China Plastics Machinery Industry Association
Haitian Plastics Machinery Group Co., Ltd.	2025 Plastics Industry “Ringier Technology Innovation Awards”	Ringier Trade Media



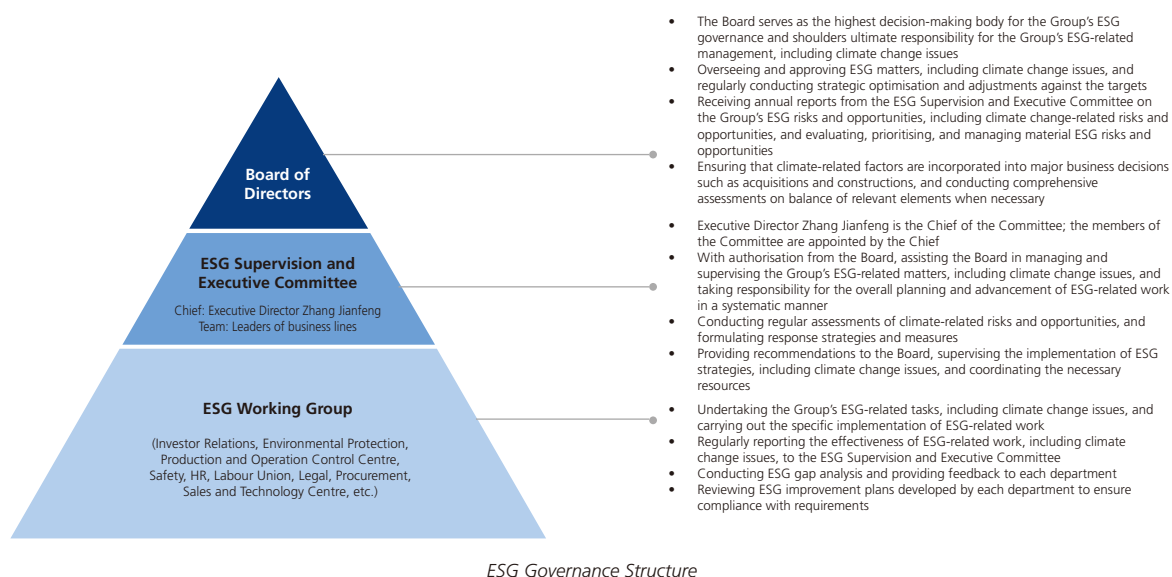
## II. Sophisticated Governance

### Progress in 2025

- Business ethics training covering 100% of directors and employees.
- Conducted 17 internal audits covering 100% of China operating bases.
- Litigation cases on business corruption and bribery incidents: 0.
- Information and privacy breaches: 0.

### 1. ESG Governance Structure

In compliance with relevant requirements of the Stock Exchange, Haitian International responds positively to the expectations of internal and external stakeholders (e.g., customers, investors and employees), and has established a top-down three-tier ESG governance structure.



## II. Sophisticated Governance

### 2. Stakeholder Communication

The Group adheres to sustainable operation, maintains close communication with stakeholders, understands and actively responds to their concerns and expectations, striving to realise mutual benefits for the enterprise and stakeholders. Our stakeholders include governments and regulatory agencies, investors and shareholders, customers, suppliers, employees, and community residents. The main issues of stakeholders' concerns and the communication channels are listed in the table below:

Stakeholders	Issues of Concern	Communication Channels
<b>Governments and regulatory agencies</b>	<ul style="list-style-type: none"> <li>• Compliance with laws and regulations</li> <li>• Tax payment in accordance with laws</li> <li>• Production safety</li> <li>• Clean production</li> </ul>	<ul style="list-style-type: none"> <li>• Regular and interim announcements</li> <li>• Supervision and inspection</li> <li>• Communication with regulatory agencies</li> </ul>
<b>Investors and shareholders</b>	<ul style="list-style-type: none"> <li>• Return on investment</li> <li>• Compliant operation</li> <li>• Information disclosure</li> <li>• Risk management</li> </ul>	<ul style="list-style-type: none"> <li>• Regular and interim announcements</li> <li>• Shareholders' general meeting and other shareholders' meetings</li> <li>• Activities promoting investor relations</li> <li>• Investor due diligence and visits</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Product quality and safety</li> <li>• Quality service</li> </ul>	<ul style="list-style-type: none"> <li>• Daily communication</li> <li>• Business visit</li> <li>• Conference and exhibition</li> <li>• Sales team</li> <li>• Customer satisfaction survey</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Supplier management</li> </ul>	<ul style="list-style-type: none"> <li>• Contract fulfilment</li> <li>• Daily communication</li> <li>• Business visit</li> <li>• On-site due diligence</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Protection of labour rights and interests</li> <li>• Remuneration and benefits</li> <li>• Development and training</li> <li>• Occupational health and safety</li> <li>• Humanistic care</li> </ul>	<ul style="list-style-type: none"> <li>• Employee training</li> <li>• Employee performance appraisal</li> <li>• Employee mailbox</li> <li>• Trade union</li> </ul>
<b>Community residents</b>	<ul style="list-style-type: none"> <li>• Environmental protection</li> <li>• Community involvement</li> <li>• Promotion of local employment</li> </ul>	<ul style="list-style-type: none"> <li>• Community activities</li> <li>• Charitable contribution</li> <li>• Local recruitment</li> </ul>

## II. Sophisticated Governance

### 3. Materiality Assessment

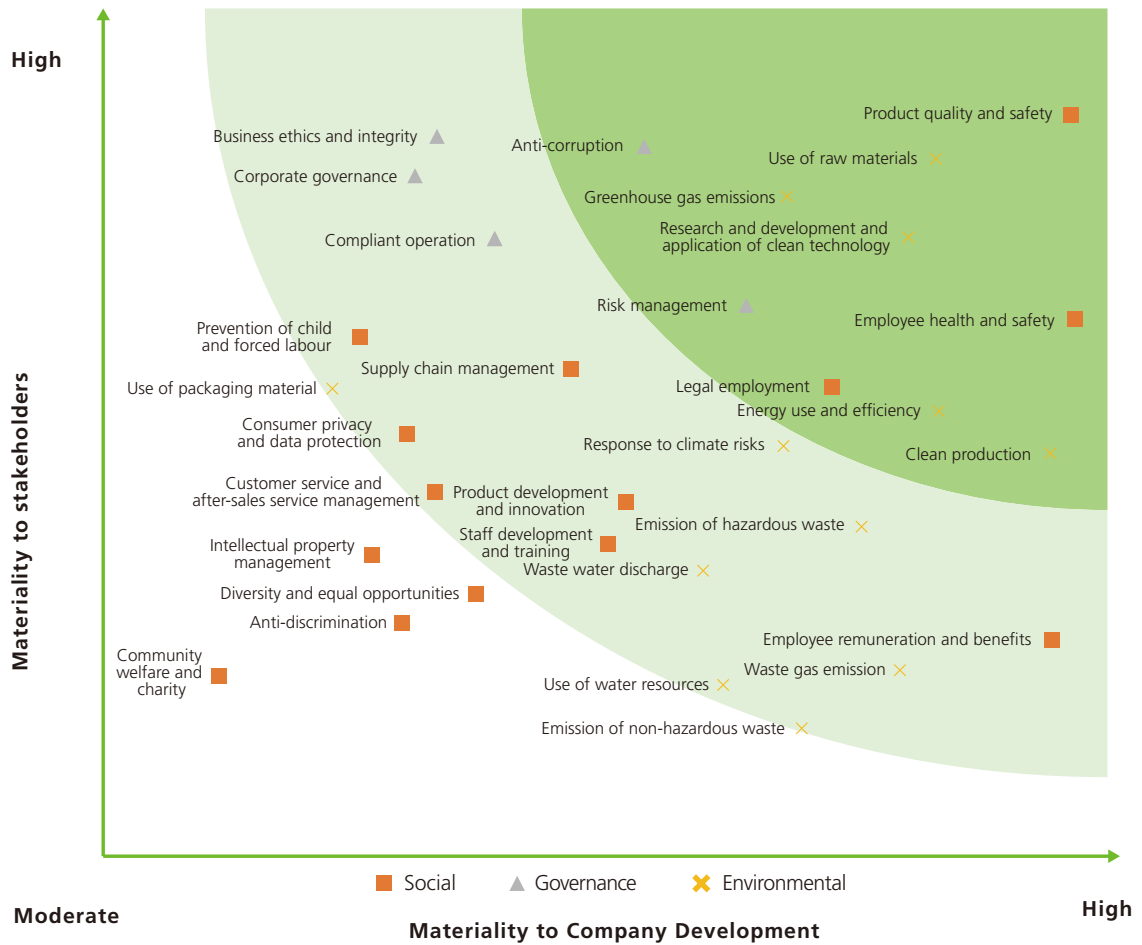
To assess material ESG issues related to the Group's business operation, and understand and respond to expectations of stakeholders on the Group's ESG work, we have conducted the materiality assessment through the following steps in 2022:

- **Identification of issues:** According to the ESG reporting requirements of the Stock Exchange, as well as ESG issues of concern in the capital markets and industry trends, we have sorted out 31 ESG issues, including 12 issues related to environment, 14 to society and 5 to governance.
- **Survey and evaluation:** We identified important internal and external stakeholders of the Group and invited them to evaluate the materiality of the issues through interviews and online questionnaires, so as to seek their opinions and suggestions.
- **Confirmation of results:** We analysed the retrieved questionnaires, and then ranked the issues based on their materiality to corporate development and to stakeholders. By also considering advice from our management and experts, we formulated the ESG materiality matrix.

In 2025, the Group discussed the results of the materiality assessment. Considering that there were no significant changes in our business and operating environment, the Group decided to adopt the results of the materiality assessment in prior years. Please see the exhibit below for details. This Report will refer to the results of the materiality assessment, and focus on responding to material ESG issues of medium and high importance.



## II. Sophisticated Governance



ESG Materiality Matrix of Haitian International

## II. Sophisticated Governance

### 4. Business Ethics

Haitian International attaches great importance to business ethics management and strictly follows the laws and regulations related to anti-corruption and business ethics, such as the *Anti-Unfair Competition Law of the People's Republic of China* (《中華人民共和國反不正當競爭法》), the *Anti-Money Laundering Law of the People's Republic of China* (《中華人民共和國反洗錢法》) and the *Interim Provisions on Banning Commercial Bribery* (《關於禁止商業賄賂行為的暫行規定》). On this basis, we have set up a series of regulations to standardise the Group's management mechanism in anti-corruption, anti-bribery, reporting process, whistleblower protection, conflicts of interest, fair trade, and internal control and audit, including the *Statement of Compliance with Provisions on Anti-Money Laundering* (《遵守反洗錢規定的聲明》), the *Code of Professional Ethics for Employees* (《員工道德準則》), the *Employee Conflict of Interest Management System* (《員工利益衝突管理制度》), the *Anti-Bribery Policy* (《反賄賂政策》), and the *Anti-Fraud Policy* (《反欺詐政策》). In addition, all directors, employees, suppliers and partners are required to implement various anti-corruption measures in accordance with relevant policies, so as to jointly build a business environment of integrity and compliance.

- **Regulatory Mechanisms**

The Group strictly implements audit work, which is led and supervised by the Board of Directors, mainly dealing with complex and major audit projects involving finance, infrastructure and engineering technology. Meanwhile, we have set up an independent Internal Control Department to audit and supervise financial revenue and expenditure and other economic activities. The Internal Control Department reviews business segments in accordance with relevant policies, and evaluates and improves the effectiveness of risk management, risk control and corporate governance processes. In addition, it conducts ad-hoc projects and investigations as requested by the Management or the Board of Directors. All business operations are reviewed by the Internal Control Department at least once every three years.

For internal management, we regularly assess the risks related to corruption in the Group's operations and arrange risk management work in a reasonable manner. The Internal Control Department conducts annual internal audits of all domestic operating bases, as well as annual internal audits of operating bases in four different countries overseas, ensuring coverage of all overseas operating bases every two years. The scope of audit includes, but is not limited to, whether the site complies with the Group's code of business ethics, policies, and procedures. In 2025, Haitian International conducted a total of 17 internal audit activities. While enhancing the internal audit system of the Internal Control Department, the Group also engages third-party organisations to conduct external audit activities to prevent and promptly identify any bribery and corruption risks. We adopt a zero-tolerance policy on all violations against business ethics, including but not limited to illegal activities such as commercial bribery, embezzlement, fraud, extortion and money laundering in our operations. Any employee involved in such activities will be dismissed immediately and relevant acts will be reported to the relevant authorities.

In terms of external cooperation, the Group requires suppliers to sign the *Supplier Integrity Letter* (《供方廉政承諾書》), which specifies the business ethical standards that suppliers should comply with during the term of cooperation. In this way, we try to continuously strengthen the integrity culture among suppliers and enhance their ability to fulfil responsibilities. We will immediately terminate the business relationship with any supplier that breaches such integrity clauses. To deepen supplier integrity co-governance, we have developed relevant clauses in the supply agreement, including prohibiting suppliers from engaging in any form of commercial bribery in their business dealings with the Group, and requiring suppliers to establish anti-corruption rules and regulations and take corresponding measures to regulate their employees' business behaviours.

## II. Sophisticated Governance

- **Reporting on Corruption**

The Group has established various complaint and reporting channels. Once a violation is detected, a whistleblower can directly contact the supervisor, manager or department head of relevant service to report it in a timely manner. If the matter reported involves the aforesaid personnel, the whistleblower may also choose to report directly to the Internal Control Department. The whistleblower channels set up by the Internal Control Department include telephone reporting channel (0574-86188652), email reporting channel (htlz@mail.haitian.com) and letter reporting channel. In addition, the Group also provides a reporting channel – external independent legal counsel, to whom whistleblowers can report violations via hotline (0574-87193704) or email (lihua.xu@dentons.cn). During the Reporting Period, the Group was not involved in any litigation concerning commercial corruption and bribery.

Upon receiving a report, the Internal Control Department will launch a compliance investigation with relevant responsible departments to confirm the authenticity of the reported matter. Once confirmed, the Internal Control Department will issue an investigation report and put forward handling suggestions. Then, the reported misconduct will be handled by the relevant responsible departments and the Human Resources Department according to the results of the investigation report and relevant regulations of the Group. The results and execution will be reported across the Group by the Internal Control Department or the Human Resources Department. If the investigation reveals that the report is false or malicious, the Group will take disciplinary actions against the whistleblower, including dismissal of the employee. During the Reporting Period, the Group received a total of 11 whistleblowing emails, all of which have been thoroughly investigated and closed.

- **Whistleblower Protection**

The Group keeps the information of the whistleblower and the contents of the report strictly confidential. We fully respect whistleblowers' willingness. A whistleblower can choose to report under their real names or anonymously, and we promise that cases received in both ways will be treated equally. For real-name reporting, the identity of the whistleblower and the information that could be used to identify the whistleblower would be disclosed to assist with the investigation only with the written consent of the whistleblower and as permitted by law. For the reported content, the Group strictly restricts access to relevant information and de-identifies the information when necessary. The external report recipient complies with the attorney's obligation of confidentiality stipulated in the *Criminal Procedure Law* (《刑事訴訟法》) and the *Lawyers Law* (《律師法》) to ensure the confidentiality for both the contents of the report and the identity of the whistleblower.

In no event will the Group tolerate any retaliation against whistleblowers with good intentions or persons involved in the relevant investigation. Whistleblowers who believe they are mistreated for whistleblowing can immediately report to the Internal Control Department. The Internal Control Department will adopt various approaches to protect whistleblowers' safety and interests, including but not limited to investigating retaliation, monitoring and regulating other employees' behaviours, allowing the whistleblower to change the workplace, giving disciplinary sanctions against retaliators, notifying relevant law enforcement agencies in serious cases, and providing legal support for whistleblowers.

## II. Sophisticated Governance

- **Culture of Integrity**

The Group endeavours to create a clean and compliant culture, and provides regular integrity education and training for employees and directors every year, to ensure that all staff fully understand the integrity requirements of laws and regulations, and gain an in-depth understanding of the specific provisions and rules, thus building and promoting a culture of integrity. During the Reporting Period, we organised anti-corruption training via online courses. The training covered topics such as anti-corruption, anti-bribery and anti-unfair competition, and provided detailed analyses of corruption cases to help employees deepen their awareness of integrity. We also posted training materials on the Haitian information platform for employees to access and study online in a timely manner. During the Reporting Period, all employees (including part-time employees) completed training on anti-corruption and business ethics, and all directors completed the training regarding anti-corruption and business ethics and signed the declaration on the code of business ethics.



## II. Sophisticated Governance

### 5. Business Information Security

Haitian International regards safeguarding the information security and privacy of the Group and our customers as one of the fundamental business principles. The Group strictly abides by the *Data Security Law of the People's Republic of China* (《中華人民共和國數據安全法》), the *Personal Information Protection Law of the People's Republic of China* (《中華人民共和國個人信息保護法》) and other laws and regulations regarding data security and personal information, and has developed the *Information Security Management System* (《信息安全管理制度》) and other policies to continuously improve relevant systems. Besides, we have also obtained the certification of Multi-level Protection of Information Security (Level 2) assessed by the Ministry of Public Security. In the process of business, while observing confidentiality agreements with partners, we also have strict confidentiality clauses in our *Agency Agreement* (《代理協議》), promising not to disclose any information to third parties without permission.

In accordance with the *Information Security Baseline Requirements for Suppliers of Haitian Group* (《海天集團供應商信息安全基線要求》), we require third parties such as service providers, contractors, suppliers, and partners to conduct annual assessments on whether they comply with Haitian Group's information security requirements and to sign corresponding commitment letters. In this way, we comprehensively strengthen end-to-end information security controls for third parties. In addition, our internal employees, partners, users, and any individuals or organisations that may come into contact with our information systems shall comply with the *Information Security Vulnerability Reporting System of Haitian Group* (《海天集團信息安全漏洞舉報制度》), assisting us with the timely discovery of vulnerabilities to build a robust information security ecosystem. During the Reporting Period, there was no information or privacy leakage incident.

On the basis of a robust policy framework, we continuously strengthen information security protection at both the technical and operational levels. At the technical level, we set up a firewall between the server area and the office area to monitor abnormal interactions between office computers and servers. Besides, we also installed an access system and a desktop management system to prohibit unauthenticated computers from accessing the corporate network. For external access, we have designed a VPN system and enabled two-factor authentication with password and SMS verification codes to further enhance security verification management. For personnel at certain posts who have access to important information, their use of external devices, such as USB, and their rights to transfer data will be restricted to some extent. In 2025, we deployed an advanced security system in our server area for comprehensive monitoring of server data. This system adopts a defence-in-depth strategy through capabilities including advanced threat detection and prevention, along with end-to-end management of vulnerability patching for virtual and physical assets. In the event of a cyberattack, it can rapidly trigger an active defence response mechanism to prevent lateral movement and spread of threats at source, significantly enhancing the overall security posture of our server infrastructure.

At the operational level, we back up the data on the servers on a regular basis, select certain systems for data recovery drills every year, and conduct risk assessments and vulnerability scanning on information systems at regular intervals. Employees can access the Central Apparatus Room (CAR) upon authorisation and detailed registration; access to some areas requires the accompaniment of administrators. The training on Information Security Policies (ISP) has also been incorporated into our employee training programmes. During the Reporting Period, we organised on-site training on comprehensive exploitation of Web vulnerabilities and security awareness enhancement. The sessions covered principles and exploitation methods of common Web vulnerabilities, hands-on application of vulnerability exploitation tools, and vulnerability remediation and defence strategies. With a total of 60 participants, the training strengthened the technical team's capabilities in both offensive and defensive security practices and raised their risk prevention awareness.

# III. Responsible Operation

**Progress in 2025**

- Product recalls: 0.
- Suppliers eliminated due to quality and safety issues: 0.
- Obtained 144 patent authorisations and 8 software copyrights, completed 15 trademark registrations.

Haitian International is committed to upholding the concept of comprehensive quality control, which takes product quality as the core and full employee participation as the foundation, in order to ensure that customers can enjoy our high-quality products with optimal cost-effectiveness. The quality of products and services is under stable control through the lifecycle quality control over the design, procurement, manufacture, sales of products and relevant services. During the Reporting Period, in matters regarding health and safety, advertising and labelling of products and services, the Group did not violate any laws or regulations of the PRC and jurisdictions involving overseas operations.

## 1. Product Quality and Safety

- Quality Management Mechanism**

In strict compliance with the *Product Quality Law of the People's Republic of China* (《中華人民共和國產品質量法》) and relevant laws and regulations, the Group has established a comprehensive system for product quality control. Haitian Plastics Machinery Group Co., Ltd. (hereinafter “Haitian Plastics Machinery”) and Wuxi Haitian Machinery Co., Ltd. (hereinafter “Wuxi Haitian”) have obtained ISO 9001 quality management system certification. We assign the chief quality officer to be in charge of product quality inspection and product recall procedures, and arrange special quality control & sales service personnel to follow up on the processes of product design, process testing, parts procurement, processing and assembly, product shipment, finished product testing, and installation and commissioning, so as to ensure that product quality management is effectively implemented.



### III. Responsible Operation



ISO 9001 Quality Management System Certification Certificate

We have formulated the *Inspection and Test Control Procedure* (《檢驗和試驗控制程序》), assigning professional inspectors who have been approved by the Quality Control Centre to inspect product attributes at all stages from raw material procurement, metal processing to finished product shipment, and keep strict records for the related information, to ensure that product manufacturing and delivery meet specifications and requirements. For any exception found in the quality inspection of raw materials, semi-finished products or finished products, we will designate relevant personnel to determine whether the product is qualified in strict accordance with the *Nonconforming Product Control Procedure* (《不合格輸出的控制程序》). If the product is found unqualified, we will identify the problematic status according to the *Control Procedure for Product Identification and Traceability* (《標識和可追溯性控制程序》), segregating it in a designated area with detailed records for further tracking. During the Reporting Period, no product recall has been triggered.

### III. Responsible Operation

- **Fostering a Quality Culture**

High-standard production cannot be achieved without professional talents, so we provide regular training courses for relevant employees to help them acquire knowledge about product performance, quality control, product application, service FAQ, etc. We share outstanding technical cases and motivate outstanding engineers and engineering teams through incentive measures and ensure that professional technicians keep abreast of the latest technology and knowledge, so as to create a quality culture within the Group.



*Application Engineers Training*

- **Quality Management Actions**

The Group has implemented a number of measures to strengthen internal quality management. We achieved full coverage of quality assessment, setting quality targets for relevant departments such as product lines, plants, technical departments, and Production and Material Control (PMC), including new machine qualification rate, in-warranty qualification rate, and supplier review qualification rate, and these targets were formally incorporated into departmental performance contracts. In addition, the Quality Control Centre launched a “Quality Process Inspection” to conduct a comprehensive check on key elements in the manufacturing process, such as personnel capability, equipment and tooling management, process execution, the stability of the measurement system, and the reliability of purchased components, to help each plant identify and improve related quality issues. During the Reporting Period, we introduced a lifecycle traceability mechanism for components and new parts, and formulated the *Implementation Plan for Lifecycle Traceability of Plastic Machinery Components* (《塑機零部件全生命追溯實施方案》). By establishing rules through cross-departmental efforts, integrating end-to-end quality tracking processes, and leveraging lifecycle data analysis, we achieved immediate outcomes in quality control and laid a foundation for sustained excellence.

We have established a set of procedures for handling after-sales quality issues. We conducted detailed, itemised analyses of quality issues identified through after-sales feedback and implemented corrective actions accordingly, and then formalised these procedures in the Quality Management System (QMS). We implemented strict pilot testing, small-batch trial production, and application tracking and verification processes for the addition and replacement of purchased components, as well as for modifications to existing products, ensuring that mass application is permitted only after these steps have been completed.

### III. Responsible Operation

#### 2. Quality Service

On the basis of our continuous supplying of high-quality products, the Group continues to improve customer services, and is committed to enhancing customer satisfaction constantly. We have a sound communication and cooperation mechanism with our customers. Through telephone, email, online video conference, offline visits, invitations to negotiation, exhibitions and other online and offline communication mechanisms, we seek to understand customers' expectations of the Group and our products, and solve the problems that customers may encounter when using the products, to ensure the quality and safety of the products sold as well as the services provided. The Group coordinated and integrated internal resources, and set up offices for key domestic/overseas customers. With such offices, we are capable of offering global customers business support and after-sales services in a timely manner, thereby effectively improving customer satisfaction.

- **Responsible Advocacy**

The Group's product promotion channels mainly include online and offline exhibitions, seminars, official websites and official WeChat account. We strictly abide by the *Advertising Law of the People's Republic of China* (《中華人民共和國廣告法》) and other laws and regulations of the place of operation, and have established marketing, advertising and sales-related policies such as the *Incentive Measures for Distributor Marketing Activities* (《銷售商市場推廣活動鼓勵辦法》), as well as a mechanism responsible for reviewing and supervising marketing materials, which clearly stipulates that the relevant contents and methods in distributors' marketing activities must comply with internal corporate policies and must be reviewed and approved by authorised personnel, and that marketing activities containing exaggerated, deceptive and false content are strictly prohibited.

At the 2025 marketing conference, we conducted comprehensive training and assessment for representatives of major distributors. In terms of product promotion, we require strict adherence to compliance guidelines to ensure that information is presented truthfully and accurately, eliminating any misleading content and upholding honest marketing practices. For brand communication, we require strict adherence to the principle of consistency, ensuring that published content aligns with the Group's strategic guidelines to establish a trustworthy brand image.



*Annual Marketing Conference*

In addition, we actively participate in overseas exhibitions, accurately conveying information on product technology, performance, and strategy to our customers, and are committed to providing them with higher quality products and services.

### III. Responsible Operation



*Pro-Plas & Propak Africa Expo 2025 in South Africa*



*Plast Alger 2025 in Algeria*



*Plastico Brasil 2025 in Brazil*



*COMPLAST 2025 in Kenya*

To help overseas customers correctly use and operate products, we also provide technical training services, and assign professional technicians to customer companies to explain product functions and impart maintenance knowledge.



*On-site Training in Turkey*



*European Agent Training in Germany*



### III. Responsible Operation

- Customer Complaint Handling Process

We have developed a sound after-sales and complaint-handling process along with the *Domestic After-sales Service Management Rules* (《國內售後服務管理規範》) and the *Overseas After-sales Service Management Rules* (《國外售後服務管理規範》). If customers are not satisfied with our products or services, they can give feedback or make complaints through our official complaint hotline or our online service platform. We continue to refine the customer complaint handling process and the allocation of related responsibilities, striving to provide customers with a better service experience.

Process	Responsible person	Handling instructions
Complaint Receipt	Complaint Hotline Operator	Receive customer complaints and assign them to responsible department (complaints filed by customers on the online service platform are automatically assigned to responsible department)
Responsible Department	Designated Personnel	Designated personnel are appointed by the responsible department to handle complaints together with distributors and other relevant personnel
Complaint Handling	Designated Handler	Resolve complaints and record the process
Follow-up	Follow-up Specialist	Contact customers to assess their satisfaction with the complaint resolution, and if dissatisfied, return the case to the designated handler for further action
Complaint Conclusion	Department Manager	Conclude customer complaints, take disciplinary actions against responsible personnel or distributors, and implement corrective actions for internal issues

The staff at the local office will cooperate with distributors, maintenance personnel and relevant service personnel to go to the customer's location to deal with the issues, and record the treatment process by completing the *Customer Complaint Form* (《客戶投訴處理表》). The Group will also arrange specialists to conduct follow-up investigations to make sure that the problems raised by customers are effectively resolved. During the Reporting Period, the Group did not receive any product-related complaints.

### III. Responsible Operation

- Customer Recognition

The quality of our products and services has been widely recognised by many customers in various industries. We have established strategic partnerships with leading companies in the electronics, automotive interiors and other industries. During the Reporting Period, we also won a number of partner awards, and these honours have inspired us to continue to improve and work with our partners to forge a culture of excellence and quality.



*Strategic Cooperation Agreement Between Haitian Plastics Machinery and Xingyu Automotive Lighting*



*"Global Strategic Collaboration Award" from Haier Smart Home to Haitian Plastics Machinery*



*"Best Partner" Award from Midea Industria do Brasil to Haitian Brazil*



*"Carbon" Cooperation Agreement among Haitian Plastics Machinery, Yanfeng Plastic Omnium (YFPO) and TÜV Rheinland*

### III. Responsible Operation

- Deepening Cooperative Communication

Haitian International always adheres to the concept of open cooperation, actively engaging in in-depth communication with industry partners to continuously enhance product quality and deliver superior product experiences to customers. During the Reporting Period, the Haitian International Medical Industry Technology Centre Open Day was successfully held in Suzhou, attracting over 200 industry experts, partners, and customer representatives. With the theme “Breaking Boundaries, Creating Value Together,” the event focused on technological innovation and collaborative applications in the field of medical injection moulding. Through cutting-edge technology forums and live machine demonstrations, Haitian International showcased its high-end solutions for medical manufacturing.



*Haitian International Medical Industry Technology Centre Open Day*

In November 2025, the 2025 Haitian Plastics Machinery Group Injection Moulding Technology Application Seminar – Ningbo Session concluded successfully. The event attracted over 200 representatives from manufacturing enterprises, technical experts, and industry peers from Ningbo and surrounding areas. They discussed the trend of injection moulding technology and explored pathways toward intelligent manufacturing. Through multiple sessions on cutting-edge product analyses, case studies and in-depth technical exchanges, the seminar covered hot topics and future trends in the injection moulding industry, providing valuable insights for the Group’s ongoing technological advancement.



*Haitian Plastics Machinery Group Injection Moulding Technology Application Seminar*

### III. Responsible Operation

#### 3. Supply Chain Management

A stable and sustainable supply chain is the basis for the Group to provide high quality products and services for our customers. We identify and actively manage potential supply chain risks in accordance with relevant management policies, including the *New Supplier Entry Rules* (《新供應商准入規則》) and the *Supplier Evaluation and Assessment Methods* (《供應商評估考核辦法》). At the entry stage, contract manufacturers whose production processes entail environmental impacts are required to hold permits issued by the ecological and environmental authorities to ensure their operational compliance. Meanwhile, we investigate suppliers' management system certifications, and prioritise suppliers that have obtained international authoritative system certifications such as ISO 9001 quality management system, ISO 14001 environmental management system, ISO 45001 occupational health and safety management system and ISO 27001 information security management system. In addition, we require supplier partners to abide by policies such as the *Supplier Administrative Rules for Social Responsibility* (《供應商社會責任準則》) and the *Supplier Safety and Environmental Protection Management Measures* (《供應商安全環保管理辦法》). Suppliers shall also sign the *Haitian Group Supplier Social Responsibility Commitment Letter* (《海天集團供應商社會責任承諾書》), which specifies detailed requirements on labour rights, child labour, forced labour, health and safety, environmental protection, business ethics and management systems, etc. In 2025, 14 suppliers were newly approved upon assessment, and no suppliers were removed from the supplier list due to poor product quality or safety issues.

Throughout the partnership, we continuously communicate to suppliers our core environmental and social responsibility requirements as well as development expectations, sharing industry best practices to jointly advance the sustainable development of the value chain. We have also established the *Product Category-Based Performance Assessment Standards* (《分品類績效考核標準》), according to which we conduct annual reviews of suppliers' compliance with environmental regulations and safety responsibilities, as well as their fulfilment of social responsibilities. The results will be taken into account in the annual assessment of suppliers. At the same time, we actively strengthen our supplier chain through internal training for our procurement team and on-site training visits. During the Reporting Period, we dispatched professional teams to provide full-process guidance for multiple suppliers, covering every aspect from production capacity planning to assembly line process upgrades. This approach comprehensively helps suppliers improve production capabilities, boost efficiency, promote green production and efficient resource utilisation, moving together towards sustainable development.

Number of suppliers*	2025
Suppliers having passed ISO 14001 environmental management system certification	34
Suppliers having passed ISO 45001 occupational health and safety management system certification	2
Suppliers having passed ISO 9001 quality management system certification	26
Suppliers having passed ISO 27001 information security management system certification	69
Suppliers having signed the <i>Supplier Integrity Letter</i> (《供方廉政承諾書》)	219
Suppliers having signed the <i>Supplier Safety and Environmental Protection Commitment Letter</i> (《供應商安全環保承諾書》)	219
Suppliers having signed the <i>Haitian Group Supplier Social Responsibility Commitment Letter</i> (《海天集團供應商社會責任承諾書》)	219

\* Supply chain management data includes production and procurement suppliers of Ningbo Plant, Wuxi Plant and South China Plant, excluding administrative procurement suppliers.

### III. Responsible Operation

#### 4. Intellectual Property Protection

The Group strictly abides by the *Trademark Law of the People's Republic of China* (《中華人民共和國商標法》), the *Patent Law of the People's Republic of China* (《中華人民共和國專利法》) and other relevant laws and regulations, and has established a number of systems and procedures to standardise intellectual property protection, such as the *Intellectual Property Management Manual* (《知識產權管理工作手冊》) and the *Control Procedures for Intellectual Property Risk Management and Disputes Resolution* (《知識產權風險管理與爭議處理控制程序》). In addition, we place emphasis on the cultivation of intellectual property protection culture, and regularly conduct intellectual property training for R&D personnel, which empowers them to continuously generate high-quality and high-value patents. During the Reporting Period, we conducted 4 intellectual property training sessions with the participation of 2,298 employees. Meanwhile, we have implemented an intellectual property innovation incentive policy, awarding cash bonuses to employees who obtain patent approvals. This initiative drives continuous breakthroughs in the Group's core technologies and steadily enhances its innovation capabilities.



Intellectual Property Training

Haitian Plastics Machinery has obtained the GB/T 29490 certification of enterprise intellectual property compliance management system and built a professional team responsible for patent application and maintenance. Additionally, the Group has registered trademarks in over 90 countries to protect its interests in local businesses. Meanwhile, we have engaged third-party professional organisations to regularly supervise and inspect the certification scope, operation status, fulfilment of relevant targets and key indicators, etc. of our intellectual property management system. Also, we carry out re-certification every three years. During the Reporting Period, we were granted 144 patents, 8 software copyrights and 15 registered trademarks.



GB/T 29490 Certification

## IV. Green Production

### Progress in 2025

- Carbon emissions per RMB10,000 revenue decreased by 11.0% from 2024 and 30.6% from 2021.
- Revenue from automated, digitalised and clean PIMMs accounted for 95% of the Group's total revenue in FY 2025.
- In 2025, the total amount of electricity generated by the Group's PV projects reached 30,217 MWh, of which 24,740 MWh was for self-use, accounting for about 82% of electricity consumption.

Haitian International undertakes the responsibility for environmental governance, builds an efficient environmental management system, promotes innovation in clean technologies, and implements energy conservation and emission reduction measures on all fronts. Besides, we actively respond to the challenges presented by climate change and ecological environment crisis, adhere to the concept of green development, and strive to become a contributor and leader in green production.<sup>1</sup>

### 1. Clean Technology Innovation

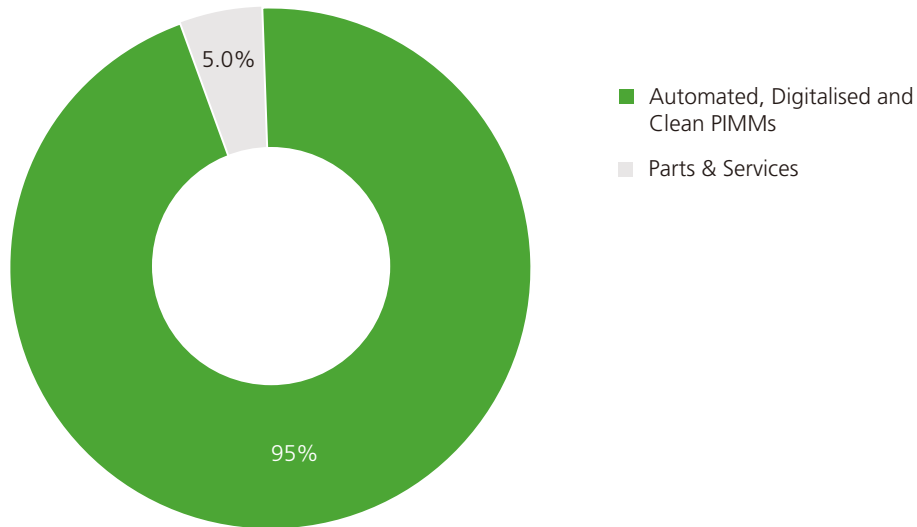
To meet the growing demand for environmentally-friendly products from our customers, we have set environmental protection and resource conservation as one of our core product strategies. Haitian International continues to increase investment in automation, digitalisation and clean technologies, ensuring that appropriate funds are invested annually in technological innovations for product automation, and energy conservation and consumption reduction. Meanwhile, we keep a close eye on the trend of technology across the value chain to ensure that our technologies are aligned with market needs and remain competitive. Through continuous investment and innovation, we will lead the industry in providing superior automation and cleaning solutions to our customers.

In recent years, with the rapid popularisation of new energy vehicles (NEVs), the application of the Group's products in the NEV industry has become the key driver of business growth. Haitian International regards the NEV industry and the clean and low-carbon transformation in traditional automobile manufacturing industry as a core strategic opportunity. Therefore, we actively provide solutions for automated production, lightweight material, recyclable material and battery logistics to accelerate the application of technological achievements in the NEV industry chain, and make constant efforts to empower the industry's sustainable transformation and upgrading.

<sup>1</sup> Unless otherwise stated, the disclosures in Sections 2, 3, 4 and 5 of this Chapter pertain specifically to the Group's Ningbo Plant.

## IV. Green Production

Our full range of plastic injection moulding machines (PIMMs) has been fully integrated with automation, digitalisation, and clean technologies since the G3 models. Through multiple innovations in hardware and software, we have helped customers achieve energy savings, automated production and meet their digital management needs. In 2025, the revenue from automated, digitalised, and clean PIMMs accounted for 95% of the Group's total revenue.



*Percentage of Sales by Product Type in 2025*

## IV. Green Production

### Case: Refining the G5 clean technology and upgrading the energy-saving, intelligent injection moulding equipment

Haitian International is committed to providing customers with advanced intelligent green solutions to meet the needs of sustainable development in various industries. In recent years, the Group gradually introduced the G5 models, which are more energy-efficient and intelligent, in various markets. Compared with the equivalent G3 models, the G5 models can reduce the overall operating energy consumption by more than 20%. All G5 series are equipped with the "Go Factory 2.0" digital management software and open integration functions, which significantly improves production efficiency and resource utilisation. This ensures that customers' integrated demands for automated, digitalised, and clean production are met to the greatest extent possible.

During the Reporting Period, we continued our energy-saving retrofits on plastic injection moulding machines to make them more environmentally-friendly. We advance raw material utilisation through two key innovations in selected plastic injection moulding machines: direct online glass fibre mixing and direct moulding of recycled plastics without pelletising. By eliminating traditional pelletisation steps for both glass fibre-reinforced and recycled materials, these processes enable direct injection moulding, fully improving resource efficiency and circularity. In parallel, our G5 series machines are fully equipped with dual-proportional control technology, which enhances production precision and yield while reducing energy and material waste caused by defects and process variability. Together, these advancements drive the adoption of high-efficiency, low-consumption practices across the entire production cycle.

In the face of the environmental challenges posed by plastic pollution, it has become more and more urgent to accelerate the application of biodegradable and recyclable materials. Our MA series of high-speed plastic injection moulding machines are capable of producing products that comply with the international biodegradable packaging material standards of EN13432/ASTM D6400. For example, the PLA material, which has a biodegradation rate of more than 90%, is utilised in the production of high rigidity, strong toughness, heat-resistant food containers, plates, trays, cups, etc. The G5 ZE series of electric plastics injection moulding machines can utilise the recycled plastics of ABS and PP, which are widely utilised in the consumer electronics industry, achieving clean recycling and renewal of plastic products.

We will persist in iterating and upgrading our core technology platform to create a new intelligent manufacturing business integrating injection moulding equipment, moulding and application technologies, and one-stop solutions, to provide customers with the ultimate experience, create professional and efficient value, and promote sustainable development.



*JU Series Two-plate Injection Moulding Machine*



*MA Series High Speed Injection Moulding Machine*



*VE Series Electric Injection Moulding Machine*

## IV. Green Production

Our green products have been highly recognised by regulators and industry associations. During the Reporting Period, our JU, MA, VE, ZE, JE, and HA series plastic injection moulding machines passed the national energy-saving index testing, and were selected again as the “Key Energy-Saving Products for Promotion in Ningbo”. Our select models from the MA series, JU series, and VE series of injection moulding machines have obtained the Product Carbon Label Evaluation Certificate as well as the Low-Carbon Product Supplier Certificate issued by the China Electronics Energy Saving Technology Association.



Product Carbon Label Evaluation Certificate



Low-Carbon Product Supplier Certificate

## 2. Implementation of Green Management

- Environmental Management System

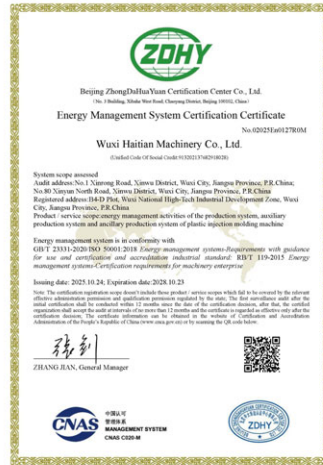
The Group complies with laws and regulations including the *Environmental Protection Law of the People's Republic of China* (《中華人民共和國環境保護法》) and the *Law of the People's Republic of China on Energy Conservation* (《中華人民共和國節約能源法》). The Group has established and implemented internal policies such as the *Control Procedures for Identification and Evaluation of Environmental Factors* (《環境因素識別與評價控制程序》), the *Operational Planning and Control Procedures for Environmental Processes* (《環境過程運行策劃和控制程序》), and the *Procedures for Energy Management and Control* (《能源管理控制程序》), to ensure comprehensive environmental management in full alignment with the latest regulatory requirements. Haitian Plastics Machinery and Wuxi Haitian have obtained ISO 14001 environmental management system certification and ISO 50001 energy management system certification. Since certification, both entities have passed annual reviews conducted by independent third-party professional bodies.

# IV. Green Production



ISO 14001 Environmental Management System Certification Certificate

# IV. Green Production



ISO 50001 Energy Management System Certification Certificate

## IV. Green Production

- **Environmental Performance Assessment**

The Environmental Protection Department of the Group is responsible for identifying and evaluating environmental factors, supervising the environmental performance of all plants and functional departments. Each plant and functional department has assigned dedicated safety and environmental protection personnel, responsible for checking the department's environmental performance and promoting the rectification of non-conformities.

The Group also engages third-party independent organisations to conduct annual environmental monitoring and environmental risk assessments of all locations of operations. Meanwhile, the Group has taken out environmental pollution liability insurance, and the insurance company commissions third-party environmental consulting agencies to conduct environmental hazard inspections at each plant twice a year. Annual compliance audits of ISO 14001 environmental management system are also conducted for all locations of operations, covering factors including waste gas, waste water, toxic substances, waste emissions and noise. During the Reporting Period, the Group had not violated any environmental laws and regulations or received any penalties from regulatory authorities.

- **Environmental Protection Culture Cultivation**

We highly value the cultivation of an environmental protection culture, conduct environmental protection publicity campaigns in each operation area and arrange employee training on a regular basis. The training content includes popularising environmental laws and regulations, introducing the Group's environmental management system, and organising practical training to enable employees to acquire necessary environmental knowledge and skills. During the Reporting Period, the Group collaborated with the Beilun District Ecology and Environment Protection Association to conduct specialised ESG compliance and sustainable development training. The programme focused on key topics such as compliance pathways for the EU Carbon Border Adjustment Mechanism, empowering employees to enhance their awareness of environmental compliance management and their capabilities in low-carbon operations. Additionally, the Group conducted specialised training on the configuration and operation of the Smart Energy and Environmental Management Platform for personnel in energy control-related positions. The training totalled over 7 hours and involved 40 participants. Through modular instruction and scenario-based practical exercises, the programme effectively enhanced the platform operation capabilities of the relevant personnel.

In addition, we organise regular environmental protection exchanges to actively communicate with environmental authorities and other enterprises to keep abreast of the latest environmental regulatory requirements and industry trends. During the Reporting Period, the Group participated in regular communication and training sessions with external enterprises and environmental regulatory authorities, totalling approximately 200 hours. At the same time, the Group participated in the Ningbo Municipal Government-Enterprise Environmental Protection Dialogue. As a deputy chair of the Ningbo Ecology and Environment Protection Association, we visited member organisations and helped organise and attend the Anti-Corrosion Coatings Technology Conference. Through these multi-stakeholder engagements, we contributed to advancing environmental capabilities both within the Group and across the industry.

The Group's efforts in fulfilling environmental responsibilities have received widespread recognition from external parties. Haitian Plastics Machinery was honoured with awards and titles such as National Green Factory, Water-Saving Enterprise in Zhejiang Province, the first batch of key "Zero-Waste Group" enterprises in Zhejiang Province, the first batch of "Quiet Factories" in Ningbo and the 2025 Eco-Environment Governance Benchmark Award. These recognitions position the Group as a new benchmark for sustainable development in the high-end equipment manufacturing industry.



## IV. Green Production

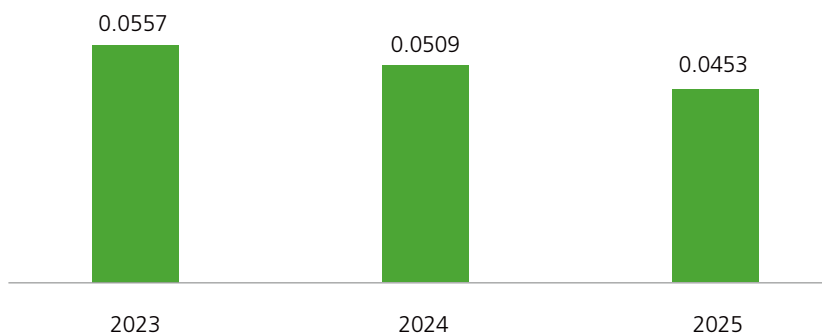
- **Environmental Target**

The Group has set 2025 environmental targets\* centred around carbon emissions, energy consumption and hazardous waste emissions. During the Reporting Period, the Group actively advanced energy-saving and emission-reduction initiatives as well as photovoltaic (PV) project planning while deepening efforts to reduce harmful waste at the source. We strived to enhance economic performance while maintaining carbon emissions, energy consumption, and hazardous waste emissions at current levels. In 2025, the Group successfully met all established environmental targets.

Target in 2025	Progress in 2025
A decrease of 7.5% in carbon emissions per RMB10,000 revenue on the basis of 2021	A decrease of 30.6% in carbon emissions per RMB10,000 revenue on the basis of 2021
A decrease of 7.5% in energy consumption per RMB10,000 revenue on the basis of 2021	A decrease of 9.4% in energy consumption per RMB10,000 revenue on the basis of 2021
A decrease of 7.5% in total hazardous wastes on the basis of 2021	A decrease of 12.2% in total hazardous wastes on the basis of 2021

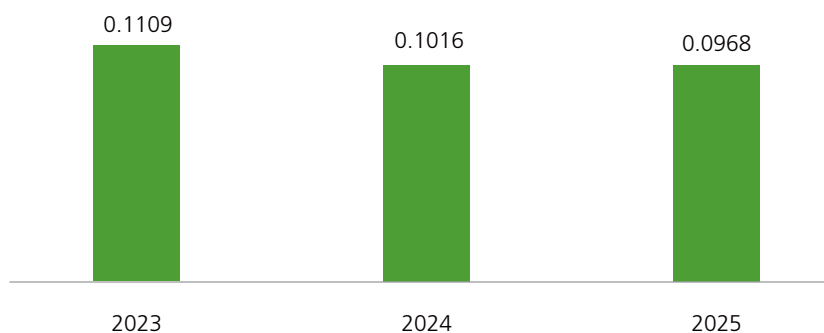
\* The fiscal year 2021 is regarded as the base year. The above-mentioned environmental targets cover the Group's plants in Ningbo, and exclude Wuxi Plant, South China Plant, and overseas plants.

**Carbon Emissions per RMB10,000 Revenue  
(tonnes CO<sub>2</sub>e/RMB10,000)**

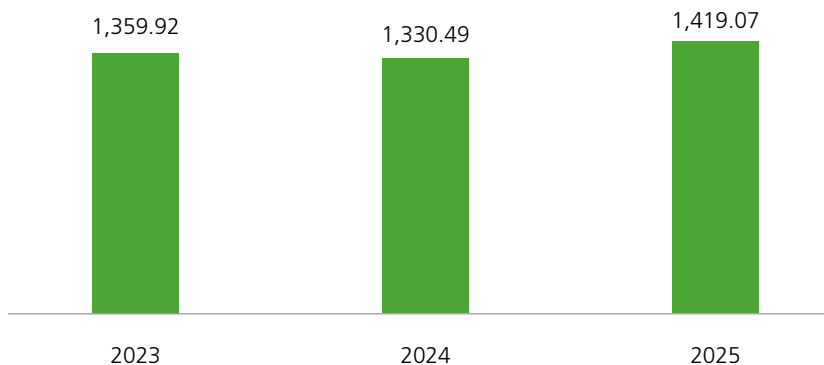


## IV. Green Production

**Energy Consumption per RMB10,000 Revenue  
(MWh/RMB10,000)**



**Total Hazardous Wastes (tonnes)**



*Note: During the Reporting Period, due to the overall renovation of Haitian Road Plant and Huayuan Plant, the hazardous wastes generated during the demolition increased the total amount.*

The achievement of the above-mentioned environmental targets is planned to be linked with the performance assessment of departments and persons in charge. Meanwhile, any negative incidents related to environmental pollution will affect the annual variable compensation of the persons in charge. We reward entities, departments/teams and individuals that have succeeded in the effective improvement of energy conservation, emission reduction and pollution prevention, while penalising those that fail to satisfy the environmental protection requirements.

## IV. Green Production

### 3. Strict Control over Discharge and Emissions

- **Waste Discharge**

The hazardous wastes generated in the process of our production and operation mainly include sludges, waste emulsified mixture, paint residues, waste mineral oil, oily wastes, waste oil barrels, waste hydrochloric acid, waste carbon-based catalysts and waste filters, while the non-hazardous wastes include packaging materials, metal scraps and other general industrial solid waste. The Group strictly abides by the laws and regulations on waste discharge management, and has formulated a string of internal policies such as the *Procedures for the Control over Solid Waste Discharge* (《固體廢物排放控制程序》), and the *Management Requirements for Environmental Protection against Solid Waste* (《固體廢物環保管理要求》) to achieve effective control over the entire processes of collection, storage and disposal of solid waste.

Hazardous Waste Control	Non-hazardous Waste Control
<ul style="list-style-type: none"><li>• Hazardous waste is handled by qualified contractors for harmless disposal.</li><li>• The Group promoted the application of “Zhejiang Solid Waste Code” hazardous waste labels in all plants to implement closed-loop supervision of the entire process of hazardous waste, including inbound weighing, joint reporting, and ledger management, thus achieving digital transformation in hazardous waste management.</li></ul>	<ul style="list-style-type: none"><li>• Recyclable solid waste is handled by waste recyclers with professional qualification, and other domestic garbage is regularly handled by the sanitation department.</li></ul>

The Group closely follows the call of “Zero-Waste City” put forward by the Zhejiang Provincial Government and endeavours to make each of our plants a “Zero-Waste Plant”. We actively conduct specialised research on solid waste aimed at the reduction and recycling of solid waste. By doing so, we can identify the replicable and feasible solid waste reduction plans and recycling targets, gradually decreasing the solid waste generation. We strive to reduce solid waste generation at source by promoting the adoption of water-based paint substitution processes and emulsified mixture recycling and reuse projects. At the same time, we reasonably plan solid waste storage sites that comply with relevant standards when building new plants and renovating old plants, to enhance the sorting capacity for general solid waste, and increase the comprehensive utilisation rate of general solid waste.

## IV. Green Production

- **Waste Gas Emissions**

In strict accordance with the laws and regulations on air pollution in the regions where we operate, we have formulated the *Procedures for the Control over Waste Gas Emissions* (《廢氣排放控制程序》), ensuring that the waste gas shall meet emission standards after pollutants are treated by treatment facilities through a process of capture and purification. We routinely monitor the levels of various exhaust gases generated during our operations, including particulate matter (PM), nitrogen oxides (NO<sub>x</sub>), sulfur dioxide (SO<sub>2</sub>), and volatile organic compounds (VOCs), and implement the following treatment measures:

Category	Measures
<b>Volatile Organic Compounds (VOCs) from painting</b>	We use filters or hydro-spin to filter overspray, with filters replaced, and paint residue removed from waste water containing overspray at regular intervals. In addition, we use carbon-based catalyst tanks to adsorb the filtered waste gases to meet the emission standard, and then emit them through an exhaust funnel with specified height. Saturated carbon-based catalyst will be desorbed at regular intervals, and pollutants desorbed will be discharged upon catalytic combustion.
<b>Nitrogen oxides and particulate matters (PMs) from natural gas combustion</b>	We use low-nitrogen combustors and collect the combustion exhaust for high-altitude emission, satisfying the emission standard.
<b>Dust from powdering process</b>	We adopt two-layer treatment through cyclone precipitator and bag precipitator to meet emission standards.
<b>PMs from polishing and shot blasting</b>	We collect PMs through suspended hoods, and then treat them through cyclone precipitators and bag precipitators or Venturi scrubbers to meet emission standards.
<b>Chromic acid mist from electroplating</b>	We use acid mist inhibitors to reduce the generation of chromic acid mist at source, and collect the mist produced through ventilation system and treat it with mesh chromic acid mist purifiers and pure water spraying. The treated waste gases are emitted through a 25m exhaust funnel.

During the Reporting Period, we upgraded Haitian Road Plant, transforming a spray room from one that used both oil-based and water-based paints into a production line that uses only water-based paint. This upgrade is expected to reduce VOC emissions by 3.933 tonnes per year, further improving the environmental quality of the production site.

## IV. Green Production

- Waste Water Discharge

We have formulated the *Procedures for the Control over Waste Water Discharge* (《污水排放控制程序》) and built an in-plant waste water treatment plant to treat the following production waste water by category: waste water from hydro-spin for paint overspray removing, waste water from the phosphating process, waste water from pre-treatment of the powdering process, waste water from site cleaning, as well as waste water from the electroplating process. The Tongtu Road plant is equipped with an online monitoring system for waste water discharge, used for monitoring the quantity of waste water discharge, pH, chemical oxygen demand, the concentration of ammonia nitrogen, and others in real time. To ensure the stable operation of the waste water treatment plants, the operation and maintenance management of selected waste water treatment plants within the Group has been entrusted to a professional third-party organisation. Waste water is discharged into the municipal waste water network after meeting the discharge standard, and the quality of waste water discharge is also tested by a third-party professional organisation, which provides a detailed inspection report. Domestic waste water generated from the Group's business activities is also discharged in compliance with applicable regulations.

During the Reporting Period, we optimised the waste water treatment system of Dagang Plant. By conducting investigation and assessment, we identified several issues in relation to one of the two waste water treatment plants of Dagang Plant, such as low overall operating load, overdue equipment, and poor waste water treatment performance. To ensure the stable and compliant performance of the plant's overall waste water treatment capacity, we decommissioned one waste water treatment plant and expanded the other one. In addition, we added two coagulation sedimentation tanks and one pH adjustment tank to enhance the plant's capabilities for pollutant filtration and water quality control.



Rooftop Treatment Tank of the Waste Water Treatment Plant



Waste Water Treatment and Reuse Control System



Waste Water Treatment in Action



Data Monitoring

## IV. Green Production

### 4. Energy Management

We have formulated the *Procedures for Energy Management and Control* (《能源管理控制程序》) to systematically achieve targets in energy conservation and consumption reduction. Our direct energy use mainly includes natural gas, gasoline and diesel, while our indirect energy use mainly includes purchased electricity and steam used in our plants and offices.

The Environmental Protection Department is responsible for the statistics and analysis of energy consumption, and for regularly supervising, inspecting and assessing the energy consumption of all functional departments and plants. Each department is responsible for energy control and management in production, and for collecting energy consumption data as required, and achieving energy assessment criteria. To achieve the purpose of energy saving, each equipment management department deploys personnel to inspect and maintain equipment regularly so that the equipment stays in optimum condition. Additionally, production is scheduled reasonably to reduce the operation of equipment under no load or appropriately shut down the equipment as scheduled during the non-production period.

- **Energy Saving Measures**

During the Reporting Period, the Group completed the construction of the Smart Energy and Environmental Management Platform and the deployment of intelligent remote water and electricity meters. Leveraging the real-time data collection capability of the intelligent remote water and electricity meters, the Smart Energy and Environmental Management Platform can effectively measure and analyse the consumption of electricity and water across the entire plant. Moreover, it can also promptly identify abnormal energy consumption, improving the accuracy of energy consumption statistics while unleashing energy-saving potential. This platform provides solid support for the Group's refined management of energy use, quota management, performance assessment, and industry benchmarking.

In addition to actively promoting online energy management, we also proactively pushed forward energy-saving renovation projects in production workshops during the Reporting Period.

#### Energy Efficiency Retrofit of Air Compressors at the Air Compressing Plants:

- During the Reporting Period, we completed the energy efficiency retrofit of the air compressors at workshops A and B of Ningbo Zhafir. In Workshop A, we replaced two air compressors with high-efficiency ones, which are equipped with the intelligent control system that can flexibly adjust the operating mode of the equipment based on the actual air demand of the workshop, reducing wasted energy. At the air compressor plant of Workshop B, we replaced one air compressor with a high-efficiency one and upgraded the supporting air dryer, further increasing the overall energy efficiency of the air compressor system while ensuring the quality of compressed air. According to calculations, the retrofit can save approximately 125.12 tonnes of standard coal for electricity generation annually.

#### Energy Efficiency Retrofit of the Central Air Conditioning Unit:

- During the Reporting Period, we completed the energy efficiency retrofit of the central air conditioning unit in the metal workshop at Dagang Plant. The original low-efficiency lithium bromide unit was replaced with a high-efficiency energy-saving screw type unit, shifting the energy source from steam to electricity. According to calculations, the retrofit can reduce energy consumption by 45.64 tonnes of standard coal annually.

#### Energy Efficiency Retrofit of the Powdering Process:

- During the Reporting Period, we upgraded the heat source for the powder process in the sheet metal workshop at Jiangnan Road Plant, changing the heat source for the pre-process drying and powder curing processes from diesel to tank-stored natural gas. According to calculations, the retrofit can reduce energy consumption by 85 tonnes of standard coal annually.

## IV. Green Production

- Renewable Energy Use

To boost the green low-carbon transition, the Group actively optimises its energy mix. We are achieving this by promoting the use of clean energy such as photovoltaic energy, continuously increasing the proportion of renewable energy use, and reducing the consumption of traditional energy. The Group initiated distributed PV power generation projects at Tongtu Road Plant and the South China Plant respectively in 2022, with a total installed capacity of 28,898 kW for both sites. During the Reporting Period, the total amount of electricity generated by the Group's PV projects reached 30,217 MWh, of which 24,740 MWh was for self-use, accounting for about 82% of electricity consumption, which is equivalent to a reduction of 13,607 tonnes of carbon dioxide emissions. The Group plans to further expand the PV installation area and increase the proportion of renewable energy use in 2026.



*Tongtu Road Plant PV Project*



*South China Plant PV Project*

## IV. Green Production

### 5. Water Management

We highlight the rational use of water resources in production and daily operations. The water we use comes from municipal water supply, which is mainly used for surface treatment of parts in production, including painting, powdering, cleaning, and for domestic water in offices and dormitories. The Group did not experience any difficulties in securing appropriate water supplies.

We will carefully consider water conservation and water pollution prevention when formulating a plan for the production process, give priority to mature and water-saving technology and environment-friendly products, and reasonably plan the best pipeline network for water supply based on production demands. We install precise water meters at each water consumption point to control the water consumption in real time. All plants and functional departments regularly inspect water consumption equipment and water supply systems to ensure normal operation.

Meanwhile, we actively carry out water-saving publicity campaigns for employees and encourage all departments to take measures to enhance water recycling and reuse of reclaimed water. At Haitian Road Plant, we reuse the steam condensate in the water pool of Haitian Village Fifth dormitory for hot water supply in the dormitory; at Dagang Plant, the phosphating automatic production line collects the steam condensate generated by indirect steam heating and reuses it in the hot water tank, effectively reducing the consumption of fresh water resources. In addition, our waste water treatment plant is equipped with the reclaimed water reuse facility. During the Reporting Period, the amount of condensed reuse water was 7,500 tonnes.

### 6. Climate Change

Climate change has become one of the major challenges for the development of human society. The Group is deeply aware of the significant impact of climate change on its operations and value chain. We actively respond to the national strategies of “Carbon Peaking by 2030” and “Carbon Neutrality by 2060”, and proactively identify and manage climate-related physical risks, transition risks, and potential opportunities in a bid to continuously enhance the Group’s capacity to respond to climate change.

- **Governance**

We fully integrate the governance of climate-related issues into our overall governance of ESG issues. To this end, we have clearly defined governance responsibilities at all levels. We continuously improve our internal climate management system to make it more effective and scientific, and to ensure that climate-related issues are controlled systematically and monitored regularly. During the Reporting Period, we engaged external experts to carry out training on climate change knowledge for the Board members, ensuring that they possess the appropriate skills and competence to oversee and manage climate-related issues.

*Note: For details related to climate change governance, please refer to the ESG Governance Structure section of this Report.*

- **Strategy**

With reference to international standards and industry practices, we comprehensively identify the physical risks, transition risks, and potential opportunities faced by the Group in the short, medium, and long term, and develop targeted response strategies accordingly. In the assessment process, we define the period of 1 year as short term, 2 to 5 years as medium term and over 5 years as long term taking into account our business operation and planning.



## IV. Green Production

Risk/Opportunity type	Risk/ Opportunity name	Risk/Opportunity description	Degree of the impact of risks and opportunities on business			Affected stage in the value chain	Financial impact assessment	Adaptation or mitigation action
			Short term	Medium term	Long term			
Physical risk	Acute risk	Extreme weather events such as typhoons, strong winds, rainstorms, floods, cold waves and frosts	Low	Low	Medium	Upstream  Own operation	Higher operating costs  Lower operating revenue	<ul style="list-style-type: none"> <li>Prepare contingency plans for emergencies, including special contingency plans for extreme weather such as typhoons, rainstorms and floods.</li> <li>In terms of facilities and equipment, deploy flood control materials in advance to prevent the risk of rainwater backflow; properly arrange the items that may fall from heights to avoid safety hazards caused by strong winds.</li> </ul>
	Chronic risk	A rise in the average temperature	In the long term, global warming will put more requirements on both cooling the equipment to prevent overheating and cooling the working environment, which in turn will lead to higher electricity costs. Higher temperatures will expose more employees to heat-related health risks, which will directly affect the labour productivity.	Low	Low	Medium	Own operation	Higher operating costs

## IV. Green Production

Risk/Opportunity type	Risk/ Opportunity name	Risk/Opportunity description	Degree of the impact of risks and opportunities on business			Affected stage in the value chain	Financial impact assessment	Adaptation or mitigation action	
			Short term	Medium term	Long term				
<b>Transition risk</b>	Policy and legal risk	Carbon emissions regulation	Carbon emission- related policies are becoming stricter, and violations of relevant regulations may be subject to warnings, fines and other penalties.	Medium	Medium	Medium	Own operation	Higher operating costs	<ul style="list-style-type: none"> <li>Keep abreast of the latest regulatory requirements, phase out energy-intensive facilities, and promote continuous reduction of carbon emissions.</li> <li>During the Reporting Period, we completed the product carbon footprint calculation for the JU10800V model and the organisational carbon footprint calculation for Tongtu Road Plant, helping the Group accurately identify key emission sources and potential areas for emission reduction.</li> <li>During the Reporting Period, we successfully developed and launched a product carbon footprint calculation platform to support the carbon footprint calculation for a product in its entire "cradle-to-grave" life cycle, providing solid data support for the Group's low-carbon transition and carbon reduction goals.</li> </ul>
	Technology risk	Stricter standards for product energy efficiency	If standards for product energy efficiency become stricter, failure to meet the relevant energy efficiency requirements may lead to restricted market access.	Low	Medium	Medium	Downstream	Higher operating costs	<ul style="list-style-type: none"> <li>Increase investment in R&amp;D in relation to product energy efficiency to ensure that products always meet the latest national energy efficiency standards.</li> </ul>

## IV. Green Production

Risk/Opportunity type	Risk/ Opportunity name	Risk/Opportunity description	Degree of the impact of risks and opportunities on business			Affected stage in the value chain	Financial impact assessment	Adaptation or mitigation action
			Short term	Medium term	Long term			
Reputational risk	Increasing emphasis placed by the market on the enterprises' climate performance	As regulators, investors, customers and other stakeholders are placing higher demands on enterprises' climate performance, failure to meet the expectations of stakeholders may affect an enterprise's reputation.	Medium	Medium	Medium	Own operation  Downstream	Lower operating revenue	<ul style="list-style-type: none"> <li>Disclose information transparently through multiple channels such as the official website and ESG report, and respond promptly to the concerns and demands of stakeholders.</li> </ul>
Market risk	Shifts in market preference	There is a growing trend of market preference for PIMMs with green and low- carbon attributes. Failure to meet this demand may result in diminished market competitiveness and a subsequent decline in our operating revenue.	Low	Low	Medium	Own operation  Downstream	Lower operating revenue	<ul style="list-style-type: none"> <li>Building on market and customer demand, we are committed to continuously enhancing the green and low-carbon attributes of our products and reducing their carbon footprint across the entire lifecycle.</li> </ul>
<b>Opportunity</b>	Product and service opportunities	Energy-efficient and low- carbon product development	Low	Medium	Medium	Own operation  Downstream	Higher operating revenue	<ul style="list-style-type: none"> <li>We are committed to continuously advancing clean technology iteration and upgrading our injection moulding equipment to enhance its intelligence and low-carbon performance.</li> </ul>

## IV. Green Production

Risk/Opportunity type	Risk/ Opportunity name	Risk/Opportunity description	Degree of the impact of risks and opportunities on business			Affected stage in the value chain	Financial impact assessment	Adaptation or mitigation action
			Short term	Medium term	Long term			
Energy source opportunities	Clean and renewable energy market opportunities	We are adopting renewable energy sources to reduce dependence on fossil fuels and mitigate risks associated with volatility in traditional energy prices.	Low	Low	Medium	Own operation	Lower operating costs	<ul style="list-style-type: none"> <li>We are consistently expanding photovoltaic installations to increase the proportion of renewable energy utilisation and advance our low-carbon transition.</li> </ul>
Market opportunities	Government incentives and subsidies	The introduction of policies related to carbon neutrality, clean energy and environmental subsidies provide important guidance for companies to expand into new markets and business areas.	Low	Low	Medium	Own operation  Downstream	Higher operating revenue	<ul style="list-style-type: none"> <li>We continuously monitor emerging markets and actively position ourselves to capture new markets and business opportunities arising from climate change.</li> </ul>

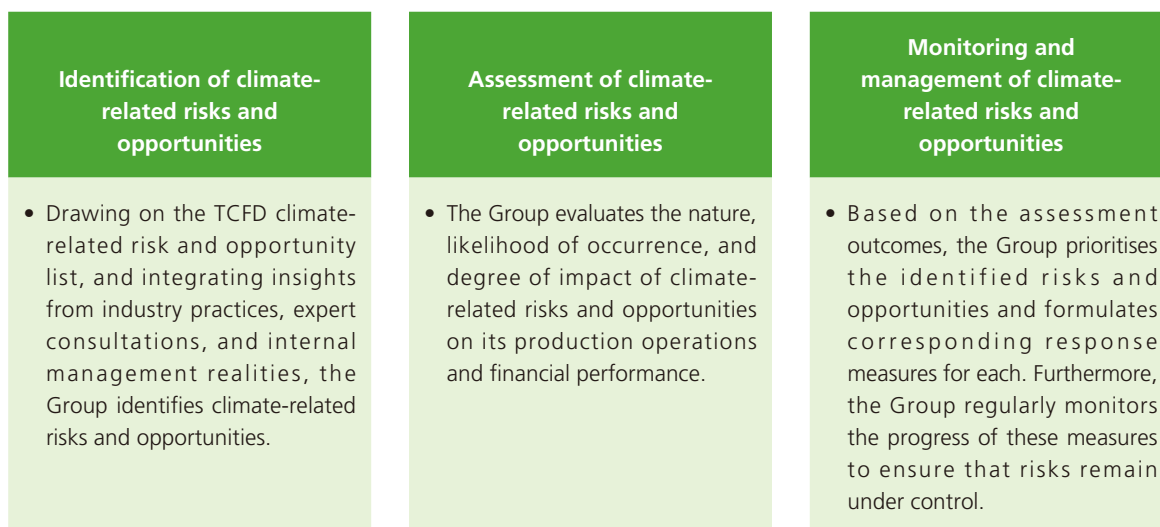
Note:

- Based on our assessment, we reasonably conclude that no climate-related risks or opportunities are expected to have a material impact on the Group's business model (including resource allocation), financial position, financial performance, cash flows, financing channels or capital costs during the Reporting Period or in the forthcoming year. During the Reporting Period, in order to better align with medium-to-long-term carbon emission regulatory requirements, we phased out energy-intensive equipment and replaced it with new production facilities. The total investment in the new equipment amounted to RMB17.62 million, which had been capitalised within "property, plant and equipment" on the balance sheet, with the corresponding cash outflow reflected under "purchase of property, plant and equipment" in the cash flow statement.
- The Group has adopted a qualitative approach to disclosing the financial impacts of climate-related risks and opportunities. Given the high degree of uncertainty associated with measuring anticipated financial impacts, we have applied the "financial effects relief" to the quantitative analysis of expected financial impact arising from climate-related risks and opportunities for the Reporting Period.
- Based on our assessment, we consider that current climate-related risks and opportunities have no material impact on the Group's operational decisions and business activities. Consequently, no relevant climate transition plan was developed during the Reporting Period.
- In light of the Group's current state of data readiness, climate scenario analysis would require a disproportionate level of cost and effort. Accordingly, the Group has applied the "reasonable information relief" regarding the disclosure of climate scenario analysis for the Reporting Period. At the same time, the Group continues to strengthen its climate resilience by advancing energy conservation, emission reduction and other operational measures, thereby enhancing its adaptive capacity to climate-related impacts and safeguarding the robustness of business operations. Additionally, the Group has taken a leading role in drafting the standard document titled Greenhouse Gases – Quantification Methods and Requirements for Product Carbon Footprint – Rubber and Plastics Machinery (《溫室氣體 產品碳足跡量化方法與要求 橡膠塑料機械》). By drawing upon our practical experience, we aim to contribute to industry-wide progress, supporting the enhancement of low-carbon management and climate adaptation capabilities across the industry, and collectively strengthening climate resilience throughout the value chain.

## IV. Green Production

### • Risk Management

We fully recognise the importance of managing climate-related risks and opportunities within the Group's overall risk governance framework. A comprehensive risk management mechanism has been established, covering three key stages: identification, assessment, and monitoring of climate-related risks and opportunities. This enables us to continuously enhance our capability to address climate-related challenges and leverage emerging opportunities.



*Climate Risk Management Process*

### • Metrics and Targets

In response to climate action requirements and to mitigate the environmental impact of our operations, we have set a carbon emission control target to reduce carbon emissions per RMB10,000 revenue by 7.5% by 2025 compared to 2021. During the Reporting Period, a reduction of 30.6% compared to that of 2021 has been achieved. We are committed to fulfilling our green and low-carbon development commitment through refined carbon emission control and whole-value-chain decarbonisation actions.

During the Reporting Period, our key performance indicators for greenhouse gas emissions are as follows:

Greenhouse Gas Emissions	Unit	2025
Scope 1 greenhouse gas emissions	tCO <sub>2</sub> e	3,646.53
Scope 2 greenhouse gas emissions (location-based)	tCO <sub>2</sub> e	76,678.10
Total greenhouse gas emissions (Scope 1 + Scope 2)	tCO <sub>2</sub> e	80,324.63
Greenhouse gas emission intensity (Scope 1 + Scope 2)	tCO <sub>2</sub> e/RMB10,000 revenue	0.0453

## IV. Green Production

Note:

1. *The greenhouse gas emission data covers the Group's Ningbo Plant.*
2. *Greenhouse gas emissions are presented in carbon dioxide equivalent (CO<sub>2</sub>e) and have been calculated in accordance with the Greenhouse Gas Protocol (《溫室氣體核算體系》). The carbon dioxide emission factor for purchased electricity is derived from the national grid average emission factor published in the Announcement on the Release of 2023 Electricity Carbon Dioxide Emission Factors (《關於發佈2023年電力二氧化碳排放因子的公告》) issued by the Ministry of Ecology and Environment.*
3. *Our Scope 1 greenhouse gas emissions originate from natural gas, gasoline, and diesel consumed in our operational activities, while Scope 2 emissions arise from the consumption of purchased electricity and steam. Given the current availability of data within the Group, it is not feasible to obtain Scope 3 greenhouse gas emission data without incurring disproportionate costs or efforts. Therefore, the "reasonable information relief" has been applied in respect of Scope 3 emissions accounting.*
4. *Based on the Group's analysis of the degree of impact of climate-related risks and opportunities, we have not, at this stage, identified any climate-related risks or opportunities that would require independent capital expenditure, financing or investment arrangements.*
5. *In calculating cross-industry and industry-specific climate disclosure metrics, the Group would incur substantial costs to obtain all reasonably available and supportable information. Accordingly, the "reasonable information relief" had been applied for the current Reporting Period.*
6. *During the Reporting Period, the Group had not yet implemented an internal carbon pricing mechanism in operational decision-making, nor had it integrated climate-related considerations into the remuneration policies for directors and employees. Going forward, the Group will adapt relevant disclosure arrangements in a timely manner based on regulatory requirements, business development and internal readiness.*

# V. Employees' Rights and Interests

## Progress in 2025

- Employee training rate reached 100%, with an average training duration of approximately 17 hours per employee.
- Work-related fatalities: 0 case.
- Performance-based variable compensation covers 100% of employees.

Adhering to the management philosophy of “people-oriented”, Haitian International is committed to creating an equal, diversified workplace, establishing multi-dimensional career development channels for employees, and safeguarding employees' occupational health and safety. Under “institutionalised human-centric management”, we provide competitive compensation and benefits, and sincerely care for our employees, striving to create a better future jointly with our employees.

## 1. Legal Employment

In strict accordance with the *Labour Law of the People's Republic of China* (《中華人民共和國勞動法》), the *Labour Contract Law of the People's Republic of China* (《中華人民共和國勞動合同法》) and other relevant laws and regulations, we have established a series of internal regulatory systems, including the *Employee Manual* (《員工手冊》) and the *Haitian Group Recruitment Management Regulations* (《海天集團招聘管理制度》). By specifying management measures on employee benefits, career development, employee training, production safety, occupational health, etc., such policies are developed to protect the legitimate rights and interests of employees in a comprehensive manner.

The Group promises to fully respect human rights. In addition to distinctly defining the management regulations on anti-discrimination, anti-harassment and prohibition on forced labour in the *Employee Manual* (《員工手冊》), we have formulated institutional regulations on safeguarding human rights, such as the *Child Labour Rescue Process* (《童工拯救程序》), the *Statement of Haitian International on Human Rights Policy* (《海天國際人權政策聲明》) and the *Social Responsibility Management Manual* (《社會責任管理手冊》). We prohibit any form of child labour, forced labour and human trafficking in accordance with the law. During the Reporting Period, the Group had no legal proceedings arising from violations of labour practices.

Meanwhile, we are dedicated to providing an equal and fair working environment. We respect the basic human rights of our employees and prohibit any form of harassment, abuse, and behaviour that disrespects human dignity. In terms of recruitment, compensation, benefits, training, promotion, dismissal, etc., we are committed to following the principle of fairness and equality. We are determined to eliminate discrimination in race, nationality, religion, disability, gender, age, educational background, etc. Furthermore, we fully respect the freedom of association and the collective bargaining right of employees. The Trade Union signed a collective contract with the Chairman on behalf of the whole staff, and the collective contract covers clauses on employee health and safety, working conditions, wages, working hours, employee benefits, and career management to establish robust safeguards to protect all lawful labour rights and interests of our employees.

During the Reporting Period, we were honoured with the “Best Partner Award” for Graduate Employment in Zhejiang Province in 2025 and were certified as a Practical Training Base for Graduate Employment in Zhejiang Province.

## V. Employees' Rights and Interests



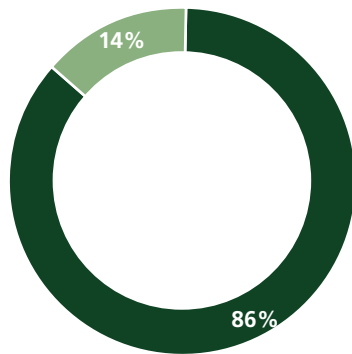
"Best Partner Award" for Graduate Employment in Zhejiang Province



Practical Training Base for Graduate Employment in Zhejiang Province

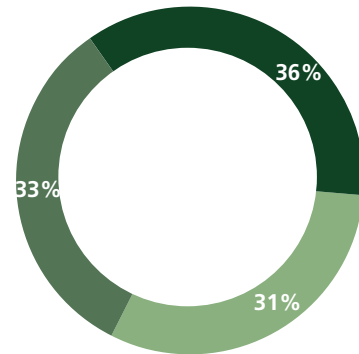
As of 31 December 2025, the total workforce of the Group was 8,768, of which 954 are female employees, with an employee turnover rate of 7.84%.

Total workforce by geographical region



■ Domestic employees ■ Overseas employees

Total workforce by age



■ Under 30 years old  
■ Between 30 and 40 years old  
■ Above 40 years old

## 2. Remuneration and Benefits

### • Remuneration System

In terms of the remuneration system, the Group balances equity with market competitiveness. Internally, we have devised a competitive remuneration system to attract and retain key talents. Externally, we continuously benchmark against industry labour market salary levels, dynamically optimise our compensation standards, and strive to establish a fair, reasonable, and industry-aligned remuneration system. We have established an employee stock ownership plan, covering the mid-level and senior management and core technicians to motivate and retain high-quality talents and core employees, and achieve a win-win situation in terms of employee accomplishments and corporate development.

## V. Employees' Rights and Interests

Moreover, we have developed a democratic and fair performance assessment system, and the variable compensation linked to performance is contained in all employees' remuneration. Based on the performance assessment plans, the Group calculates and distributes variable compensation and year-end bonuses to all employees every year to fully motivate employees' working enthusiasm. We have also established an appreciation sharing bonus, distributing the net profit appreciation from the growth of the Group's business performance to organisations and positions that have made a significant contribution.

Employees	Variable compensation
<b>Frontline employees</b>	Calculate the monthly performance bonus based on the monthly performance level and the number of working shifts; the year-end bonus is subject to a 20%-150% variance of the standard monthly salary based on performance.
<b>Non-frontline and managerial staff</b>	Calculate based on the salary of each position level and monthly performance level index; the year-end bonus is subject to a 20%-150% variance of the standard monthly salary based on performance.
<b>Board of Directors and senior management</b>	Linked to individual performance, their contribution to the Group, as well as the Group's overall performance and profitability, and with due regard to factors including workload, responsibilities, the complexity of work, and the Group's purposes and objectives.

- **Benefits System**

In accordance with relevant guidelines, including the *Employee Manual* (《員工手冊》), the *Statement of Haitian International on Human Rights Policy* (《海天國際人權政策聲明》), and the *Social Responsibility Management Manual* (《社會責任管理手冊》), the Group has systematically built and continues to enhance a comprehensive, multi-tiered employee benefits and protection system.

Regarding working hours and rest and leave entitlements, we are committed to ensuring reasonable arrangements for working time and leave. During the Reporting Period, we further refined the attendance management provisions in the *Employee Manual* (《員工手冊》) by systematically standardising mandatory requirements such as the consultation process for overtime work and limits on overtime duration. These measures are designed to safeguard appropriate working hours and strictly uphold employees' rights to rest and leave.

In terms of employee benefits and protection, we offer a wide range of non-compensation benefits to all employees in accordance with the laws and regulations. All employees are entitled to statutory holidays, and statutory benefits, such as five social insurances and housing provident fund (including endowment insurance and pension). In addition, we provide additional benefits to our employees, such as paid annual leave, working meals, working uniforms, shuttle buses, dormitories for single employees, affordable housing, public rental housing, monthly well-being allowance, financial aids from the trade union, and regular health check-ups. We will present gifts and benefits to our employees during traditional holidays, especially to those who stay on their posts during the holidays.

Furthermore, we are committed to making our employees live and work in peace and contentment. Since 1998, we have been building talent apartments and public rental housing, with the aim of relieving the house-buying pressure of young employees. Talent apartments and public rental housing not only solve the housing problem of our employees but also reduce their living costs and hence improve their living quality.

## V. Employees' Rights and Interests



Construction of Haitian Youth Apartment

### 3. Development and Training

To achieve the goal of mutual growth and development of employees and the Group, we comply with a series of talent development and training management policies to place emphasis on the cultivation and development of talent diversity. Such policies include the *Employee Career Management Policy of Haitian Group* (《海天集團關於員工職業生涯管理政策》), the *Education and Training Management Manual of Haitian Group* (《海天集團教育訓練管理手冊》), the *Academic Education Management Policy of Haitian Group* (《海天集團學歷教育管理政策》). Meanwhile, we have established a scientific career development mechanism across 4 dimensions, namely employee skill training, competency assessment, rotation development and fair promotion, striving to build a highly competitive talent team.



Haitian International Career Development Mechanism

## V. Employees' Rights and Interests

- **Fair Promotion**

The Group, based on the job responsibilities of each post, has established a career development system with IT, PMC, finance, technology, production, after-sales, administration, application, marketing, manufacturing technology and quality control as the core, providing a balanced and sustainable career development path and platform for our employees in different posts. In terms of career development, we provide four promotion channels, namely, technology, specialisation, operation and administration, to meet the multidimensional development demands of employees.

- **Competency Assessment**

The Group has established a systematic evaluation mechanism centred on annual contribution points and performance outcomes, forming a scientific functional assessment standard for employees. This provides an objective basis for assessing career development achievements and capability evaluations, while also creating a professional platform for individuals to demonstrate their strengths and value.

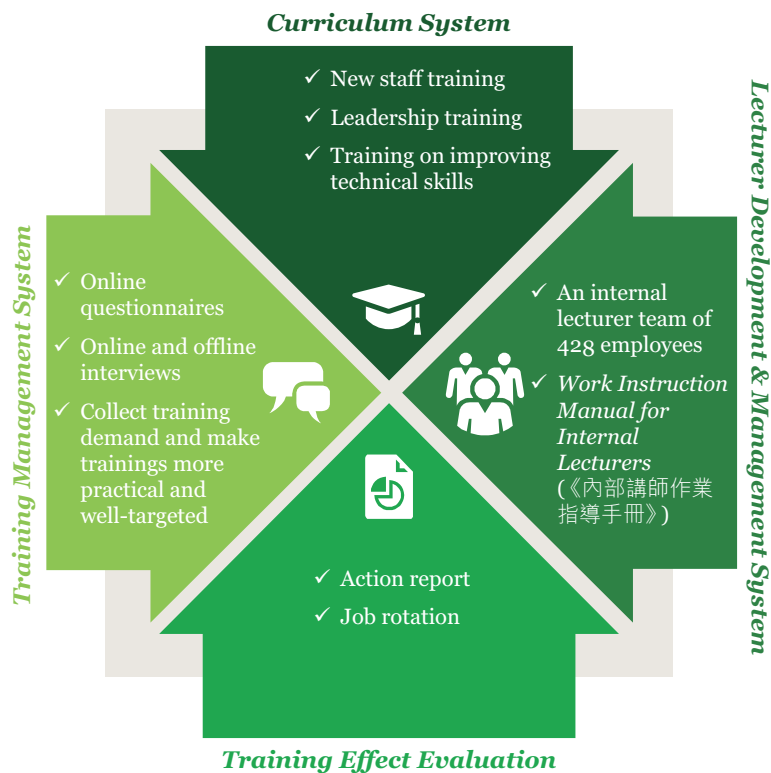
- **Rotation Development**

We have also formulated the *Special Projects for Talent Cultivation through Job Rotation* (《人才輪崗培養規劃專案》) to encourage and support our employees to engage in internal job rotation and transfer for development in line with the corporate development demands and the individual development path, which provides institutional safeguards to broaden employees' career horizons and accumulate comprehensive capabilities.

- **Employee Skill Training**

We have developed a sound employee training system in accordance with the *Employee Manual* (《員工手冊》) to fully secure and support employee development. We provide fair promotion opportunities for every employee who is willing and able to take on responsibilities and help each employee achieve development and improvement in both management and professional skills. Our four major training systems are as follows:

## V. Employees' Rights and Interests



Haitian International Four Major Training Systems

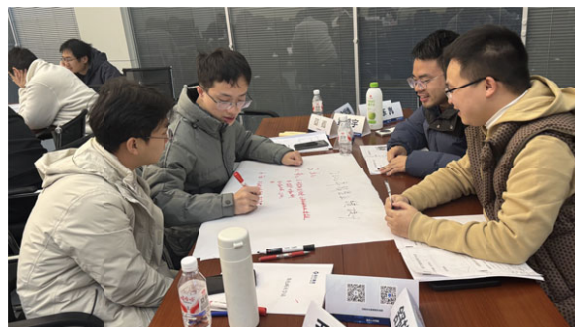
- ✓ Curriculum system: The Group has established a comprehensive curriculum system for its employees, which encompasses three core areas: new staff training, leadership training, and training on improving technical skills.
- ✓ Lecturer development & management system: To align with the strategic objectives of the Group, we have formed an internal lecturer team of 428 employees across various departments and functional areas within the Group. Moreover, we vigorously develop and manage our internal lecturer team in accordance with the *Work Instruction Manuals for Internal Lecturers* (《內部講師作業指導手冊》). During the Reporting Period, bilingual training was introduced to support the Group's international business.
- ✓ Training management system: At the beginning of each year, the Group gathers, collects and analyses the annual training demands of employees through various methods, including online questionnaires and interviews to make training programmes more practical and well-targeted, thereby empowering its business.
- ✓ Training effectiveness evaluation: We adhere to the philosophy of training management that all training should be accompanied by an evaluation. We employ action reports and job rotation as the primary means to assess the effectiveness of training, directing and promoting the implementation of training results.

## V. Employees' Rights and Interests

We provide employees with a variety of training and learning channels, including the E-learning platform, lecturer trainings within the Group, mentor-trainee programmes, internal training sessions with external lecturers, and external open classes. In addition, we have established a training mechanism including numerous programmes to cultivate new college recruits, high-potential talents, reserve talents, and core talents, such as the Spring Buds Programme, the Eyas Programme, the Eagle Programme, the Flying Programme, and the Pilot Programme. On an annual basis, we carry out all-round and systematic training on thought and leadership for these talents, and conduct team building at regular intervals to meet the demands for improving employee skills and promoting corporate development. Meanwhile, the Group implemented a credit hour system, which stimulates the learning enthusiasm of employees. In addition, the Group further promotes the Group's knowledge succession and knowledge management among all employees, activates the organisation's internal driving force, empowers employees to foster their own growth and builds a learning organisation with Haitian characteristics. During the Reporting Period, we conducted a total of 1,632 internal training sessions and 85 training sessions with external lecturers, covering 100% of employees (including part-time employees). The courses covered six categories: general knowledge, self-development, quality control and work safety, supply chain, professional and technical skills, and management skills.

### Case: "Managerial role awareness" programme

To support the transition from "managing tasks" to "managing themselves" for talents, the Group conducted the *Managerial Role Awareness* (《管理者的角色認知》) training for all participants of the Eagle Programme. This training focused on the core role positioning and cognitive advancement of managers, helping employees solidify their foundational management understanding. Through interactive formats such as deconstructing practical management case studies and group workshops, participants were guided to engage deeply and think proactively. This training includes two sessions, in which a total of 70 employees participated.



### Case: "Plastics machinery regional manager training" programme

To support regional managers in consolidating their professional theoretical knowledge and expertise, we have launched a series of *Plastics Machinery Regional Manager Training* (《塑機大區經理培訓》) programmes. The training content comprehensively covers product technical essentials, industry market trends, and regional sales strategies, closely aligning with the practical needs of industrial business development. It not only assists participants in establishing a complete professional knowledge framework but also directly enables frontline business practices, providing strong support for driving regional performance growth and individual career advancement.



## V. Employees' Rights and Interests

### Case: E-learning platform

In 2025, the Group's E-learning platform had cumulatively offered 2,252 learning courses, comprising 967 externally sourced courses and 1,285 internally developed courses. During the Reporting Period, 33 new courses were added to the platform. Course development has been closely aligned with the Group's business growth and talent cultivation needs, focusing on core areas such as pre-job training for new employees across industries and upskilling for specialised roles, thereby precisely matching the learning requirements of employees at different positions and career stages. Meanwhile, we collaborated with Ningbo Polytechnic University to jointly develop teaching materials for specialised technical courses, progressively establishing a curriculum resource development system tailored to the needs of the injection moulding machinery industry's growth and professional talent cultivation.

Furthermore, we place great emphasis on the development of employees' professional skills and are focused on their growth needs. During the Reporting Period, in order to help employees learn new skills and enhance their overall ability and competitiveness, the Group organised a number of specialised skill training sessions. These trainings cumulatively covered 258 employees and included job roles of industrial robot operators, fitters, electricians, and welders. At the same time, the Group actively implements a grading evaluation system for front-line highly skilled personnel. By combining theoretical and practical assessments, a recognition mechanism for highly skilled personnel covering 24 types of jobs and 15 levels within the Group has been established. During the Reporting Period, 3,406 people completed the assessment.

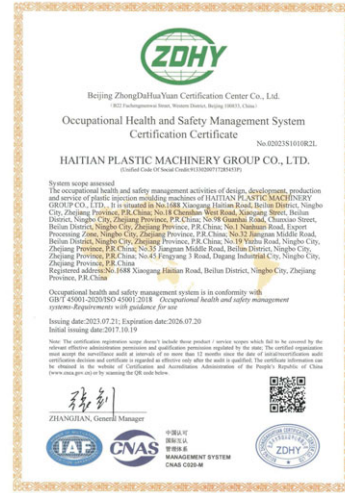
To help employees with self-management, self-improvement, and self-evolution to adapt to the Group's strategic transformation and the demand for talents in intelligent manufacturing, we have introduced the *Haitian Group Academic Education Management Policy* (《海天集團學歷教育管理政策》). In cooperation with third-party organisations, we encourage employees to pursue further academic studies and provide tuition subsidies or basic salary adjustments for employees who meet the policy requirements. In 2025, we have launched new MEM (Master of Engineering Management) and MBA (Master of Business Administration) programmes in collaboration with Northwestern Polytechnical University, providing additional pathways and support for the Group's employees to pursue further education.

# V. Employees' Rights and Interests

## 4. Health and Safety

- Health and Safety Management System

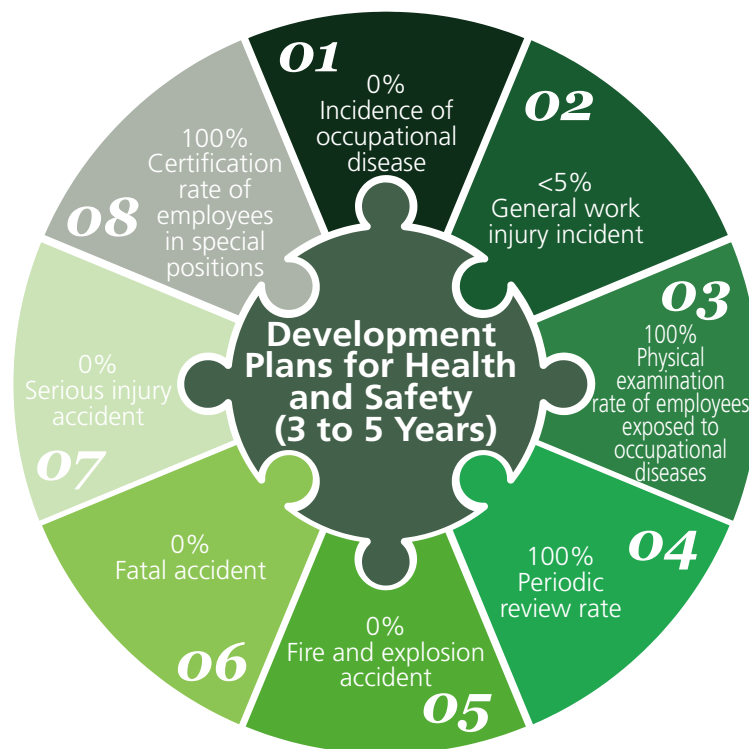
We have strictly complied with the *Work Safety Law of the People's Republic of China* (《中華人民共和國安全生產法》), the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* (《中華人民共和國職業病防治法》) and other laws and regulations in each operating location, and have formulated the *Procedures for Work Safety Management and Control* (《安全生產管理控制程序》), the *Procedures for Occupational Safety and Health Management* (《職業健康管理程序》) and other safety-management-related policies in accordance with relevant laws and regulations. In addition, keeping in mind the "all-staff, whole-process, all-round and all-day" safety management principle, we have spared no effort to protect the health and safety of employees on all fronts. The occupational health and safety management systems at Haitian Plastics Machinery and Wuxi Haitian have obtained the ISO 45001 certification and are regularly audited and monitored by professional third-party organisations.



ISO 45001 Occupational Health and Safety Management System Certification Certificate

## V. Employees' Rights and Interests

Meanwhile, we have drawn up medium and long-term development plans for health and safety and set corresponding quantitative objectives and assessment indicators to navigate our development direction in occupational health and safety on a scientific basis.



Development Plans for Health and Safety of Haitian International (3 to 5 Years)

- **Health and Safety Management Initiatives**

### Ensuring production safety

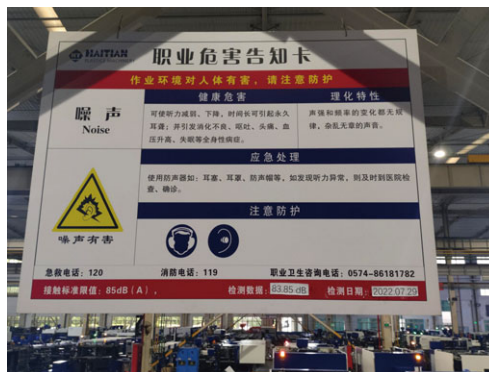
We practice the principles of “safety first, prevention beforehand, comprehensive management” and “safety management going hand in hand with production management”. In order to enhance our ability of accident prevention and pre-control, and avoid work-related accidents, we have formulated the *Management System for “Five Principles of Simultaneity” in Production Safety* (《安全生產「五同時」管理制度》). In other words, efforts to plan, arrange, inspect, conclude and evaluate production are also needed for safety in the same way, at the same time. In addition, we have adopted 6S management principles on all fronts so as to effectively manage production factors in production areas such as people, machinery, materials, methods and environment. The Group continues to invest significantly in health and safety, strengthening safety team deployment and development. At the end of the Reporting Period, the Group employed 10 state-certified safety engineers, 206 certified full-time or part-time safety management personnel, 673 certified Red Cross rescuers, and 6 volunteer firefighters. During the Reporting Period, there were no lost days due to work injury, and the number of work-related fatalities was also zero over the past three years.

## V. Employees' Rights and Interests

Meanwhile, the Group continuously improves its hazard identification and risk management system to enhance the overall health and safety management capabilities. During the Reporting Period, we systematically compiled the list of laws and regulations on production safety, established Group-level safety risk control systems, and developed a Group-wide safety risk register. To promote the implementation of the system, we conducted routine risk identification and assessment, implemented tiered risk controls, defined specific safety control requirements for each position, and strengthened full-process training, assessment, supervision and inspection. During the Reporting Period, we addressed 56 identified risks and hazards, and implemented regular inspection plans for 6 hazardous sources to prevent various safety incidents at the source. In addition, for third-party contractors, we signed safety agreements with them and conduct regular inspections covering safety, occupational health, and security to prevent safety incidents arising from outsourced operations.

### Protecting Occupational Health

We follow the *Procedure for Monitoring, Measuring, Evaluating and Controlling Environmental and Occupational Health and Safety Performance* (《環境職業健康安全績效監視測量評價控制程序》), the *Procedure for Planning and Controlling the Operation of Occupational Health and Safety Processes* (《職業健康安全過程運行策劃和控制程序》), the *Management System for Labour Protection Equipment* (《勞動防護用品管理制度》) and other systems or policies, and arrange annual health check-ups for all employees. Also, we organise regular occupational health check-ups for employees with long-term exposure to hazardous environment, thereby comprehensively safeguarding the occupational health for employees. In addition, the *Occupational Hazard Notification* (《職業危害告知卡》) has been posted in each workshop to remind employees exposed to occupational hazard factors to keep compliance with the *Code of Occupational Diseases Prevention* (《職業病防護法》). According to the protection requirements for different positions, we provide employees with protective articles that are in line with the safety protection requirements on a regular basis, such as helmets, goggles, masks, ear protectors, protective gloves, protective footwear and protection suits, and supervise the correct wearing of protective articles.



Occupational Hazard Notification

## V. Employees' Rights and Interests

We regularly conduct boundary noise level testing and have installed sound-insulating walls in areas where noise is generated, effectively controlling noise pollution. Meanwhile, we strengthen natural ventilation to reduce the harm caused by workshop odours to employees' health. In addition, we rationally planned the surrounding lanes, so as to reduce air pollution caused by traffic congestion and, to the greatest extent, reduce the adverse impact of the working environment on employees' health. During the Reporting Period, there were no occupational diseases reported in the Group.

In addition, all workplaces of the Group are regularly reviewed by professional occupational health detection institutions to strengthen external supervision. These professional institutions detect the occupational hazard factors in our workplace (e.g. workshops), check the set-up and operation of occupational disease prevention devices and the supply of personal occupational disease prevention articles. Accordingly, they will issue an evaluation report and propose suggestions for rectification and continuous improvement. In terms of internal management, we have also established occupational health and safety representatives to safeguard the occupational health and safety of all employees.



*Detection Report on Occupational Hazard Factors*

### Enhancing Safety Awareness

We conduct regular fire safety emergency drills for all employees in accordance with the *Fire Safety Management Procedure* (《消防安全管理程序》), the *Hazardous Chemical Management Procedure* (《危險化學品管理程序》) and other policies, and have set up the fire emergency headquarters and related subordinate groups, including the evacuation group, firefighting group, rescue group, guarding group and supply group, to realise a rational division of labour in emergency response actions in the case of accidents. Additionally, after each emergency drill, we will evaluate the results and put forward improvement plans for problems.

## V. Employees' Rights and Interests

### Case: Haitian Group Headquarters Building emergency drill

In June 2025, the Group organised an annual fire drill at its headquarters building. The drill simulated scenarios such as fire alarms, smoke, trapped personnel, and first aid, enabling employees to become thoroughly familiar with the various situations they would face in a real fire emergency, and enhancing their emergency escape capabilities. On-site firefighting was also carried out to train employees to proficiently master the use of fire extinguishers, strengthening their fire prevention awareness and evacuation skills.



Moreover, we organise health and safety training in a planned way to explain our corporate policies to employees and improve their awareness of occupational health and safety. During the Reporting Period, we carried out safety training following the Group's "Safety College Plan", with 5,000 people trained. The training covers regular training, occupational health and hygiene training, fire safety training and transportation safety training designated with different focuses according to the production process and actual situation, followed by assessments. We also stipulate that employees engaged in special operation shall receive special safety training before setting out to work.

### Case: The fourth micro-lecture competition on safety and environmental protection

In June 2025, to implement the principles of the annual Safety and Environmental Protection Month, elevate safety and environmental protection management standards, and strengthen the development of a professional internal training team, the Group actively participated in "The Fourth Micro-lecture Competition on Safety and Environmental Protection of Haitian Group". Participants from various business divisions drew upon their own job experience, working methods and management skills to interpret the significance and the importance of safety and environmental protection through vivid teaching methods. All award-winning competitors were appointed as internal safety and environmental protection instructors of Haitian Group, laying a robust foundation for advancing the Group's safety and environmental training and education efforts.



## V. Employees' Rights and Interests

### 5. Staff Care

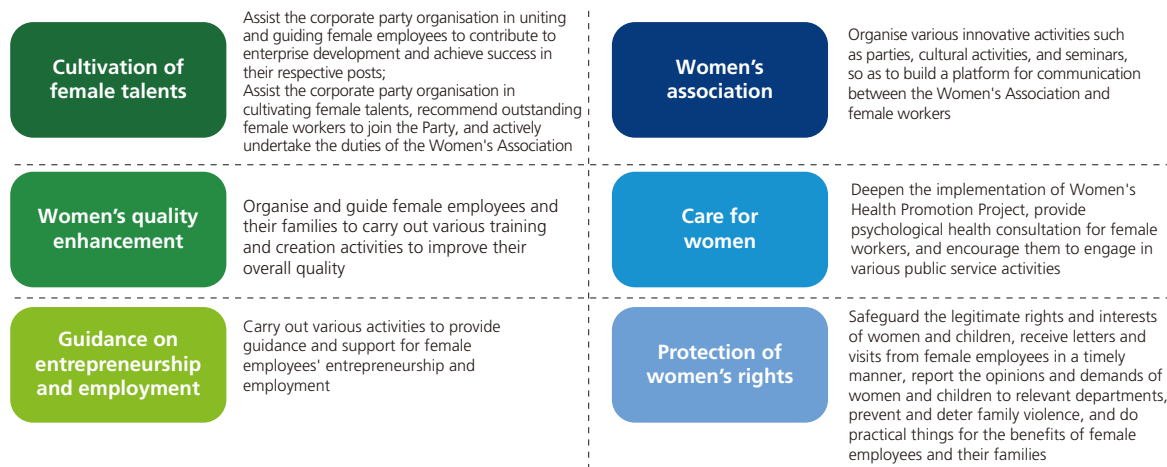
- **Employee Communication**

We maintain smooth communication and close contact with our employees. We have established various communication channels according to the *Employee Complaint Management System* (《員工申訴管理制度》) to help employees solve practical difficulties in a timely manner. Currently, the "Staff Voice" system has been implemented in the Group's trade union and extended to sub-trade unions. We have also set up a "Voice Group" to give full play to the role of the trade union group and further improve the mechanism for expressing and coordinating the interests of employees. In the "Staff Voice" office, employees may talk about and express their demands, discuss issues on labour relations, discuss psychological needs and offer good suggestions for the Group's development. In the future, the trade union of the Group will promote the inspection and evaluation of "Staff Voice", taking the evaluation results as the basis for the assessment of trade unions at all levels and the evaluation of managements, to further enhance the ability of primary-level trade unions to maintain and develop harmonious labour relations.

In addition, we conduct annual employee satisfaction surveys to collect and understand employees' satisfaction levels and demands in terms of the Group's management and system, working environment and atmosphere as well as remuneration and benefits, and find out the reasons for dissatisfaction and take timely rectification measures. In 2025, our employee satisfaction rate was 97%.

- **Employee Care**

The Group is committed to protecting the rights and interests of female employees. To this end, we set up a women's association at the Group level to earnestly perform our duties of organising, guiding, serving, and safeguarding the legitimate rights and interests of female employees.



"Six Responsibilities" of the Women's Association under Haitian International

## V. Employees' Rights and Interests

### Case: Balint growth workshop for female employees

We focus on the dual psychological needs of female employees balancing family and career, supporting their mental well-being and professional growth while fostering harmonious work-life relationships. In 2025, we encouraged female employees to actively participate in the Balint growth workshop and professional development programs organised by the trade union of Haitian Group. With professional guidance and peer support, we helped female employees to achieve self-transformation and thrive both personally and professionally.

In addition, the Group attaches great importance to the improvement of employee well-being and the construction of spiritual culture. Through various staff club activities, we enrich their personal lives, alleviate their work-related stress, and broaden their access to cultural and recreational resources, thereby effectively enhancing overall job satisfaction and workplace fulfilment.

### Case: Staff reading room of Haitian Group

Haitian Group actively built a staff reading room, creating a dedicated cultural and learning space for employees. The reading room is thoughtfully stocked with a variety of books to meet employees' reading needs during fragmented time. Meanwhile, the space combines reading, relaxation and socialising, with regular book sharing sessions, fostering a culture of learning and enriching employees' personal time.



## VI. Public Welfare

### Progress in 2025

- In 2025, the total public welfare expenditure exceeded RMB5,000,000.
- Haitian Volunteer Groups expanded to over 2,000 members.
- In 2025, more than 100 public welfare projects were carried out.

The Group is committed to creating a beautiful and harmonious social environment. To this end, we make use of our advantages and resources to actively devote ourselves to public welfare and charitable undertakings, and integrate the culture of great love, which centres on gratitude and giving back to society, into our corporate culture. The Group, adhering to the social responsibility concept of “benefit the people and contribute to the world”, carried out public welfare projects through Zhejiang Haitian Charity Foundation. The foundation supports disadvantaged groups such as employees in difficulty, people in need, uneducated children, widows, orphans, and people with illnesses and disabilities. In doing so, we hope to pursue the culture of caring for the world and practising benevolence and good deeds. Zhejiang Haitian Charity Foundation was rated as a “4A” Chinese social organisation by Zhejiang Civil Affairs Bureau for its fruitful achievements in practising social responsibility.



*Zhejiang Haitian Charity Foundation Rated as an AAAA Social Organisation*

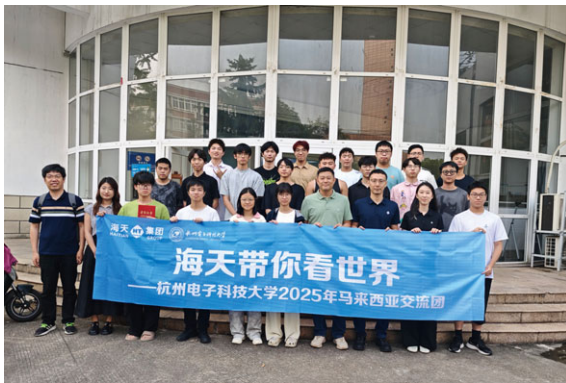
Adhering to the spirit of humanistic care, we are concerned about the well-being of special groups and bring hope and change to those in need through our efforts. Over the past ten years, we, upholding the goal of creating value for the people, the society and the country, have made positive contributions to poverty alleviation, education support, medical assistance, public welfare and other fields.

## VI. Public Welfare

- Promoting Youth Education

### Case: Endeavour scholarships for colleges and universities

During the Reporting Period, we cooperated with Zhejiang University of Technology, Ningbo University, Hangzhou Dianzi University and 26 other colleges in and outside Zhejiang Province to provide scholarships, innovation and research funds, and assistance for academic exchange programmes for students from poor families with good academic performance and well-rounded development. This scholarship was established to help underprivileged students realise their dreams of pursuing higher education and promote equity in education. In 2025, we invested RMB2.01 million in “Endeavour Scholarships for Colleges and Universities”, benefiting hundreds of students.



## VI. Public Welfare

- **Assisting People in Need**

### Case: Pairing assistance for rural revitalisation

We actively responded to the national rural revitalisation policy. In accordance with the aid application rules of the foundation, we provided bailout money to families in need verified by the Yaqian, Shanxia and Qianjin Village Committees of Xiaogang Street. During the Reporting Period, we donated RMB220,000 to Yaqian Village, RMB100,000 to Shanxia Village, and RMB100,000 to Qianjin Village, respectively, helping a total of 340 rural families in distress.

### Case: Help for people in difficulty

Upholding the spirit of poverty alleviation and benevolence, we responded to the urgent needs of the public, solved their difficulties, and took practical actions to help families in difficulty due to disasters, accidents, or serious illnesses. During the Reporting Period, the Group helped 10 such families in difficulty, with an investment of RMB283,900. At the same time, we visited 11 registered household in need during the Reporting Period, to extend the Group's support and care for them.

In addition, we also paid continuous attention to the well-being of retired employees. During the Reporting Period, we assisted 143 households of retired employees in difficulty, with a total expenditure of RMB2,094,300. We are committed to improving the quality of life of retired employees with difficulties and to ensuring their peaceful and comfortable life in their later years.

### Case: Assistance for teenagers and impoverished women with cancer in Xiaogang Street

We are continuously concerned about the living conditions of children from special families and impoverished women with cancer. For a long time, we have collaborated with the Women's Association at Xiaogang Street to provide such children and women with care and support, alleviate their burden and improve their living conditions. During the Reporting Period, we invested RMB100,000 to bring forth positive energy, love and warmth to children from special families, while helping poor women suffering from malignant gynaecological tumours receive better treatment, with a total of 35 children and women benefiting from the funding.



## VI. Public Welfare

- **Staff Volunteer Activities**

### Case: Haitian volunteer groups

Since the establishment of the Haitian Charity Foundation in 2013, we have formed Haitian volunteer groups to provide public services from time to time to residents in the surrounding communities at weekends. The services include repairing bicycles and electric vehicles, sharpening kitchen knives and scissors, applying cell phone screen protectors, repairing household appliances, providing networking and support, donating books, medical care, reading camp, counselling, old clothes donation, and book exchange, benefiting nearly 1,000 people. During the Reporting Period, 8 volunteer groups organised charitable activities, with 91 charity volunteers participating. The total expenditure for this year amounted to RMB98,700.



- **Upholding the Tradition of Charitable Activities**

### Case: Haitian Charity Day

On 26 April and 27 September 2025, we hosted the 18th and 19th Haitian Charity Day at Haitian Park. The events provided diverse charitable services, such as photographing, hairdressing, measuring blood pressure and blood glucose, repairing household appliances, donating clothes, shoes and books, providing networking and support, making handmade reusable bags and promoting waste sorting and recycling knowledge. More than 1,000 people benefited from these activities, with a total investment of RMB28,900 during the Reporting Period.



# ESG Performance Data

## Environment

Emissions <sup>1</sup>	Unit	2025
Scope 1 greenhouse gas emissions <sup>2</sup>	tCO <sub>2</sub> e	3,646.53
Scope 2 greenhouse gas emissions <sup>2</sup>	tCO <sub>2</sub> e	76,678.10
Total greenhouse gas emissions <sup>2</sup>	tCO <sub>2</sub> e	80,324.63
Greenhouse gas emission intensity <sup>2</sup>	tCO <sub>2</sub> e/RMB10,000 revenue	0.0453
NO <sub>x</sub> <sup>3</sup>	kg	295.11
SO <sub>x</sub>	kg	111.16
PMs	kg	1,940.34
VOC/Non-methane hydrocarbon	kg	28,125.15
Others (chromic acid mist) <sup>4</sup>	kg	1.39
Waste water <sup>5</sup>	Tonne	97,088.75
Waste water intensity	Tonne/RMB10,000 revenue	0.05
Waste mineral oil	Tonne	203.00
Waste emulsified mixture	Tonne	201.50
Waste carbon-based catalyst	Tonne	39.40
Waste filter	Tonne	18.77
Paint residue	Tonne	230.49
Waste oil barrel	Tonne	85.70
Sludge	Tonne	375.24
Oily wastes	Tonne	172.04
Waste hydrochloric acid	Tonne	39.62
Others	Tonne	53.32
Total hazardous wastes <sup>6</sup>	Tonne	1,419.07
Hazardous waste intensity	Tonne/RMB10,000 revenue	0.0008
Total non-hazardous wastes	Tonne	26,951.88
Non-hazardous waste intensity	Tonne/RMB10,000 revenue	0.0152



## ESG Performance Data

Use of Resources <sup>1</sup>	Unit	2025
Gasoline <sup>7</sup>	Tonne	204.47
Natural gas	Cubic metre	716,306.00
Diesel	Tonne	484.40
Total direct energy consumption	MWh	15,931.57
Purchased electricity	MWh	119,617.58
Steam	Tonne	36,107.37
Total indirect energy consumption	MWh	155,724.95
Total energy consumption	MWh	171,656.53
Energy consumption intensity	MWh/RMB10,000 revenue	0.0968
Total water consumption	Tonne	334,191.57
Water consumption intensity	Tonne/RMB10,000 revenue	0.1885

## Society

Employment	Unit	2025
Total workforce	Person	8,768
Male employees	Person	7,814
Female employees	Person	954
Full-time employees	Person	8,604
Part-time employees	Person	164
Under 30 years old	Person	3,124
30 to 40 years old	Person	2,720
Over 40 years old	Person	2,924
Chinese mainland	Person	7,504
Overseas	Person	1,264

## ESG Performance Data

Turnover rate	Unit	2025
Male employees	Person	589
Female employees	Person	98
Under 30 years old	Person	390
30 to 40 years old	Person	167
Over 40 years old	Person	130
Chinese mainland	Person	475
Overseas	Person	212
Total turnover rate	%	7.84
Male employees	%	7.54
Female employees	%	10.27
Under 30 years old	%	12.48
30 to 40 years old	%	6.14
Over 40 years old	%	4.45
Chinese mainland	%	6.33
Overseas	%	16.77

Health and Safety	Unit	2025
Number of work-related fatalities	Person	0
Rate of work-related fatalities	%	0
Lost working days	Day	0

Proportion of trainees by employee category	Unit	2025
Total number of trainees	Person	8,768
Senior management	Person	42
Middle management	Person	282
Junior employees	Person	8,444
Male trainees	Person	7,814
Female trainees	Person	954
Senior management	%	0.48
Middle management	%	3.22
Junior employees	%	96.30
Male trainees	%	89.12
Female trainees	%	10.88

## ESG Performance Data

Average training hours by employee category	Unit	2025
Senior management	Hour	22
Middle management	Hour	56
Junior employees	Hour	16
Male employees	Hour	17
Female employees	Hour	16

Supply Chain Management <sup>a</sup>	Unit	2025
China	/	214
Other countries	/	5
New suppliers under access assessment in the current year	/	14
Suppliers eliminated due to product quality and safety issues	/	0
Suppliers having passed ISO 14001 environmental management system certification	/	34
Suppliers having passed ISO 45001 occupational health and safety management system certification	/	2
Suppliers having passed ISO 9001 quality management system certification	/	26
Suppliers having passed ISO 27001 information security management system certification	/	69
Suppliers signing the <i>Supplier Integrity Letter</i> (《供方廉政承諾書》)	/	219
Suppliers signing the <i>Supplier Safety and Environmental Protection Commitment Letter</i> (《供應商安全環保承諾書》)	/	219
Suppliers having signed the <i>Haitian Group Supplier Social Responsibility Commitment Letter</i> (《海天集團供應商社會責任承諾書》)	/	219

Note 1: Data only covers the plants in Ningbo, excluding the Wuxi Plant, South China Plant, and overseas plants; the intensity is calculated by the output per RMB10,000 revenue.

Note 2: GHG emissions are mainly from the use of gasoline, natural gas and diesel during production (Scope 1), and from the purchased electricity and steam (Scope 2). GHG emissions are presented as CO<sub>2</sub> equivalent (CO<sub>2</sub>e), with the calculation method in line with the GHG Protocol (《溫室氣體核算體系》). The carbon dioxide emission factor for purchased electricity is derived from the national grid average emission factor published in the Announcement on the Release of 2023 Electricity Carbon Dioxide Emission Factors (《關於發佈2023年電力二氧化碳排放因子的公告》) issued by the Ministry of Ecology and Environment.

Note 3: During the Reporting Period, the Jiangnan Road Production Base switched its heating source from diesel to natural gas, resulting in a decrease in the NO<sub>x</sub> emissions.

Note 4: During the Reporting Period, there were 6 emission outlets in total. Chromic acid mist emissions were not detected at 2 of these outlets, as the emission concentration of chromic acid mist was lower than the detection limit of the testing unit (0.005 mg/m<sup>3</sup>). The remaining four outlets recorded concentrations of 0.005 mg/m<sup>3</sup>, 0.008 mg/m<sup>3</sup>, 0.036 mg/m<sup>3</sup>, and 0.006 mg/m<sup>3</sup>, respectively.

Note 5: During the Reporting Period, as the liquid replacement frequency of the sheet metal powder coating line at the Tongtu Road Production Base was raised from once a month to once every half month, waste water discharge volume increased.

Note 6: During the Reporting Period, due to the overall renovation of Haitian Road Production Base and Huayuan Production Base, the hazardous wastes generated during the demolition increased.

Note 7: During the Reporting Period, due to the expansion of company owned vehicles, gasoline consumption increased.

Note 8: Data on supply chain management covers production procurement suppliers for the plants in Ningbo, Wuxi and South China, excluding administrative procurement suppliers.

# ESG Reporting Code Index

## Part B: Mandatory Disclosure Requirements

Mandatory disclosure requirements		Location in report
<b>Governance Structure</b>	<p>A statement from the Board containing the following elements:</p> <ul style="list-style-type: none"> <li>(i) a disclosure of the Board’s oversight of ESG issues;</li> <li>(ii) the Board’s ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer’s businesses); and</li> <li>(iii) how the Board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer’s businesses.</li> </ul>	Sophisticated Governance – ESG Governance Structure
<b>Reporting Principles</b>	<p>A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report:</p> <p>Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer’s stakeholder engagement.</p> <p>Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.</p> <p>Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.</p>	About the Report
<b>Reporting Boundary</b>	<p>A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.</p>	About the Report



# ESG Reporting Code Index

## Part C: “Comply or explain” Provisions

Topic	Disclosures	Location in report
<b>A. Environmental</b>		
<b>Aspect A1</b>	<b>Emissions</b>	
<b>General Disclosure</b>	Information on: <ul style="list-style-type: none"> <li>(a) the policies; and</li> <li>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</li> </ul> <p>relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p>	Green Production – Implementation of Green Management, Strict Control over Discharge and Emissions
<b>A1.1</b>	The types of emissions and respective emissions data	Green Production – Strict Control over Discharge and Emissions, ESG Performance Data
<b>A1.3</b>	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Green Production – Strict Control over Discharge and Emissions, ESG Performance Data
<b>A1.4</b>	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Green Production – Strict Control over Discharge and Emissions, ESG Performance Data
<b>A1.5</b>	Description of emission target(s) set and steps taken to achieve them	Green Production – Implementation of Green Management
<b>A1.6</b>	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	Green Production – Strict Control over Discharge and Emissions

## ESG Reporting Code Index

Topic	Disclosures	Location in report
<b>Aspect A2</b>	<b>Use of Resources</b>	
<b>General Disclosure</b>	Policies on the efficient use of resources, including energy, water and other raw materials	Green Production – Implementation of Green Management, Energy Management, Water Management
<b>A2.1</b>	Direct and/or indirect energy consumption by type (e.g. Electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	Green Production – Energy Management, ESG Performance Data
<b>A2.2</b>	Total water consumption and intensity (e.g. per unit of production volume, per facility)	Green Production – Water Management, ESG Performance Data
<b>A2.3</b>	Description of energy use efficiency target(s) set and steps taken to achieve them	Green Production – Implementation of Green Management
<b>A2.4</b>	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	Green Production – Implementation of Green Management
<b>A2.5</b>	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Not applicable, because the Group's main business is not resource intensive for packaging materials
<b>Aspect A3</b>	<b>The Environment and Natural Resources</b>	
<b>General Disclosure</b>	Policies on minimising the issuer's significant impacts on the environment and natural resources	Green Production – Implementation of Green Management
<b>A3.1</b>	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Not applicable, because the Group's activities have no significant impact on the environment



# ESG Reporting Code Index

Topic	Disclosures	Location in report
<b>B. Social</b>		
<b>Aspect B1</b>	<b>Employment</b>	
<b>General Disclosure</b>	Information on: <ul style="list-style-type: none"> <li>(a) the policies; and</li> <li>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</li> </ul> <p>relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p>	Employees' Rights and Interests – Legal Employment/Remuneration and Benefits
<b>B1.1</b>	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region	ESG Performance Data
<b>B1.2</b>	Employee turnover rate by gender, age group and geographical region	ESG Performance Data
<b>Aspect B2</b>	<b>Health and Safety</b>	
<b>General Disclosure</b>	Information on: <ul style="list-style-type: none"> <li>(a) the policies; and</li> <li>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</li> </ul> <p>relating to providing a safe working environment and protecting employees from occupational hazards.</p>	Employees' Rights and Interests – Health and Safety
<b>B2.1</b>	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	Employees' Rights and Interests – Health and Safety, ESG Performance Data
<b>B2.2</b>	Lost days due to work injury	Employees' Rights and Interests – Health and Safety, ESG Performance Data
<b>B2.3</b>	Description of occupational health and safety measures adopted and how they are implemented and monitored	Employees' Rights and Interests – Health and Safety

# ESG Reporting Code Index

Topic	Disclosures	Location in report
<b>Aspect B3</b>	<b>Development and Training</b>	
<b>General Disclosure</b>	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Employees' Rights and Interests – Development and Training
<b>B3.1</b>	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	ESG Performance Data
<b>B3.2</b>	The average training hours completed per employee by gender and employee category	ESG Performance Data
<b>Aspect B4</b>	<b>Labour Standards</b>	
<b>General Disclosure</b>	Information on: <ul style="list-style-type: none"> <li>(a) the policies; and</li> <li>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</li> </ul> relating to preventing child and forced labour.	Employees' Rights and Interests – Legal Employment
<b>B4.1</b>	Description of measures to review employment practices to avoid child and forced labour	Employees' Rights and Interests – Legal Employment
<b>B4.2</b>	Description of steps taken to eliminate such practices when discovered	Employees' Rights and Interests – Legal Employment
<b>Aspect B5</b>	<b>Supply Chain Management</b>	
<b>General Disclosure</b>	Policies on managing environmental and social risks of the supply chain	Responsible Operation – Supply Chain Management
<b>B5.1</b>	Number of suppliers by geographical region	ESG Performance Data
<b>B5.2</b>	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored	Responsible Operation – Supply Chain Management, ESG Performance Data
<b>B5.3</b>	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Responsible Operation – Supply Chain Management
<b>B5.4</b>	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Responsible Operation – Supply Chain Management



# ESG Reporting Code Index

Topic	Disclosures	Location in report
<b>Aspect B6</b>	<b>Product Responsibility</b>	
<b>General Disclosure</b>	Information on: <ul style="list-style-type: none"> <li>(a) the policies; and</li> <li>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</li> </ul> <p>relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p>	Responsible Operation
<b>B6.1</b>	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Responsible Operation – Product Quality and Safety
<b>B6.2</b>	Number of products and services related complaints received and how they are dealt with	Responsible Operation – Quality Service
<b>B6.3</b>	Description of practices relating to observing and protecting intellectual property rights	Responsible Operation – Intellectual Property Protection
<b>B6.4</b>	Description of quality assurance process and recall procedures	Responsible Operation – Product Quality and Safety
<b>B6.5</b>	Description of consumer data protection and privacy policies, and how they are implemented and monitored	Sophisticated Governance – Business Information Security
<b>Aspect B7</b>	<b>Anti-corruption</b>	
<b>General Disclosure</b>	Information on: <ul style="list-style-type: none"> <li>(a) the policies; and</li> <li>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</li> </ul> <p>relating to bribery, extortion, fraud and money laundering.</p>	Sophisticated Governance – Business Ethics
<b>B7.1</b>	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases	Sophisticated Governance – Business Ethics
<b>B7.2</b>	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	Sophisticated Governance – Business Ethics
<b>B7.3</b>	Description of anti-corruption training provided to directors and staff	Sophisticated Governance – Business Ethics
<b>Aspect B8</b>	<b>Community Investment</b>	
<b>General Disclosure</b>	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities’ interests	Public Welfare
<b>B8.1</b>	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Public Welfare
<b>B8.2</b>	Resources contributed (e.g. money or time) to the focus area	Public Welfare

# ESG Reporting Code Index

## Part D: Climate-related Disclosures

Climate-related disclosure requirements	Descriptions	Location in report
<b>Governance</b>	(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities.	Sophisticated Governance – ESG Governance Structure
	(b) management’s role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	Sophisticated Governance – ESG Governance Structure
<b>Strategy</b>	Climate-related risks and opportunities Business model and value chain Strategy and decision-making Financial position, financial performance and cash flows	Green Production – Climate Change Green Production – Climate Change Green Production – Climate Change Application of financial effects relief for anticipated financial impact
	Climate resilience	Application of reasonable information relief for climate scenario analysis Green Production – Climate Change
<b>Risk Management</b>	(a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks;	Green Production – Climate Change
	(b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	Green Production – Climate Change
	(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer’s overall risk management process.	Green Production – Climate Change
<b>Metrics and Targets</b>	Greenhouse gas emissions	Green Production – Climate Change
	Climate-related transition risks	Application of reasonable information relief
	Climate-related physical risks	Application of reasonable information relief
	Climate-related opportunities	Application of reasonable information relief
	Capital deployment	Green Production – Climate Change
	Internal carbon prices	Not implemented
	Remuneration	Not implemented
	Industry-based metrics	Application of reasonable information relief
Climate-related targets	Green Production – Climate Change	

# Feedback from Readers

Dear readers:

Thank you for reading our *2025 Environmental, Social and Governance Report* (《2025年環境、社會及管治報告》). In order to provide stakeholders with valuable information and improve our ability and performance in the fulfilment of social responsibility, we are sincerely expecting your valuable opinions and suggestions.

You can fill in the feedback form and return it to us in the following ways:

Address: No. 1688 Haitian Road, Xiaogang, Beilun District, Ningbo City, Zhejiang Province

Tel (Chinese mainland): 86-574-86182786

Tel (Hong Kong): 852-24282999

Postcode: 315801

Email: wangjihui@mail.haitian.com; yxj0199@mail.haitian.com

1. Your overall rating for the Group's Environmental, Social and Governance Report:

Outstanding       Satisfactory       Unsatisfactory       Poor

2. Your rating for the Group's fulfilment of economic, social and environmental responsibility:

Economic Responsibility       Outstanding       Satisfactory       Unsatisfactory       Poor

Social Responsibility       Outstanding       Satisfactory       Unsatisfactory       Poor

Environmental Responsibility       Outstanding       Satisfactory       Unsatisfactory       Poor

3. How the Report reflects the impact of the Group's ESG responsibility practice on the economy, society and environment?

Very good       Good       Fair       Poor       Very poor

4. What do you think about the clarity, accuracy and completeness of the information and data disclosed in the Report?

Clarity       Outstanding       Satisfactory       Unsatisfactory       Poor

Accuracy       Outstanding       Satisfactory       Unsatisfactory       Poor

Completeness       Outstanding       Satisfactory       Unsatisfactory       Poor

5. Are the content structure and layout design convenient for you to read?

Yes       Fair       No

6. Other opinions or suggestions about the Group's ESG work and the Report:

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