# 2025

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) REPORT

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# About This Report

This report is 2025 Environmental, Social and Governance (ESG) Report issued by CIG Shanghai Co., Ltd. (hereinafter referred to as "CIG", "the Company" or "we") to its stakeholders. The report is the second report publicly released by the Company since 2024. The report provides a comprehensive disclosure of the Company's ESG practices and performance in the fields of ESG and other responsibilities in 2025, with the objective of facilitating effective communication with stakeholders and systematically respond to their expectations and requirements.

## Reporting Period

This report covers the period from January 1, 2025 to December 31, 2025. To enhance the comparability and forward-looking nature of the report, certain content may be extended to prior or subsequent periods where deemed appropriate.

## Data Sources

The data and information presented in this report are sourced from the Company's operational data, publicly available government data, annual financial statements, internal statistical statements, third-party questionnaires, third-party interviews, etc. All financial data are denominated in RMB. In case of any discrepancies between this report and the Company's financial statements, the financial statements shall prevail.

The scope of reported environmental data covers Cambridge Technology's China headquarters (including the R&D center), Shanghai plant, and Jiashan plant. Environmental data from the Jiashan plant has been incorporated into the disclosure scope of this report since the commencement of its operations (i.e., from the point of generating emissions), consistent with the financial consolidation scope. The disclosure scope for non-environmental data is also consistent with the financial consolidation scope. In the second half of 2025, the Jiashan plant was delivered and put into use, with production equipment arriving and being put into operation gradually. The company's production capacity has been progressively transferred from the Shanghai plant to the Jiashan plant.

## Preparation Basis

**This report is prepared in accordance with the following standards:**

- *Self-Regulatory Guidelines No. 14 for Listed Companies of the Shanghai Stock Exchange — Sustainability Report (Trial Implementation)*
- *Self-Regulatory Guidelines No. 4 for Listed Companies of the Shanghai Stock Exchange — Preparation of Sustainability Reports*
- *Self-Regulatory Guidelines No. 13 for STAR Market Listed Companies of the Shanghai Stock Exchange — Preparation of Sustainability Reports*
- The *Environmental, Social and Governance Reporting Guide* in Appendix C2 to the Main Board Listing Rules of Hong Kong Stock Exchanges Limited.

**And refers to:**

- Global Reporting Initiative *Sustainability Reporting Standards* (GRI Standards)
- United Nations Sustainable Development Goals("UN SDGs")
- Wind ESG Rating

## Terminology

| | | |
|---|---|---|
| "CIG", "the Company" or "we" | > | CIG Shanghai Co., Ltd. |
| RMB, RMB 10,000, RMB 100 million | > | Renminbi (yuan), Renminbi 10,000 yuan, Renminbi 100 million yuan |
| Reporting Period | > | From January 1, 2025 to December 31, 2025 |

## Reporting Principles

This report primarily accounts for the Materiality, Quantifiability, Balance, and Consistency of specific indicators related to the performance disclosure of material topics. We are committed to the continuous adjustment and optimization of disclosure indicators in subsequent reports.

**Materiality:** Through methods such as ESG surveys distributed to stakeholders, the Company identifies environmental, social, and governance topics that are significant or relevant to both the Company and its stakeholders, and prioritizes them accordingly.

**Quantifiability:** All Key Performance Indicators (KPIs) disclosed in this report are measurable and quantifiable.

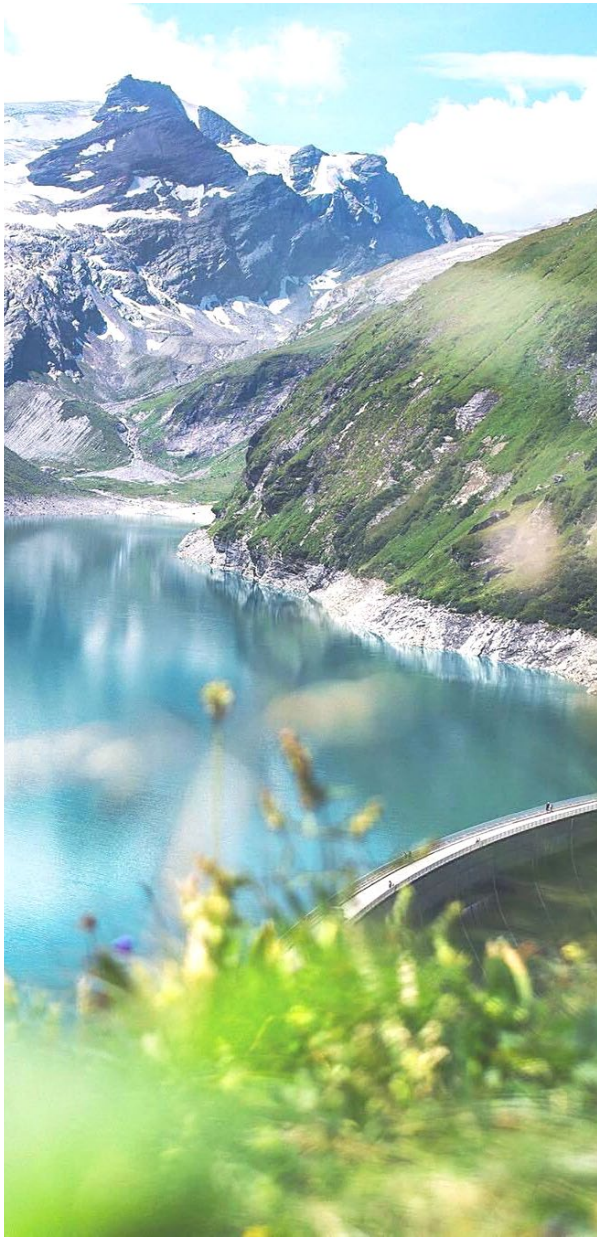
**Balance:** This report provides an objective presentation of the Company's performance and challenges across environmental, social, and governance dimensions.

**Consistency:** The report adopts a data disclosure methodology consistent with previous years, providing year-over-year data comparisons and detailing the statistical methods and any changes to KPIs.

Note: The scope of certain human resources–related indicators in this report currently excludes overseas entities.

## Report Accessibility

The electronic version of this report is available on the Company's official website (www.cigtech.com), the Shanghai Stock Exchange website (www.sse.com.cn) and the Hong Kong Stock Exchange website (www.hkex.com.hk). For any inquiries or suggestions regarding this report, please contact us via email at investor@cigtech.com. This report is published in both Chinese and English, in case of any discrepancy between English version and Chinese version, Chinese version shall prevail.



# Message from the Chairman

Dear Shareholders, Partners, and Friends from All Sectors of Society:

2025 was a period of profound transformation for the global communications industry, driven by the wave of artificial intelligence. It was also a pivotal year for CIG, as we remained committed to a long-term perspective and deepened our sustainable development strategy. Facing a complex landscape marked by geopolitical shift, supply chain reconfiguration, and rapid technological evolution, we consistently maintained our strategic focus. Guided by our core strategy of "High-Speed Interconnect + 10-Gigabit access + Intelligent Wireless," we are fully committed to embedding Environmental, Social, and Governance (ESG) into every aspect of our operations while driving commercial success.

## Innovation-driven, building a green digital foundation

As a dedicated player in the Information and Communication Technology (ICT) industry, we understand that technological innovation serves as the core engine for sustainable development. In 2025, the Company achieved revenue of RMB 4.823 billion, representing a year-over-year increase of 32.07%. The net profit attributable to shareholders of the listed Company reached RMB 0.263 billion, with a year-over-year growth of 58.08%. Behind solid financial performance is our continuous investment in green technologies.

In an era marked by the "Dual Carbon" goals and an AI computing power explosion, reducing energy consumption in data centers has become an industry-wide consensus. The Company is fully focused on the R&D and production of 400G/800G/1.6T high-speed optical modules. Specifically, 800G optical modules based on silicon photonics (Siph) have achieved volume shipment, the prototype development of the second-generation 1.6T optical modules based on 3nm chips has also been completed and samples have been delivered. Meanwhile, we have launched the R&D of forward-looking projects such as 3.2T/6.4T NPO/CPO, aiming to significantly reduce energy consumption per bit through technological innovation and provide more efficient and greener computing infrastructure for global customers. As of the end of the reporting period, the Company's R&D investment reached RMB 0.46 billion – not only an investment in competitiveness but also a commitment to the future green communication ecosystem.

## Global layout, enhancing the resilience of the supply chain

In the face of the uncertainties in the international trade environment, the Company continuously advances global production capacity layout to enhance the security and resilience of the supply chain. We have established a series of interlinked production bases in China, Malaysia, United State, Germany, and Mexico. Particularly, the significant increase in production capacity at the Malaysian factory and the establishment of bases in United State and Mexico have not only effectively addressed the challenges brought by tariff policies fluctuations but also achieved local supply, reducing the carbon footprint generated by long-haul logistics. This globally deployed and locally coordinated operating model guarantees the stability of customer deliveries and demonstrates our social responsibility in maintaining steady operations under complex circumstances.

## People-oriented, sharing the fruits of development

Employees are the most valuable asset, shareholders are the solid backing for our development. The Company continuously improves its talent mechanism for "recruiting, nurturing, deploying and retaining". In 2025, the Company completed the unlocking for the second release-from-sale-restrictions period of the initial grant under the 2022 Restricted Stock Incentive Plan, involving 467 participants, and completed the exercise for the first exercise period under the 2024 Stock Option Incentive Plan, involving 743 participants, further strengthening the alignment between the interests of core employees and the Company's long-term development. At the same time, we place great importance on investor returns and continue to reward our shareholders through cash dividends. We hope to share the growth dividends of the Company with shareholders, and practice responsible corporate governance.

## Comply with regulations and adhere to the bottom-line thinking

In terms of corporate governance, we continuously optimize the internal control system, promote digital transformation, and upgrade the D365 system to enhance management efficiency and data transparency. The Company strictly complies with domestic and international laws and regulations, actively responds to trade and ESG compliance challenges, and ensures that all business operations are conducted in a compliant and transparent manner. We are well aware that only by operating in compliance can we achieve sustainable development.

## Look into the future

Sustainable development is a marathon without finish line. In 2026 and beyond, CIG will continue to anchor itself to sustainable development goals, never slackening in technological innovation, never stopping in green manufacturing, and ever present in employee care. We will work together with global partners to jointly drive the green transformation of the communication industry, and contribute the CIG's strength to building a future society characterized by the Internet of Everything (IoE), intelligent technology and low carbon.

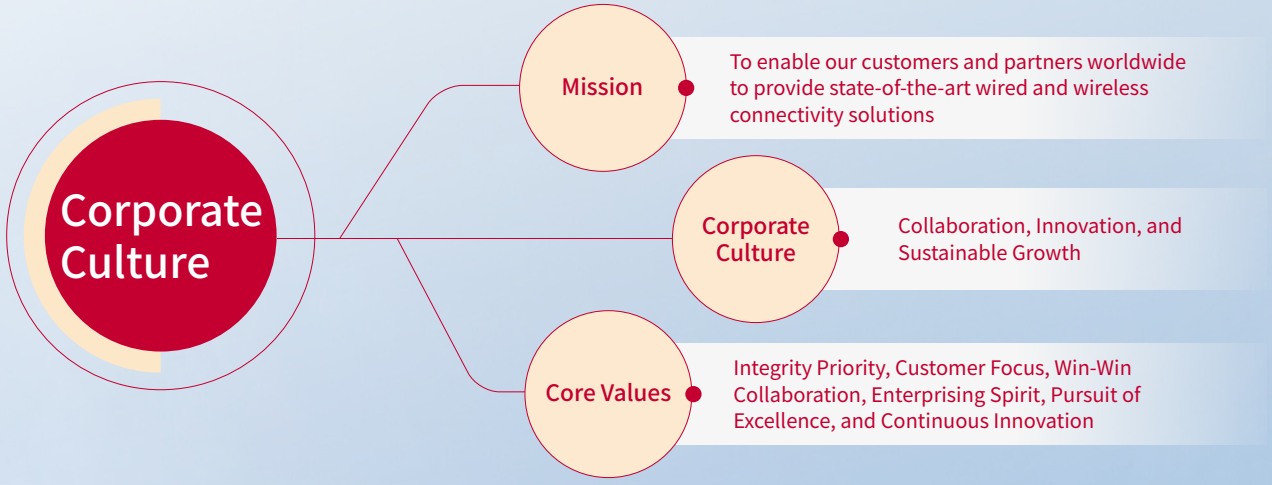
Thank you to all shareholders, customers, employees and partners for your trust and support all along!

# About CIG

## Company Profile

CIG Shanghai Co, Ltd. (CIG) is a global high-tech enterprise deeply engaged in the global information and communication technology (ICT) industry. Through strategic layout of R&D and marketing centers in United States, Japan, and Europe, the Company not only achieved global technological collaboration but also established an efficient market response network. With its increasingly advanced R&D innovation capabilities and the intelligent manufacturing capabilities represented by the new production base in Jiashan, the Company is accelerating the construction of a comprehensive competitive advantage covering R&D, large-scale production, and market branding.

We are committed to jointly creating the digital future with global partners. Our core business focuses on the research, development, production and sales of telecommunications, data communication, enterprise and home network terminal equipment (covering new-generation telecommunications broadband, 5G wireless networks and small base stations, cutting-edge edge computing and industrial interconnection solutions), as well as high-speed optical module products. Our products and technologies have become key components of the data centers of global leading telecommunications operators and large-scale internet companies, continuously driving technological innovation and application implementation in the industry.




# Development History

## 2006

- CIG's predecessor, Xinqiao Network Equipment (Shanghai) Co., Ltd., was incorporated, with an R&D team and production base established in Shanghai.

## 2010

- CIG expanded into the U.S. market with the establishment of Cambridge Industries USA Inc. in Silicon Valley.

## 2011

- CIG established industrialized information systems, including a shopfloor management system and a production traceability system.

## 2014

- CIG relocated its headquarters, R&D center, and manufacturing center to Pujiang Hi-tech Park.
- CIG strengthened lean production and R&D while enhancing information systems and automation to significantly improve productivity and product quality.

## 2016

- CIG established a sales and R&D center in Silicon Valley, USA, and expanded its R&D center to Xi'an and Wuhan, China.
- Combining information systems and automation, the first-generation automated production line was put into operation at CIG Manufacturing Center.

## 2017

- CIG successfully launched its Initial Public Offering (IPO) on November 10th, listing on the Shanghai Stock Exchange under the stock code 603083.
- CIG upgraded automated production lines on a large scale, progressing towards Industry 4.0.

## 2018

- CIG acquired MACOM Japan's LR4 100G long-range optical sub-assembly product line and established the Tokyo-based subsidiary, CIG Tech Japan Ltd.
- Leveraging cost advantages, large-scale production, and high-quality advanced manufacturing capabilities, CIG actively provided Contract Manufacturer (CM) services for Transmitter Optical Sub-Assemblies (TOSAs) and Receiver Optical Sub-Assemblies (ROSAs) to global customers.

## 2019

- CIG acquired Lumentum's Datacom transceiver product lines from Oclaro, Japan.
- CIG leveraged expertise in the design and manufacturing of 25G/100G/400G optical modules to develop and produce 200G Optical Module tailored for data center applications.
- CIG launched the industry's first analog CDR-based 200G FR4 optical module for data center interconnect applications.

## 2022

- CIG established a business entity in Malaysia to manufacture wired and wireless access products and optical modules.
- CIG positioned the Malaysia facility as a global manufacturing hub to better serve global customers.

## 2024

- CIG commenced construction of a planned 100,000-square-meter intelligent manufacturing and logistics support center in January 2024.

## 2025

- On October 28, 2025, CIG Shanghai Co., Ltd. (stock code: 06166.HK) officially listed on the main board of the Hong Kong Stock Exchange, becoming the first Co-Packaged Optics (CPO) Company and the first AI computing power communication and optical module Company listed on the Hong Kong stock market, and also the first "A+H" listed company in this field.
- The first phase of CIG Jiashan Industrial Base has been fully put into operation, achieving mass production and ramp-up of high-end optical modules and intelligent terminal products, significantly enhancing the global delivery capacity and market response speed.

# CIG ESG Strategic Goals

CIG has formulated an ESG strategy themed "Driving Sustainable Digital and Intelligent Connectivity through Collaborative Innovation", and has established short-term as well as medium to long-term strategic goals across the three dimensions of environment, society, and governance:

## Environmental Targets

| Time Horizon | Target | Indicator |
|---|---|---|
| Short-term Targets | Achieve **20%** green electricity usage by 2030 | Green electricity usage ratio |
| | Reduce water consumption intensity by **10%** by 2030 | Water consumption intensity |
| | Reduce waste discharge intensity by **5%** by 2030 | Waste discharge intensity |
| | Increase the proportion of recycled packaging cartons used to **60%** by 2030 | Proportion of recycled packaging cartons |
| | Conduct product carbon footprint assessments for **10%** of core products by 2030 | Proportion of products covered by life cycle assessment |
| Medium-term to long-term Targets | Achieve carbon emissions (Scope 1 & 2) by 2040 | Carbon emissions (Scope1&2) |
| | Reduce carbon emission intensity per unit of output value by **30%** by 2040 | Carbon emissions intensity per unit of output value |
| | Increase the recyclability rate of key products to **85%** by 2040 | Product recyclability rate |
| | Ensure **30%** of the raw materials used for the housings of key products will come from recycled plastics by 2040. | Recycled plastic ratio |
| | Achieve **Net-zero Carbon Neutrality** (Scope 1, 2, and 3) by 2050 | Carbon emissions |

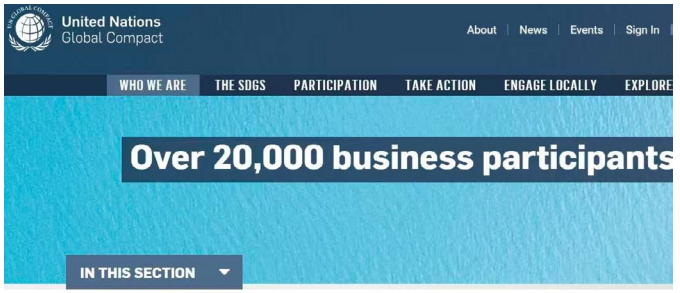
## Social Targets

| Time Horizon | Target | Indicator |
|---|---|---|
| Short-term Targets | Maintain an annual employee satisfaction score of **over 95** | Employee satisfaction score |
| | Keep the annual percentage of employees receiving training at no less than **98%** | Percentage of employees training |
| | Maintain zero work-related fatalities, and keep the number of work injury accidents per million working hours **2.5** (base year: 2025) | Number of work-related fatalities |
| | | Number of work injury accidents per million working hours |
| | Ensure zero child labor, zero forced labor, zero discrimination, and zero forced employment Number of related incidents | Number of related incidents |
| | Ensure that women account for **35%** of training participants proportion of female training participants by 2030 | Proportion of female training participants |
| | Employee representative elections to cover **100%** of employees | Number of participating in employee representative elections |
| Medium-term to long-term Targets | Maintain the proportion of female employees at **30-40%** by 2040 | Proportion of female employees |

## Governance Targets

| Horizon | Target | Indicator |
|---|---|---|
| Short-term Targets | Provide capacity-building training to **80%** of core suppliers annually | Proportion of core suppliers receiving training |
| | Conduct business ethics audits at major production sites every two years | Coverage ratio of operations subject to business ethics audits |
| | Conduct information security risk assessments at major production sites annually | Coverage ratio of operations subject to information security risk assessments |
| | Ensure zero data security violations and customer privacy leakage incidents | Number of data security violations and customer privacy leakage incidents |
| | Link the remuneration of governance-related management personnel to ESG performance by 2030 | ESG KPI achievement rate |
| Medium-term to long-term Targets | Ensure that **100%** of core suppliers are certified to ISO 14001/45001 by 2040 | Proportion of suppliers certified to ISO 14001/45001 |
| | Ensure that **80%** of core suppliers carry out carbon inventorying formulate carbon reduction plans by 2040 | Proportion of core suppliers conducting carbon inventorying and formulating carbon reduction plans |
| | By 2040, ensure that **100%** of core suppliers undergo due diligence audits and social and environmental standards assessments | Proportion of suppliers undergoing due diligence audit / proportion of suppliers subject to social and environmental assessment |

CIG (Cambridge Industries Group) has officially joined the United Nations Global Compact (UNGC) as a participant. We have committed to uphold the UNGC's Ten Principles across the areas of human rights, labor, environment, and anti-corruption. Moving forward, we will leverage these principles as a core guideline to further deepen our sustainability management, driving the synergy and integration between our corporate operations and the United Nations Sustainable Development Goals (SDGs).





# 2025 ESG Highlights

## Compliant Operation

The Board consists of **8** directors, among whom **4** are independent directors, accounting for **50%**.

**1** female director

The proportion of independent directors on the Audit, Risk Control and Compliance Committee, the Nomination Committee, and the Compensation and Evaluation Committee is **66.7%**

Actively responded to over **500** inquiries from investors

implemented **7×24**-hour public opinion monitoring

handled **3** potential risks

No major negative public opinions occurred. communication compliance and efficiency were significantly improved.

Internal employee training on business ethics **1session**

covering **99%** of the employees

with a total of over **1,200** participants

Training for suppliers and partners **1session** attended by representatives

from over **450** core cooperating parties

with a total of over **450** participants

## Innovation Enabling

The Company has accumulated a total of valid patents **417Pcs**

Compliance risk incidents caused by improper marketing or information disclosure **0 Cases**

Major information security and privacy leakage incidents **0 Cases**

Customer satisfaction **88.44 Points**

## Green Development

100% self-owner factory
Obtained **ISO 14001**Environmental Management System standards

Greenhouse gas emission intensity reached **0.04 $tCO_2e$ / RMB 10,000 revenue**

## People-oriented Approach

Employment of Ethnic Minority Employees **32Persons**

Coverage rate of Employee Work Injury Insurance **100%**

Employee Satisfaction **95.57%**

## Responsibility and Accountability

Percentage of New Suppliers Screened Based on Environmental and social Standards **100%**

Signing Rate of the *Supplier Integrity and Anti-Corruption Agreement.* **100%**

Coverage Rate of Supplier Investigations Involving Conflict Minerals Procurement **100%**

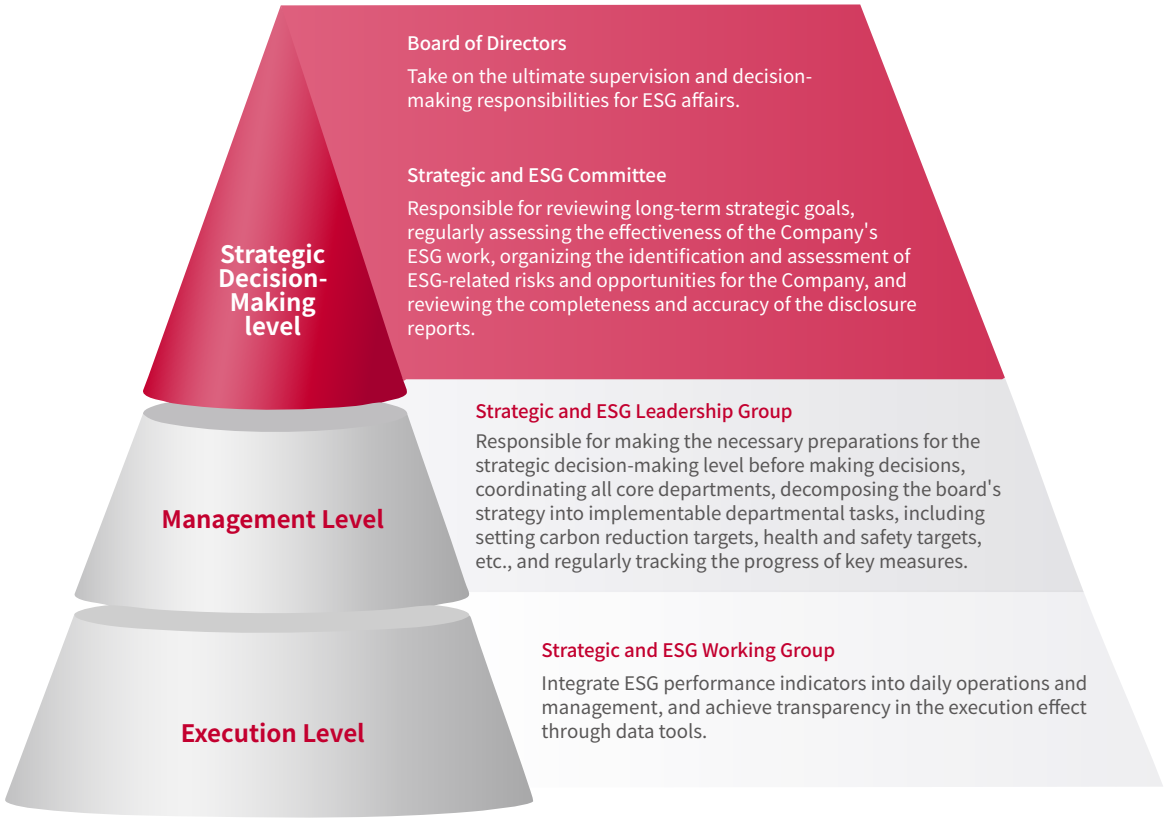
Amount of Overdue Payments to Small and Medium-Sized Enterprises **0 RMB**

# Sustainable Development Governance

CIG views sustainable development as the core vision for building an outstanding enterprise and leading the future of the industry. We are committed to promoting the Company's stable and sustainable development through a forward-looking ESG governance framework and a close communication mechanism with stakeholders. We are also dedicated to becoming a model of responsible corporate citizenship, collaborating with all stakeholders to envision a more sustainable and better digital future.

## ESG Management System

CIG has deeply integrated the concept of sustainable development into its strategic planning and business management activities. It has systematically implemented management strategies and measures in the areas of environmental protection, fulfillment of social responsibilities, and corporate governance. It has continuously enhanced its core competitiveness and sustainable development capabilities. During the reporting period, the Company further strengthened its three-level ESG governance structure from top to bottom, clearly defined the boundaries of responsibilities and management chains, and ensured that the goals of environment, society, and corporate governance were deeply integrated and effectively linked with business operations.




ESG Governance Framework

## Board Statement

CIG promotes the concept of sustainable development and collaborates closely with all stakeholders along the value chain to jointly build a responsible ecosystem. At the Board level, the Board is fully responsible for supervising the Company's risk management framework. The Strategic and ESG Committee assists the board in supervising the Company's practices, policies, procedures, strategies and measures related to sustainable development (including environmental and climate-related matters).The Strategic and ESG Committee also reviews and supervises the development and implementation of the Company's goals regarding its sustainable development measures that may be set from time to time.

This Report was approved by the Board of Directors on April 02, 2026.

## ESG Strategy

The Company integrates the requirements of sustainable development into its strategic planning and management operations, forming a medium- and long-term development direction centered on "Innovation-Driven, Green Operation, and Value Co-Creation". This aims to promote business growth while enhancing environmental and social value in a coordinated manner.

### Innovation-Driven — Digital-Intelligent Synergy Empowering Industrialization

Focusing on key technology research and development and scenario-based applications, strengthening digital and intelligent capabilities, deepening industry-university-research-application collaboration, accelerating technological transformation and large-scale implementation, improving the efficiency, quality, and safety levels of products and services, and using innovative momentum to support high-quality development.

### Green Operations — Advancing Climate Resilience and Energy Efficiency in Parallel

Facing the "Dual Carbon" goals and climate risks, improving greenhouse gas management and energy consumption management systems, promoting energy conservation and consumption reduction, application of clean energy, and green production transformation, enhancing resource utilization efficiency and environmental compliance levels, while strengthening climate change adaptation capacity building and enhancing operational resilience.

### Value Co-Creation — Community Co-Building, Employee Prosperity, and Value Chain Symbiosis

Oriented towards stakeholders, actively engaging in community collaboration and charitable activities, improving the talent cultivation and career development system to ensure the health, safety, and diversity and inclusiveness of employees; at the same time, promoting ESG management in the supply chain and building partnerships, jointly improving compliance and sustainable performance, and constructing a long-term win-win value chain ecosystem.

Meanwhile, we actively respond to the United Nations Sustainable Development Goals (SDGs), continuously strengthen the internal sustainable governance foundation, integrate environmental and social responsibility throughout the entire value chain of our business operations, and continuously create social value.

| | |
|---|---|
|  No Poverty | Actively engage in social welfare and rural revitalization, and improve educational and living conditions in remote areas through material donations |
|  Good Health and Well-Being | The Company continuously enhances employees' safety awareness and creates a safe and healthy working environment |
|  Quality Education | Build a multi-faceted training system that combines internal and external elements, providing abundant learning resources and empowering employees for lifelong growth |
|  Decent Work and Economic Growth | Create a solid-floating integrated salary system that balances internal fairness and external competitiveness, and strengthens the employee incentive mechanism |
|  Industry, Innovation and Infrastructure | Persist in the dual drive of "advanced research and development +intelligent manufacturing", and continuously carry out technological innovation |
|  Sustainable Cities and Communities | Promote global digital connectivity and inclusiveness, and help popularize high-quality, low-cost, and low-energy consumption Internet life |
|  Responsible Consumption and Production | Set and track energy efficiency targets at all levels to improve energy efficiency; strictly control harmful substances and implement green management throughout the product life cycle |
|  Climate Action | Rely on the ESG leadership group to implement carbon reduction targets, and continuously carry out factory energy-saving renovations, process upgrades, and energy structure optimization |
|  Peace, Justice and Strong Institutions | Strengthen internal risk control and compliance management, adhere to business ethics, and build a foundation of integrity and stable operation |
|  Partnerships for Achieving the Goals | Deeply participate in industry exchanges, international exhibitions, industry standard formulation, and industry association activities, and actively promote the development of global communication technology |

## ESG Performance Appraisal

The Company links the performance assessment of its management including *Quality Accountability and Reward System* and *Safety Inspection and Hidden Danger Management Regulations*, with its sustainable development goals. In the ESG performance management system, it clearly defines the assessment requirements and key indicators for the management in areas such as environmental protection, social responsibility, and compliance operations. Through a standardized evaluation mechanism, it promotes the implementation of these responsibilities in the daily business decision-making process. To ensure the effective operation of the mechanism, the Company has established ESG incident accountability and investigation arrangements. In case of major violations of laws and regulations, safety and quality accidents, environmental pollution incidents, or other behaviors, the relevant responsible persons will be held accountable, and measures such as salary deductions, recovery of already paid salaries, or suspension/termination of salary disbursement will be taken to ensure that the management's actions are consistent with the Company's sustainable development goals.

To enhance the professional judgment and performance capabilities of the Board in handling ESG issues, and to promote the integration of ESG requirements into the Company's core governance system, the Company organized 4 ESG special training sessions for the Board in 2025 (conducted throughout the quarters each season), covering all directors. The training focused on climate-related information disclosure requirements, international mainstream ESG disclosure standards, regulatory policy interpretation, and risk management system construction, among other topics.

In addition, the Company has compiled and distributed the *ESG Board Performance Handbook*, regularly pushing out industry updates and the progress of the Company's ESG work, and setting up special ESG topics during board meetings, continuously enhancing the board's ability to review and supervise key ESG matters, and providing governance support for the implementation and management improvement of the ESG strategy.

## ESG Regular Publicity and Dissemination

In 2025, the Company implemented a multi-level training system to ensure that the ESG concept permeated all business processes. During the reporting period, we organized a total of 5 training sessions, including 3 general training sessions on ESG fundamentals and the Company's strategy, as well as 2 specialized training sessions focusing on low-carbon production and compliance management. A total of 1,200+ employees participated in the training, covering 100% of the staff. Additionally, we also conducted ESG-specific training for new employees to implement the sustainable development concept.

At the level of daily dissemination, the Company focuses on converting macro goals into daily behavioral norms for its employees. It regularly publishes work updates through internal emails and WeChat Official Accounts, and emphasizes the promotion of energy-saving and emission reduction techniques and green office habits.

**During the reporting period**

we organized a total of **5** training sessions

including **3** general training sessions on ESG fundamentals and the Company's strategy

A total of **1,200+** employees participated in the training

covering **100%** of the staff

# Communication with Stakeholders

The Company actively listens to the suggestions and expectations put forward by the stakeholders regarding the Company's sustainable development. At the same time, through various communication channels, it ensures effective communication with the major stakeholders. The Company attaches great importance to the core demands of the stakeholders. During the reporting period, we focused on revising the *Information Disclosure Management System* and the *Investor Relations Management System*, and also introduced the *Public Opinion Management System* as a supporting measure to ensure transparent information disclosure both domestically and internationally.

To further enhance communication effectiveness, the Company has established a "Three-Level Appeal Classification Mechanism", which classifies appeals based on their importance and handles them in three categories: general, important, and urgent. Specific response time limits of 1 working day, 4 hours, and 1 hour are set respectively. At the same time, a special working group has been established to ensure that all suggestions can receive timely responses and closed-loop processing at the corresponding levels, maintaining smooth communication with regulatory agencies, investors, employees, and partners, and effectively improving feedback efficiency and operational transparency. In 2025, the Company responded to over 500 investor inquiries, achieved 7x24-hour public sentiment monitoring, handled 3 potential risks, and did not encounter major negative public opinions. Communication compliance and efficiency have significantly improved.

**In 2025**

**the Company responded to over**

**500**

**investor inquiries**

| Stakeholders | Attention and Expectations | Communication Channels | |
|---|---|---|---|
| Government and Regulatory Agencies | Corporate governance, anti-bribery and anti-corruption, equal treatment of small and medium-sized enterprises, environmental compliance management, pollutant emissions, waste disposal, rural revitalization, stakeholder communication | ▪ Accepting supervision<br>▪ Periodic disclosures<br>▪ Ad hoc reports | ▪ Participation in relevant meetings<br>▪ Questionnaires |
| Shareholders and Investors Customer | Corporate governance, anti-unfair competition, due diligence, innovation-driven development, product and service safety and quality, stakeholder communication | ▪ Information disclosure<br>▪ Shareholders' Meetings<br>▪ Performance briefings | ▪ Investor hotline<br>▪ SSE e-Interaction platform<br>▪ Survey questionnaires |
| Customer | Innovation-driven development, product and service safety and quality, data security and customer privacy protection, supply chain security, hazardous substance management, climate change response, circular economy, anti-bribery and anti-corruption, anti-unfair competition, stakeholder communication | ▪ Customer exchanges and cooperation<br>▪ Customer satisfaction surveys<br>▪ Technical seminars customer audits | ▪ Customer audit<br>▪ Daily communication<br>▪ Website feedback |
| Employee | Protecting employee rights and interests, talent training and development, employee health care, stakeholder communication | ▪ Employee training<br>▪ Work meetings<br>▪ Employee complaints and grievance | ▪ Employee satisfaction surveys<br>▪ Internal events |
| Suppliers and Partners | Supply chain security, product and service safety and quality, anti-bribery and anti-corruption, data security and customer privacy protection, equal treatment of small and medium-sized enterprises, stakeholder communication | ▪ Open bidding<br>▪ Routine supplier communication<br>▪ Supplier management & audits | ▪ Supplier training & empowerment<br>▪ Survey questionnaires |
| Community and Industry | Ecosystem and biodiversity protection, energy utilization, water resource utilization, waste disposal, pollutant emissions, facilitating industry development, social contribution, rural revitalization, stakeholder communication | ▪ Environmental activities<br>▪ Industry conferences & exhibitions | ▪ School-enterprise cooperation<br>▪ Volunteer programs |
| Media | Innovation-driven development, product and service safety and quality, employees, stakeholder communication | ▪ Information disclosure<br>▪ Communication and interviews | ▪ Official accounts |

CIG Stakeholders and Diverse Communication Channels

# Double Materiality Assessment

To ensure that the core demands of stakeholders are deeply integrated with the Company's long-term value creation, the Company has established and improved a dual importance issue assessment mechanism. Based on a thorough analysis of the Company's value chain activities and business relationships, we not only identify the importance of the impact of business operations on the environment and society, but also examine the financial importance of ESG factors on the Company's operating performance and financial stability.

**Identify business correlations**

Conduct a thorough analysis of the Company's activities and business relationships, trace the entire value chain, and identify the main affected stakeholders.

**Formulate a list of questions**

Based on regulatory guidelines, referring to industry practices and external objective environments, identify potential ESG impacts, risks and opportunities, and summarize them to form the Company's ESG issue library.

**Conduct an assessment of importance and ranking**

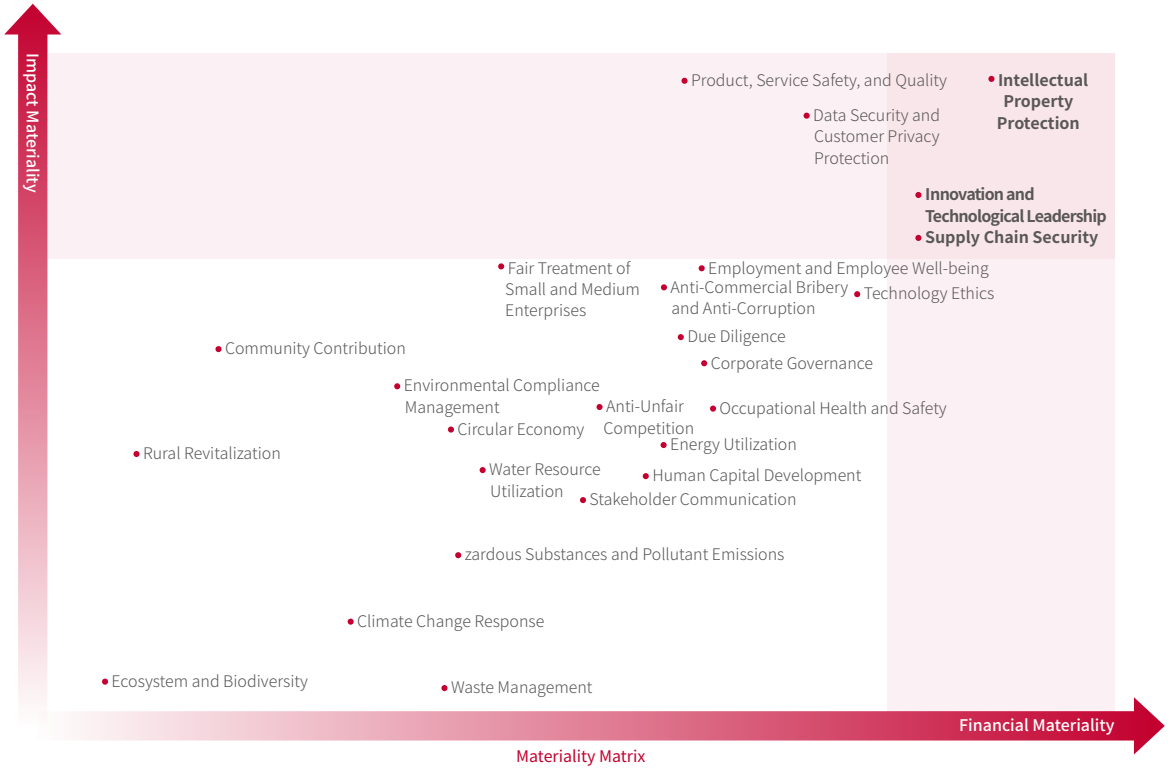
Collect external opinions through questionnaires, interviews, etc., and combine with internal discussions. Evaluate and rank the issues from both impact and financial perspectives, and form a matrix.

Dual Materiality Assessment Process

**Impact Materiality Assessment:** For 25 ESG topics, we conducted in-depth analysis of the relevant activities at each stage of the Company's value chain, sorted out the impacts of Cambridge Technology's performance on the economy, society, and environment in each relevant issue, formed an impact importance assessment questionnaire, and invited representatives of internal and external key stakeholders to fill out the questionnaire to assess the impact importance. In 2025, we received a total of 211 valid responses, which came from four major internal and external stakeholders: customers, suppliers and partners, shareholders and investors, and employees.In the impact materiality assessment, the weightings are assigned as follows: 30% for customers, 30% for suppliers and partners, 20% for employees and 20% for shareholders and investors.

**Financial Materiality Assessment:** Based on the external environment and trends of sustainable development, as well as the management and operation conditions of the Company, we invited 11 management representatives from the Company's management level and business departments to assess the financial significance of risks and opportunities for each issue.

**Evaluation Results of Materiality Topics:** After assessment and ranking, the Company has identified innovation and technological leadership, intellectual property protection, and supply chain security as three highly financially significant topics. Given their high impact materiality, these three topics are also identifies as topics of double materiality. In this report, these three topics are addressed in this report in the sections on research and development innovation, intellectual property protection, and sustainable supply chain, covering aspects such as governance, strategy, impact, risk and opportunity management, and indicators and goals.




Materiality Matrix

# Impact, Risk and Opportunity Analysis

CIG is fully aware of the multi-dimensional challenges in the ESG field that may have an impact on its operations. The Company has established a systematic risk identification mechanism to ensure the dynamic management of potential impacts. Considering the operational characteristics of the communication equipment industry, we have conducted a comprehensive assessment of the risk cycle and business impact, and have formulated relevant response strategies. Refer to the table below for details.

| Risk Categories | The Impact Path on Financial Performance | Impact Period | Response Strategy |
|---|---|---|---|
|  Extreme Weather and Natural Disasters | Extreme weather events (such as typhoons and floods) may cause factory and upstream/downstream operations to halt. The precise manufacturing of communication equipment is extremely sensitive to temperature and humidity. Sudden power outages or uncontrolled storage environments will directly threaten the yield and delivery performance of core products. |  Short term | Establish a capacity disaster recovery and flexible allocation mechanism across different factory areas; upgrade the temperature and humidity control and backup power emergency guarantee systems of core production lines and precision warehouses; conduct regular supply chain resilience stress tests under extreme weather conditions and all-staff emergency drills. |
|  Occupational Health and Safety Incidents | During the operation of new factories, safety accidents are prone to occur. Occurrence of production safety accidents may trigger legal proceedings, shutdowns for rectification, financial compensation, and severe damage to reputation, which in turn may lead to stock price fluctuations and hinder the long-term development of the Company. |  Short term | Establish a safety production committee and implement safety responsibility systems at all levels; conduct regular occupational health check-ups, strengthen safety training for all staff, and equip with complete protective and emergency equipment. |
|  Strengthening of Regulatory Requirements for Sustainable Development | The Company's products are exported overseas and are subject to environmental protection regulations such as the EU Restriction of Hazardous Substances Directive (RoHS), the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulations, the Waste Electrical and Electronic Equipment Directive (WEEE), and the strict review of the Carbon Border Adjustment Mechanism (CBAM). Delay in compliance or exceeding harmful substance limits will result in huge fines, returns, and even being restricted from entering key overseas telecommunications markets. |  Medium term | Continuously track the dynamics of domestic and international environmental protection policies and regulations, strictly implement green procurement standards, ensure operational compliance; proactively plan low-carbon strategies, and provide employees with the latest policy and environmental education. |
|  Transition and Replacement of Low-Carbon Technologies | Major global telecommunications operators are accelerating the promotion of "green and low-carbon network" procurement standards. High-energy consumption product lines will face the risk of being replaced by technological alternatives in the market. In the trend of global customers accelerating towards green procurement, this may seriously weaken the Company's core competitiveness. |  Medium term | Integrate environmental protection concepts into the entire product life cycle (research and development, design, procurement, manufacturing, packaging, and transportation, etc.), actively promote product carbon footprint certification, and accelerate the creation of a green and low-carbon product matrix. |
|  Human Resources and Employment Compliance | The technical threshold of the communication and optoelectronics industry is high. The risk of business interruption caused by talent loss, as well as the innovation bottleneck, low efficiency, and excessive labor costs resulting from the mismatch between employees' skills and job requirements. |  Medium term | Optimize talent assessment and recruitment mechanisms to ensure precise matching of personnel and positions; strive to create an excellent workplace environment that is equal, inclusive, diverse, and with smooth communication channels, enhancing employees' sense of belonging. Establish talent reserves for core key positions and carry out industry-university-research cooperation. |
|  Supply Chain Disruptions and ESG Compliance | Supplier delivery delays, price fluctuations, and quality abnormalities will directly increase the Company's procurement costs; at the same time, if the ESG compliance audits of suppliers are not strict, their improper behaviors may be transmitted upstream, damaging the Company's brand reputation. |  Medium term | Utilizing digital platforms to reinforce full-process supplier management in contract fulfillment and ESG compliance, thereby mitigating risks associated with regulatory penalties, litigation and business restrictions. |

01

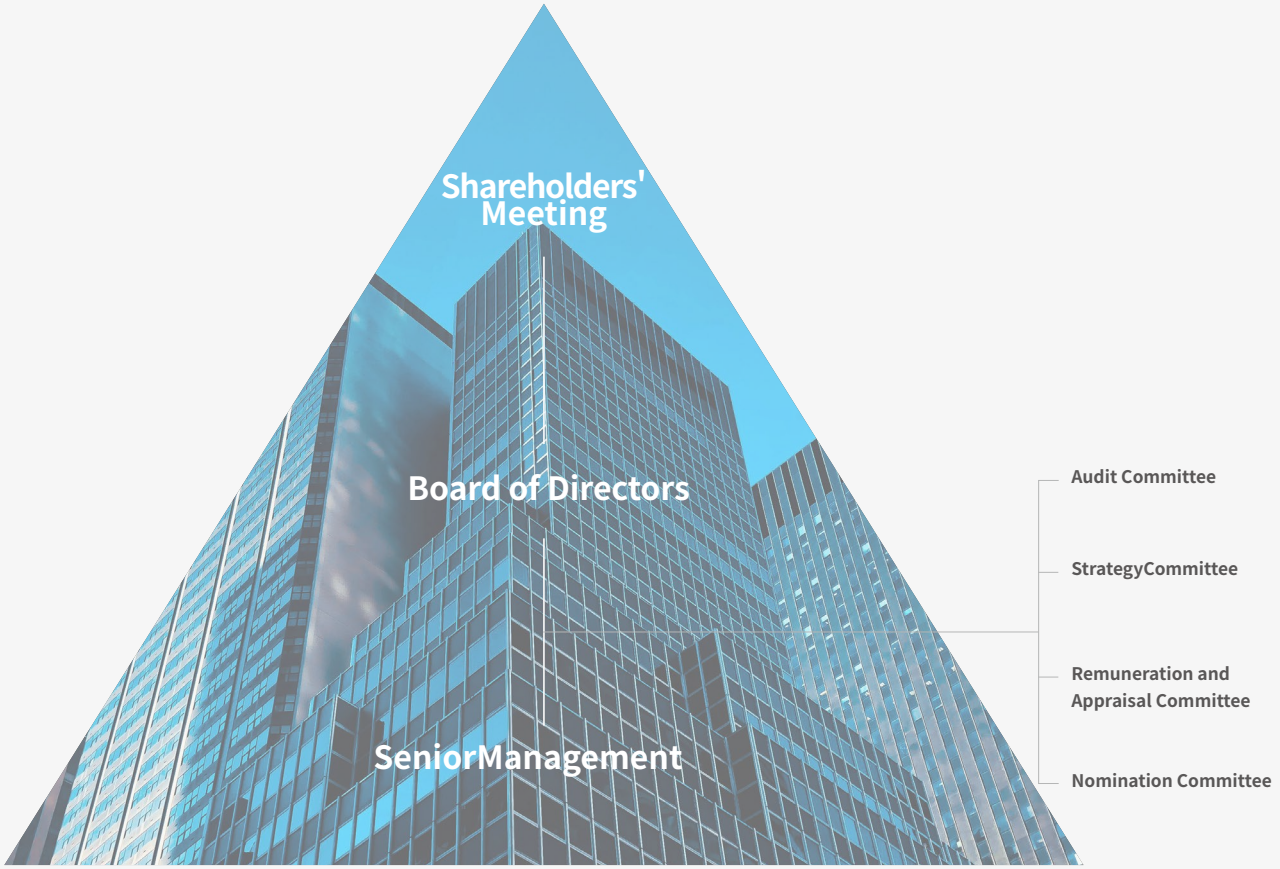
# Compliant Operation

The Company has fully integrated the ESG concept into its governance structure, promoting the deep integration of environmental protection, social responsibility, and business operations. By strengthening internal control mechanisms, the Company continuously enhances decision-making transparency and risk assessment capabilities, effectively building a risk firewall; at the same time, we adhere to business ethics and the bottom line of integrity, collaborating with all stakeholders to jointly maintain a fair and competitive market order.

# Corporate Governance

CIG strictly *complies with the Company Law of the People's Republic of China, Securities Law of the People's Republic of China*, as well as the *Guidelines for the Articles of Association of Listed Companies, Corporate Governance Guidelines, Management Measures for Independent Directors of Listed Companies, Self-regulatory Guidelines for Listed Companies No. 1 - Standardized Operations* of the Shanghai Stock Exchange, and *Stock Listing Rules of the Shanghai Stock Exchange*, in addition to abiding by the relevant domestic and foreign laws and regulations such as the *Company Ordinance of Hong Kong,* the *Securities Listing Rules* of the Hong Kong Stock Exchange Limited, and the *Corporate Governance Code*. The Company has internally established a three-level governance structure with the shareholders' meeting, the board of directors, and the senior management as the core, with the coordination operation of the special committees of the board of directors, clear rights and responsibilities, and effective checks and balances. It has also dynamically optimized in accordance with the compliance requirements of the dual listing of A+H shares, continuously ensuring the Company's standardized operation and high-quality development.

In 2025, the Company, in line with the dual compliance requirements of A+H shares, fully launched the update of management systems, and revised a total of 38 documents including the *Company Charter* and related governance regulations. We implemented measures such as revising the board meeting rules, adding female independent directors to implement the *policy of diversified directors, and introducing the Policy on Shareholdings and Share Trading by Directors and Senior Management of Shanghai Cambridge Industries Group Co.,Ltd*. to improve the working rules of the special committees of the board of directors, thereby establishing a compliance governance system suitable for multiple markets.



# Board Performance

The Company strictly adheres to the *Company Charter, Company Law, Work Rules of the Board Nomination Committee* and regulatory requirements. The Company's board consists of 4 independent directors with professional backgrounds, accounting for 50% of the board members. The expertise of the independent directors covers core areas such as technology research and development, financial management, and compliance management, ensuring the professionalism and independence of the board's decision-making. During the reporting period, the independent directors participated deeply in the review of proposals by attending shareholders' meetings, board meetings, and various committees, and put forward a number of constructive suggestions for corporate governance and business decisions, effectively fulfilling their supervisory responsibilities.

# Board Diversity

In 2025, the Company released the *Board Member Diversity Policy*, aiming to build a board team that consistently possesses professional capabilities, forward-thinking ideas, and diverse perspectives, ensuring that the Company maintains its compliance response capability and operational transparency in the ever-changing market environment. The board nomination fully considers diverse factors such as gender, educational background, professional field, and management background. The Company's board consists of 7 members, with 1 female director, accounting for 12.5% of the board members. In the future, the Company will continuously optimize the gender and professional structure of the board and gradually increase the proportion of diversity.

**2025 Board Member Independence and Diversity Overview**

| Position | Name | Gender | Industry Experience | Strategic and ESG Committee | Nomination Committee | Audit Committee | Compensation and Evaluation Committee |
|---|---|---|---|---|---|---|---|
| Chairman and CEO | Gerald G Wong | Male | Technology R&D | √ | | | √ |
| Director and Vice President | Zhao Haibo | Male | Technology R&D | √ | √ | | |
| Director | Zhang Jie | Male | Technology R&D | √ | | | |
| Director | Zhao Hongwei | Male | Technology R&D | √ | | | |
| Independent Director | Yao Minglong | Male | Financial Management | | | √ | √ |
| Independent Director | Qin Guisen | Male | Compliance Management | √ | √ | | |
| Independent Director | Yuan Shuyi | Female | Financial Management | | √ | √ | |
| Independent Director | Liu Guisong[1] | Male | Technology R&D | | | √ | √ |

[1]Mr. Liu Guisong resigned from his position as an Independent Non-Executive Director of the Company on January 15, 2026.

During the reporting period, the Company held 3 general meetings of shareholders and 15 meetings of the board of directors. The attendance rate of board members was 100%. The General Meetings of Shareholders review 27 proposals(comprising 36 sub-proposals), the Board of Directors reviewed 62 proposals (comprising 87 sub-proposals). All meeting resolutions were strictly carried out in accordance with laws, regulations and the Company's articles of association, ensuring a compliant and efficient decision-making process.

**During the reporting period**

**the Company held general meetings of shareholders**
**3**

**meetings of the board of directors**
**15**

**The attendance rate of board members was**
**100 %**

**During the reporting period**

**The General Meetings of Shareholders review**
**27 proposals**

**comprising**
**36 Sub-proposals**

**the Board of Directors reviewed**
**62 proposals**

**comprising**
**87 Sub-proposals**

# Risk Management

CIG regards risk management and internal control as key measures to enhance governance levels and operational resilience. It focuses on the entire process of risk management, continuously improving the mechanisms for identification, assessment, monitoring, and response, and strengthening financial and operational risk control.

## Internal Audit

The Company has established a system of internal control and audit supervision in accordance with governance requirements, formulated and improved the *Company Internal Audit System*, and constructed an internal audit supervision framework led by the Board of Directors' Audit Committee and implemented by the Audit Department. The Audit Committee, under the leadership of the Board of Directors, assumes the responsibility for the construction, review, and supervision of the internal audit system, forming a regular working mechanism of "planning - supervision - reporting", holding meetings quarterly and reporting internal audit matters and progress to the Board of Directors.

The Company follows the standardized procedures for risk identification, assessment, and response, and has established a "three-line defense" risk control mechanism with coordinated divisions of labor. It embeds risk management requirements into the business management process, forming a hierarchical system where the front line implements self-control, functional departments conduct professional supervision, and the Audit Department conducts independent evaluation. This continuously enhances the effectiveness of key process control and the ability to prevent major risks, ensuring the Company's standardized and stable operation.

### CIG "Three Lines of Defense" Risk Management System

**First line of defense**

**Business Department**

Business Department: Responsible for risk control and self-inspection and self-correction in daily business operations, and pre-positioning risk prevention and control at the business execution stage.

**Second line of defense**

**Financial, legal and related functional departments**

Financial, legal and related functional departments: Conduct professional review, compliance control and risk monitoring of the Company's business process, and formulate risk response measures.

**Third line of defense**

**Supervision and Audit Department**

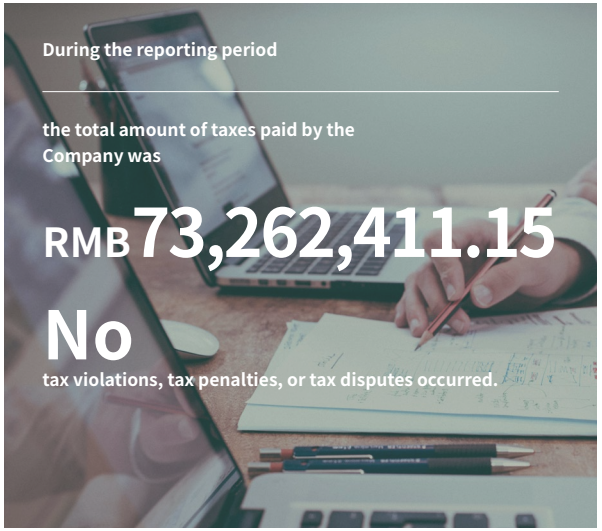
Supervision and Audit Department: Carry out independent internal audits and risk evaluations, promote problem rectification and system optimization, and form a supervision loop.

To ensure the independence and professionalism of the audit, the Company has appointed full-time and professional internal auditors. The Company clearly stipulates that the Audit and Supervision Department is directly accountable to the Audit Committee of the Board of Directors and operates independently from each business department. Within the prescribed authority, the Audit and Supervision Department conducts irregular special inspections of the main business processes based on the Company's annual risk concerns. Through various audit methods such as compliance verification, key position interviews for evidence collection, business data analysis review, and important process walk through tests, it comprehensively identifies compliance risks and internal control deficiencies in the management and operation. For the identified issues and improvement space in the audit, the Audit and Supervision Department communicates with the relevant responsible departments to formulate feasible and measurable corrective measures, clearly defining the rectification time limit and responsible person, and continuously following up on the rectification progress and completion status to achieve closed-loop management of the problems. At the same time, the Audit and Supervision Department reports the progress of the audit work and key matters to the Audit Committee on a quarterly basis, and forms an internal control evaluation report at the end of the year to provide a basis for the board's governance decisions.

## Tax Compliance

The Company has always regarded tax compliance as the bottom line requirement for its business management, strictly abiding by national laws and regulations such as the *Enterprise Income Tax Law* and relevant tax policies of the business location. We have established a sound tax compliance management system, set up a dedicated tax management position, responsible for tax policy research, tax declaration, tax planning, and tax risk prevention and control, ensuring that tax management is in line with the Company's business decisions, business model, and organizational structure adjustments, and is coordinated and matched.

The Company legally and truthfully declares and timely and fully pays all taxes, continuously improving the legality, transparency, and standardization of tax handling, conducting regular internal tax self-examination and risk assessment, and preventing tax risks.



# Compliance Operations

CIG regards compliance operations as the core cornerstone for the stable development of the enterprise. The Company always adheres to the bottom line of business ethics and integrates compliance requirements such as anti-bribery, anti-corruption, anti-monopoly, and anti-unfair competition into the entire process of global operations. It has established a comprehensive compliance management system with a full process and full coverage, and has built a system of integrity and law to form a barrier for high-quality development.

## Business Ethics

The Company strictly complies with the *Company Law of the People's Republic of China*, *Securities Law of the People's Republic of China* and local laws and regulations of the business location. It is committed to building a trustworthy, fair and transparent business environment, and holds an absolute "zero tolerance" attitude towards commercial bribery, corruption, money laundering, monopoly and unfair competition. It continuously deepens the level of enterprise governance.

The Company has established a complete business ethics management system, formulated and implemented documents such as *Employee Business Ethics Code* and *Supplier Code of Conduct*, and transformed the requirements of integrity, honesty and fair transactions into executable and supervisory business behavior guidelines. It clearly defines the behavioral boundaries for all employees and partners in business interactions, extending the red line of business ethics from internal governance to the upstream and downstream of the value chain, and achieving full-chain coverage of business ethics management.

**Employee Business Ethics Code**

**Core Requirements**

Require employees to strictly abide by business ethics and professional conduct. Prohibit any violations or disciplinary offenses. In case of violation, immediate and serious disciplinary actions will be taken.

**Supplier Code of Conduct**

**Core Requirements**

Require all cooperating suppliers to sign the "Supplier Integrity and Honesty Agreement". Prohibit suppliers from engaging in any form of commercial bribery. Once discovered, the supplier's qualification will be immediately revoked and they will no longer be able to cooperate.

To ensure the implementation of the system, the Company has established a business ethics management and supervision system handled by the Human Resources Department and the Supervision and auditing department. Through regular compliance audits, special monitoring of high-risk areas, and strict disciplinary punishment mechanisms, the Company strengthens the supervision of the implementation of business ethics. At the same time, the Company has set up an open and transparent, dedicated reporting channel for violations and a complete whistleblower protection system, clearly defining the management requirements for the entire process of receiving, investigating, handling, and feedback, forming a closed-loop management mechanism of "prevention before the event, monitoring during the event, and accountability after the event". During the reporting period, no business ethics-related violations occurred, and the regular construction of compliance awareness and integrity culture achieved positive results.

CIG Whistleblowing Reporting Channels:

**Email:** tousu@cigtech.com

### CIG Whistleblowing Reporting Process

**Acceptance** — The Supervision and Audit Department accepts and records whistleblowing leads and related information.

**Assessment** — Management assesses the feasibility and materiality of the whistleblowing leads.

**Case Initiation** — Upon authorization by management, the scope of the investigation and the division of responsibilities are clarified, and the investigation is formally initiated.

**Verification** — Collaborate with relevant departments to conduct investigations and evidence collection, establishing factual foundations and compiling evidentiary materials.

**Reporting** — Based on the investigation findings, prepare a written investigation report, submit it to management for review, and propose targeted handling recommendations.

**Action** — Management makes formal disposition decisions based on the investigation report. The Human Resources Department and Supervision and audit department then implements accountability actions and tracks rectification measures in accordance with Company policies, driving the issue to a closed-loop resolution.

## Anti-Bribery and Anti-Corruption

The Company consistently adheres to the principles of fair competition and good faith, strictly complying with relevant laws and regulations in all business locations. In 2025, the Company implemented the *Anti-Bribery Management Measures*, adopting a "Zero-Tolerance" stance toward any form of corruption, including embezzlement, extortion, bribery, and misappropriation of public assets or commercial bribes. Clear penalty standards and accountability mechanisms for violations have been established to ensure strict enforcement.

The Company has established a routine monitoring mechanism for business conduct, enforcing the Anti-Bribery and Anti-Money Laundering Management Measures. Through contractual clauses, due diligence on partners, and other controls, the Company prevents the acquisition of improper benefits via bribery or fraud, ensuring ethical and compliant communication and transaction practices with customers, suppliers, and other business partners.

The Company has conducted multiple specialized training sessions on integrity and anti-corruption for directors, management personnel, and all employees. The training covers topics such as prohibited conflicts of interest, strict compliance with laws and regulations, and information confidentiality. Through case studies, legal interpretations, and scenario simulations, the sessions ensure key personnel have a clear understanding of business ethics. In 2025, the Company held the anti-bribery and anti-corruption training session, achieving a participation rate of 99.16% among employees, 98.51% among management, and 100% among directors, with a total of 1,217 participants. During the reporting period, the Company did not experience any litigation or incidents related to commercial bribery or corruption.

**During the reporting period**

**the Company conducted a total of**

**2**

**business ethics training sessions**

**with approximately**

**1,650**

**participants**

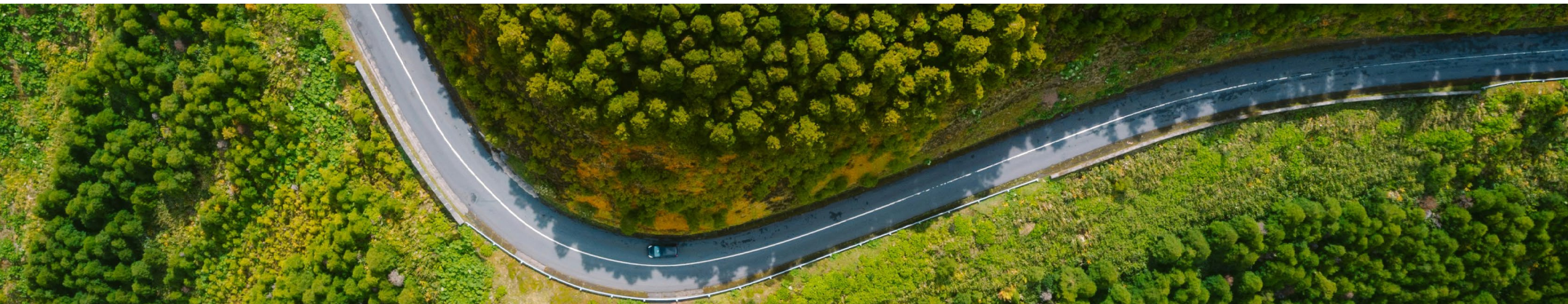
### CIG Conducts Internal and External Business Ethics Training

In 2025, the Company conducted training on business ethics for both internal and external personnel. The training focused on laws, regulations, and policy requirements related to business ethics, incorporating risk identification methods and analysis of typical cases. It utilized a combined format of "online livestreaming and offline presentations," supplemented by the distribution of case manuals and compliance tests, to enhance participants' understanding and implementation capabilities. One internal training session was held, with cumulative attendance 1,217 participants. Additionally, one training session was organized for suppliers and partners, involving representatives from over 450 core partners, with cumulative attendance exceeding 450 participants.

## Antitrust and Unfair Competition

The Company strictly complies with relevant laws and regulations, including the *Anti-Monopoly Law of the People's Republic of China* and the *Anti-Unfair Competition Law of the People's Republic of China*. In alignment with industry characteristics and the demands of global operations, the Company has established and regularly updated the *Shanghai Cambridge Science and Technology Co., Ltd. Antitrust Compliance Management System*. We have clearly defined the responsibilities of the lead compliance management department and the collaborative roles of various business units, mapped out accountability boundaries for key positions, and implemented specific management requirements and control measures for high-risk areas such as cartel agreements, abuse of dominant market position, and unfair competition. The Company firmly prohibits any actions that mislead consumers, restrict market competition, or harm market fairness, thereby safeguarding market competition order and the healthy development of the industry ecosystem.

The Company continuously conducts antitrust compliance risk assessments, ensuring compliance requirements are integrated into all key business processes, including R&D, procurement, sales, and market promotion. For significant business activities involving large transactions, market collaborations, and pricing strategies, a pre-implementation antitrust compliance review is implemented. During the reporting period, the Company did not encounter any antitrust or unfair competition-related violations, administrative penalties, external complaints, or legal disputes.



02

# Innovation Enabling

The Company upholds the mission of "Quality, Innovation, and Customer Satisfaction" positioning technological innovation as the core driver of business growth. Leveraging outstanding delivery resilience and high flexibility, the Company transforms innovation into momentum, enabling timely responses to market trends and customers' personalized needs, and striving to deliver superior product quality and exceptional digital intelligence service experiences.

# R&D Innovation

Continuous innovation is the key foundation for CIG to achieve high-quality development in the global market. Driven by customer needs and the evolution of industry technologies, the Company continues to deepen global R&D collaboration and cross-departmental coordination mechanisms. It promotes the dynamic alignment of R&D resources with business needs, providing capabilities for key technology pre-research, product commercialization, and consistency in global delivery.

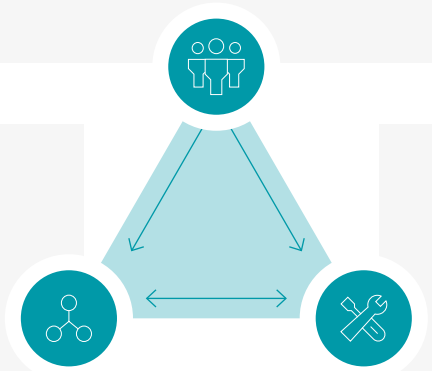
## Governance

The Company continuously refines standardized processes and closed-loop management for product R&D, strengthening early issue identification and experience reuse. Through technologies such as smart manufacturing, artificial intelligence, and software innovation, it accelerates R&D efficiency and ensures quality stability, promoting the transformation of R&D innovation into sustainable value. Simultaneously, the Company continues to enhance its intellectual property management system, further clarifying the boundaries of rights ownership, confidentiality, and compliant use for achievements in R&D collaboration and external cooperation scenarios, thereby reducing the risks of infringement and data leakage.

The Company has established a clear product R&D management framework of "Strategic Planning - Product Roadmap - Technology Roadmap." CEO formulates strategic planning for innovation and R&D, while the heads of the Optical Module, Wireless Products, and Broadband Products business units plan product innovation roadmaps and drive R&D project initiation and decision-making. CTO is responsible for resource allocation for R&D, advancing product R&D and testing, and conducting forward-looking technology pre-research and reserves.

### Management

Under the leadership of CEO, the management team is responsible for formulating innovative R&D strategies and plans in line with market trends and the CIG's vision, setting the long-term development direction, and controlling the pace of innovative R&D efforts at a macro level to ensure their alignment with CIG's overarching strategic goals.



### Product Line

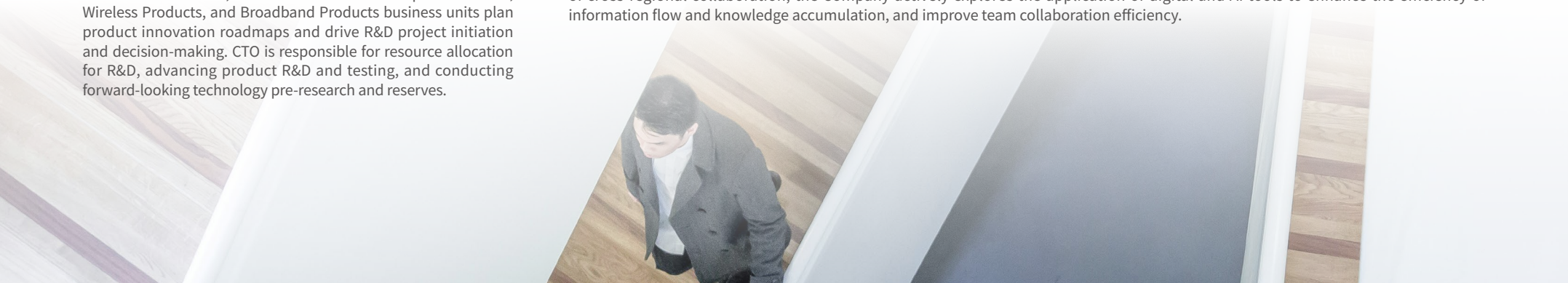
Led by heads of the business units, the product lines define the innovation roadmap for products based on CIG's innovative R&D strategy, promote product iterations and upgrades, and oversee the approval evaluation and decision-making of innovative R&D projects, thereby promoting the efficient initiation and implementation of the project and ensuring the smooth process of innovation products from ideation to market launch.

### Product R&D Resource Line

Under the leadership of CTO, the product R&D resource line defines and evaluates innovative technology pathways based on product innovation planning, determines the optimal product technical solution, and spearheads the R&D and testing of innovative products to ensure their compliance with quality and performance standards. It also focuses on pre-research in cutting-edge technologies to strengthen CIG's core technological competencies in innovative R&D across all product lines.

Innovative R&D Organizational Structure

We continuously improve our global R&D system. Our R&D centers have been established in Shanghai, Zhejiang, Xi-an, Wuhan, Taiwan region of China, as well as the United States and Japan. Through the deployment of localized teams across different regions and unified R&D management requirements, we ensure the efficiency of R&D response and the consistency of delivery. In the daily management of cross-regional collaboration, the Company actively explores the application of digital and AI tools to enhance the efficiency of information flow and knowledge accumulation, and improve team collaboration efficiency.



# Strategy

CIG adheres to the strategy of "pre-researching one generation, developing one generation, and producing one generation", with "high-speed interconnection + 10-gigabit access + intelligent wireless" as the core of its three product platforms. It builds a product roadmap system oriented towards the market and standard iterations, and enhances the productization and standardized delivery capabilities of innovative achievements through the introduction of the information technology center and the intelligent manufacturing system.

CIG strictly follows the *Product Design and Development Management Procedure*, establishing the R&D closed-loop process, covering the entire product development life cycle traceable path from "product requirements - project initiation - design and development - verification - trial production - change management - mass production delivery". We build a digital shared experience database to achieve cross-departmental knowledge reuse and enhance the standardization level of products. At the same time, the Company implements the "reverse engineering-based teardown" mechanism for the first batch of products, aiming to achieve the goal of early problem identification and closed-loop optimization of design solutions.

### Product Concept

- Insight into market trends and customer needs, accurately defining the product's core value and differentiated positioning.
- Benchmarking against industry-leading technology roadmaps, constructing a comprehensive technical framework and feasibility plan.
- Conduct rigorous project initiation evaluation, completing strategic decisions regarding commercial value and technology implementation pathways.

### Requirements & Plans

- Refine the Product Requirements Document (PRD), establishing standardized development benchmarks.
- Form a cross-functional project team, coordinating project schedules, quality standards, and resource budgets.
- Identify potential project risks, establishing a full-cycle risk mitigation mechanism and contingency plans.

### R&D and Testing

- Collaboratively conduct hardware-software co-design, executing high-standard integrated development and full-function verification.
- Implement multi-dimensional design reviews and technical testing, strictly controlling all key indicators.
- Generate standardized import documentation, providing precise parameter guidelines and technical inputs for the pilot production phase.

### Pilot Run

- Execute small-batch pilot production to verify the reliability of processes, testing procedures, and tooling equipment.
- Evaluate process capability (CPK), optimize process parameters, and ensure stability for continuous production.
- Implement quality control to ensure consistency and high yield rates for the first batch of products.

### Ramp Up

- Advance production scale-up, continuously iterating production line efficiency, and optimizing unit production capacity costs.
- Strengthen quality control barriers, ensuring the supply chain system possesses robust mass delivery capabilities.

### Mass Production & Maintenance

- Transition to a fully automated/standardized mass production model, achieving efficient delivery.
- Provide full lifecycle hardware and software technical support, ensuring stable product operation at the customer's end.

CIG Product Design and Development Process

## Intelligent Manufacturing Collaboration

In 2025, the CIG Jiaxing Plant was put into use, becoming the core manufacturing plant for Cambridge Technology, supporting flexible capacity allocation to meet order demands and fulfilling the personalized needs of different markets and customers. The Jiaxing Factory uses its own R&D system and digital tools of the Information Technology Center to support real-time control of the production process and full-process quality traceability.By advancing its AI capabilities and deepening the synergistic application of IoT technologies, Company has established virtuous PDCA(Plan-Do-Check-Act) cycle in production management, thereby effectively reducing the product defect rate and enhancing overall production efficiency.

Through the collaborative application of automation and information systems, the Company has reduced the deep reliance on manual experience and manual operations in key processes, improved process consistency, reduced the pressure on human input, and also reduced the risk of manufacturing process errors, providing a guarantee for the introduction of research and development results and the quality of delivery.

Relying on the collaborative management of the global R&D center, through the multi-point layout of the "domestic base + overseas COLO cooperative factory model", the Company has built a highly resilient global delivery network; we also utilize the "multi-location collaboration + regional delivery nodes" strategy to successfully reduce single-point supply risks, enhance capacity flexibility configuration and regional delivery capabilities. This provides a guarantee for global collaborative operations.

**Domestic Capacity**

Jiaxing plant serves as the core manufacturing base, while retaining the COLO factories in Xi'an and Wuhan as important supports for domestic manufacturing and product delivery, forming an elastic product configuration capability.

**Overseas Expansion**

The Company has established COLO factories in Malaysia, Germany, the United States, Mexico and Vietnam, providing localized delivery capabilities for different regional markets. As of the reporting period, the products exported from the Malaysia factory to the United States have exceeded 4 million pieces, effectively enhancing the supply chain resilience in response to fluctuations in the global trade environment.

**As of the reporting period**

**the products exported from the Malaysia factory to the United States have exceeded**

**4 million pieces**

# Impact, Risk and Opportunity Management

CIG has established a comprehensive control system for the entire R&D and manufacturing process. By identifying the environmental, social and business impacts of innovation and research, it embeds risk avoidance and opportunity capture at key nodes in R&D, production and delivery.

### Environmental aspect

Focuses on energy efficiency and green compliance throughout the product lifecycle. By optimizing material selection, product parameters, packaging structure design and low-carbon manufacturing capabilities, it responds to global low-carbon transformation requirements.

### Social aspect

Highly concerned about information security, privacy protection and product safety. While actively building AI-enabled scenarios, it strictly regulates the completeness, accuracy and application scope of R&D data to ensure the fulfillment of social responsibilities in technology application.

### Business aspect

In the context of industry standards and rapid product iterations, it regards R&D efficiency, quality consistency and large-scale introduction capabilities as the core for enhancing delivery resilience. Through global collaboration for stable delivery, it improves customer satisfaction.

| Risk Category | Risk Description | Impact Period | Mitigation Measures |
|---|---|---|---|
| Research and Development Collaboration Risk | ■ In a global R&D framework, cross-regional teams experience significant information communication loss in complex projects, low reuse rate of knowledge and experience, and constrained development efficiency. | Medium | ■ By applying AI-assisted meetings, information structuring and consolidation, as well as experience knowledge bases, the speed of information benchmarking and the efficiency of R&D collaboration for global teams can be enhanced. |
| Product Compliance Risk | ■ Global markets continuously update regulations regarding product power consumption and green environmental materials. If not proactively managed during the R&D phase, products may face risks of failing to meet market access requirements. | High | ■ Improve the digital energy efficiency simulation platform, conducting full lifecycle management from material selection to product design, to ensure that the products 100% meet global green access standards;<br>■ Continue to promote low-carbon production technologies, reducing carbon emissions per unit of product production. |
| Technological Iteration Risk | ■ The ICT industry experiences rapid technological evolution. If the R&D system lacks digital resilience and proactive technology management, it may result in extended new product introduction cycles and missed market windows. | Medium | ■ Continue to promote low-carbon production technologies, reducing carbon emissions per unit of product production. |

CIG Innovation Research Risks and Opportunities Table

| Opportunities Category | Opportunities Description | Impact Period | Strategy |
|---|---|---|---|
| AI Technological Transformation Opportunities | ■ With the maturation of large models and AI-powered development tools, improvements in R&D efficiency have evolved from isolated process enhancements to a full-cycle transformation, particularly in scenarios involving cross-regional collaboration, non-core code generation, and automated testing.<br>■ Leveraging AI and online platforms enables responsive adaptation to market demands across global regions, strengthens deep R&D collaboration, and provides strategic resilience against geopolitical fluctuations. | Medium | ■ Promote the application of AI in the software development and testing phases, enabling core personnel to focus on tackling high-value algorithmic logic issues and shortening the product iteration cycle.<br>■ Strengthen the cross-regional R&D collaboration mechanism, establish a global knowledge base accumulation mechanism, promote R&D personnel exchanges, and transform the distributed R&D advantages into rapid response local competitiveness. |
| Low-Carbon Intelligent Manufacturing Opportunities | ■ The widespread application of clean energy, energy-saving technologies, and IoT solutions offers opportunities to balance production capacity ramp-up with environmental resource constraints during manufacturing, thereby reducing the overall environmental impact across a product's life cycle. | High | ■ When planning and upgrading manufacturing bases, proactively deploy renewable energy, IoT-enabled intelligent systems, and energy-saving solutions to establish a lean manufacturing system characterized by "high output, low consumption, and clean production," thereby achieving simultaneous enhancement of multiple value dimensions. |

## Continuously Strengthening Efforts in Environmental Protection and Low-energy Consumption Product Research and Development, Expanding the Sustainable Value of Products

Facing the global market, especially the increasingly strict standards for environmental compliance and low-carbon operation set by leading European customers for communication terminals, Cambridge Technology has recognized that green manufacturing is becoming a key opportunity to determine the high-end competitive landscape of the industry. In response to customers' demands for a high proportion of PCR plastic application and compliance with the extremely strict CoC energy consumption standards in Europe, the Company has fully introduced green material substitution technologies and cutting-edge low-power circuit design solutions in the product definition and research and development stages.

The R&D team has achieved energy efficiency optimization at the bottom level, enabling the newly developed products to successfully meet the latest European CoC v9 standards for energy consumption. At the same time, by overcoming the technical barriers of material molding processes, the proportion of PCR plastic used in the shells of several main products has been increased from 70% to 90%.

**the proportion of PCR used in the housings of multiple major products has increased from**

**70%**

**to**

**90%**

## Intelligent Production and Intelligent Logistics at Jiashan Factory, Reducing Resource Consumption per unit Product

In 2025, CIG officially moved to the new production plant in Jiashan. At the beginning of the factory planning, the Company recognized the correlation between large-scale capacity ramp-up and resource and environmental constraints, and positioned it as a demonstration project for the deep integration of intelligent production and green manufacturing.

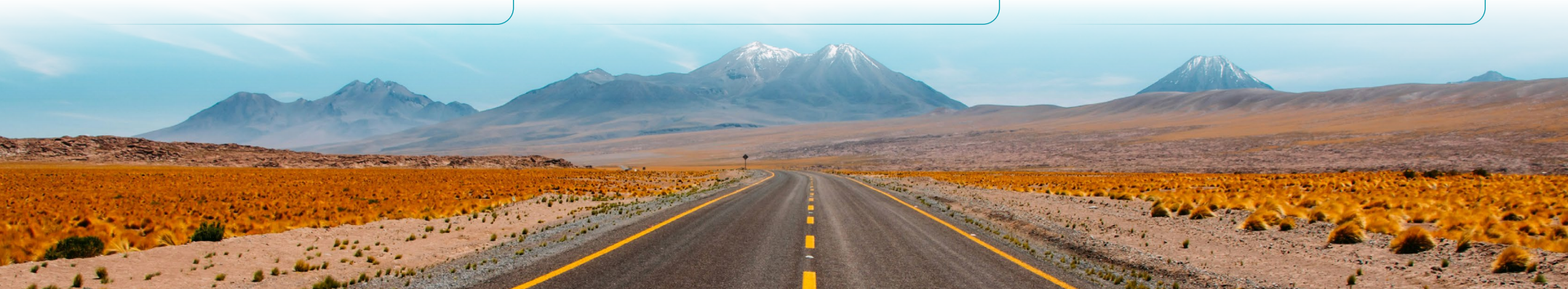
In terms of resource management, the new factory has proactively integrated multiple energy-saving production technologies, such as self-controlled heat exchange technology using air-cooled heat pumps (ASHP), TEC semiconductor control, and closed-loop cooling water system. The aim is to eliminate resource losses at the process level and optimize energy utilization.

In terms of the logistics system, the new plant has independently developed and introduced an intelligent electronic material system based on Internet of Things (IoT) technology. By deploying 112 sets of high-density intelligent shelves, combined with automatic identification delivery AGVs and automatic binding of work orders, it has achieved zero redundancy in material circulation and precise distribution.

## The Comprehensive Application of AI - R&D, Manufacturing, Software Development

CIG keenly perceived that in cross-national and cross-regional R&D collaboration, the traditional communication model was facing multiple challenges such as difficulty in information accumulation, high labor costs, and long iteration cycles. Thus, it discovered the opportunity to reshape the R&D foundation by leveraging AI technology. In 2025, the Company fully introduced AI-assisted technology in the R&D management end, relying on AI to extract communication points with the supply chain and factory ends, achieving automated processing of routine requirements.

Company uses AI as a core auxiliary tool, using it for intelligent design and real-time monitoring of test cases, and undertaking the development, optimization, and basic review of non-core code. Through the all-round application of AI technology, the software team can focus on in-depth research and breakthroughs on high-value code, not only significantly improving the R&D efficiency per unit, shortening the product iteration cycle, but also achieving a leapfrog improvement in problem response capability in the automated testing system, creating decisive efficiency value for the Company to maintain technological leadership in the rapidly evolving communication market.



# Metrics and Targets

In 2025, the Company significantly accelerate the technological innovation of its core product lines, producing over 50 new products annually. Among these, 5 products have reached the industry's top tier in terms of technical indicators and release time. At the same time, we have achieved technological breakthroughs in high-speed silicon photonic modules and enterprise-level wireless applications, seized the opportunities in the thrive artificial intelligence market, and significantly improved the operational efficiency of equipment through the AI-based upgrade of the cloud platform. Over 50% of the product development processes have integrated AI modules, and more than 50% of the product development has focused on AI application segment.

In the future, the Company will fully focus on the cutting-edge technologies of ultra-fast interconnection and intelligent access, explore the boundaries of photoelectric integration, and seize the commanding heights of the next-generation computing infrastructure with high-performance and low-loss solutions. It will continuously lead the industry towards intelligence and green development.

**In 2025**

**producing over**

**50**

**new products**

**Among these**

**5**

**products will have reached the industry's top tier in terms of technical indicators and release time**

| Product Platform | Research and Development achievements | Future Research Direction |
|---|---|---|
| Broadband Product | Successfully developed XGS/25G PON scenario-specific customized products, completed the deep integration of access equipment with the Optim cloud platform | Fully advance the 50G PON product research and development based on ASIC chipization, explore terminal integration of AI engine |
| Wireless products | Achieved commercial-scale deployment of WiFi 7 enterprise-grade AP and MDU solutions, released 4/5G dual-mode integrated low-power small stations<br>Deepened the application of AI in the Optim cloud platform | Promote the commercialization of outdoor high-power dual-mode platform, develop integrated small station products, pre-research WiFi 8 technology |
| Optoelectronic Products | 400G/800G silicon photonics modules have achieved mass shipment, and LPO/LRO series modules have entered the testing phase with key customers. | Advance the certification and mass production of 1.6T OSFP DR8 and 2xFR4 silicon optical modules with 3-nanometer-level DSP, carry out the research and sample submission of CPO integrated optical components, to meet the needs of AI large models and data centers |

The Research and Development Achievements of the Three Product Platforms in 2025 and Future Research and Development Directions

Relying on the continuous iteration and innovation of the technical research and development platform, the Company not only enhances the performance of its products but also strives to reduce the energy consumption per unit flow, helping customers achieve green and low-carbon operations. In 2025, the Company's core products achieved significant progress in energy efficiency through technological upgrades, reducing by 20% compared to 2024 overall.

| Business Segment | Product Generation | Data Rate (Gbps) | System/ Module Power Consumption (W) | Unit Power Consumption (W/Gbps) | Energy Efficiency Improvement (% Reduction in Unit Power Consumption) |
|---|---|---|---|---|---|
| Optical Electronic Products | GEN1（P70X）<br>GEN2（P71X） | 800 | 16.0<br>14.3 | 0.0200<br>0.0179 | 10.6 |
| | GEN1（P65X）<br>GEN2（P65X） | 400 | 12.0<br>8.0 | 0.0300<br>0.0200 | 33.3 |
| Wireless Products | Wi-Fi 6 (Baseline)<br>Wi-Fi 7（Latest） | 3.0<br>18.0 | 12.0<br>31.69 | 4.000<br>1.761 | 56.0 |
| | Wi-Fi 6 (Baseline)<br>Wi-Fi 6e（Extended） | 3.0<br>7.8 | 12.0<br>19.0 | 4.000<br>2.436 | 39.1 |
| | 4G/5G Dual-Mode(Baseline)<br>5G Small Cell (Latest) | 0.8<br>1.4 | 48.0<br>54.72 | 60.000<br>39.086 | 34.9 |
| Boardband Products | GEN1 XGS-PON Single 10GE Port SFU<br>GEN2 XGS-PON Single 10GE Port SFU | 10 | <8.1（COC v8）<br><7（COC v7） | | 13.6 |

**In 2025**

**CIG's R&D investment reached**

**0.456 billion RMB**

**accounting for**

**9.46 %**

**of its revenue**

# Intellectual Property Protection

## Governance

CIG continues to enhance its intellectual property (IP) protection and management system, positioning IP management as a fundamental pillar supporting technological innovation and long-term competitiveness. The Company has formulated *the Regulations on Patent and Software Copyright Application and Management*, standardizing key aspects such as the application, management, and incentive mechanisms for patents and software copyrights. The Company also continuously improves its management processes and operational mechanisms, respects the legitimate rights and interests of other entities, and promotes the orderly implementation of IP applications, maintenance, utilization, as well as related reward and accountability mechanisms.

CIG continues to strengthen its IP governance system by integrating IP management into the entire process of technological innovation and business operations. Through clearly defined responsibilities and collaborative mechanisms, the Company has established a systematic and standardized IP management framework.This framework is led by senior management, coordinated by the Public Affairs and Technology Management Department and supported by relevant functional departments, jointly ensuring the effective operation of IP management.

## Strategy

We conducts systematic IP planning across its core business areas, continuously tracking industry technology trends and competitors' patent activities through patent searches and technical intelligence analysis.Targeted patent analysis and strategic layout have been carried out in key areas such as high-speed optical modules and telecom broadband terminals, providing strong support for technological development and product innovation.On this basis, the Company established mid- to long-term IP management objectives in 2022 and continues to monitor their progress.

| Type | Targets | Progress |
|---|---|---|
| Mid-term Targets | ■ Further integrate IP management with core operational processes and strengthen patent mining and technology layout<br>■ Achieve a cumulative total of 330 granted patents (including invention patents, utility model patents, and design patents), while improving trademark registration and brand promotion strategies to enhance IP risk prevention capabilities | As of December 31, 2025, all mid-term targets have been achieved |
| Long-term Targets | ■ Continuously improve IP management efficiency, targeting a cumulative total of 380 granted patents (including invention, utility model,and design patents) and 50 trademarks, while continuously enhancing brand value. | Ongoing |

To further enhance IP protection and management, the Company has established a closed-loop management process covering "application–evaluation–maintenance–implementation", integrating IP management into the full lifecycle of technological development and business operations.Through institutionalized management and continuous improvement mechanisms, the Company promotes the coordinated development of IP creation, protection, and utilization. At the same time, it enhances employees' awareness of IP protection and stimulates innovation among R&D personnel through regular training and incentive mechanisms, driving the continuous generation of high-quality IP outputs.

## Impacts, Risks, and Opportunities Management

In terms of risk management, the Company continuously identifies and manages IP-related risks across key areas such as product development, technology protection, and overseas market expansion.Through measures including patent searches during the R&D phase, technical confidentiality management, overseas compliance reviews, and dispute response mechanisms, the Company strengthens its IP risk prevention and control capabilities, ensuring the steady advancement of technological innovation and business development.

### Patent Infringement Risk

Patent searches and analysis are conducted during the R&D initiation and development stages. Combined with Freedom-to-Operate (FTO) analysis, potential infringement risks are assessed, and R&D strategies are adjusted in a timely manner to mitigate patent-related risks.

### Overseas Compliance Risk

Prior to product export and overseas sales, the Company conducts investigations into intellectual property laws, regulations, and policies in target markets. Where necessary, overseas IP applications and registrations are carried out to strengthen IP protection in cross-border operations.

### Technology Leakage Risk

The Company strengthens the protection of core technologies and trade secrets through measures such as classified management of confidential information, controlled access to restricted areas, personnel access control, and the implementation of non-compete agreements.

### IP Dispute Risk

The Company has established a joint evaluation and response mechanism involving management, legal teams, and external professional institutions. Potential disputes are subject to legal assessment, with appropriate dispute resolution measures adopted as needed.

IP Risk Identification and Control

In terms of technology strategy, the Company enhances its core technological competitiveness through systematic patent portfolio development. Leveraging patent databases and technical intelligence tools, the Company regularly conducts patent searches and competitor monitoring to analyze industry trends and identify key technological directions.In core areas such as high-speed optical modules, the Company carries out strategic analysis based on existing patents and competitors' layouts, and gradually builds proprietary patent portfolios by proactively planning technology directions and patent positioning.

## Metrics and Targets

**During the reporting period**

the Company held a total of

**417**

valid patents under its possession

including

**355**

domestic patents

**62**

overseas patents

**In 2025**

the Company applied for

**27**

patents

including

**20**

invention patents

obtained

**12**

authorized patents

including

**5**

invention patents

To strengthen employees' understanding of IP protection and improve standardized application practices, the Company continues to conduct IP training programs for new employees, promoting the effective integration of IP awareness into R&D and business activities.During the reporting period, the Company organized four IP training sessions on a quarterly basis, systematically covering fundamental IP concepts, the development and operation of patent systems, patent application procedures, and key points in drafting technical disclosure documents. The Company also introduced its patent incentive policies. These training programs achieved 100% coverage of new employees.

In addition, the Company has established an IP incentive mechanism to reward employees who contribute to IP creation, utilization, and protection, encouraging R&D personnel to actively engage in technical disclosure and patent application, and continuously enhancing the Company's IP creation capabilities.

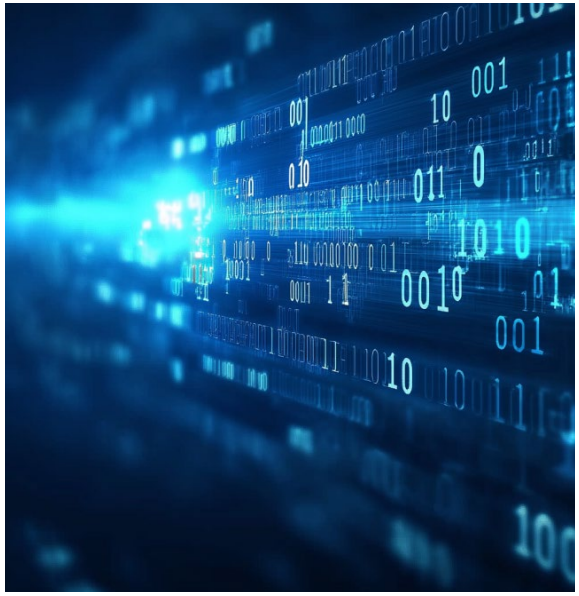
**These training programs achieved**

**100%** **coverage of new employees**

IP training sessions

# Industry Prosperity Together

CIG promots industrial exchange and technological cooperation through open collaboration. It integrates into the industry innovation ecosystem, continuously strengthening communication with industry partners and professional institutions, and facilitating the sharing of technical expertise and the alignment of industrial needs. The Company expands its global cooperation network by participating in professional forums, industry conferences, and international exhibitions, deepening connections with overseas markets and partners, and promoting industrial coordinated development and the continued enhancement of technological value. At the same time, the Company participates in the international industry organization O-RAN[1] alliance, further strengthening its technical participation and industry collaboration capabilities in the open collaborative ecosystem.



## Deepen Regional Manufacturing Collaboration and Build a Global Cooperation Ecosystem for the Optical Communication Industry

In July 2025, CIG signed the third strategic cooperation letter of intent (LOI) with EG Industries, Malaysia, further promoting the capacity upgrade and technological collaboration at the manufacturing base in Batu Kawan, Penang. This cooperation builds upon the existing collaboration and focuses on enhancing the manufacturing capacity for high-speed optical modules. It introduces a new high-speed surface mount (SMT) production line, adopts higher-level cleanroom environmental standards, and expands automated testing and packaging capabilities. This continuous effort strengthens the large-scale manufacturing capacity of advanced optical communication products.

This cooperation not only meets the global delivery requirements of CIG's new 1.6T optical modules and 5G Advanced (Release 18) technologies and other cutting-edge communication technologies, but also further enhances regional supply chain resilience and manufacturing collaboration efficiency. Through in-depth collaboration with regional industry partners, the Company has established a more resilient and responsive manufacturing network in the global market, promoting the application of high-end optical communication technologies in a wider range of industries, and facilitating industrial collaboration and value sharing under an open and collaborative ecosystem.


CIG Signed a Strategic Cooperation Letter of Intent with EG Industries, Malaysia.

[2] O-RAN Alliance: The Open Radio Access Network Alliance (abbreviated as O-RAN Alliance) is an industry organization jointly participated by global telecom operators and industry chain enterprises.

## Participating in the 2025 CIOE China Optical Expo and Information Communication Exhibition to Promote the Collaborative Development of High-speed Optical Communication Ecosystem

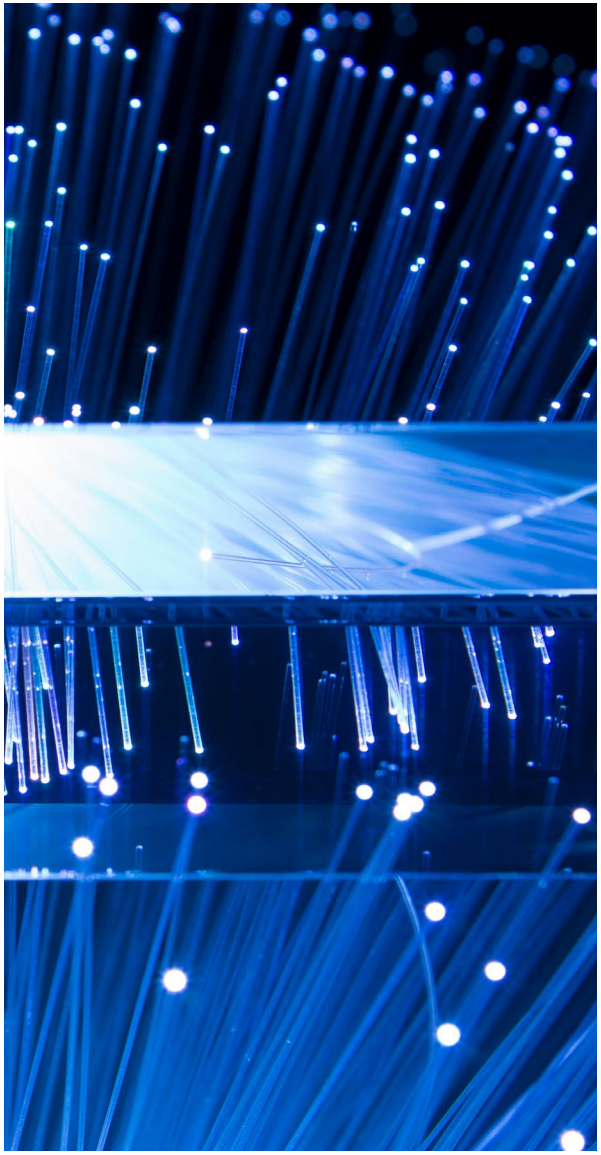
In September 2025, CIG participated in the CIOE China Optical Expo and Information Communication Exhibition, focusing on high-speed optical modules, CPO optical engines, and the next-generation of AI computing power interconnection solutions. During the exhibition, the Company demonstrated the compatibility and stability of its products in an open network architecture through multiple demonstrations using of multiple 800G and 1.6T high-speed optical modules and general-purpose switching platforms, and conducted in-depth technical discussions and cooperation exchanges with industry partners, equipment manufacturers, and system integrators. This participation not only promoted collaborative innovation in the high-speed interconnection technology sector among the upstream and downstream of the industry chain, but also further facilitated the interconnection and standardization process of the open optical communication ecosystem, contributing to the construction of the new generation AI computing power network and high-speed communication infrastructure.

## Participating in the Network X international Communication Exhibition to Enhance Global Industry Exchanges

From October 14 to 16, 2025, CIG participated in the Network X International Exhibition in Paris, France, which covers European broadband, 5G communications, and cloud services. During the exhibition, the Company focused on technologies such as new-generation broadband access, wireless communications, and high-speed optical connections, and conducted in-depth exchanges with customers and industry partners from different regions around the world. They jointly discussed the development trends of communication technologies and the requirements for application scenarios.

By participating in this international industry exhibition, the Company further expanded its global industry communication channels within the industry, strengthened connections with new and old customers and partners, and promoted industry openness, collaboration, and global exchanges.


Network X International Communications Exhibition



# Product Quality

CIG has established product quality management as a cornerstone for ensuring stable business operations, consistently refining its quality governance mechanisms throughout the entire product lifecycle. The Company continuously enhances its quality management system, ensures the effective implementation of quality requirements in daily operations, and remains committed to improving customer satisfaction.

## Product Quality Management System

The Company strictly adheres to relevant laws and regulations, such as the *Product Quality Law of the People's Republic of China,* and has established and continuously updates internal policies including the *Quality Manual*, the *Corrective and Preventive Management Procedure*, and the *Product Recall Management Specification*, to ensure consistent and controllable product and service quality.

CIG has established a clearly defined quality management framework that delineates responsibilities at all levels. The Board of Directors exercises oversight over the quality management system and major quality risks, monitors the implementation of quality policies, and reviews significant quality-related matters to ensure alignment with the Company's overall business objectives. The General Manager, as the primary person responsible for quality management, oversees quality-related activities, and sets the Company's quality policy and objectives. The Quality Management Center is responsible for the operation of the quality management system and the management of key quality issues. Production bases and relevant departments implement specific quality control requirements based on their respective responsibilities, working collaboratively to ensure standardized quality management and drive continuous improvement.

**CIG's Quality Policy:** Stay focused on customers、Get it right the first time、Quality is our lifeline

### Quality Management Objectives

**To ensure zero major customer complaints**

**0**

**major customer complaints**

**The overall first-pass yield (FPY) shall not be lower than**

**96%**

### Achievement Status

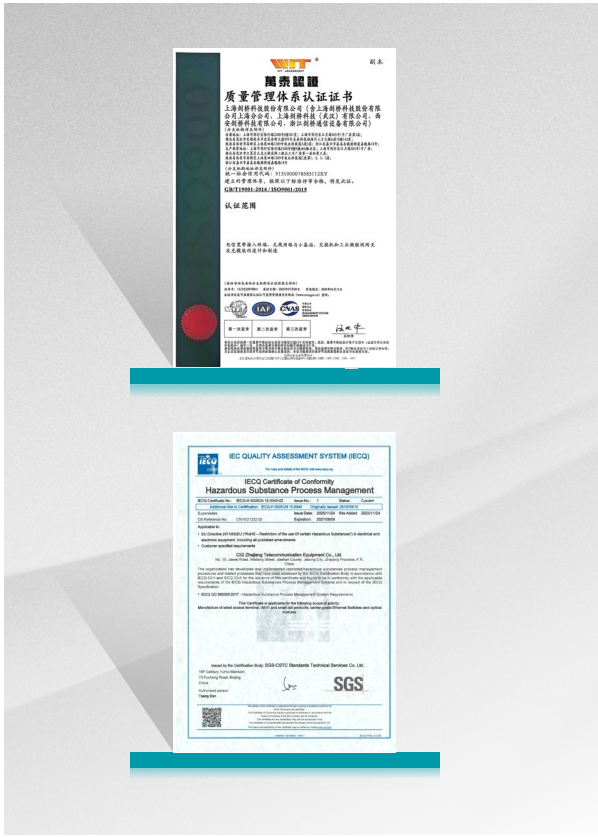
**0**

**major customer complaints**

**The overall first-pass yield(FPY) for 2025 was**

**96.78%**

As of the end of the reporting period, CIG (including manufacturing facilities) has obtained ISO 9001 Quality Management System, TL 9000 Telecommunications Quality Management System certifications and the IECQ QC 080000 Hazardous Substance Process Management (HSPM) system and the ESD (Electrostatic Discharge) Protection System, with the corresponding certificates duly acquired.




CIG ISO 9001 Certification、QC08000 Certification

# Product Lifecycle Quality Management Process

CIG continuously strengthens the implementation of quality control requirements across key stages of the product lifecycle, including R&D and design, manufacturing, product delivery, and after-sales service. By refining process management and risk control mechanisms, the Company ensures effective coordination and consistent execution of quality standards at each stage, thereby steadily enhancing the reliability and consistency of both product and service quality.

The Company places strong emphasis on the potential impacts of its products on user health and safety. During the product design and development stage, the Company conducts systematic assessments of product materials, usage methods, and potential health risks through internal evaluations and, where necessary, third-party testing. Based on identified risks, corresponding mitigation and optimization measures are implemented to ensure compliance with applicable health and safety standards. For products that do not involve direct human contact or present relatively low health risks, the Company still conducts periodic compliance assessments to ensure that such products do not adversely affect user health under normal and reasonably foreseeable conditions of use.

The Company regards customer health and safety as a key component of its product responsibility management and has established a health and safety management system covering the entire product lifecycle, including product design, procurement, production, sales, and after-sales services.

The Company communicates product health and safety information to customers through multiple channels, including but not limited to:

- Product manuals and instructions for use
- Safety information and warnings on packaging labels
- Product information published on the official website and online platforms

## Product Research and Development

CIG continuously refines its R&D quality management system and processes. By establishing stage-based quality control mechanisms, standardizing the application of technical tools, and strengthening oversight, audit, and issue management, the Company promotes the closed-loop operation of R&D quality management, steadily enhancing the stability and consistency of R&D deliverables.

During the software development and delivery lifecycle, the Company has established phase-specific quality gates and cross-functional review mechanisms. These processes translate R&D quality requirements into inspectable, measurable, and traceable entry criteria. Systematic checks are carried out focusing on key aspects such as requirement fulfillment, testing completeness, deliverable completeness, and control of outstanding issues. This approach facilitates the identification and mitigation of risks prior to delivery, thereby enhancing the quality of software project deliveries and strengthening customer risk management capabilities.

In the research and development phase, the Company has systematically introduced AI-assisted tools to enhance development efficiency and code quality. These tools are applied in scenarios such as code generation optimization, defect localization, and testing support. To ensure responsible adoption, the Company has strengthened risk control through standardized usage guidelines and review mechanisms. This is complemented by capability training and experience sharing initiatives, which promote the effective integration of related technologies across the R&D team.

CIG strengthens process discipline and improvement mechanisms in quality management by conducting oversight audits of R&D processes and performing retrospective analyses of quality issues. During the reporting period, the Company completed 3,578 R&D process audits, implemented corrective actions for 558 instances that did not meet compliance requirements, and organized 15 quality issue retrospective meetings based on internal and external feedback, resulting in the refinement of 5 related design specifications.

## Product Manufacturing

CIG consistently strengthens quality control in the production phase, focusing on manufacturing process stability and product quality consistency. By refining process management, enhancing in-process inspection and quality assessment, and incorporating reliability validation requirements, the Company ensures the implementation of quality control standards throughout the entire production process, thereby maintaining stable and reliable product delivery quality.

### System and Equipment Control

By implementating a full-process MES (Manufacturing Execution System) for production management and real-time data monitoring, along with the automation upgrading of production equipment, the company enhances production process stability and quality consistency.

### In-process Inspection and Intelligent Identification

The Company conducts 100% testing and inspection across the entire production process, and has introduced intelligent inspection equipment in sampling checks to enhance defect detection accuracy and inspection efficiency.

### Sampling Inspection and Quality Release

The Quality Department performs sampling inspections in accordance with the AQL (Acceptable Quality Limit) standard, an internationally recognized benchmark for quality acceptance sampling. Batches that fail to meet the established criteria undergo rework and reinspection. Only products that satisfy all quality requirements are approved for release and shipment.

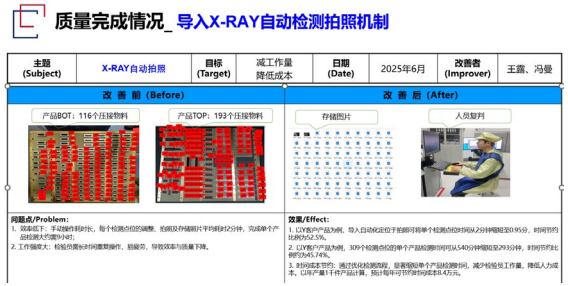
### Reliability Verification and Stability Confirmation

Reliability tests, such as aging and temperature cycling, are conducted in accordance with customer and product model requirements. These tests verify the long-term operational stability of products through either sampling or full inspection methods.

Quality Control in the Production Phase

### Introduction of 3D X-Ray Automated Inspection Equipment in the Sampling Stage to Enhance Detection Accuracy and Efficiency.

To further enhance defect detection capabilities during the production stage, CIG has introduced 3D X Ray inspection equipment in the sampling process. This equipment enables automated imaging assessment and the automatic recording of inspection results. It is capable of accurately identifying minute defects in high density packaged components and supports detection assessment through automated measurement and void analysis functions, thereby effectively reducing the risks of missed detections and false positives and improving product quality consistency. The automated inspection method significantly shortens the inspection time per unit, alleviates inspection bottlenecks, and enhances the overall operational efficiency of the production process.




Achievements of the Implementation of X-RAY Automated Inspection and Imaging System

## Product Delivery

CIG continuously strengthens quality risk control during transportation, focusing on environmental adaptability and packaging protection performance. By optimizing packaging design, enhancing the protective performance of materials, and conducting multi scenario transportation simulation tests, the Company reduces the potential risk of product damage during handling, stacking, and transit, ensuring safe and stable product delivery to customers.

### Targeted Optimization in Transport Protection and Packaging Performance for Optical Modules

In 2025, CIG carried out specialized R&D focused on the protection requirements of optical module products during transportation, systematically optimizing plastic-free packaging solutions and high-grade packaging structures.

- Materials: By improving cushioning structures and protective designs, the Company reduced the impact of vibration and friction on optical modules and fiber connection points. The manufacturing and storage environments for packaging materials were also strictly controlled to minimize the risk of contamination during handling and storage.
- Validation: Through multiple types of transportation simulation tests, including drop, burst, and compression testing—the compatibility and structural stability of optical modules and paper-based packaging were thoroughly evaluated, ensuring products remain intact under complex transport conditions.

Transport Packaging for Optical Module Products

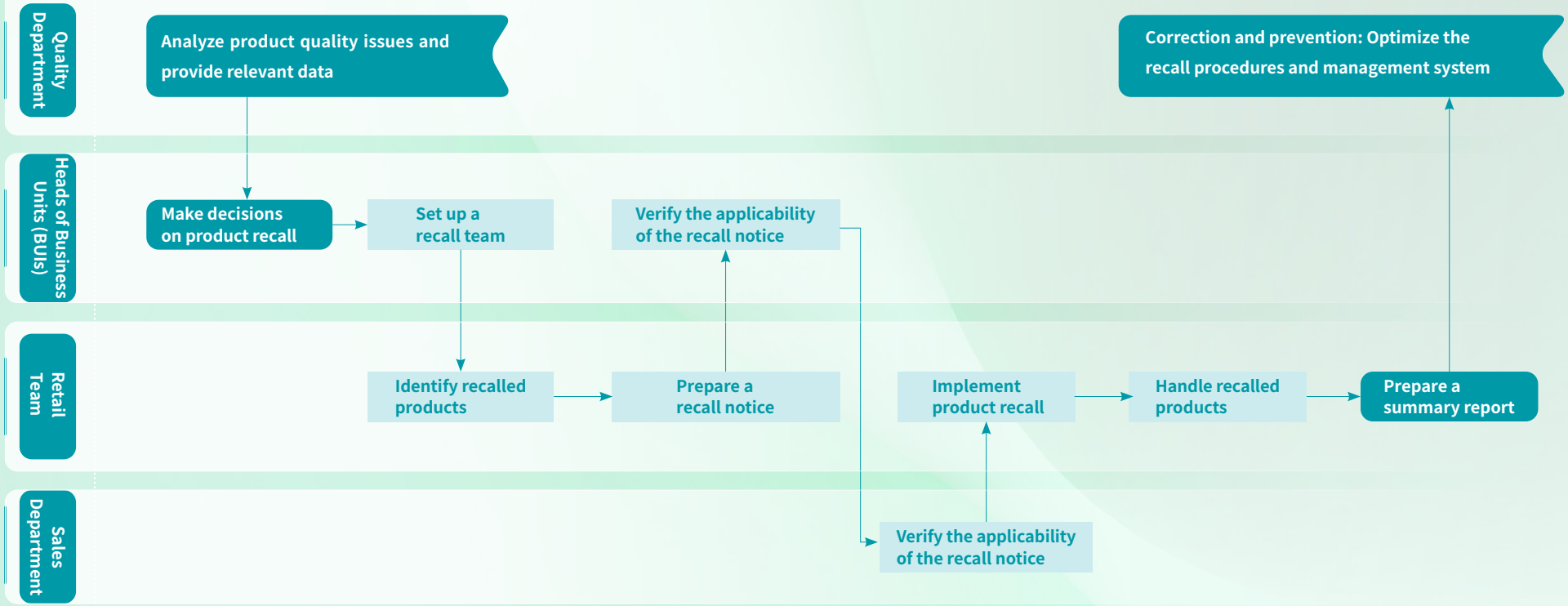
## Product Recall

Based on internal systems such as the *Product Recall Management Regulations*, *Non-conforming Product Management Procedures*, and *After-sales Maintenance Department Management Regulations*, CIG has established a product recall management process covering recall identification, evaluation and decision-making, organizational implementation, and disposal and corrective improvement. When situations such as major customer complaints, unqualified regulatory spot checks, abnormal internal quality inspections, product safety issues, or supply chain issues arise, the Company promptly initiates the recall evaluation mechanism. Relevant business and quality departments collaborate to conduct cause analysis and risk assessment, clarify the scope, method, and information release requirements of the recall, and ensure that potential quality risks are quickly controlled and effectively handled.

During the implementation of the recall, the Company conducts traceability identification, isolation and disposal, and subsequent rectification of the involved products, and promotes closed-loop issue resolution through corrective and preventive measures. After the recall is completed, relevant departments form a summary or an 8D analysis report, which serves as an important basis for continuous improvement in quality management, thereby reducing the risk of similar quality issues recurring and ensuring product delivery safety and customer rights.

During the reporting period, the Company did not experience any major product quality recall incidents, nor did it experience any non-compliance events involving the health and safety impacts of products and services.

CIG Product Recall Process




CIG Product Recall Process

# Product Quality Culture Construction

CIG continues to promote the construction of quality culture, strengthening the quality awareness of all employees and enhancing their professional capabilities through a combination of systematic training, experience exchange, and talent incentives. During the reporting period, the Company conducted multi-level quality training on topics such as quality control, abnormal case analysis, ESD[2] protection technology, MSA[3] and job-specific quality knowledge; the training covered over 1,883 participants, with total training hours exceeding 3,426 course hours. Quality training for new employees has been normalized on a quarterly basis, with all passing the assessment. At the same time, the Company continues to improve the R&D quality exchange and review mechanism, guiding the team to pay more attention to design quality while improving development efficiency, and promoting the effective integration of quality concepts in R&D practices.

## Continuously Conduct R&D Quality Case Sharing to Promote Experience Accumulation and Collaborative Improvement

In 2025, CIG organized R&D quality experience case sharing activities quarterly through the R&D quality department. A total of 34 typical cases were shared in key areas such as hardware, power supply, radio frequency, and structural design, with wide participation from personnel in relevant departments. Through a systematic review of quality issues and improvement practices, the Company promotes experience accumulation and cross-team communication, fosters the simultaneous improvement of collaborative capabilities and technological innovation levels, and conducts outstanding case selection and commendation at the end of the year. This further encourages R&D personnel to actively participate in quality improvement and knowledge sharing, creating a quality culture atmosphere of continuous learning and improvement.

Outstanding Case Selection

## Establishment of the "First Release Award" Review Mechanism to Incentivize High-quality R&D Delivery

To encourage R&D teams to improve development efficiency on the premise of ensuring quality, CIG organized the annual "First Release Award" review for R&D hardware projects in 2025. Projects that successfully entered the mass production stage after a single design iteration, and experienced no internal or external quality complaints, were commended and rewarded. The review covered key positions such as hardware, structure, RF, power supply, and layout design. By defining selection criteria that place equal emphasis on quality and efficiency, the Company guides R&D personnel to strengthen their quality control awareness during the project design stage, promoting the continuous delivery of high-quality R&D results.

[3] ESD (Electrostatic Discharge) Protection Technology refers to a systematic set of protective measures, including grounding, the use of shielding materials, and standardized operating procedures, designed to control the generation and release of static electricity, thereby preventing damage to electronic components and product performance caused by electrostatic discharge.

[4] MSA (Measurement System Analysis): Refers to a systematic evaluation method for assessing the stability and consistency of measurement equipment, measurement methods, and personnel operations, aimed at ensuring the accuracy and reliability of inspection data.

# Technology Ethics

CIG pays close attention to compliance and social impacts arising from the application of new technologies and continues to explore standardized management approaches for technology ethics across research and development, operations, and product applications. During the Reporting Period, the Company formulated the *AI Governance White Paper*, establishing a preliminary institutional framework for ethical requirements and risk control in artificial intelligence applications, and promoting the orderly application of such technologies under the principles of safety, reliability, and controllability.

In the application of AI technologies, we adheres to the fundamental principles of "lawfulness and compliance, ethical orientation, safety and controllability, and clear accountability," embedding these requirements throughout the entire lifecycle of technology application. The Company strictly complies with applicable laws, regulations, and industry standards to ensure that technology use does not breach compliance boundaries. At the same time, we uphold a value orientation of "technology for good," mitigating risks related to algorithmic bias and misuse of technology. We have also established full-process control requirements for data and technology security to reduce risks of data leakage and misuse. In addition, by clarifying responsibility boundaries, we strengthen accountability in both usage and management, ensuring that issues are identifiable, traceable, and correctable.

In practical management, the Company has established systematic requirements for AI usage and ethical risk prevention. First, clear boundaries are defined for AI application, limiting its use to R&D, operational, and product-related business scenarios, and strictly prohibiting illegal, non-compliant, or unethical uses to prevent the generation of inappropriate content or infringement of others' legitimate rights and interests. Meanwhile, the Company emphasizes fairness and interpretability in algorithm applications, avoiding algorithmic bias and "black-box" decision-making, and enhances compliance and reliability through regular evaluations. With regard to employee usage, the Company standardizes input and output requirements for AI tools, prohibits the input of core confidential or sensitive information, and requires review and labeling of AI-generated content. Process traceability is ensured through logging mechanisms.

**Ethics Review Mechanism**

Conduct ethics reviews of AI application scenarios and use cases to identify potential risks and implement adjustments or suspension where necessary

**Training and Awareness Enhancement**

Conduct regular AI ethics training to strengthen employees' understanding of compliance requirements and risk boundaries

**Risk Feedback Mechanism**

Establish feedback and tracking mechanisms to identify, record, and continuously improve ethical risks

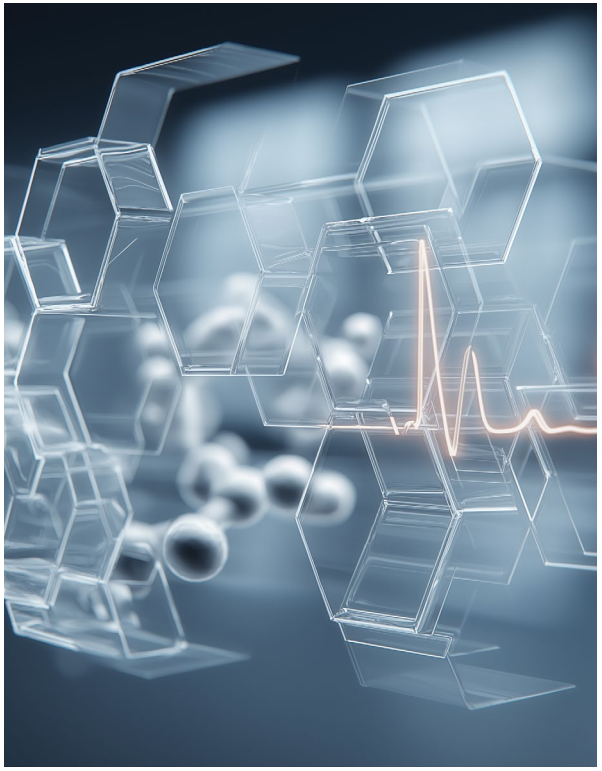
Ethical Risk Management Mechanism

**As of the end of the Reporting Period,**

**the Company**

**did not**

**record any violations of technology ethics**



# Customer Service

Customer service is an important link between CIG with the market and customers and is also a key driver of brand value and sustainable business development. Starting with customer needs, the Company continuously improves its service guarantee and support mechanisms. Through measures such as global collaborative services, satisfaction tracking, and closed-loop issue management, it continuously optimizes response efficiency and service quality. At the same time, the Company adheres to the principles of authentic, compliant, and responsible market communication, strengthens the standardized management of external information disclosure and marketing behavior, and continuously enhances customer trust and cooperation stability.

## Customer Service System

CIG continues to take customer needs as a key driver for business development, providing collaborative support and service guarantees throughout the entire process of customer product development and delivery. By improving service models and improving response efficiency, it continuously strengthens its customer service capabilities. To strengthen direct communication and information feedback with customers, the Company has established multi-channel communication methods, including telephone, email, social platforms, and in-person exchanges, promoting more timely and efficient demand response and issue resolution.

### Joint Design and Manufacturing (JDM) Model

In the JDM model, CIG collaborates closely with customers on the design and development phases while assuming responsibility for manufacturing. This collaborative approach fosters shared innovation, with both parties contributing expertise and sharing intellectual property. Clear roles and responsibilities are outlined in our JDM agreements, ensuring transparency and alignment through out the partnership.

### Original Design and Manufacturing (ODM) Model

With the ODM model, CIG takes charge of the entire product lifecycle—from concept generation to mass production. We pride ourselves on our flexibility and customization capa bilities, ensuring that each project is tailored to meet customers' specific requirements. Our team excels at designing and executing projects with precision, delivering innovative solutions that set customers apart in the market.

CIG's Two Service Models

### Customer Focus

Always prioritize customer interests and spare no efforts to meet their needs

### Timely Response

Ensure prompt response to customer inquiries and complaints to guarantee that every customer receives effective feedback

### Fairness and Impartiality

Address all customer complaints fairly and impartially without favoritism

### Problem Resolution

Take the initiative to resolve customer concerns with a positive attitude and try our best to give them a satisfactory solution.

### Continuous Learning and Improvement

View every complaint as an opportunity for improvement and constantly draw lessons from experiences to improve our service quality

Basic Principles of Customer Service

# Global Service Coordination

To address the multi-regional standards and application requirements of overseas markets, the Company continues to improve its global customer service and product adaptation capabilities. By strengthening localized technical support, promoting multi-standard compliance design, and enhancing cross-regional collaborative response efficiency, it ensures that products and services can meet the differentiated requirements of different countries and regions in terms of environmental performance, energy consumption control, and reliability.

In addition, the Company actively responds to the attention paid by markets such as Europe to green, low-carbon, and resource recycling. It continuously optimizes the application of environmentally friendly materials and the energy efficiency performance of its products, driving related products to meet mainstream international energy-saving and environmental protection specifications, further enhancing its global customer service capabilities and sustainable development level.

## Industrial-grade Product Adaptation R&D for Singapore's Rail Transit Communication Scenarios

To meet the application requirements of the Singapore Telecom subway communication project under complex outdoor environments and highly reliable operating conditions, the Company carried out special R&D for industrial-grade communication equipment and achieved mass production and application in 2025. Regarding the strict requirements of rail transit scenarios for wide-temperature operation, shock and vibration resistance, and system safety and stability, the Company ensures that the equipment can still maintain stable communication capabilities under extreme temperatures and high-intensity operating conditions by strengthening environmental adaptability design and multi-standard certification verification. The related products have passed rail transit environmental tests and mainstream international safety certifications, providing reliable support for the construction of overseas urban rail transit communication networks, and demonstrating the Company's technical adaptation and service capabilities in complex application scenarios.

Product Photos

# Customer Satisfaction

CIG regularly conducts customer satisfaction surveys, collecting customer feedback through questionnaires, periodic communication, and multi-channel feedback systems. The quality system department then conducts statistical analysis and trend evaluation, promoting the application of the survey results in the annual quality management review. For projects that fail to meet satisfaction targets, the Company organizes cause analysis and formulates improvement plans to promote continuous improvement and effective response to customer needs in business execution.

To further enhance customer satisfaction, the Company advances improvement initiatives around key links such as reviewing customer complaints, improving service response efficiency, and optimizing internal collaboration. This includes unifying the customer support portal, optimizing the RMA process[5] to shorten processing cycles, strengthening problem responsibility implementation and tracking mechanisms, and conducting regular review evaluations. Through continuous improvement, the Company constantly enhances service stability and response efficiency, reduces customer communication costs, and steadily improves the customer service experience.

**As of the end of the reporting period**

**the Company's customer satisfaction score was**

**88.44points**

**with the survey covering[6]**

**72.8%**

**of customers**

[5] RMA (Return Merchandise Authorization) refers to a standardized after-sales process through which returned products are inspected, repaired, or replaced following quality or usage issues, with traceability and corrective actions implemented to ensure continuous improvement.

[6] Customer satisfaction survey coverage is calculated based on revenue. The surveyed customers account for 72.8% of the Company's total sales revenue for the reporting period.

# Customer Complaint Management

Based on internal systems such as the *Corrective and Preventive Management Procedures*, *After-sales Maintenance Department Management Regulations*, and *Policy Objectives and Management Plan Control Procedures*, CIG has established a customer complaint handling mechanism that covers complaint reception, root cause analysis, corrective improvement, and feedback. The Company promptly responds to and categorizes quality complaint information from customer calls, emails, and online channels. Through cross-departmental collaboration to conduct cause analysis and formulate rectification measures, it ensures issues are processed and closed-loop improvements are made within a specified timeframe, reducing the impact of quality risks on customer experience.

After completing the closed loop of complaint management, the Company continuously tracks the effectiveness of improvement measures and incorporates relevant experiences into quality improvement and standardized management to prevent similar problems from recurring. For common risks that may affect other customers, relevant departments promptly conduct evaluations and communications to protect customer rights and enhance overall service reliability, thereby driving customer complaint management toward a preventive and continuous improvement direction.

**Complaint Registration and Classification**
The Company implements a centralized registration and classification management system for customer complaints, with tiered handling procedures based on the nature and severity of the issues reported.

**Complaint Registration and Classification**
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**Complaint Handling and Responsibility Assignment**
Upon acceptance of a complaint, the Company designates the responsible department and specific personnel to conduct the investigation, handle the matter, and provide communication feedback.

**Complaint Handling and Timeliness Management (SLA)**
The Company establishes clear timelines for resolving customer complaints: general complaints receive a response within the specified business days, while major or complex complaints trigger an escalation process to ensure thorough and appropriate resolution.

**Resolution Feedback and Customer Communication**
During the complaint handling process, the Company maintains communication with the customer, provides timely updates on the progress, and explains the resolution outcome to the customer upon completion.

Customer Complaint Handling Process

As of the end of the reporting period, the Company received 18 customer complaints through various channels. All complaints completed cause analysis, rectification implementation, and customer confirmation closure within the specified time limits, ensuring closed-loop management of customer complaints.

# Responsible Marketing

CIG places great importance to the standardization of external information disclosure and market communication content. In accordance with applicable laws and regulations in operating locations, such as the *Advertising Law of the People's Republic of China*, the Company has established a comprehensive marketing management mechanism and organizes marketing activities in conjunction with the Company's development strategy and business goals. To ensure that externally disseminated content is true, accurate, and complies with legal and regulatory requirements, external materials such as product specifications, labels, and manuals must undergo multiple rounds of internal review before release and are regularly updated according to established procedures to ensure the information is true, accurate, and consistent with with actual applications.

In external market communications, the Company upholds a pragmatic and truth-seeking corporate culture orientation, adhering to objective and prudent methods for brand communication and business promotion. It avoids exaggerated publicity or inappropriate statements and continuously maintains the Company's brand reputation and market image. Furthermore, we conduct learning activities on responsible communication and brand compliance for employees, strengthening the understanding of communication norms and compliance requirements among marketing and related personnel.

**During the reporting period**

**the Company**

**did not** experience any compliance risk events arising from improper marketing or information disclosure

**nor did it** experience any non-compliance events involving product and service information and labeling

# Promoting Product Accessibility

CIG continues to promote product accessibility in a wider range of regions and use cases through measures such as optimizing market coverage, enhancing product cost-effectiveness, and strengthening information transparency. The Company continuously improves its global sales and service network, strengthening its support capabilities for overseas markets. Meanwhile, it enhances product competitiveness by optimizing product structures and large-scale production capabilities. It also continuously improves its product documentation and technical support systems to ensure customers' access to information acquisition and service experience during selection, deployment, and usage, enhancing product availability and usability from multiple dimensions.

**Expand Sales Channels**

The Company provides products and solutions to global telecommunications operators and data center customers. It has established operational and service networks in regions such as the United States, Japan, and Malaysia, continuously improving its overseas market presence to deliver stable support for leading international communication equipment manufacturers and operators.

**Improve price accessibility**

The Company continuously optimizes its product portfolio and manufacturing capabilities, enhancing its product mix. Through scaled production and technological upgrades, it improves the cost-performance ratio of its offerings, delivering more cost-competitive solutions to customers across diverse regions and application scenarios.

**Improve Information Access**

The Company provides customers with comprehensive product documentation and technical specifications, including performance parameters, functional features, application guidelines, and after-sales support information. This ensures transparency and ease of operation during the selection, deployment, and usage processes.

Enhance Product Accessibility Measures

# Data Security and Customer Privacy Protection

Data security and customer privacy protection are important foundations for the Company's steady operations and a core safeguard for maintaining customer trust and commercial reputation. The Company continuously improves its data security governance system, strengthens institutional construction and technical protection measures, and builds a management mechanism covering aspects such as risk identification, permission control, operational monitoring, and emergency response. This ensures that information assets are effectively protected throughout their entire lifecycle and supports the effective implementation of data security management requirements in business operations.

## Privacy and Data Security Management System

CIG attaches great importance to privacy protection and data security governance, integrating relevant requirements into the entire process of the Company's digital infrastructure development and business operations. The Company strictly complies with applicable laws and regulations in operating locations, such as the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, and the *Personal Information Protection Law of the People's Republic of China*. It has established internal policies like the *Cybersecurity Management Regulations* and *Computer Management Measures* to standardize key aspects such as data security management, system usage, and information protection. Simultaneously, the Company continually improves its privacy and data security governance architecture, clarifying management responsibilities and collaboration mechanisms to ensure the effective implementation of data security management requirements in all business segments. The Board of Directors performs oversight of the Company's information security and data compliance management, focusing on major data security risks and the execution of management measures to ensure that relevant governance requirements connect with the Company's overall risk management system.

The Company has obtained the ISO 27001 Information Security Management System certification, providing strong support for continuously enhancing data security guarantee capabilities and digital operations.


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SGS

上海剑桥科技股份有限公司

ISO/IEC 27001:2022

L. Moran

IAF

CIG ISO 27001 Certification

# Privacy and Data Security Management Process

To ensure stable operation and controllable data security of information systems, CIG builds a multi-level data security protection system covering network protection, access control, data backup, and terminal and physical security. By continuously strengthening security monitoring capabilities, standardizing permission management mechanisms, and perfecting disaster recovery and isolation measures, it improves its ability to identify, warn against, and respond to potential security risks, driving the effective implementation of data security management requirements throughout the entire business operation process.

### Network and System Security Protection

- Deploy firewalls, vulnerability detection, and security monitoring systems.
- Conduct security assessments before system launch and perform continuous risk monitoring.
- Strengthen network isolation, anomaly alerting, and 7×24 operational monitoring capabilities to enhance overall network and system protection.

### Access Control and Permission Management

- Establish an approval and change management mechanism for permissions based on the principle of least privilege.
- Strengthen password complexity and periodic update requirements.
- Standardize remote access and account lifecycle management to prevent unauthorized access and account misuse risks.

### Data Backup and Disaster Recovery Assurance

- Establish a multi-level data backup system integrating on-site, off-site, and offline storage.
- Enhance real-time disaster recovery and restoration mechanisms for critical data to ensure business continuity and data availability.

### Endpoint and Physical Environment Security

- Strengthen security controls for office and production endpoints.
- Implement network segmentation, peripheral usage restrictions, and manage patches and protection software.
- Enhance physical security measures, including access control in critical areas, video surveillance, emergency power supply, and fire safety systems, to improve overall physical security capabilities.

Information Security Protection Measures

In addition, the Company continually improves its cybersecurity emergency management mechanism, building a security guarantee system that covers risk monitoring, incident response, and emergency drills. Through the establishment of a public opinion monitoring mechanism, the Company continuously tracks and handles risk clues that may involve information leakage; relying on a centralized server security management platform, it carries out real-time monitoring and response to potential data security risks on the server side. Meanwhile, the Company formulates cybersecurity emergency response plans and regularly organizes emergency drills for typical scenarios such as power outages and server failures, continuously enhancing rapid disposal and business continuity guarantee capabilities in the event of emergencies.

**During the reporting period**

CIG

**did not** experience any major information security or privacy leakage incidents

**nor did it** receive any substantiated complaints regarding customer privacy leakage or customer data loss

To continuously improve data security incident response capabilities and employee security awareness, CIG regularly conducts information security emergency drills and all-employee training, constructing a security guarantee mechanism covering risk prevention, emergency disposal, and capability enhancement. During the reporting period, the Company organized multiple information security and disaster recovery-related drills. Through formats such as online training and new employee onboarding training, it systematically strengthened employees' understanding and execution of information security standards, data protection requirements, and risk prevention and control measures, supporting the effective implementation of data security management requirements in daily operations.

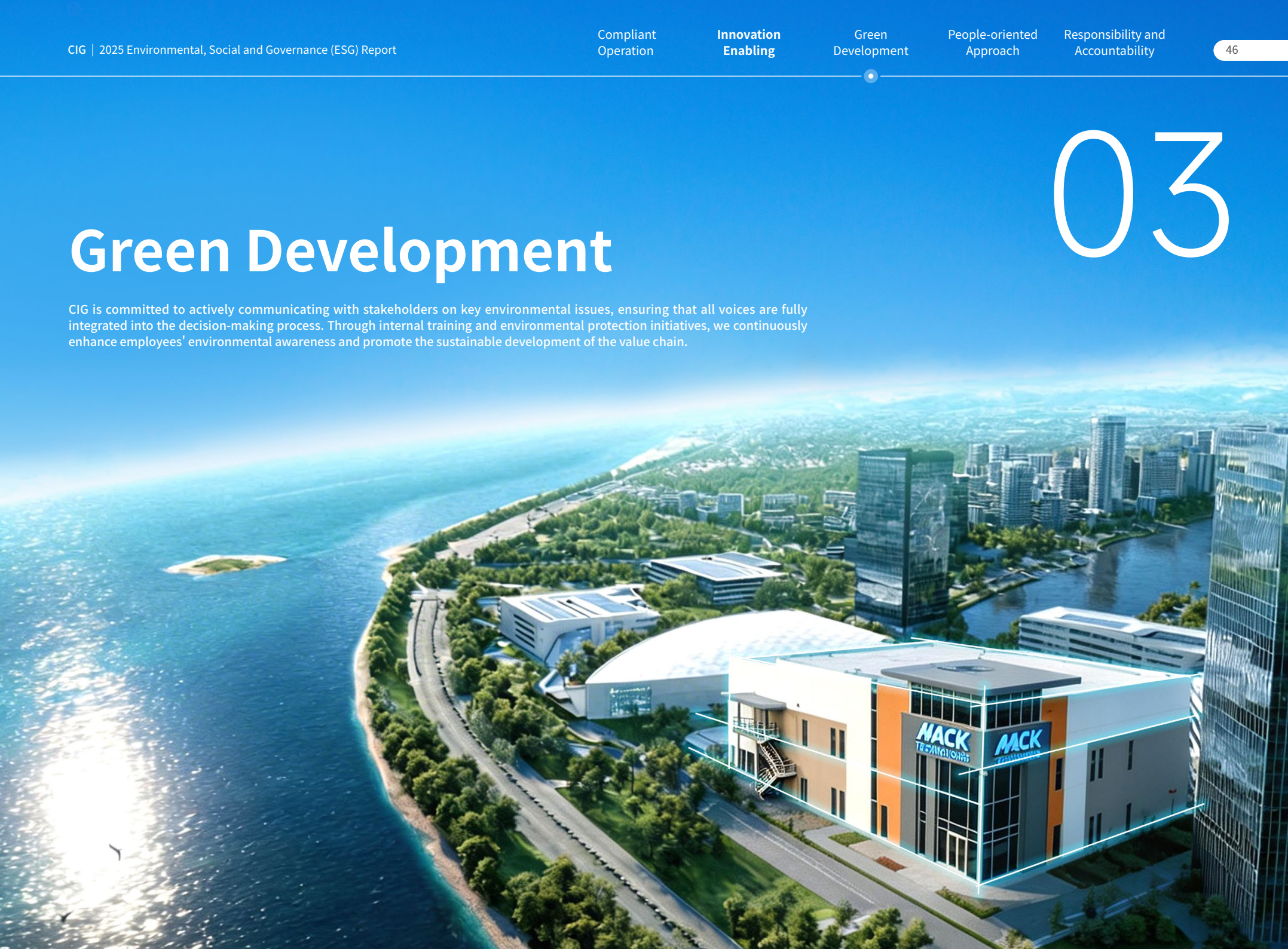
### Disaster Recovery Drills to Verify Business Continuity Guarantee Capabilities

To verify the recovery capabilities of key business systems during emergencies, the Company organized a disaster recovery environment restoration drill, conducting full-process verification of key steps such as database backup transfer, log recovery, application file restoration, and system activation testing. This drill lasted approximately 10 hours and 35 minutes, covering core steps such as full database recovery and phased log restoration. Ultimately, system activation and business availability testing were completed, validating the completeness and executability of the disaster recovery process.

03

# Green Development

CIG is committed to actively communicating with stakeholders on key environmental issues, ensuring that all voices are fully integrated into the decision-making process. Through internal training and environmental protection initiatives, we continuously enhance employees' environmental awareness and promote the sustainable development of the value chain.



# Climate Change Response

## Governance

CIG incorporates climate change into its corporate sustainable development governance framework, managing it uniformly as a key issue. Relying on a multi-level ESG management architecture with clear rights and responsibilities, we have built a top-down supervision mechanism. The Board of Directors bears responsibility for supervising and managing climate-related affairs, includes climate-related issues in the Board's agenda, and conducts analysis, discussion, and summaries at annual meetings. The Company mainstreams climate-related risks and opportunities into regular management, conducts dynamic identification and regular assessments through cross-departmental collaboration mechanisms, continuously enhances its capacity to adapt and respond to climate change, and achieves clear governance responsibilities, scientific decision-making, and traceable processes.

**Strategic Decision-Making Level**

Board Strategy and ESG Committee

The Company's highest-level decision-making and governance body for climate action convenes at least annually to review the climate change strategy and objectives, including medium- to long-term plans, annual targets, and the formulation and implementation of relevant policies. It also oversees the management of identified climate-related risks and opportunities.

**Management Level**

Strategy and ESG Steering Group

The Company's climate action decision-making body regularly assesses the risks and opportunities arising from climate change and formulates corresponding climate response strategies.

**Execution Level**

Strategy and ESG Steering Group

Climate performance indicators are integrated into daily operational management to advance the Company's energy conservation and emission reduction initiatives. In particular, collaboration with the Systems Management Department and plant engineering specialists is carried out to implement corporate carbon accounting and carbon reduction efforts.

Climate Governance Architecture

### Board ESG and Climate Empowerment Plan

In 2025, in response to the national "Dual Carbon" strategy and the enhanced ESG governance requirements in the China Securities Regulatory Commission's *Guidelines on Investor Relations Management of Listed Companies*, CIG proactively elevated the Board's capacity to perform its duties by systematically planning and implementing the "Board ESG and Climate Empowerment Plan." During the reporting period, the Company held four special training sessions (one per quarter), achieving a 100% participation rate among all directors. The training focused on four major modules: climate information disclosure (TCFD), GRI international standards, new domestic regulatory policies, and the establishment of an ESG risk control system. Concurrently, we compiled and published the *ESG Board Duty Manual*, established a normalized dynamic policy push mechanism, and added special ESG and climate review sessions to all subsequent Board meetings.


Board ESG and Climate Empowerment Initiative

# Strategy

The challenges of global climate change are continuously reshaping policy orientations, market expectations, and technological pathways. Based on our own business characteristics, CIG actively identifies the climate risks and opportunities it faces, establishes a normalized tracking and monitoring mechanism, and continuously formulates and refines corresponding response measures.

To further enhance the future climate resilience of the Company and its supply chain, we have identified a list of physical and transition risks, conducted qualitative assessments of related potential financial impacts, and implemented mitigation and response measures for relevant risks and opportunities. As CIG listed on the Hong Kong Stock Exchange in 2025, we are strengthening our capability for quantitative analysis of financial impacts, and we expect to gradually quantify the projected financial impacts of climate risks and opportunities in future ESG reports.

| Risk Type | Climate Risk | Risk Description | Potential Financial Impact | Response Measures |
|---|---|---|---|---|
| Physical Risks | Acute Risks | Typhoon | Operating sites may be impacted by typhoon weather, leading to adverse conditions such as power outages and transportation disruptions. This could result in safety incidents or force the suspension of R&D activities, ultimately increasing operational costs. | Regularly assess the likelihood of the Company's operations being affected by extreme climate events and develop comprehensive climate risk contingency plans and response mechanisms. |
| | | Flood | Operating sites face certain flood risks, as flooding may damage facilities and potentially lead to financial losses. | Conduct emergency drills for extreme weather scenarios on a regular basis and ensure timely preparation and replenishment of emergency supplies. |
| | Chronic Risks | Temperature Rise | Against the backdrop of summer high temperatures, rising temperatures will lead to increased cooling demands for production, potentially raising operational costs. | Continuously refine extreme weather response strategies to ensure production continuity. |
| | Policy Risks | Regulations and Requirements for Existing Products | National and local laws, regulations, and emerging policies formulated in response to climate change may impose stricter requirements and regulations on the Company's production and operations. Examples include higher emission standards for the Company and its partners, and compliance with these requirements may lead to increased costs. | Regularly integrate policy and regulatory updates, conduct timely policy interpretations, and proactively respond to ensure compliance requirements are met. |
| Transition Risk | Reputation Risk | Increased Stakeholder Focus | Stakeholders are increasingly focusing on corporate ESG performance. Ratings such as MSCI and DJSI have incorporated the disclosure of companies' climate change risk responses and carbon targets into ESG evaluation indicators. When disclosed information falls below the expectations of stakeholders such as customers and investors, it may adversely affect the Company's corporate image and reputation, reducing recognition in the capital market. | Regularly disclose the Company's ESG performance through channels such as ESG reports.<br>Listen to stakeholder feedback through multiple channels and respond to their concerns in a timely manner. |

Climate Risks and Potential Financial Impacts

| Climate Change Opportunities | Potential Financial Impact | Impact Timeframe | Response Measures |
|---|---|---|---|
| Energy Transition Opportunities | Under the dual-carbon goals, the nation's strong promotion of new energy and the establishment of carbon markets are driving changes in energy usage structures and creating carbon market trading opportunities. | Medium to Long Term | Establish a dedicated department to study the latest domestic and international policy updates related to the dual-carbon goals and actively respond to opportunities arising from the energy transition and carbon trading markets. |
| Resource Opportunities | Improve energy use efficiency in product R&D and operations through equipment upgrades and technological advancements, reduce energy intensity, and lower corporate operating costs. | Medium to Long Term | Prioritize hiring talents with backgrounds in sustainable products during the recruitment and employment phase. |
| Market Preference Opportunities | Through R&D innovation, develop new low-power products to meet customer demand for high-efficiency solutions. By offering products and services aligned with client preferences, the Company strengthens its product competitiveness and enhances revenue and profitability. | Medium to Long Term | Actively promote innovation incentive mechanisms and increase R&D investment.<br>Proactively manage product carbon footprints, obtain green product certifications, and provide customers with cleaner, low-carbon products and services. |

Climate Opportunities and Potential Financial Impact

We have also clarified the focus and direction of our climate response strategy, taking key aspects such as energy efficiency and waste heat recovery, digital empowerment for efficiency enhancement and carbon reduction, and climate emergency response as the core of our strategy, to comprehensively enhance our overall capability to address climate change.

### Energy Efficiency Improvement and Waste Heat Recovery

The Company focuses on optimizing energy efficiency and converting waste into energy, systematically implementing energy-saving and carbon-reduction projects. It is advancing the waste heat recovery project for air compressors, which captures and reuses the residual heat generated during compressor operation to supply hot water for employee dormitories, thereby achieving energy cascade utilization and transforming waste heat into a resource, while reducing reliance on conventional energy sources. Additionally, the Company is deploying an integrated photovoltaic and energy storage project, designing and implementing solutions based on the plant's solar conditions and electricity load characteristics. This initiative accelerates the replacement of traditional energy with renewable sources in production and operations, strengthening the foundation for clean energy adoption.

### Digital Enablement for Efficiency Improvement and Carbon Reduction

The Company leverages digital transformation as a key driver to promote carbon reduction and efficiency gains across the entire production and operation chain. With a dedicated investment amounting to tens of millions of RMB, the Company has built an integrated system and a customized automated IT platform, connecting data flows throughout R&D, production, and the supply chain. This enables real-time monitoring and intelligent scheduling of orders, materials, and energy consumption. By refining processes and management workflows, the system applies algorithmic analysis to identify energy consumption bottlenecks and redundant steps, thereby reducing non-value-added activities, lowering comprehensive energy consumption per unit of output, shortening manual operation time, and improving both production efficiency and resource utilization.

### Climate Emergency Response and Handling

The Company focuses on extreme climate risks such as extreme heat, dynamically iterates emergency response plans, and verifies their effectiveness through practical drills. It continuously improves emergency plans for extreme weather, updating early warning response, resource allocation, and personnel evacuation processes in line with the actual conditions of the factory to ensure alignment with risk scenarios. In accordance with the requirements of laws and regulations such as the Fire Control Law of the People's Republic of China, the company conducts fire drills centered on "safe personnel evacuation," simulating the entire process of high-temperature fire alarm, command, evacuation, and firefighting to test the feasibility of the plans and the efficiency of coordination.

CIG's Climate Change Action Strategy

# Impacts, Risks, and Opportunities Management

CIG has incorporated climate change risk management into the corporate risk management system. We continuously improve our enterprise risk management system, which covers four major links: identification, assessment, response, and monitoring, forming a closed-loop management mechanism. We identify, assess, and grasp the risks and opportunities brought by climate transition through customer research, market trend analysis, macroeconomic policy tracking, and energy and carbon price monitoring. We also actively explore competitive advantages where strategic opportunities can be translated into actual growth drivers.

### Climate Risk Identification

CIG has integrated a dedicated climate perspective into its annual risk identification mechanism. In alignment with industry characteristics and the Company's operational profile, climate-related risks and opportunities are systematically assessed across the value chain—covering the Company's own operations, upstream activities, downstream activities, and customer-related processes. This approach identifies key nodes that are more sensitive, vulnerable, or likely to be significantly impacted by climate change.

### Climate Risk Assessment and Prioritization

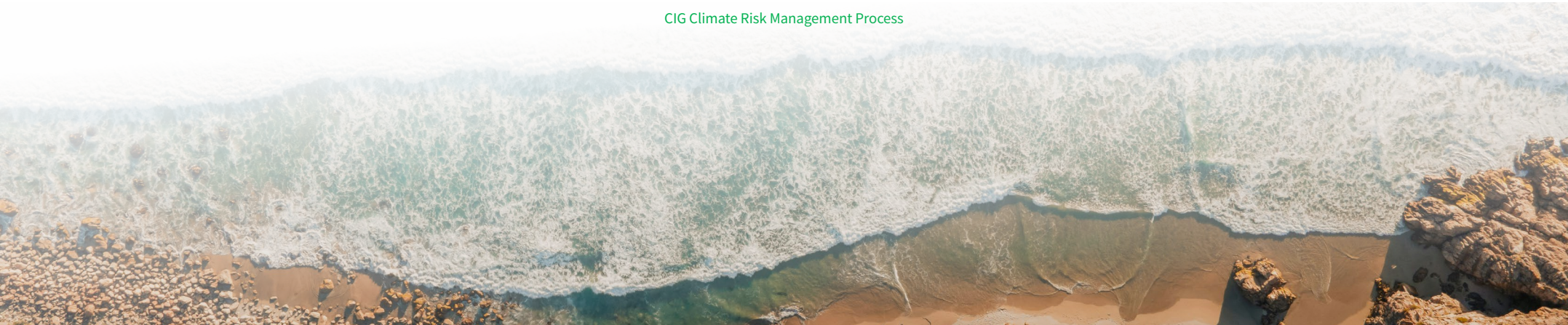
Building on the risk identification process, CIG employs a combination of qualitative and quantitative methods to assess and prioritize key climate risks and opportunities. The evaluation covers both the likelihood of occurrence and the extent of potential impact and incorporates changes in key parameters under different climate scenarios. For certain risks, financial quantification and sensitivity analysis are conducted, resulting in comparable risk ratings and clear prioritization. This enables the Company to focus first on risk areas with greater potential financial impact and where earlier response measures are required.

### Climate Risk Response

Based on the assessment findings, CIG develops corresponding mitigation measures and action plans for high-priority climate risks. These response initiatives are incorporated into the oversight and execution responsibilities of the Board's Strategy and ESG Committee, covering multiple approaches such as system improvement, process control, operational optimization, and technology and capability building.

For key initiatives requiring cross-departmental collaboration, the Company leverages existing governance and management mechanisms to coordinate resources and drive implementation. By integrating environmental and climate-related risk prevention measures with emergency management requirements, the Company enhances its resilience and response capacity to climate risks.

CIG Climate Risk Management Process



In 2025, the Company focused on physical climate risks and conducted a scenario analysis of risks for CIG's Jiashan Factory, referencing the Shared Socioeconomic Pathways and Representative Concentration Pathways (SSP1-RCP2.6, SSP2-RCP4.5, and SSP5-RCP8.5) developed by the Intergovernmental Panel on Climate Change (IPCC):

**SSP1-RCP2.6**

SSP1-RCP2.6(Low-Emission Scenario) Achieves net-zero emissions after 2050 through collaborative emission reduction, with warming controlled to around 1.8°C by 2100.

**SSP2-RCP4.5**

SSP2-RCP4.5(Medium-Emission Scenario) Refers to a scenario in which global carbon dioxide emissions remain at current levels until mid-century but do not reach net zero, with projected warming of 2.7°C by 2100.

**SSP5-RCP8.5**

SSP5-RCP8.5(High-Emission Scenario) Assumes a fossil-fuel-dominant development pathway, with radiative forcing reaching 8.5 W/m$^2$ by 2100 and a temperature rise of approximately 4.4°C .

Based on the above scenarios, we cross-referenced the physical climate risk list outlined in the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to identify the major physical climate risks currently facing CIG. Meanwhile, integrating our own business plans and strategies, we conducted a quantitative analysis of physical climate risks across three time horizons: short-term (2025-2030), medium-term (2030-2035), and long-term (2035-2050).

Based on the geographical location and meteorological characteristics of CIG Jiashan Factory, referencing the Worldwide Fund for Nature (WWF) climate change risk assessment database, and combining historical meteorological data with climate model predictions, we evaluated the probability of extreme weather events occurring under various scenarios. Uncertainties in climate model predictions include discrepancies among different models regarding the frequency and intensity of extreme weather events; additionally, future technological advancements and policy support may enhance the Company's climate adaptability.

We ranked the level of acute physical risks faced by each operating site (including both the frequency and severity of extreme weather occurrences) as High, Medium, or Low. The specific assessment results are as follows:

| | Short-term | Medium-term | Long-term |
|---|---|---|---|
| SSP1-RCP2.6 | Low | Low | Low |
| SSP2-RCP4.5 | Low | Low | Low |
| SSP5-RCP8.5 | Low | Low | Low |

Flood Assessment Results

| | Short-term | Medium-term | Long-term |
|---|---|---|---|
| SSP1-RCP2.6 | Medium | Medium | Medium |
| SSP2-RCP4.5 | Medium | Medium | Medium |
| SSP5-RCP8.5 | Medium | Medium | Medium |

Typhoon Assessment Results

Since CIG does not belong to an industry heavily dependent on natural resources, we determined that drought risks (among acute physical risks) and chronic physical risks have no direct impact on the Company and can be safely ignored.

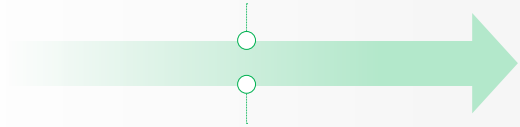
Overall, the impact of climate-related physical risks on CIG is limited. Although the Jiashan Factory faces a medium typhoon risk, the factory has already formulated and implemented the *Production Safety Accident Emergency Plan*, in which the emergency support section includes relevant control plans for typhoons. From a forward-looking perspective, the impact on CIG is manageable.

# Metrics and Targets

CIG has established a series of specific metrics and targets regarding climate change, aiming to reduce its carbon footprint, improve energy efficiency, and promote circular resource utilization from multiple dimensions. The Company actively responds to the national "Dual Carbon" goals and global climate change standards by monitoring greenhouse gas (GHG) emissions from its own business operations as well as its upstream and downstream activities, while actively conducting GHG emission verification and analysis.

To effectively implement the Company's climate change strategy, we refer to the requirements of the *Greenhouse Gas Emission Accounting Methods and Reporting Guidelines for Enterprises in Other Industrial Sectors (Trial) (NDRC Climate [2015] No. 1722 - Annex 10).* We scientifically forecast long-term emission trends based on capacity planning, providing a scientific decision-making basis for the future formulation of energy-saving and emission-reduction pathways, as well as the setting and tracking of GHG emission targets.

CIG has established a ten-year carbon peaking target, with an annual average reduction of 2% in carbon emissions as the core quantitative requirement, and has systematically mapped out the peaking pathway.



In the 2026 operational assessment of equipment, we plan to shift the air-conditioning filter replacement strategy to a pressure-differential-based approach, supporting the goals of energy efficiency and performance improvement.

Climate Change Response Targets

In 2025, adopting the operational control consolidation approach for Scope 1, 2, and 3 GHG emissions data, the Company obtained the ISO 14064-1:2019 Global Protocol for Community-Scale Greenhouse Gas Inventories issued greenhouse gas carbon verification statements for certification/review standards.

| Indicator | UNIT | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| Scope 1 GHG Emissions | $tCO_2e$ | 931.72 | 1,060.28 | 942.03 |
| Scope 2 GHG Emissions (Location-based)[7] | $tCO_2e$ | 7,874.29 | 9,357.65 | 16,037.78 |
| Scope 2 GHG Emissions (Market-based) | $tCO_2e$ | - | - | 18,025.44 |
| Scope 3 GHG Emissions[8] | $tCO_2e$ | - | - | 3,650,606.08 |
| Total greenhouse gas emissions (Scope 1 + Scope 2 based on location) | Tons of Carbon Dioxide Equivalent | 8,806.01 | 10,417.93 | 16,979.81 |
| Total greenhouse gas emissions (range) 1+Scope 2 Based on Market) | Tons of Carbon Dioxide Equivalent | - | - | 18,967.47 |
| Greenhouse gas emission density (Scope 1 + Scope 2 based on location) | Ton $CO_2$ Equivalent/10,000 RMB Revenue | - | 0.0285 | 0.0352 |

Cambridge Technology GHG Emissions Performance Table

[7] For Scope 2 greenhouse gas emissions (market-based), the electricity emission factor used is the 2023 national grid average $CO_2$ emission factor (excluding market-based transactions) of 0.6096 $kgCO_2e/kWh$. For Scope 2 greenhouse gas emissions (location-based), the electricity emission factors applied are: the Shanghai 2023 national grid average $CO_2$ emission factor (excluding market-based transactions) of 0.5737 $kgCO_2e/kWh$ for the company's Jiangyue Road site; the Zhejiang Province 2023 provincial electricity emission factor of 0.4974 $kgCO_2e/kWh$ for the company's Jiashan factory; and the Shanghai 2023 provincial electricity emission factor of 0.5737 $kgCO_2e/kWh$ for the company's Shanghai headquarters. Starting from 2025, the Company has begun disclosing Scope 2 greenhouse gas emissions (market-based) and has also initiated the disclosure of Scope 3 greenhouse gas emissions.

[8] The Scope 3 greenhouse gas emissions accounting categories include: Category 2 (Capital Goods), Category 3 (Fuel- and Energy-Related Activities), Category 5 (Waste Generated in Operations), Category 6 (Business Travel), Category 7 (Employee Commuting), Category 9 (Downstream Transportation and Distribution), and Category 11 (Use of Sold Products).

# Environmental Management

CIG has consistently upheld the concept of sustainable development, strictly complied with the environmental protection policies of its operating locations, and continuously improved its environmental management system. We are committed to constantly reducing the negative environmental impacts of our operations. The Company has been included in the *List of Enterprises Subject to Legal Disclosure of Environmental Information* and *strictly adheres to multiple Chinese laws and regulations*, including the *Environmental Protection Law of the People's Republic of China,* the *Energy Conservation Law of the People's Republic of China,* the *Law on the Prevention and Control of Atmospheric Pollution,* and the *Law on the Prevention and Control of Environmental Pollution by Solid Waste,* maintaining high-standard environmental practices to boost sustainable development effectiveness.

The Company's Environmental Safety Production Committee (hereinafter referred to as the "Safety Committee") is fully responsible for supervising environmental management, formulating environmental management targets, and implementing the performance appraisal system, ensuring full-process control of environmental management from top-level design to terminal execution. As of the end of the reporting period, the Company obtained ISO 14001 Environmental Management System certification.

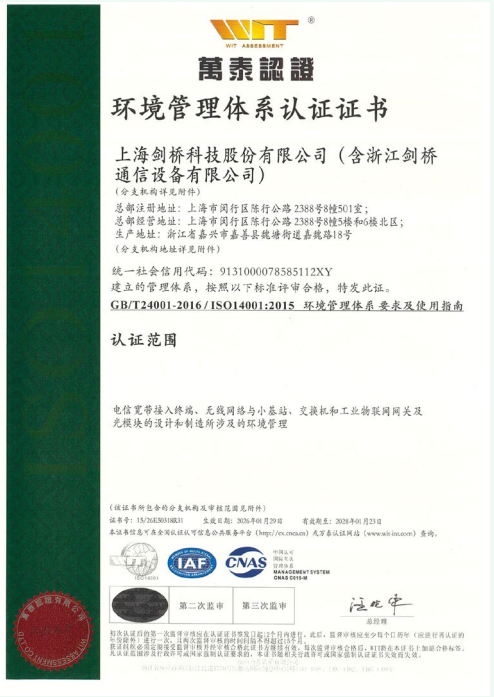
To continuously optimize the effectiveness of environmental management implementation, CIG has built a closed-loop management mechanism of "Target Setting - Action Implementation - Performance Verification" based on the P-D-C-A cycle. Each year, the Company formulates key environmental targets covering emissions management, waste management, water resources management, and energy management, clearly assigning responsible departments and relying on a quarterly performance evaluation mechanism to dynamically track execution efficiency.

During the reporting period, the Company experienced no major unexpected environmental incidents, nor any penalty events caused by environmental violations.

Strictly following environmental risk management regulations and international standards, CIG has built an environmental risk management system. During the reporting period, environmental risk assessments were conducted at 100% of self-owned production sites. Through systematic hazard identification, exposure pathway analysis, and quantitative risk assessment, the Company dynamically monitors and implements tiered control over potential environmental risks in production and operations, such as pollutant leaks and abnormal energy consumption. This ensures that risk control measures are planned and implemented synchronously with business development. The Company has established a multi-level *Emergency Plan for Sudden Environmental Incidents,* clarifying emergency response procedures, resource allocation, and responsibility division. We also regularly conduct targeted training for all employees to enhance their emergency response capabilities for environmental incidents, including energy saving, responding to climate change, and waste management, categorization and disposals.

CIG's environmental compliance targets and achievements for 2025 are as follows:

| Key Indicator | Target | Definition | 2025 Target Progress |
|---|---|---|---|
| Exhaust Gas Testing Compliance Rate | 100% | Testing results meet the DB31/933-2015 standard; compliant | 100% |
| Noise Testing Compliance Rate | 100% | Testing results meet the Class 3 area standard of GB12348-2008; compliant | 100% |
| Solid Waste Recycling and Treatment Rate | 100% | Volume of solid waste treated up to standard | 100% |
| Hazardous Waste Recycling and Treatment Rate | 100% | Volume of hazardous waste treated up to standard / Total treatment volume * 100% | 100% |


萬泰認證
环境管理体系认证证书
上海剑桥科技股份有限公司（含浙江剑桥通信设备有限公司）
统一社会信用代码：91310000785851112XY
建立的管理体系，按照以下标准评审合格，特发此证。
GB/T24001-2016 / ISO14001:2015 环境管理体系 要求及使用指南
认证范围
电信宽带接入终端、无线网络与小基站、交换机和工业物联网网关及光模块的设计和制造所涉及的环境管理

ISO 14001 Environmental Management System Certification

# Waste Management

We strictly comply with regulations such as the *Environmental Protection Law of the People's Republic of China*, the *Regulations on Environmental Protection Management of Construction Projects*, and the *Environmental Impact Assessment Law of the People's Republic of China*. We formulated internal rules such as the *Regulations on the Management of Solid Waste* to strictly control waste throughout the full lifecycle of production and operations. We comprehensively strengthen our comprehensive waste governance capacity, striving to minimize the environmental impact of waste emissions and ensuring that waste emissions are legal and compliant.

The four categories of waste generated by the Company's operations (recyclable waste, non-recyclable waste, hazardous waste, and construction waste) are all subject to full-lifecycle management. All waste and construction debris are entirely entrusted to qualified third parties for recycling or disposal. CIG conducts full-process tracking of outsourced waste treatment to ensure that the closed-loop management of hazardous waste strictly follows the *Law on the Prevention and Control of Environmental Pollution by Solid Waste* and the Company's *Regulations on the Management of Solid Waste* requirements.

| Category | Waste Classification Definition | Waste Disposal Requirements |
|---|---|---|
| Recyclable Waste | Cardboard, cartons, miscellaneous paper, metals, plastics, solder dross, empty solder paste cans, beverage bottles, etc | Entrusted to companies with material recycling qualifications for recycling and processing |
| Non-recyclable Waste | Domestic garbage | Entrusted to qualified companies in Shanghai for processing |
| Hazardous Waste | Toxic and harmful substances, waste chemical pollutants | Entrusted to companies with hazardous waste recycling and processing qualifications in Shanghai for processing |
| Construction Waste | Construction waste and renovation debris | Handled by engineering construction units or entrusted for processing |

CIG Waste Classification and Disposal Requirements

# Waste Reduction Targets

By 2030, further strengthen waste management efforts and reduce waste emission intensity.

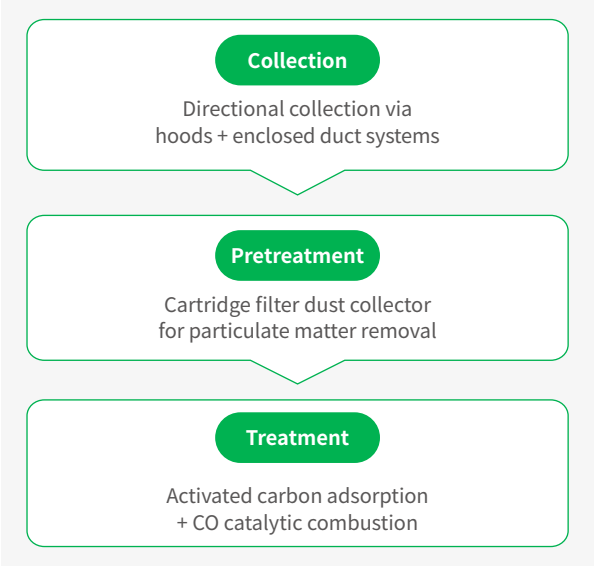
| Pollutants Generated by Operations | Unit | 2024 | 2025 |
|---|---|---|---|
| Hazardous Waste \| Tons | Tons | 5.32 | 10.90 |
| Of which: Hazardous waste incinerated | Tons | - | 7.90 |
| Of which: Hazardous waste recycled and reused | Tons | - | 3.00 |
| Hazardous Waste Intensity | Tons / 10,000 RMB Revenue | 0.0015 | 0.0022 |
| Non-hazardous Waste | Tons | 88.51 | 323.96 |
| Proportion of non-hazardous waste recycled/reused | % | - | 100 |
| Non-hazardous Waste Intensity | Tons / 10,000 RMB Revenue | 0.0242 | 0.0019 |
| Total Waste Generated | Tons | 93.83 | 334.87 |

CIG Waste Management Performance Table

# Exhaust Gas Management

CIG strictly adheres to the *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*, the *Emission Standard of Air Pollutants for Boilers (GB13271-2014),* the *Emission Limits of Air Pollutants (DB44/27-2001)*, and other laws, regulations, and exhaust gas emission standards. We strictly regulate exhaust gas treatment, monitoring, and emission behaviors during production and operations to ensure that all indicators meet national emission standards.

To reduce the pollution of exhaust emissions to the atmospheric environment, the Company has built a full-process exhaust gas control system of "Collection-Purification-Emission." We implement tiered treatment for exhaust gases containing Volatile Organic Compounds (VOCs) and small amounts of tin oxide dust generated during production, fully mitigating the environmental impact of exhaust gases. The Company issued the Waste Gas Monitoring Management Measures and set the goal of "100% compliance rate in exhaust gas testing". By the end of the reporting period, the Company had achieved its annual target.




Exhaust Gas Treatment Process Flow

CIG regularly invites third-party organizations to sample and test factory exhaust gases to ensure legal and compliant emissions. During the reporting period, the testing results at the Company's exhaust emission outlets all complied with the provisions of the *Comprehensive Emission Standard of Air Pollutants DB31/933-2015* and the *Emission Standard for Odor (Nuisance) Pollutants DB31/1025-2016.*

| Indicator | Unit | 2024 | 2025 |
|---|---|---|---|
| VOCs | Tons | 0.48 | 0.92 |
| Total Exhaust Gas Emissions | 10,000 cubic meters | 56,314.80 | 547,186.32 |
| Exhaust Gas Emission Intensity | 10,000 cubic meters / RMB 10,000 revenue | 0.15 | 1.13 |

CIG Exhaust Gas Management Performance Table

## Noise Management

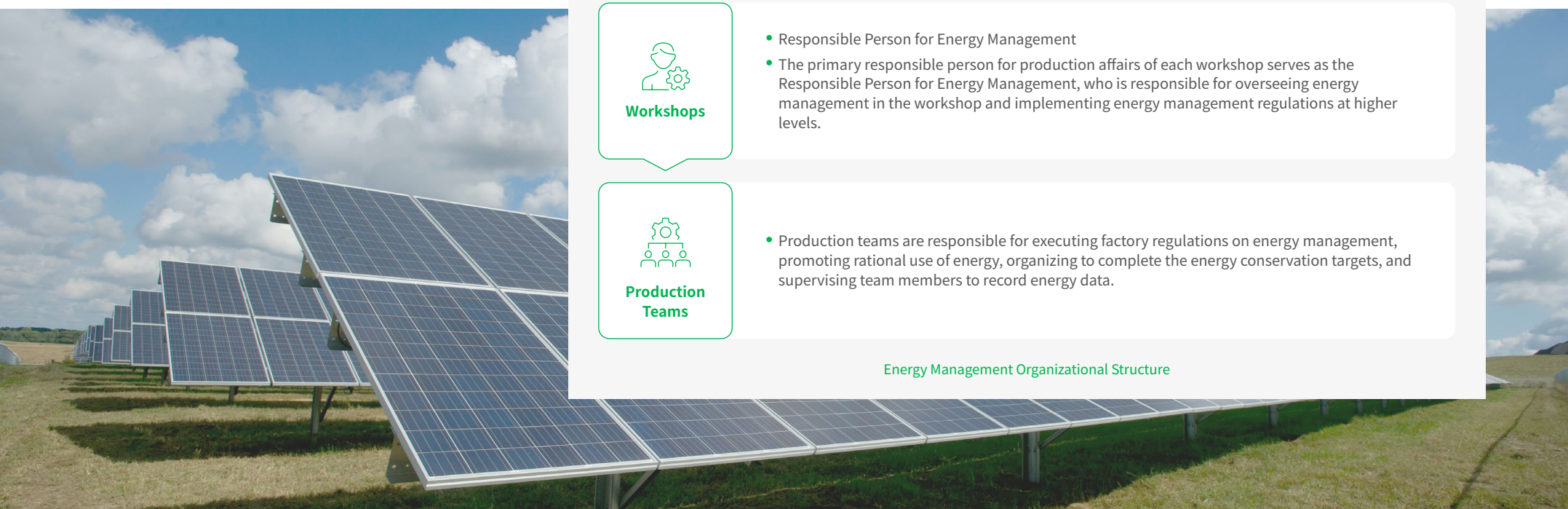
For noise generated by factory production equipment, the Company adopts sound insulation and vibration damping measures and installs soundproof doors and windows in the factory to minimize the noise levels and impacts generated by machinery and equipment. In 2025, the Company conducted three noise tests, and the testing results all complied with the relevant provisions of the *Emission Standard for Industrial Enterprises Noise at Boundary* (GB 12348-2008), confirming that all emissions were up to standard.

# Energy Management

The Company strictly follows national laws and policies such as the *Opinions on Systems, Mechanisms*, and *Policy Measures for the Green and Low-Carbon Transition of Energy.* Adhering to the energy management principle of "Practicing Strict Economy and Unifying Efficiency." we formulated the "*Energy Conservation Management Standard*," explicitly incorporating the construction of photovoltaic energy storage systems and green power trading mechanisms into a four-level management system. We established a four-level management architecture comprising the factory, department, workshop, and team. This architecture clarifies the division of responsibilities at each level and strengthens energy control through tiered, refined management, aiming to achieve the goals of reducing energy consumption, eliminating waste, and improving energy utilization efficiency.

| | |
|---|---|
| **Factories** | • Energy Management Leading Group<br>• The group is led by the Factory Director, with heads of relevant departments as group members, and the Factory Administration Department serving as the functional department. Power group establishes dedicated full-time energy-saving management personnel. The group is responsible for reviewing and overseeing energy management policies, assessing the implementation of departmental energy consumption quotas, and making key decisions on energy management initiatives. |
| **Departments** | • Responsible Person for Energy Management & Energy Management Specialists<br>• The primary responsible person for production affairs in each department serves as the Responsible Person for Energy Management, with part-time energy management specialists assigned based on each department's specific needs. Different departments have varying responsibilities. For example, the Human Resources Center is responsible for energy-saving training and rewards/penalties, while the Cost Management Department participates in the formulation of energy-related policies and supervises energy consumption. |
| **Workshops** | • Responsible Person for Energy Management<br>• The primary responsible person for production affairs of each workshop serves as the Responsible Person for Energy Management, who is responsible for overseeing energy management in the workshop and implementing energy management regulations at higher levels. |
| **Production Teams** | • Production teams are responsible for executing factory regulations on energy management, promoting rational use of energy, organizing to complete the energy conservation targets, and supervising team members to record energy data. |

Energy Management Organizational Structure



# Renewable Energy Application

Although the Company temporarily did not use clean energy during the reporting period, once the photovoltaic energy storage project at the Jiashan Factory is put into operation, we will gradually increase the proportion of renewable energy use. The target is to make renewable energy an important component of the Company's manufacturing energy structure within the next 3-5 years.

| | Unit | 2024 | 2025 |
|---|---|---|---|
| Electricity Consumption | kWh | 17,438,776 | 29,569,285.29 |
| *Headquarters* | kWh | 1,079,700 | 1,682,000 |
| *Factory* | kWh | 16,359,076 | 27,887,285 |
| Diesel Consumption | Liters | 3,168 | 3,329 |
| Gasoline Consumption | Liters | - | 246 |
| Total Direct Energy Consumption | Tons of standard coal | 3.97[9] | 4.39 |
| Total Indirect Energy Consumption | Tons of standard coal | 2,143 | 3,634 |
| Total Energy Consumption | Tons of standard coal | 2,147 | 3,638 |
| Energy Consumption Intensity | Tons of standard coal / RMB 10,000 revenues | 0.0045 | 0.0075 |

ClG Energy Management Performance Table

Upholding the concept of sustainable development, CIG aims to further realize energy savings and achieve green, low-carbon corporate operations through a series of measures such as equipment application and facility replacement.

**Energy-Saving Production Equipment**

In 2025, CIG implemented real-time monitoring and adjustment of cooling water temperature using an automated control system.

**Variable Frequency Motor Control**

In 2025, the Company used variable frequency motor control for high-energy-consuming equipment with a rated power of over 7.5 kW to optimize energy utilization efficiency.

**Lighting Retrofit**

In 2025, CIG replaced the workplace lighting in the laboratory building with 48W warm white LED panel lights.

Energy Management Initiatives

[9] The power conversion formula is 8137 kWh = 1 tonne of standard coal; the diesel conversion formula is 798 liters = 1 tonne of standard coal; the gasoline conversion formula is 931 liters = 1 tonne of standard coal.

# Water Resources Management

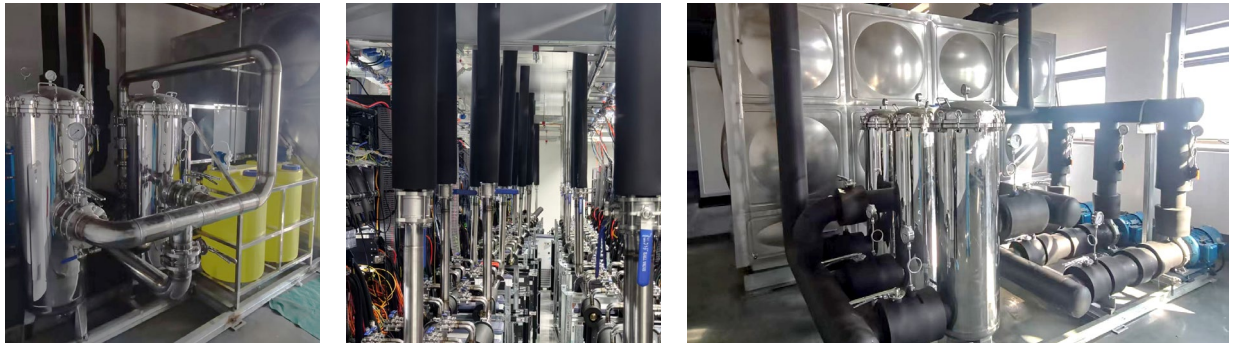
The company strictly complies with relevant laws and regulations in all domestic and overseas operational locations, including the *Water Pollution Prevention and Control Law of the People's Republic of China* and the *Water Law of the People's Republic of China*. Internally, it has established water resource management systems and water-saving requirements. In terms of production water control, it has set up a base-level water control mechanism and a performance assessment system centered on water-saving targets. Through standardized assessment mechanisms, it promotes the optimization of the entire 'water intake - water use - wastewater discharge' process, continuously improving water resource utilization efficiency and environmental risk prevention capabilities. It has encountered no issues in obtaining applicable water sources.

Driven jointly by the national "14th Five-Year Plan" Water Conservation Action and the deepening policy of Zhejiang's "Five Water Management," CIG focused on production pain points in 2025 and launched a closed-loop circulation retrofit for the cooling water system at the Jiashan Factory, initiating a new practice of refined water resource management through technological innovation.

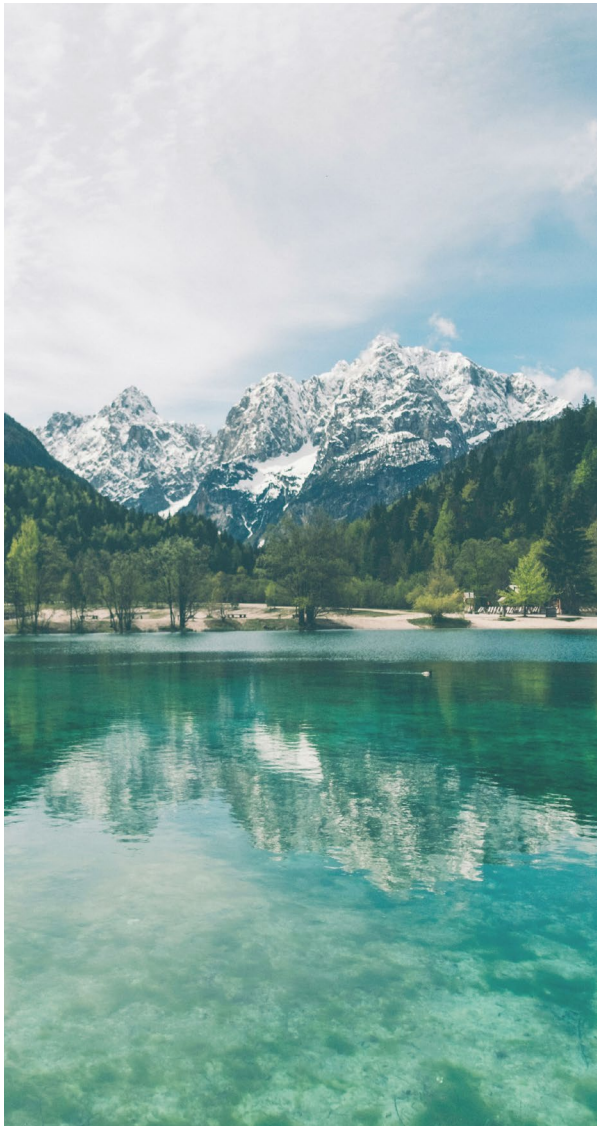
## Cooling Water System Closed-Loop Circulation Energy-Saving Retrofit Project

In 2025, in response to the national "14th Five-Year Plan" water conservation scheme (industrial water reuse rate ⩾ 94%) and the deepening requirements of Zhejiang's "Five Water Management," CIG launched the "Cooling Water System Closed-Loop Circulation Energy-Saving Retrofit Project" at the Jiashan Factory production campus to solve the high water consumption pain point of traditional open cooling systems.

Targeting the original "open evaporation heat dissipation" mode, the project designed and installed a fully enclosed stainless steel pipeline circulation system (including cooling towers and purification devices), achieving closed-loop management with "zero evaporation loss."



Closed-loop Cooling Water System Energy-saving Retrofit Project



# Water Resource Management Targets

**In 2025, CIG's actual total water consumption intensity was**

**0.015 Tons / RMB 10,000 revenue**

CIG's main wastewater is domestic sewage, which is incorporated into the municipal sewage pipe network via the factory's sewage pipelines. We regularly conduct third-party testing annually to ensure that domestic sewage meets the Tier 3 standard of the *Comprehensive Sewage Discharge Standard* (DB31/199-2018) and is discharged up to standard.

| | Unit | 2024 | 2025 |
|---|---|---|---|
| Total Water Intake | Tons | 21,598 | 73,723[10] |
| Total Water Intake Intensity | Tons / RMB 10,000 revenue | 0.06 | 0.15 |
| *Including: Factory Water Intake* | Tons | 21,200 | 73,078 |
| *Including: Headquarters Water Intake* | Tons | 398 | 645 |
| Total Water Discharge | Tons | 19,438 | 66,351 |
| *Including: Headquarters Water Discharge* | Tons | 352 | 581 |
| *Including: Factory Water Discharge* | Tons | 19,085 | 65,770 |
| Total Water Consumption | Tons | 2,160 | 7,372 |
| Total water consumption density | Tons / RMB 10,000 revenue | 0.006 | 0.015 |

CIG Water Resource Consumption Performance Table

[10] In 2025, the significant increase in the company's total water intake is due to the following reasons: 1) The Jiashan plant and the Shanghai Jiangyue Road plant were both in operation from March to October (during the relocation process); 2) A new dormitory building was added to the Jiashan plant, resulting in increased domestic water use; 3) With a significant increase in production capacity, the number of personnel at the Jiashan plant increased substantially.

# Circular Economy

The Company practices the concept of a circular economy, integrating the 3R principles of "Reduce, Reuse, Recycle" throughout packaging material management. We strictly control hazardous substances to create green packaging products and achieve circular resource utilization. The Company has formulated internal rules and regulations such as the *General Shipping and Packaging Operation Specification*, the *Finished Goods Warehouse Operation Specification*, and the *Inspection Operation Specification*. These specify packaging protection requirements, product inbound/outbound rules, and pre-shipment packaging inspections, promoting the reduction and recyclable design of packaging materials, and fostering circular resource utilization. CIG consistently insists on using green energy and utilizing recyclable, eco-friendly materials to realize sustainable corporate development.

## Sustainable Packaging

- Raw material turnover boxes are collected and reused for material preparation, receiving, and distribution processes.
- A collaborative recycling mechanism for turnover boxes has been established with multiple partner manufacturers to enable secondary utilization.
- Printing ink uses natural plant oil products, rejecting traditional inks containing volatile organic compounds (VOCs).

- Paper packaging uses recycled paper pulp as the raw material.
- The packaging blister boxes are made from natural plant fibers as a substitute for polyester materials.
- During the packing stage, stretch film is applied with standard pre-stretching and wrapping operations to achieve packaging protection with the lowest possible material consumption.

Sustainable Packaging Initiatives

CIG actively promotes the reuse of resources, repurposing idle office items to practice the Company's "Green Office" concept.

### Circular Use of Office Equipment

From August to October 2025, proactively responding to the national "Dual Carbon" goals and green office policy requirements, CIG carried out resource allocation and facility updates after the renovation of the Company's headquarters office area. By utilizing internal idle assets such as desks and solid wood conference tables from the Jiangyue Road Factory, combining with purchasing office chairs and conference chairs from the secondary market to meet supplementary needs, we effectively revitalized internal idle resources, eliminated safety hazards, and significantly improved the quality of the office environment.

**Circular Economy Goal:**

Strive to increase the density of appropriately recycled packaging materials.

**Total amount of packaging materials recycled and used**

**86.57 Tons**

**Packaging material intensity**

**0.18 kg / 10,000 RMB Revenue**

CIG Packaging Materials Performance Table

# Biodiversity

CIG attaches great importance to the protection of ecosystems and biodiversity. Following laws and regulations such as the *Forestry Law of the People's Republic of China* and the *Law of the People's Republic of China on Environmental Impact Assessment*, we proactively align with international standards and initiatives such as TNFD (Taskforce on Nature-related Financial Disclosures) and SBTN (Science-based Targets Network), deeply integrate biodiversity conservation into the entire lifecycle of corporate governance and operations, and strive to achieve the "Nature Positive" goal.

During the preparation for constructing the new Jiashan Factory, the Company strictly followed the requirements of the *Environmental Impact Assessment Law*, implementing a full life-cycle environmental impact assessment. This ensures that the project's construction complies with the control requirements of the ecological protection red line, environmental quality bottom line, resource utilization upper limit, and ecological environment access list. The Company recently engaged a professional institution to conduct a biodiversity impact risk assessment for its Jiashan Plant following the TNFD LEAP methodology. The assessment was completed using the Greenverse Biodiversity Risk Management Platform from TNFD's official tool catalog. Its assessment process and results have passed independent third-party verification by TÜV SÜD, an international authority, ensuring compliance with requirements of TNFD Framework, GRI Standards, EU CSRD, etc. The assessment results show that the site's biodiversity risk level is "Low Risk". Based on SBTN's AR3T (Avoid-Reduce-Restore-Regenerate-Transform) action pathway, targeted biodiversity risk management measures were formulated, laying a scientific foundation for the Company's "Nature Positive" transition.

### Strategic Blueprint Development

At the source of the product and technology lifecycle—during the strategic planning and design phase—strict adherence to the "Ecological Protection Red Line" requirement is placed at the core. Guided by the fundamental principle of safeguarding the natural baseline (such as biodiversity and ecosystem service functions), forward-looking scientific planning and design are employed to ensure that technological innovation and business development are aligned with the ecological carrying capacity, pursuing a harmonious coexistence between artificial intelligence and natural systems.

Before project initiation, comprehensive ecological baseline research must be conducted to accurately identify key species, habitat characteristics, and their vulnerabilities in the region. An in-depth assessment of the potential impacts of R&D, production, and operational activities on biodiversity and the carrying capacity of natural resources is carried out. Based on this, detailed ecological protection plans are formulated to seamlessly integrate ecological considerations into every decision-making link from conceptualization to implementation.

### Implementation of Construction Advancement

Throughout the entire project lifecycle, the Company strictly adheres to biodiversity-related laws and regulations such as the Environmental Protection Law and the Biosecurity Law, and fully implements the "Three Simultaneities" system in environmental protection (simultaneous design, construction, and operation). This ensures that pollution prevention facilities are planned and implemented alongside the main project.

Encourage technological innovation and efficient use of resources, giving priority to environmentally friendly materials, low-energy technologies, and clean production processes. Establish a dynamic monitoring and refined management system for pollutant emissions covering the entire process. For potential local ecological impacts from operations (such as resource consumption and waste emissions), systematically design and implement ecological restoration and compensation plans (such as supporting the construction of ecological corridors and participating in habitat protection projects), and establish long-term tracking, evaluation, and adaptive management mechanisms to promote the restoration of ecological functions in affected areas.

### Continuous Service Optimization

Establish a dynamic environmental risk screening mechanism, adopting a closed-loop management model of "identification – rectification – follow-up" to achieve full-cycle dynamic resolution of environmental issues.

Deepen the construction of corporate ecological civilization, and carry out multi-level education and publicity activities for all employees and partners. The content includes: interpreting environmental protection laws and policies, sharing exemplary domestic and international cases of ecological restoration and green transformation by enterprises, and organizing online/offline activities to enhance ecological awareness and immersive experiences. The aim is to stimulate the intrinsic motivation of all employees to participate in ecological governance, cultivate a corporate culture of 'technology for good and green development,' and jointly build a life community that fulfills environmental responsibilities. Continuously optimize service processes and explore further reducing the ecological burden during the product usage phase through technical means (such as remote operation and maintenance, and energy efficiency management software).

CIG Lifecycle Ecological Protection


## Eco-friendly Design Special Action

In 2025, in response to the mandatory requirements for biodiversity protection in the EU's *Ecodesign Regulation* and the policy orientation for ecological product design under domestic "Dual Carbon" goals, CIG launched the "Eco-friendly Product Design" special action at Shanghai R&D Center. Deeply embedding biodiversity protection into the product's full lifecycle, and based on the principle of "source loss reduction, systemic life protection," we built a biodiversity-friendly framework through four major dimensions: prioritizing the use of recycled materials and banning raw materials that destroy habitats (such as rainforest logging derivatives); introducing lifecycle energy consumption simulations to optimize energy efficiency and mitigate climate change stress; promoting modular, easy-to-repair designs to reduce resource extraction encroachment on sensitive areas; and mapping out material separation roadmaps to build closed-loop recycling.

04

# People-oriented Approach

CIG emphasizes people-oriented approach, employee development, fair employment practices, diversity and inclusion, transparent communication, and comprehensive welfare and compensation systems. The Company protects employee rights and interests, provides training and career development opportunities, strengthens performance management and promotion mechanisms, and implements various employee care and support programs to build an inclusive, stable, and sustainable working environment.

# Human Capital Development

CIG adheres to a talent-driven development strategy, establishing a comprehensive employee training system and promotion mechanism to support both individual growth and corporate progress. The Company offers diversified training programs covering professional skill enhancement, management capability development, and cross-departmental collaboration. Simultaneously, it provides employees with clear career development pathways to enhance their core competitiveness.

## Employee Promotion

CIG's career development system integrates organizational strategy with talent growth needs, offering employees diversified promotion pathways. The Company implements a dual-track development mechanism that concurrently supports a "Professional Development Path" and a "Management Development Path," providing a multi-dimensional and sustainable platform for career advancement. This structure enables employees to pursue both vertical progression and lateral development based on their expertise and aspirations.

**Technical Track**

For employees excelling in specialized technical fields, CIG offers career progression opportunities within professional roles, encouraging them to enhance technical skills and expertise and become industry experts.

**Management Track**

For employees demonstrating leadership potential, CIG provides a management development track, supporting their progression into higher-level management positions through management and leadership ability enhancement.

Employee Promotion System

In 2025, the Company continued to optimize its career development system, improving the job grade evaluation process and talent pipeline development. During the reporting period, 100% of employees completed their annual performance reviews; 112 employees were promoted through the evaluation process, with women accounting for 13.39% of those promoted.

**100%**

**of employees completed their annual performance reviews**

# Talent Development

## Employee Training

The Company consistently regards talent development as a core driver of organizational growth and has established a comprehensive training system. This system is primarily built on internal training, supplemented by high-quality external courses, providing employees with systematic and diverse learning resources on an ongoing basis. Furthermore, we actively advocate and support self-driven learning among employees, embracing the concept of lifelong growth. Through multi-dimensional support in platforms, mechanisms, and culture, we empower every employee to continuously enhance their professional and overall capabilities.

### Onboarding Training

- New hires are provided with comprehensive onboarding programs, covering corporate culture, rules and regulations, job-specific skills, and others to ensure a smooth integration into the team.

### On-the-Job Training

- Internal training courses: A variety of professional skill development courses have been organized, covering areas such as technological advancements, management skills, and communication techniques. These courses are delivered by in-house experts or externalconsultants.
- Online Learning Platform: The platform offers nearly 500 internal online courses, enabling employees to engage in flexible self-paced learning online or participate in offline training based on their job requirements and personal career development goals.

### Mentorship Support System

- Experienced employees or direct supervisors serve as mentors, systematically conducting guidance for newcomers and facilitating the transfer of experience. This mechanism is designed to convey the Company's cultural values, promote the extraction and sharing of job-related knowledge, skills, and insights, and assist interns and other new employees in quickly mastering practical job skills, thereby accelerating their growth and integration.

Employee Training Mechanism

## New Employee Onboarding Training

CIG has established a systematic onboarding training mechanism for new employees who have been with the Company for less than three months. The training is structured into multiple modules, providing comprehensive pre-job orientation and empowerment. The content focuses on four key dimensions: cultural integration, policy compliance, business understanding, and functional support. Specifically, it includes corporate culture orientation, interpretation of employee management policies, introduction to company products and business knowledge, financial reimbursement procedures, HR system operation guidelines, safety management standards, foundational system awareness, and environmental policy requirements.

New Employees Participate in Onboarding Training

## Middle-Level Management Cadre Training

In 2025, CIG systematically implemented a specialized empowerment program aimed at enhancing the capability development and organizational effectiveness of its middle-level management team. The Company invited senior internal leaders and external industry experts to conduct a series of thematic workshops and discussions, focusing on key areas such as advanced leadership, goal management and execution.

Through a blend of case analysis, tool introduction, and cross-industry exchange, the program sought to strengthen middle managers' strategic thinking, team management, and cross-cultural collaboration skills. This initiative helps build a core reserve of management talent for the organization's sustained growth and promotes the aligned development of personnel and business capabilities.


## Mental Empowerment, Coexisting with Stress – CIG 2025 Mental Health Care Workshop

In 2025, CIG integrated employee mental health support into its systematic assistance framework and officially launched the "Body-Mind Care" Mental Health Promotion Program. The program adopts a hybrid model combining "in-person immersive experiences" and "online flexible learning":

In-Person Activities: The Company organized its first immersive mental health workshop, inviting professional psychological instructors. Through group counseling, scenario-based interaction, and mindfulness exercises, employees were equipped with practical skills for emotional regulation, stress relief, and self-care.

Online Learning: A series of stress-management courses was simultaneously launched on the Company's learning platform, enabling employees to engage in self-directed study anytime, anywhere. This supports both the regular dissemination of mental health knowledge and personalized skill development.

This initiative adopts a dual-track approach, broadening the reach and accessibility of mental health support. It reflects the Company's in-depth attention and evidence-based investment in the overall well-being of its employees.

Snapshot of Mental Health Training

## CIG Employee Training Performance Table

**In 2025**

**Total Annual Training Participants**

**8,344 Person-times**

**Total Annual Training Hours**

**15,532 Hours**

**Total Annual Training Investment**

**RMB 275,500**

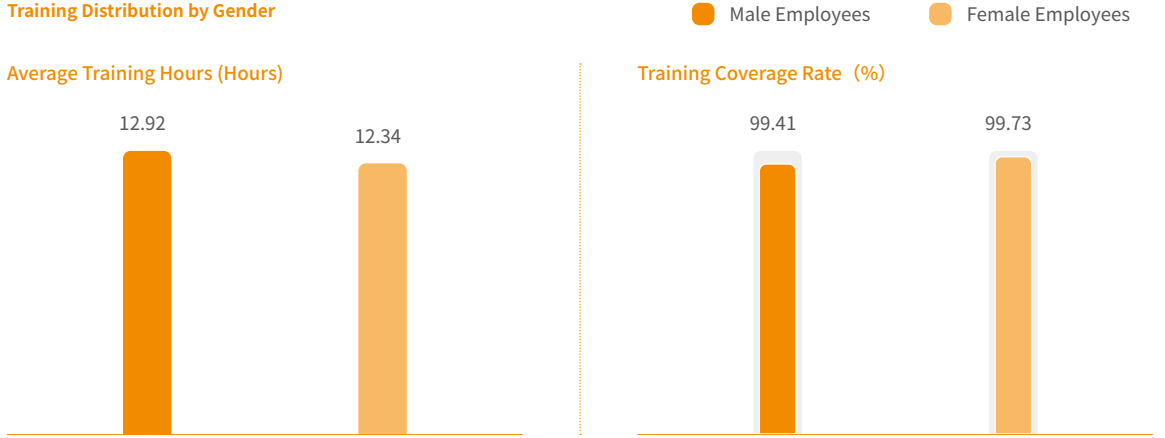
**Employee Training Coverage Rate**

**99.51%**

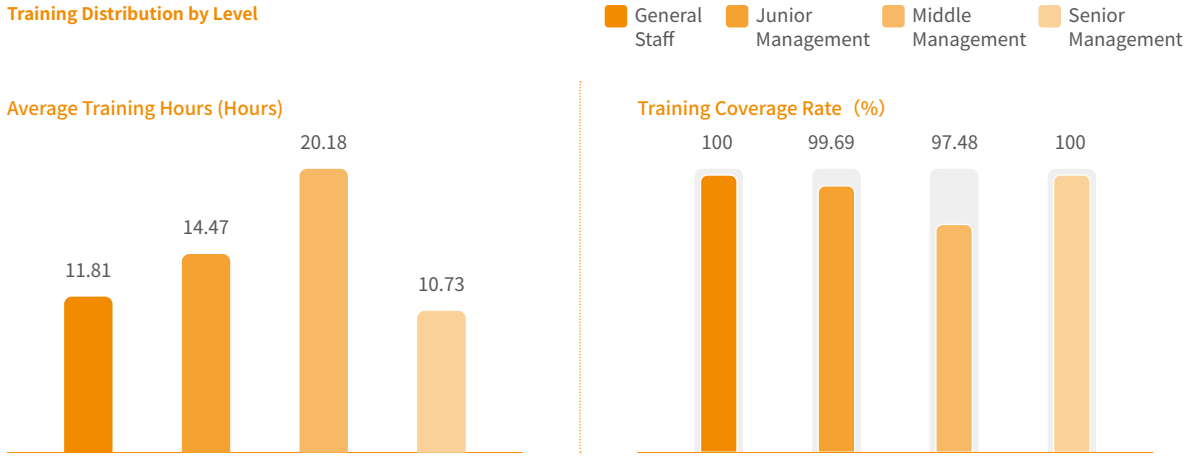
**Average Training Hours per Employee**

**12.68 Hours**

**Training Distribution by Gender**




**Training Distribution by Level**



# Employment and Employee Well-being

CIG consistently places "people-oriented" principles at the core of organizational evolution, striving to build a people-centric company and enhance both organizational cohesion and innovative vitality.

The Company is committed to providing employees with a safe, healthy, and secure working environment, while continuously improving working conditions. The Company makes commitments in the following areas:

**Work–Life Balance**

The Company implements flexible working arrangements based on job requirements, enabling employees to better manage their working hours and achieve a healthy work–life balance. Employees are encouraged to take reasonable leave, while the Company places strong emphasis on both physical and mental well-being. Initiatives include mental health training to help employees relieve stress and maintain a positive mindset, as well as team-building activities organized at both departmental and cross-departmental levels. These activities enhance team cohesion, promote communication and collaboration, and support employees in maintaining a positive and productive state at work.

**Protection of Rest and Leave Rights**

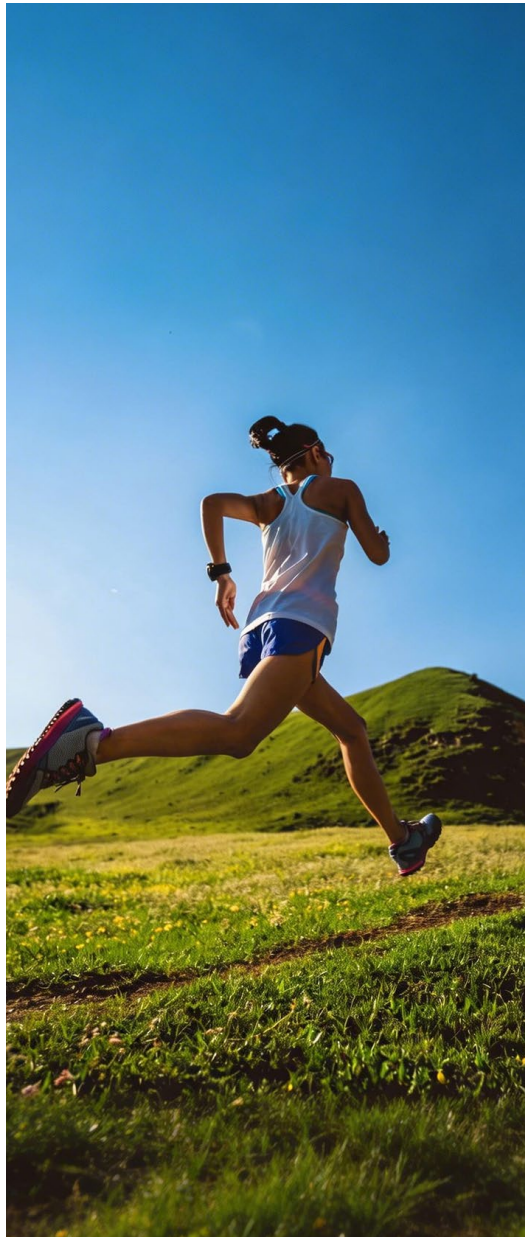
The Company strictly complies with applicable labor laws and regulations, ensuring that employees fully enjoy their statutory rights to rest and leave. In addition to standard weekends, public holidays, and statutory paid leave, the Company also provides additional benefits such as annual leave and paid sick leave, further enhancing employee welfare.

**Remuneration and Benefits**

The Company offers a market-competitive remuneration system, providing fair and reasonable compensation based on employees' job value, capabilities, and performance. In accordance with legal requirements, the Company makes full contributions to social insurance and provides supplementary benefits such as commercial insurance and regular health check-ups, offering comprehensive protection for employees and their families.

**Employee Satisfaction Management**

The Company regularly conducts employee satisfaction surveys to gather feedback and suggestions from employees. Based on survey results, the Company carries out in-depth analysis and promptly adjusts and optimizes management measures. These efforts continuously enhance management effectiveness, strengthen employees' sense of satisfaction and belonging, and foster a supportive and inclusive workplace environment.



# Talent Attraction

CIG strictly complies with laws and regulations such as the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Employment Promotion Law of the People's Republic of China*, and the *Prohibition of Child Labor Regulations*, while also upholding high standards aligned with international labor conventions and initiatives, including the *Universal Declaration of Human Rights*, the *ILO Core Conventions*, and the *UN Guiding Principles on Business and Human Rights*. The Company has established internal policies, such as the *Employee Handbook*, the *Employee Recruitment Management System*, and the *Anti Discrimination Policy and Management Measures*, clearly requiring that all global recruitment activities fully adhere to the legal regulations of the respective country or region, and resolutely prohibiting any form of child labor. As of the end of the reporting period, the Company has not experienced any incidents involving child labor or forced labor. A dedicated reporting channel has been established, and through a combination of internal operational self inspections and regular in depth audits of suppliers, the Company proactively identifies and eliminates risks related to child labor. For any confirmed violations, the Company enforces a closed loop governance approach that includes rectification within a specified period, accountability tracing, and disciplinary actions, ensuring effective implementation of compliance requirements.

CIG regards talent as the fundamental driver of value creation and a core pillar of sustainable development. The Company strictly adheres to the principles of "openness, fairness, impartiality, and merit based selection," focusing on building a highly collaborative and structurally sound talent team. Within this framework, the Company implements a scientific staffing mechanism based on "position establishment according to needs and matching people to positions," accurately identifying talent requirements for various roles based on business development, systematically recruiting key personnel, and emphasizing the cultivation of reserve talent with both professional competence and growth potential, thereby providing a solid talent foundation for the Company's continuous growth.

### Regular Hiring

- The Company regularly conducts campus recruitment activities, utilizing formats such as "Alumni Sharing on Campus" and dedicated corporate recruitment sessions to enhance its influence and attract high-potential talent.
- To address diverse job roles and business requirements, the organization actively seeks qualified professionals from across the industry.

### University-Enterprise Joint Training

- The Company has established university-enterprise partnerships with multiple colleges and universities. By offering internship and training positions, it provides students with hands-on experience while also enabling the early identification and retention of outstanding talent, thereby building a talent pipeline.
- Furthermore, in collaboration with these institutions, the Company delivers technical lectures on campus and develops joint training programs, laying a solid foundation for its talent reserve.

### Employee Referral Incentive Program

- CIG implements an employee referral incentive program, providing corresponding bonuses to employees who successfully refer candidates that are subsequently hired.

CIG Recruitment Channels

### Deepening University-Industry Collaboration and Systematic Talent Development

In 2025, CIG continued to advance its campus recruitment and systematic talent development system. The Company conducted targeted recruitment activities at multiple universities, including Wuhan City College, Wuchang University of Technology, and Wuhan Foreign Languages and Foreign Affairs College, to attract outstanding graduates. For new hires, the Company developed an integrated "Trainee Development Program" covering internship, selection, mentoring, and assessment. Throughout the training process, CIG consistently implemented a mentorship support mechanism, where experienced employees or direct supervisors serve as mentors, helping interns quickly adapt to their roles and achieve effective growth. This approach provides ongoing support for building a structured talent pipeline.

## CIG Employment Performance Table

Labor and Human Rights Metrics——2025

**Total Number of Employees**

**1,354Persons**

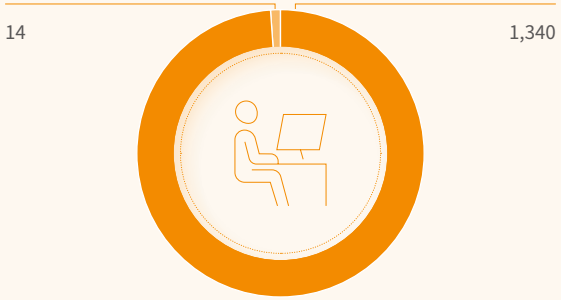
**Employee Turnover Rate**

**15.64%**

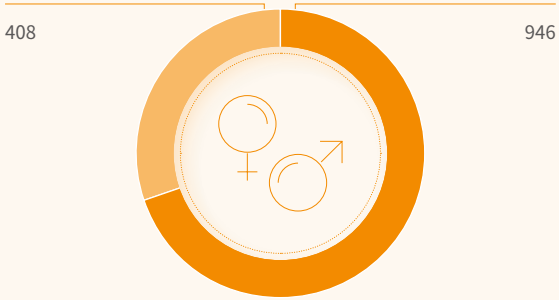
**Number of New Hires**

**404Persons**

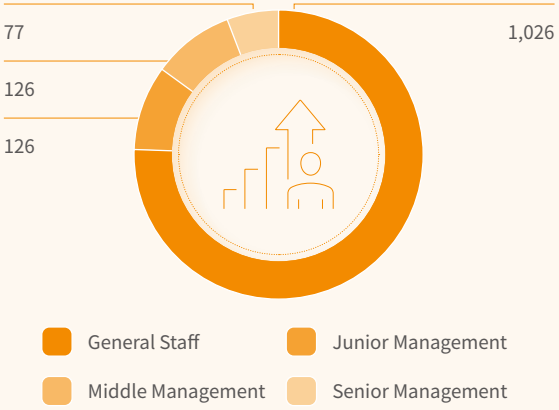
### Employees by Employment Type



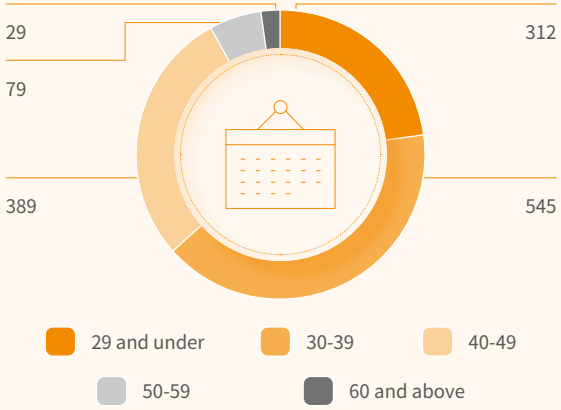

### Employees by Gender



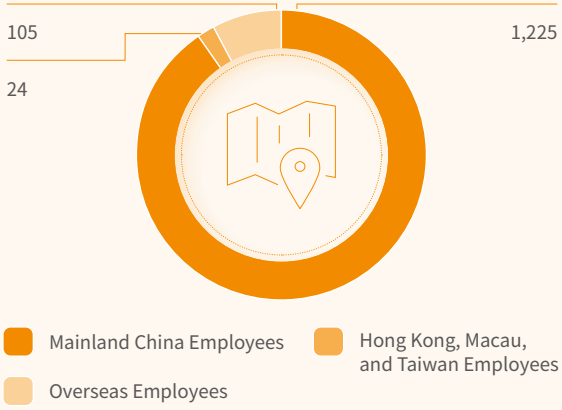

### Employees by Level




### Employees by Age




### Employees by Region



# Talent Diversity

CIG has always practiced the concept of diversity and inclusion, committed to creating an ecology-win-win organization, and building an organizational culture of equality, respect, and non-discrimination. The Company strictly follows international labor standards, and explicitly prohibits any form of discrimination in the *Anti-Discrimination Policy and Management Measures*, including but not limited to differential treatment based on race, ethnicity, social origin, social class, descent, religious belief, gender, sexual orientation, family responsibilities, age, physical condition, etc., ensuring that every employee can achieve career development in a fair and just environment.

The Company pays particular attention to selecting candidates with diverse backgrounds, provides suitable jobs for employees with a fair and equal attitude, and ensures that the recruitment process is legal and compliant. In addition, the Company also provides thoughtful convenience measures for employees with disabilities to express their deep care and support for this special group.

In addition, CIG US fully implements anti-discrimination and equal employment policies, covering the entire process of recruitment and hiring, compensation and benefits, training and development, promotion and selection, and termination of labor relations, ensuring no differential treatment due to race, color, religious belief, gender, age, nationality, disability status, or other characteristics protected by law. To further promote an inclusive workplace environment, CIG US integrates the concepts of respecting diversity and fair treatment into daily management by conducting compliance training, establishing standardized human resources processes, and strengthening the manager responsibility mechanism. During operations, we fully respect local labor laws and cultural customs and provide support for diverse talents from different backgrounds.

# Compensation Management

## Compensation System

With the management goal of "activating talent, realizing everyone's potential, fulfilling their responsibilities, and exercising their rights," CIG continuously optimizes and comprehensively implements a strategic compensation and performance system. The Company adopts a compensation structure of "fixed salary + variable salary," and simultaneously implements an equity incentive plan for all employees, covering qualified management, core technical (business) mainstays, and grassroots employees, so as to closely integrate employee interests with the Company's long-term development and stimulate team vitality and a sense of responsibility.

**Fixed Salary**

- Determined based on the position's responsibilities, required skills, workload, and market conditions; paid monthly to provide stable income assurance.

**Variable Pay**

- Performance-based pay:Linked to the Company, department, and individual performance goals; employee performance outcomes are quantified through key performance indicators (KPIs) to incentivize their performance improvement.
- Annual bonuses:Awarded based on the Company's annual operating performance and annual performance evaluation results of individuals, serving as a reward for employees' year-round contributions.
- Project-based bonuses:Designed for key projects or specialized tasks; allocated based on individual contributions to the project, work outcomes, and project benefits

CIG Compensation System

## Performance Management

To ensure fairness, impartiality, and transparency of performance appraisals, the Company has established a clear performance appeal mechanism and conducts performance feedback work following the principles of timely, accurate, and two-way communication. After the end of each appraisal cycle, the appraisal results are fed back to the employees themselves in a timely and objective manner and signed and confirmed by the employees. If employees have objections to the appraisal results, they can file an appeal through formal channels; on the basis of protecting employees' right to expression, the Company will promptly accept and carefully handle each appeal to ensure that the appraisal results can stand the test and achieve a positive interaction between management and feedback.

**Performance Management Principles**

- A benefit-sharing mechanism is established to align individual goals with departmental and corporate goals.
- KPIs prioritize positive, measurable outcomes.
- CIG upholds the principles of fairness, impartiality, and objectivity.
- Dialogue between evaluators and employees is encouraged for timely feedback.

**Performance Assessment Outcomes**

- Assessment outcomes may influence bonus distribution, promotions, remuneration and benefits, and job grade adjustment.
- CIG may, at its discretion, reassign, demote, place employees on training leave, or modify their pay packages if they rank at the lowest performance level.

Performance Appraisal System

**Initiation of Appeal**

If an employee disputes the performance appraisal result, they may submit a written appeal with supporting materials to the Human Resources Department within two business days.

**Investigation and Verification**

The Human Resources Director is responsible for conducting a thorough investigation and verification of the facts related to the appeal.

**Deliberation and Adjudication**

The Human Resources Director makes a ruling based on the findings of the investigation.

For complex or significant matters, the Human Resources Director will escalate the appeal to the CEO for a final decision.

**Result Adjustment**

If the employee's appeal is found to be justified, the company will promptly correct the error and adjust the performance appraisal result accordingly.

Performance Appeal Process

## Welfare System

CIG has established a sound and complete welfare management system covering all employees, setting up diversified employee benefits.

| | |
|---|---|
| Mandated Benefits | ■ Five insurances and housing fund: pension insurance, unemployment insurance, work related injury insurance, medical insurance, maternity insurance, and housing fund.<br>■ Statutory leave: Includes but is not limited to annual leave, marriage leave, bereavement leave, maternity leave, paternity leave, and sick leave. |
| Additional Benefits | ■ Supplementary medical insurance, accident insurance, employer liability insurance, and financial assistance for employees in need. |
| Health Benefits | ■ Health checkups and occupational disease screenings for in-service staff. |
| Job-Specific Benefits | ■ Transportation allowances, meal subsidies, communication subsidies, job subsidies, and high-temperature allowances, depending on job characteristics and work requirements. |
| Female Employee Benefits | ■ Reduced workload for pregnant employees and one hour of breastfeeding leave per day for female employees with infants under one year old.<br>■ Half-day leave on International Women's Day. |

CIG Welfare System

### People First, Support Throughout

In 2025, in response to the major adjustment of relocating the Shanghai factory to Jiashan, Zhejiang, CIG systematically formulated the Announcement on Personnel Placement for the Shanghai Factory Relocation based on the principle of "smooth transition, employee-first," comprehensively planning relocation pathways for affected personnel.

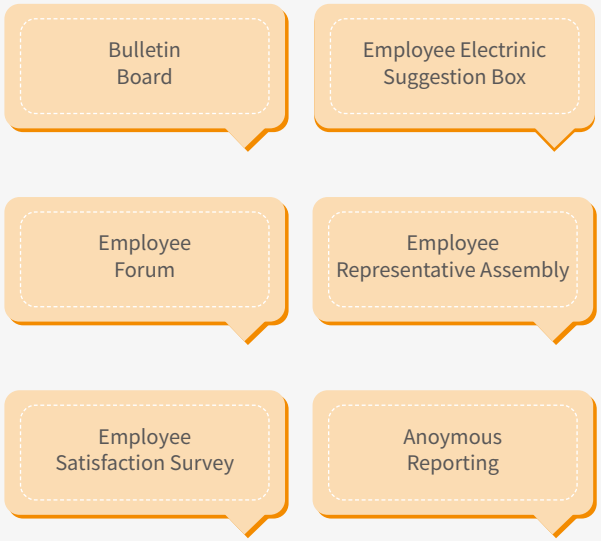
For relocated employees, the Company launched a comprehensive plan covering compensation guarantees and seniority incentives: through a dual-track parallel approach of "minimum wage standard linkage adjustment" and "full-staff compensation evaluation," ensuring an average salary increase of no less than 6%; meanwhile, distributing a one-time subsidy of up to 10,000 yuan based on seniority.

Through a combination of economic incentives and comprehensive support, and on the basis of respecting employees' wishes, we effectively stabilized the core team, guaranteed production continuity and a smooth transition of personnel during the factory relocation and achieved synergy between enterprise strategy and employee rights and interests.

# Employee Care and Communication

## Employee Communication

CIG attaches great importance to employee communication and exchange and is committed to building an open and transparent communication mechanism. Relying on internal systems such as the *Employee Communication Management Measures* and the *Employee Appeal, Complaint, and Reporting System,* the Company ensures that employees can express their opinions in a timely and smooth manner.




Employee Grievance Channel

### Communication Management Committee

Chaired by the President, with relevant executives serving as Deputy Leaders and Members, and the Employee Relations Specialist acting as Assistant. The group is responsible for reviewing communication reports, coordinating cross-departmental issues, managing communication mailboxes, issuing written decisions, participating in interviews with managerial-level employees and above, and overseeing the implementation of communication feedback by responsible departments.

### Human Resources Department

Responsible for developing communication channels, coordinating and organizing communication interviews, consolidating or urging the submission of communication reports, analyzing feedback materials, producing analytical reports, and archiving communication records.

### Administration Department

Responsible for managing suggestion box and bulletin board information, collecting feedback, communicating with employees, and assisting in organizing communication activities.

### All Departments

Regularly organize internal communication activities within the department, develop communication channels, address employee feedback, submit communication reports, and coordinate with the Communication Management Committee.

CIG Communication Mechanism

The Company places strong emphasis on protecting employee rights and actively supports effective communication and consultation through employee representation mechanisms. We recognize that employees are a key driver of the Company's development, and their insights and feedback are essential to its long-term growth.

To ensure that employees can express their views and concerns effectively, the Company has established comprehensive, multi-level communication channels. The employee feedback mechanism provides a convenient platform for employees to raise work-related issues and suggestions at any time. Employee representatives serve as a bridge between employees and management, systematically conveying common concerns and feedback. Through these channels, the Company ensures that employee concerns are accurately captured and addressed in a timely and effective manner.

Where appropriate and applicable, the Company supports the use of collective consultation mechanisms to facilitate open and constructive dialogue on key matters affecting employees, including welfare and working conditions. Competitive benefits and favorable working conditions form an important foundation for employee well-being and engagement. Through collective consultation, the Company works collaboratively with employees to develop more reasonable and people-oriented policies, improve working conditions, foster harmonious and stable labor relations, and promote the shared development of both the Company and its employees.

## Harnessing Collective Wisdom – CIG Strengthens Organizational Cohesion through Democratic Dialogue

CIG attaches great importance to democratic management and two-way communication within the organization, and continues to build a transparent, participatory, and mutually trusting working atmosphere.

The Company promotes HRBPs (Human Resources Business Partners) to go deep into business units to assist various departments in carrying out multi-format communication and activities. In March 2025, HRBPs organized employee representatives to conduct on-site visits to the new Jiashan factory and its surrounding environment, helping employees intuitively understand their future working and living environments; in August, they took the lead in organizing an employee representative assembly to solicit opinions and suggestions from all employees on regulations concerning employees' vital interests, such as the employee dormitory management system, making the system design more tailored to actual needs.

Employee on-site Visit to the New Factory

Employee Representative Assembly

In terms of democratic decision-making and forward-looking research, centering on major business adjustments and important management matters, the Company actively initiates employee opinion surveys to ensure that employees' voices can be heard and considered during the decision-making process. In February 2025, regarding the Shanghai factory relocation plan, the Company conducted a comprehensive survey on employees' relocation intentions and needs, providing a key basis for the subsequent formulation of humanized placement plans; in December, revolving around the Company's 20th-anniversary celebration activities, it widely collected employees' intentions for celebration formats and activity suggestions through a survey, making the anniversary a true common festival for all employees.

| | | | | | |
|---|---|---|---|---|---|
| 2025-JSXQ | 问卷调查 | 剑桥科技上海工厂正式员工随迁需求调查问卷 | 各位同事：<br><br>非常感谢大家一直以来对剑桥科技的全力支持和辛勤付出。<br><br>鉴于公司上海工厂厂房租赁合约到期且无法续签的客观情况，结合公司整体战略部署，嘉善工厂已于2023年底启动建设，预计2025年5月完成厂房建设及装修工作，公司将根据搬迁准备进度，分阶段进行业务转移及人员搬迁（具体时间以公司通知为准）。为全面了解相关员工对本次工厂搬迁的具体需求，公司特开展员工随迁需求调查，倾听员工的意见和建议，使公司的整体规划更加人性化、更加贴近员工的实际需求。请您认真填写此问卷，为本次搬迁工作提供有效的参考，共同致力于搬迁工作的顺利高效完成。<br><br>1)本次问卷的调研对象为办公地点在上海工厂的正式员工。<br><br>2)为了能够真实反映每位同事情况，问卷采用实名制形式。 | 感谢您的支持与配合！ | 2025-02-20 09:20 |

Survey Content

Through the above systematic communication practices and normalized research mechanisms, the Company not only guarantees employees' rights to know, participate, and express, but also makes various management decisions and policy formulations more humane and practically based, effectively enhancing employees' sense of belonging and organizational cohesion.

During the reporting period, the Company conducted an employee satisfaction survey, in which 723 full-time employees actively participated. The overall satisfaction score for the Company was 95.57 points (on a 100-point scale).

**During the reporting period**

**Number of full-time employees who voluntarily participated in the questionnaire survey:**

**723 Persons**

**During the reporting period**

**The overall employee satisfaction score for the company was**

**95.57 points**

## Employee Care

CIG adheres to the principles of "people-oriented, caring for employees, and promoting harmony." The Company is committed to building a healthy, inclusive, and warm work environment, continuously advancing diversified employee care initiatives to enhance team cohesion and elevate employee well-being.

### Building Inclusion Together, Sharing Warmth Together

CIG actively fosters an inclusive and equitable work environment, implementing a series of people-oriented support measures tailored to the actual needs of different employee groups.:

#### Support for Employees with Disabilities

The Company provides specially adapted accessible apartments for employees with disabilities, featuring barrier-free designs from entrance ramps and interior layouts to bathroom facilities. This ensures their residential safety and living autonomy, effectively implementing accessible care within the work environment.

Accessible Restroom

#### Care for Female Employees

The Company has established standardized nursing rooms and medical rooms within the facility, providing private, hygienic, and convenient rest and health support spaces for pregnant and breastfeeding employees. In terms of leave policies, in addition to fully implementing the state-mandated childcare leave, the Company continues to assess the feasibility of introducing additional care leave to help female employees balance work and family responsibilities.

Nursing Room and Medical Room

#### Respect for Ethnic Minority Employees

In employee dining services, the Company provides a variety of meal options that cater to different dietary customs, ensuring that the cultural habits and religious beliefs of ethnic minority employees are fully respected in their food choices. This approach fosters a diverse and inclusive daily atmosphere.


Employee Meal

## Employee Assistance

CIG relies on the *Employee Assistance System for Those in Need*, guided by the principle of "providing relief for emergencies, not for chronic poverty." The system aims to offer organizational support and material aid to employees and their families facing special difficulties. When employees or their immediate family members experience serious illness, accidents, or other major life changes, the Company promptly activates the assistance mechanism. Through standardized and compassionate procedures, the Company provides necessary financial support and emotional care to help alleviate temporary hardships and navigate sudden crises, reflecting the Company's people-oriented responsibility and compassion.

### CIG Launches Company-wide Support Initiative for Family of Ill Employee

From July to August 2025, CIG swiftly organized a company-wide caring donation drive for the family of an employee who had passed away due to a serious illness.

The Company mobilized all staff to participate voluntarily through a combination of online public donation channels and offline designated collection points. In addition, the Company allocated a special care fund, creating a joint support model of "employee mutual assistance + organizational support." All funds raised were transferred to the employee's family in a timely and complete manner.

Furthermore, the Company actively assisted the family in handling commercial insurance claims, striving to alleviate their financial burden and provide practical support. This initiative not only reflected the Company's deep care for its employees but also demonstrated the internal solidarity and organizational warmth in facing difficulties together.


# Occupational Health and Safety

CIG places the occupational health and safety of its employees at the forefront. To effectively advance the Company's occupational health and safety management, CIG has established comprehensive health and safety policies and standards to systematize, standardize, and refine environmental management efforts. Through enhancing occupational health management, strengthening workplace safety measures, and implementing employee wellness programs, the Company continuously improves safety benchmarks and emergency response mechanisms, elevates employee health management levels, and fosters a safe and healthy working environment.

## Health and Safety Management System

The Company strictly complies with relevant laws and regulations such as the *Law of the People's Republic of China on Work Safety* and the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases* and continuously improves the work safety responsibility mechanism and the health and safety management system. We have formulated and implemented internal policy documents including the *Regulations on the Management of Workplace Safety*, the *Accountability System for Workplace Safety*, the *Environment and Occupational Health and Safety Manual*, the *Quality and Hazardous Materials Process Management Manual*, the *Hazard Identification, Risk Assessment and Control Procedures*, and the *Emergency Preparedness and Response Control Procedures*. The Company also maintains certification under the ISO 45001 Occupational Health and Safety Management System, providing a solid foundation for safeguarding employee health and safety.

We have established a workplace safety management framework led by the Workplace Safety Committee. A dedicated task force charged with promoting workplace safety is responsible for employee training, hazard identification, hazard rectification and follow-ups, among other tasks. According to the *Accountability System for Workplace Safety*, we have signed workplace safety responsibility agreements with managers at all levels to enforce accountability for workplace safety management. Meanwhile, in compliance with the *Regulations on the Management of Environmental Safety Education* and the *Safety Inspection and Hazard Management System*, we conduct regular employee safety training to enhance safety awareness of all staff. Moreover, we also carry out various types of safety inspections to ensure that corrective measures are effectively implemented, and potential hazards are eliminated in a timely manner.


ISO 45001 Occupational Health and Safety Management System Certification

### Zero-Accident Goal

Striving for zero workplace accidents and injuries

### Occupational disease prevention

Conducting regular health check-ups and taking occupational disease prevention measures to minimize occupational diseases

### Healthy workplace

Ensuring that our workplace complies with health standards to minimize occupational hazards

### Regulatory Compliance

Strictly complying with national and local workplace safety laws and regulations to maintain lawful and compliant operations

### Continuous improvement

Carrying out periodic safety risk assessments and potential hazard inspections to continuously enhance the safety management system and improve safety performance

Health and Safety Objectives

# Supervisory Control

CIG has established a systematic and standardized safety risk identification, assessment, and control system. In accordance with laws and regulations such as the *Law of the People's Republic of China on Work Safety*, we systematically identify various hazards and harmful factors in our operational processes. Based on the severity and likelihood of risks, we categorize them into four levels: Level A (Critical/Red), Level B (High/Orange), Level C (Moderate/Yellow), and Level D (Low/Blue), and implement graded control.

During the risk assessment phase, the Company comprehensively applies professional quantitative tools—including Job Hazard Analysis (JHA), Safety Checklist (SCL), Risk Matrix (LS), and Likelihood–Exposure–Consequence (LEC)—to conduct thorough evaluations of operational activities, equipment and facilities, environmental conditions, and management factors. We continuously carry out hazard identification through daily patrols, specialized inspections, and semi-annual comprehensive systematic evaluations. All identified hazards are incorporated into a closed-loop management process, with clearly defined corrective measures, responsible personnel, and completion deadlines to ensure risks remain under control, the management system is continuously improved, and our governance responsibility for safeguarding employee health and safety and ensuring operational stability is fully fulfilled.

CIG strictly adheres to laws and regulations such as the *Law of the People's Republic of China on Work Safety* and the *Law of the People's Republic of China on Fire Protection* and has systematically established an enterprise work safety and emergency management system. The Company has formulated and continuously refined the *Emergency Response Plan for Workplace Safety Accidents* and conducts company-wide emergency drills on a regular basis to ensure that all departments can respond swiftly and handle emergencies in an orderly manner when incidents occur. To enhance self-rescue and mutual rescue capabilities, the Company has set up a volunteer fire brigade, equipped it with necessary emergency supplies, and carried out regular training. For emergency facilities, each area (floor) is provided with a first-aid kit managed by designated personnel, and an Automated External Defibrillator (AED) is available in the human resources and administrative offices. These measures gradually expand the emergency rescue network, providing comprehensive protection for employees' lives, health, and workplace safety.

CIG places great emphasis on protecting employees' occupational health. For workers in roles involving occupational hazards, we strictly implement occupational health examinations before employment, during employment, and upon leaving the job, so as to promptly identify health risks and take corresponding preventive measures. The Company has also established a standardized occupational health records system, adopting a "one person, one file" approach managed by designated personnel. This ensures that each employee's health records are complete, accurate, and traceable, thereby safeguarding their occupational health rights. During the reporting period, no work-related fatalities occurred at CIG, and all occupational health-related objectives were fully achieved.

During the reporting period, the work safety performance of CIG was as follows:

| Work Safety Indicators | 2025 | |
|---|---|---|
| | Actual Achievement | Target Value |
| Number of collective food poisoning incidents | 0 cases per year | 0 cases per year |
| Number of employees with occupational diseases | 0 persons per year | 0 persons per year |
| Number of fire hazard incidents | 0 occurrences per year | 0 occurrences per year |
| Number of serious injury incidents | 0 cases per year | 0 cases per year |
| Number of minor injury incidents | 3 cases per year | ⩽ 3 cases per year |
| Number of traffic accidents occurring during commutes where the employee is not primarily at fault | 3 cases per year | ⩽ 3 cases per year |
| Periodic Inspection Rate of Special Equipment (%) | 100% | 100% |
| Certification Compliance Rate of Special Operations Personnel (%) | 100% | 100% |
| Standardization Construction Compliance Rate for Work Safety (%) | 100% | 100% |

The Company has established a reporting and handling mechanism for occupational health and safety (OHS) incidents, encouraging employees to promptly report relevant risks and issues. Key measures include:

- Establishing multiple reporting and feedback channels (e.g., internal systems, email, and hotlines)
- Defining clear reporting procedures and response timelines
- Ensuring strict confidentiality of whistleblower information and preventing any form of retaliation
- Conducting investigation, rectification, and follow-up through a closed-loop management approach for reported incidents

# Training and Communication

In accordance with the *Management of Environmental Safety Education* and the *Safety Inspection and Hazard Management System*, CIG regularly organizes employee safety training programs to strengthen the overall safety awareness of all staff. The Company also carries out various forms of safety inspections on a regular basis, tracks the implementation of rectification measures, and ensures that potential hazards are eliminated in a timely manner.

## Everyone Prepared, Safety Ensured – Company Conducts Specialized Training on First Aid Knowledge and Skills

On June 18, 2025, in response to the theme of the national 24th "Work Safety Month" – "Everyone Talks Safety, All Are Prepared for Emergencies – Identify Hazards Around You" – the Company organized specialized emergency first aid training for employees. The training was opened by Chen Qiang, Head of the Factory Management Department, with a total of 44 employees participating.

The training aimed to systematically enhance employees' emergency response and first aid capabilities, cultivating internal first aid personnel. The Company specially invited Dr. Zhu Weidan from the Pujiang Community Health Service Center to conduct on-site instruction and hands-on guidance. The content covered basic first aid knowledge, responses to common emergencies, and practical operational skills, ensuring that participants effectively grasped the essentials of emergency rescue, thereby providing personnel support for fostering a safer work environment.

## Strengthening Frontline Management Capabilities: Company Completes Special EHS Employee Representative Risk Identification Training

To enhance grassroots-level EHS management capabilities, on June 5, 2025, the Company organized a specialized capacity-building training on "Environmental Aspect Evaluation and Hazard Source Identification" for 37 EHS employee representatives from key departments such as production, R&D, and logistics.

The training focused on practical job requirements. Through a combination of theoretical explanations, case analyses, and on-site simulations, it systematically covered specialized content such as methods for identifying environmental aspects. Through practical exercises, participants learned how to use standard tools to identify, assess, and formulate control measures for risk points within their respective departments. This training solidified the professional foundation for their subsequent responsibilities, including implementing risk controls, organizing safety training, and fulfilling occupational disease

In 2025

**Total duration of occupational health and workplace safety training**

**319.60 Hours**

In 2025

**Average training duration per person**

**0.24 Hours**

In 2025

**Number of safety drills (e.g., fire, toxic gas leak)**

**8 Times**

Occupational Health Training Performance of CIG

05

# Commitment and Responsibility

CIG is committed to advancing its mission through connectivity technologies, co-creating a sustainable future, and demonstrating corporate responsibility. We build a green and sustainable supply chain, promote a sustainable value chain, engage in social welfare initiatives to convey the warmth of technology, and empower rural revitalization to narrow the urban-rural divide.

# Sustainable Supply Chain

The supply chain is a core pillar supporting CIG's long-term business development, ensuring stable operations and long-term growth worldwide. The Company continuously optimizes its supply chain management system by strengthening supplier collaboration, improving risk identification and response mechanisms, and advancing sustainability and compliance throughout the supply chain. We strive to enhance transparency and coordination efficiency, enabling the supply chain to maintain high performance, stability, and flexibility when facing external changes and challenges, thereby supporting the Company's long-term success.

## Governance

CIG regards supply chain management as an important strategic component for ensuring the stable operation of its business and effective risk control. Throughout the entire procurement process, the Company continuously strengthens institutional development and gradually integrates sustainability requirements, driving the supply chain toward greater standardization, transparency, and accountability. Focusing on key stages such as supplier onboarding, cooperation, evaluation, and exit, the Company has established a management framework centered on core policies including the *Supplier Management Procedures*, the *Supplier Safety Requirements Specification*, and the *Supplier Performance Evaluation Management Specification*. Suppliers are explicitly required to sign confidentiality agreements, codes of conduct, integrity and anti-corruption agreements, and conflict-free mineral declarations. Through performance evaluations and a corrective action tracking mechanism, the Company works to continuously improve suppliers' fulfillment capacity and compliance levels.

In terms of governance structure, the Company has established a three-tier supply chain management system comprising the decision-making layer, the management layer, and the execution layer. The Board's Strategy and ESG Committee is responsible for setting strategic direction and making major decisions; senior management undertakes overall coordination and supervisory duties; the Procurement Management Center drives daily operational management; and relevant supporting departments collaborate closely to jointly ensure the orderly operation of supply chain management.

Sustainable Procurement Structure

# Strategy

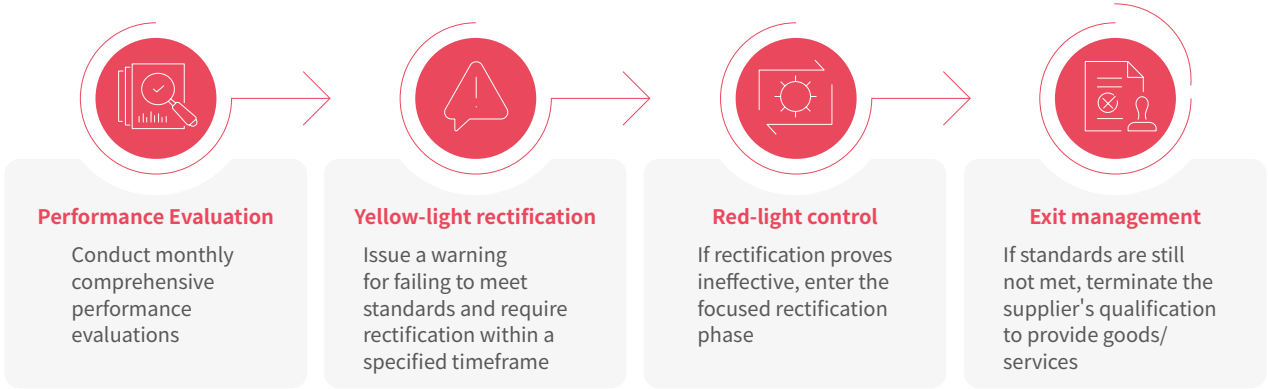
CIG regards supply chain management as a key strategic approach for ensuring the stable operation of its supply chain. Building on full-process management, ESG requirements, and supplier empowerment, the Company continuously refines its management system to drive simultaneous improvements in supply chain collaboration capabilities and sustainable development performance.

## Supplier Full Lifecycle Management

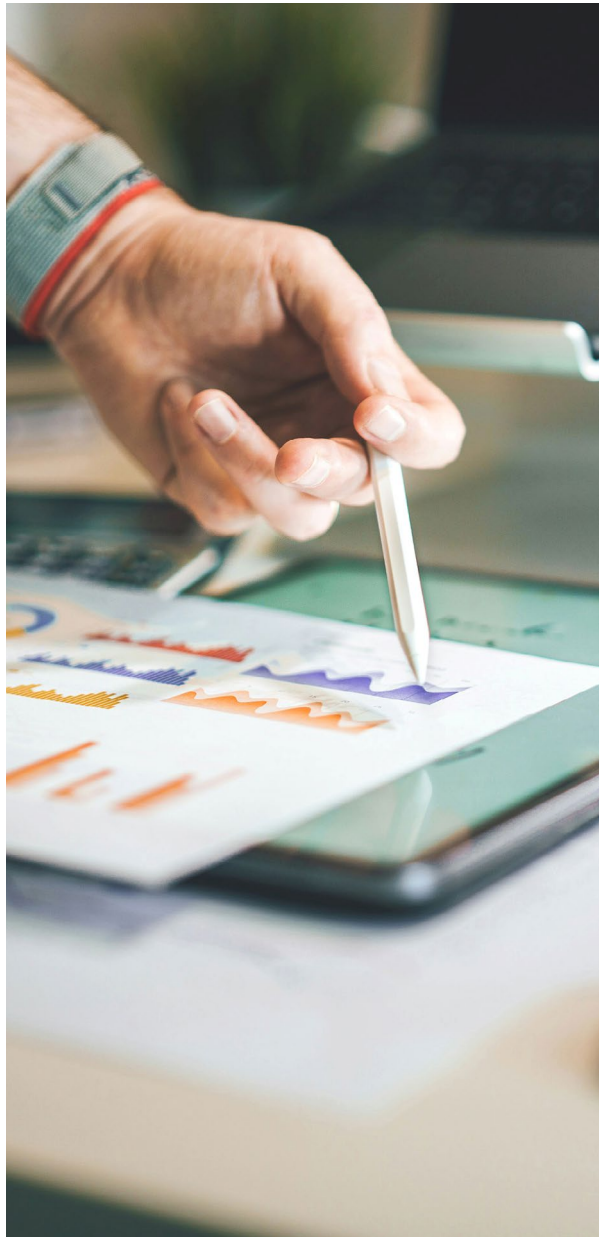
CIG continuously improves its supplier management system by establishing a comprehensive full lifecycle management mechanism that covers supplier admission, evaluation, cooperation, and exit. Through institutionalized and standardized management practices, the Company strengthens its supply chain risk prevention and control capabilities, ensuring the stable operation and sustainable development of the supply chain system.

In the supplier onboarding stage, CIG conducts comprehensive evaluations based on multiple dimensions, including product quality, service capability, and service assurance. This ensures that potential partners meet fundamental requirements in quality control, contract fulfillment, and compliant operations. On this basis, the Company carries out prudent screening and risk identification through qualification reviews and, where necessary, on-site verification, thereby strengthening the standardization of admission management from the source and safeguarding the stability and sustainability of the supply chain.

The Company implements tiered management of suppliers based on the importance of the purchased materials, classifying them into three levels: core, important, and general. Differentiated qualifications and management requirements are set for each level, covering areas such as personnel and technical capabilities, quality management system certification, corporate social responsibility performance, supply chain security management, and operational stability. At the same time, the Company has established a supplier performance evaluation and dynamic monitoring mechanism. Comprehensive assessments are carried out using key indicators such as price, technology, quality, and delivery. A "red-yellow light" grading system is applied to drive problem rectification and continuous improvement, thereby promoting a steady enhancement of suppliers' overall fulfillment capabilities.




Supplier "red-yellow light" management



In addition, the Company continues to carry out supplier audits, and in principle arranges on-site or special audits for key material suppliers on a regular basis. For issues identified during the audit, the Company has established a tracking and verification mechanism for corrective actions; if the requirements are still not met after rectification, the supplier's qualification will be terminated after full communication. During the reporting period, the Company completed audits of 16 suppliers, further strengthening its supply chain risk control capabilities.

### Admission Scoring

- The Company conducts comprehensive evaluations of suppliers based on multiple dimensions, including quality capability, delivery assurance, service level, and ESG performance. After qualification check, contract signing, sample validation, and final approval, the supplier is added to the approved supplier list and placed under unified management

### Performance and Audit Management

- Through a combination of daily performance assessments and annual audits, the Company conducts continuous supervision and tiered evaluation of suppliers, and carries out dynamic improvement management based on performance results to ensure the stable operation of the supply chain

### Corrective Actions and Exit Mechanism

- If a supplier fails in product quality, delivery performance, annual audits, or performance assessments, corrective actions must be taken immediately
- If corrective actions are deemed unqualified, or multiple special circumstances exist, the supplier will be disqualified upon mutual agreement, and the exit affairs will be handled according to established procedures

Supplier Full Lifecycle Management

## Digitally Driven Supplier Management

CIG continues to advance the digital transformation of its supply chain management by leveraging information systems to enhance the standardization, transparency, and collaboration efficiency of procurement operations. Relying on its SRM (Supplier Relationship Management) System, the Company manages critical processes online—including supplier onboarding, order execution, delivery tracking, and performance evaluation—ensuring centralized recording of supply chain data and traceability throughout the process. This effectively improves supply chain stability and strengthens risk control capabilities.

During the reporting period, the Company continued to optimize the functions of the SRM System. Building on existing procurement management features, it added a new function for statistical analysis of supplier material weights, providing data support for quantitative analysis of material management and resource utilization. The online supplier management platform further reinforces standardized control over procurement processes and enhances information sharing, driving the transition from traditional offline management to a digital and systematic approach. This lays a solid foundation for efficient collaboration and refined management across the supply chain.


CIG Supplier Management Platform

## Supplier ESG Management

CIG continues to integrate the concept of sustainable development into its supply chain management practices. Based on the full life cycle management of suppliers, the Company has established a system centered around key documents such as the *General Procurement Agreement, Sustainable Procurement Management Procedure, Supply Chain Security Management Procedure,* and the *Supplier Code of Conduct*. These frameworks embed ESG-related requirements—including business ethics, labor and human rights, occupational health and safety, environmental protection, and corporate governance—into supplier management processes and collaboration standards, driving supply chain partners to continuously improve their compliance operations and sustainable development while meeting business needs.

In the supplier management process, the Company implements dynamic ESG management across the stages of onboarding, cooperation, evaluation, and exit, incorporating environmental compliance performance, resource management capabilities, and control of hazardous substances into the comprehensive supplier assessment system.

During the onboarding stage, we conducts ESG assessments for core suppliers. In addition to using ISO 9001 quality management system certification as a baseline requirement, the Company requires suppliers to sign confidentiality agreements, codes of conduct, integrity and anti-corruption agreements, and compliance declarations related to RoHS, REACH, and Conflict-Free Minerals Declaration. It also conducts preliminary assessments of suppliers' performance in areas such as environmental management, labor protection, and business ethics. In 2025, the Company followed this practice for 80 newly engaged suppliers, accounting for 100% of all new suppliers onboarded during that period.

In the cooperation stage, the Company continuously tracks and monitors suppliers' ESG performance through daily performance evaluations and specialized questionnaire surveys. Additionally, the Company plans to include ESG-related indicators in on-site supplier audits, with a focus on verifying their implementation of environmental compliance, occupational health and safety, labor rights protection, and business conduct standards. For issues identified during audits, the Company will establish a rectification tracking mechanism, requiring suppliers to submit improvement plans and complete corrective actions within specified deadlines. If rectification fails to meet requirements, the Company may take measures such as issuing a deadline for improvement, suspending cooperation, or revoking the supplier's qualification, ensuring that ESG requirements form a closed-loop ESG management in the supply chain.

### Labor Rights and Interests

Suppliers shall comply with applicable labor laws and regulations, ensure that employees receive fair treatment, and strictly prohibit any acts that infringe upon human rights, including discrimination, forced labor, and child labor. Suppliers are required to provide reasonable working hours, fair wages, benefits, and direct, open communication channels for their employees

### Health and Safety

Suppliers shall identify and reduce workplace risks through standardized design, engineering, and management controls; establish necessary safe operating procedures and continuous safety training mechanisms; prevent the occurrence of occupational injuries and illnesses; and safeguard the health and safety of employees

### Environmental Protection

Suppliers shall comply with relevant environmental protection laws and regulations, implement pollution prevention and resource conservation measures, reduce the use of hazardous substances, and continuously enhance the environmental performance of their products and service

### Business Ethics

Suppliers shall adhere to the principle of integrity in business operations, strictly prohibit bribery, fraud, extortion, and unfair competition, strengthen internal supervision and information protection, and safeguard fair trade practices and the privacy and data security of relevant parties

### Conflict Minerals Management

Suppliers shall establish a due diligence mechanism to ensure that the tantalum, tin, tungsten, and gold contained in their products do not directly or indirectly finance armed groups engaged in serious human rights violations in the Democratic Republic of the Congo or its surrounding countries/regions. Suppliers shall also implement compliance management over the origin of such minerals and the supply chain routes

### Hazardous Substances Control

Suppliers shall ensure that all products and components supplied comply with applicable laws, regulations, and customer standards concerning hazardous substances control, including but not limited to: the List of Controlled Ozone-Depleting Substances in China, the EU RoHS Directive, the EU REACH Regulation, and the U.S. Toxic Substances Control Act (TSCA)

Supplier ESG Requirements

## Transparent Procurement

CIG highly values business ethics management in its supply chain. As part of the Master Procurement Agreement, all suppliers are required to sign the *Supplier Integrity and Anti-Corruption Agreement*, which sets out requirements on fair competition, integrity and self-discipline policies, and anti-corruption clauses, along with the responsibilities for breach of contract and complaint channels, to safeguard the legitimate rights and interests of both parties in procurement cooperation.

Furthermore, CIG continues to strengthen the promotion of a culture of integrity by regularly publishing notices on ethical conduct and anti-corruption on the procurement portal. Suppliers are required to adhere to the principle of honest business operations, proactively resist commercial bribery and unfair competition, and build long-term cooperative relationships based on trust, transparency, and integrity.

- Comply with laws, regulations, and internal management systems governing fair trade, integrity, and anti-corruption
- Conduct regular integrity education for relevant personnel to strengthen professional ethics and compliance awareness
- Support Party A in conducting integrity risk supervision; if any violations are discovered, promptly refuse and report them
- Shall not offer any improper benefits to Party A's personnel in any form
- Proactively identify and avoid situations involving related-party relationships and conflicts of interest
- Fulfill obligations in accordance with the contract and related agreements, ensuring that all documentation, payments, and delivery activities are truthful and compliant

Key Provisions of the *Supplier Integrity Agreement*

## Conflict Minerals Management

CIG places great importance on compliance management of conflict minerals, actively fulfills its social responsibilities, and promotes sustainable development and regulatory compliance throughout the supply chain. Given the increasing complexity of global supply chain, the Company continuously strengthens due diligence and risk identification regarding mineral origins, ensuring that all procured minerals meet international standards and industry requirements. In accordance with prevailing industry practices, the Company organizes suppliers to complete the Conflict Minerals Reporting Template (CMRT), Extended Minerals Reporting Template (EMRT), and Additional Minerals Reporting Template (AMRT). Detailed investigations are conducted into the smelter sources of minerals including aluminum, iridium, lime, manganese, palladium, platinum, rare earth elements, rhodium, ruthenium, silver, soda ash, and zinc, further verifying suppliers' mineral sourcing channels and compliance status.

With the goal of enhancing supply chain transparency and compliance management, CIG actively encourages suppliers to set responsible mineral procurement targets, standardize mineral sourcing, and provides compliance support and technical guidance according to actual circumstances. During the reporting period, the Company completed investigations covering 100% of suppliers involved in conflict mineral procurement, ensuring full compliance and transparency across all relevant suppliers.

Furthermore, to strengthen the long-term mechanism for conflict minerals management, CIG has strengthened training and guidance for suppliers, raising awareness of the potential impacts of conflict minerals and related compliance requirements. This helps suppliers understand how to reduce the use of conflict minerals and adhere to responsible sourcing policies. The Company also encourages stakeholders and suppliers to report conflict mineral issues or violations through diversified channels, ensuring effective monitoring and feedback on supply chain compliance.

**covering**

**100%**

**of suppliers**

## Supplier Enablement

CIG continuously promotes collaborative development with suppliers, strengthening information sharing and issue feedback through diversified communication channels to enhance supply chain coordination efficiency and operational stability. In the future, the Company plans to conduct ESG-related training for all suppliers, focusing on the concept of sustainable development, compliance management requirements, and responsible supply chain practices. This initiative aims to guide suppliers in meeting business cooperation needs while continuously improving their standardized operations and sustainable development capabilities.

During supplier cooperation management, the Company adheres to the principles of fairness and impartiality in procurement, treating all types of suppliers equally, including small and medium-sized enterprises. The Company continuously optimizes settlement and communication mechanisms to safeguard the legitimate rights, interests, and reasonable profits of its partners. During the reporting period, the amount of overdue payments to SMEs was RMB 0, and no related legal disputes (including litigation or arbitration) arose from delayed payments.

### Supplier Communication

The Company conducts regular communication via diverse online and offline channels, including instant messaging, email, and meetings. These digital interactions are complemented by on-site visits, exhibition engagement, and participation in industry exchange events. This multi-channel approach ensures continuous reinforcement of information sharing and strengthens cooperation and coordination across the supply chain.

### Supplier Training

The Company conducts ESG-themed training for suppliers, focusing on the promotion and guidance of compliant operations, environmental protection, occupational health and safety, business ethics, and responsible supply chain practices. Through these sessions, the company drives continuous improvement in suppliers' awareness of sustainable development and their ability to manage operations in a standardized manner.

### Supplier Support

The Company regularly organizes technical exchanges and experience-sharing sessions to support suppliers in optimizing their quality management and service capabilities. In addition, through business execution tracking and system operation guidance, the company assists suppliers in improving operational efficiency and reducing management costs.

Supplier Enablement Channels

# Impact, Risk and Opportunity Management

To enhance the systematic and effectiveness implementation of risk management, CIG integrates key issues involved in supply chain operations to conduct hierarchical identification and detailed classification of potential risks, resulting in a structured list of risk sub-items. For each identified sub-risk, the Company performs a comprehensive assessment based on dimensions such as likelihood and potential impact, and determines risk levels and management priorities through weighted analysis, thereby providing a decision-making basis for subsequent risk responses.

Building on this foundation, the Company establishes corresponding management mechanisms and workflows for higher-priority risk matters, and continuously advances targeted risk control measures. These actions aim to reduce the potential impact of supply chain uncertainties on the Company's operations and on internal and external stakeholders, further enhancing the stability and resilience of supply chain performance.

## Risk and Opportunity Identification

Systematically sort out the key links in the supply chain, including core raw material procurement, manufacturing, warehousing and logistics, and product delivery processes. Taking into account the characteristics of the communications equipment industry—such as its high reliance on critical components and the deep globalization of its supply chain—identify potential risks and development opportunities.

## Risk and Opportunity Analysis and Validation

Based on historical data, industry trends, and professional judgment, conduct a comprehensive assessment of the probability of risk occurrence and its impact on supply chain stability and operational performance. Meanwhile, pay attention to business opportunities arising from technological upgrades and changes in market demand, and validate the identified results through cross-departmental collaboration.

## Risk and Opportunity Assessment and Management

Implement tiered control measures based on the severity of risk impacts and the probability of occurrence, clearly defining response strategies and assigning responsibilities for key risks. In parallel, align resource allocation and business advancement around identified market and technology opportunities, thereby enhancing supply chain resilience and driving long-term value creation.

CIG Supply Chain Risk and Opportunity Management Process

CIG conducts systematic risk and opportunity identification around each link in the supply chain operation. By combining business characteristics with changes in the external environment, it carries out continuous analysis and assessment of potential uncertainties and development opportunities. The main types of risks identified include: physical damage to products and materials during transportation or warehousing; disruption in operational links such as supply, production, and delivery; the risk of supply chain disturbance caused by natural environmental factors (such as earthquakes, typhoons, floods, and other extreme climate events); the performance and compliance risks arising from suppliers and other relevant parties; and risks related to information systems and data security.

To ensure supply chain stability, the Company continues to advance initiatives such as localized procurement, supplier diversification, safety stock management for critical materials, and digital supply chain monitoring. Based on the above identification and management practices, the Company has formed the following supply chain risk and opportunity inventory.

| Category | Description | Likelihood | Impact | Response Measures |
|---|---|---|---|---|
| Risk | Fluctuations in upstream key raw materials and core components may affect production continuity and delivery stability | Medium | High | Build a multi-resource supplier network and implement tiered primary/backup supplier management; phase-by-phase capacity locking for critical materials; carry out alternative material verification and stagnant inventory clearance to enhance emergency switching capability |
| | Changes in geopolitical situations and tariff policies may lead to increased procurement costs or supply chain disruptions | Medium | High | Increase the proportion of localized procurement and optimize regional sourcing structure; strengthen supply chain risk monitoring and early warning mechanisms; reduce the impact of external uncertainties through inventory allocation and multi-regional coordination |
| | Extreme weather and climate change factors may cause logistics disruptions, supply interruptions, or impacts on production base operations | Medium | High | Promote multi-site collaborative production layout, improve emergency response plans and inventory protection mechanisms, and enhance early warning and response capabilities for climate-related risks through digital supply chain monitoring |
| | Emergencies in production or logistics may affect product delivery schedules and customer service | Low | High | Develop multi-site collaboration and inventory allocation capabilities; formulate emergency plans and conduct drills; use digital tools to improve supply chain response efficiency |
| | Insufficient supply chain visibility and data collaboration may result in delayed risk identification and response | Low | Medium | Promote digital supply chain management and data-driven decision-making; strengthen real-time monitoring of delivery, inventory, and risk status; improve supply chain transparency and forecasting ability |
| Opportunity | Global communication technology upgrades drive demand growth for wireless, broadband, and optical module products | Medium | Medium | Strengthen presence in relevant business areas; enhance supply chain collaboration to support market expansion; promote technological innovation and product iteration |
| | Rising green energy-saving and compliance requirements boost the application of high-efficiency, environmentally friendly products | Medium | Medium | Optimize product energy efficiency and eco-design; strengthen sustainable procurement and compliant supply chain management; enhance overseas market competitiveness and brand value |
| | Localized procurement and supply chain digitalization help improve operational resilience and stability | Medium | Medium | Continue advancing localized procurement and resource allocation optimization; deepen digital-driven supply chain management capabilities; enhance supply chain stability and long-term value creation |

CIG Supply Chain Risk and Opportunity Inventory

# Metrics and Targets

Continuously improving the standardization and refinement of supply chain management is an important direction for CIG to strengthen risk control and operational coordination. The Company has established a monitoring indicator system covering key business processes, conducts regular tracking and analysis of relevant performance indicators, and steadily enhances management transparency and information disclosure. In parallel, to ensure stable supply chain operations and strengthening risk response capabilities, the Company sets phased management objectives and periodically reviews progress. It regularly communicates supply chain management and improvement achievements to stakeholders.

During the reporting period, CIG's key performance indicators for supply chain management are as follows:

| Supplier Sustainability Management Targets | Target Achievement Status |
|---|---|
| By 2025<br>achieve<br>**100%**<br>signing rate of Supplier Code of Conduct with suppliers | Achieved |

| Supplier Sustainability Management Targets | Target Achievement Status |
|---|---|
| By 2025<br>achieve<br>**100%**<br>signing rate of suppliers with contract clauses covering environmental and labor requirements | Achieved |

| Indicator Name | Unit | 2025 |
|---|---|---|
| Total number of suppliers | Companies | 549 |
| **Total number of suppliers by region** | | |
| China-based suppliers | Companies | 524 |
| Asia-based suppliers | Companies | 15 |
| North America-based suppliers | Companies | 5 |
| South America-based suppliers | Companies | 0 |
| Africa-based suppliers | Companies | 0 |
| Europe-based suppliers | Companies | 5 |
| Oceania-based suppliers | Companies | 0 |
| Suppliers certified to ISO 14001 | Companies | 0 |
| New suppliers undergoing on-site audit | Companies | 2 |

| Indicator Name | Unit | 2025 |
|---|---|---|
| Percentage of new suppliers screened against environmental criteria | % | 100 |
| Percentage of new suppliers screened against social criteria | % | 100 |
| Suppliers signing anti-bribery commitment | Companies | 549 |
| Proportion of suppliers signing anti-bribery Commitment Letters | % | 100 |
| Percentage of procurement spending allocated to local suppliers | % | 91.2 |
| **Number of suppliers with identified risks** | | |
| Suppliers at risk of freedom of association & collective bargaining violations | Companies | 0 |
| Suppliers with significant risk of child labor incidents | Companies | 0 |
| Suppliers with substantial risk of forced or compulsory labor incidents | Companies | 0 |
| Suppliers with actual/potential significant negative social impacts | Companies | 0 |

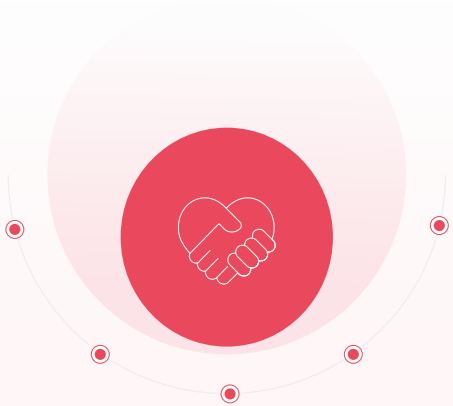
# Public Welfare and Philanthropy

CIG demonstrates a profound commitment to corporate social responsibility and a clear sense of mission. Throughout the reporting period, the Company actively participated in philanthropic activities, contributing a total of RMB 35,700 to support charitable projects across diverse sectors. By translating compassion into concrete actions, CIG spreads positive energy, fosters collaboration among social stakeholders, and works together to build a brighter future for all.

**Throughout the reporting period**

**we made total donations of**

**35,700 RMB**



### 01 Senior Management

Human Resources and Administration Center

### 02 Human Resources and Administration Center

Formulates plans for public welfare projects, recruits and organiz,es employees to participate in public service activities, and conducts personnel deployment and event management.

### 03 Financial Management Center / Cost Management Department

Manages the funds for public welfare projects, including budget approval, expense reimbursement, and financial audits.

### 04 Marketing Promotion Department

Sorts out materials for public service activities, produces promotional materials, and enhances the Company's public image.

### 05 Business Departments

Coordinate with the implementation of public welfare projects and activities based on the plans, such as organizing volunteer services and fundraising donations.

Social Philanthropy Management System Framework

## Focusing on Education in Remote Mountain Areas, Conducting Regular Educational Assistance – CIG's Initiative for Schools in Longxi County, Gansu and Aba Prefecture, Sichuan

CIG consistently upholds its philanthropic commitment to "Supporting Education, Illuminating Futures." In 2025, the Company continued to deepen its long-term assistance to schools in remote areas, such as Longxi County in Gansu and the Aba Prefecture in Sichuan.

Through systematic and regular educational support mechanisms, the Company provides not only essential learning supplies, daily necessities, and seasonal clothing for students but also critical resources for schools, including teaching aids, sports equipment, books, and heating facilities. These efforts tangibly improve the physical infrastructure and learning environment of rural education.

This multi-year philanthropic initiative represents a significant practice of the Company's social responsibility and reflects CIG's enduring commitment to promoting educational equity and fostering rural development through concrete support.

## Building Bridges with Love, Walking Hand in Hand with Sunshine – CIG Visits Shanghai Disabled Persons' Federation "Sunshine Home"

On March 10, 2026, members of the CIG Party Branch visited the "Sunshine Home" operated by the Disabled Persons' Federation in Yangpu District's Yanhang Sub-district, Shanghai, to carry out a caring, inclusive support and visitation activity for persons with disabilities. Company representatives visited the government-led, socially supported vocational rehabilitation assistance base to understand its operational model of helping persons with disabilities integrate into society through skills training and work practice. They also revisited related heartwarming guidance, further strengthening the company's commitment to engaging in public welfare and fulfilling its social responsibilities.

During the event, the trainees performed dragon dances, dances, sign language shows, and other programs, showcasing an optimistic and uplifting spirit. CIG presented gifts to the trainees, who in return gifted handcrafted koi artwork they had made themselves, symbolizing mutual care and a two-way connection.


Guided by Party building principles, this activity integrated resources from the technology enterprise and the community, exploring a new model of disability support combining "Technology Empowerment + Social Integration." It represents a concrete practice of CIG integrating ESG principles into its development strategy and fulfilling its social responsibilities. The Company will continue to collaborate with all sectors in the future to build growth platforms for special needs groups and jointly advance a better future characterized by equality, inclusion, and shared benefits.

# Rural Revitalization

CIG has incorporated support for rural revitalization into the core of its corporate social responsibility agenda. Leveraging the Company's resources and platform advantages, we focus on fostering talent development and driving economic growth in rural areas, exploring practical and effective pathways for engagement that reflect our corporate strengths.

The Company strictly complies with the *Rural Revitalization Promotion Law of the People's Republic of China* and relevant regulations such as the *Implementation Measures for the Responsibility System for Rural Revitalization*. We actively respond to the strategic directives issued by the central government and municipal authorities regarding rural revitalization, fully implementing the requirements of the initiative "Pairing with Hundreds of Towns and Thousands of Villages to Promote Rural Revitalization." Our efforts contribute to boosting agricultural and rural economic growth, enhancing local governance capacity, and developing sustainable revitalization models. During the reporting period, CIG invested a total of RMB 59,600 in rural revitalization initiatives.

## CIG's Sustainable Practice of Supporting Rural Revitalization through Consumption Assistance

CIG integrates social responsibility into its corporate operations, systematically promoting consumption assistance in both daily management and key activities. The Company has established a sustainable procurement mechanism that explicitly prioritizes the purchase of supportive agricultural products from nationally designated key counties for rural revitalization, such as Qianjiang in Chongqing and Yanchuan in Shaanxi, for occasions including the Mid-Autumn Festival, Chinese New Year, anniversary celebrations, and employee care initiatives. Through practical measures—such as incorporating Qianjiang handmade soap into Mid-Autumn Festival gifts and selecting Yanchuan millet milk for anniversary celebration beverages—the Company not only enriches the forms of employee care but also fosters industrial development in assisted regions through market-oriented approaches. This creates a sustainable philanthropic loop of "corporate procurement – rural income growth – employee benefit."

# Appendix

## Table of Key Performance Indicators (KPIs) [11]

| Indicator | Unit | 2024 | 2025 |
|---|---|---|---|
| Economy | | | |
| Operating revenue | RMB 10,000 | 365,205.08 | 482,340.57 |
| Taxes paid | RMB 10,000 | 5,207.01 | 7,326.24 |
| Net profit attributable to shareholders of the parent company | RMB 10,000 | 16,668.12 | 26,348.52 |
| Governance | | | |
| Standard Deviation of the Ages of Directors, Supervisors, and Senior Management | Years | / | 9.32 |
| Average tenure of board members | Years | / | 6.19 |
| Proportion of independent directors | % | / | 50 |
| Proportion of executive directors | % | / | 50 |
| Proportion of female directors | % | / | 12.5 |
| Proportion of independent directors with a tenure exceeding six years | % | / | 25 |
| Proportion of independent directors with a tenure exceeding nine years | % | / | 25 |
| Proportion of independent directors serving on more than three listed companies | % | / | 0 |
| Proportion of independent directors serving on more than six listed companies | % | / | 0 |
| Number of supervisory board meetings held | Sessions | / | 4 |
| Number of board meetings held | Sessions | / | 15 |
| Average attendance rate of board members | % | / | 100 |
| Number of directors attending less than 75% of meetings | Persons | / | 0 |
| Number of Audit Committee meetings held | Sessions | / | 7 |
| Number of Compensation Committee meetings held | Sessions | / | 4 |
| Number of Nomination Committee meetings held | Sessions | / | 1 |
| Proportion of independent directors on the Audit Committee | % | / | 100.00 |
| Proportion of independent directors on the Compensation Committee | % | / | 66.67 |
| Proportion of independent directors on the Nomination Committee | % | / | 66.67 |
| Shareholding ratio of senior executives | % | / | 0.06 |
| Stock pledge ratio | % | / | 0 |
| Anti-commercial bribery and anti-corruption training | Sessions | / | 1 |

[11] Some indicators have been disclosed starting from the 2025 report.

| Indicator | Unit | 2024 | 2025 |
|---|---|---|---|
| Total number of directors participating in anti-commercial bribery and anti-corruption | Persons | 7 | 4 |
| Total number of management personnel participating in anti-commercial bribery and anti-corruption training (junior management, middle management, senior management) | Persons | 224 | 265 |
| Total number of other employees participating in anti-commercial bribery and anti-corruption training (general staff) | Persons | 1,084 | 948 |
| Percentage of directors covered by anti-commercial bribery and anti-corruption training | % | / | 100.00 |
| Percentage of management personnel covered by anti-commercial bribery and anti-corruption training (junior management, middle management, senior management) | % | / | 98.51 |
| Percentage of other employees covered by anti-commercial bribery and anti-corruption training (middle-level staff, general staff) | % | / | 99.16 |
| Number of publicly disclosed corruption-related litigation cases | Pcs | / | 0 |
| Total amount of fines imposed for violations of anti-corruption and anti-bribery laws | RMB 10,000 | / | 0 |
| Total number of corruption incidents under investigation | Pcs | / | 0 |
| Total number of confirmed corruption incidents | Pcs | / | 0 |
| Total number of corruption incidents resolved | Pcs | / | 0 |
| Number of partner contracts terminated or not renewed due to corruption or bribery-related violations | Pcs | / | 0 |
| Number of initiatives conducted on antitrust and fair competition | Sessions | / | 1 |
| Number of publicly disclosed unfair competition-related litigation cases | Pcs | / | 0 |
| Amount of administrative penalties imposed for unfair competition practices | RMB 10,000 | / | 0 |
| Total amount involved in unfair competition cases | RMB 10,000 | / | 0 |

| Indicator | Unit | 2024 | 2025 |
|---|---|---|---|
| **Environment** | | | |
| Total GHG emissions(Scope 1+ Scope 2,market-based) | Tons of $CO_2$ equivalent | 10,417.93 | 18,976.47 |
| Intensity of total GHG emissions(Scope 1+ Scope 2, location-based) | Tons of $CO_2$ equivalent/ RMB 10,000 revenue | 0.0285 | 0.0352 |
| GHG emissions (Scope 1) | Tons of $CO_2$ equivalent | 1,060.28 | 942.03 |
| GHG emissions (Scope 2, location-based) | Tons of $CO_2$ equivalent | 9,357.65 | 16,037.78 |
| GHG emissions (Scope 2, market-based) | Tons of $CO_2$ equivalent | / | 18,025.44 |
| GHG emissions (Scope 3) | Tons of $CO_2$ equivalent | / | 3,650,606.08 |
| Total waste generation | Tons | 93.83 | 334.87 |
| Total amount of hazardous waste | Tons | 5.32 | 10.90 |
| Hazardous waste intensity | Tons /RMB 10,000 revenue | 0.0015 | 0.0022 |
| Hazardous waste disposed of via landfill by recyclers | Tons | / | 0 |
| Hazardous waste incinerated by recyclers | Tons | / | 7.90 |
| Hazardous waste recycled by recyclers | Tons | / | 3.00 |
| Total amount of non-hazardous waste | Tons | 88.51 | 323.96 |
| Non-hazardous waste intensity | Tons /RMB 10,000 revenue | 0.0242 | 0.0019 |
| General solid waste disposed of via landfill by recyclers | Tons | / | 0 |

| Indicator | Unit | 2024 | 2025 |
|---|---|---|---|
| General solid waste incinerated by recyclers | Tons | / | 0 |
| General solid waste reused/recycled by recyclers | Tons | / | 323.96 |
| Total direct energy consumption | Tons of standard coal equivalent | 3.97 | 4.39 |
| Gasoline | Liter | / | 246 |
| Diesel | Liter | 3,168 | 3,329 |
| Total indirect energy consumption | Tons of standard coal equivalent | 2,143 | 3,634 |
| Purchased electricity | Kilowatt-hour | 17,438,776 | 29,569,285.29 |
| Total energy consumption | Tons of standard coal equivalent | 2,147 | 3,638 |
| Energy consumption intensity | Tons of standard coal equivalent/RMB 10,000 revenue | 0.0045 | 0.0075 |
| Total water intake | Tons | 21,598 | 73,723 |
| Total water intake intensity | Tons/RMB 10,000 revenue | 0.06 | 0.15 |
| Total wastewater discharge volume | Tons | 19,438 | 66,351 |
| Wastewater discharge intensity | Tons/RMB 10,000 revenue | 0.0532 | 0.0012 |
| Total Water Consumption | Tons | 2,160 | 7,372 |
| Total water consumption density | Tons / RMB 10,000 revenue | 0.006 | 0.015 |
| Total air emissions volume | 10,000 cubic meters | 56,314.80 | 547,186.32 |
| Air emission intensity | Cubic meters/RMB 10,000 revenue | 0.15 | 1.13 |
| Volatile organic compounds (VOCs) emissions | Tons | 0.48 | 0.92 |
| Total volume of recycled packaging materials used | Tons | / | 86.57 |

| Indicator | Unit | 2024 | 2025 |
|---|---|---|---|
| Packaging material intensity | Tons /RMB 10,000 revenues | / | 0.18 |
| Number of environmental incidents resulting in major administrative penalties by ecological/environmental authorities or criminal prosecution | Pcs | 0 | 0 |
| Total amount of penalties from environmental incidents resulting in major administrative sanctions or criminal liability | RMB 10,000 | 0 | 0 |
| Environmental protection training | Sessions | / | 6 |
| Total investment in environmental protection | RMB 10,000 | / | 54.61 |
| **Society** | | | |
| R&D investment | RMB 10,000 | 40,857.50 | 45,633.99 |
| Total R&D personnel | Persons | 630 | 758 |
| **Employee Responsibility** | | | |
| **Total number of employees** | Persons | 1,231 | 1,354 |
| By employment type | | | |
| Permanent employees | Persons | 1,214 | 1,340 |
| Non-permanent employees | Persons | 17 | 14 |
| By function | | | |
| Production personnel | Persons | 356 | 327 |
| Sales personnel | Persons | 82 | 93 |
| R&D and technical personnel | Persons | 630 | 758 |
| Financial personnel | Persons | 29 | 29 |
| Administrative personnel | Persons | 134 | 147 |

| Indicator | Unit | 2024 | 2025 |
|---|---|---|---|
| Other personnel | Persons | - | - |
| By region | | | |
| Chinese Mainland | Persons | 1,100 | 1,225 |
| Hong Kong, Macao, and Taiwan | Persons | 18 | 24 |
| Overseas | Persons | 113 | 105 |
| By gender | | | |
| Male | Persons | 804 | 946 |
| Female | Persons | 427 | 408 |
| By age | | | |
| 29 and under | Persons | 184 | 312 |
| 30-39 | Persons | 573 | 545 |
| 40-49 | Persons | 362 | 389 |
| 50-59 | Persons | 84 | 79 |
| 60 and above | Persons | 28 | 29 |
| By job level | | | |
| General employees | Persons | 961 | 1,026 |
| Junior management | Persons | 80 | 125 |
| Middle management | Persons | 124 | 126 |
| Senior management | Persons | 66 | 77 |

| Indicator | Unit | 2024 | 2025 |
|---|---|---|---|
| By ethnicity | | | |
| Number of Han Chinese employees | Persons | 1,063 | 1,187 |
| Number of ethnic minority employees | Persons | 30 | 32 |
| Other ethnicities | Persons | 7 | 6 |
| By educational background | | | |
| Employees with a doctoral degree | Persons | 11 | 8 |
| Employees with a master's degree | Persons | 124 | 134 |
| Employees with a bachelor's degree | Persons | 547 | 654 |
| Employees with a junior college degree | Persons | 187 | 247 |
| Employees below the technical secondary school | Persons | 362 | 311 |
| **Diversity** | | | |
| Number of female employees among general staff | Persons | 353 | 308 |
| Proportion of female employees among general staff | % | 36.73 | 30.05 |
| Number of female employees in junior management | Persons | 38 | 62 |
| Proportion of female employees in junior management | % | 47.50 | 50.00 |
| Number of female employees in middle management | Persons | 22 | 23 |
| Proportion of female employees in middle management | % | 17.74 | 18.25 |
| Number of female employees in senior management | Persons | 14 | 15 |
| Proportion of female employees in senior management | % | 21.21 | 19.48 |

| Indicator | Unit | 2024 | 2025 |
|---|---|---|---|
| Pay Ratio | | | |
| Average remuneration per employee | RMB 10,000 | / | 1.98 |
| Revenue generated per employee | RMB 10,000 | / | 356.23 |
| Female-to-male pay ratio in senior management | % | / | 73.68 |
| Female-to-male pay ratio in management | % | / | 75.93 |
| Female-to-male pay ratio among general staff | % | / | 86.81 |
| Compensation level | | | |
| Ratio of female employees' standard starting salary to local minimum wage | % | / | 619 |
| Ratio of male employees' standard starting salary to local minimum wage | % | / | 771 |
| New hires | | | |
| Total number of new hires | Persons | 133 | 404 |
| New hires by gender | | | |
| Male | Persons | 86 | 291 |
| Female | Persons | 47 | 113 |
| New hires by age | | | |
| 29 and under | Persons | 50 | 205 |
| 30-39 | Persons | 53 | 142 |
| 40-49 | Persons | 21 | 46 |
| 50-59 | Persons | 5 | 8 |
| 60 and above | Persons | 4 | 3 |

| Indicator | Unit | 2024 | 2025 |
|---|---|---|---|
| New hires by region | | | |
| Chinese Mainland | Persons | 98 | 377 |
| Hong Kong, Macao, Taiwan | Persons | 18 | 7 |
| Other countries/regions | Persons | 17 | 20 |
| Employee Turnover Statistics | | | |
| Total employee turnover | Persons | 126 | 251 |
| Overall turnover rate | % | 9.29 | 15.64 |
| Number of voluntary resignations | Persons | 112 | 99 |
| Voluntary resignation rate | % | 8.34 | 6.75 |
| Breakdown of attrition by age | | | |
| 29 and under | Persons | 37 | 49 |
| 30-39 | Persons | 45 | 116 |
| 40-49 | Persons | 20 | 62 |
| 50-59 | Persons | 19 | 18 |
| 60 and above | Persons | 5 | 6 |
| Turnover rate by age | | | |
| 29 and under | % | 16.74 | 13.57 |
| 30-39 | % | 7.28 | 17.55 |
| 40-49 | % | 5.24 | 13.75 |
| 50-59 | % | 18.45 | 18.56 |
| 60 and above | % | 15.15 | 17.14 |

| Indicator | Unit | 2024 | 2025 |
|---|---|---|---|
| Breakdown of attrition by gender | | | |
| Number of male employees leaving | Persons | 72 | 135 |
| Number of female employees leaving | Persons | 54 | 116 |
| Turnover rate by gender | | | |
| Male | % | 8.22 | 12.49 |
| Female | % | 11.23 | 21.95 |
| Breakdown of attrition by gender | | | |
| Chinese Mainland | Persons | 91 | 214 |
| Hong Kong, Macao, Taiwan | Persons | - | 4 |
| Other countries/regions | Persons | 35 | 33 |
| Turnover rate by region | | | |
| Chinese Mainland | % | 7.64 | 14.87 |
| Hong Kong, Macao, Taiwan | % | - | 14.29 |
| Other countries/regions | % | 23.65 | 23.91 |
| Health and Safety | | | |
| Number of work-related injury accidents | Pcs | 5 | 6 |
| Number of fatal work-related injuries | Persons | 0 | 0 |
| Fatal injury rate | % | 0 | 0 |
| Contribution to employees' work injury insurance | RMB 10,000 | 38.48 | 53.93 |
| Coverage rate of work injury insurance | % | 100.00 | 100.00 |
| Contribution to employees' safety production liability insurance | RMB 10,000 | 38.48 | 53.93 |
| Coverage rate of safety production liability insurance | % | 100.00 | 100.00 |

| Indicator | Unit | 2024 | 2025 |
|---|---|---|---|
| Total working hours | Hours | 2,208,800.00 | 2,430,400.00 |
| Workdays lost due to work injuries | Days | 375 | 144 |
| Work injury frequency rate -employees | Sessions / million hours | 2.26 | 2.47 |
| Work injury frequency rate -contractors | Sessions / million hours | 0 | 0 |
| Occupational disease incidence rate | Persons / million hours | 0 | 0 |
| Training and Development | | | |
| Total number of training participants | Person-times | 5,146 | 8,344 |
| Total number of training sessions | Sessions | 168 | 142 |
| Average training and development investment per person | RMB10,000/ person | 0.02 | 0.02 |
| Percentage of employees trained | % | 98.55 | 99.51 |
| Trained employees by gender | | | |
| Male | % | / | 99.41 |
| Female | % | / | 99.73 |
| Percentage of employees trained by job level | | | |
| General staff | % | 98.74 | 100.00 |
| Junior management | % | 100.00 | 99.69 |
| Middle management | % | 100.00 | 97.48 |
| Senior management | % | 88.89 | 100.00 |
| Average training hours per employee | Hours | 11.20 | 12.68 |
| Average training hours by age | | | |
| Male | Hours | / | 12.92 |

| Indicator | Unit | 2024 | 2025 |
|---|---|---|---|
| Female | Hours | / | 12.34 |
| Average training hours per person by job level | | | |
| General staff | Hours | 12.78 | 11.81 |
| Junior management | Hours | 3.22 | 14.47 |
| Middle management | Hours | 8.40 | 20.18 |
| Senior management | Hours | 4.80 | 10.73 |
| **Percentage of employees receiving regular performance appraisals** | % | 100.00 | 100.00 |
| Code of Conduct and Anti-Corruption | | | |
| Percentage of employees covered by code of conduct policy | % | 100.00 | 100.00 |
| Percentage of employees who signed code of conduct | % | 100.00 | 100.00 |
| Percentage of employees trained in the code of conduct | % | 98.55 | 99.02 |
| Percentage of anti-corruption training coverage | | | |
| General staff | % | 98.74 | 99.16 |
| Junior management | % | 100.00 | 97.48 |
| Middle management | % | 100.00 | 99.05 |
| Senior management | % | 88.89 | 100.00 |
| Support for Employees in Need | | | |
| Number of employees supported in need | Persons | 2 | 1 |
| Employee Engagement Trend | | | |
| Employee satisfaction rate | % | 75.6 | 95.57 |

| Indicator | Unit | 2024 | 2025 |
|---|---|---|---|
| **Supplier Metrics** | | | |
| Total number of suppliers | Companies | 521 | 549 |
| Domestic suppliers | Companies | 405 | 524 |
| Overseas suppliers | Companie | 116 | 25 |
| Percentage of suppliers signing code of conduct | % | 100 | 100 |
| Percentage of suppliers with environment & labor clauses | % | 100 | 100 |
| Suppliers with significant negative social impact (actual/potential) | Companies | 0 | 0 |
| Suppliers with significant negative environmental impact (actual/potential) | Companies | 0 | 0 |
| Suppliers certified to ISO 14001 | Companies | / | 0 |
| New suppliers undergoing on-site audit | Companies | / | 2 |
| Percentage of new suppliers screened by environmental criteria | % | / | 100 |
| Percentage of new suppliers screened by social criteria | % | / | 100 |
| Suppliers signing anti-bribery commitment | Companies | / | 549 |
| Percentage of suppliers signing anti-bribery commitment | % | / | 100 |
| Number of high-risk suppliers | Companies | / | 0 |
| Suppliers at risk of freedom of association & collective bargaining violations | Companies | / | 0 |
| Suppliers with significant risk of child labor incidents | Companies | / | 0 |
| Suppliers with substantial risk of forced or compulsory labor incidents | Companies | / | 0 |

| Indicator | Unit | 2024 | 2025 |
|---|---|---|---|
| Suppliers with actual/potential significant negative social impacts | Companies | / | 0 |
| Raw material procurement | Weight/ volume | / | 0 |
| Total material usage | Weight/ volume | / | 0 |
| Recycled material usage | Weight/ volume | / | 0 |
| **Product Quality Indicators** | | | |
| Percentage of products recalled for safety & health reasons | % | 0 | 0 |
| Amount involved in major safety & quality liability incidents | RMB 10,000 | 0 | 0 |
| Amount involved in major safety & quality liability incidents | RMB 10,000 | 0 | 0 |
| Number of product recall incidents | Pcs | 0 | 0 |
| Quantity of products recalled | Pcs | 0 | 0 |
| **Customer Service Indicators** | | | |
| Customer satisfaction rate | Point | 89.88 | 88.44 |
| Percentage of customers covered by satisfaction surveys | % | / | 72.8 |
| Customer data breach incidents | Incidents | 0 | 0 |
| Number of customer complaints | Incidents | 0 | 18 |
| Complaints per million revenues | Incidents | / | 18 |
| Number of complaints resolved | Incidents | / | 18 |
| Complaint response rate | % | / | 100 |
| Complaint resolution rate | % | / | 100 |

| Indicator | Unit | 2024 | 2025 |
|---|---|---|---|
| **Intellectual Property Indicators** | | | |
| Number of valid patents held | Pcs | 344 | 417 |
| Domestic patents | Pcs | / | 355 |
| Overseas patents | Pcs | / | 62 |
| Patents applied for during the year | Pcs | 23 | 27 (including 3 from overseas) |
| New invention patent applications | Pcs | 14 | 20 |
| New utility model patent applications | Pcs | / | 4 |
| New design patent applications | Pcs | / | 0 |
| Patents granted during the year | Pcs | 14 | 12 |
| New invention patents granted | Pcs | 4 | 5 |
| New invention patents granted | Pcs | / | 5 |
| New design patents granted | Pcs | / | 2 |
| Number of copyrights held | Pcs | 31 | 31 |
| New copyrights registered during the year | Pcs | 1 | 0 |
| Number of trademarks held | Pcs | 30 | 35 |
| **Philanthropy Indicators** | | | |
| Rural Revitalization | | | |
| Total rural revitalization Investment | RMB 10,000 | / | 5.96 |
| Number of beneficiaries of rural revitalization initiatives | Persons | / | 286 |
| Social Contribution | | | |
| Total philanthropic investment | RMB 10,000 | 1.7 | 3.57 |

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

| Issue Disclosed | Report Section (For any related issues that are not disclosed, provide a full explanation in accordance with the requirements set out in Article 7 of the Guide) |
|---|---|
| Climate change response | Climate Change Response |
| Pollutant emissions | Environmental Management |
| Waste disposal | Environmental Management |
| Ecosystem and biodiversity protection | Biodiversity |
| Environmental compliance management | Environmental Management |
| Energy use | Energy Management |
| Water resource management | Water Resource Management |
| Circular economy | Circular Economy |
| Rural revitalization | Rural Revitalization |
| Social contributions | Public Welfare and Philanthropy |
| Innovation-driven development | R&D Innovation |

| Issue Disclosed | Report Section (For any related issues that are not disclosed, provide a full explanation in accordance with the requirements set out in Article 7 of the Guide) |
|---|---|
| Science and technology ethics | Science and Technology Ethics |
| Supply chain security | Sustainable Supply Chain |
| Equal treatment of SMEs | Sustainable Supply Chain |
| Product and service safety and quality | Product Quality |
| Data Security and Customer Privacy Protection | Data Security and Customer Privacy Protection |
| Employees | Employee Development<br>Employment and Employee Well-being<br>Occupational Health and Safety |
| Due diligence | Compliant Operation |
| Communication with stakeholders | Communication with Stakeholders |
| Anti-commercial bribery & anti-corruption | Compliant Operation |
| Anti-unfair competition | Compliant Operation |

# Index to the HKEX Environmental, Social and Governance Reporting Guide

| Environment, Social and Governance (ESG) Areas, General Disclosures and Key Performance Indicators (KPIs) | | | Report Section |
|---|---|---|---|
| Part B: Mandatory Disclosure Requirements | | | |
| Governance Structure | | The statement from the Board containing the following elements<br>■ Disclosure of the Board's oversight of ESG issues<br>■ 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<br>■ How the Board reviews progress made against ESG-related goals and targets, and explanation of how they relate to the issuer's businesses. | ESG Management System |
| Reporting Principles | | Description of, or explanation on the application of the following Reporting Principles in the preparation of the ESG report: Materiality, Quantitative and Consistency. | About This Report |
| Reporting Boundary | | Narrative explaining the reporting boundary of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. | About This Report |
| Part C: "Comply or Explain" Provisions | | | |
| A.Environment | | | |
| Aspect A1: Emissions | General Disclosure | Information on:<br>(a) the policies; and<br>(b) compliance with relevant laws<br>and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. | Environmental Management |

| Environment, Social and Governance (ESG) Areas, General Disclosures and Key Performance Indicators (KPIs) | | | Report Section |
|---|---|---|---|
| Aspect A1: Emissions | A1.1<br>KPI A1.1 | The types of emissions and respective emissions data. | Environmental Management |
| | A1.3<br>KPI A1.3 | Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). | Environmental Management |
| | A1.4<br>KPI A1.4 | Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). | Environmental Management |
| | A1.5<br>KPI A1.5 | Description of emission target(s) set and steps taken to achieve them. | Environmental Management |
| | A1.6<br>KPI A1.6 | Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them. | Environmental Management |
| Aspect A2: Use of Resources | General Disclosure | Policies on the efficient use of resources, including energy, water and other raw materials. | Energy Management<br>Water Resource Management<br>Circular Economy |
| | A2.1<br>KPI A2.1 | 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). | Energy Management |
| | A2.2<br>KPI A2.2 | Water consumption in total and intensity (e.g. per unit of production volume, per facility) | Water Resource Management |
| | A2.3<br>KPI A2.3 | Description of energy use efficiency target(s) set and steps taken to achieve them | Energy Management |

| Environment, Social and Governance (ESG) Areas, General Disclosures and Key Performance Indicators (KPIs) | | | Report Section |
|---|---|---|---|
| Aspect A2: Use of Resources | A2.4 KPI A2.4 | 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. | Water Resource Management |
| | A2.5 KPI A2.5 | Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. | Circular Economy |
| Aspect A3: The Environment and Natural Resources | General Disclosure | Policies on minimising the issuer's significant impacts on the environment and natural resources. | Environmental Management |
| | A3.1 KPI A3.1 | Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. | Environmental Management |
| B. Social | | | |
| Aspect B1: Employment | General Disclosure | Information on:<br>(a) the policies; and<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. | Employment and Employee Well-being |
| | B1.1 KPI B1.1 | Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region. | Table of Key Performance Indicators (KPIs) |
| | B1.2 KPI B1.2 | Employee turnover rate by gender, age group and geographical region. | Table of Key Performance Indicators (KPIs) |
| Aspect B2: Health and Safety | General Disclosure | Information on:<br>(a) the policies; and<br>compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. | Occupational Health and Safety |
| | B2.1 KPI B2.1 | Number and rate of work-related fatalities occurred in each of the past three years including the reporting year. | Occupational Health and Safety |
| Aspect B2: Health and Safety | B2.2 KPI B2.2 | Lost days due to work injury. | Table of Key Performance Indicators (KPIs) |
| | B2.3 KPI B2.3 | Description of occupational health and safety measures adopted, and how they are implemented and monitored. | Occupational Health and Safety |
| Aspect B3: Development and Training | General Disclosure | Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. | Employee Development |
| | B3.1 KPI B3.1 | The percentage of employees trained by gender and employee category (e.g. senior management, middle management). | Table of Key Performance Indicators (KPIs) |
| | B3.2 KPI B3.2 | The average training hours completed per employee by gender and employee category. | Table of Key Performance Indicators (KPIs) |
| Aspect B4: Labur Standards | General Disclosure | Information on:<br>(a) the policies; and<br>(b)compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor. | Employee Development |
| | B4.1 KPI B4.1 | Description of measures to review employment practices to avoid child and forced labor. | Employee Development |
| | B4.2 KPI B4.2 | Description of steps taken to eliminate such practices when discovered. | Employee Development |
| Aspect B5: Supply Chain Management | General Disclosure | Policies on managing environmental and social risks of the supply chain. | Sustainable Supply Chain |
| | B5.1 KPI B5.1 | Number of suppliers by geographical region. | Sustainable Supply Chain |
| | B5.2 KPI B5.2 | Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored. | Sustainable Supply Chain |

| Environment, Social and Governance (ESG) Areas, General Disclosures and Key Performance Indicators (KPIs) | | | Report Section |
|---|---|---|---|
| Aspect B5: Supply Chain Management | B5.3<br>KPI B5.3 | Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored. | Sustainable Supply Chain |
| | B5.4<br>KPI B5.4 | Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored. | Sustainable Supply Chain |
| Aspect B6: Product Responsibility | General Disclosure | Information on:<br>(a) the policies; and<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products<br>and services provided and methods of redress. | Product Quality |
| | B6.1<br>KPI B6.1 | Percentage of total products sold or shipped subject to recalls for safety and health reasons. | Product Quality |
| | B6.2<br>KPI B6.2 | Number of products and service related complaints received and how they are dealt with. | Customer Service |
| | B6.3<br>KPI B6.3 | Description of practices relating to observing and protecting intellectual property rights. | R&D Innovation |
| | B6.4<br>KPI B6.4 | Description of quality assurance process and recall procedures. | Product Quality |
| | B6.5<br>KPI B6.5 | Description of consumer data protection and privacy policies, and how they are implemented and monitored. | Data Security and Customer Privacy Protection |
| Aspect B7: Anticorruption | General Disclosure | Information on:<br>(a) the policies; and<br>compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. | Compliant Operations |
| | B7.1<br>KPI B7.1 | 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. | Compliant Operations |
| Aspect B7: Anticorruption | B7.2<br>KPI B7.2 | Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored. | Compliant Operations |
| | B7.3<br>KPI B7.3 | Description of anti-corruption training provided to directors and staff. | Compliant Operations |
| Aspect B8: Community Investment | General Disclosure | 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 and Philanthropy |
| | B8.1<br>KPI B8.1 | Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport). | Public Welfare and Philanthropy |
| | B8.2<br>KPI B8.2 | Resources contributed (e.g. money or time) to the focus area. | Public Welfare and Philanthropy |
| **Part D: Climate-Related Disclosures** | | | Climate change response |

# GRI Content Index

| GRI STANDARD | DISCLOSURE | LOCATION |
|---|---|---|
| GRI 2: General Disclosures 2021 | | |
| The Organization and Its Reporting Practices | | |
| 2-1 | Organizational details | About This Report |
| 2-2 | Entities included in the organization's sustainability reporting | About This Report |
| 2-3 | Reporting period, frequency and contact point | About This Report |
| 2-4 | Restatements of information | 2025 ESG Highlights |
| 2-5 | External assurance | Assurance Statement |
| Activities and Workers | | |
| 2-6 | Activities, value chain and other business relationships | Sustainable Supply Chain |
| 2-7 | Employees | Human Capital Development |
| 2-8 | Workers who are not employees | Employment and Employee Well-being |
| Governance | | |
| 2-9 | Governance structure and composition | Corporate Governance |
| 2-10 | Nomination and selection of the highest governance body | Corporate Governance |
| 2-11 | Chair of the highest governance body | Corporate Governance |
| 2-12 | Role of the highest governance body in overseeing the management of impacts | Corporate Governance |
| 2-13 | Delegation of responsibility for managing impacts | Corporate Governance |
| 2-14 | Role of the highest governance body in sustainability reporting | Corporate Governance |
| 2-15 | Conflicts of interest | Communication with Stakeholders |
| 2-16 | Communication of critical concerns | Double Materiality Assessment |
| 2-17 | Collective knowledge of the highest governance body | ESG Management System |
| 2-18 | Evaluation of the performance of the highest governance body | 2025 ESG Highlights |
| 2-19 | Remuneration policies | Employment and Employee Well-being |
| 2-20 | Process to determine remuneration | Employment and Employee Well-being |
| 2-21 | Annual total compensation ratio | Table of Key Performance Indicators (KPIs) |
| Strategy, Policies and Practices | | |
| 2-22 | Statement on sustainable development strategy | ESG Management System |
| 2-23 | Policy commitments | ESG Management System |
| 2-24 | Embedding policy commitments | Corporate Governance<br>Compliant Operations |
| 2-25 | Processes to remediate negative impacts | Communication with Stakeholders |
| 2-26 | Mechanisms for seeking advice and raising concerns | Compliant Operations |
| 2-27 | Compliance with laws and regulations | Corporate Governance<br>Environmental Management |
| 2-28 | Membership associations | R&D Innovation |
| Stakeholder Engagement | | |
| 2-29 | Approach to stakeholder engagement | Communication with Stakeholders |

| GRI STANDARD | DISCLOSURE | LOCATION |
|---|---|---|
| 2-30 | Collective bargaining agreements | Employment and Employee Well-being |
| GRI 3: Material Topics 2021 | | |
| 3-1 | Process to determine material topics | Double Materiality Assessment |
| 3-2 | List of material topics | Double Materiality Assessment |
| 3-3 | Management of material topics | Double Materiality Assessment |
| Topic-specific Standards | | |
| GRI 201: Economic Performance 2016 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 201-1 | Direct economic value generated and distributed | Table of Key Performance Indicators (KPIs) |
| 201-2 | Financial implications and other risks and opportunities due to climate change | Climate change response |
| 201-3 | Defined benefit plan obligations and other retirement plans | Compensation Management |
| 201-4 | Financial assistance received from government | See the annual report |
| GRI 203: Indirect Economic Impacts 2016 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 203-1 | Infrastructure investments and services supported | ESG Management System |
| 203-2 | Significant indirect economic impacts | ESG Management System |
| GRI 204: Procurement Practices 2016 | | |
| 204-1 | Proportion of spending on local suppliers | Sustainable Supply Chain |
| GRI 205: Anti-corruption 2016 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 205-1 | Operations assessed for risks related to corruption | Compliant Operations |
| 205-2 | Communication and training about anti-corruption policies and procedures | Compliant Operations |
| 205-3 | Confirmed incidents of corruption and actions taken | Compliant Operations |
| GRI 206: Anti-competitive Behavior 2016 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 206-1 | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | Compliant Operations |
| GRI 207: Tax 2019 | | |
| 207-1 | Approach to tax | Risk Management |
| 207-2 | Tax governance, control, and risk management | Risk Management |
| 207-3 | Stakeholder engagement and management of concerns related to tax | Risk Management |
| 207-4 | Country-by-country reporting | See the annual report |
| GRI 301: Materials 2016 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 301-1 | Materials used by weight or volume | Circular Economy |
| 301-2 | Recycled input materials used | Circular Economy |
| 301-3 | Reclaimed products and their packaging materials | Circular Economy |
| GRI 302: Energy 2016 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 302-1 | Energy consumption within the organization | Energy Management |
| 302-2 | Energy consumption outside of the organization | Energy Management |
| 302-3 | Energy intensity | Energy Management |
| 302-4 | Reduction of energy consumption | Energy Management |

| GRI STANDARD | DISCLOSURE | LOCATION |
|---|---|---|
| 302-5 | Reductions in energy requirements of products and services | R&D Innovation |
| GRI 303: Water and Effluents 2018 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 303-1 | Interactions with water as a shared resource | Water Resource Management |
| 303-2 | Management of water discharge-related impacts | Water Resource Management |
| 303-3 | Water withdrawal | Table of Key Performance Indicators (KPIs) |
| 303-4 | Water discharge | Table of Key Performance Indicators (KPIs) |
| 303-5 | Water consumption | Table of Key Performance Indicators (KPIs) |
| GRI 304: Biodiversity 2016 | | |
| 304-2 | Significant impacts of activities, products and services on biodiversity | Biodiversity |
| 304-3 | Habitats protected or restored | Biodiversity |
| GRI 101: Biodiversity 2024 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 101-1 | Policies to halt and reverse biodiversity loss | Biodiversity |
| 101-2 | Management of biodiversity impacts | Biodiversity |
| 101-4 | Identification of biodiversity impacts | Biodiversity |
| 101-5 | Locations with biodiversity impacts | The Company is not involved in locations with biodiversity impacts |
| 101-8 | Ecosystem services | Biodiversity |
| GRI 305: Emissions 2016 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 305-1 | Direct (Scope 1) GHG emissions | Climate change response |
| 305-2 | Energy indirect (Scope 2) GHG emissions | Climate change response |
| 305-3 | Other indirect (Scope 3) GHG emissions | Climate change response |
| 305-4 | GHG emissions intensity | Climate change response |
| 305-5 | Reduction of GHG emissions | Climate change response |
| 305-7 | Nitrogen oxides ($NO_x$), sulfur oxides ($SO_x$), and other significant air emissions | Table of Key Performance Indicators (KPIs) |
| GRI 306: Waste 2020 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 306-1 | Waste generation and significant waste-related impacts | Climate change response |
| 306-2 | Management of significant waste-related impacts | Table of Key Performance Indicators (KPIs) |
| 306-3 | Waste generated | Table of Key Performance Indicators (KPIs) |
| 306-4 | Waste diverted from disposal | Table of Key Performance Indicators (KPIs) |
| 306-5 | Waste directed to disposal | Table of Key Performance Indicators (KPIs) |
| GRI 308: Supplier Environmental Assessment 2016 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 308-1 | New suppliers that were screened using environmental criteria | Sustainable Supply Chain |
| 308-2 | Negative environmental impacts in the supply chain and actions taken | Sustainable Supply Chain |
| GRI 401: Employment 2016 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 401-1 | New employee hires and employee turnover | Employment and Employee Well-being |
| 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | Employment and Employee Well-being |

| GRI STANDARD | DISCLOSURE | LOCATION |
|---|---|---|
| 401-3 | Parental leave | Employment and Employee Well-being |
| GRI 403: Occupational Health and Safety 2018 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 403-1 | Occupational health and safety management system | Occupational Health and Safety |
| 403-2 | Hazard identification, risk assessment, and incident investigation | Occupational Health and Safety |
| 403-3 | Occupational health services | Occupational Health and Safety |
| 403-4 | Worker participation, consultation, and communication on occupational health and safety | Occupational Health and Safety |
| 403-5 | Worker training on occupational health and safety | Occupational Health and Safety |
| 403-6 | Promotion of worker health | Occupational Health and Safety |
| 403-7 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Occupational Health and Safety |
| 403-8 | Workers covered by an occupational health and safety management system | Occupational Health and Safety |
| 403-9 | Work-related injuries | Occupational Health and Safety<br>Table of Key Performance Indicators (KPIs) |
| 403-10 | Work-related ill health | Occupational Health and Safety |
| GRI 404: Training and Education 2016 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 404-1 | Average hours of training per year per employee | Table of Key Performance Indicators (KPIs) |
| 404-2 | Programs for upgrading employee skills and transition assistance programs | Employee Development |
| 404-3 | Percentage of employees receiving regular performance and career development reviews | Table of Key Performance Indicators (KPIs) |
| GRI 405: Diversity and Equal Opportunity 2016 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 405-1 | 405-1 Diversity of governance bodies and employees | Corporate Governance<br>Employment and Employee Well-being |
| 405-2 | 405-2 Ratio of basic salary and remuneration of women to men | Table of Key Performance Indicators (KPIs) |
| GRI 406: Non-discrimination 2016 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 406-1 | Incidents of discrimination and corrective actions taken | Employment and Employee Well-being |
| GRI 407: Freedom of Association and Collective Bargaining 2016 | | |
| 407-1 | Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | Table of Key Performance Indicators (KPIs) |
| GRI 408: Child Labor 2016 | | |
| 408-1 | Operations and suppliers at significant risk for incidents of child labor | Table of Key Performance Indicators (KPIs) |
| GRI 409: Forced or Compulsory Labor 2016 | | |
| 409-1 | Operations and suppliers at significant risk for incidents of forced or compulsory labor | Table of Key Performance Indicators (KPIs) |
| GRI 413: Local Communities 2016 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 413-1 | Operations with local community engagement, impact assessments, and development programs | Public Welfare and Philanthropy |
| 413-2 | Operations with significant actual and potential negative impacts on local communities | Biodiversity |
| GRI 414: Supplier Social Assessment 2016 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 414-1 | New suppliers that were screened using social criteria | Sustainable supply chain |

| GRI STANDARD | DISCLOSURE | LOCATION |
|---|---|---|
| GRI 416: Customer Health and Safety 2016 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 416-1 | Assessment of the health and safety impacts of product and service categories | Table of Key Performance Indicators (KPIs) |
| 416-2 | Incidents of non-compliance concerning the health and safety impacts of products and services | Table of Key Performance Indicators (KPIs) |
| GRI 417: Marketing and Labeling 2016 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 417-1 | Requirements for product and service information and labeling | Customer Service |
| 417-2 | Incidents of non-compliance concerning product and service information and labeling | Customer Service |
| 417-3 | Incidents of non-compliance concerning marketing communications | Customer Service |
| GRI 418: Customer Privacy 2016 | | |
| 3-3 | Management of material topics | Double Materiality Assessment |
| 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | Data Security and Customer Privacy Protection |

# Assurance Statement

ATTESTATION ◆ ATTESTATO ◆ ATTESTACIÓN ◆ BESCHEINIGUNG ◆ ATTESTATION

## Independent Verification Statement

Verification Statement: EIV2 088620 0058 Rev. 00

**To the management and stakeholders of CIG Shanghai Co., Ltd.,**

TÜV SÜD Certification and Testing (China) Co., Ltd. (hereinafter referred to as "TÜV SÜD") has been engaged by CIG Shanghai Co., Ltd. (hereinafter referred to as "CIG" or "the Company") to perform an independent third-party verification on its *2025 Environmental, Social and Governance (ESG) Report* (hereinafter referred to as "the Report"). During this verification, TÜV SÜD's verification team strictly abided by the contract signed with CIG and provided verification regarding the Report in accordance with the provisions agreed by both parties and within the authorized scope stipulated in the contract.

This Independent Verification Statement is based on all the data and information collected by CIG and provided to TÜV SÜD. The scope of verification is limited to the given data and information. CIG shall be held accountable for the authenticity and completeness of the provided data and information (contains assumptions, projections, and/or historical facts).

### Scope of Verification

Time frame of this verification:

- The Report contains the data disclosed by CIG during the reporting period from 01/01/2025 to 31/12/2025 including environmental, social and governance data and information, methods for management of material issues, actions/measures and the Company's sustainability performance during the reporting period.

Physical boundary of this verification:

- The on-site verification sampling took place at below listed location:
  5th Floor, Building 8, 2388 Chenhang Road, Minhang District, Shanghai, China.

Scope of data and information for the verification:

- The scope of verification is limited to the data and information of CIG and all companies under its operational control covered by the Report.

The following data and information are beyond the scope of this verification:

- Any relevant data and information beyond the reporting period;
- The data and information of CIG's suppliers, partners and other third parties; and
- The financial data and information disclosed in the Report that have been audited by an independent third party are not verified again herein.

### Limitations

- The verification process is conducted in the above scope. Sampling and verification are adopted for the data and information in the Report by TÜV SÜD, and only the stakeholders within the Company are interviewed; and
- The Company's standpoint, opinions, forward-looking statements and predictive information as well as the historical data and information before 01/01/2025 are beyond the scope of this verification.
- The verification conclusions are based on the analysis of the data and information collected by TÜV SÜD and may not identify all problems and conditions, nor constitute any guarantee of the credibility or status of the subject of verification.

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TÜV SÜD Certification and Testing (China) Co., Ltd.
Floor 1-4, Building B, No.37, Tuanjie Road(Middle), Xishan Economic and Technological Development Zone, Wuxi, Jiangsu, P.R. China

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Independent Verification Statement

Verification Statement: EIV2 088620 0058 Rev. 00

### Verification Methodology

This verification process was conducted by TÜV SÜD's expert team with extensive experience in environmental, social and governance and other relevant areas and drew the conclusions thereof. The verification conforms to the following requirements:

- *AA1000 Assurance Standard v3, Type1, Moderate Assurance*
- *Sustainability Report Verification Operation Rule (CCB_EIV_GR_002E Rev04)*

In order to perform adequate verification in accordance with the contract and relevant assurance standards, and provide reliable verification for the conclusions, the verification team conducted the following activities:

- Preliminary investigation of the relevant information before on-site verification;
- Confirmation of the presence of the topics with high level of materiality and performance in the Report;
- On-site verification review of all supporting documents, data and other information provided by CIG; tracing and verification of key performance information;
- Special interview with the representative of CIG's management; and held interviews with the employees related to collection, compilation and reporting of the disclosed information; and
- Other procedures deemed necessary by the verification team.

### Verification Conclusions

According to the verification, we believe that the data and information presented in CIG's report are objective, factual and reliable, without systematic problems.

The verification team has drawn the following conclusions on this Report :

| | |
|---|---|
| **Inclusivity** | CIG has identified the internal and external stakeholders, such as government and regulators, shareholders and investors, customers, employees, suppliers and partners, communities and industries, media, etc., and established a stakeholder communication mechanism to collect the demands of stakeholders on a regular basis. |
| **Materiality** | CIG has established the identification and prioritization process of material topics determination, identified and assessed the priority of the sustainability topics which are highly related to the industry, and disclosed the governance structure, management approach as well as sustainability performance in corporate operation, therefore the Report's adherence to materiality principle is guaranteed. |
| **Responsiveness** | CIG has disclosed the management approach and performance of high material topics that stakeholders concern, such as innovation and technology leadership, intellectual property protection, supply chain security, etc., and has established a communication mechanism, to fully respond to the demands and expectations of stakeholders. |
| **Impact** | CIG, through its strategy and ESG committee to monitor and guide the Company's efforts in the areas of environmental, social and governance. The Company has implemented a process of high material topics impact assessment, based on a comprehensive and balanced understanding, measuring the impact on stakeholders and the organization itself, and disclosing the relevant impact. |

### Recommendations on Continuous Improvement

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- It is recommended that the Company continues to measure and disclose their impact in a comprehensive and balanced way on sustainability topics relevant to them in the future.

### Statement on Independence and Verification Capability

TÜV SÜD is a trusted partner of choice for safety, security and sustainability solutions. It specializes in testing, certification, auditing and advisory services. Since 1866, the company has remained committed to its purpose of enabling progress by protecting people, the environment and assets from technology-related risks. Today, TÜV SÜD is present in over 1,000 locations worldwide with its headquarters in Munich, Germany. Through expert teams represented by more than 28,000 employees, it adds value to customers and partners by enabling market access and managing risks. By anticipating technological developments and facilitating change, TÜV SÜD inspires trust in a physical and digital world to create a safer and more sustainable future.

TÜV SÜD Certification and Testing (China) Co., Ltd is one of TÜV SÜD's global branches and has an expert team whose members have professional background and rich industrial experiences.

TÜV SÜD and CIG are two entities independent of each other and both TÜV SÜD and CIG and their branches or stakeholders have no conflict of interest. No member of the verification team has business relationship with the Company. The verification is completely neutral. All the data and information in the Report are provided by CIG. TÜV SÜD has not been involved in preparation and drafting of the Report, except for the verification itself and issuance of this Independent Verification Statement.

**Signature:**

**On Behalf of TÜV SÜD Certification and Testing (China) Co., Ltd.**

AA1000 Licensed Report 000-437/V3-EQPQK

Wenjun Zhu
TÜV SÜD Certification and Testing (China) Co., Ltd. Technical Certifier
Shanghai, China, 23/03/2026

Note: In case of any inconsistency or discrepancy, the simplified Chinese version "Independent Verification Statement" of this verification statement shall prevail, while the traditional Chinese and English translation are used for reference only.

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