

# **2025 Environmental, Social and Governance (ESG) Report**



**Hongan Group Co.,Ltd**



## Table of Contents

|  |    |
|--|----|
| About This Report .....                                    | 2  |
| 1. About Us .....  | 4  |
| 1.1 Company Profile .....                                  | 4  |
| 1.2 Corporate Culture .....                                | 8  |
| 1.3 Major Corporate Honors in 2025 .....                   | 10 |
| 2. ESG Management .....                                    | 11 |
| 2.1 Responsibility Management .....                        | 11 |
| 2.2 Stakeholder Communication .....                        | 11 |
| 2.3 Materiality Assessment .....                           | 12 |
| 3. Technological Innovation .....                          | 13 |
| 3.1 Fiber-leading Innovative Products Worldwide .....      | 14 |
| 3.2 Deepening Smart Manufacturing .....                    | 16 |
| 3.3 Promoting Industrial Development .....                 | 17 |
| 4. Green and Low-Carbon Development .....                  | 18 |
| 4.1 Addressing Climate Change .....                        | 18 |
| 4.2 Resource and Energy Conservation .....                 | 20 |
| 4.3 Pollution Reduction and Emission Control .....         | 21 |
| 5. Social Harmony .....                                    | 25 |
| 5.1 Health and Safety Assurance .....                      | 25 |
| 5.2 Talent Development .....                               | 25 |
| 5.3 Serving Local Development .....                        | 29 |
| 6. Responsible Operation .....                             | 31 |
| 6.1 Information Security .....                             | 31 |
| 6.2 Sustainable Supply Chain .....                         | 31 |
| 6.3 Compliance with Laws and Regulations .....             | 33 |
| GRI Content Index — Referencing GRI Standard Reports ..... | 34 |



## About This Report

This is the second Environmental, Social and Governance (hereinafter referred to as ESG) report issued by Hong'an Group Co., Ltd. It truthfully discloses the Company's management measures and operational achievements in environmental protection, social responsibility and corporate governance, as we actively respond to the expectations and needs of stakeholders including customers, investors, governments, suppliers, partners, employees and communities.

### Time Scope

January 1 to December 31, 2025. Partial statements and data appropriately reference previous years.

### Release Cycle

This is an annual report and will be released regularly every year.

### Report Scope

This report covers Hong'an Group Co., Ltd. For details, see the Company Profile.

### Compilation Basis

This report is compiled in reference to the Global Reporting Initiative (GRI) Sustainability Reporting Standards, the Ministry of Finance's Enterprise Sustainability Disclosure Standards – Basic Standards (Trial), the United Nations 2030 Sustainable Development Goals and other relevant norms and guidelines.

### Nomenclature

For ease of expression and reading, "Hong'an Group Co., Ltd." is also referred to as "Hong'an Group", "the Company" and "We" in this report.

### Data Sources

All financial data in this report are audited by a third-party audit institution to ensure authenticity and reliability. Other data are derived from the Company's internal statistics and departmental records. Unless otherwise specified, all monetary amounts are denominated in RMB.

### Report Access



This report is available in Chinese. You may obtain a copy by sending an email to [tixibu@hongan.com.cn](mailto:tixibu@hongan.com.cn). Feedback and suggestions on the Company's sustainable development performance are highly welcomed.



# 1. About Us

## 1.1 Company Profile

Founded in 1985 with a registered capital of RMB 300 million, Hong'an Group Co., Ltd. is a national high-tech enterprise integrating R&D, production, sales and services. Our product portfolio includes optical preforms, communication optical fibers, quartz lighting fibers, optical cables, network cables and optical network products. As a core enterprise in China's optoelectronic communication cable industry, the Group owns multiple subsidiaries including Weihai Changhe Optical Cable Co., Ltd., Weihai Weixin Optical Fiber Technology Co., Ltd. and Weihai Changhe Optical Fiber Technology Co., Ltd.

The Group boasts total assets of RMB 3.1 billion and 868 employees. Covering a plant area of 1 million square meters with a construction area of 400,000 square meters, we have sufficient space for large-scale production and sustainable development. Always attaching great importance to environmental protection and sustainable development, Hong'an Group actively adopts advanced production technologies and equipment to reduce energy consumption and waste emissions, committing to green production.

Hong'an Group owns a national-level postdoctoral research station, provincial-level enterprise technology center, provincial-level engineering laboratory, CNAS-accredited national laboratory, as well as multiple municipal engineering technology research centers and industrial design centers. These high-level R&D platforms gather numerous scientific researchers to underpin continuous innovation. As a national high-tech enterprise, the Group delivers strong R&D capabilities and fruitful innovative achievements in optical fiber communication and optoelectronic devices, making significant contributions to industrial



advancement.

The Company holds 255 patents in total, including 80 invention patents. We have led and participated in formulating 1 international standard, 4 national standards and 7 industrial standards. These achievements demonstrate our technological innovation strength and consolidate product quality and market competitiveness. Our products are widely supplied to mainstream domestic operators, applied in national defense, communication, radio and television, energy, mining and other fields, and exported to Thailand, Cambodia, Myanmar, Sudan, Laos, Brazil and other countries and regions, winning widespread customer trust.

Adhering to the quality-oriented management philosophy, the Company took the lead in the industry to obtain ISO 9001 Quality Management System Certification in 1997. On this basis, we have continuously optimized and upgraded our comprehensive management systems. In recent years, we have obtained multiple international authoritative certifications including ISO 14001 Environmental Management System, ISO 45001 Occupational Health and Safety Management System and TL9000 Telecommunications Quality Management System, standardizing corporate management and stabilizing product and service quality. Meanwhile, we have established a full-process quality management and inspection system, implementing whole-chain supervision from incoming raw material inspection, in-process quality control to finished product delivery inspection, to ensure products comply with national standards and customized customer requirements.

All products fully meet national, industrial, U.S. REA and international IEC standards, and have obtained numerous domestic and international certifications, including UL (USA), ANATEL (Brazil), CE (EU), RoHS, CCC, Tellus Certification and State Radio and Television Network Access Certification, fully reflecting product reliability and international recognition.



In recent years, focusing on smart manufacturing, the Group has continuously introduced advanced production equipment and intelligent technologies to improve production efficiency and product stability, setting a benchmark for industrial development.

2018: The optical preform production project was awarded the "Smart Manufacturing Demonstration Project" by Shandong Provincial Department of Industry and Information Technology.

2019: The "Whole Industrial Chain Smart Manufacturing for Optical Fibers, Cables and Preforms" was selected as a Shandong 5G Industry Demonstration Project.

2020: Recognized as a pilot enterprise for "Modern Advantage Industrial Clusters + Artificial Intelligence" and a provincial-level intellectual property application pilot enterprise.

2021: Honored as Shandong Provincial Technological Innovation Demonstration Enterprise and Provincial Leading Sci-Tech Enterprise.

2022: The digital workshop for optical cable production was certified as a Shandong Provincial Digital Workshop.

2023: Named a Shandong Morningstar Factory, selected as a pilot enterprise for the Chief Data Officer System and DCMM standard implementation in Shandong, with DCMM Level 2 data management capability.

2024: Approved as one of the first Shandong Digital Economy Innovation Platforms, awarded CMMM Level 3 Smart Manufacturing Capability and DTMM Level 2 Digital Transformation Maturity.

2025: Certified as a Shandong Green Supply Chain Enterprise, granted Taishan Quality Certification and recognized as a Provincial Quality Benchmark Model.

Remarkable achievements have also been made in technological innovation and industry-university-research cooperation. The Group has developed 81 new optoelectronic communication cable products, 23 of which have won municipal and above scientific and technological progress awards.

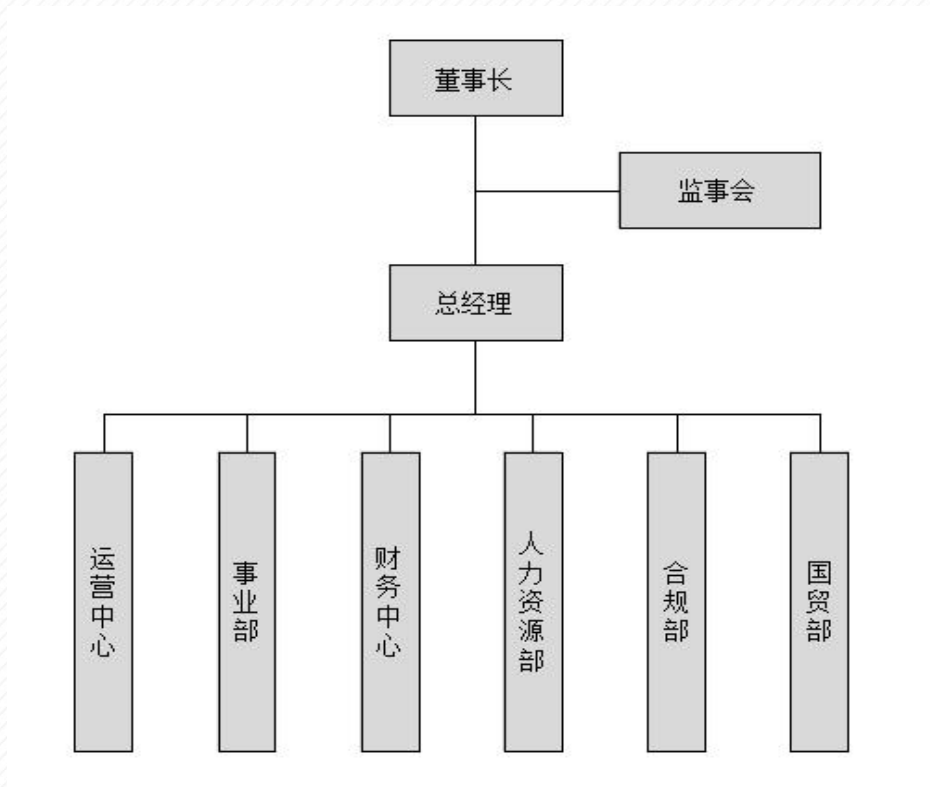


In 2025, we won the Second Prize of Shandong Equipment Manufacturing Industry Science and Technology Innovation Award and China Excellent Patent Award. We have established long-term in-depth industry-university-research cooperation with renowned domestic research institutes and universities, including Shanghai Electric Cable Research Institute, Wuhan Research Institute of Posts and Telecommunications, Nanjing University of Science and Technology, Shandong University of Science and Technology, Harbin Institute of Technology (Weihai) and Shandong University (Weihai). In 2019, we signed special R&D agreements on mini cables and optical fiber materials with Shandong University (Weihai) and Harbin Institute of Technology (Weihai), with a total cooperation contract value of RMB 2.3 million, jointly advancing core technology research and industrial exploration.

With high-quality products and comprehensive strength, Hong'an Group has received numerous honors, such as Top 10 Famous Optical Fiber and Cable Brands in China, Top 50 R&D and Innovation Enterprises in China's Electronic Information Industry, National High-Tech Enterprise, China Green Environmental Protection Enterprise, Key Cultivation Enterprise for Shandong Centennial Brands, etc. These accolades fully recognize our comprehensive strength, technological level and brand influence, driving sustainable and high-quality development.

With a solid industrial foundation, continuous innovation capabilities and strong social responsibility, Hong'an Group has built an industry benchmark in the optoelectronic communication sector and contributed greatly to China's optical communication industry. Moving forward, we will uphold the development philosophy of innovation-driven growth and quality prioritization, forge ahead and write a new chapter of high-quality development.

## Corporate Organization Chart



### 1.2 Corporate Culture

Corporate culture is the soul of the enterprise and the code of conduct for all Hong'an employees. In the course of operation and development, integrated with industry characteristics, development history and internal and external environment, the Company has formed distinctive corporate culture adhering to the principles of scientific development, future orientation and people-orientation.

- **Corporate Tenet:** Pursue survival through quality and seek development through credibility.
- **Corporate Spirit:** Forging ahead with reform, pioneering innovation, hard work, solidarity, high efficiency and striving for first-class excellence.
- **Core Values:** Professionalism, Innovation, Pragmatism, Efficiency.
- **Business Philosophy:** Customer-centric and market-oriented.
- **Corporate Vision:** To build Hong'an Group into a world-renowned manufacturer of optoelectronic communication products with professional technologies, premium products and thoughtful services.



- Corporate Mission: Focus on customers' core needs, deliver accurate and rapid responses, provide one-stop and cost-effective design solutions and products, and create reassuring and satisfying experiences for customers.
- Enterprise Policy: Strict management for superior competitiveness.
- Quality Policy: Start from every detail to ensure unobstructed connectivity; keep innovating to pursue technological excellence.
- Environmental Policy: Comply with laws and regulations, promote clean production and resource conservation; strengthen pollution prevention, drive continuous improvement by all employees; spread green concepts and connect a sustainable world.



### 1.3 Major Corporate Honors in 2025

#### Major Corporate Honors in 2025

| Honor  | Issuing Authority   |
|--|---|
| CMMM (Smart Manufacturing Capability Maturity Model) Level 3 | China Machinery Productivity Promotion Center                         |
| DTMM (Digital Transformation Maturity Model) Level 2         | China Electronics Standardization Institute                           |
| Taishan Quality Certification                                | Fangyuan Mark Certification Group                                     |
| Shandong Innovative SME                                      | Shandong Provincial Department of Industry and Information Technology |
| Shandong Digital Economy Innovation Platform                 | Shandong Provincial Department of Industry and Information Technology |
| Shandong Specialized, Refined, Unique and Innovative SME     | Shandong Provincial Department of Industry and Information Technology |
| Shandong First-set Electronic Product Certification          | Shandong Provincial Department of Industry and Information Technology |
| Shandong Green Factory                                       | Shandong Provincial Department of Industry and Information Technology |
| Shandong Made Brand Certification                            | Shandong SMEs Integration and Innovation Federation                   |
| Shandong Provincial Management Benchmark Enterprise          | Shandong Provincial Department of Industry and Information Technology |
| Shandong Provincial Industrial Design Center                 | Shandong Provincial Department of Industry and Information Technology |
| Weihai Green Supply Chain Enterprise                         | Weihai Municipal Bureau of Industry and Information Technology        |
| Weihai Mayor's Quality Award                                 | Weihai Municipal People's Government                                  |



## 2. ESG Management

### 2.1 Responsibility Management

Hong'an Group attaches great importance to the effective management of environmental, social and governance issues. We have established a management framework and operation model tailored to our business characteristics, focusing on four core areas: technological innovation, green low-carbon development, social harmony and responsible operation, to continuously improve sustainable development performance.

As the leading department, the Corporate System Department is responsible for formulating ESG development strategies, goals, key issues and management systems, guiding daily ESG operations, identifying and controlling ESG-related risks, and reviewing and submitting the annual ESG report to the General Manager. Each department undertakes primary responsibilities within its scope, implements daily ESG work in accordance with overall strategies, reports progress regularly and submits ESG-related information in a timely manner. The General Manager bears ultimate responsibility for the Company's ESG performance.

### 2.2 Stakeholder Communication

Stakeholder management is a critical component of effective ESG implementation. The Company values feedback and participation from all stakeholders on environmental, social and governance matters.

We identify key stakeholders including investors, governments, customers, employees, suppliers, partners, media and communities. Through emails, phone calls, seminars, on-site visits, special surveys, information disclosure and meetings, we communicate proactively to understand stakeholder expectations and demands, and formulate targeted ESG work plans and objectives.

| Stakeholders | Key Concerns  | Main Communication Channels                                      |
|--------------|---|--|
| Investors    | Operational performance, business prospects, internal control, future risks and opportunities | Performance reports, management meetings, information disclosure |
| Government   | Compliant operation, tax payment, employment promotion,                                       | On-site inspections, meetings, special reports                   |



|             |  |   |
|-------------|--|---|
|             | work safety, energy conservation and emission reduction                                  |   |
| Customers   | Stable product quality, customer service, privacy protection, green low-carbon solutions | Regular visits, service hotlines, customer satisfaction surveys           |
| Suppliers   | Fair procurement, timely payment, win-win cooperation                                    | Supplier audits, professional training                                    |
| Partners    | Industrial development, technological innovation   | Industry-university-research cooperation, industry forums and exhibitions |
| Employees   | Safe and healthy working environment, salary and welfare, training and promotion         | Staff seminars, employee satisfaction surveys                             |
| Media       | Social responsibility performance, new product launches, major business updates          | Press releases, official social media and website                         |
| Communities | Public welfare participation, local development, environmental improvement               | Charitable donations, community activities                                |

### 2.3 Materiality Assessment

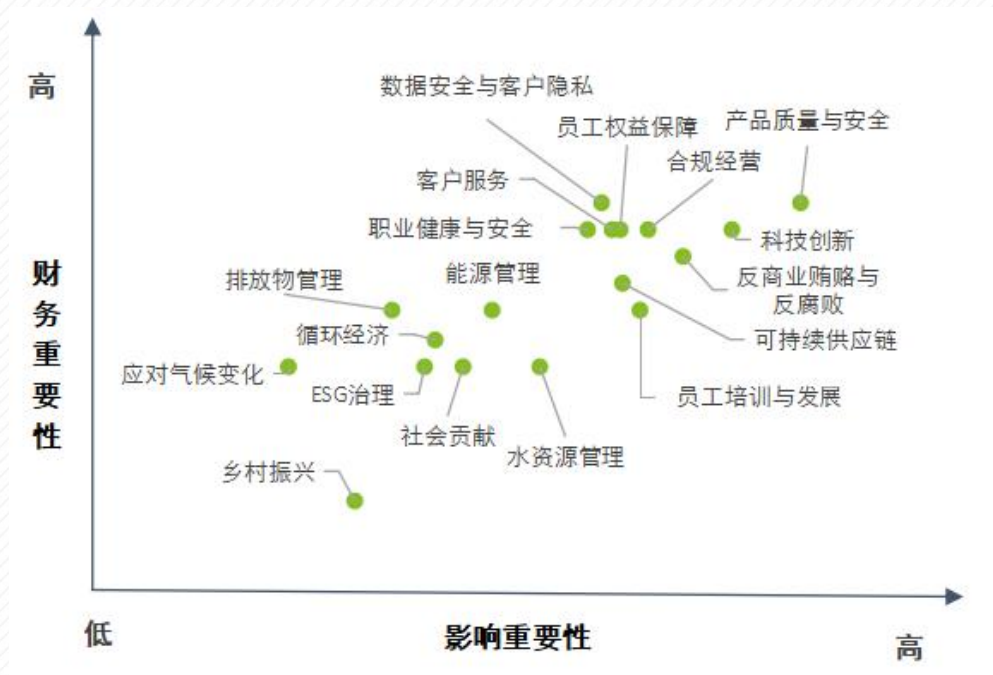
Through continuous stakeholder engagement, combined with corporate development strategies and industrial practices, the Company has identified 18 material ESG issues affecting business operations and stakeholders.

#### List of Material ESG Issues

| Environmental Issues (5)   | Social Issues (10)   | Governance Issues (3)  |
|--|--|--|
| Climate Change Adaptation, Emission Management, Energy Management, Water Resource Management, Circular Economy | Product Quality and Safety, Customer Service, Technological Innovation, Data Security and Customer Privacy, Sustainable Supply Chain, Employee Rights Protection, Occupational Health and Safety, Employee Training and Development, Rural Revitalization, Social Contribution | ESG Governance, Compliance Operation, Anti-Bribery and Anti-Corruption |



### Hong'an Group ESG Materiality Matrix





### 3. Technological Innovation

As a leader in the optoelectronic communication cable industry, Hong'an Group prioritizes independent innovation, focuses on core technology R&D, and promotes continuous product iteration and upgrading. We have formed a virtuous innovation cycle of mass production, ongoing R&D and long-term technology reserve. By building diversified innovation platforms and incentive mechanisms, and cooperating with customers, academic institutions and research partners, we enhance independent R&D capabilities, drive high-quality development through innovation, and connect the world with optical communication technologies.

#### In response to the United Nations Sustainable Development Goals



---

#### 关键绩效 Key Performance Indicators

By the end of 2025: Over 241 valid authorized patents

In 2025: Led the revision of 2 industrial standards

---

#### 3.1 Fiber-leading Innovative Products Worldwide

Guided by technological advancement, the Company closely follows the trends of the information industry, captures market demands, and strengthens independent innovation by introducing, absorbing and upgrading advanced production equipment. Supported by national postdoctoral workstations, provincial technology centers, engineering laboratories and CNAS-certified labs, we continuously develop new products.

We have successfully developed 81 new optoelectronic communication cable products, 23 of which have won municipal and above scientific and technological progress awards. The S8TP C450 Super Category 5 Data Cable was recognized as an outstanding Torch Program project by the Ministry of Science and Technology, and the drop cable for access networks was listed as a national key industrial revitalization project.



In 2025, the Company completed a major technological innovation project – the high-speed integrated communication cable. This product integrates high-speed data transmission, control signals and power supply, featuring simplified wiring, space saving and fewer failure points. With high transmission speed, low latency, excellent anti-interference and anti-crosstalk performance, it is lightweight, flexible, bending-resistant, temperature and wear-resistant, suitable for narrow spaces and complex working conditions. It features easy installation and low maintenance costs, meeting high-speed and stable transmission demands in intelligent equipment, vehicle-mounted systems and industrial communication scenarios.

### Key Technological Projects & Innovation Highlights

| Project Name   | Core Innovation Points   |
|--|--|
| R&D of High-Speed Integrated Communication Cables                  | Adopts TPU foamed filling rods and multi-layer outer sheaths, enabling stable operation in harsh chemical environments and realizing optoelectronic integration.   |
| R&D of Passive Modular Communication Cables                        | Small outer diameter, material and cost savings, light weight; unique hexagonal inner structure prevents sheath slippage and delivers excellent tensile resistance.                                      |
| R&D of Low-Latency Anti-Interference Composite Optical Cables      | Wrapped with polyester tape for thermal insulation to mitigate extreme temperature impacts; flame-retardant, non-toxic combustion, high shielding performance and stable high-speed signal transmission. |
| R&D of Intelligent Quantum High-Speed Digital Communication Cables | Integrates optical fibers and power lines in a single sheath, realizing simultaneous optical and electrical signal transmission, saving pipeline resources and construction costs.                       |
| R&D of AI Intelligent Digital Communication Cables                 | Simplified structure, improved optoelectronic signal quality and efficiency, enhanced wear resistance and compression resistance during laying.  |
| R&D of Intelligent High-Speed Vehicle-Mounted Communication Cables | Realizes real-time monitoring and fault diagnosis through segmented detection, temperature curve fitting and fault positioning.  |
| R&D of Ultra-Low Loss Long-Distance Communication Cables           | Spindle-shaped structure prevents heavy snow accumulation and effectively avoids cable breakage in severe ice and snow weather.  |



## Intellectual Property Management

To protect independent intellectual property rights and boost technological and product innovation, Hong'an Group has formulated a dedicated patent development strategy, established an intellectual property committee and assigned professional personnel for daily IP management.

By the end of 2025, the Group held over 241 valid Chinese patents, including 81 invention patents and 160 utility model patents. We have participated in the formulation and revision of 1 international standard, 3 national standards, 7 industrial standards and 6 optical fiber & cable association standards.

## 3.2 Deepening Smart Manufacturing

Hong'an Group adopts the exclusive HAME quality management model and fully digital smart manufacturing, implementing comprehensive intelligent quality control from raw material incoming inspection to finished product delivery. The Company has obtained a full range of international management system certifications, including ISO 9001, ISO 14001, ISO 45001, TL9000, ISO 50001 and ISO 10012, as well as multiple product certifications. A full-process identification and traceability control procedure ensures complete product lifecycle quality tracking. In 2025, the product first-pass inspection compliance rate reached 99.4%, with no major product quality recall incidents.

Leveraging the DCMM standard implementation pilot policy in Shandong, we have achieved in-depth integration of new-generation information technology and advanced manufacturing. We have built 3 provincial-level digital workshops, 1 provincial-level smart factory, 1 municipal-level smart factory and 2 municipal-level digital workshops, covering the entire production process of optical preforms, fibers, cables and data cables. By the end of 2025, we obtained DCMM Level 2, CMMM Level 3 and DTMM Level 2 certifications, comprehensively enhancing capabilities in data management, smart manufacturing and digital transformation.

Smart manufacturing has significantly improved customer service efficiency and satisfaction, with the 2025 customer satisfaction score reaching 99.1 points:

- **Rapid Response:** Respond to product failure reports within 1 hour and provide on-site solutions within 24 hours during the warranty period.



- Full Traceability: Complete quality records and inspection data for full lifecycle product traceability.
- 24/7 Self-Service Support: Round-the-clock technical hotline and free on-site services.
- Customized Services: Professional technical training and long-term after-sales support, with no less than three regular customer visits per year beyond the warranty period.

### **3.3 Promoting Industrial Development**

As a leading enterprise in China's optoelectronic communication cable industry, Hong'an Group maintains long-term stable industry-university-research cooperation with top domestic research institutes and universities. We actively participate in industrial exhibitions, forums and seminars to share practical experience and promote cross-industry technological exchange and collaboration. Strategic cooperation with Shandong University, Harbin Institute of Technology and other universities focuses on R&D of optical preforms, fibers and cables, driving continuous technological breakthroughs and industrial progress through joint innovation.

## 4. Green and Low-Carbon Development

Guided by the national carbon peaking and carbon neutrality goals, Hong'an Group integrates ecological civilization and green low-carbon concepts into all operational links. We build green factories, realize lean, automated, information-based and eco-friendly production, and promote comprehensive transformation in high-end product structure, low-carbon energy consumption, circular resource utilization, clean production, digital manufacturing and green product supply, leading the green upgrading of the manufacturing industry.

### In response to the United Nations Sustainable Development Goals



#### Key Performance Indicators

2025 Total Greenhouse Gas Emissions: 113,372.53 tons of CO<sub>2</sub> equivalent

2025 Total Photovoltaic Power Generation: 2,743,030.4 MWh

2025 Total Water Consumption: 34,000 tons

### 4.1 Addressing Climate Change

The Company continuously promotes energy-saving and carbon-reduction renovations to improve energy efficiency and reduce product carbon footprints throughout the lifecycle, striving to become a low-carbon benchmark in the industry.

#### Greenhouse Gas Emission Verification

In 2025, we commissioned a third-party professional institution to conduct a comprehensive greenhouse gas inventory and verification. The total annual greenhouse gas emissions reached 113,372.53 tons of CO<sub>2</sub> equivalent.

**Hong'an Group Greenhouse Gas Emissions in 2025**

| Category                      | Emission Item   | 2025 Emissions (tons of CO <sub>2</sub> equivalent) |
|-------------------------------|---|---|
| Scope 1                       | Direct GHG Emissions (Category 1)                                     | 119.06  |
| Scope 2                       | Indirect GHG Emissions from Purchased Energy (Category 2)             | 8,402.94  |
| Scope 3                       | Indirect Emissions from Transportation (Category 3)                   | 4,637.04  |
|                               | Indirect Emissions from Organizational Procured Products (Category 4) | 100,146.39  |
|                               | Indirect Emissions from Product End-Use (Category 5)                  | 67.1  |
| Total Corporate GHG Emissions |   | 113,372.53  |

**Notes:**

Verification Boundary: Hong'an Group Co., Ltd., No.1 Longwei Road, Longshan Sub-district, Wendeng District, Weihai City, Shandong Province.

Verification Standard: ISO 14064-1:2018 and national industrial accounting guidelines.

Scope 2 emissions are net figures after green electricity offset.

**Product Carbon Footprint Verification**

The Company actively carries out carbon footprint management and full-life-cycle carbon accounting for core products. We participated in formulating two national association standards for carbon footprint accounting of optical cables and communication cables in 2024. By the end of 2025, we have completed third-party verified carbon footprint assessment for indoor optical cables, outdoor optical cables, digital communication cables, drop cables and pre-terminated cable assemblies.

**Clean Energy Utilization**

A self-built photovoltaic power generation system converts solar energy into electricity for on-site production, with surplus power connected to the grid. The daily average power generation reaches 12,000 kWh. Intelligent remote control realizes unattended operation for photovoltaic equipment, ensuring stable and safe operation.

The total photovoltaic power generation in 2025 reached 2,743,030.4 MWh.



## 4.2 Resource and Energy Conservation

Certified with ISO 50001 Energy Management System, the Company optimizes energy consumption through smart manufacturing, raising the overall energy utilization rate to 80%.

### Energy Efficiency Improvement

We have formulated standardized energy management procedures to regulate daily energy use, promote energy-saving office practices, conduct regular equipment maintenance, and eliminate energy waste.

#### 2025 Energy Consumption Data

| Indicator                 | Unit | 2025 Data  |
|---------------------------|------|------------|
| Total Power Consumption   | MWh  | 15,135,563 |
| — Purchased Grid Power    | MWh  | 12,392,533 |
| — Green Power Consumption | MWh  | 2,743,030  |

#### Case: Renovation of Replacing DC Motors with AC Motors

The DC motors of extruders on the outer sheath production line and two sets of production lines have been replaced with AC motors.

In 2025, targeting the high energy consumption and high maintenance costs of extruder DC motors, the company carried out upgrading and renovation, replacing the original DC motors with AC permanent magnet motors.

Brushless design, no carbon powder emission, more environmentally friendly.

Maintenance costs reduced by over 70% (no replacement of brushes or commutators required).

Power saving of 10%~30% (more significant under low-speed operating conditions).

Improved extrusion quality with stable operating speed and steady torque output.

Extended service life of equipment, lower failure rate and higher production efficiency.



### Case: Modification from Spraying Machine to Coating Machine for Steel & Aluminum Tape on Optical Cable Outer Sheath Production Line

On the optical cable outer sheath production line, spraying equipment was previously used for the water-blocking compound on steel and aluminum tapes, which suffered from spray pollution and excessive compound consumption. The equipment has now been upgraded to a compound coating machine.

**Environmental Impact:** Zero spray fog, no oil fume and no compound drifting, ensuring a clean workshop and complying with clean production standards.

**Stable Water Blocking Performance:** 100% filling of lap joints to completely prevent water seepage.

**Cost Reduction:** Lower spraying maintenance costs; the utilization rate of water-blocking compound increased by 15%.

**Efficiency Improvement:** No nozzle clogging or missing spraying, reducing downtime by 30%.

**Reliable Quality:** Uniform coating thickness and strong adhesion, suitable for high-speed production.

#### Water Conservation

The Company has no production water consumption; all water is municipal tap water. We implement strict water management: regular pipeline maintenance, circulating cooling water systems, reuse of industrial cooling water for greening, and employee water-saving training. The total water consumption in 2025 was 34,000 tons.

### 4.3 Pollution Reduction and Emission Control

Hong'an Group strictly implements environmental impact assessment for new and renovated projects, operates in compliance with ISO 14001 environmental management systems, and controls pollutant discharge within statutory limits. No environmental accidents or administrative



penalties occurred in 2025.

### **Waste Gas Management**

Minor organic waste gas from production processes and catering oil fume are treated by photocatalytic oxidation equipment and discharged through 15-meter high exhaust pipes. Regular third-party testing ensures full compliance with national emission standards.

#### **Case: Photo-oxidation Catalysis Technology Improves Waste Gas Treatment Efficiency**

The company is equipped with 12 sets of photo-oxidation catalytic waste gas treatment equipment, among which 11 sets are applied to the waste gas generated during equipment heating, and 1 set is used to treat oil fume and mist produced in the heating process of edible oil and food in the staff canteen.

Adopting special ultraviolet band (C-band) and under the action of specific catalytic oxidants, the photo-oxidation catalytic waste gas treatment technology breaks waste gas molecules and conducts further oxidation and reduction. Meanwhile, a variety of composite inert catalysts are configured according to different waste gas components, which greatly boosts the speed and efficiency of waste gas treatment and ultimately achieves the goal of exhaust gas purification.



### **Wastewater Management**

Domestic sewage is treated by septic tanks before being discharged into municipal sewer networks. Oil-water separation is implemented in the staff canteen, and semi-regular water quality testing guarantees up-to-standard discharge.

### **Noise Control**

Low-noise production equipment is prioritized for procurement. Equipment maintenance, sound insulation measures and greening isolation effectively reduce factory boundary noise, meeting national industrial noise emission standards.

### **Solid Waste Management**

Solid wastes are classified into general recyclable waste, non-recyclable waste and hazardous waste. General waste is disposed by qualified sanitation departments or recycled by suppliers; hazardous waste is handed over to licensed third-party institutions for professional disposal. A total of 430.9tons of general solid waste were generated in 2025.



## Waste Disposal Methods

| Types of Waste       | Treatment Methods   |
|----------------------|---|
| Non-recyclable Waste | Entrust the sanitation department for regular collection and disposal |
| Recyclable Waste     | Hand over to suppliers for centralized recycling and disposal         |
| Hazardous Waste      | Entrust qualified third parties for compliant disposal                |

## 5. Social Harmony

Adhering to the people-oriented principle, Hong'an Group is committed to providing employees with a safe, healthy and harmonious working environment and broad career development platforms. Through comprehensive training systems and fair promotion mechanisms, we stimulate employee potential and realize joint growth of individuals and the enterprise. We actively fulfill social responsibilities, participate in public welfare and charity, and contribute to regional social development.

### In response to the United Nations Sustainable Development Goals



### Key Performance Indicators

Total Employees (End of 2025): 472 (34% female employees)  
2025 Work Safety Accident Rate & Occupational Disease Rate: 0%  
Total Employee Training Hours (2025): 2,400 hours  
2025 Employee Satisfaction Rate: 97.7%

### 5.1 Health and Safety Assurance

The Company prioritizes occupational health and safety, certified with ISO 45001. We implement full safety responsibility systems, conduct regular occupational health examinations for all employees, provide complete labor protection supplies, and strengthen emergency management and hazard prevention. In 2025, there were zero occupational disease cases, zero major work safety accidents and zero work-related injuries.

### 5.2 Talent Development

Talents are the foundation of enterprise development. The Company fully safeguards employees' basic rights and interests, establishes mechanisms for democratic



consultation and communication, and designs training and development plans for employees at different levels and positions. It cultivates talent reserves for the development of the enterprise and the industry, enabling employees to achieve personal growth and career advancement.

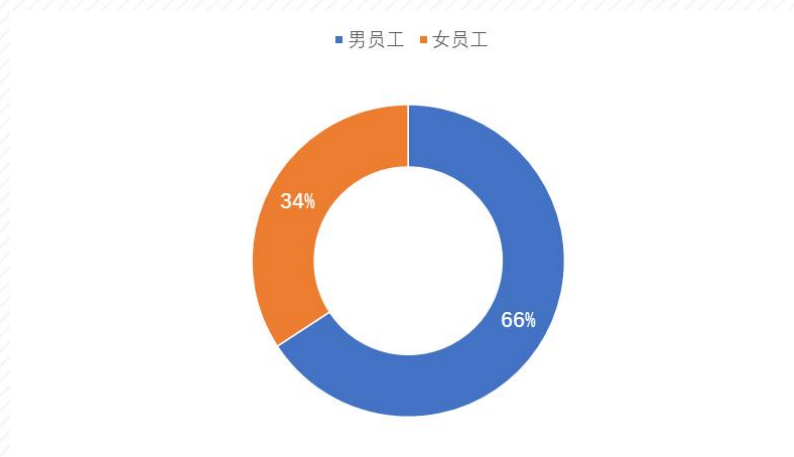
#### Rights and Interests Protection

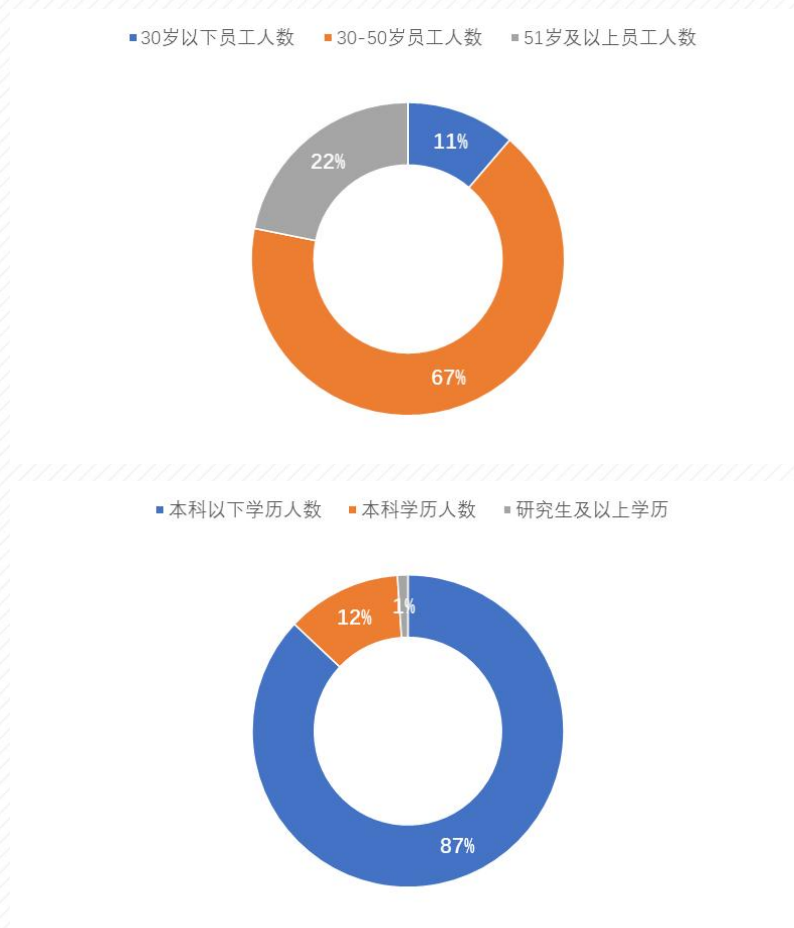
The Company strictly complies with laws and regulations including the Labor Law of the People's Republic of China and the Labor Contract Law of the People's Republic of China, and rigorously implements internal policies such as the Recruitment Management Measures, Employee Attendance Management Measures and Employee Resignation Management Regulations. Written labor contracts are signed with all employees, achieving a 100% signing rate, which fully protects employees' legitimate rights and interests in recruitment, promotion, resignation, salary, benefits and other aspects.

All employees are treated equally regardless of region, ethnicity or gender, with equal access to salary, welfare, performance appraisal and promotion opportunities. In 2025, there was no occurrence of discrimination, child labor or forced labor in any employment process of the Company.

As of December 31, 2025, the Company had 472 regular employees. A total of 49 new employees were recruited throughout the year, with an employee turnover rate of only

1.8%. Number of employees broken down by gender, age and educational background





When determining the social insurance contribution base for employees, the Company complies with relevant policies. The social insurance payment details are notified to and confirmed by employees with their signatures. The Company pays social insurance for employees in full and on a monthly basis in accordance with the law, achieving a 100% social insurance coverage rate. Employees are entitled to statutory leave such as parental leave as required by laws. For the three major traditional festivals including the Spring Festival, Dragon Boat Festival and Mid-Autumn Festival, the Company provides festival benefits of no less than RMB 500 per capita, so as to fully safeguard employees' welfare benefits in compliance with laws and regulations.

#### Democratic Communication

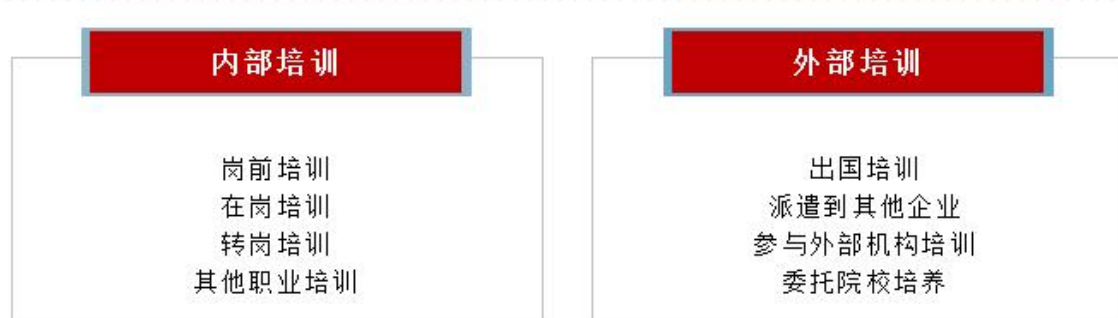
The Company has established an employee congress system, with at least one session held each year, and all resolutions adopted at the congress are effectively implemented. A factory affairs disclosure system is in place with standardized disclosure channels, ensuring the disclosed information is comprehensive, authentic and timely.

Matters such as labor remuneration are collectively negotiated with employees. Collective contracts are signed in accordance with the law and filed with competent higher authorities. Negotiation results, relevant explanations and effective collective contracts are publicly announced to employees. All collective contracts are fully implemented, and the implementation status is reported to the employee congress at least once a year and disclosed to all staff.

### Training and Development

The Company provides abundant training resources, and offers equal, flexible and personalized training methods and learning opportunities for employees at all levels and positions. It has formulated the Training Management Measures, which clarifies training contents, forms, implementation arrangements and assessment requirements, ensuring the sustainable and systematic development of training work.

### Company Training Forms



In 2025, the Company launched diversified online training programs including OA learning and sharing, live courses and on-demand video courses, and actively developed a wealth of online training resources. Throughout the year, a total of 64 training sessions covering various categories and levels were delivered, involving business marketing, technical processes, quality management, finance, taxation and laws and regulations. The total number of training attendances reached 400, with cumulative training hours hitting 1,200.



The photo records the Company's activity on March 28, 2025, when staff were



organized to visit the Wendeng District Fire Safety Education Base to learn emergency response knowledge concerning fire hazards, earthquakes and other emergencies.

Professional technical and skilled talents are indispensable key forces in driving technological innovation and the transformation of scientific and technological achievements. The Company attaches great importance to the cultivation of technical and skilled talents, and has formulated the Measures for the Implementation of Professional Technology and Skill Improvement. It continues to further carry out the mentor-apprentice program to foster a sound working atmosphere of passing on experience, offering help and guiding new employees on front-line posts.

The Company arranges continuing education and professional title application for professional and technical staff to expand its team of professional technical and skilled talents. In 2025, a total of 11 employees obtained relevant professional title certificates.

In 2025, the Company conducted independent vocational skill evaluation for optical fiber and cable manufacturers, maintenance fitters and electricians. Seven employees were awarded senior technician certificates and two obtained technician qualification certificates.

The Company organized employees to participate in major vocational skill competitions in 2025, including the National Cable Testing Cup Wire and Cable Inspector Series Competition — 2025 Optical Fiber and Cable Inspection Vocational Skills Contest, as well as the "Skilled Weihai • Wendeng" — the 2nd Wendeng District Vocational Skills Competition of Weihai City. All participants achieved excellent results.

### **5.3 Serving Local Development**

Hong'an Group always upholds the original aspiration and tenet of "giving back to society while pursuing development". It adheres to tax payment in accordance with laws and integrity, and actively boosts local economic and social progress. The Group takes the initiative to engage in public welfare and charitable causes, cares for and assists vulnerable groups with sincerity, and earnestly shares development

achievements with the society.

In recent years, the Group has actively fulfilled its social responsibilities in fields including student donation and education support, elderly care assistance, rural revitalization, pandemic prevention and disaster relief, as well as charitable donations. It contributes corporate strength to the construction of a civilized and harmonious society with practical actions, and has been awarded the 2025 Contribution Award for Serving Local Development of Wendeng District, Weihai City.



On the occasion of the 2025 Spring Festival, to inherit and carry forward the traditional Chinese virtues of "respecting, caring for and helping the elderly", Hong'an Group organized a Spring Festival visit and

condolence activity. The Group delivered festival supplies such as fish and meat to elderly residents aged 70 and above in surrounding villages, extending sincere New Year blessings to them.

In August 2025, North China was hit by extreme heavy rainfall. Floods in many areas of Liaoning damaged roads, power supplies and communication facilities, leaving some regions isolated without effective information access.

Upon receiving the emergency communication support request from China Mobile Liaoning, Hong'an Group immediately activated the highest-level emergency response. Within 24 hours, the Company completed the allocation, inspection and delivery of disaster relief supplies including communication optical cables. Special vehicles rushed to the disaster-stricken areas overnight, making every effort to restore the vital communication lines.





## 6. Responsible Operation

Hong'an Group integrates social responsibility and sustainable development concepts into daily operation and governance. We uphold business ethics, operate with integrity, and create long-term value for customers, suppliers and all business partners.

### In response to the United Nations Sustainable Development Goals



### 6.1 Information Security

Sound information security and data privacy management systems have been established to standardize data processing, network security and confidential information management. No information security or customer privacy infringement incidents occurred by the end of 2025.

### 6.2 Sustainable Supply Chain

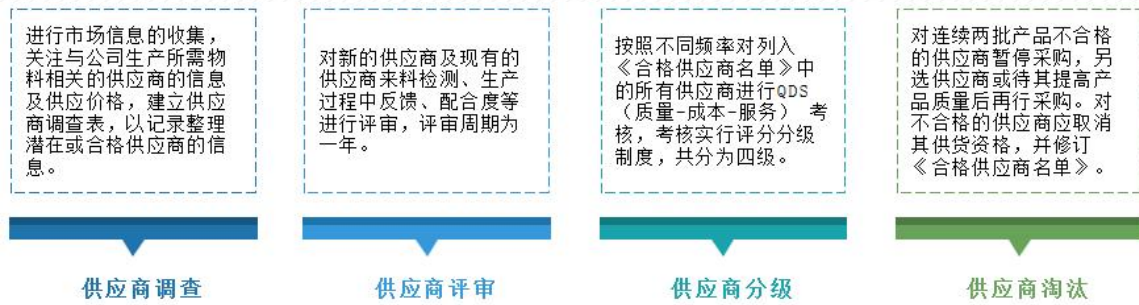
Hong'an Group adheres to the cooperation philosophy of common development and mutual benefit with suppliers, incorporates environmental and social factors into supply chain management, and promotes the sustainable development of the entire supply chain.

#### Supplier Management System

The Company has formulated institutional documents such as the Supplier Management Policy and Measures for Supplier Selection, Evaluation and Management, to strengthen supplier management in the procurement process, ensure the stable supply of production materials, and conduct objective evaluation on suppliers' qualifications and comprehensive capabilities.

The supplier survey questionnaire clearly covers suppliers' management systems, training arrangements, supporting measures and practical activities in terms of quality, environmental protection, occupational health and safety.

## Supplier Management Process



### Supplier Cooperation Mechanism

The Company continuously optimizes and dynamically controls procurement channels, and selects suppliers with strong comprehensive supply capacity to establish long-term strategic cooperation relations. It has gradually transformed the traditional competitive buyer-supplier relationship into a long-term and stable strategic partnership, so as to achieve mutual benefit, sustained win-win results and joint development for both suppliers and the Company. In addition, the Company further strengthens cooperation with suppliers through in-depth technical exchanges and collaboration, as well as the establishment of a price coordination mechanism.

### Green Supply Chain Management

In accordance with the Environmental Protection Law of the People's Republic of China, the Outline of the National Social Credit System Development Plan (2014-2020) and the 12th Five-Year Plan for Energy Conservation and Emission Reduction issued by the State Council and other relevant regulations, the Company has formulated and continuously improved the green procurement management system and relevant procurement standards.

To advance the building of a resource-conserving and environment-friendly society, give full play to the decisive role of the market in resource allocation, boost green circulation and sustainable development, and guide all parties to actively build green supply chains and implement green procurement, the Company takes energy conservation and environmental protection factors into full consideration throughout product design, procurement, production, packaging, logistics, sales, services, recycling and reuse. It fulfills social responsibilities such as environmental protection, energy conservation and emission reduction together with upstream and downstream partners to build a sound green supply chain.



The Company regularly arranges on-site inspections at suppliers' premises, and actively participates in suppliers' product research and development and manufacturing processes. It guides suppliers to reduce the consumption of raw materials, auxiliary materials and packaging materials through value analysis, adopt environmentally friendly alternative materials, and prevent or mitigate environmental pollution.

### **6.3 Compliance with Laws and Regulations**

Adhering to integrity-based operation, abiding by business ethics, and complying with laws, regulations and international conventions in regions of operation have always been the business philosophies upheld by Hong'an Group. The Company has established and improved its compliance system, embedded compliance management into all business activities, and required all employees to follow the code of business conduct.

In 2025, the Company organized one compliance training session to strengthen employees' legal awareness. It innovated the legal risk prevention and control mechanism, adopted professional legal expertise to conduct quantitative assessment on contract risks, and issued early warnings against potential hazards. A dynamic legal risk monitoring system was built to track risk changes in real time.

Focusing on sustainable and sound development, the Company continuously fosters and strengthens the risk awareness of managers at all levels and all staff. It carries out comprehensive risk management, formulates risk prevention and control plans and measures, and enhances its strategic and operational management capabilities to cope with the dynamic internal and external environment. Meanwhile, the Company has set up an inspection and acceptance system featuring self-inspection, mutual inspection and third-party inspection, so as to realize prior prevention of potential production risks.



## GRI Content Index — Referencing GRI Standard Reports

| GRI Standards   | Disclosure Items   | English Translation |
|---|--|---------------------|
| GRI 1: Foundation 2021  | 2-1 Detailed organizational information                                | Location            |
| GRI 2: General Disclosures 2021<br>Organization and its Reporting Practices           | 2-2 Entities included in the organization's sustainability report      | /                   |
|   | 2-3 Reporting period, reporting frequency and contact information      | P3                  |
| GRI 2: General Disclosures 2021<br>Activities and Workers                             | 2-4 Restatement of information   | P2-3                |
|   | 2-5 External assurance   | P2                  |
| GRI 2: General Disclosures 2021<br>Governance   | 2-6 Activities, value chains and other business relationships          | /                   |
|   | 2-7 Employees  | N/A                 |
| GRI 2: General Disclosures 2021<br>Strategy, Policies and Practices                   | 2-8 Workers other than employees                                       | P3, P24-25          |
|   | 2-9 Governance structure and composition                               | P20                 |
| GRI 2: General Disclosures 2021<br>Stakeholder Engagement                             | 2-10 Nomination and selection of the highest governance body           | /                   |
|   | 2-11 Chair of the highest governance body                              | P6                  |
| GRI 3: Material Topics 2021<br>GRI 201: Economic Performance 2016                     | 2-12 Oversight role of the highest governance body in managing impacts | /                   |
|   | 2-13 Delegation of responsibility for impact management                | P6                  |
| GRI 202: Market Presence 2016<br>GRI 203: Indirect Economic Impacts 2016              | 2-14 Role of the highest governance body in sustainability reporting   | P6                  |
|   | 2-15 Conflicts of interest   | P6                  |
| GRI 204: Procurement Practices 2016<br>GRI 205: Anti-Corruption 2016                  | 2-16 Communication of significant concerns                             | P6                  |
|   | 2-17 Collective knowledge of the highest governance body               | /                   |
| GRI 206: Anti-Competitive Behavior 2016<br>GRI 207: Tax 2019                          | 2-18 Performance evaluation of the highest governance body             | P6-7                |
|   | 2-19 Remuneration policies   | /                   |
| GRI 301: Materials 2016<br>GRI 302: Energy 2016<br>GRI 303: Water and Wastewater 2018 | 2-20 Processes for determining remuneration                            | /                   |
|   | 2-21 Total annual remuneration ratio                                   | /                   |



|  |   |        |
|--|---|--------|
|  | 2-22 Statement on sustainability strategy   | /      |
| GRI 304: Biodiversity 2016                                     | 2-23 Policy commitments   | /      |
| GRI 305: Emissions 2016  | 2-24 Embedding policy commitments   | /      |
| GRI 306: Waste 2020  | 2-25 Processes to remedy negative impacts   | P4     |
| GRI 308: Supplier Environmental Assessment 2016                | 2-26 Mechanisms for seeking advice and raising concerns                           | /      |
| GRI 401: Employment 2016                                       | 2-27 Compliance with laws and regulations   | /      |
| GRI 402: Labor-Management Relations 2016                       | 2-28 Membership of associations   | P6-7   |
| GRI 403: Occupational Health and Safety 2018                   | 2-29 Approaches to stakeholder engagement   | P25-26 |
| GRI 404: Training and Education 2016                           | 2-30 Collective bargaining agreements   | P11-12 |
| GRI 405: Diversity and Equal Opportunity 2016                  | 3-1 Process for identifying material topics                                       | P6-7   |
| GRI 406: Non-Discrimination 2016                               | 3-2 List of material topics   | /      |
| GRI 407: Freedom of Association and Collective Bargaining 2016 | 3-3 Management of material topics   | P7-8   |
| GRI 408: Child Labour 2016                                     | 201-1 Direct economic value generated and distributed                             | P7-8   |
| GRI 409: Forced or Compulsory Labour 2016                      | 201-2 Financial implications, other risks and opportunities due to climate change | P7-8   |
| GRI 410: Security Practices 2016                               | 201-3 Defined benefit plan obligations and other retirement plans                 | /      |
| GRI 411: Indigenous Peoples' Rights 2016                       | 201-4 Financial assistance received from government                               | /      |
| GRI 413: Local Communities 2016                                | 202-1 Ratio of standard entry level wage by gender compared to local minimum wage | P21    |
| GRI 414: Supplier Social Assessment 2016                       | 202-2 Proportion of senior management hired from the local community              | /      |
| GRI 415: Public Policy 2016                                    | 203-1 Infrastructure investments and support services                             | /      |
| GRI 416: Customer Health and Safety 2016                       | 203-2 Significant indirect economic impacts                                       | /      |
| GRI 417: Marketing and Labelling 2016                          | 204-1 Proportion of spending on local suppliers                                   | P23    |
| GRI 418: Customer Privacy 2016                                 | 205-1 Operations assessed for corruption risks                                    | P23    |



|   |   |                     |
|---|---|---------------------|
| GRI Standards<br>GRI 1: Foundation 2021<br>GRI 2: General Disclosures 2021  | 205-2 Communication and training on anti-corruption policies and procedures   | /                   |
|   | 205-3 Confirmed incidents of corruption and actions taken   | /                   |
|   | 206-1 Legal actions for anti-competitive behaviour, anti-trust and monopoly practices   | P26                 |
| Organization and its Reporting Practices  | 207-1 Tax governance  | N/A                 |
| GRI 2: General Disclosures 2021<br>Activities and Workers<br>GRI 2: General Disclosures 2021<br>Governance  | 207-2 Tax governance, control and risk management   | N/A                 |
|   | 207-3 Stakeholder engagement and management of tax-related concerns   | /                   |
|   | 207-4 Country-by-country reporting  | /                   |
|   | 301-1 Weight or volume of materials used  | /                   |
| GRI 2: General Disclosures 2021<br>Strategy, Policies and Practices<br>GRI 2: General Disclosures 2021  | 301-2 Recycled input materials used   | /                   |
|   | 301-3 Reclaimed products and their packaging materials  | /                   |
|   | 302-1 Energy consumption within the organization  | P18                 |
| Stakeholder Engagement<br>GRI 3: Material Topics 2021<br>GRI 201: Economic Performance 2016<br>GRI 202: Market Presence 2016<br>GRI 203: Indirect Economic Impacts 2016 | 302-2 Energy consumption outside the organization   | P18                 |
|   | 302-3 Energy intensity  | P15                 |
|   | 302-4 Reduction of energy consumption   | /                   |
|   | 302-5 Reductions in energy requirements of products and services  | /                   |
|   | 303-1 Organization's interaction with water as a shared resource  | P15-16              |
| GRI 204: Procurement Practices 2016<br>GRI 205: Anti-Corruption 2016<br>GRI 206: Anti-Competitive Behavior 2016<br>GRI 207: Tax 2019<br>GRI 301: Materials 2016         | 303-2 Management of impacts related to drainage   | English Translation |
|   | 303-3 Water withdrawal  | Location            |
|   | 303-4 Water discharge   | /                   |
|   | 303-5 Water consumption   | P3                  |
|   | 304-1 Operational sites owned, leased, managed in or adjacent to protected areas and areas of high biodiversity value outside protected areas | P2-3                |
| GRI 302: Energy 2016  | 304-2 Significant impacts of activities, products and   | P2                  |



|   |   |            |
|---|---|------------|
| GRI 303: Water and Wastewater 2018<br>GRI 304: Biodiversity 2016<br>GRI 305: Emissions 2016   | services on biodiversity  |            |
|   | 304-3 Protected or restored habitats  | /          |
|   | 304-4 IUCN Red List and national conservation list species affected by operations     | N/A        |
|   | 305-1 Direct (Scope 1) greenhouse gas emissions                                       | P3, P24-25 |
| GRI 306: Waste 2020<br>GRI 308: Supplier Environmental Assessment 2016<br>GRI 401: Employment 2016<br>GRI 402: Labor-Management Relations 2016<br>GRI 403: Occupational Health and Safety 2018<br>GRI 404: Training and Education 2016<br>GRI 405: Diversity and Equal Opportunity 2016 | 305-2 Indirect energy (Scope 2) greenhouse gas emissions                              | P20        |
|   | 305-3 Other indirect (Scope 3) greenhouse gas emissions                               | /          |
|   | 305-4 Greenhouse gas emission intensity   | P6         |
|   | 305-5 Reduction of greenhouse gas emissions   | /          |
|   | 305-6 Emissions of ozone-depleting substances (ODS)                                   | P6         |
|   | 305-7 Nitrogen oxides (NOX), sulphur oxides (SOX) and other significant air emissions | P6         |
|   | 306-1 Waste generation and significant waste-related impacts                          | P6         |
| GRI 406: Non-Discrimination 2016<br>GRI 407: Freedom of Association and Collective Bargaining 2016<br>GRI 408: Child Labour 2016<br>GRI 409: Forced or Compulsory Labour 2016<br>GRI 410: Security Practices 2016   | 306-2 Management of significant waste-related impacts                                 | P6         |
|   | 306-3 Waste generated   | /          |
|   | 306-4 Waste diverted from disposal  | P6-7       |
|   | 306-5 Waste sent to disposal  | /          |
|   | 308-1 New suppliers screened using environmental criteria                             | /          |
| GRI 411: Indigenous Peoples' Rights 2016<br>GRI 413: Local Communities 2016   | 308-2 Negative environmental impacts in the supply chain and actions taken            | /          |
|   | 401-1 New employee hire rates and employee turnover                                   | /          |
| GRI 414: Supplier Social Assessment 2016<br>GRI 415: Public Policy 2016<br>GRI 416: Customer Health and Safety 2016   | 401-2 Benefits provided to full-time employees  | /          |
|   | 401-3 Parental leave  | /          |
|   | 402-1 Minimum notice periods regarding operational changes                            | P4         |
| GRI 417: Marketing and Labelling 2016   | 403-1 Occupational health and safety management system                                | /          |
| GRI 418: Customer Privacy   | 403-2 Hazard identification, risk assessment and incident                             | /          |



|  |   |        |
|--|---|--------|
| 2016                                     | investigation   |        |
| GRI Standards                            | 403-3 Occupational health services  | P6-7   |
| GRI 1: Foundation 2021                   |   |        |
| GRI 2: General Disclosures 2021          | 403-4 Worker participation, consultation and communication on occupational health and safety                        | P25-26 |
| Organization and its Reporting Practices | 403-5 Worker training on occupational health and safety   | P11-12 |
| GRI 2: General Disclosures 2021          | 403-6 Promotion of worker health  | P6-7   |
| Activities and Workers                   | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | /      |
| GRI 2: General Disclosures 2021          |   |        |
| Governance                               | 403-8 Workers covered by occupational health and safety management system   | P7-8   |
| GRI 2: General Disclosures 2021          |   |        |
|  | 403-9 Work-related injuries   | P7-8   |
|  | 403-10 Work-related ill health  | P7-8   |
|  | 404-1 Average hours of training per employee per year   | /      |
| Strategy, Policies and Practices         | 404-2 Employee skills upgrade programmes and transition assistance programmes                                       | /      |
| GRI 2: General Disclosures 2021          | 404-3 Percentage of employees receiving regular performance and career development reviews                          | P21    |
| Stakeholder Engagement                   | 405-1 Diversity of governance bodies and employees  | /      |
| GRI 3: Material Topics 2021              | 405-2 Ratio of basic salary and remuneration by gender  | /      |
| GRI 201: Economic Performance 2016       | 406-1 Incidents of discrimination and corrective actions taken  | /      |
| GRI 202: Market Presence 2016            | 407-1 Operations and suppliers at risk of freedom of association and collective bargaining                          | P23    |
| GRI 203: Indirect Economic Impacts 2016  | 408-1 Operations and suppliers at significant risk of child labour  | P23    |
| GRI 204: Procurement Practices 2016      | 409-1 Operations and suppliers at significant risk of forced or compulsory labour                                   | /      |
| GRI 205: Anti-Corruption 2016            | 410-1 Security personnel trained in human rights policies and procedures  | /      |
| GRI 206: Anti-Competitive Behavior 2016  | 411-1 Incidents involving violations of indigenous peoples' rights  | P26    |
| GRI 207: Tax 2019                        | 413-1 Operations with local community engagement, impact assessments and development programmes                     | N/A    |



|  |   |     |
|--|---|-----|
| GRI 301: Materials 2016<br>GRI 302: Energy 2016  | 413-2 Operations with actual and potential significant negative impacts on local communities        | N/A |
|  | 414-1 New suppliers screened using social criteria  | /   |
| GRI 303: Water and Wastewater 2018<br>GRI 304: Biodiversity 2016   | 414-2 Negative social impacts in the supply chain and actions taken                                 | /   |
|  | 415-1 Political contributions   | /   |
| GRI 305: Emissions 2016  | 416-1 Assessment of health and safety impacts of product and service categories                     | /   |
| GRI 306: Waste 2020<br>GRI 308: Supplier Environmental Assessment 2016   | 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services | /   |
|  | 417-1 Requirements for product and service information and labelling                                | P18 |
| GRI 401: Employment 2016<br>GRI 402: Labor-Management Relations 2016<br>GRI 403: Occupational Health and Safety 2018 | 417-2 Incidents of non-compliance concerning product and service information and labelling          | P18 |
|  | 417-3 Incidents of non-compliance related to marketing communications                               | P15 |
|  | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data  | /   |
| GRI 404: Training and Education 2016   | Disclosure Items  | /   |