

# Environmental Social & Governance Report



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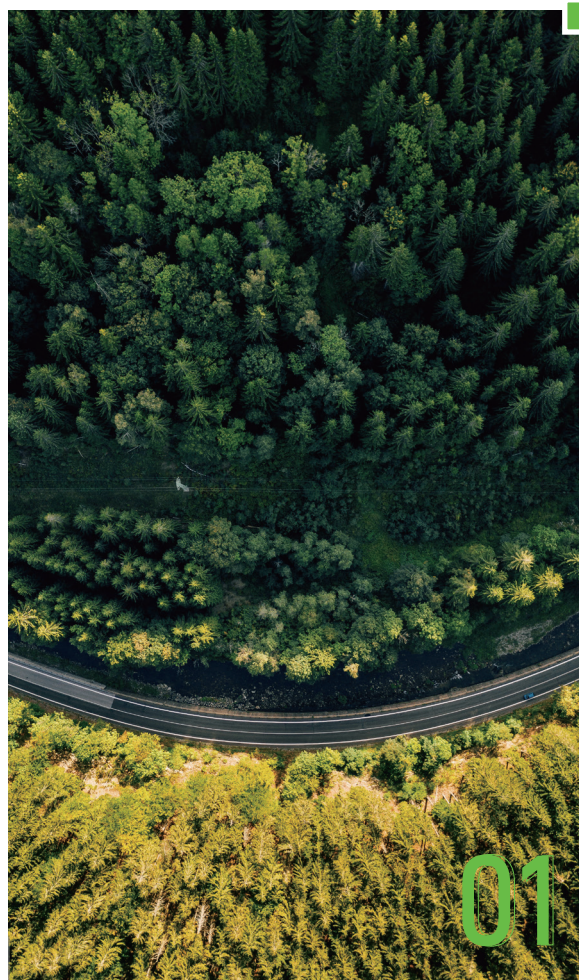
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# About the Report

This report is the fifth ESG (Environmental, Social and Corporate Governance) report issued by Zhongji InnoLight Co., Ltd. for all stakeholders. The report discloses in detail the Company's practices and performance in the areas of economic, environmental, social and corporate governance in 2025, with the aim of facilitating effective communication with all stakeholders by systematically responding to their expectations and requirements.

## ► Reporting Period

The reporting period of this report spans from 1 January 2025 to 31 December 2025. To enhance the comparability and forward-looking relevance of the report, certain disclosures have been appropriately extended to cover periods before and after the reporting year.

## ► Reporting Scope

The report discloses information on the responsibilities of Zhongji InnoLight and its subsidiaries in the areas of economy, environment, society, and corporate governance, with relevant exemplary cases drawn from the respective companies.

## ► Information Source

The information disclosed herein comes from our internal official documents, statistical reports and annual reports, and the data disclosed herein comes from our original data, government published data, annual financial data, internal statistical statements, third-party questionnaires, third-party assessments, interviews, etc. The financial data contained herein are denominated in RMB.

## ► Abbreviations

Full name	Abbreviation
Zhongji InnoLight Co., Ltd.	"Zhongji InnoLight", the "Company" or "we/us"
InnoLight Technology (Suzhou) Ltd.	"InnoLight Suzhou"
InnoLight Technology (Tongling) Ltd.	"InnoLight Tongling"
InnoLight Technology Pte. Limited Taiwan Branch	"InnoLight Taiwan"
TeraHop (Thailand) Co., Ltd.	"TeraHop Thailand"
Chongqing Jingle Electronic Technology Co., Ltd.	"Jingle Electronic"
Chengdu Tsuhan Technology Co., Ltd	"Chengdu Tsuhan", "Tsuhan Technology"
Pioseed Technology (Chengdu) Co., Ltd	"Pioseed Technology"
TeraHop Pte. Ltd.	"TeraHop Pte"
TeraHop US, Inc.	"TeraHop US"

## ► Basis of Preparation

UN Sustainable Development Goals (SDGs)

Global Sustainability Standards Board (GSSB), *Global Reporting Initiative Standards* (GRI Standards)

*Guide for the Preparation of Corporate Social Responsibility Report in China (CASS-ESG 6.0)*

National Standards, *Guidance on social responsibility reporting* (GB/T 36001-2015)

*ISO 26000: Guidance on Social Responsibility (2010)* issued by the International Organization for Standardization

*Self-Regulatory Guidelines No.17 for Companies Listed on Shenzhen Stock Exchange-Sustainability Report (For Trial Implementation)*

*Self-Regulatory Guidelines No.3 for Companies Listed on Shenzhen Stock Exchange-Preparation of Sustainability Report (2026 Revision)*

*Self-Regulatory Guidelines No.3 for ChiNext Companies Listed on Shenzhen Stock Exchange-Preparation of Sustainability Report (2026 Revision)*

## ► Access to the Report

This report is available in electronic form. You may visit our official website at <https://www.zj-innolight.com/en> to view this report. If you have any questions or suggestions about this report, please contact us at [info@zj-innolight.com](mailto:info@zj-innolight.com) or +86 0535-8573361.



## Message from the Chairman



Looking back on 2025, as a new wave of global technological revolution and industrial transformation accelerates, artificial intelligence has entered a stage of rapid development. The explosive growth in computing power demand is reshaping the global information infrastructure landscape. The deep integration of computing power foundations with high-speed optical interconnection technology has made high-speed, low-power, and highly integrated optical communication solutions a crucial basis for supporting next-generation computing networks. Against this backdrop, Zhongji InnoLight has consistently adhered to long-termism and prudent operations, rooted in technological innovation and guided by global development. While continuously enhancing core competitiveness and creating economic value, the Company also actively integrates Environmental, Social, and Governance (ESG) principles into management, operations, and decision-making, promoting high-quality and sustainable corporate development.

We uphold the development philosophy of "green innovation, environmental responsibility first," fulfilling our environmental responsibilities with a strong sense of duty and mission. We are committed to protecting the ecological environment and building a greener planet. We actively respond to the global climate governance goals established by the *Paris Agreement* and implement the national "dual carbon" strategy, continuously improve our climate governance system, identify climate-related risks and opportunities, develop and implement carbon reduction action plans, and embed emission reduction requirements throughout the product lifecycle. During the reporting period, we further strengthened emergency environmental management and pollution prevention, strictly controlled chemical safety, and continuously reduced environmental risks. At the same time, we promoted efficient resource utilization and optimized energy structure, steadily raised the share of clean energy, and prioritized biodiversity conservation—translating our commitment into tangible actions that accelerate the green transition and advance sustainable development.

Social responsibility is both a corporate obligation and a driver of growth. We remain committed to technological innovation, making forward-looking investments in key R&D initiatives to accelerate iteration and build long-term competitive strength; we deepen partnerships, strengthen supply chain management, and enhance overall resilience; we value talent development and succession planning, and actively participate in social welfare and charitable activities, giving back to society through concrete actions.

Sound corporate governance is the fundamental safeguard for stable operations and sustainable development. During the reporting period, the Company's production capacity continued to expand, revenue and profits grew, and market capitalization rose steadily—demonstrating the effectiveness of its governance structure and long-term strategy. We continuously improve our ESG governance system, promoting more robust, transparent, and responsible management to enhance trust among clients, partners, and the capital market; at the same time, we adhere to trade compliance, resolutely oppose unethical business practices, fortifying the Company's risk and safety defense lines.

The times present Zhongji InnoLight with opportunities for innovation while also setting higher expectations. Looking ahead, the Company will continue to uphold the values of "Innovation, Speed, Discipline, Teamwork" and follow the "LIGHT—L (Long term), I (Intelligence), G (Green), H (Health), T (Talent)" principles, approaching opportunities and challenges with a broader vision, more robust governance, and resolute actions. While achieving our own growth, the Company will continue to deepen ESG management practices, creating long-term value for the industry and society.

On behalf of the Board of Directors, I would like to express sincere gratitude to all shareholders, clients, partners, and employees for your continued care and support of Zhongji InnoLight's development. I look forward to working hand in hand with all stakeholders to create a better and more sustainable future.

**Chairman and President of Zhongji InnoLight**

**LIU Sheng**

# About Zhongji InnoLight

## Company Profile

Zhongji InnoLight (SZ: 300308) is a leading high-speed optical interconnection solution provider, focusing on innovation in advanced optical modules and optical communication technologies to support global cloud computing and AI computing infrastructure. The Company holds a leading position in the high-speed optical module sector and plays a key role in advancing next-generation computing networks and upgrading digital infrastructure. Through continuous technological innovation, superior product performance, and reliable large-scale delivery capabilities, Zhongji InnoLight has established a solid market position and a strong brand reputation within the industry.

The Company adheres to technological innovation as the core driving force, continuously strengthening R&D investment and industry chain collaboration, while actively expanding the application boundaries of optoelectronic technology and exploring the field of intelligent in-vehicle systems, striving to create greater value for more clients.

As a responsible enterprise, we actively fulfill our social responsibilities, focusing on environmental protection and social contributions, and promote high-quality, sustainable corporate development.



## Corporate Culture

### Vision

Innovation Lights Our Future

### Mission

Innovate Optoelectronic Technologies,  
Embrace the Intelligence Era

### Corporate Values

**Innovation:** Driving success with technological innovation, and improving efficiency with process innovation; taking an open-minded and collaborative approach to ensure efficient implementation

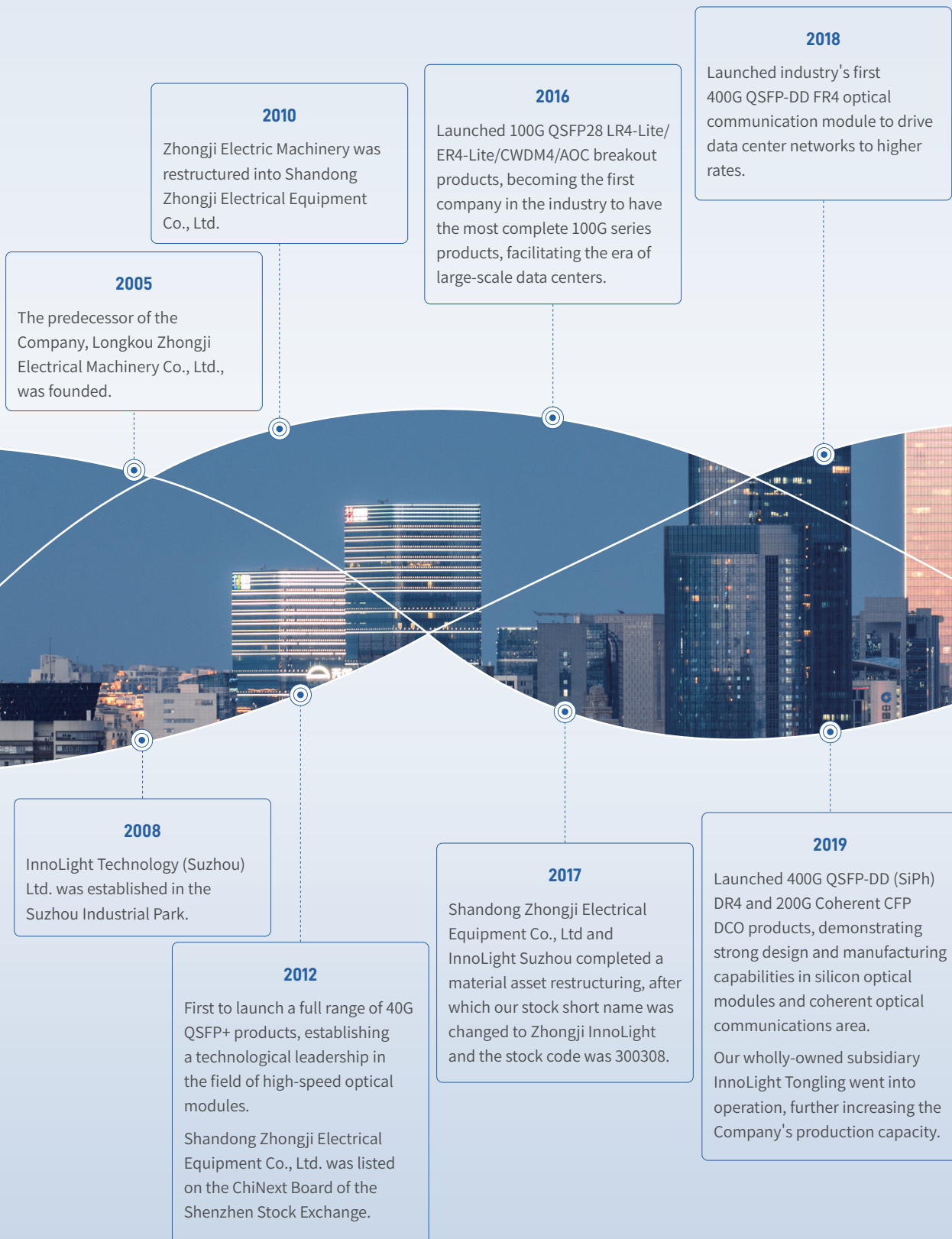
**Speed:** Getting personally involved in problem-solving from the customer's perspective; taking action with a focus on priorities

**Discipline:** Aligning information and respecting facts; focusing on details with excellent quality

**Teamwork:** Being honest, sincere, and ready to face challenges; supporting and trusting each other to achieve mutual success



## Milestones



### 2021

Launched 100G QSFP-DD, 400G QSFP-DD ZR/OpenZR+ and 400G LH CFP2 DCO coherent optical module products to meet the needs of data center interconnection and long-haul transmission.

We completed a private placement, the RMB 2.699 billion of offering proceeds from which were mainly used to build the production capacity for 800G, 400G, 200G, and other high-end optical module products and the construction of an optoelectronic industrial park and R&D center.

### 2023

Launched a 1.6T OSFP-XD DR8+ pluggable optical module to capture the future heights of hyperscale data centers.

### 2024

Launched world's first 1.6T OSFP DR8 optical module, driving optical interconnect technology into the 1.6T Era.

First to launch 800G OSFP/CFP2 coherent optical modules, further enhancing the diversity of high-bandwidth coherent optical solutions.

### 2022

Our Thailand manufacturing base was completed and put into operation.

First to launch 800G OSFP 2xFR4 and QSFP-DD800 DR8+ silicon optical modules, leading the industry into the 800G Era.

Launched 100G QSFP-DD series optical modules for 5G backhaul and aggregation network upgrade.

Realized mass production of all series of 400G coherent optical modules and launched new fixed wavelength 100G/400G QSFP-DD coherent products, accelerating the scale deployment in coherent optical communications area.

Our headquarter settled in InnoLight Technology Optoelectronics Park, starting our platform-driven development.

### 2025

Industry-leading 400G per lane technology demo with advanced DSP IC supporting 400G-PAM4.

Industry-leading 1.6T-2xLR4 with TFLN MZM technology to support large scale AI data center campus networking applications.

Industry-leading 800G-LR2 OSFP coherent lite optical transceiver with extended reach to support AI compute cluster scale out across multiple data center buildings.

# Annual Honors

In 2025, Zhongji InnoLight and the subsidiaries continued to strengthen ESG management and deepen ESG practices, achieving outstanding results and receiving recognition from multiple organizations.



May 2025

Best Practice Cases of Investor Relations Management of Chinese Listed Companies

— China Association for Public Companies (CAPCO)



June 2025

The 16th Tianma Award for Investor Relations Management of Chinese Listed Companies


— Securities Times



July 2025

TeraHop Thailand Awarded RBA Silver Rating

— Responsible Business Alliance (RBA)



July 2025

Wind ESG Rating: A

— Wind



October 2025

2025 Cailian Press Zhiyuan Award for ESG Pioneer Enterprise

— Cailian Press



October 2025

Top 100 Job-Creating Private Enterprises in the Province, 2025 - InnoLight Tongling

— Anhui Provincial Department of Human Resources and Social Security, Development and Reform Commission, Market Supervision Administration, and Federation of Industry and Commerce



November 2025

Golden Dawn Award for Market Value Management

— Securities Market Weekly



November 2025

The winner of the Top 10 competitiveness enterprises in the optical components field of Global market in 2025 (19th)

— Asian-Pacific Optical Communications Committee, Network Telecom Information Research Institute

November 2025



The winner of the Top 10 competitiveness enterprises in the optical components and auxiliary equipment field of China in 2025 (19th)

— Asian-Pacific Optical Communications Committee,  
Network Telecom Information Research Institute

December 2025



The 27th Listed Companies Golden Bull Award "Golden Information Disclosure Award"

— China Securities Journal

December 2025



TeraHop Thailand Awarded the 2025 Excellent Practices Establishment on Labour Relations and Welfare National Level

— Ministry of Labour, Thailand

December 2025



2025 N Future Awards AI Recruitment Excellence Leadership

— Nowcoder.com



# Responding to SDGs

We support the United Nations 2030 Agenda for Sustainable Development and have developed an in-depth understanding of the core principles and specific targets of the UN Sustainable Development Goals (UN SDGs). We actively contribute to the achievement of these goals through our own operations and initiatives.



**Corresponding Chapter: Harnessing Diverse Stakeholders to Co-create and Share Value**

We place strong emphasis on employee health and safety management and provide a safe and comfortable working environment. We regularly conduct workplace safety and environmental protection activities to strengthen employees' health and safety awareness. We attach great importance to employees' physical well-being and occupational disease prevention, and continuously enhance our emergency management framework.



**Corresponding Chapter: Harnessing Diverse Stakeholders to Co-create and Share Value**

We prioritize talent development by integrating internal and external training resources, formulating annual training plans, and strengthening our workforce's core competencies.



**Corresponding Chapter: Harnessing Diverse Stakeholders to Co-create and Share Value**

We respect and safeguard the rights and interests of female employees. We strictly prohibit any discriminatory or biased language, behavior or decision-making in the recruitment process. Female employees accounted for 48.19% of our workforce.



**Corresponding Chapter: Advancing Green Development and Building a Low-Carbon Future**

We have established as a long-term water stewardship objective the provision of 100% adequately functioning, safely managed, and high-quality water, sanitation and hygiene services for all employees. We regularly assess and monitor the impacts of our water use on employee health, as well as on local ecosystems and habitats within the communities in which we operate.



**Corresponding Chapter: Advancing Green Development and Building a Low-Carbon Future**

We continuously advance the substitution of conventional energy with renewable energy and increase the share of renewable energy in our energy mix through measures such as the procurement of green electricity and the development of on-site photovoltaic systems.



**Corresponding Chapter: Harnessing Diverse Stakeholders to Co-create and Share Value**

We provide employees with market-competitive remuneration and have implemented a long-term equity incentive scheme alongside a comprehensive benefits system. Our well-established performance appraisal system evaluates employee performance in a comprehensive, fair and effective manner.



**Corresponding Chapter: Harnessing Diverse Stakeholders to Co-create and Share Value**

We attach great importance to innovation and R&D, positioning technological innovation as a key priority within our corporate strategy and governance framework. By optimizing our governance structure, increasing R&D investment, strengthening intellectual property protection mechanisms, and advancing digitalization and intelligent transformation, we continuously enhance our technology iteration and commercialization capabilities.



**Corresponding Chapter: Harnessing Diverse Stakeholders to Co-create and Share Value**

We closely monitors social issues such as equitable access to education between urban and rural areas and actively engages in a range of public welfare and charitable initiatives. The Company upholds the principles of equality and inclusion, fostering a diverse, inclusive, and harmonious workplace environment, and firmly opposes any form of discrimination.



**Corresponding Chapter: Advancing Green Development and Building a Low-Carbon Future**

We actively explore approaches to resource conservation and materials recycling, and have established a robust waste recycling and recovery system to promote shared value across resources and the environment, the Company and society, and economic growth and sustainable development. We exercise stringent control over chemical safety management and implement rigorous, standardized controls across the full chemical lifecycle, including introduction, procurement, storage, transportation, use and disposal.



**Corresponding Chapter: Advancing Green Development and Building a Low-Carbon Future**

We actively respond to China's "dual carbon" goals by establishing a Climate Change and Pollution & Carbon Reduction Committee to strengthen greenhouse gas (GHG) emissions management and continuously enhance our green practices.



**Corresponding Chapter: Advancing Green Development and Building a Low-Carbon Future**

We strictly observe ecological protection red lines and strengthen environmental management and control over ecologically sensitive areas, including Yangcheng Lake, Jinji Lake and Dushu Lake.



**Corresponding Chapter: Advancing Green Development and Building a Low-Carbon Future**

We pay close attention to vegetation protection in areas surrounding our operational sites and organize activities such as tree planting and public litter clean-up campaigns to safeguard local vegetation.



**Corresponding Chapter: Enhancing Governance Effectiveness and Strengthening the Foundation for Sustainability**

We continuously improve our governance structure and institutional framework to safeguard strategic execution and sound operations, while providing sustained organizational enablement.



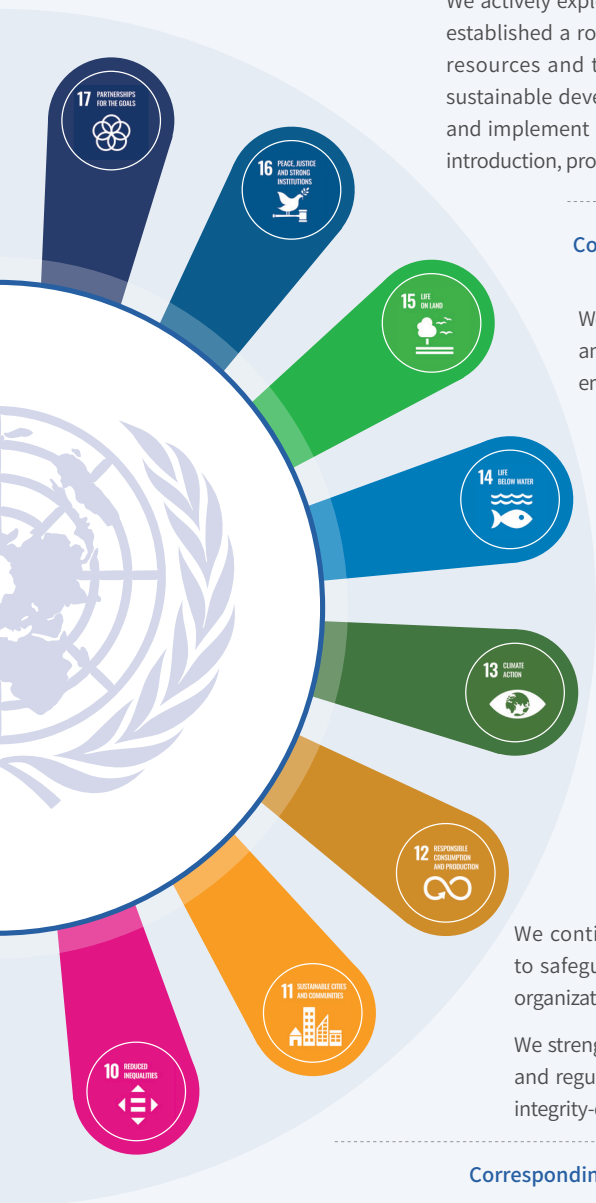
We strengthen our internal control system and rigorously comply with applicable laws and regulations. We uphold high standards of business ethics and foster a clean and integrity-driven corporate environment.

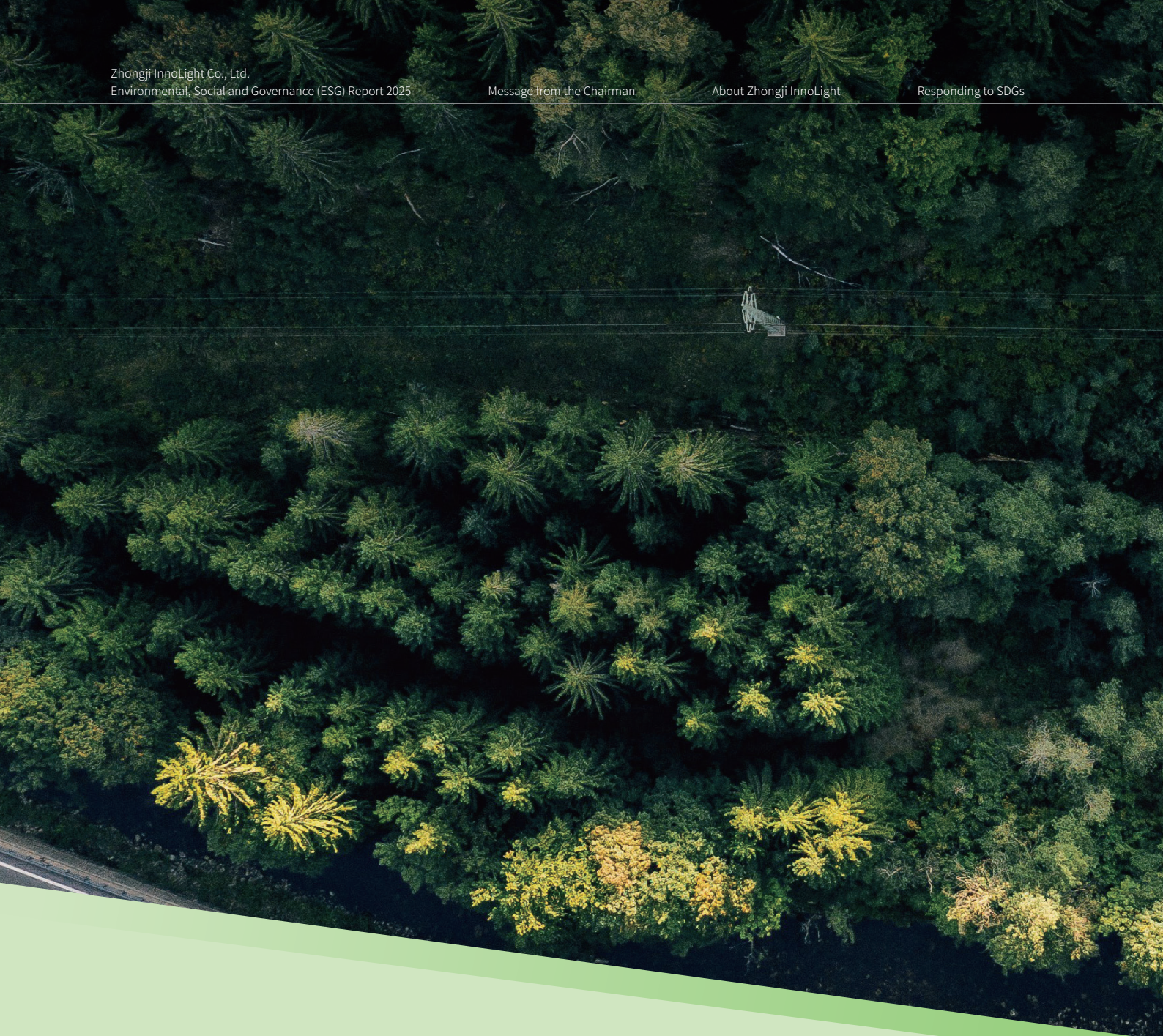
**Corresponding Chapter: Harnessing Diverse Stakeholders to Co-create and Share Value**

We actively adhere to industry standards, participate in industry collaboration, promote peer communication and exchange, and maintain strong partnerships across the value chain to support the sustainable development of the industry.



We have established honest, transparent, and mutually trusting relationships with our suppliers, building a responsible supply chain and promoting win-win cooperation across the entire value chain.





# Advancing Green Development and Building a Low-Carbon Future

Zhongji InnoLight strictly complies with the laws and regulations of the jurisdictions in which we operate and advances our strategy of prioritizing carbon emissions reduction, driving coordinated pollution and carbon reduction, and enabling green transformation. Through the implementation of green manufacturing and green operations, we continuously improve energy efficiency, expand the use of green energy, reduce our carbon footprint, and proactively address climate change. We continuously strengthen environmental management by reducing emissions of waste, wastewater, exhaust gas and noise, enforcing stringent chemical safety controls, and enhancing pollution prevention and control. We also advance ecosystem protection, improve resource utilization efficiency, promote the development of a circular economy, and work toward building a green and low-carbon enterprise.



18

Green Transition and Carbon Reduction  
for Climate Change Response

24

Pollution Prevention and Ecosystem  
Protection

30

Resource Efficiency and Circular  
Economy Development

# Green Transition and Carbon Reduction for Climate Change Response

## Governance

Zhongji InnoLight actively responds to the global climate governance goals established under the *Paris Agreement* and implements China's strategic targets of achieving carbon peaking by 2030 and carbon neutrality by 2060. The Company actively advances climate change mitigation and low-carbon transition. To this end, Zhongji InnoLight continues to strengthen the Board's governance capacity in addressing climate change and has established a robust governance structure to provide institutional support for advancing climate-related initiatives. We established a company-level Climate Change and Pollution & Carbon Reduction Committee, formally integrating climate change considerations into our decision-making processes. Dedicated functions have been formed to identify and assess climate-related risks, and to develop targets and action plans to address related impacts.

### Climate Change Governance Framework

#### Board of Directors (Decision-Making)

- Regularly receives reports from the Strategic Committee on climate change, provides guidance, and oversees the Company's carbon reduction strategy, setting carbon peak and carbon neutrality targets.
- Reviews and decides on climate change - related matters and formulates carbon reduction action plans.

#### Strategic Committee (Management)

- A specialized working body under the Board of Directors (Climate Change and Pollution & Carbon Committee) that assists the Board in formulating or revising climate change - related policies.

#### Climate Change Working Group (Execution)

- Composed of leaders from various function departments.
- Monitors, collects, and analyzes relevant data and information, and regularly reports ESG progress to the Strategic and Sustainable Committee.
- Implements ESG arrangements assigned by the Strategic and Sustainable Committee and coordinates improvements in climate change response efforts.

## Strategy

Zhongji InnoLight systematically identifies and assesses climate-related physical and transition risks, integrating them into the overall risk management framework. The Company has established and continuously improves a Business Continuity Plan (BCP) management system, conducting systematic Risk Assessments (RA) and Business Impact Analyses (BIA) to comprehensively identify the potential impacts of extreme weather events, supply chain disruptions, and equipment failures on operations and financial performance. Based on these assessments, the Company has developed a tiered response mechanism and post-disaster recovery strategies covering key areas such as production, IT systems, critical equipment, supply chain, and personnel protection. Through regular training, testing, and drills, we continuously enhance our emergency response and recovery capabilities to effectively address the long-term uncertainties posed by global warming.

We review and update the relevant assessments and plans at least once a year to ensure the Company maintains operational continuity and business resilience amid climate change and a complex external environment.

Risk Type		Risk Description	Risk Mitigation Strategy	Impact Level	Period <sup>1</sup>
Physical Risk	Acute Physical Risk	Damage to equipment and production disruptions caused by natural disasters and extreme weather.	Strengthen climate risk monitoring and early warning systems, obtain timely meteorological information, and prepare appropriate response measures.	Medium	Short-term
	Chronic Physical Risk	Threats to coastal equipment and facilities from rising sea levels; climate warming may cause equipment overheating, affecting normal operation and lifespan.	Strictly implement the Company's emission reduction targets and encourage suppliers and clients to jointly promote sustainable development.	Medium	Long-term
Transition Risk	Policy and Regulatory Risk	The Company must comply with domestic and international ESG standards, (including climate change) to avoid facing policy and compliance risks.	Increase investment of time and resources in ESG and climate change initiatives, enhance management's ESG capabilities, and raise ESG awareness among all employees.	High	Medium-term
	Technology Risk	The Company needs to continuously track and adapt to new clean technologies, otherwise risking market obsolescence.	Gradually reduce reliance on low-grade energy, increase the use of renewable energy, promote energy-saving and environmental technologies, and prioritize clean technology R&D.	Medium	Long-term
	Market Risk	Market demand for green, sustainable, and low-carbon products and services is continuously increasing.	Regularly collect client requirements related to climate change and implement improvements accordingly.	High	Short-term
	Reputation Risk	Poor performance in environmental protection or social responsibility may attract public criticism, affecting reputation.	Fully disclose the latest updates and commitments regarding the Company's ESG (including climate change) initiatives, and continuously advance the achievement of climate-related targets.	Medium	Long-term

Opportunity Type		Opportunity Description	Opportunity Enhancement Strategy	Impact Level	Period
Technological Opportunity	Clean Technology Innovation	Opportunities to provide clean energy for communication equipment and infrastructure; optimize environmentally friendly equipment design for efficient use.	Gradually prioritize clean technology R&D, increase R&D investment, and collaborate with research institutes, universities, and enterprises to promote the application and adoption of clean technologies.	High	Long-term
Market Opportunity	Promotion of Low-Carbon Products and Services	Growing market demand for green, low-carbon, and environmentally friendly communication equipment; developing and offering environmentally compliant devices can meet this demand.	Increase investment in clean technology R&D, work closely with supply chain partners to jointly develop eco-friendly and energy-efficient materials and components, and provide key components for green communication equipment.	High	Medium-term
Reputation Opportunity	Enhancing Brand Awareness and Reputation	Participation in environmental protection and social welfare activities strengthens corporate image, enhancing reputation and gaining public recognition and support.	Develop climate strategies and action plans, and continuously advance the Company's climate-related goals.	Medium	Long-term

<sup>1</sup> Time Horizon—Short-term: within 1 year (inclusive); Medium-term: 1–5 years (inclusive); Long-term: over 5 years.

# Impact, Risk and Opportunity Management

To address the impacts, risks, and opportunities related to climate change, Zhongji InnoLight is accelerating the green transformation by implementing green manufacturing and practicing sustainable operations. We continuously increase the proportion of renewable energy used, actively adopt clean energy sources such as solar power and green electricity, reduce carbon emission intensity, and fully integrate low-carbon development principles into all aspects of our operations and management.

## Green Production

The Company focus on low-carbon management across the full product life cycle and the green upgrading of our production operations. Through initiatives such as product carbon footprint certification and the development of green factories, we translate our green commitments into concrete actions, promoting the transition of the industry toward low-carbon and environmentally sustainable development while delivering coordinated ecological, economic and social value. During the reporting period, four product series manufactured by InnoLight Suzhou — 100G, 200G, 400G and 800G — obtained product carbon footprint certification.

### Case InnoLight Suzhou Recognized as the Provincial-level Green Factory

InnoLight Suzhou actively responds to the national call for “energy conservation, emission reduction, and green, low-carbon development” by advancing its green factory application initiatives, increasing the use of renewable energy, and enhancing its brand reputation. In 2025, InnoLight Suzhou successfully obtained the provincial-level Green Factory certification, further strengthening the competitiveness of its products.

- First Quarter**  
 Passed the Suzhou Municipal 3A Green Factory assessment and obtained the certification.
- Second Quarter**  
 Followed up on the application for Jiangsu Provincial Green Factory recognition and related technological upgrading initiatives.
- Third Quarter**  
 Collected and consolidated application materials for the Jiangsu Provincial Green Factory program and submitted the application.
- Fourth Quarter**  
 Successfully passed the provincial-level assessment and was shortlisted on the official list of Jiangsu Provincial Green Factories.



InnoLight Suzhou was officially recognized as a Jiangsu Provincial Green Factory

During the reporting period four product series manufactured by InnoLight Suzhou — 100G, 200G, 400G and 800G — obtained product carbon footprint certification.



Product Carbon Footprint Verification Statement of 1 Piece of 200G Optical Transceiver



Product Carbon Footprint Verification Statement of 1 Piece of 400G Optical Transceiver

The Company further reduces carbon emissions through the procurement of green electricity and the development of photovoltaic (PV) projects. In 2025, Zhongji InnoLight's PV projects collectively reduced a total of 3,225.59 tons of CO<sub>2</sub> equivalent emissions during the year, while purchased green electricity further reduced 24,276.10 tons of CO<sub>2</sub> equivalent emissions.



Zhongji InnoLight Greenhouse Gas Verification Statement

**During the reporting period**

Zhongji InnoLight's PV projects collectively reduced a total of **3,225.59** tons of CO<sub>2</sub> equivalent emissions

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purchased green electricity further reduced **24,276.10** tons of CO<sub>2</sub> equivalent emissions

## Green Operations

Zhongji InnoLight actively encourages employee participation in environmental protection activities through posting energy-saving and environmental slogans, organizing environmental drills, and hosting incentive-based quizzes on energy saving and resource efficiency. These initiatives cultivate employees' environmental awareness and promote green office practices.

In 2025, InnoLight Suzhou actively promoted the use of online meetings, effectively reducing travel-related costs and associated carbon emissions. Each year, we organize themed Environmental Month activities, including environmental awareness campaigns and public welfare initiatives, encouraging all employees to contribute to environmental protection. In addition, the business travel platform partnered by the Company is capable of monitoring and tracking employees' travel-related carbon emissions. During 2025, total carbon emissions from employee business travel amounted to 1,910.9 tCO<sub>2</sub>e.

**During the reporting period**

total carbon emissions from employee business travel amounted to **1,910.9** tCO<sub>2</sub>e

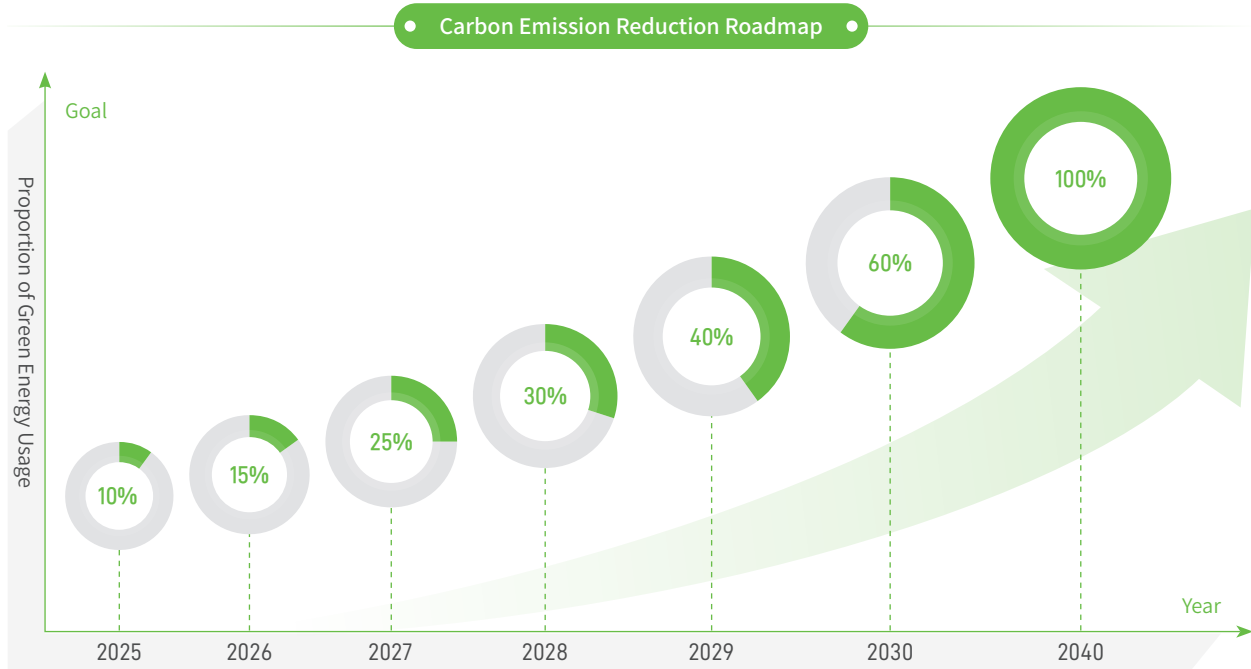


2025 Safety and Environmental Protection Month Knowledge Competition



## Metrics and Targets

Most of Zhongji InnoLight's major manufacturing sites, including InnoLight Suzhou and TeraHop Thailand, have established clear carbon reduction road-maps, setting a target of achieving 100% green energy use by 2040, and striving to contribute to the realization of carbon peaking and carbon neutrality. In 2025, both InnoLight Suzhou and TeraHop Thailand achieved their target of reaching 10% green energy usage. InnoLight Suzhou recorded a 47.97% share of green energy consumption, while TeraHop Thailand achieved 15.00%.



During the reporting period, we advanced our GHG inventory to gain a comprehensive understanding of ESG-related risks and opportunities across our supply chain. The results provide an evidence base for the formulation and implementation of relevant policies and measures, further strengthening our sustainable development capabilities.

In terms of clean technology investment targets, Zhongji InnoLight has established investment goals related to clean technologies, covering annual targets for photovoltaic and other green electricity investments from 2026 to 2030. In 2025, Zhongji InnoLight invested a total of RMB 15,311,700 yuan<sup>2</sup> in the procurement of photovoltaic and other green electricity.

	Relative Target (Scope 1 & Scope 2)	Absolute Target (Scope 3 Category 1)
Long-Term Target (2030)	Reduce carbon emissions per unit of revenue by 30% compared with 2019	Reduce by 20% based on 2025 levels
Interim Target (2025)	Reduce carbon emissions per unit of revenue by 5% compared with 2024	/
Actual Achievement in 2025	In 2025, carbon emissions per unit of revenue decreased by 57.76% compared with 2019 and 35.03% compared with 2024.	/

<sup>2</sup> Includes only the Company's annual procurement of renewable electricity.

• Zhongji InnoLight Product Life Cycle Emission Reduction Targets and Plans •

Overall Goal

Establish a product life cycle accounting system to quantify product carbon footprints. Increase the use of recyclable materials to 50%, achieve 100% clean energy usage by 2040, and promote the green transformation of 30% of core suppliers. Through these efforts, Zhongji InnoLight aims to build a comprehensive green supply chain system.

Measures

● Design

Develop and promote the use of low-carbon, environmentally friendly, or recyclable materials. Establish a green materials database with clearly defined low-carbon parameters for various materials to provide data support for design selection and product development.

● Procurement

Promote collaborative emission reduction with suppliers by organizing regular supplier emission reduction forums to share advanced domestic and international practices, while clarifying emission reduction responsibilities and targets across the supply chain.

● Manufacturing

Optimize the energy mix by installing distributed photovoltaic power systems on factory rooftops and available open spaces and by procuring green electricity. Introduce high-efficiency energy-saving equipment, variable frequency technologies, and waste heat recovery systems to optimize production processes and reduce energy consumption per unit of product. Strengthen digital management by establishing a digital energy management system to monitor energy consumption data in real time, optimize equipment operating parameters through AI technologies, and advance the development of intelligent manufacturing facilities.

● Logistics

Optimize logistics network planning and transportation routes, and implement a regional centralized distribution model to reduce delivery frequency. Promote low-carbon transportation vehicles and gradually replace fuel-powered trucks. Drive the adoption of standardized packaging across the supply chain to improve space utilization, increase loading rates, and reduce energy consumption during transportation.

● Product Recycling

Promote coordinated waste management by establishing a solid waste resource utilization system and encouraging by-product exchange among suppliers. For waste that cannot be recycled or reused, adopt environmentally sound disposal methods to ensure compliance with environmental protection standards.



# Pollution Prevention and Ecosystem Protection

## Environmental Management

Zhongji InnoLight upholds the environmental philosophy of "green innovation, environmental responsibility first" transmitting this commitment from top to bottom across all levels of the organization. With a strong sense of responsibility and commitment, we embed environmental principles into every aspect of our operations, clearly defining expectations and motivating all factories and employees to actively engage in environmental management practices. Together, we strive to protect the planet and achieve sustainable development.

During the reporting period  
 the Company's total investment in environmental protection exceeded  
 RMB **5.8036** million<sup>3</sup>



### Environmental Management Approach

- Comply with laws and regulations and keep improving
- Prevent pollution, conserve energy, and reduce energy consumption and emissions
- Strictly control hazardous substances and manufacture green and environmentally friendly products



### Environmental Management Strategies

- Focusing on carbon reduction, promoting pollution and carbon control, and achieving green transformation



### Environmental Management Targets

- Regular monitoring of stormwater and wastewater, exhaust gas emissions, and noise, ensuring compliant discharge with zero environmental pollution incidents.
- Waste generation per unit of output decreased by 1% compared with the previous year.

Zhongji InnoLight consistently adheres to the principle of green development, strictly complies with environmental regulations, and effectively implements the "three simultaneous" for environmental protection in production and construction projects. Focusing on key pollution factors such as exhaust gas emissions, wastewater, solid waste, and noise, the Company has established a comprehensive management system and developed environmental control procedures, including the *Environmental Operational Control Procedure*, *Air Pollution Management Specification*, *Waste Water Discharge Management Specification*, and *Noise Emission Management Specification*. Through standardized management, we ensure that all emission indicators comply with national and industry standards. While guaranteeing compliant discharge, the Company continuously strengthens environmental management capabilities and steadily enhances green production, fulfilling our environmental commitments through concrete actions.

In 2025, all manufacturing subsidiaries of the Company successfully maintained or obtained ISO 14001 Environmental Management System certification. In addition, InnoLight Suzhou and TeraHop Thailand passed the RBA audit, demonstrating that the Company's environmental management practices have reached international standards.



ISO 14001 Environmental Management System Certification for Manufacturing Subsidiaries (Example: InnoLight Suzhou, Jingle Electronic, TeraHop Thailand)

<sup>3</sup> Includes expenditures on environmental protection equipment, materials, and other related supplies, but excludes investments in green electricity.

Zhongji InnoLight places great importance on responding to environmental emergencies and continuously strengthens a comprehensive, full-process environmental emergency management system. Based on national regulations such as the *Measures for the Environmental Emergency Response Management* and the *Measures for the Filing and Management of Emergency Response Plans for Environmental Emergencies of Enterprises and Public Institutions*, the Company has developed the *Environmental, Health and Safety Manual* and established a three-tier environmental emergency management system across the group, factories, and workshops. This framework clearly defines responsibilities at each level, ensuring efficient transmission of emergency directives and coordinated allocation of emergency resources.

At the group level, we have established an Environmental Emergency Management Leadership Team to coordinate and oversee the response to major environmental incidents across factories and regions. At the subsidiary and factory level, Environmental Emergency Command Centers are set up to implement group requirements, develop and execute factory-level emergency plans, and organize drills, hazard inspections, and on-site emergency responses. At the workshop and team level, designated Emergency Liaison Officers conduct daily risk inspections, promptly report incidents, and participate in initial emergency responses, ensuring that environmental risks are addressed quickly and effectively.

At the same time, the Company conducts tiered and role-specific environmental emergency training for employees from management to frontline positions, ensuring that all personnel possess the necessary knowledge and skills. New employees are required to complete environmental training and pass the assessment before commencing work. Relevant personnel continuously participate in regular, practical environmental emergency drills to enhance emergency response capabilities and coordination. During the reporting period, the Company recorded no environmental spill incidents.

The Company has also established an Environmental Impact Assessment (EIA) management mechanism covering all stages from project initiation and construction to operation, proactively integrating environmental risk prevention into the decision-making process.



At the project initiation stage, InnoLight Suzhou engages a third-party professional environmental assessment agency to conduct an Environmental Impact Assessment and the image above is the kickoff meeting for the assessment of InnoLight Suzhou

# Waste and Emissions

Zhongji InnoLight places great importance on managing emissions of exhaust gases, wastewater, waste, and noise, adhering to a zero-violation environmental policy. The Company strives to strengthen governance, promote sustainable development, prevent the impact of emissions on local community ecosystems, uphold our environmental image, and actively fulfill our social responsibilities.

## Waste Management

Zhongji InnoLight places great emphasis on end-of-life product management, complying with the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, the *Directory of National Hazardous Wastes*, and local waste-related laws and regulations. The Company has developed and strictly implements the *Waste Management Procedure*, standardizing the classification, collection, storage, and disposal of waste, and establishing a comprehensive record-keeping system. During the reporting period, the Company generated 6,116.27 tons<sup>4</sup> of non-hazardous waste.

Waste Type	Treatment Method
Recyclable Waste	Collected and processed by qualified vendors
Non-Recyclable Waste	Regularly collected by qualified vendors and sent to power plants for incineration and energy recovery
Hazardous Waste	Collected and stored at designated locations, and transported for disposal (incineration or recovery) by qualified vendors
Domestic Waste	Regularly collected and processed by government-designated qualified vendors
Food Waste	Harmlessly treated by government-designated qualified vendors
Construction/Demolition Waste	Managed and disposed of by the construction party in accordance with government regulations

At the same time, the Company actively responds to regulatory requirements on waste classification management by providing regular training to enhance employees' awareness of proper waste sorting and disposal, ensuring that waste classification is carried out in an organized and efficient manner.

### Case Standardized Management Training for Solid and Hazardous Waste to Reduce Cross-Contamination

To enhance employees' ability to identify and properly handle solid and hazardous waste, Zhongji InnoLight conducts specialized training for relevant positions. The training systematically covers definitions and classification standards for solid and hazardous waste, proper collection and transfer procedures, and applicable laws and regulations. As a result, the cross-contamination rate decreased from 15% before training to approximately 1%, establishing a closed-loop management mechanism of "frontline employees performing proper sorting, environmental specialists supervising, and management coordinating implementation." This approach continuously improves environmental compliance and refined management capabilities.



Standardized Management Training for Solid and Hazardous Waste

<sup>4</sup> Non-hazardous waste includes recyclable waste, non-recyclable waste, domestic waste, kitchen waste, and construction/demolition waste.

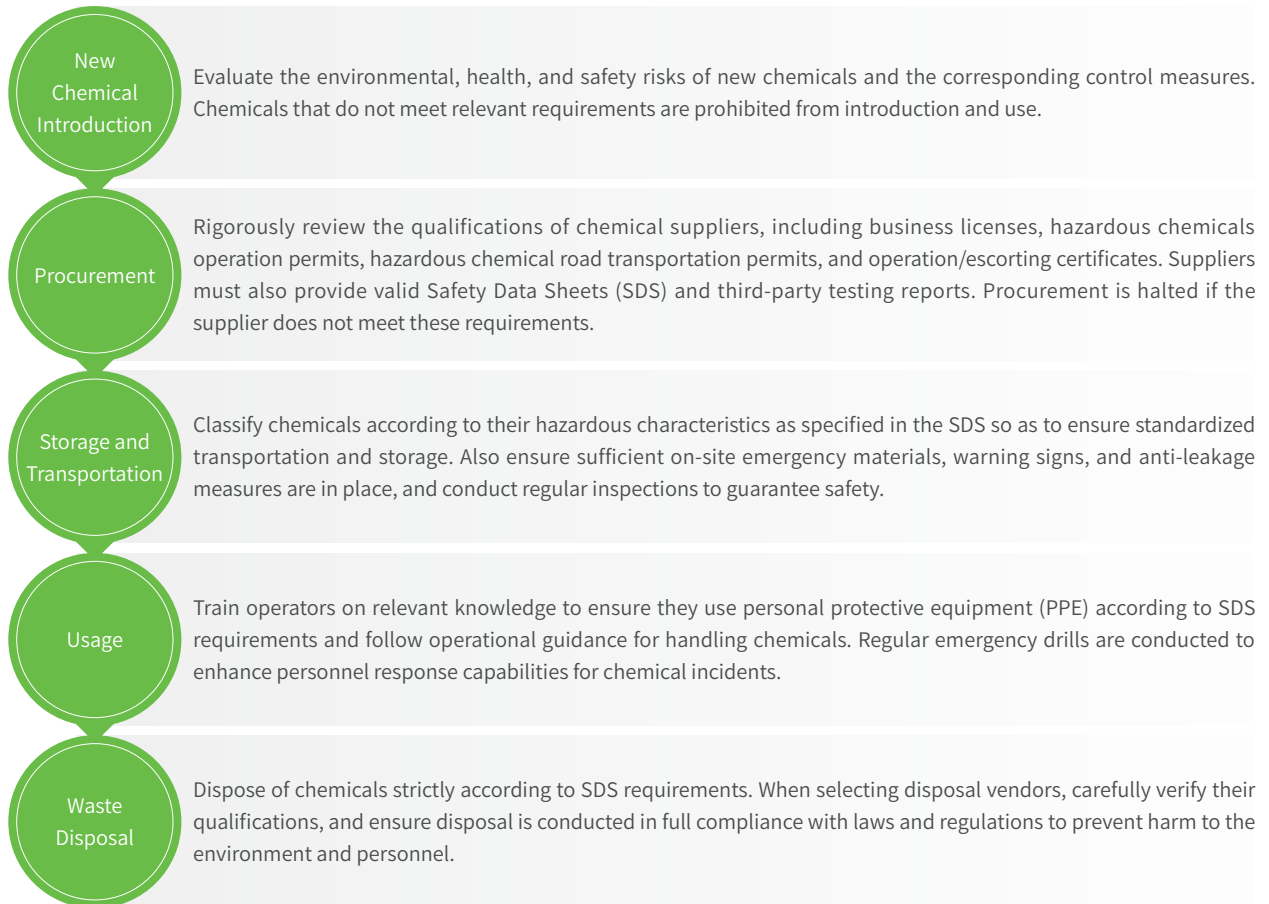
Waste Indicator	Total Hazardous Waste (tons)	Total Non-Recyclable Waste (tons)	Total Recyclable Waste (tons)
2024	124.26	1,245.90	165.78
2025	241.51 <sup>5</sup>	1,407.92	751.31

## Chemical Safety

Zhongji InnoLight maintains strict control over chemical safety. Based on relevant chemical laws and regulations, international standards, and client requirements, the Company has developed the *Chemical Management Procedure*, which rigorously governs all stages of chemicals, including introduction, procurement, storage, transportation, use, and disposal. Green management practices are implemented to protect the environment. During the waste disposal phase, chemical decommissioning strictly follows SDS requirements. The qualifications of disposal vendors are carefully verified, and all handling is conducted in strict compliance with laws and regulations to prevent harm to the environment and personnel.

At the same time, to further enhance employees' safety awareness and strengthen their ability to manage environmental risks associated with chemicals, Zhongji InnoLight provides annual chemical safety management training for employees and regularly organizes chemical spill emergency drills. The Company continuously improves the full-process management of chemicals, from storage and use to disposal, promoting ongoing enhancement of environmental and safety management standards.

### Hazardous Chemicals Management Procedure



<sup>5</sup> The increase in total hazardous waste is mainly due to higher production capacity and expanded factory scale, which led to a greater volume of activated carbon replacement in new environmental facilities.

**Case** Chemical Spill Emergency Response Drill

In August and October 2025, InnoLight Suzhou and TeraHop Thailand conducted chemical spill emergency drills at chemical storage and usage sites, simulating scenarios in which containers rupture during handling. Emergency response plans were promptly activated on-site, and standardized response procedures were carried out, effectively enhancing the safety of chemical storage and use, improving employees' emergency response capabilities, and reducing environmental and safety risks.



Chemical Spill Emergency Response Drill



TeraHop Thailand Chemical Emergency Drills

## Wastewater Management

The Company ensures compliant management of wastewater discharge across all factories to minimize environmental impact. Each factory engages qualified third-party agencies to conduct annual testing of domestic sewage, covering parameters such as pH, Chemical Oxygen Demand (COD), Biochemical Oxygen Demand (BOD), ammonia nitrogen, total phosphorus, and total nitrogen, ensuring that wastewater discharge meets local water pollution prevention regulations. In 2025, Zhongji InnoLight recorded no violations related to water intake or wastewater discharge.

## Exhaust Gas Management

To practice the concept of green development, implement ESG management requirements, and comply with national and local regulations on exhaust gas emissions, the Company has established the *Air Pollution Management Specification* to govern the generation, collection, treatment, and prevention of exhaust gases. Guided by the core approach of "source reduction, process control, end-of-pipe treatment, and continuous improvement," the Company works to minimize exhaust gas emissions. In 2025, measures such as alcohol recycling were adopted to reduce emissions. During the reporting period, all emissions were compliant with relevant standards and regulations.

### Exhaust Gas Emissions Management Targets

Ensure that the concentration, rate, and total volume of emissions from all production processes fully comply with the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, the *Emission Standard for Fugitive Volatile Organic Compounds (VOCs)*, and other applicable national, industry, and local standards applicable to the operating location. Engage qualified third-party agencies to conduct periodic monitoring of exhaust gas emissions to ensure compliant discharge.

#### Source Control and Process Management

- **Actively promote raw and auxiliary material substitution:** prioritize the procurement of low-VOC, low-toxicity, and odorless raw and auxiliary materials, and gradually phase out high-volatility, high-pollution solvent-based products to reduce emissions.
- **Optimize production processes:** promote enclosed, continuous, and automated production technologies to reduce unorganized emissions during manufacturing.

### Exhaust Gas Emissions Management Plan

#### Enhanced Process Control

- **Establish a management ledger for fugitive emissions:** maintain records and controls over fugitive emission sources across storage, loading and unloading, transfer, and production processes; conduct regular monitoring of fugitive exhaust gas emissions to track pollutant concentration levels.
- **Strengthen operation, maintenance, and emergency management:** enhance routine inspection and maintenance of exhaust gas emission collection pipelines and treatment facilities to ensure they remain in good and effective condition; establish emergency response procedures for abnormal exhaust gas emissions to improve environmental risk management capabilities.

## Noise Management

The Company places great importance on the impact of production noise on the environment and employee health. Qualified third-party agencies are regularly engaged to monitor noise levels across factory sites, and efforts are continuously made to reduce noise throughout all facilities.

### Noise Management

#### ● Selection and Installation

In addition to performance considerations, environmental requirements are taken into account during equipment procurement to ensure minimal negative environmental impact during operation. Installation plans also consider operational noise, with sound insulation and noise reduction measures implemented in advance.

#### ● Equipment Operation

Regarding the noise generated during equipment operation, to ensure compliance, equipment managers perform regular maintenance in accordance with the *Equipment Management and Maintenance Procedures*, ensuring that noise emissions meet the required standards.

#### ● Regular Noise Monitoring

Each year, qualified environmental monitoring agencies are engaged to conduct regular testing of noise emissions generated during equipment operation, in accordance with applicable local regulatory requirements. This ensures that boundary noise levels comply with the *Emission Standard for Industrial Enterprises Noise at Boundary* and other relevant noise control standards in the locations of operation.



### Case Noise Reduction Upgrade at InnoLight Tongling

InnoLight Tongling advanced its factory noise management by implementing noise reduction modifications on exhaust fans and optimizing the noise performance of cooling towers and module unit clusters. Through technical upgrades and operational adjustments of the relevant equipment, the Company effectively reduced noise emissions during equipment operation, minimizing impact on the factory and surrounding environment.



InnoLight Tongling Noise Reduction Upgrade

## Biodiversity Protection

Zhongji InnoLight places great emphasis on ecological civilization and upholds the philosophy of "green development and responsible stewardship," actively promoting environmental public welfare initiatives. Through activities such as tree planting and community waste collection, the Company integrates environmental protection concepts into employees' daily practices, guiding them to adopt a green lifestyle and collectively contribute to preserving the ecological environment and building a sustainable, green community. We strictly observe ecological protection red lines and strengthen environmental management and control over ecologically sensitive areas, including Yangcheng Lake, Jinji Lake and Dushu Lake.



InnoLight Suzhou Tree-Planting Activity



## Resource Efficiency and Circular Economy Development

### Energy Management

Zhongji InnoLight is committed to strengthening energy management through well-defined goals and policies. The Company continuously optimizes its energy mix, increases the share of renewable energy, and enhances overall energy efficiency. By 2040, InnoLight Suzhou and TeraHop Thailand aim to achieve 100% green energy usage.

## Energy Management Objectives and Policies

### Energy Management Objectives and Policies

**Objectives:** Energy conservation and efficiency improvement, continuous progress; the light of technology, illuminating the future.

- Principle:**
- Strictly comply with national energy-saving and environmental protection laws, regulations and standards, fulfill international environmental conventions, and implement stricter internal energy-use control standards
  - Continuous innovation and improvement of production processes, optimization of energy structure, reduction of energy consumption and energy costs
  - Illuminate dreams through technology and light up the future with innovation

### Energy Baseline, Targets and Performance of Zhongji InnoLight:

Parameter	Comprehensive energy consumption per RMB 10,000 of revenue (kg of standard coal/RMB 10,000 revenue)
Energy Baseline (2024 Actual)	9.59
2025 Target	Energy consumption per unit decreased by 5% compared with 2024.
Actual Performance	Energy consumption per unit decreased by 5.17% compared with 2024.



In 2025, Zhongji InnoLight procured a total of **40,000** MWh of green electricity

exceeding the planned **20,000** MWh

We plan to further increase the volume of green electricity procurement in 2026

## Energy Conservation and Emissions Reduction

Zhongji InnoLight actively responds to China's "Carbon Peaking and Carbon Neutrality" goals and has established energy management procedures in accordance with the ISO 50001 Energy Management System. We have developed a comprehensive set of energy conservation and emissions reduction policies, including the *Energy Management Manual* and *Energy Management Procedure*. Each of our manufacturing sites advances green practices through site-specific energy-saving initiatives, extending sustainable practices across the value chain. These efforts ensure the rational use of resources, improve resource utilization efficiency, and minimize energy consumption wherever possible.

Each subsidiary has established an Energy Management Committee and dedicated task forces to identify energy-saving opportunities, set energy efficiency targets, formulate energy-saving measures, and promote energy conservation and emission reduction practices. Incentive mechanisms, such as Energy Innovation Awards and Rationalization Proposal Awards, have been introduced to encourage employees to actively participate in energy management initiatives. Energy performance is reviewed on a regular basis, with outstanding teams and individuals recognized and rewarded. Progress against targets is also summarized to maximize both economic and social benefits.



ISO 50001 Certification for Energy Management System

**Case** Optimization of the Automated Control System for the Xiasheng Road Chiller Plant to Improve Energy Efficiency

To further enhance energy utilization efficiency, InnoLight Suzhou implemented a deep optimization project for the automated control system of the chiller plant at the Xiasheng Road facility. By increasing the frequency of data collection and analysis and integrating AI-based and mechanism-model algorithms, the system dynamically optimizes equipment operations to unlock additional energy-saving potential. The system was officially commissioned in March 2025. Monitoring data through the end of 2025 indicates an energy-saving rate of approximately 7%-8%, with an estimated annual electricity savings of 270,000 kWh. This translates into cumulative electricity cost savings of approximately RMB 203,000, achieved a reduction of approximately 164.59 tCO<sub>2</sub>e, further advancing refined energy management and delivering tangible energy conservation and emissions reduction outcomes.



Deeply Optimize Automatic Control Software

**Case** Energy Efficiency Retrofit at InnoLight Tongling

To improve equipment energy efficiency and reduce overall energy consumption at the facility, InnoLight Tongling installed after-coolers on each unit to reduce exhaust temperatures to approximately 25°C, effectively preventing heat accumulation during operations. This measure generated annual electricity cost savings of approximately RMB 2.964 million, achieved a reduction of approximately 2,409.14 tCO<sub>2</sub>e, significantly improving energy utilization efficiency while reducing carbon emissions intensity. The initiative provides a replicable example of effective energy conservation and efficiency improvement practices.

## Renewable Energy Replacements

The Company continuously explores the use of renewable energy to replace traditional energy sources, increasing the share of renewables through initiatives such as the development of on-site photovoltaic (PV) systems. In 2025, Zhongji InnoLight's PV projects achieved a total installed capacity of 5,141.6 kW, generating 5.2913 million kWh of electricity during the year. Green electricity consumption across the Company (including PV generation and purchased green electricity) accounted for approximately 16% of total electricity consumption. In 2026, the TeraHop Thailand PV project will commence operation.

Photovoltaic Project	Suzhou Xiasheng Road Facility Rooftop PV Project	InnoLight Optoelectronics Industrial Park Rooftop PV Project	InnoLight Tongling Rooftop PV Project
Project Overview	Self-built PV system covering 1,800 m <sup>2</sup> , with an installed capacity of 200 kW	Rooftop PV system covering approximately 2,700 m <sup>2</sup> , with a total installed capacity of 399.6 kW	Covers 43,931.19 m <sup>2</sup> , representing 78.47% of the park area, with a total installed capacity of 4,542 kW
2025 Power Generation (10,000 kWh)		81.04	448.09

## Water Management

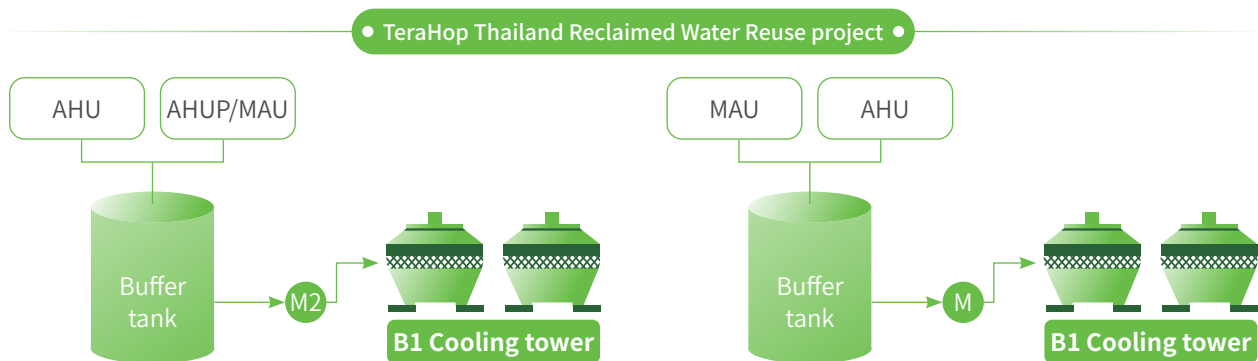
### Water Risk Assessment

Zhongji InnoLight recognizes the impact of water risks on business continuity and has integrated water risk assessment into its established risk management framework. The Company conducts annual assessments to evaluate how its water usage affects human health, community ecosystems, and habitats. A long-term goal has been set to "provide 100% functional, safely managed quality water, sanitation, and hygiene facilities for all employees." Additionally, the Company maintains a water pollution source inventory to identify potential contamination risks across production, facility maintenance, waste disposal, and daily employee activities. The Company also requires supply chain partners to report total water withdrawal and recycling volumes to jointly safeguard water security.

### Water Resource Conservation

Zhongji InnoLight's primary water supply is sourced from the municipal water network and is used for domestic purposes, indirect cooling for refrigeration equipment, and cleaning processes in product manufacturing. We promote water conservation and work to minimize water wastage by developing and implementing regular water-saving plans. To reduce water consumption in office and domestic operations, we implement reclaimed water reuse and utilize cooling tower circulating water for toilet flushing and landscape irrigation systems. In addition, we conduct routine inspections to detect leaks, promote water-saving practices, and raise awareness of water conservation methods among employees to reduce water use and prevent wastage. We have established the clear water conservation target: by 2026, Zhongji InnoLight aims to reduce water consumption intensity (per unit of revenue) by 5% compared to 2023 across its four manufacturing sites in InnoLight Suzhou, InnoLight Tongling, InnoLight Taiwan, and TeraHop Thailand.

During the reporting period, TeraHop Thailand implemented a reclaimed water reuse project that saved 14,553 m<sup>3</sup> of water and generated THB 280,581.84 in water cost savings.



## Resource Recovery and Reuse

Zhongji InnoLight actively explores approaches to resource conservation and material recycling, continuously advancing circular resource practices throughout the production process and optimizing the use of production resources. We have established a sound internal waste recycling system to promote the efficient use of resources and create shared value for the environment, society and economic development. Through collaboration with external stakeholders, we also develop recycled products, reduce waste generation and support the development of a circular economy.

We actively promote green product design and the recycling of packaging materials, while advancing the circular use of core structural components in its products. Packaging is designed using standardized and integrated solutions to maximize material lightweighting. The Company also improves the reuse rate of wood materials by recycling pallets used for material packaging, finished goods transportation, and equipment handling, as well as wooden packaging used for equipment. Throughout the year, approximately 486.42 tons of waste were recovered and reused, accounting for 64.74% of the total recyclable waste.

At the same time, we promote the recycling of non-hazardous and recyclable materials across our manufacturing facilities. The Suzhou and Thailand facilities have obtained QC 080000 certification, ensuring that hazardous substances are not used in our production processes and that our operations comply with RoHS requirements and other relevant standards. In addition, recyclable waste materials with recovery value, such as PCB offcuts, chips, lead-free solder paste and optical fibers, are recovered through qualified vendors, increasing the reuse of recyclable materials while reducing resource consumption and environmental impacts.



## Harnessing Diverse Stakeholders to Co-create and Share Value

Zhongji InnoLight continues to increase investment in technological innovation and product and service quality enhancement, achieving positive outcomes. We attach great importance to building a responsible supply chain, strengthening data security and client privacy protection, safeguarding employee rights and interests, and actively fulfilling our social responsibility and public welfare commitments. By integrating ESG requirements into the entire process of business operations and management, we continuously enhance operational resilience, strengthen the foundation of stakeholder trust, and promote coordinated and sustainable development between the Company and society.



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# Strengthening R&D Capabilities to Drive Technological Innovation

Against the backdrop of the rapid development of artificial intelligence, cloud computing and next-generation information infrastructure, technological innovation has become a core driver for optical communication companies to achieve technological leadership and high-quality growth. Zhongji InnoLight places technological innovation at the center of its corporate strategy and governance framework. By strengthening governance structures, increasing R&D investment, enhancing intellectual property protection mechanisms, and participating industry standards development, we continuously improve our capabilities in technology iteration and the commercialization of innovation outcomes.

## Governance

The Company integrates technology innovation into the strategic development planning, corporate governance framework, enterprise-wide risk management system, and daily operational management, clearly defining responsibilities at all organizational levels.

### Governance Structure



## Strategy

Risk	Period	Response Measures
<p><b>Technology Innovation Risk</b></p> <p>Under the driving forces of artificial intelligence and cloud computing, the iteration speed of optical communication technology is accelerating. If the Company fails to accurately grasp technological development directions or to advance key technology R&amp;D and commercialization in a timely manner, it may lead to a decline in product competitiveness.</p>	<p>Long-term</p>	<p>Continuously strengthen top-level design for technology development, enhance the Company's ability to iterate core technologies and commercialize innovations.</p>

Risk		Period	Response Measures
Intellectual Property Risk	If intellectual property management is inadequate during patent layout or external technology usage, the Company may face infringement disputes or insufficient protection of core technologies.	Medium- to Long-term	Improve the intellectual property management system, strengthen patent protection and compliance management for core technologies, key processes, and innovation results to ensure the security and sustainability of technological achievements.
Opportunity		Period	Response Measures
Policy Opportunity	Technological innovation remains a key focus of China's 15th Five-Year Plan. Policies such as tax incentives, industrial support, and financing assistance provide a favorable external environment for the Company's technological innovation.	Medium- to Long-term	Monitor policy developments, implement relevant measures, strengthen strategic planning and project management, and optimize allocation of innovation resources.
Market Opportunity	The rapid development of artificial intelligence and cloud computing drives growing demand for high-speed, low-power optical communication products, creating favorable conditions for the Company's business growth.	Long-term	Continue advancing R&D of high-speed optical modules and next-generation optical interconnect technologies, accelerate product iteration and market deployment, and expand into new application areas and business growth opportunities.

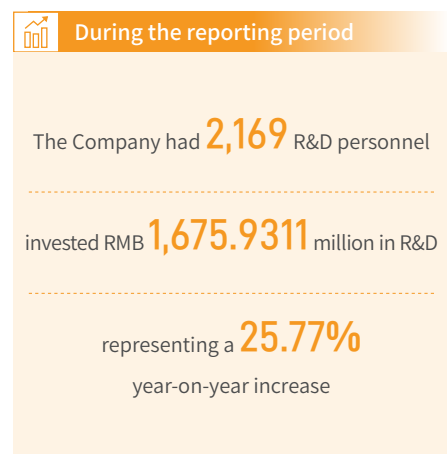
## Impact, Risk and Opportunity Management

Zhongji InnoLight upholds the management principle of "Tech Innovation Leads the Future, and IPR Creates Wealth" and has established clear responsibilities and workflows for managing technological innovation-related risks. The Company integrates innovation and intellectual property (IP) risks into its overall risk management framework for ongoing identification, assessment, and control. Furthermore, Zhongji InnoLight's General Manager regularly (at least annually) conducts reviews to assess the suitability and effectiveness of the IP management system.

### Research and Development Innovation

Zhongji InnoLight places great emphasis on innovation and R&D, focusing deeply on the optical communication field and strengthening its capabilities in product research, design, and manufacturing. Guided by the values of "Innovation, Speed, Discipline, Teamwork" and the philosophy of "Innovation Lights Our Future", the Company continuously increases the R&D investment. We have a strong R&D team and advanced facilities, consistently launching new products and technological innovations to maintain its leading position in the global optical module market.

The Company has allocated dedicated R&D funds, cultivated a high-quality talent pool, invested in advanced equipment, and maintained close collaborations with universities and research institutions, creating a favorable environment for innovation. In addition, Zhongji InnoLight has established systems such as the *Research and Development Performance Management Policy*, and encourages innovation through mechanisms like annual outstanding project awards and quarterly challenge OKRs, fostering employee creativity and stimulating innovative energy.



## Intellectual Property Protection

Intellectual property (IP) is a core element of market competitiveness, and enhancing the Company's IP management is a key guarantee for strengthening independent innovation capabilities. Zhongji InnoLight strictly complies with relevant laws and regulations, including the *Trademark Law of the People's Republic of China* and the *Patent Law of the People's Republic of China*, and has established a comprehensive set of internal IP management systems, including the *IPR Manual*, *Intellectual Property Information Resource Control Procedure*, *Trademark Management Policy*, *Patent Management Measures*, *Confidentiality Management Policy*, and *Intellectual Property Management Guidelines for Procurement and Cooperative (Commissioned) Development Processes*.

Internally, Zhongji InnoLight promotes IP awareness among all employees through training, education, publicity, and meetings, ensuring that staff understand and support the Company's IP policies. Externally, the Company has established specific management norms for procurement and cooperative (commissioned) development processes to prevent potential IP infringements. These norms clearly define responsibilities and ownership with partners, establish emergency protection measures, safeguard the legal rights of both the Company and our partners, and firmly resist unfair competition. With a portfolio of core patents and technological reserves, Zhongji InnoLight has built a solid foundation for the Company's future development.

## Participation in Industry Standards Development

Zhongji InnoLight actively participates in the drafting and development of industry standards, engages in various industry events to enhance peer communication and knowledge sharing, fosters collaboration, and maintains strong partnerships with upstream and downstream enterprises, collectively promoting industry development.

Type	International Industry Standards		Domestic Industry Standards
Industry Standards Organization	OSFP MSA	LPO-MSA	CCSA
Standard Documents	<ul style="list-style-type: none"> <li>Specification for OSFP Octal Small Form Factor Pluggable Module Rev 5.22</li> <li>OSFP-XD Specification Rev 1.11</li> </ul>	<ul style="list-style-type: none"> <li>Specification 400G-FR4-LPO Rev 1</li> </ul>	<ul style="list-style-type: none"> <li>400Gb/s Intensity Modulation Pluggable Optical Transceiver Module Part 3: 4×100Gb/s; YD/T 3538.3-2025</li> <li>Reliability Test Methods for Non-Hermetic Optical Electronic Devices for Communications; YD/T 6449-2025</li> <li>Fiber Optic Connectors Part 7: UC Type; YD/T 1272.7-2025</li> <li>Coherent Optical Module Software Management Interface Part 2: QSFP Series; YD/T 4861.2-2025</li> <li>800Gb/s Intensity Modulation Pluggable Optical Transceiver Module Part 3: 2×400Gb/s CWDM4; YD/T 6086.3-2025</li> <li>800Gb/s Intensity Modulation Pluggable Optical Transceiver Module Part 2: 4×200Gb/s; YD/T 6086.2-2025</li> </ul>

## Metrics and Targets

Zhongji InnoLight consistently regards technological innovation as the core driver for high-quality development. By continuously increasing R&D investment, improving the intellectual property management system, and supporting industry development, the Company provides solid support for sustainable growth, industrial upgrading, and enhancement of international competitiveness. Clear quantitative targets have been established, and through steady growth in both the quantity and quality of patents, the Company achieves a dual enhancement of technological innovation and business value.

By the end of the reporting period	Total number of patents (pieces)		Newly authorized patents (pieces)	
		of which, invention patents		of which, invention patents
2024	371	195	58	23
2025	411	215	44	19

# Partnering Across the Value Chain to Build a Sustainable Ecosystem

## ● Products and Services

Zhongji InnoLight consistently implements the quality policy of "Courageous Innovation, Swift Response, Attention to Detail, Continuous Improvement," while adhering to the service philosophy of "Innovation, Speed, Discipline, and Teamwork." We maintain rigorous control over product quality and place strong emphasis on quality risk prevention and the cultivation of employee quality awareness. Through refined management practices, the Company clearly defines organizational and personnel responsibilities for risk management across the entire product life cycle. At the same time, we advance innovative products, fulfill social responsibilities, establish clear quality red lines, and deliver high-value, high-quality products and services to our clients.

### Governance

#### ● Governance Structure ●



### Strategy



Zhongji InnoLight places strong emphasis on enhancing product quality and client service. Through a comprehensive quality management system and supporting policies, we ensure that every stage—from research and development to after-sales service—meets high standards. At both the strategic and operational levels, we strengthen full lifecycle management of our products, enhance supply chain resilience, and optimize client service capabilities. These efforts enable us to respond effectively to market dynamics and evolving client needs while continuously strengthening our global competitiveness.

Risk	Description	Period	Response Measures
Product Quality Risk	During product manufacturing and delivery, quality control issues or failure to meet client requirements may lead to product defects and client complaints, potentially affecting the Company's reputation and market competitiveness.	Short-Mid Term	Strengthen the quality management system and implement full lifecycle product quality management; enhance employee quality awareness and quality review processes to prevent quality risks; monitor production processes in real time and promote intelligent management.
Client Demand Response and Delivery Risk	Inaccurate identification of client needs, ineffective internal communication and coordination, or inadequate delivery process management may result in delayed order fulfillment, declining client satisfaction, and potential loss of market share.	Short Term	Establish cross-departmental coordination mechanisms and leverage rolling forecasts, dynamic material preparation, and capacity planning to ensure rapid and accurate responses to client needs while maintaining delivery quality and speed.
Service Quality Risk	In after-sales service, failure to respond to client issues in a timely manner or improper handling of such issues may result in client dissatisfaction, affecting long-term client relationships and market reputation.	Short Term	Improve the client service system and establish procedures for handling client complaints and product returns to ensure issues are resolved in a timely manner; optimize client feedback management processes to enhance service responsiveness and issue resolution capabilities.

Opportunity	Description	Period	Response Measures
Service Improvements Driven by Client Needs	Through refined client service and customized solutions, we can enhance client satisfaction and loyalty, thereby strengthening long-term and deeper client relationships.	Mid-Long Term	Improve client communication mechanisms and conduct regular client satisfaction surveys, adjusting service strategies in a timely manner based on feedback; strengthen training for after-sales service teams to improve the efficiency and quality of issue resolution and ensure prompt responses to client needs.
Internal Efficiency Improvements from Refined Management	Refined management in product manufacturing and service delivery can improve operational efficiency, reduce costs, and enhance resource utilization, further strengthening the Company's profitability.	Mid-Long Term	Advance digitalized and intelligent manufacturing and leverage data analytics and management tools to improve production efficiency; optimize production processes to reduce unnecessary resource waste and enhance overall operational performance.

## Impact, Risk and Opportunity Management

Zhongji InnoLight places strong strategic emphasis on product and service excellence. Based on this commitment, we systematically identify key risks related to product quality management, client demand responsiveness, technology iteration, and service quality, and implement effective management measures to address them. At the same time, we actively capture opportunities arising from technological advancements and evolving client needs in the industry. By continuously improving product and service quality, delivery efficiency, and client satisfaction, we strive to provide high-quality products and efficient services to our clients, further strengthen our competitiveness in the global market, and support sustainable development.

### Product Quality Management

Relying on internationally recognized standards such as ISO 9001 and TL 9000, Zhongji InnoLight has established a quality management system that covers the entire product life cycle. The system focuses on key modules including product quality assurance, traceability management, client satisfaction enhancement, continuous improvement, and training system development. Through a combination of institutionalized management, process control, and data monitoring, we ensure product stability and continuously improve service quality.



#### During the reporting period

All manufacturing subsidiaries of Zhongji InnoLight obtained or maintained ISO 9001 Quality Management System certification.



#### Quality Risk Prevention and Control

Through technological innovation, Zhongji InnoLight advances the digitalization and intelligent development of product manufacturing, strengthening the identification, assessment, and management of quality risks to reduce product defects and ensure product quality. By integrating key quality data into visualized process quality dashboards, we present operational differences across manufacturing sites in an intuitive manner, enabling effective comparison to identify and prevent potential quality risks. In addition, system functions have been integrated to automate data capture, improving work efficiency, reducing manual errors, and enhancing the precision of data analysis.



#### Quality Awareness Development

Zhongji InnoLight attaches great importance to cultivating employee quality awareness. During the reporting period, our domestic and overseas manufacturing sites and subsidiaries conducted 29 quality training sessions. Training topics included the Company's quality management system documentation, quality management procedures and tools, electrostatic discharge technologies and management practices, and RMA market analysis. Through initiatives such as the "Quality Month" campaign, we further strengthened employees' quality awareness and enhanced their professional quality management capabilities.



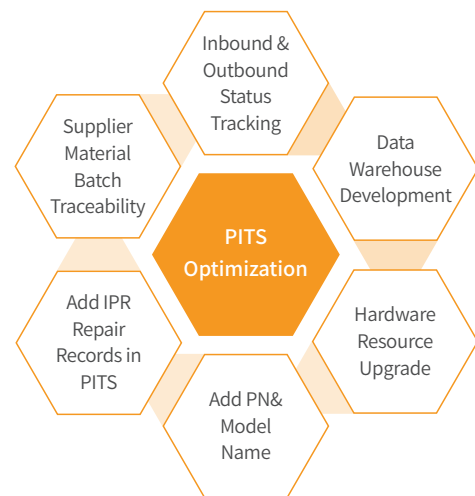
InnoLight Tongling Conducts "Quality Month" Campaign



InnoLight Suzhou Conducts "Quality Month" Campaign

**Case** Optimizing the Traceability System to Achieve 100% Closed-Loop Tracking of Audit Findings

InnoLight Suzhou's original internal audit management system lacked a unified classification and consolidated analytical mechanism, resulting in low efficiency in issue tracking and blind spots in closed-loop management. To improve the systematic management and traceability of audit findings, we upgraded and optimized the traceability system. By enabling the PITS system to directly connect with the data warehouse, the Company implemented centralized management and automated traceability of issue-related data. Following the system upgrade, audit findings can now be categorized and analyzed by manufacturing site, product category (optics/modules), and product model. The system displays the total number of issues, the number of open issues, and closure rates, effectively strengthening issue tracking and monitoring of corrective actions.

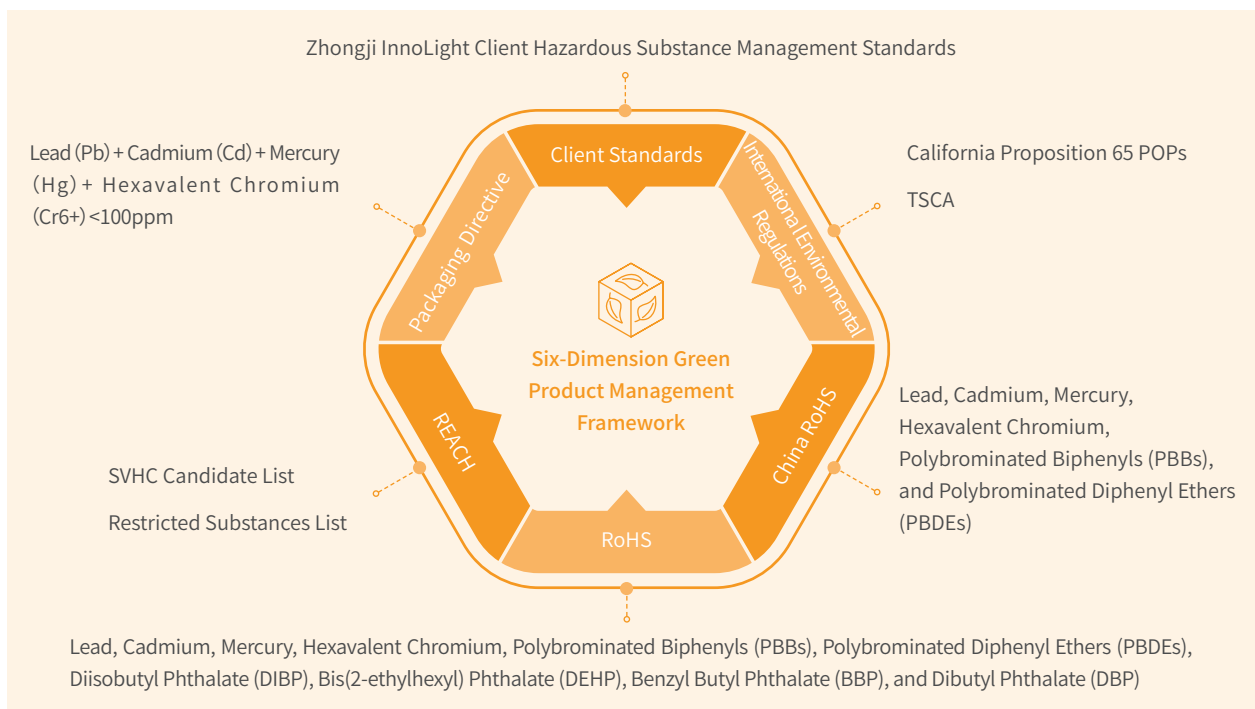


**After implementation**

<p>Issue traceability efficiency improved by approximately <b>85%</b></p>	<p>achieving <b>100%</b> closed-loop management of audit findings and significantly enhancing the transparency of quality management</p>
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## Developing Green Products

Zhongji InnoLight advances the integration of sustainability principles into business operations through comprehensive green product management. We identify and manage risks across research and development, procurement, manufacturing processes, and testing to ensure that our products meet applicable regulatory requirements and client expectations regarding environmentally responsible products. During the R&D design and material selection stages, we follow international regulations and value chain requirements and apply product design principles focused on reducing hazardous substances. This approach enables us to proactively avoid materials that may contain hazardous substances or fail to comply with regulatory requirements, while working collaboratively with the supply chain to minimize environmental impacts. In the meantime, the Company has established a six-dimension green product management framework. By strengthening environmentally friendly design practices, we ensure compliance with domestic and international regulations, including RoHS, REACH, and POPs. We also specifically identify and control more than 50 categories of chemical substances in products and packaging materials, including ozone-depleting substances and radioactive materials. These substances are fully incorporated into our hazardous substance reduction management system, enabling environmental sustainability considerations to be integrated at the product design stage.



The Company holds IECQ QC 080000:2017 Hazardous Substance Process Management System certification, as well as CE, FDA, UL, and CB product safety certifications.



## Delivering High-Quality Services

Guided by our core corporate values, Zhongji InnoLight adheres to the service philosophy of "Innovation, Speed, Discipline, and Teamwork," and remains committed to providing clients with high-value, high-quality products and services.



### ➤ Product Delivery

Zhongji InnoLight has established a series of internal policies and procedures, including the *Management Procedures for Sales Forecasts and Delivery Schedules*, *Management Procedures for Client Development and Communications*, *Client Requirements and Contract Review Procedures*, and *Outbound Logistics Operation Process*. These policies and procedures are designed to ensure both the speed and quality of product delivery.

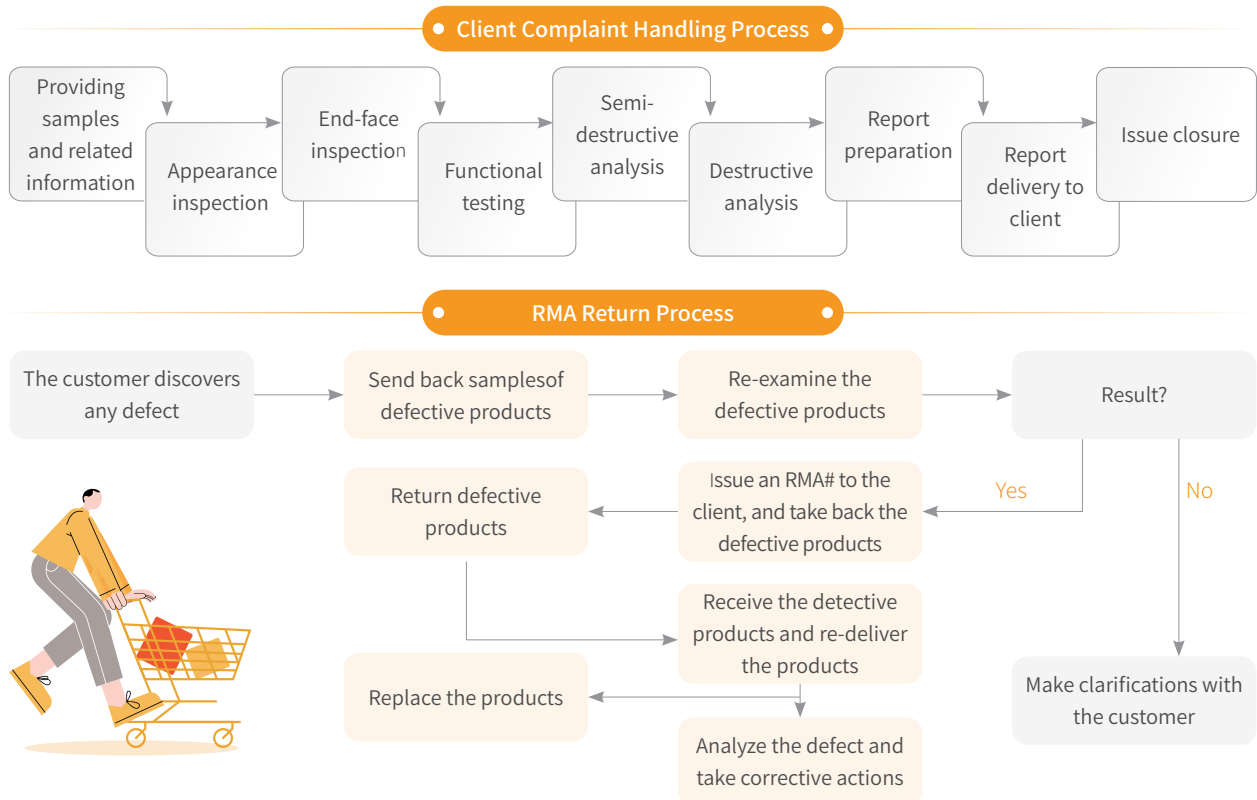
Mid- to Long-Term Forecast Management	After Clients Place Formal Orders	Product Delivery	During the Provision of Product Services
Based on market demand insights and internal planning, Zhongji InnoLight updates the rolling six-month sales forecasts on a monthly basis for domestic sales. We coordinate across internal departments to arrange material preparation, capacity planning, safety stock establishment, and production scheduling. This approach enables dynamic alignment with market demand and rapid response to client needs.	We strictly follow the <i>Client Requirements and Contract Review Procedures</i> to accurately understand client requirements and expectations and ensure that product standards fully meet client requirement.	The Company standardizes shipment and logistics operation processes and implements logistics performance assessments to ensure products are delivered to clients safely and efficiently, thereby enhancing client satisfaction.	Internally, we strictly follow the <i>Management Procedures for Client Development and Communications</i> to coordinate and communicate with clients. Whenever possible, written communication such as email is used to ensure accurate and comprehensive understanding of client requirements related to our products and services.

#### Processes to Ensure Product Delivery Speed and Quality

Zhongji InnoLight classifies and analyzes client feedback issues and coordinates across departments to respond proactively to client requests. We address various issues and system failures encountered by clients to ensure the stable operation of the client systems. Through these efforts, we provide comprehensive, timely, and well-structured after-sales services, minimizing client concerns and reducing operational risks to the greatest extent possible.

The Company has established comprehensive procedural documentation defining the handling of RMA and client complaints, supported by dedicated systems that facilitate the related business processes. Client complaints are categorized into three levels based on severity—critical, major, and minor—with corresponding response times assigned to each level.

When clients identify product issues, they may submit a return request to the Company. We analyze product issues in accordance with the *Operating Procedures for Client Complaints* and *RMA Returns* to ensure that client feedback is addressed promptly and effectively while maintaining transparent and constructive communication. If defective products are confirmed, we promptly provide replacement products and issue a corresponding analysis report.



### ➤ Client Satisfaction

Zhongji InnoLight consistently prioritizes client needs and satisfaction. We regularly collect client feedback to drive continuous improvement and optimization, ensuring that client requirements are fully met. The Company has established the *Client Satisfaction Survey Procedure* and conducts annual surveys covering five major areas: product quality, service, sales service quality and pricing, delivery, and green products.

## Metrics and Targets

**Quality Objectives**

Through continuous quality improvement, Zhongji InnoLight aims to enhance overall competitiveness and capture market share, striving to become a high-quality benchmark enterprise in the optical module industry.

By implementing a comprehensive quality management system throughout the product life cycle, maintaining efficient client demand response processes, and operating a systematic closed-loop mechanism for after-sales issues, the Company strives to achieve our quality, delivery, and service objectives.

**During the reporting period**

<p>The Company achieved a <b>100%</b> client response rate</p>	<p><b>100%</b> product factory pass rate</p>
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# Responsible Supply Chain

Zhongji InnoLight attaches great importance to the key role of supply chain management in the sustainable development of the enterprise. We integrate ESG concepts into the entire life cycle management of the supply chain. By improving the governance structure, clarifying the strategic direction, systematically identifying risks and opportunities, and advancing the construction of a responsible supply chain with quantified metrics and phased targets, we foster synergistic development and value co-creation upstream and downstream of the industrial chain.

## Governance

The Board of Directors bears the ultimate supervisory responsibility for the Company's responsible supply chain management, supervising and guiding supply chain-related environmental, social, and compliance risks and opportunities from the strategic and governance levels. The Procurement Committee (with the coordinated participation of the Economic Planning Committee) reviews and makes decisions on major issues related to the Company's procurement and supply chain management. It coordinates the Economic Planning Committee, procurement execution departments, and relevant functional departments to drive the realization of responsible supply chain management goals.

## Strategy

Supplier Quality Management Philosophy

- Exercise strict quality control at the source, grow together with suppliers, emphasize risk management and preventive control, build mutually beneficial partnerships, and implement comprehensive quality management.

Zhongji InnoLight prioritizes supply chain strategy optimization as a key annual initiative. By formulating and continuously updating the *Supply Chain Risk and Opportunity Analysis Table*, we systematically identify and manage supply chain-related risks and opportunities at a strategic level. Through proactive planning, critical resource securing, and deepened partnerships, we have built a more resilient supply chain system, further enhancing the Company's rapid perception of market changes, agile response to uncertainties, and efficient cross-system collaboration capabilities.

Risk	Description	Period	Response Measures
Supplier Qualification and Delivery Risks	Uncertainties in suppliers' product quality, delivery capabilities, and performance stability may affect normal production, service quality, and client delivery.	Short- to Medium-term	Establish a qualified supplier evaluation procedure; implement hierarchical supplier management; formulate green substance management and evaluation specifications; strengthen supplier management through regular performance assessments and other methods.
Environmental and Social Responsibility Risks	The uneven management levels of some suppliers in environmental protection, labor employment, occupational health and safety may trigger compliance or reputation risks.	Medium term	Incorporate environmental and social responsibility requirements into supplier management; conduct evaluations through questionnaires and document reviews; promote rectification and continuous improvement for identified issues.
Supply Chain Stability Risks	Factors such as changes in the external environment and high supplier concentration may lead to disruptions in the supply of key materials or services.	Medium term	Identify key suppliers and key materials; moderately promote supplier diversification; strengthen supply chain collaboration and information communication to improve supply chain resilience.
Reputation and Brand Risks	Suppliers' misconduct may be transmitted through the supply chain, negatively impacting the Company's brand image and market trust.	Medium- to Long-term	Strengthen the requirements of the Supplier Code of Conduct; enhance supply chain transparency; reduce potential reputation risks through continuous communication and supervision.

Opportunity	Description	Period	Response Measures
Improvement of Supply Chain Management Capabilities	Standardize procurement processes and improve the supplier management system through the construction of a responsible supply chain, enhancing overall operational efficiency and management level.	Medium term	Systematically integrate ESG requirements into procurement and supplier management processes; continuously optimize policies and execution mechanisms.
Synergistic Development with Suppliers	Promote the improvement of suppliers' management levels through capacity building and communication to achieve long-term cooperation and win-win results.	Long term	Conduct supplier communication and training; encourage suppliers to continuously improve their environmental and social responsibility performance.

## Impact, Risk and Opportunity Management

The identification and management of impacts, risks, and opportunities are key to ensuring the robust operation of responsible supply chain management. Focusing on key areas such as supplier quality management, transparent procurement, restricted use of hazardous substances, social responsibility, and conflict minerals management, Zhongji InnoLight continuously improves its systems and processes to promote standardized supply chain operations and the effective implementation of responsibility management requirements.

### Supplier Management

Zhongji InnoLight continuously refines its full-lifecycle supplier management mechanism, establishing a closed-loop management system that encompasses onboarding screening, process reviews, and performance evaluations. The Company has formulated the *Supplier Social Responsibility Management Procedure*. During new supplier onboarding audits, we strictly categorize suppliers into low-, medium-, and high-risk tiers. We conduct on-site audits for high-risk suppliers and implement annual audits for all categories of qualified suppliers. The annual performance evaluation for low-risk suppliers is conducted in accordance with the *Qualified Supplier Management Procedure*. In addition, the Company conducts regular business ethics audits on suppliers to continuously elevate labor management standards within the supply chain. In 2025, the Company's supplier audit dimensions integrated ISO 19011 and ESG requirements, covering four major modules: Quality Systems, Process Control, Business Ethics, and Sustainability. The audit scope was also extended to select key Tier 2 suppliers. Implementing penetrative audits in reference to the *Supplier Quality Management Operation Specification*, the Company focuses on verifying suppliers' Process Capability Index (CPK), corrective action closure rates, and the application of error-proofing technologies. Simultaneously, we emphasize the establishment of anti-corruption systems, intellectual property protection, and conflict minerals traceability mechanisms. In terms of sustainability, guided by the principle of Tier-n transparency, the Company verifies suppliers' carbon emissions data and the proportion of renewable materials used. This effectively identifies deep-tier supply chain disruptions and compliance risks, supporting the Company in meeting relevant European Union (EU) market access requirements.

The Company requires suppliers to comply with applicable minimum wage laws and regulations in the countries or regions in which they operate and encourages them to progressively align with living wage standards. The Company will, through supplier evaluations, audits, and training programs, promote the improvement of suppliers' compensation management systems to ensure that employees receive fair and reasonable remuneration.

In addition, the Company actively promotes localized procurement to enhance the flexibility and resilience of the regional supply chain, reduce reliance on cross-border logistics, and decrease process carbon emissions, laying a solid foundation for the localized operation of overseas production bases and the construction of a sustainable supply chain.

#### Case Localized Procurement Project for Packaging Materials in Thailand

To address the issues of long supply cycles, high logistics costs, and inventory pressure resulting from the Thailand factory's reliance on domestic allocation for packaging materials, TeraHop Thailand systematically advanced the localized transformation of packaging material supply. On the one hand, we actively developed high-quality local supplier resources in Thailand; on the other hand, we encouraged existing domestic suppliers to implement localized footprints in Thailand, continuously improving the regional supply network. By reconstructing the radiation scope of packaging material supply, the project significantly improved supply chain response efficiency. The delivery cycle was shortened from 45 days under the "domestic procurement + allocation" model to 30 days for local delivery, an overall reduction of 15 days. Meanwhile, comprehensive procurement costs (including logistics and tariffs) were reduced by 40%, demonstrating obvious cost reduction and efficiency enhancement.

## Supplier Quality Management

Zhongji InnoLight formulates the *Supplier Quality Management Operation Specification* and signs the *Supplier Quality Assurance Agreement* with suppliers to conduct effective quality management. The Company conducts monthly, quarterly, and annual quality performance assessments of suppliers across multiple dimensions, such as incoming batch pass rate, incoming defect rate, online quality issues, timeliness and effectiveness of responses to quality issues, client complaints, and key events. Based on the performance assessment scores, suppliers are classified into quality categories, and targeted management measures are formulated.

At the same time, the Company regularly arranges on-site audits and conducts ad-hoc assessments and counseling when suppliers introduce new processes or materials, or when major quality issues occur. This ensures that suppliers' manufacturing processes remain stable and controllable, enabling them to continuously provide products that meet the Company's requirements and guarantee product quality.

During the reporting period, the Company expanded the scope of supplier quality training to the entire supply chain, achieving 100% coverage of mass-production suppliers. It also mandated Tier 1 suppliers to drive the joint participation of key sub-tier suppliers, promoting the extension of quality management deep into the supply chain.

**During the reporting period**




The Company expanded the scope of supplier quality training to the entire supply chain, achieving **100%** coverage of mass-production suppliers

### Case Annual Training From Compliance to Competitiveness: A Zero-Defect Quality Culture


During the reporting period, Zhongji InnoLight conducted annual supplier quality training centered on the characteristics of the optical module industry and IPC compliance requirements. The training introduced practical instruction on blockchain traceability and AI risk early warning platforms to enhance suppliers' data transparency and risk identification capabilities. The training received positive feedback from over 100 suppliers and resolved more than 20 supply chain pain points on-site, effectively driving the supply chain's upgrade from "passive compliance" to "quality competitiveness-driven."

**During the reporting period**



The training received positive feedback from over **100** suppliers

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resolved more than **20** supply chain pain points on-site



Supplier Quality Management Training

## Transparent Procurement

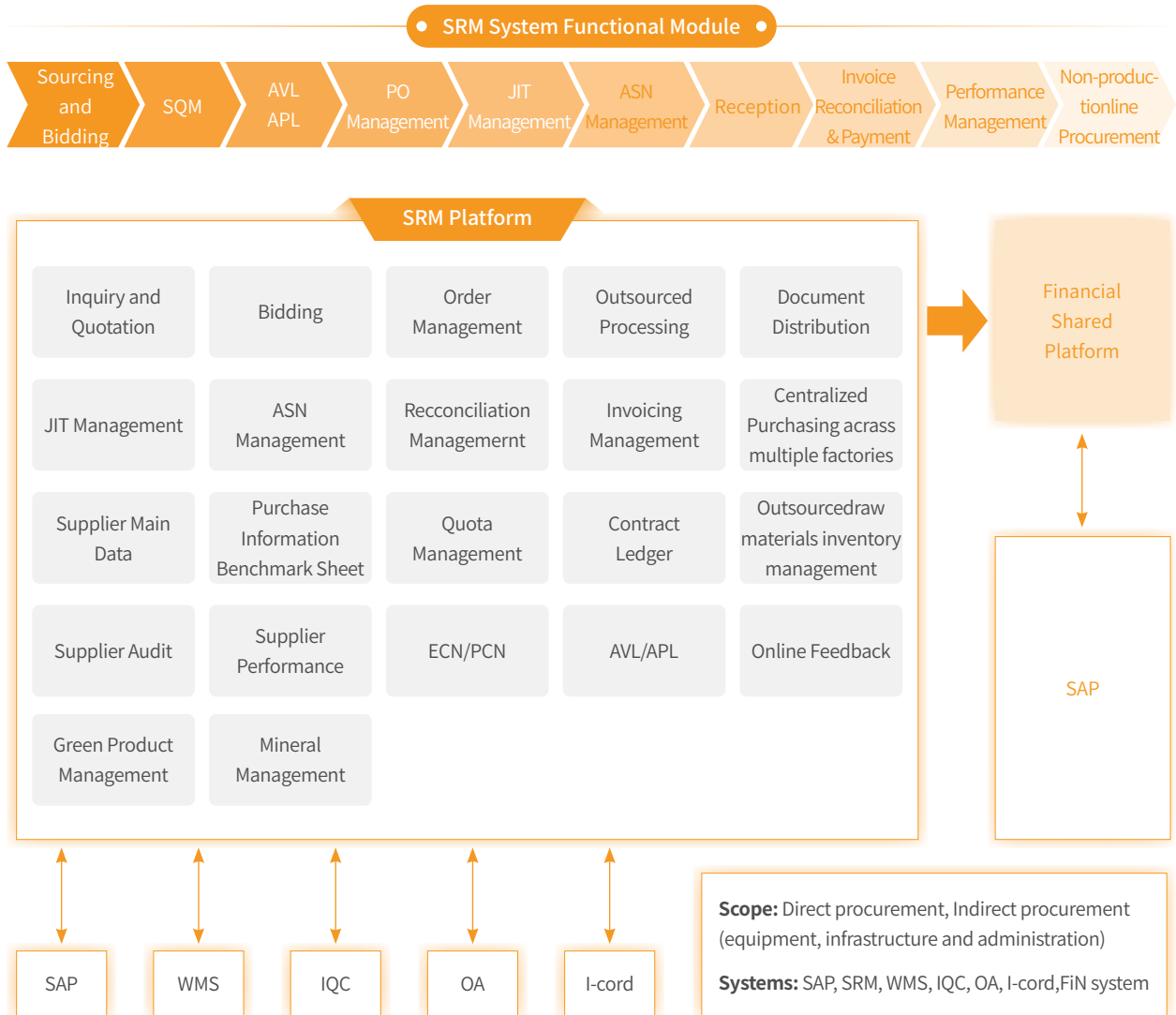
A fair, impartial, and integrity-driven business environment is the foundation of market economy cooperation. Zhongji InnoLight is committed to establishing healthy cooperative relationships with all parties based on trust, honesty, candor, and integrity, creating and maintaining a healthy business environment. The Company signs the *Honesty and Integrity Agreement* with suppliers to resolutely resist commercial bribery, unfair competition, and commercial fraud.

The Company uniformly integrates the procurement plans of all departments into the SRM system for management, enabling timely review of inventory demands, procurement progress, and supplier information. The system provides supplier performance tracking and analysis, which allows for better evaluation and screening of suppliers, facilitating more strategic and data-driven procurement decisions. This further enhances the transparency of supply chain management and ensures that procurement meets sustainable development goals.

**During the reporting period**



**100%** of the Company's suppliers signed the *Honesty and Integrity Agreement*



## Supplier Restricted Hazardous Substances Management

Based on domestic and foreign regulations and standards related to restricted substances such as the *Administrative Measures for the Control of Pollution Caused by Electronic Information Products*, and combined with the Company's business operation practices, Zhongji InnoLight formulates and improves management systems such as the *InnoLight Specification for Restriction of Hazardous Substances* to strictly control the use of restricted substances in the product manufacturing process. The Company requires that the products, components, auxiliary materials, semi-finished products, packaging materials, and additives in the production process provided by suppliers all comply with the Company's green and environmental protection product specifications. By signing documents such as the *Restricted Use of Hazardous Substances Agreement* and the *Declaration of Non-use of Environmentally Related Substances in Non-BOM Auxiliary Materials* with suppliers, we strengthen the compliance management of hazardous substances.

The Company formulates the *New Supplier Evaluation Procedure*, which explicitly incorporates the hazardous substance management system into the assessment scope during the introduction and procurement stages of new suppliers. It requires suppliers to introduce a "full material declaration" to control the use of hazardous substances at the source of materials, boosting the reduction and substitution of hazardous substances in the industrial chain. The Company identifies and evaluates relevant control risks, and implements hierarchical management of suppliers' hazardous substance risks based on different material categories, classifying them into high, medium, and low risk levels to implement differentiated management and continuous tracking. Meanwhile, the Company has built the SRM-GP management system (GPM), significantly improving the transparency of full substance information disclosure in the supply chain, enhancing the efficiency of environmental compliance verification, and ensuring the effectiveness of hazardous substance control throughout the full product life cycle. During the reporting period, the Company did not experience any unqualified incidents caused by the provision and use of products and services violating relevant regulations on hazardous substance control.

## Social Responsibility Management and Conflict Minerals

### ➤ Supplier Social Responsibility Management

Taking "honesty, integrity, self-discipline, and assuming social responsibility" as its management policy, Zhongji InnoLight formulates and implements the *Supplier Social Responsibility Management Procedure* and signs the *Supplier Corporate Social Responsibility Agreement* with suppliers. Based on the RBA standards and with reference to the *OECD Due Diligence Guidance* and the *IPC-1401 CSR Management System Standard*, the Company identifies and evaluates actual and potential adverse social impacts related to its operations, products, or services. We drive suppliers to improve their social responsibility management levels and proactively fulfill their social responsibilities.

The Company has established a systematic Supplier Corporate Social Responsibility (CSR) Management Mechanism, requiring suppliers to conduct self-assessment questionnaires. Adopting the *Supplier CSR Audit Check List*, the Company performs both admission and annual audits on supplier performance across domains including labor, occupational health and safety (OHS), environment, business ethics, management systems, and information security. The evaluation conducts quantitative scoring across multiple dimensions—namely institutional framework, implementation status, and documentary evidence—to categorize suppliers into different risk tiers. This forms a risk-based hierarchical management system to identify and assess CSR risks for various supplier categories and formulate differentiated management measures.

Regarding the evaluation metric system, the Company has integrated ESG dimensions into traditional commercial indicators such as price and quality. Particular focus is placed on labor management issues, including labor compliance (e.g., prohibition of child and forced labor), protection of employee rights (e.g., minimum wage and working hour management), OHS management capabilities, and business ethics. Through CSR assessments and performance scoring, the Company utilizes labor management performance as a critical criterion for supplier admission, tiering, and ongoing partnership. Priority is given to high-performing suppliers, while those with identified risks are required to implement corrective actions or face cooperation restrictions, thereby continuously driving the ESG performance of the entire supply chain.

During the reporting period		
The proportion of suppliers complying with Zhongji InnoLight's Supplier Code of Conduct was	The percentage of suppliers screened using environmental criteria was	The percentage of suppliers screened using social criteria was
<b>100%</b>	<b>100%</b>	<b>100%</b>

The Company has established a supply chain grievance and communication mechanism in local languages related to labor management, allowing supplier employees and stakeholders to raise concerns through multiple channels, including anonymous email reporting (domestic: anti\_fraud@innolight.com; overseas: anti\_fraud@terahop.com) and hotline (+86 0512-86669288-8999). The Company is committed to maintaining strict confidentiality of all reported information and has implemented independent investigation and resolution procedures to ensure that grievances are addressed in a timely and fair manner.

In 2025, the Company conducted supplier training programs on labor rights, promoting the UN Guiding Principles on Business and Human Rights, the ILO Core Conventions, and the EU Corporate Sustainability Due Diligence Directive. In addition, systematic training aligned with the Responsible Business Alliance (RBA) Code of Conduct was delivered, focusing on: forced labor, child labor, discrimination risk identification and prevention; compliance with working hours and wage requirements; occupational health and safety management; grievance mechanisms and worker communication channels, among others.

### Case Organizing Supplier Conferences to Collaboratively Address Climate Change across the Supply Chain

Zhongji InnoLight promotes collaborative carbon reduction efforts across the entire supply chain. We regularly organize supplier conferences, share practical experiences in carbon reduction, and jointly set carbon reduction targets with industrial chain partners. By distributing carbon information questionnaires and collecting supplier carbon emission-related data, the Company conducts normalized tracking of the implementation effectiveness of their carbon reduction measures.



Zhongji InnoLight Supplier ESG Training Conference

## ➤ Supplier Conflict Minerals Management

As a responsible corporate citizen, Zhongji InnoLight complies with the *UN Guiding Principles on Business and Human Rights*, proactively fulfills its social responsibilities, respects human rights, and continuously pays attention to conflict minerals issues. We are committed to conducting detailed supply chain investigations to ensure that metal materials such as tin (Sn), tantalum (Ta), tungsten (W), gold (Au), and cobalt (Co) are not sourced from mines controlled by armed groups in the Democratic Republic of the Congo (DRC) and its adjoining countries. The Company signs the *Declaration of Conflict-Free Minerals* with 100% of its suppliers to ensure that all company products comply with the RBA standards and the relevant provisions of the *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*.

During the introduction of new suppliers, updates to conflict minerals regulations, and annual audits, the Company requires suppliers to use the Conflict Minerals Reporting Template (CMRT) of the Responsible Minerals Initiative (RMI) to provide information on smelters or refiners, in order to trace the source of metals, strengthen risk identification, and conduct tracking and continuous monitoring. The audit checklist covers all direct suppliers of important raw materials (excluding auxiliary consumables). Conflict minerals such as tin (Sn), tantalum (Ta), tungsten (W), gold (Au), and cobalt (Co) can be 100% traced back to their origins. If a supplier is found to be using conflict minerals, the Company will immediately terminate the cooperative relationship with them.

The Company formulates and implements an adequate and effective "Conflict Minerals Supply Chain Policy and Management System." Through the "Mineral Origin Management" functional module in the SRM system, we collect mineral usage information from all suppliers. If it is discovered that a supplier's smelter uses conflict minerals, all relevant documents under that smelter ID will be rejected.

### • Zhongji InnoLight Conflict-Free Minerals Management Policy<sup>4</sup> (see official website for details) •

- Not adopt, distribute and incorporate in contracts and/or agreements with suppliers sourcing of conflict mineral(s).
- Work with our suppliers to ensure that products do not originate from mining areas controlled by armed groups in the DRC and surrounding areas by: (a) encouraging our suppliers to join the Conflict-Free Smelter Program list administered by the Electronic Industry Citizenship Coalition ("EICC") and the Global Enabling Sustainability Initiative ("GeSI"), and to purchase minerals from the Conflict-Free Smelter Program Compliant Smelter List certified as conflict-free by an independent auditor; and (b) auditing our suppliers periodically.
- Maintain the Management System in an effective way to avoid trading, refining and handling conflict materials that directly or indirectly finance or benefit armed groups from conflict-affected regions.
- Continue to encourage our employees to understand conflict-free policy.

The Company conducts country-of-origin traceability for conflict minerals used in its products. The identified potential countries of origin are as follows:

Gold	Gold originates from the Philippines, Australia, Mexico, Sweden, Czechia, Belgium, Germany, Singapore, etc.
Nickel	Nickel originates from China.
Tantalum	Tantalum originates from China, Brazil, Japan, Germany, Thailand, India, the United States, Mexico, Estonia, Kazakhstan, etc.
Tin	Tin originates from the United States, China, Poland, Thailand, Indonesia, Bolivia, Peru, Brazil, Belgium, Japan, Australia, Spain, Malaysia, the Philippines, etc.
Tungsten	Tungsten originates from Vietnam, the Philippines, China, Brazil, Germany, the United States, Austria, Japan, etc.

The Company has established a clear target for conflict minerals, requiring that all smelters and refiners in its suppliers' mineral supply chains be compliant with recognized certification schemes, such as the Responsible Minerals Initiative (RMI) and the London Bullion Market Association (LBMA).

<sup>4</sup> Official website link for the Conflict-Free Mineral Management Policy:  
<https://www.zj-InnoLight.com/public/static/ajaxuplode/uploadfile/society/1742361903157766.pdf>

## Metrics and Targets

To continuously improve the effectiveness of responsible supply chain management, the Company formulates supplier management concepts and targets, establishes and improves the indicator system related to supplier management, and systematically tracks and evaluates suppliers' ESG management performance.

Metrics	Unit	2025
Total number of suppliers	Number	691
—Suppliers in Chinese Mainland	Number	574
—Suppliers in Hong Kong, Macao, and Taiwan	Number	74
—Overseas suppliers	Number	43
Proportion of localized procurement	%	79.55
Number of sustainable-certified suppliers <sup>7</sup>	Number	691
Proportion of sustainable-certified suppliers	%	100

### Supplier Quality Management Objectives

Ensuring the stability of supplier quality. Enhancing supplier quality capabilities. Reducing quality risks and costs. Building long-term cooperative relationships. Achieving continuous improvement and innovation

## Data Security and Client Privacy

With the continuous advancement of digitization and informatization, data security and client privacy protection have become key issues for corporate sustainable development. By establishing a sound data security management system and strengthening privacy protection measures, Zhongji InnoLight effectively mitigates legal and operational risks, enhances client trust, and supports the long-term stable and sustainable development of the enterprise.

### Information Security Management Policy

- Respond quickly to demands to ensure information security
- Refine security measures to strengthen information technology

## Governance

### Board of Directors

#### Terms of Reference, Tasks, and Objectives

- Reviewing information security management policies, systems, and processes;
- Monitoring the handling of significant data breaches or non-compliance incidents.

### Management

#### Organization

- General Manager, Information Security Group Leader (Management Representative)

#### Terms of Reference, Tasks, and Objectives

- Implementing and supervising information security strategies and their execution.

### Execution

#### Organization

- Information Security Group
- Coordinating the promotion and implementation of information security strategies, handling reporting and emergency escalation, and reporting on overall execution.

#### Terms of Reference, Tasks

- Heads of various projects and departments, IT Department, and other functional departments, etc.
- Implementing system documents, records, internal audits, management reviews, and system improvements; executing security measures and reporting execution status.

<sup>7</sup> Definition of sustainable-certified suppliers: Suppliers that have obtained relevant certifications such as ISO 14001 (Environmental Management System), ISO 45001 (Occupational Health and Safety Management System), ISO 9001 (Quality Management System), Green Factory, Green Supply Chain Certification, RBA Certification, etc. Any supplier that has passed at least one of these certifications is regarded as a "sustainable-certified supplier".

## Strategy

Zhongji InnoLight focuses on data security and client privacy protection, systematically identifying the major risks and potential opportunities encountered in its business operations. This provides a key basis for the Company to refine its management mechanisms, optimize resource allocation, and support management decision-making.

Risk	Description	Period	Response Measures
Data Breach and Cybersecurity Risks	During business operations and information system functioning, network attacks, system vulnerabilities, or improper internal management may lead to the leakage of client information or business data.	Short- to Medium-term	Improve information security management systems; strengthen network security protection and system permission management; regularly conduct security inspections and risk assessments.
Compliance and Regulatory Risks	Failure to comply with applicable data protection and privacy laws and regulations during data collection, storage, usage, and transmission may result in compliance risks.	Medium term	Continuously track legal and regulatory requirements for data protection; improve data classification, grading, and compliance management processes; strengthen compliance reviews.

Opportunity	Description	Period	Response Measures
Enhancement of Client Trust and Relationships	Robust data security and privacy protection management help enhance client trust in the Company's products and services.	Medium term	Continuously improve data security and privacy protection systems; standardize data processing procedures and enhance management transparency.
Improvement of Compliance Capability and Governance Level	Systematically advancing data security management helps improve the Company's overall compliance management and internal governance capabilities.	Medium term	Incorporate data security into the Company's risk management system; regularly evaluate management effectiveness and ensure continuous optimization.
Robust Business Operations	Strengthening information system security and data management helps enhance the ability to cope with system disruptions and improves the robustness of business operations.	Medium term	Strengthen information system operation, maintenance, and security management; enhance system stability and security.

## Impact, Risk and Opportunity Management

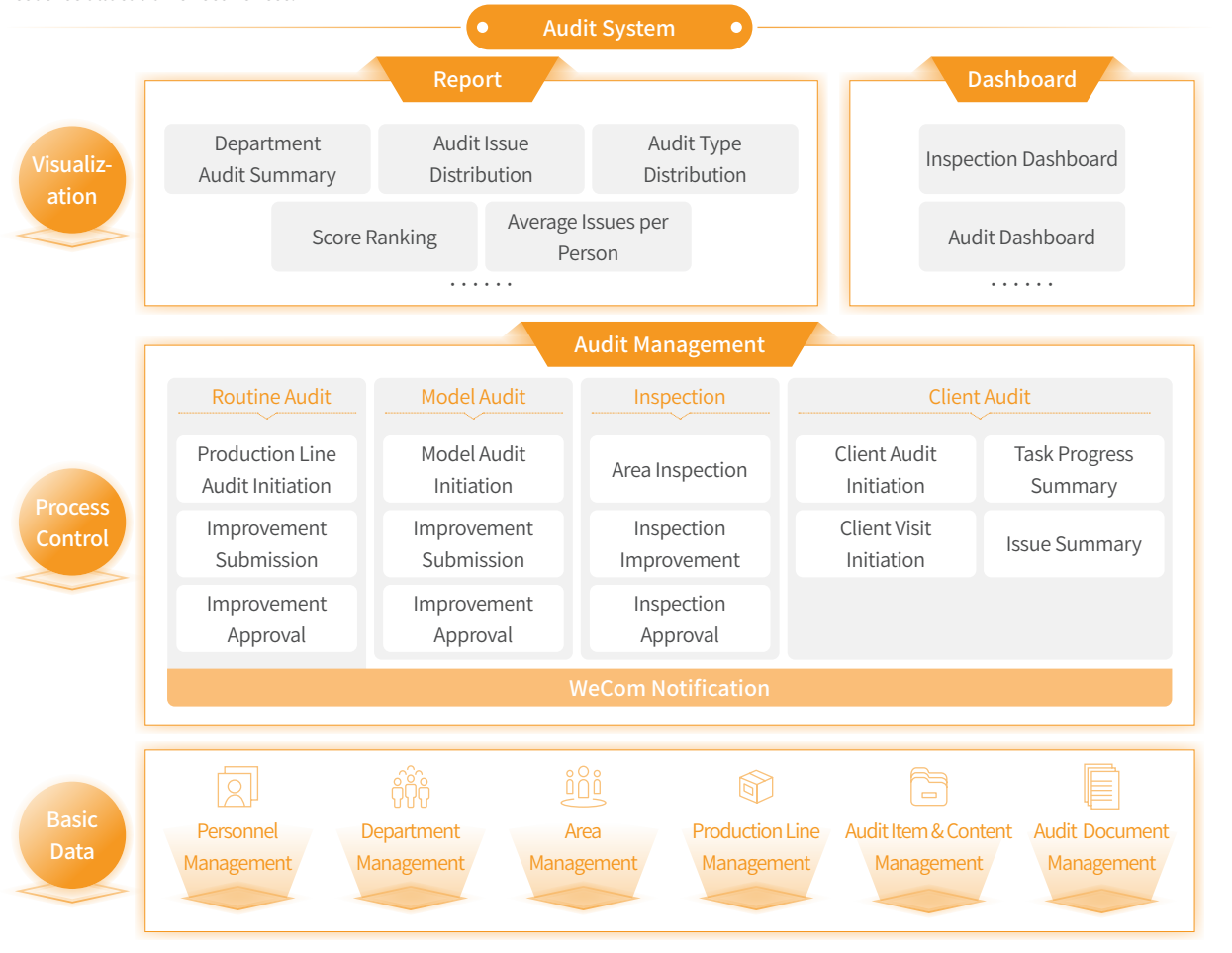
Zhongji InnoLight has formulated and improved system documents such as the *Information Security Risk Identification and Evaluation Management Procedure*. It has established risk assessment methodologies and processes covering the information security management system as well as business-related information security, legal, and regulatory requirements. It clearly defines risk acceptance criteria and acceptable levels, and delineates information security responsibilities for each position. Meanwhile, the Company enhances management efficiency through digital construction and continuously strengthens its information security management and client privacy protection levels.

## Digital Construction

Zhongji InnoLight takes organizational innovation as its guide and data-driven approaches as its lever. Closely focusing on the four key drivers of "people-driven, functional-driven, process-driven, and data-driven," the Company adheres to an informatization construction philosophy of "people-oriented, technology-driven, resource sharing, security and control, and continuous innovation." It has established an organizational system, formulated system documents such as the *Manufacturing Informatization KPI Evaluation Specification* and *Manufacturing Department Informatization Work Control Specification*, and matched informatization construction with high-quality resources including advanced technologies, data platforms, and professional talents to actively promote the intelligent construction of the Company's manufacturing.

### Case Enterprise Audit System Upgrade

Zhongji InnoLight carried out a comprehensive upgrade of its enterprise audit system, introducing digital process management and systematic control mechanisms to achieve full-process online management of audit planning, execution, rectification, and tracking. The system upgrade effectively reduced manual operations and repetitive tasks, improving audit efficiency and accuracy. Throughout the year, it achieved a cumulative labor saving of approximately 4.2 person-years, significantly enhancing internal management efficiency and resource allocation effectiveness.



## Information Security Management

Based on its overall business activities and risk characteristics, Zhongji InnoLight establishes, implements, operates, monitors, reviews, maintains, and improves its Information Security Management System (ISMS) in accordance with the requirements of the ISO/IEC 27001:2022 standard. The Company adopts the PDCA (Plan-Do-Check-Act) continuous improvement model as the core guiding principle throughout its information security management.

The Company has formulated policy documents such as the *Information Security Management Manual* and the *Network Security Management Procedure*. It also conducts information security training to raise employees' awareness and enhance their security prevention consciousness and skills. Furthermore, Zhongji InnoLight continuously strengthens its information security construction and minimizes potential risks by conducting annual information security risk assessments, rigorous internal audits, and emergency incident responses. In 2025, the Company obtained the ISO 27001 Information Security Management System certification.



ISO 27001 Information Security Management  
System certification

## Client Privacy Protection

Zhongji InnoLight attaches great importance to the protection of client privacy and sensitive information, and has established a comprehensive system of policies and procedures. The Company has formulated regulations such as the *Privacy Protection Management Procedure* and the *Sensitive Information Management Procedure*, which clarify the full-lifecycle management requirements for data collection, storage, transmission, usage, and destruction to earnestly safeguard client privacy and security. Meanwhile, the Company signs *Data Protection Agreements* to define the responsibilities and obligations of all parties in the processes of data processing, storage, and sharing, strengthening the data security management of external partners.

## Metrics and Targets

Zhongji InnoLight defines its informatization goals and establishes information security targets through a comprehensive process that includes identifying the sources of information security risks, risk treatment, and risk tracking and verification, as well as tracking the implementation of various processes within the Information Security Management System (ISMS) and holding ad-hoc security review meetings. Through these efforts, the Company continuously enhances its capabilities in data security and client privacy protection.

### General Objectives

- Protect the information security of clients and the Company (including corporate and private information)
- Define the information assets requiring protection and their corresponding countermeasures
- Manage information security-related risks, and maintain as well as standardize security levels
- Standardize the criteria for determining information security countermeasures
- Enhance information security awareness among all Company members
- Ensure strict compliance with applicable laws and rigorous adherence to internal regulations

### Objectives of Informatization Construction

- Enhancing Efficiency and Benefits: Reducing resource waste and improving production efficiency and management levels through process optimization and automation.
- Strengthening Decision Support: Utilizing data analytics to provide a scientific basis for decision-makers.
- Promoting Industrial Upgrading: Driving industrial structural adjustment and optimization to achieve intelligent manufacturing and digital transformation.
- Achieving Sustainable Development: Managing resources intelligently to reduce environmental burdens and promote green development.
- Enhancing International Competitiveness: Leveraging informatization construction to secure a favorable position in international economic and technological competition.

# Empowering Talent and Fostering a People-Centric Workplace

Employees are the core driving force for the sustainable development of the enterprise. Zhongji InnoLight strictly complies with national laws and regulations, establishing fair and standardized recruitment and employment systems. The Company continuously strengthens employee training, provides competitive compensation and benefits, and builds a comprehensive promotion system. This empowers employees to enhance their capabilities and advance their professional careers, achieving a synergy where personal value and corporate development grow and progress together. We place great importance on democratic management, ensure smooth communication channels, and fully guarantee employees' rights to information, participation, and expression. Meanwhile, we continue to strengthen employee health and safety management, creating a safe, comfortable, and warm working environment to build a compassionate "Zhongji InnoLight Home."

## Governance

### Governance Structure

#### Board of Directors (Decision-making)

- Overseeing and managing the Company's overall compensation and benefits system.
- Reviewing employee development plans, related policies, and systems, and supervising implementation progress.
- Identifying, evaluating, and managing risks and impacts related to production safety and occupational health.

#### Sustainability Committee (Management)

- Ensuring fair and just employment, safeguarding employees' legal rights and interests, and optimizing talent management mechanisms.
- Refining the performance management, compensation, and benefits system to create an equal and healthy working environment.
- Supervising and continuously improving the Company's EHS (Environment, Health, and Safety) management system.
- Auditing production safety policies, targets, management schemes, and related systems, and supervising their execution.

#### Functional Departments (Execution)

- Implementing employee rights protection, compensation and benefits, career development, training, and employee care initiatives.
- Conducting identification of environmental factors and hazards, and performing risk assessments.
- Executing EHS targets and management schemes, and organizing emergency response drills.
- Taking responsibility for the investigation and handling of safety accidents, specialized operation training, and employee occupational health protection.

## Strategy

Zhongji InnoLight proactively identifies the impacts of human resource-related risks and opportunities on the Company's sustainable development. We evaluate the extent of these impacts and formulate targeted strategies, methodologies, and plans to manage these "impacts, risks, and opportunities," providing solid human resource support for the enterprise's long-term sustainability.

### Employment Philosophy

Recruiting Top-tier Talent

Tailoring Roles to Individual Strengths; People as the Key Success Factor

Greater Challenges, Greater Rewards  
Equal Opportunity and Value-Driven

Empowering Employees to Drive Corporate Success  
An Integrated Win-Win Mechanism

Risk	Description	Period	Response Measures
International Talent Risk	The advancement of the Company's globalization strategy requires high-quality talent with an international perspective. A lack of international management experience or insufficient reserves of core technical talent may hinder global operational efficiency and the achievement of strategic goals.	Medium- to Long-term	Formulate international talent cultivation strategies and launch global campus recruitment programs; increase efforts to introduce high-level talent from overseas; and accelerate the nurturing of an international perspective among local talent.
Localization Operational Risk	The complexity of labor laws and regulations in overseas regions poses potential risks to the operational efficiency and labor compliance management of overseas bases.	Medium- to Long-term	Strengthen cooperation with local vocational education institutions at overseas bases to conduct targeted skills training; build a compliance management system that aligns with local cultures to mitigate employment risks.
Compensation and Incentive Risk	Under a global layout, differences in compensation policies and incentive systems may lead to the loss of key talent, affecting the Company's long-term development.	Short- to Medium-term	Optimize the compensation and benefits system to balance fairness and differentiation; implement long-term incentive mechanisms to deeply align individual interests with the Company's long-term growth.
Production Safety Risk	Employee injuries sustained during work may lead to occupational health and safety accidents, disrupting production order and resulting in compliance liabilities.	Long term	Develop a comprehensive occupational health management system; conduct regular EHS training and emergency response drills for all employees; implement safety performance evaluations for all staff.

Opportunity	Description	Period	Response Measures
Industry Development Dividends	Benefiting from the explosion of AI computing power, the optical communication industry has become a global technological focus. The significant increase in industry influence provides the Company with an advantage in attracting top university graduates and high-end talent from other sectors.	Medium- to Long-term	Launch global top-tier talent recruitment programs; leverage high industry prosperity to offer market-competitive compensation; and rapidly expand the talent reserves for key technical positions.
Global Perspective Development Opportunities	As the Company deepens its global layout, employees have more opportunities to participate in international projects, helping them broaden their international horizons and enhance cross-cultural competencies.	Long term	Provide international career planning for potential employees and cultivate versatile management talent with global competence.
Occupational Health and Safety	Upgrading from mere "injury prevention" to "comprehensive health and well-being." By focusing on employees' physical and mental health and work-life balance, the Company enhances organizational cohesion and engagement.	Medium- to Long-term	Introduce Employee Assistance Programs with a focus on mental health; establish comprehensive health management records and supplementary medical benefits; and organize diverse cultural and recreational activities.

# Impact, Risk and Opportunity Management

Zhongji InnoLight's talent reserve strategy is a dedicated human resource plan based on long-term corporate development planning, centered on core business needs and future strategic layouts. The Company has established diversified recruitment channels, built talent pools and management platforms, and provided competitive compensation and benefit policies. We prioritize employee care and strive to provide a supportive and friendly working environment for all staff.

## Recruitment and Employment

The Company strictly complies with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and other relevant laws and regulations in the jurisdictions where we operate. We adhere to international principles such as the *International Labour Organization (ILO) Conventions* and the *United Nations Guiding Principles on Business and Human Rights (UNGPs)*. We have formulated policies and systems, including the *Employee Handbook*, to clearly regulate recruitment and employment systems and processes. We safeguard human rights, treat and respect every candidate fairly, focus on their comprehensive capabilities, and recruit the best-qualified individuals based on job responsibilities and requirements.

We resolutely oppose any form of employment discrimination and workplace harassment, fully respecting the diversity of our global workforce. The Company adheres to the values of equality and inclusion, striving to create a diverse, relaxed, and harmonious workplace environment. We oppose discrimination in any form, ensuring that no employee is treated differently based on factors such as gender, age, ethnicity, race, physical or mental disability, educational background, nationality, or religious belief. Religious activity rooms are provided to offer a diverse communication platform for employees.

To strictly comply with national and regional laws and regulations and meet the RBA requirements for the protection of young workers, the Company has formulated the *Management Regulations on Child Labor and Underage Workers*. During recruitment, we strictly inspect candidates' identification documents and verify identity information, including age, physical features, address, ID number, and educational background, to eliminate child labor incidents caused by oversight or the fraudulent use of documents. In the current year, Zhongji InnoLight recorded zero reported incidents related to child labor, forced labor, employment discrimination, gender discrimination, or workplace harassment.

The Company attaches great importance to talent introduction and has formulated system documents such as the *Human Resource Management Procedure* to meet the talent demands arising from its long-term strategic layout and the rapid development of the industry. We aim to improve the matching efficiency between positions and talent to ensure a steady supply of human resources. We have established an internal recommendation mechanism, standardized the re-employment process, and increased internal referral bonuses to improve talent retention rates. In 2025, Zhongji InnoLight launched its Global Campus Recruitment Program, continuously strengthening its workforce to provide talent support for the Company's rapid growth. During the reporting period, the employee voluntary turnover rate<sup>8</sup> was 5.8%.



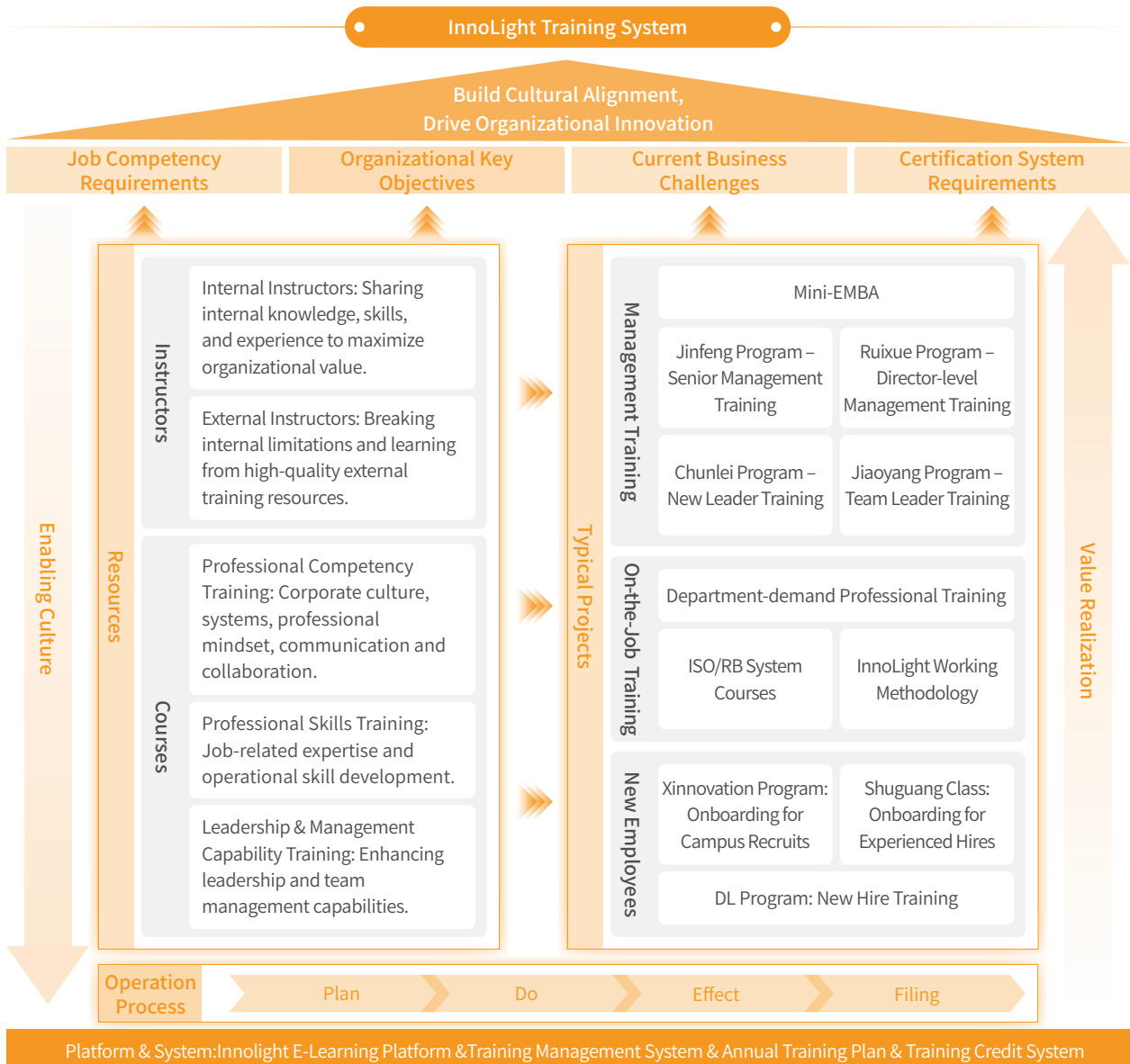
<sup>8</sup> Employee voluntary turnover rate: In this report, the employee voluntary turnover rate only includes indirect personnel and excludes employees who leave during their probationary period.

## Professional Development and Training

With an international orientation and to align with the Company's global development pace, Zhongji InnoLight has always been committed to building a "practice-oriented" talent cultivation system. We continuously increase training efforts for management, professional, and technical talents, enhancing the forward-looking nature of talent cultivation to boost core competitiveness. This supports business development across all sectors, striving for a win-win outcome where employee capability growth and corporate development complement each other, providing a solid talent guarantee for the Company's endeavors.

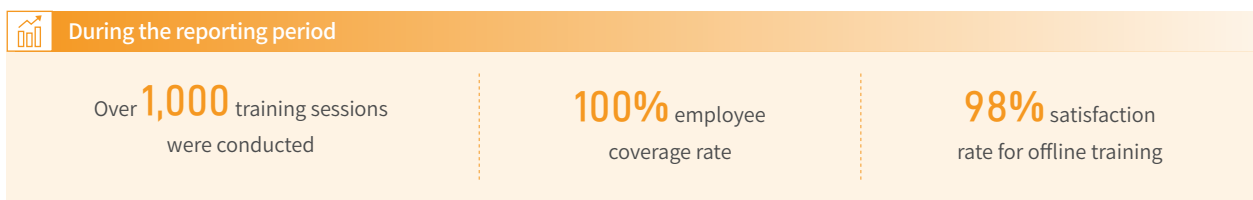
### Employee Training

Zhongji InnoLight has established a training system with the vision of "building cultural identity and driving organizational innovation," structured around job competency requirements, key organizational goals, business challenges, and certification system requirements. The system integrates internal and external trainer resources and leverages the "Chuangxiang" E-learning platform. It operates under a unified framework following a "Plan-Do-Effect-Filing" closed-loop model, allowing various operating sites to adjust resources and projects as needed. The curriculum covers professional literacy, technical skills, leadership, and management capabilities, reaching new employees as well as technical, professional, and management tracks. These are implemented through flagship programs such as the "Xinnovation Program", Mini-EMBA, and "Shuguang Class". Supported by a course value classification and a point-based incentive system, the framework effectively facilitates employee capability enhancement and organizational business growth.



The Company formulates annual training plans and ensures their implementation through five key measures: aligning with business needs to identify requirements; setting measurable goals and planning blended learning (online micro-courses, offline workshops, and on-the-job practice); establishing standardized operational processes; ensuring training effectiveness through mentorship, systematic management, and assessment milestones; and utilizing platform data analytics and feedback mechanisms to continuously optimize course interaction and completion rates. Meanwhile, comprehensive succession planning and development plans are established for different levels, with leadership-related training available to all employees.

In 2025, the Company built a diversified empowerment system featuring "Online Platforms + Offline Lecturing + Mentorship," established a high-quality training resource library, and advanced key projects such as the Mini-EMBA and "Xinnovation Program", achieving full online management of the training process.



**Case** Building the "Chuangxiang E-learning Platform" to Achieve Full-Coverage Training and Development Support from Junior to Senior Staff

Zhongji InnoLight has established a training and education platform based on the "Chuangxiang E-learning Platform," covering all employees including new hires, technical tracks, professional tracks, and management tracks, forming a multi-level comprehensive training plan. Management training programs such as the "Chunlei Class," "Jiaoyang Class," "Jinfeng Class," "Ruixue Class," and the Mini-EMBA project are tailored for different management levels. Additionally, training programs like the "Xinnovation Program" and "Shuguang Class" are designed for new employees across various positions. Through the Plan-Do-Effect-Filing closed-loop operation and a training point system, the Company achieves full-coverage training and development support from junior to senior levels.



Mini-EMBA



Xinnovation Program



Chunlei Class



Shuguang Class

## ➤ Role-Specific Training

Relying on four major inputs—"job competency requirements, key organizational goals, current business issues, and certification system requirements", the Company has structured a curriculum system covering professional literacy, technical skills, and leadership/management capabilities. Through annual training needs surveys and analyses, we tailor training plans for employees in different roles. The training formats integrate blended learning paths, including online micro-courses, offline workshops, and on-the-job practice. The content prioritizes internal knowledge transfer (internal expert sharing and case studies), supplemented by high-quality external courses. Furthermore, various departments develop micro-courses to meet employees' diverse needs, achieving precise empowerment for employees' job responsibilities and roles, thereby enhancing training effectiveness.

## ➤ Fresh Graduate Training

The Company has tailored the systematic Xinnovation Program for fresh university graduates to attract, cultivate, and retain young talent. Adopting a blended cultivation model of "Centralized training + Mentorship + Buddy co-coaching + Production base practical training + Real project practice," we establish a long-term talent pipeline. This facilitates the transition of fresh graduates from students to professionals, forming a structured and sustainable core talent development system.



### Case Hosting the "Xinnovation Program" to Comprehensively Cultivate Fresh Graduates

In July 2025, Zhongji InnoLight hosted the "Xinnovation Program" in batches, with participants comprising the 2025 campus recruitment fresh graduates. Through a blended model of centralized training, mentorship, and on-the-job practice, the program helps fresh graduates successfully navigate the campus-to-career transition, enabling them to quickly integrate into and become competent in their roles.



Zhongji InnoLight "Xinnovation Program"

## ➤ Degree Programs and Certifications

The Company has established degree programs and certifications for all employees (including full-time and contracted employees). Specific measures include implementing the "1+X" innovative apprenticeship model ("1" represents an academic degree certificate, and "X" represents vocational skill level certificates) and collaborating with universities to build a platform for academic and skill enhancement. Meanwhile, we provide institutional safeguards for professional certifications and skill appraisals that are highly relevant to job competency requirements and certification systems, such as the *On-the-job Certification Assessment Measures*. Training resources are primarily internal, supplemented by external training. Through the Chuangxiang E-learning platform, we achieve online and offline blended learning, ensuring fair coverage and transparent management of capability development for employees across all employment types.



Zhongji InnoLight places great importance on enhancing employee engagement and a sense of belonging. We regularly utilize the Gallup Q12 model to conduct employee engagement surveys, gathering employees' views and opinions on their overall development, teamwork, managerial support, and basic needs. This enables management to promptly adjust and optimize democratic governance, foster transparent communication and fair decision-making, and improve employee satisfaction. In 2025, the total employee satisfaction score reached 4.33, surpassing the international 75th percentile of 4.31, representing a 0.01 point increase compared to 2024. The results indicate that the Company has created a favorable working environment in talent management, which has been recognized by the majority of employees, effectively achieving the organic integration of human-oriented management and democratic governance.



## Remuneration and Benefits

### Employee Remuneration

Based on our global talent strategy, Zhongji InnoLight's *Employee Handbook* clearly defines the framework for employee remuneration and benefits. To better attract, motivate, develop, and retain employees, the Company has formulated the *Remuneration Management Regulations*, establishing a clear salary structure and an effective incentive mechanism. Adhering to the principles of motivation and equity, the Company sets corresponding compensation structures for different categories of personnel. Recognizing that outstanding employees are a crucial driving force for corporate development, the Company highly values long-term talent incentives and implements an employee long-term equity incentive plan. By deeply aligning individual earnings with the Company's long-term value, we effectively motivate and retain top talent both domestically and abroad, supporting the robust growth of our transnational business.

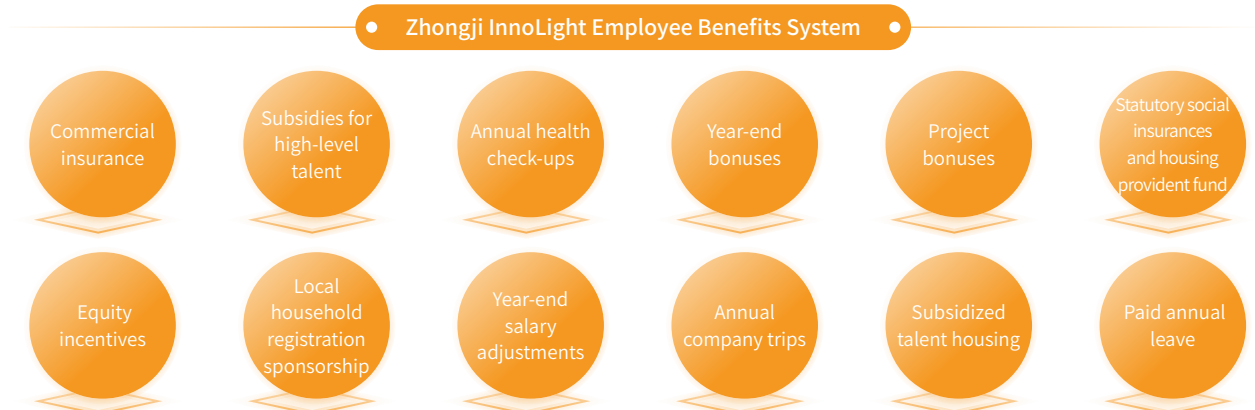
**Employee Remuneration Structure**

Base Salary + Position Allowance + Performance Bonus + Long-term Equity Incentives

Among these, individual employee performance metrics consist of three components: business performance, corporate cultural values, and overall impression. The evaluation process incorporates self-assessments, supervisor assessments, and designated peer assessments. The performance appraisal coverage rate is 100%, which further enhances the comprehensiveness, fairness, and effectiveness of employee evaluations.

### Employee Benefits

To align with the needs of global operations, the Company has established a sound and comprehensive benefits management system covering all employees, offering a diverse range of employee benefits. Building upon the strict fulfillment of localized statutory obligations, such as paid leave and social insurance mandated by the laws of our various operating locations, we purchase additional commercial illness and accident insurance for employees and provide annual health check-up services to safeguard their physical well-being. Furthermore, the Company respects and values the education and upbringing of employees' children. The *Employee Handbook* details the fully paid maternity leave available to female employees and the parental leave accessible to both spouses. We have also set up nursing rooms to support female employees with childcare needs. For employees in Jiangsu and Sichuan provinces, we provide 10 days of parental leave annually until their child reaches the age of three, supporting them in better accompanying and caring for their young children.



By organizing a variety of events such as birthday parties, special activities, and social gatherings, the Company enriches employees' lives and demonstrates care, significantly enhancing their sense of belonging and happiness. In 2025, on International Women's Day, the Company distributed flowers to show appreciation and care for our female employees. We also hold occasional networking events with other enterprises or universities to build a platform that helps single employees address their dating and marriage needs.



### Birthday Celebrations

Through 19 meticulously prepared birthday parties, we created exclusive and joyful memories for over 900 colleagues.

### Special Themed Events

With the theme of "Celebrating the Dual Festivals with Zero Anxiety," the Company innovatively launched Mid-Autumn Festival cultural activities. Held on a rolling basis across various plant sites in Suzhou and covering both day and night shifts, the events attracted the participation of over 2,600 employees, with more than 3,300 items and prizes distributed.



### Employee Clubs

The Company has established a diversified club system covering sports, arts, and other fields, including football, basketball, dance, and table tennis clubs, catering to the diverse interests of our employees.



HR Face-to-Face Employee Care Activity



InnoLight Taiwan "Family Day" Event

# Health and Safety

## Health and Safety Management System

The Company adhered to the occupational health and safety philosophy of "prevention first, legal compliance, people-oriented, and continuous improvement." With the goals of "reducing annual occupational injuries, preventing fire accidents, and preventing occupational diseases," we have integrated workplace safety into our corporate culture and constructed a comprehensive safety management system. Concurrently, we utilize informational and systematic technological means to elevate our safety management level, providing employees with safe and healthy working and living conditions, and safeguarding the health and safety of employees and relevant stakeholders throughout our operations and services.

The Company strictly complies with the requirements of relevant laws, regulations, international standards, and conventions. We have established an occupational health and safety institutional framework encompassing management specifications, emergency response plans, and corresponding execution procedure documents. This year, all manufacturing sites successfully passed or maintained the ISO 45001 Occupational Health and Safety Management System certification. During the reporting period, the Company did not experience any major or higher-level occupational safety incidents.

In accordance with relevant EHS policies, the Company has established a dedicated safety and health management body (the EHS Department) alongside an Environment, Health and Safety (EHS) Committee. The committee comprises members from various departments and hierarchical levels. It convenes monthly meetings to review and coordinate issues related to the environment, health, and safety, and to recommend specific directions for execution.

The Company regularly conducts comprehensive, targeted, holiday-specific, and daily on-site workshop inspections. Additionally, we have developed a hazard reporting system that allows every employee to report hidden dangers via our official WeChat account. During the reporting period, all identified hazards of various types were successfully rectified, achieving a closure rate of 100%.

 **During the reporting period**

The Company's investment in workplace safety amounted to **RMB 43.3335 million**

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**400** certified first-aid personnel

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The employee fatality rate was **0**

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with **123** lost working days due to work-related injuries

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a recordable injury rate per million hours worked of **0.69**

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all identified hazards of various types were successfully rectified, achieving a closure rate of **100%**

ISO 45001 Occupational Health and Safety Management System Certification (InnoLight Suzhou, TeraHop Thailand)



## Cultivating Health and Safety Awareness

The Company regularly conducts safety and environmental activities across its plant areas, emphasizing the importance of workplace safety and employee well-being, and adhering to the principle of "Safety First, People-Oriented." Through video and poster campaigns, EHS knowledge and skills competitions, and regular employee representative congresses for safety supervision, along with dedicated EHS feedback desks, we empower employees to actively participate in practical initiatives and integrate more willingly into the Company's safety culture. To establish and implement a fire, environment, and safety responsibility system, the Company conducts all-staff responsibility training spanning from top management to frontline employees. Furthermore, all employees sign fire, environment, and safety target responsibility letters.

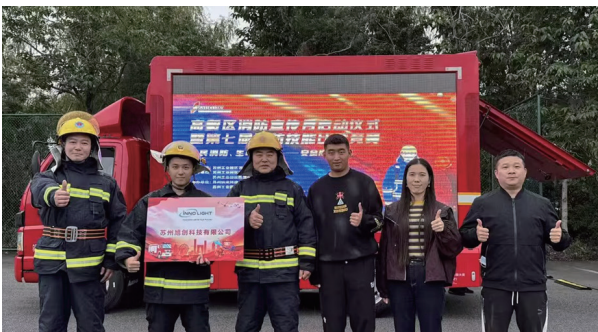
The Company attaches great importance to employees' physical health and the prevention of occupational diseases. Through on-site risk assessments, the formulation of control measures<sup>9</sup>, regular health check-ups, and safety supervision and inspections, we protect employees from occupational diseases and hazardous factors. All types of machinery and equipment in the Company have passed equipment safety assessments. Occupational health, safety, and environmental factors are considered from the design stage to achieve inherent safety protection. Concurrently, we actively provide employees with Personal Protective Equipment (PPE), maximizing our assurance of a healthy and safe working environment. Meanwhile, by conducting occupational health training and educational activities, the Company has enhanced employees' awareness of occupational disease prevention and their self-protection capabilities.

All subsidiaries of Zhongji InnoLight have fully implemented employee health and safety training initiatives, conducting categorized safety training tailored to the specific needs of various functional departments and factory personnel. During the reporting period, 100% of new employees completed health, safety, and environmental (HSE) training prior to commencing their duties. The EHS Safety Committee conducted 69 specialized in-person training sessions on occupational health and safety (excluding new employee onboarding training); these sessions covered topics such as first aid, machinery safety, chemical safety management, fire safety, and EHS regulations. Furthermore, existing employees complete 8 to 12 hours of various specialized online safety training courses annually to continuously reinforce safety awareness, achieving a 100% coverage rate for safety training among the workforce.



### Case Conducting Safety-Themed Activities to Strengthen Employee Health and Safety Awareness

Zhongji InnoLight launches the "Safety and Environment Month" in June and the "Fire Safety Month" in November every year. By organizing activities such as EHS knowledge and skills competitions, we continuously strengthen employees' environmental, health, and safety awareness, driving the integration of safety concepts into daily production and work practices.



InnoLight Suzhou Fire Safety Month Competition



Jingle Electronic Safety Star Evaluation

<sup>9</sup> Control measures include: improving production processes and facility layouts, purchasing and utilizing protective equipment, providing Personal Protective Equipment (PPE), and conducting timely maintenance of emergency equipment.



**Case** Conducting Health and Safety Training to Enhance Employees' Safety Protection Capabilities

Zhongji InnoLight regularly organizes workplace safety-related training, conducting systematic communication centered on Standard Operating Procedures (SOPs), risk identification, protection requirements, and emergency response, to continuously enhance employees' safety knowledge and operational skills. Through routine training, we constantly strengthen employees' safety awareness and self-protection capabilities, providing a solid guarantee for workplace safety and employee health.



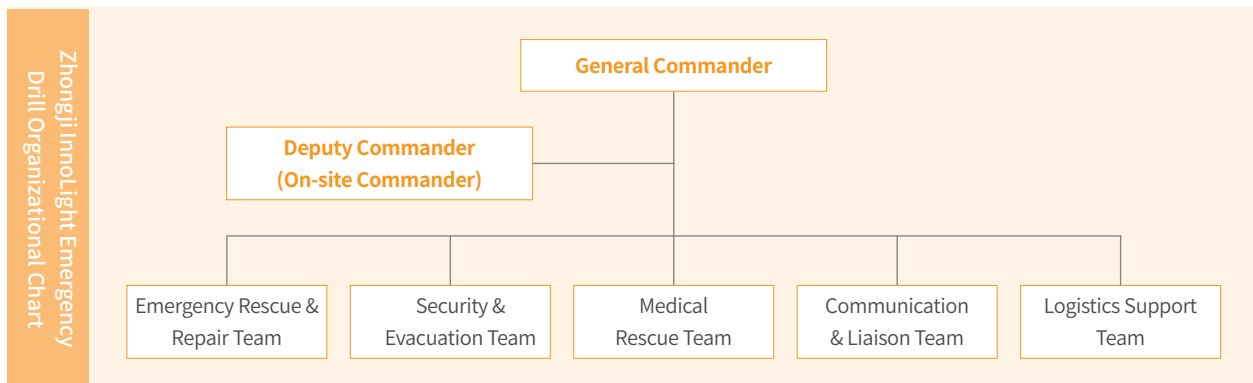
InnoLight Tongling Fire Safety Training



TeraHop Thailand First Aid Training Activity

## Emergency Drills

The Company continually strengthens its emergency management framework by formulating the *Emergency Response and Preparedness Management Procedure* and establishing an Emergency Response Command Center. The command center is composed of a Commander-in-Chief, a Deputy Commander-in-Chief, and various emergency working groups. Subordinate groups include the rescue and repair group, cordon and evacuation group, medical rescue group, communication and liaison group, and logistics support group, providing a robust organizational guarantee for the Company's emergency safety. The Deputy Commander concurrently serves as the on-site commander. When the Deputy Commander is absent, the highest-ranking official on-site assumes the on-site command responsibilities.



To enhance employees' safety awareness as well as their self-rescue and mutual assistance capabilities during emergencies, and to improve the coordination and cooperation among various departments when handling unexpected incidents while clarifying their respective roles and responsibilities, the Company has formulated multiple emergency plans based on different risk characteristics. These include comprehensive emergency response plans, specialized contingency plans, and on-site response plans. Throughout the year, a total of 89<sup>10</sup> specialized and on-site emergency response drills were conducted.



Tsuhun Technology Conducting Emergency Evacuation Drills

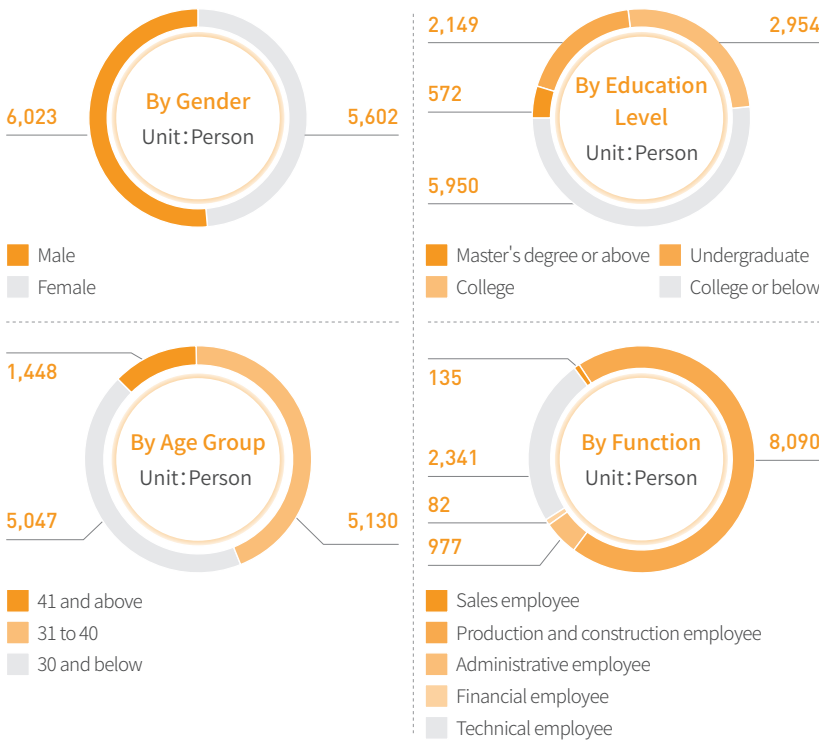
<sup>10</sup> The data on emergency drills does not include the subsidiaries Pioseed Technology and Jingle Electronic.

## Metrics and Targets

Zhongji InnoLight adheres to a people-oriented philosophy, establishing a comprehensive employee appraisal and tracking mechanism. We have set and achieved talent management targets, putting our employment principles into practice to realize the goal of mutual development and progress between employees and the enterprise. In January, 2026, the Company was honored as the "2026 Outstanding Employer" by the external platform 51job.

Our subsidiary, TeraHop Thailand, received the 2025 Excellent Practices Establishment on Labour Relations and Welfare (National Level) award, marking official recognition of our overseas labor management excellence.

### Employee-Related Quantitative Metrics



### During the reporting period

The total number of employees was **11,625**

including **28** employees with disabilities

The labor contract signing rate reached **100%**

The Company employs **225** individuals from ethnic minorities

accounting for **1.94%** of the total workforce

Total employee training attendances **61,495** Attendances

Total employee training hours **3,833,965.17** Hours

Employee training expenditure **1,925,506** RMB



Zhongji InnoLight Honored as the 2026 Outstanding Employer by 51 Job



TeraHop Thailand Received the 2025 Excellent Practices Establishment on Labour Relations and Welfare (National Level) Award

# Fulfilling Social Responsibility and Contributing to Community Development

Cultural prosperity and community cohesion are important cornerstones of building a harmonious society, as well as concrete expressions of corporate gratitude to local communities. Zhongji InnoLight consistently adheres to the social responsibility philosophy of "being passionate about public welfare and giving back to society." We actively promote the coordinated development of philanthropic endeavors and the local economy, focus on the well-being of vulnerable groups, and are committed to building a vibrant and compassionate social ecosystem. The Company has established the Xuzhiguang Volunteer Team, actively advocating the philanthropic concepts of harmonious integration with society and the environment, and proactively assisting the elderly and students. We enthusiastically organize charitable activities, taking practical actions to give back to society and enhance social well-being.

InnoLight Tongling actively participates in urban cultural and sports development by sponsoring concerts and sports events to enrich citizens' lives. It also organizes employee blood donation drives, radiating positive social energy. InnoLight Taiwan is dedicated to promoting community prosperity, prioritizing the hiring of local talent, organizing blood donation events, and conducting charity sales to provide warm care for people with disabilities.

During the reporting period, Zhongji InnoLight participated in public welfare activities for a total of 136 hours. There were 531 volunteer attendances. We actively carried out rural revitalization efforts, benefiting 165 people.



InnoLight Tongling Sponsoring Sports Events



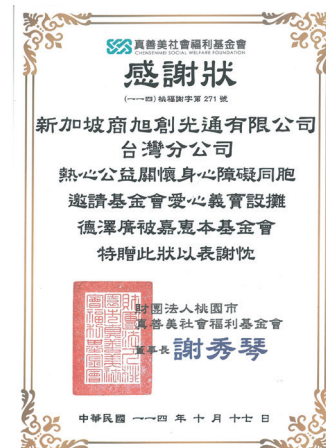
InnoLight Tongling Sponsoring the Tongling New Year Concert

## Case Gathering Love to Convey Charitable Warmth

In October 2025, InnoLight Taiwan organized two charity sales, raising a total of NT\$31,225 in charitable funds. All proceeds were fully donated to the Zhenshanmei Charity Foundation and the Meihao Sheltered Workshop for philanthropic purposes, including the care of people with disabilities. These philanthropic achievements have been recognized by our partner foundations.



InnoLight Taiwan Charity Sale Event





# Enhancing Governance Effectiveness and Strengthening the Foundation for Sustainability

Zhongji InnoLight strictly complies with the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies*, the *Rules Governing the Listing of Stocks on the ChiNext Market of Shenzhen Stock Exchange*, and other applicable laws and regulations in the regions where the Company operates. Guided by our sustainability objectives, we continuously improve our governance framework and management mechanisms. By establishing a robust sustainability governance system, we strengthen strategic coordination and risk management, integrating sustainability considerations into business decision-making. The Company adheres to compliant operations and fair competition, standardizes business practices, and enhances operational transparency and market trust. We view sustainable governance and responsible business conduct as key foundations for long-term, stable development.



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ESG Governance and  
Stakeholder Engagement

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Compliance-Driven Operations  
for Sustainable Business

# ESG Governance and Stakeholder Engagement

## Corporate Governance

Zhongji InnoLight, in accordance with the *Company Law of the People's Republic of China*, *Securities Law of the People's Republic of China*, and other national laws, regulations, as well as securities regulatory requirements for listed companies, has established governance documents including the Articles of Association. We continuously optimize our corporate governance framework and explore the development and improvement of a modern enterprise system. The rights and responsibilities of the General Meeting of Shareholders, Board of Directors and specialized committees, and management are clearly defined, coordinated, and executed in respective roles, driving continuous enhancement of corporate governance.

### Corporate Governance Structure

#### Shareholders and the General Meeting of Shareholders

- The Company treats all shareholders equally and strictly regulates shareholder rights and obligations while fully safeguarding their legal interests. Measures are in place to prevent abuse of shareholder rights or managerial dominance that could harm minority investors. In 2025, Zhongji InnoLight held five General Meeting of Shareholders, during which 19 significant proposals were reviewed and approved.

#### Board of Directors and Specialized Committees

- The election and composition of the Board of Directors strictly comply with applicable laws. The current board consists of eight directors, including four independent directors and three female directors; 38% of directors hold doctoral degrees, and female directors account for 38% of the board. In 2025, the Board of Directors convened ten meetings.
- The Board has established four specialized committees—Strategy, Audit, Compensation and Appraisal, and Nomination—to provide professional advice and recommendations supporting board decision-making.

## Investor Relations

### Investor Relations Management

Zhongji InnoLight prioritizes the protection of investor rights and interests and strengthens investor relations management based on four core principles: compliance, equality, proactivity, and integrity. We have established the *Investor Relationship Management System* to guide our practices. Beyond fulfilling statutory disclosure obligations, we proactively expands communication channels with investors. Through regular announcements, shareholders' meetings, the corporate website, earnings briefings, the "Interactive Easy" platform, industry exhibitions, and investor days, we maintain consistent communication with investors and provide objective, truthful, accurate, and comprehensive information about our operations and development strategy.

The Company has also implemented the *Media Visits and Investor Survey Reception System* to enhance information exchange with both investors and media. In 2025, following the release of periodic reports or during stock price fluctuations, the Company organized timely conference calls to address issues of common investor and analyst interest, actively engaging in dialogue and communication. The Company places particular emphasis on communication with minority investors, encouraging their active participation in shareholders' meetings. By facilitating the involvement of all investor groups in major decision-making processes, Zhongji InnoLight continuously improves corporate governance and transparency, demonstrating strong governance practices and a positive corporate image to the investment community.

 During the reporting period



Zhongji InnoLight documented **9** investor relations activities



**Case** Hosting an Investor Day to Strengthen Communication and Strategic Transparency

In September 2025, Zhongji InnoLight held the "Zhongji InnoLight Investor Day" to actively address investor concerns. The event provided investors with the opportunity to engage in face-to-face discussions with senior management, gaining a deeper understanding of the Company's business operations and strategic direction.



Zhongji InnoLight Investor Day

## Information Disclosure

Zhongji InnoLight strictly complies with relevant regulations, including the *Regulations on Information Disclosure of Listed Companies* and the *Rules Governing the Listing of Stocks on Shenzhen Stock Exchange(2025 Revision)*. The Company enhances the authenticity, accuracy, completeness, and timeliness of disclosed information, standardizes disclosure procedures, and improves the management and quality of information disclosure.

We have established an Investor Relations section on both our official website and WeChat account, covering sections such as information disclosure, financial reports, investor protection, interactive platforms, latest announcements, research reports, investor activities, and investor education resources. These resources enable investors to receive timely updates on important announcements and financial reports, while industry and company research reports provide deeper insights into the Company and the development of the sector.



During the reporting period



The Company released **158**  
periodic and ad hoc reports



For eight consecutive years,  
Zhongji InnoLight has been rated **A level** in the Shenzhen Stock  
Exchange information disclosure assessment.



# Sustainable Development Management

## ESG Governance Structure

Zhongji InnoLight has strengthened ESG management by integrating ESG into corporate governance. Following approval by the Board of Directors, the Company established the ESG Management Working Group under the *Sustainability Committee*, forming a three-tier, top-down sustainability management structure: Board of Directors for strategic decision-making, *Sustainable Committee* for overall management, and *ESG Management Working Group* collaborating with relevant departments for implementation. This structure provides strong support for the Company's sustainable development and establishes an integrated, vertically aligned ESG management mechanism.

Department	Responsibilities
Board of Directors (Strategic Decision-Making)	<ul style="list-style-type: none"> <li>Acts as the highest decision-making body responsible for ESG issues, assuming full accountability for the Company's ESG strategy and disclosures.</li> <li>Provides guidance and confirms priorities for key ESG issues identified.</li> <li>Reviews progress of ESG initiatives through work reports.</li> <li>Oversees the implementation of ESG measures.</li> </ul>
Sustainability Committee (Overall Management)	<ul style="list-style-type: none"> <li>Oversees commitments and performance on key ESG issues and evaluates ESG-related risks.</li> <li>Reports ESG issues and progress to the Board of Directors on a regular basis, and has preliminarily linked ESG performance to compensation and evaluation.</li> <li>Reviews compliance with ESG reporting guidelines and discloses relevant information in Environmental, Social, and Governance reports.</li> <li>Reviews the performance and work plans of the ESG team, providing guidance and supervision.</li> <li>Identifies ESG-related risks, develops sustainability strategies, objectives, and plans, and reviews implementation results.</li> <li>Reports ESG progress to the Corporate Governance Committee semi-annually, reviews the achievement of targets, and establishes work plans and goals.</li> </ul>
ESG Management Working Group (Execution)	<ul style="list-style-type: none"> <li>Assists in mobilizing internal and external resources, guiding and supporting responsible departments in implementing action plans and presenting performance results.</li> <li>Holds quarterly meetings to share and discuss progress on sustainability-related issues and their impact on business.</li> </ul>
Relevant Departments (Execution)	<ul style="list-style-type: none"> <li>Carry out ESG-related work in accordance with the Company's ESG management policies and procedures.</li> </ul>

## ESG Capacity Building

Zhongji InnoLight places strong emphasis on building ESG capabilities among employees and supply chain partners. The Company organizes internal ESG training to strengthen employees' ESG awareness and enhance overall ESG competence across the organization. During the reporting period, the Company received multiple ESG-related recognitions, including the 2025 Cailian Press Zhiyuan Award for ESG Pioneer Enterprise.

### Case ESG Training to Promote Internal ESG Capacity and Sustainable Governance

In December 2025, Zhongji InnoLight held an ESG training session, clarifying the roles of the Sustainability Committee and cross-departmental collaboration mechanisms. This initiative continues to strengthen organizational ESG capabilities and governance performance.










Zhongji InnoLight ESG Training



2025 Cailian Press Zhiyuan Award for ESG Pioneer Enterprise

## Stakeholder Engagement

To proactively address stakeholder concerns regarding the Company's ESG practices, Zhongji InnoLight has established effective communication mechanisms and diverse channels to engage with stakeholders on key topics. This ensures that stakeholder views and suggestions are fully considered in decision-making processes. For each material issue, the Company implements corresponding actions to respond to stakeholder interests, fostering constructive dialogue and maintaining strong relationships. Through these efforts, Zhongji InnoLight aims to achieve mutually beneficial outcomes on sustainability matters.

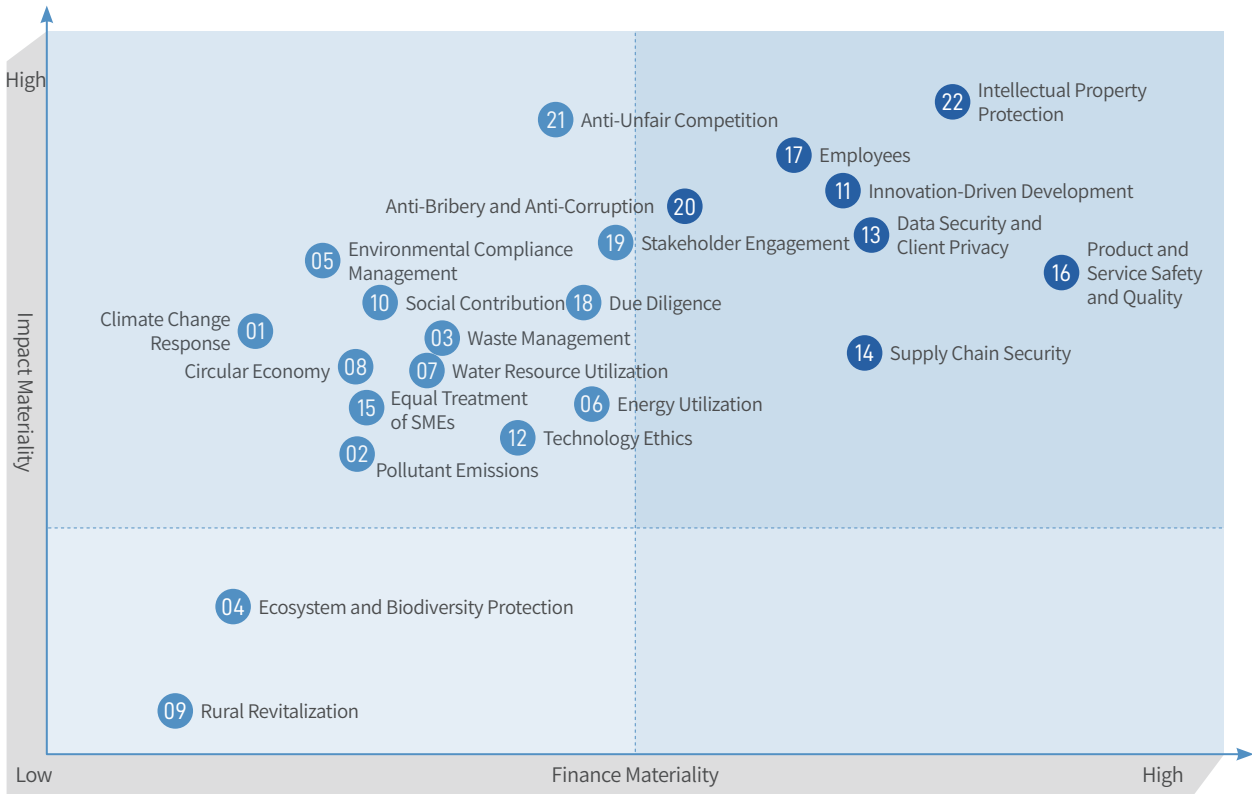
Stakeholders	Concerned Issues	Communication Channels
 Government and Regulatory Authorities	<ul style="list-style-type: none"> <li>Compliance operation</li> <li>Paying taxes according to the law</li> <li>Pollution prevention and control</li> <li>Technological innovation</li> <li>Commercial activity</li> </ul>	Policy implementation, information disclosure, participation in industry standard-setting, project cooperatio
 Investors	<ul style="list-style-type: none"> <li>Transparent disclosure of information</li> <li>Asset preservation and enhancement</li> <li>Solid growth in performance</li> </ul>	General meeting of shareholders, report disclosure, results presentation, investor day, investor relations hotline and email addresses
 Clients	<ul style="list-style-type: none"> <li>Product and service quality</li> <li>Data security and privacy protection</li> <li>Technological innovation</li> </ul>	Client questionnaire, client satisfaction survey, project cooperation, exchange visits
 Suppliers and Partners	<ul style="list-style-type: none"> <li>Joint development</li> <li>Transparent procurement</li> <li>Supply chain continuity</li> <li>Environmental and social issues</li> </ul>	Supplier management system, supplier code of conduct, purchasing policies and agreements, supplier training, supplier communication meetings, on-site audits and supplier evaluations, exchange visits
 Employees	<ul style="list-style-type: none"> <li>Protecting employee rights and interests</li> <li>Reasonable remuneration package</li> <li>Vocational training and development opportunities</li> <li>Quality benefits</li> <li>Humanistic care</li> </ul>	Corporate culture activities, employee grievance handling mechanism, employee training, employee satisfaction survey, employee contributions and internal publications
 Media	<ul style="list-style-type: none"> <li>Transparent disclosure of information</li> </ul>	Official websites, social media platforms, press releases, industry exhibitions, industry seminars
 Community and Public	<ul style="list-style-type: none"> <li>Rural revitalization</li> <li>Social contribution</li> </ul>	Community service activities, public service projects, volunteerism

# Materiality Assessment

To gain a deeper and more accurate understanding of stakeholder expectations and concerns, Zhongji InnoLight conducts questionnaire-based surveys, inviting a broad range of stakeholders—including employees, suppliers and partners, clients, the public, investors, industry associations, media, and regulatory authorities—to participate in the identification and assessment of key material topics across governance, operations, social, and environmental dimensions. Through this process, the Company analyzed and identified 22 key material topics, providing clear direction and a solid foundation for building a robust sustainability framework.



Matrix of Material Issues of Double Materiality



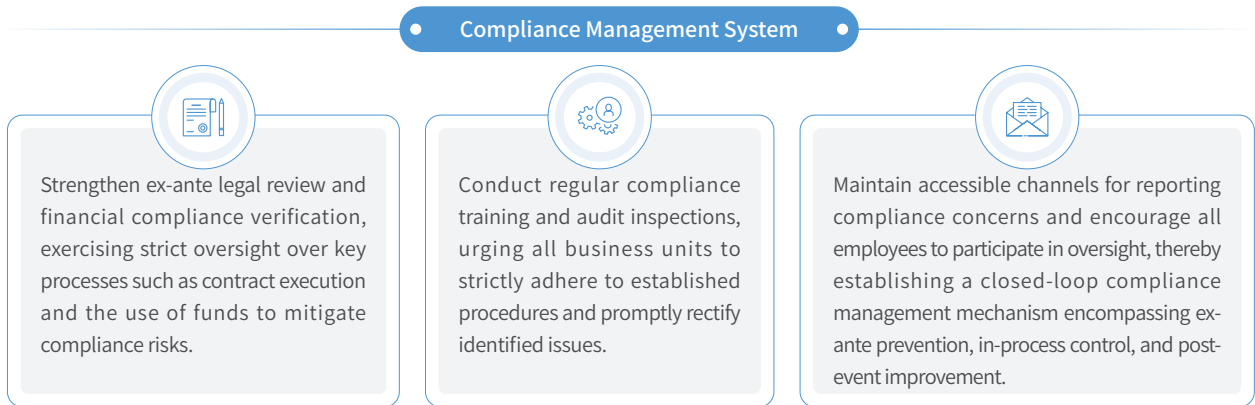
# Compliance-Driven Operations for Sustainable Business

## Internal Control

The Company adopts an integrated management approach that combines risk management and compliant operations, and has established an internal control framework featuring checks and balances through clear segregation of powers. Responsibilities and authority boundaries across departments are clearly defined to form a mutual supervision and restraint mechanism. The Company continues to strengthen the development of our internal policies and systems, providing a comprehensive safeguard for stable and sustainable corporate development.

Through the *Risk and Opportunity Response Procedure* and the *Risk Management Policy*, the Company enhances our governance capabilities through a robust institutional framework. Each year, Internal Audit Department conducts inspections and evaluations of the Company's internal control system. In addition, an independent assessment of the Company's internal control effectiveness is conducted by a qualified third-party professional institution, and the results are publicly disclosed.

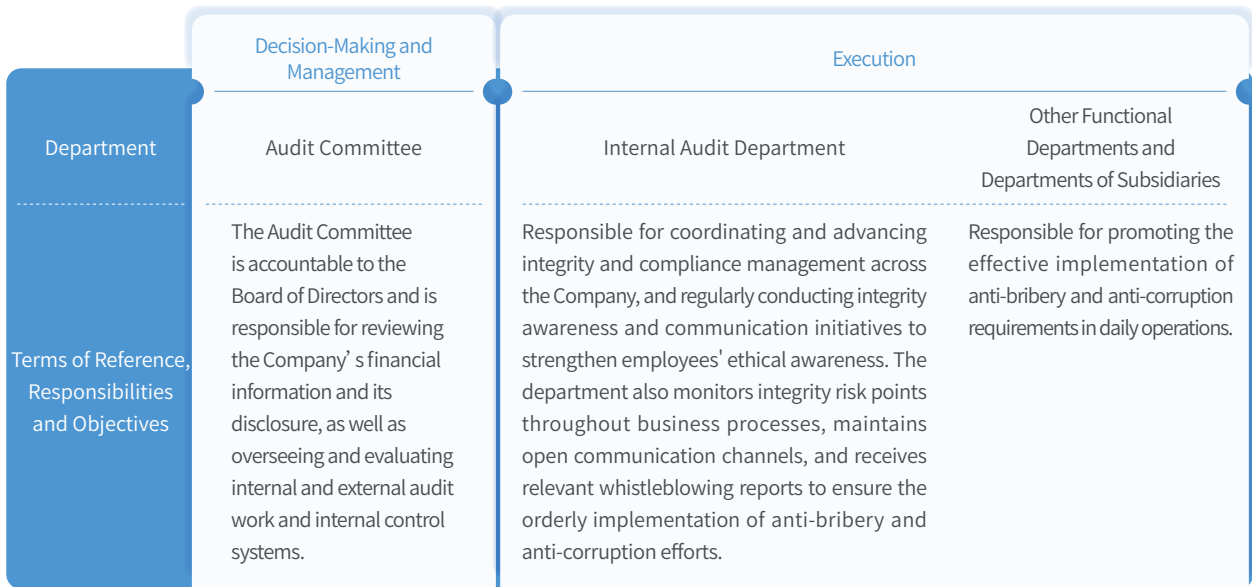
Adhering to the core risk management philosophy of "proactive risk prevention and prudent operations," we integrate risk management throughout the entire operational process. Supported by coordinated efforts across all employees, we strengthen our risk defense and continuously improve our compliance management system. In 2025, we carried out regular risk identification activities, systematically screening for potential risks across various operational processes and promptly implementing corrective measures for identified issues. Meanwhile, we further enhanced our compliance management framework, optimized key business processes, and strengthened end-to-end compliance review mechanisms. Strict review procedures were applied to key matters such as contracts and major decision-making, with targeted review opinions provided and rectification progress closely tracked to ensure that compliance requirements are effectively embedded throughout the Company's operations.



# Anti-Bribery and Anti-Corruption

Zhongji InnoLight incorporates anti-bribery and anti-corruption management into the internal control framework. Oversight is provided by the Board of Directors and the Audit Committee, while the Internal Audit Department coordinates internal audits and anti-fraud investigations. Each department and subsidiary has clearly defined responsibilities, forming a multi-level collaborative governance structure. Through a combination of policy frameworks, training programs, and audit and evaluation mechanisms, the Company ensures the effective implementation of risk prevention measures and compliance objectives.

## Governance



## Supervision and Assessment

Zhongji InnoLight has established policies such as the *Regulations for Internal Audit* and the *Regulations for Internal Control* to leverage internal audit in strengthening internal controls, improving operational management, and enhancing economic performance. The Company has reinforced internal control management, with the Internal Audit Department reporting audit results to the Audit Committee on a quarterly basis. This mechanism supports the ongoing improvement of the Company's internal control system, enhances operational management, effectively mitigate operational risks, and contributes to the overall corporate value.

The Company attaches great importance to anti-bribery and anti-corruption management and has incorporated business ethics and integrity compliance requirements into the corporate governance framework. We have formulated policies such as the *Integrity and Self-discipline Guidelines* and the *Anti-Bribery and Anti-Corruption Policy*, which clarify the fundamental principles and management requirements for preventing commercial bribery and corruption. These requirements are embedded into the Company's governance and internal control framework, with the Board of Directors responsible for overseeing business ethics and anti-fraud initiatives.



## Strategy

Zhongji InnoLight adheres to an anti-bribery and anti-corruption strategy that prioritizes prevention while combining preventive and punitive measures, building a comprehensive risk prevention and control system across the entire operational process. Grounded in institutional development and supported by regular oversight, Zhongji InnoLight integrates business ethics and integrity compliance requirements into operational decision-making, business processes and personnel management through policies such as the *Anti-Bribery and Anti-Corruption Policy*. By combining sound institutional frameworks, capability building and a culture of integrity, Zhongji InnoLight continuously mitigates integrity-related risks, safeguards a fair and transparent business environment, and strengthens stakeholders' trust in the Company.

Risk	Description	Period	Response Measures
Compliance and Legal Risk	High-risk areas such as sales and procurement may involve bribery, kickbacks or the exchange of improper benefits.	Short Term	Continuously strengthen the anti-bribery policy framework and conduct role-based training and audit oversight.
Internal Control Deficiencies	Incomplete processes or ineffective implementation may result in bribery or corruption not being detected in a timely manner.	Short- to Medium-term	Continuously improve internal control processes and conduct regular internal audits and risk assessments.
Partner Integrity Risk	Suppliers, clients or other partners may engage in dishonest practices, potentially leading to bribery or financial losses.	Medium- to Long-term	Establish supplier compliance admission and evaluation mechanisms, and strengthen partner oversight.

Opportunity	Description	Period	Response Measures
Enhanced Corporate Governance and Reputation	A robust anti-bribery and anti-corruption framework helps strengthen the Company's reputation for integrity and investor confidence.	Medium- to Long-term	Advance the development of the governance framework and improve transparency.
Strengthened Risk Management Capability	The operation of the anti-bribery management framework promotes the optimization of the internal control system and enhances risk response capability.	Long Term	Continuously improve internal control and audit mechanisms.
Internationalization and Business Expansion	A sound compliance system helps address overseas regulatory requirements and supports global business development.	Long Term	Integrate compliance into international business management and strengthen training and oversight.

## Impact, Risk and Opportunity Management

Zhongji InnoLight has established a full-process risk identification and assessment mechanism for anti-bribery and anti-corruption management. The Company regularly conducts integrity risk assessments in key areas such as business cooperation and financial transactions to accurately identify and evaluate potential risks. At the same time, integrity and compliance requirements are incorporated into opportunity management. Zhongji InnoLight gives priority to partners with strong records of integrity and compliance, thereby enhancing the quality and effectiveness of cooperation, effectively reducing integrity risks, ensuring the compliance of business operations, and fostering a sound corporate reputation. During the reporting period, the Company regularly participated in industry forums on risk management and internal control.

## Business Ethics Management



The Company has established an anti-fraud mechanism and adheres to the principle of combining punishment with prevention, with a focus on prevention. Zhongji InnoLight clearly defines key focus areas and critical processes in anti-fraud management, as well as the responsibilities and authorities of relevant departments and bodies involved in anti-fraud efforts. The Company has also standardized procedures for the reporting, investigation, handling, reporting, and remediation of fraud cases.



Zhongji InnoLight has formulated a series of anti-corruption policies, including the *Anti-Bribery and Anti-Corruption Policy*, the *Integrity and Self-discipline Guidelines*, and the *Employee Complaint and Reporting Handling Procedures*. The Company has also developed an *Anti-Corruption(&Conflict of Interest) Self-Inspection Form*, and regularly conducts integrity training and conflict-of-interest investigations. From the corporate level to operational practices, Zhongji InnoLight promotes standardized and compliant operations, requiring employees, suppliers and business partners to uphold high standards of business ethics. During major holidays such as the Spring Festival and Mid-Autumn Festival, the Company sends reminder emails to suppliers and employees to reinforce compliance with integrity and self-discipline requirements.



Zhongji InnoLight's Internal Audit Department incorporates business ethics and compliance requirements into the development of the annual audit plan. On the basis of comprehensive audits across all business units, the Company conducts targeted audits in areas with higher business ethics risks, strengthening compliance control over critical processes and key areas, ensuring adherence to external regulatory requirements. During 2025, these audits were successively reviewed and approved by external oversight bodies, including RBA and third-party audit institutions.



Our audit plan is executed at least once every three year to achieve full coverage of all operational sites within the Company. The audit scope includes compliance with the business ethics code and anti-corruption policy. Any business ethics issues identified during audits are tracked and verified by the Internal Audit Department, which supervises corrective actions to ensure proper resolution of identified problems.



Zhongji InnoLight requires all partners to sign the *Supplier Honesty and Integrity Agreement* and conducts business ethics audits to jointly cultivate a clean, transparent, and compliant working environment. In addition, the Company strictly safeguards commercial secrets and intellectual property through procedures such as the *Privacy Protection Management Procedure* and the *Confidential Information Management Procedure*, ensuring proper custody and controlled use of sensitive, private, or confidential information and materials of clients, suppliers, employees, and other business partners.



The Company is committed to protecting anyone who refuses to participate in bribery or corruption, as well as individuals who report in good faith any actual or potential bribery or corruption incidents. Zhongji InnoLight ensures that such individuals are not subjected to dismissal, disciplinary action, threats, or any other adverse treatment related to the report. If employees or any third-party representatives believe they have experienced unfair or improper treatment, they have the right to report it to the Company and the Company will immediately take necessary protective measures to ensure that the legitimate rights and interests of the relevant personnel are properly safeguarded. The Company has clearly stipulated a whistleblower protection system in the *Employee Handbook*, ensuring accessible anonymous reporting channels, strictly preventing and prohibiting any form of retaliation, and effectively safeguarding the legitimate rights and interests of whistleblowers.

## Zhongji InnoLight Integrity Reporting Channels

Zhongji InnoLight has established an integrity reporting hotline to receive supervision and reports from all employees via email, phone, and online communication.

- a) **Email Reporting:** Send emails to the reporting mailbox at anti\_fraud@innolight.com
- b) **Phone Reporting:** Call the reporting line at +86 0512-86669288-8999

## Business Ethics Training

All employees of Zhongji InnoLight (including directors, senior management, full-time employees, contractors, and interns) are required to participate in regular training on anti-bribery and anti-corruption policies and requirements. In addition, the Company organizes internal training that incorporates business ethics, including onboarding training, role-specific training for key positions, and management-level training. The training covers all employees, including contractors, ensuring business ethics education across all positions and levels. Employees are required to complete training assignments and assessments to evaluate the effectiveness of the training. The Company also strengthens internal communication on integrity and ethical behavior, reiterates regulatory red lines, raises anti-fraud awareness, and emphasizes the importance of business ethics in company operations.

In October 2025, Zhongji InnoLight conducted anti-corruption and integrity awareness training. New employees received integrity and anti-corruption orientation during onboarding, delivered through online videos and exams, forming a complete training loop.

## Metrics and Targets

Zhongji InnoLight's anti-bribery and anti-corruption efforts are centered on creating a clean and fair business environment. The Company is committed to preventing all forms of commercial bribery and corruption, maintaining fair market competition. At the same time, by strengthening integrity controls and internal governance, Zhongji InnoLight ensures asset security, compliance in operations, and establishes a trustworthy and law-abiding corporate image. During the reporting period, Zhongji InnoLight had no reported incidents of corruption or bribery.



During the reporting period

Employee coverage for  
anti-corruption training  
reached **100%**



## Trade Compliance

Zhongji InnoLight leverages trade compliance as a key focus, concentrating on organizational management, process development, risk management, and awareness training to establish a comprehensive trade compliance system, ensuring that all trade operations are conducted in an orderly and compliant manner.

### Trade Compliance Organizational Management

We continuously improve our trade compliance management system and operational standards. By clarifying behavioral boundaries, specifying management requirements, and strengthening process controls—combined with risk identification, assessment, mitigation, and corrective procedures—the Company effectively enhances the systematic and actionable nature of compliance management, laying a solid foundation for standardized market conduct and compliant operations. During the reporting period, the *2025 Trade Compliance Policy* was published on the official websites of Zhongji InnoLight, InnoLight Suzhou, TeraHop, and other affiliated entities.



### Trade Compliance Mechanism

Zhongji InnoLight has established a comprehensive trade compliance operating framework, supported by three pillars: policy and process foundation, operational and monitoring mechanisms, and organizational assurance with clear role allocation, ensuring effective implementation of all trade compliance activities.

Policy and Process Foundation	<ul style="list-style-type: none"> <li>• Covers both general and specific aspects, including trade compliance policies, management commitment, the trade compliance manual, and effective compliance procedures.</li> </ul>
Operational and Monitoring Mechanisms	<ul style="list-style-type: none"> <li>• Self-assessments and risk evaluations enable continuous improvement;</li> <li>• Effective compliance training ensures awareness across all staff;</li> <li>• Robust export authorization procedures guarantee that all exports undergo necessary pre-approval reviews;</li> <li>• Timely remedial measures should be taken to address potential violations, and compliance efforts should be encouraged and enforced through a system of compliance rewards and penalties.</li> </ul>
Organizational Assurance and Role Allocation	<ul style="list-style-type: none"> <li>• A three-tier governance structure has been established, comprising the Trade Compliance Committee, a dedicated trade compliance team, and compliance liaisons designated within each business unit and subsidiary, with clearly defined responsibilities.</li> </ul>

## Trade Compliance Risk Management

To ensure trade compliance policies are effectively implemented and to manage compliance risks across core business operations and partners, the Company has established a top-down dynamic assessment system, involving the Internal Audit Department, the Legal Department's trade compliance team, and relevant departments and subsidiaries. By utilizing compliance self-checklists, each department can quickly identify potential risk signals.

In the risk control and process optimization phase, the Company leverages the trade compliance system to enhance timeliness and automation in partner management; embeds trade compliance standard clauses into external testing, trials, and investment scenarios to standardize procedures; integrates trade compliance review nodes during supplier onboarding and client setup; and dynamically tracks and analyzes updates to major restricted parties' lists and relevant laws and regulations, assessing potential impacts and arranging necessary audits.

During the emergency remediation phase, multiple secure reporting channels are provided to ensure that any potential violations are promptly communicated. These include reporting to supervisors, dedicated reporting email, written submissions by mail, and in-person reporting.

## Trade Compliance Awareness Training

Trade compliance is a critical lifeline for the Company's sustainable development. It is not only the responsibility of specific departments but also a shared duty and behavioral standard for all employees. Internally, Zhongji InnoLight conducts trade compliance awareness training for senior management and all staff through a combination of online and offline methods. The training covers topics such as the *Company Trade Compliance Policy and Management Compliance Commitment* and *Basic Knowledge of Trade Compliance*. In addition, dedicated training sessions are provided for business units including Sales, Supply Chain, R&D, Product Management, Finance, Investment, and HR. Departmental compliance updates are also communicated via email to reinforce compliance requirements and provide clear operational guidance. Externally, the Company periodically shares updates on trade regulations to enhance awareness and understanding of trade compliance among business partners.

**Trade Compliance Reporting Channel:** [trade.compliance@innolight.com](mailto:trade.compliance@innolight.com)

## Anti-Unfair Competition

Zhongji InnoLight strictly complies with the *Anti-Unfair Competition Law of the People's Republic of China*, upholds the principle of fair competition, and lawfully safeguards the legitimate rights of consumers and public interests. The Company opposes and resists any fraudulent, coercive, collusive, obstructive, or otherwise illegal or unethical practices. We strictly forbid harming the legitimate rights of other businesses or consumers, or disrupting market competition through monopolistic or unfair competition practices.

Meanwhile, the Company has established policies and procedures including the *Confidentiality Management Policy*, *Confidential Personnel Management Rules*, *Confidential Facilities Management Rules*, and *Confidential Information and Carrier Management Rules*, building a comprehensive confidentiality management framework. Zhongji InnoLight has implemented demonstration sites for trade secret protection, strengthened trade secret training, and applied both incentive and disciplinary measures, thereby reinforcing defenses against unfair competition.



Commercial Secrets Training

### During the reporting period

Zhongji InnoLight was **not involved** in any legal cases related to monopolistic or unfair competition practice

# Appendix

## Key Performance Indicators

Indicator	Unit	2023 <sup>11</sup>	2024 <sup>12</sup>	2025 <sup>13</sup>	
<b>Environmental Performance</b>					
Scope 1 <sup>14</sup> GHG emissions	tCO <sub>2</sub> e	1,088.12	1,476.64	2,055.48	
Direct (Scope 1) GHG emissions per 10,000 yuan of revenue	tCO <sub>2</sub> e/10,000 yuan revenue	0.001015	0.000619	0.000538	
Scope 2 <sup>15</sup> GHG emissions (market-based)	tCO <sub>2</sub> e	86,632.18	125,075.50	129,715.59	
Scope 2 GHG emissions (location-based)	tCO <sub>2</sub> e	/	/	143,033.26	
Indirect (Scope 2) GHG emissions per 10,000 yuan of revenue (location-based)	tCO <sub>2</sub> e/10,000 yuan revenue	/	/	0.037404	
Scope 3 GHG emissions	tCO <sub>2</sub> e	71,229.63	180,397.61 <sup>16</sup>	* <sup>17</sup>	
Other indirect (Scope 3) GHG emissions per 10,000 yuan of revenue	tCO <sub>2</sub> e/10,000 yuan revenue	0.000665	0.000756	*	
Total GHG emissions (Scope 1 + Scope 2 (market-based))	tCO <sub>2</sub> e	87,720.30	126,552.14	131,771.07	
GHG emission intensity (Scope 1 + Scope 2 (market-based))	tCO <sub>2</sub> e/10,000 yuan revenue	0.081844	0.053035	0.034459	
Tons of CO <sub>2</sub> equivalent per ton of standard coal	tCO <sub>2</sub> e/tce	5.77	5.53	3.79	
Comprehensive energy consumption <sup>18</sup>	tce	15,204.00	22,894.49	34,793.67	
By energy type	Gasoline	L	197,316.24	187,910.92	61,197.67
	Diesel fuel	L	/	92,015.71	62,059.22
	Natural gas	m <sup>3</sup>	218,390.00	273,375.00	401,686.00
	LPG	kg	/	/	37,776.00
	Purchased electricity consumption	10,000 kWh	11,980.44	20,547.02	27,742.75
	Renewable energy consumption	10,000 kWh	242.30	273.95	529.13
Electricity consumption intensity	kWh/10,000 yuan revenue	114.04	86.11	72.55	
Total water consumption	ton	440,783.80	840,122.90	865,058.80	

<sup>11</sup> The statistical scope of the 2023 data includes all subsidiaries, including InnoLight Suzhou.

<sup>12</sup> The statistical scope of the 2024 data includes all subsidiaries, including InnoLight Suzhou, Tsuhan Technology, and Jingle Electronic.

<sup>13</sup> The statistical scope of the 2025 data includes all subsidiaries, including InnoLight Suzhou, InnoLight Tongling, Pioseed Technology, Tsuhan Technology, Jingle Electronic, and TeraHop (including its subsidiaries). TeraHop US currently only has office operations, which have minimal impact on data reporting, and are therefore not included in the calculations.

<sup>14</sup> Scope 1 emissions are calculated based on activity data such as fuel consumption and refrigerant leakage, along with the corresponding emission factors. Default emission factors are primarily sourced from IPCC guidelines, supplemented by region-specific emission factors where available.

<sup>15</sup> Scope 2 emissions are accounted for using both the location-based method and the market-based method. Under the location-based method, emissions are calculated using the grid average emission factors of the regions where subsidiaries operate, including but not limited to China, Singapore, and Thailand. Under the market-based method, emissions are calculated based on supplier-specific emission factors (where available), or using residual mix/grid average emission factors.

<sup>16</sup> The 2024 Scope 3 GHG emissions data is derived from the GHG verification reports of InnoLight Suzhou and TeraHop Thailand.

<sup>17</sup> The verification of the 2025 Scope 3 GHG emissions is still underway, and the data is planned to be disclosed in the next annual report.

<sup>18</sup> For the calculation of comprehensive energy consumption, the energy conversion factors are based on the General Rules for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020).

Indicator	Unit	2023	2024	2025
<b>Environmental Performance</b>				
Water consumption intensity	ton/10,000 yuan revenue	0.411256	0.352073	0.226219
Total wastewater discharge	ton	352,627.07	672,098.32	692,047.04
Wastewater discharge intensity	ton/10,000 yuan revenue	0.329005	0.281659	0.180975
Ammonia nitrogen emissions	ton	3.85	6.94	14.84
Ammonia nitrogen emissions intensity <sup>19</sup>	ton/10,000 yuan revenue	0.000004	0.000003	0.000004
Chemical oxygen demand	ton	58.53	99.51	109.64
Chemical oxygen demand emissions intensity	ton/10,000 yuan revenue	0.000055	0.000042	0.000029
Total hazardous waste	ton	60.50	124.26	241.51
Total non-recyclable waste	ton	577.01	1,245.90	1,407.92
Total recyclable waste	ton	101.39	165.78	751.31

Indicator	Unit	2023	2024	2025	
<b>Social Performance</b>					
Total employees	person	6,029	8,542	11,625	
Gender	Men	person	3,096	4,484	6,023
	Women	person	2,933	4,058	5,602
Education	Master's degree or above	person	298	387	572
	Undergraduate	person	1,006	1,501	2,149
	College	person	1,202	2,007	2,954
	College or below	person	3,523	4,647	5,950
Age	41 or above	person	771	1,185	1,448
	31 to 40	person	3,083	4,123	5,130
	30 or below	person	2,175	3,234	5,047
Functions	Sales employee	person	52	115	135
	Production and construction employee	person	3,628	5,625	8,090
	Administrative employee	person	793	769	977
	Financial employee	person	77	86	82
	Technical employee	person	1,479	1,947	2,341

<sup>19</sup> Due to changes in statistical methods, the data for ammonia nitrogen emission and its intensity, as well as chemical oxygen demand (COD) emission and its intensity for 2023 and 2024, have been corrected. In case of any discrepancies with previous reports, the disclosures in the 2025 ESG Report shall prevail.

Indicator	Unit	2023	2024	2025
<b>Social Performance</b>				
Disabled employees	person	19	14	28
Part-time employees	person	/	/	0
Ethnic minority employees	person	/	/	225
Labor contract signing rate	%	100	100	100
Total number of employees receiving training	times	17,364	61,509	61,495
Total employee training hours	hours	35,438	83,883.5	3,833,965.17
Employees in positions with occupational disease risk	person	3,022	2,612	6,236
Employees taking physical examinations for occupational diseases	person	3,022	2,612	6,236
Employees suffering from occupational diseases	person	0	0	0
Safety production investment	10,000 yuan	831	1,207	4,333.35
Work-related injuries	person	12	11	16
Work-related accidents	cases	12	11	16
Number of fatalities due to work-related injury	cases	0	0	0
Number of fatalities due to work-related injury	person	0	0	0
R&D investment	10,000 yuan	80,938.89	133,255.68	167,593.11
Charitable donation expenditure	10,000 yuan	10.35	40.35	424.61

Indicator	Unit	2023	2024	2025	
<b>Governance Performance</b>					
Number of regular and interim reports	piece	228	150	158	
Number of board meetings	times	10	11	10	
Number of shareholder's general meetings	times	5	3	5	
Number of board members	person	7	7	8	
Gender	Men	person	5	5	5
	Women	person	2	2	3
Independence	Independent director	person	4	4	4
	Dependent director	person	3	3	4

## Indicators Index

Report Framework					
First Level Title	Second Level Title	Third Level Title	Guide for the Preparation of Corporate Social Responsibility Report in China (CASS-ESG 6.0)	Global Reporting Initiative Standards (GRI Standards) issued by the Global Sustainability Standards Board	Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange-Sustainability Report (For Trial Implementation)
About the Report	/	/	P1.1,P1.2	2-1,2-2,2-3	Article 3; Article 4; Article 7
Message from the Chairman	/	/	P2.1	2-22	Article 2
About Zhongji InnoLight	Company Profile	/	P3.1-3.4	2-6	/
	Corporate Culture	/	P3.2	/	/
	Milestones	/	/	/	/
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Responding to SDGs	/	/	/	/	/
Advancing Green Development and Building a Low-Carbon Future		Governance	E1.1.1-1.1.6	201-2	Article 14; Article 21-23
	Green Transition and Carbon Reduction for Climate Change Response	Strategy	E1.1.7-1.1.9, E1.1.12-1.1.14	305-1,305-2,305-3,305-4,305-5	Article 8; Article 24-26
		Impact, Risk and Opportunity Management	E1.1.15-1.1.18	/	Article 8; Article 27
		Metrics and Targets	E1.1.19	/	Article 28
	Pollution Prevention and Ecosystem Protection	Environmental Management	E2.1.1,E2.4.1-2.4.3	/	Article 33
		Waste and Emissions	E2.1.2-2.1.7, E2.2.1-2.2.7	305-7,306-1,306-2,306-3,306-4,306-5	Article 30-31
		Biodiversity Protection	E2.3.3	101-1,101-2,101-3	Article 32
	Resource Efficiency and Circular Economy Development	Energy Management	E3.1.1-3.1.5	302-1,302-2,302-3,302-4,302-5	Article 35
Water Management		E3.2.1-3.2.4	303-1,303-2,303-3,303-4,303-5	Article 36	
Resource Recovery and Reuse		E3.3.1-3.3.6	301-3,306-4,306-5	Article 37	

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Harnessing Diverse Stakeholders to Co-create and Share Value	Strengthening R&D Capabilities to Drive Technological Innovation	Governance	S2.1.1	/	Article 42
		Strategy	S2.1.2	/	Article 42
		Impact, Risk and Opportunity Management	S2.1.3-2.1.13	/	Article 42
		Metrics and Targets	S2.1.9-2.1.10	/	Article 42
	Partnering Across the Value Chain to Build a Sustainable Ecosystem	Products and Services	S3.3.1-3.3.6	416-1	Article 47
		Responsible Supply Chain	S2.1.1-2.1.13, S3.4.1-3.4.2	308-1,308-2, 414-1,414-2	Article 45
		Data Security and Client Privacy	S3.4.1-3.4.4	418-1	Article 48
	Empowering Talent and Fostering a People-Centric Workplace	Governance	S4.1.11-4.1.12	/	/
		Strategy	S4.1.1-4.1.10	/	Article 49-50
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	Fulfilling Social Responsibility and Contributing to Community Development	/	S1.1.1-1.2.6	203-1	Article 39-40
Enhancing Governance Effectiveness and Strengthening the Foundation for Sustainability	ESG Governance and Stakeholder Engagement	Corporate Governance	/	2-9,2-10,2-11, 2-12,2-14	Article 12; Article 52
		Investor Relations	G1.3.1-1.3.2	2-29	Article 9
		Sustainable Development Management	G1.1.1-1.1.2	2-9,3-1,3-2,3-3	Article 5; Article 53
	Compliance-Driven Operations for Sustainable Business	Internal Control	G1.1.8	/	Article 12
		Anti-Bribery and Anti-Corruption	G2.1.1-2.1.8	205-2,205-3	Article 55
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## Feedback Form

### Dear readers:

Thank you very much for taking time out of your busy schedule to read the Zhongji InnoLight 2025 Environmental, Social and Governance (ESG) Report. In order to provide you and other stakeholders with more valuable information, and effectively promote the Company's ability and level to fulfill ESG responsibilities, we sincerely look forward to your comments and suggestions.

Your overall assessment of this report is:

Very good       Good       Fair       Poor

How do you evaluate the response and disclosure of this report to the concerns of stakeholders?

Very good       Good       Fair       Poor

What do you think of Zhongji InnoLight's performance on economic responsibility?

Very good       Good       Fair       Poor

What do you think of Zhongji InnoLight's performance on environmental responsibility?

Very good       Good       Fair       Poor

What do you think of Zhongji InnoLight's performance on safety management?

Very good       Good       Fair       Poor

What do you think of Zhongji InnoLight's performance on employee responsibility?

Very good       Good       Fair       Poor

What do you think of Zhongji InnoLight's performance on community responsibility?

Very good       Good       Fair       Poor

Are the information, indicators and data disclosed in this report clear, accurate and complete?

Very good       Good       Fair       Poor

Do you think the content arrangement and layout design of this report are easy to read?

Very good       Good       Fair       Poor

### Open Questions

Do you have any comments or suggestions regarding the ESG philosophy and practices of Zhongji InnoLight Co., Ltd., or this report?

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