



中复神鹰碳纤维股份有限公司
Zhongfu Shenying Carbon Fiber Co.,Ltd.



2025

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE REPORT

Exploring a Carbon-Based Future Achieving the Extraordinary

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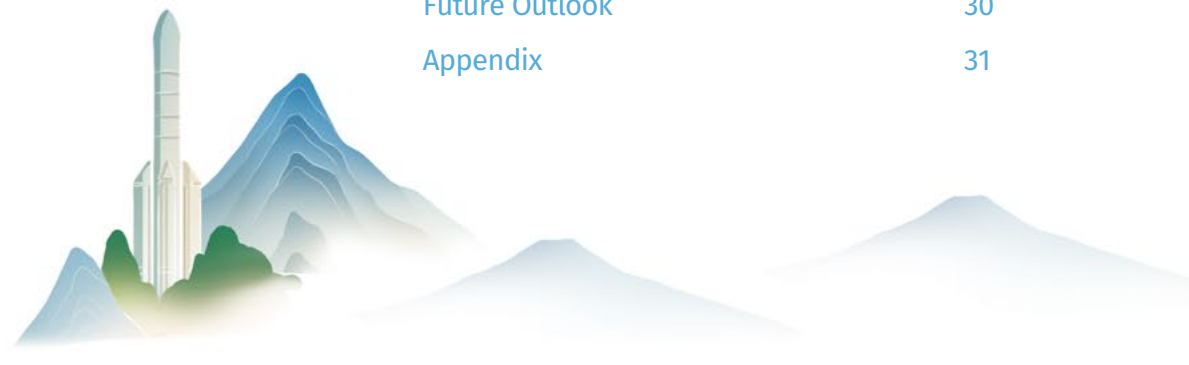
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Greetings from the Chairman



Passing the Frontier of Carbon Fiber Forging Ahead with Renewed Vigor

Time cycles on, and the seasons glide by. The year 2025 witnessed us advancing with unremitting and Tireless Endeavor. Together with our partners in the carbon fiber industry, we weathered challenges, witnessed breakthroughs, and also reaped substantial rewards.

On this vast journey, our strides have been firm and powerful. We have acted upon our fundamental duty to the nation, kept in mind the Four Fronts, and comprehensively advanced high-level scientific and technological self-reliance and self-improvement. New models such as the ultra-high-strength SYT80, ultra-high-modulus SYM65J, ultra-cost-effective large-tow, and the new-generation SYM55X have been successively developed. For the first time, we have won the CCE-JEC International Innovation Award. We have established a commercial aviation-grade prepreg R&D-Pilot-Engineering platform, with key products receiving pre-approval certification from COMAC PCD. We persist in strengthening research endeavors and securing key breakthroughs in composite materials and processing technologies, and were honored with the China Patent Silver Award and the Golden Bull Listed Company Sci-Tech Innovation Award.

On this vast journey, our spirit has been high and vigorous. We have firmly established a quality and service consciousness. Relying on system certifications, high-precision online inspection equipment, the Chief Quality Officer system, and a digital quality information system, we were honored with the China Quality Award Nomination, making "Made in China" shine on the global stage. We have continuously deepened digital transformation, and were recognized as a National Advanced Smart Factory. We have reshaped production paradigms, achieving a digital and intelligent leap across the entire process, demonstrating the robust strength of green and smart manufacturing.

On this vast journey, our confidence has been full and assured. Capacity construction has been accelerated and upgraded. On the shores of the vast Yellow Sea, rows of new workshops were successively topped out, with core equipment for production lines installed. On the snow-capped plateau, technical upgrades increased the single-line capacity of precursor by over 30%. Green and low-



carbon initiatives enhanced quality and efficiency. Adhering to the "ecology-first, green development" principle, our clean energy usage rate surpassed 75%, and carbon emissions per tonne of product set a green benchmark for the industry. The Zhongfu Shenying case was selected into the ESG Blue Book for Listed Companies of Central Enterprises under the State-owned Assets Supervision and Administration Commission of the State Council (SASAC).

"Let the World Feel the Power of Carbon Fiber"—our vision is both grand and simple. Ultimately, it is about adhering to customer-centricity and application-driven development, to upholding the path of high-quality development, and about realizing the transition of carbon fiber composites from "operable" to "reliable, capable and versatile" through long-termism and professionalism. We anchor ourselves in national strategic fields such as aerospace, wind, solar and hydrogen energy, focus on low-altitude aviation, electronics 3C, healthcare and other emerging growth tracks, and make breakthroughs in upgraded market segments such as sports and leisure, automotive and rail transit, and marine and shipping. Our production and sales volume hit record highs, with operational quality significantly improved.

We express gratitude for the striving past and salute the thriving future, extending our most heartfelt thanks to all friends who have worked together in unity.

We sincerely thank our shareholders and all stakeholders for their support. Precision-targeted and scientifically enabling industrial policies have provided solid assurance for Shenying to break development barriers, seize opportunities of the times, and deepen reform and development. Investors and stakeholders have always stood together through thick and thin with us, forming the bedrock of our confidence to navigate cycles, pierce through uncertainties, and achieve steady growth.

We thank our vast number of customers for their trust and tolerance, and our industry partners for walking hand in hand. Every choice you make inspires us to continuously enhance quality and optimize experience, enabling carbon fiber materials to move from the laboratory to thousands of industries, becoming a key force empowering industrial upgrading. We have collaborated sincerely with industry peers, universities, and research institutes — from joint research to cooperation across the industry chain, from resource sharing to standards advancing — stringing individual links together to build an industrial ecosystem with a nascent yet promising landscape.

We thank all employees for their hard work and their families for their silent support. The unwavering dedication and effort from every role converge into a powerful driving force for the company's high-quality development. The warm night lamp at home makes our footsteps returning home late feel eager yet unhurried. In 2025, we were honored with the "China Youth May Fourth Medal Collective" award and individual National Model Worker titles. We built the "Zhongfu Shenying Industrial Worker's Home," fostered a learning organization, and cared for employees' career growth and family well-being.

2026 marks the start of the 15th Five-Year Plan. Zhongfu Shenying, with the mission of **"Materials Create a Better World,"** will firm up confidence and seize the momentum to forge ahead. We will continue to strengthen technological innovation and industrial synergy, integrate green and smart manufacturing, and advance towards carbon fiber technologies with higher strength, higher modulus, and lower carbon footprint. We will join hands with partners to inject stronger material momentum into building a manufacturing powerhouse and contribute a more solid material backbone to advancing the rejuvenation of the Chinese nation on all fronts through Chinese modernization.

A handwritten signature in black ink that reads "Jian Zhang".

Jian Zhang, Chairman of Zhongfu Shenying

About Us

Company Profile

Zhongfu Shenying was established in 2006 and is a national high-tech enterprise specializing in the research, production and sales of carbon fibers and their composite materials. It is a Fortune 500 company under the management of the State-owned Assets Supervision and Administration Commission of the State Council - China Construction Materials Corporation. On April 6, 2022, it successfully listed on the Shanghai Stock Exchange (stock symbol: Zhongfu Shenying, stock code: 688295).

The company possesses mature technology for producing carbon fibers on a ten-thousand-ton scale. It was the first to achieve breakthroughs in key technologies such as dry spinning and wet spinning and to achieve self-automation of core equipment in China. It has steadily advanced its product range and continuously mastered the production technology for high-performance carbon fibers of SYT49 and SYT55 at the kiloton scale. It has successively broken through technologies for ultra-high-strength SYT70 and SYT80 at the hundred-ton scale, as well as the engineering preparation technologies for high-strength, high-modulus, and high-toughness SYM60J and SYM55X.

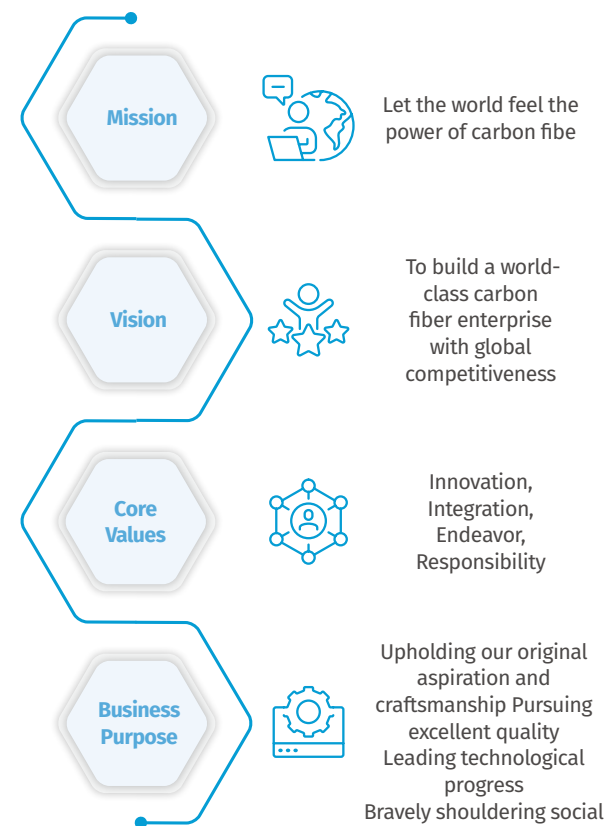
In January 2018, Zhongfu Shenying was awarded the 2017 National Science and Technology Progress Award as the first completing unit. At the end of 2021, the Xining ten-thousand-ton carbon fiber project was selected as one of the top ten super projects of the State-owned Enterprises under the Administration Commission. In 2025, the company's revenue and profitability will significantly increase, its role as an innovation entity will continue to strengthen, and its market value and price-earnings ratio will outperform the market. As of now, it has built three advanced manufacturing bases in Jiangsu Lianyungang, Qinghai Xining, and Shanghai Lingang. It currently has a dry-spun wet-filament carbon fiber production capacity of 29,000 tons and is constructing an additional 31,000 tons of capacity.

In the future, the company will concentrate its technical efforts on researching and innovating the possibility of developing high-performance carbon fibers, leading the development of carbon fiber technology, and continuously accelerating the construction of the 30,000-ton project in Lianyungang, with "new quality productive force" as the core driving force, creating "national superior materials", empowering the new era, and becoming a world-class carbon fiber enterprise with global competitiveness!



Corporate Culture

Zhongfu Shenying actively practices the corporate culture of China National Building Material Group, adhering to the corporate mission of "Materials Create the World". It innovates through inheritance, cultivates through practice, and actively fosters a corporate culture with unique Zhongfu Shenying characteristics.



Honors and Awards



First Prize for National Science and Technology Progress
(2017)



China Quality Award Nomination
(2025)



National Specialized and Sophisticated "Little Giant" Enterprise
(2022)



CCE-JEC Innovation Product Award
(2025)



National Green Factory
(2023)



Excellence-Level Intelligent Manufacturing Factory
(2025)



China Patent Silver Award
(2025)



Golden Bull Listed Company Science and Technology Award
(2025)



Typical Practice of Listed Company Board of Directors



Golden Bull Award for ESG Excellence in Central SOEs

Sustainable Development Strategy

One Core

With technological innovation as the core, market demand as the guide, and quality upgrading as the goal, we strengthen the application of green product attributes in the development of the value chain and strive to promote high-quality, low-carbon development in society.

Five Pillars

Promoting Green Production through Technology

Improve resource use efficiency through technological upgrades, reduce pollutant emission levels, adjust the energy structure using clean energy technologies, implement clean production, reduce the carbon footprint of our products, and demonstrate corporate responsibility in supporting national "Dual Carbon" goals and responding to global climate change.

Driving the Circular Economy through Innovation

Fully integrate the concept of a circular economy, accelerate the improvement of resource recycling efficiency and cascaded energy utilization, commit to creating "Zero-emission" factories, promote the development of a circular economy in the industry, and strive to achieve green and high-quality development goals.

Tapping into High-end Markets through Quality

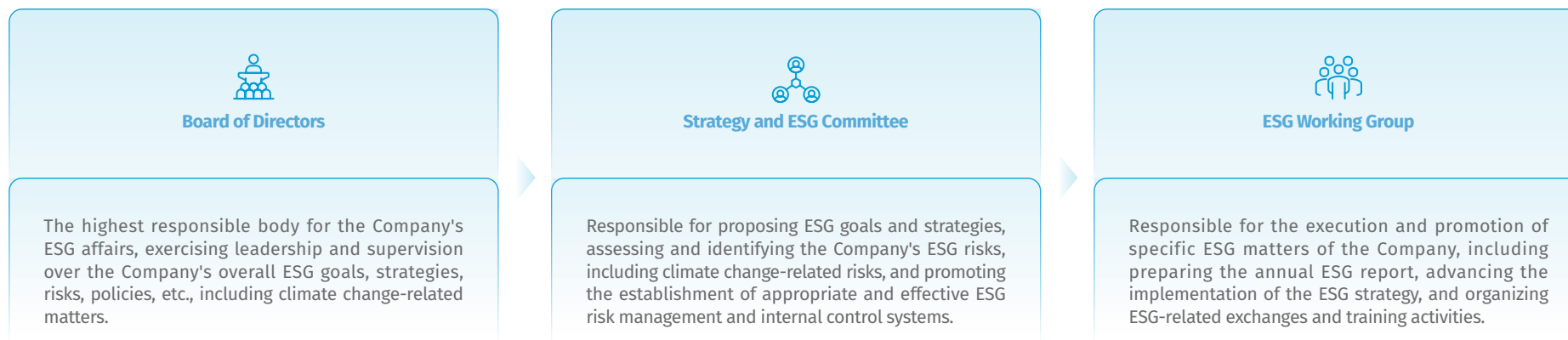
In line with market development needs, continuously build a solid R&D foundation, pursue high-quality products and services, actively respond to the concerns of domestic and international markets regarding the Company's sustainable development performance, and explore new high-end markets.

Building an Excellent Team through Talent

Safeguard employee rights, ensure employee health and safety, provide a secure working environment, and enhance employee happiness and sense of belonging; create career development paths tailored to employees' growth aspirations, deepening employee care initiatives to attract and cultivate high-caliber talent.

Building Long-term Operations through Governance

Continuously strengthen our responsible corporate image, enhance the capacity building and awareness of our partners in sustainable development, promote coordinated regional development in our operating areas, and lay a solid foundation for the Company's sustainable growth.



Looking Ahead to the 15th Five-Year Plan Charting a New Blueprint

Overall Development Strategy for the 15th Five-Year Plan Period

Guiding Principles

Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, we will closely align with the national strategic deployments for high-quality development, new quality productive forces, and self-reliance in science and technology during the 15th Five-Year Plan period. Bearing in mind the country's most fundamental interests and committed to creating materials of national significance, we will anchor our mission as the chain leader of the carbon fiber industry chain within China National Building Material Group. We will establish a development model driven by both R&D innovation and marketing, fostering a positive interaction between industrial operations and capital management.

Development Goals

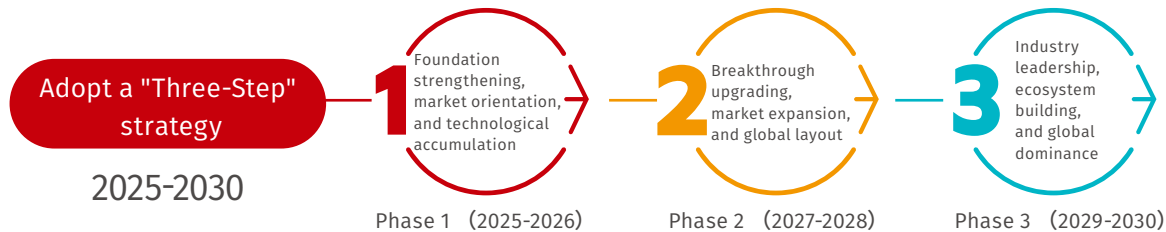
Anchor the grand blueprint of "Five First-Class"

- Forge First-Class Technology
- Create First-Class Products
- Develop First-Class Markets
- Build First-Class Management
- Shape First-Class ESG Influence

Development Principles



Development Pace



Key Initiatives for Development During the 15th Five-Year Plan Period

Forge First-Class Technology

Achieve breakthroughs in leading-edge technologies, disruptive processes, and greenization. Implement the integrated "Research-Pilot-Industrialization" model and build a collaborative system of government, industry, academia, research, and application. Comprehensively build an independent and leading technology system, accelerating the leap from "0 to N".

01

02

Systematically develop a series of high-performance and large-diameter carbon fiber products with Chinese characteristics. Fully implement a quality management system to support brand building with excellent quality. Build strong brand momentum to drive the synchronous upgrading of technology and the supply chain.

Create First-Class Products

Develop First-Class Markets

Enhance marketing functions and professional teams, build a customer-centric marketing system, and vigorously expand international markets. Build market competitiveness capable of keenly identifying needs, efficiently delivering value, and maximizing company value.

03

04

Deeply integrate the "Three-Refinements Management" philosophy to enhance operational efficiency. Deepen governance reform and improve market-oriented incentive and constraint mechanisms. Create an intelligent management and control platform, enhance digitalization level, and build a modern management system that supports sustainable development.

Build First-Class Management

Shape First-Class ESG Influence

Foster an industrial ecosystem, take the lead in forming an industry alliance, and guide the healthy development of the industry. Strengthen capital operations, establish a market capitalization management system, and make strategic investments to build an industrial ecosystem. Promote green, low-carbon, and social responsibility practices, establish a carbon management system, and improve ESG ratings.

05

01

Innovation: Strengthening Foundations for the Future

The path of innovation: We firmly adhere to self-reliance and self-strengthening in technology and in enterprises. Zhongfu Shenying has always regarded innovation as the core engine driving development. Through research and development innovation, we lay a solid technological foundation, build a robust innovation system, and continuously promote strategic leaps in key core technologies. In the pursuit of cutting-edge products, we take on the national strategic mission, break through the engineering bottlenecks of ultra-high-performance carbon fibers, achieve a leap from the laboratory to large-scale production, and constantly set new performance heights for domestic carbon fibers. We build a competitive barrier through intellectual property protection, form a systematic and forward-looking technology protection system; in enhancing industrial resilience, we adhere to the path of self-reliant development, strengthen the coordination of upstream and downstream in the industrial chain, and with large-scale manufacturing capabilities, lay a solid foundation for the security and stability of the carbon fiber industry.

Contributing to the UN Sustainable Development Goals (SDGs)



Strengthening R&D and Innovation

We have established a Science and Technology Committee and a chief scientist system to continuously enhance strategic foresight, optimize the allocation of innovation resources, and accelerate the commercialization of research outcomes.

We place great emphasis on the top-level design and platform construction of our R&D system, accelerate the cultivation and introduction of scientific and technological talent, and continuously strengthen our innovation foundation through internal resource integration and external collaboration.

Three major platforms

Carbon Fiber and Composites Laboratory – Evaluation and Testing Platform

Carbon Fiber – Pilot Research Platform

Aerospace-Grade Carbon Fiber Prepreg – Research Platform

Carbon fiber R&D, Driven by high-end applications

Lianyungang

Engineering trials for carbon fiber technology development

Xining

Industrialization verification

Shanghai

Carbon fiber application and promotion

Three-location synergy



Technology and product iteration

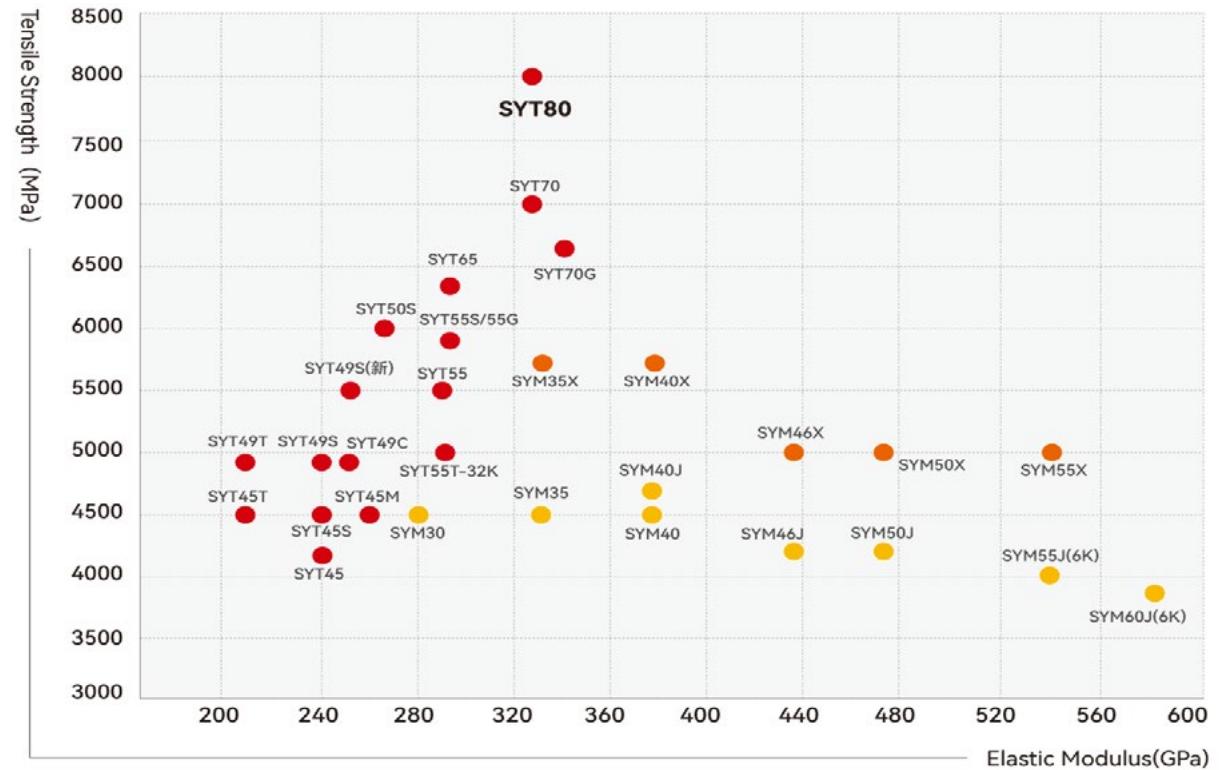
Building a product matrix

High-quality product

Zhongfu Shenying closely follows market demands and independently researches and develops to produce over 30 product series and more than 50 types of product specifications and sizes of filament bundles. It has achieved full coverage of high-strength, high-strength/medium model, high-strength high-model and other categories of carbon fiber products, providing more reliable "bones and muscles" for aerospace, low-altitude economy, automotive industry, high-end sports, new energy industries and future industries.

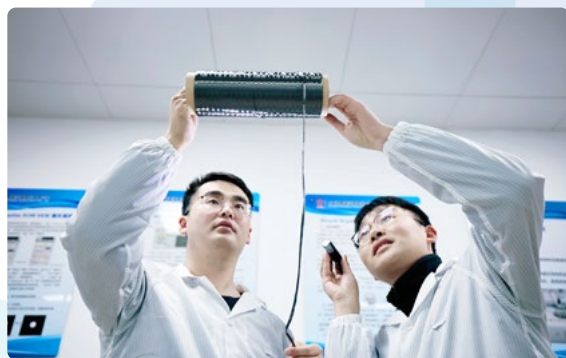
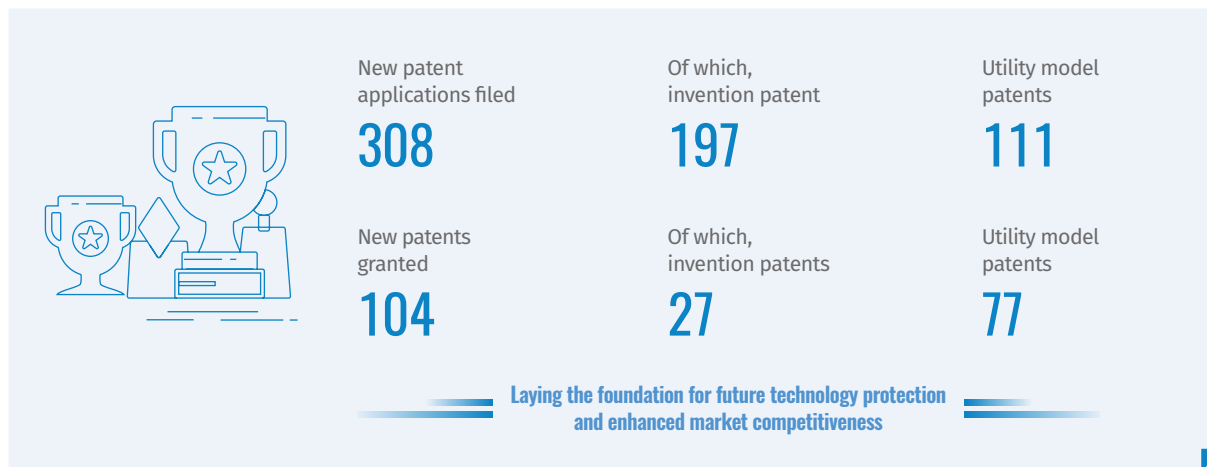
- Aerospace
- Low-altitude economy
- Sports & leisure
- Wind turbine blades
- Carbon/carbon composites
- Pressure vessels
- Building & bridge
- Rail transit
- Carbon core cables
- Automotive industry
- 3C electronics
- Medical devices

Performance illustration of Zhongfu Shenying carbon fiber



Protecting intellectual property

Zhongfu Shenying strictly adheres to national laws and regulations concerning intellectual property protection and continuously improves its intellectual property management system with institutional development at its core. The Company has formulated and implemented policy documents such as the *Administrative Measures for the Protection of Trade Secrets*, the *Intellectual Property Management System*, and the *Administrative Measures for Patents and Papers* to systematically regulate the management and protection of trade secrets, patented achievements, and academic results. Zhongfu Shenying has also incorporated intellectual property protection into its "15th Five-Year" development plan, clarifying the requirement to strengthen full-process management and protection of intellectual property. This institutionalized and long-term mechanism ensures the security and control of scientific and technological innovation achievements, laying a solid foundation for the Company's innovation-driven and high-quality development.



Enhancing industrial chain resilience

Industrial layout



In Lianyungang

Strengthen cutting-edge innovation, and digitally flexibly produce products with high modulus, high strength, high toughness, and excellent interface performance.

With the intelligent factory of an outstanding level as the core driving force, we will focus on promoting the construction of a modern chemical plant at the 30,000-ton base, and drive the production process to upgrade to "less human intervention and automation" operation.



In Xining

We focus on quality improvement and cost reduction to solidify its role as a "Ballast Stone". We have built a 25,000-tonne high-performance carbon fiber production base, which was recognized as one of the "Top Ten Super Projects of Central SOEs".



In Shanghai

We expand composite material application technology and have built an aerospace-grade prepreg R&D and production base, providing systematic solutions for carbon fiber composite material applications.

02

Endeavor: Creating Value and Seeking Development

The path of progress is built on values and marked by development. The long-term growth of an enterprise is rooted in the commitment to quality, the deepening of service, the joint construction of an ecosystem, the steadfast pursuit of safety, and the reverence for compliance management. From laying a solid foundation for product quality, polishing the excellent service experience, to creating a stable chain group that promotes mutual benefit and win-win outcomes, safeguarding the bottom line of essential safety development, and then establishing a standardized and efficient compliance management system, every step of deepening efforts embodies the principle of striving for excellence, and each step of progress adheres to the pursuit of creating value and looking towards the long-term. With practical actions to lay the foundation and with collective efforts to promote development, Zhongfu Shenyang continuously creates enterprise value, industrial value, and social value throughout its journey of progress, and takes every step of high-quality development.

Contributing to the UN Sustainable Development Goals (SDGs)



Improving corporate governance

Optimizing the governance system

Governance structure⁴



Shareholders' Meeting



Board of Directors: Audit Committee, Nomination Committee, Remuneration and Appraisal Committee, Strategy and ESG Committee



Management: various functional departments underneath

⁴For the resumes of the Chairman and other members of the Board of Directors, please refer to the Zhongfu Shenying 2025 Annual Report.

Optimizing quality management

Product quality governance structure

Management level

Formulates the Company's quality policy and objectives, creates a culture of quality excellence, and builds a benchmark enterprise for quality.

Implementation level

The Operation Management Department, as the department responsible for quality management, breaks down annual quality targets to subsidiary enterprises and conducts regular quality supervision and inspections.

Operational level

Production units establish dedicated Quality Control (QC) departments and full-time inspection personnel, formulate product inspection systems covering all quality control nodes from raw material entry to final product delivery, and ensure "Zero-Defect" delivery for every process to the greatest extent possible.



During the reporting period, **there were no incidents of recall due to product safety and quality issues.**

Optimizing quality standards

Standards determine quality, and high quality requires high standards to lead and promote it. Based on industry development and its own technological advantages, the Company closely follows the needs for building quality standards for product application scenarios in strategic emerging industries. It actively participates in the formulation and revision of national standards and carries out work related to the optimization of corporate standards. This has significantly enhanced its product technology advantages and quality assurance capabilities, consolidated its industry leadership position, and laid a solid foundation for sustained high-quality development.



Providing high-quality products

As a leading enterprise in the domestic carbon fiber industry, Zhongfu Shenying thoroughly implements the spirit of General Secretary Xi Jinping's instructions on quality work and fulfills the requirements for building a quality-driven nation. The Company deeply integrates technological innovation with meticulous management. By constructing a unique "One 'Carbon' for the World, Quality as the Foundation" full-lifecycle intelligent quality management model, the Company has achieved stable and large-scale production of high-performance carbon fiber. It has successfully broken the long-term foreign technological monopoly, providing key material support for China's strategic fields such as aerospace, new energy, and rail transit.



Light enough! Strong enough! Accelerating a high-speed life

In July 2025, the Wuhan University of Technology Fuel Formula Racing Team (WUT team) won the championship in the British University Formula Racing Competition (FSUK) for vehicle design. With a strong and lightweight body made of carbon fiber, this car, weighing only 196 kilograms and capable of accelerating from 0 to 100 kilometers per hour in 4.2 seconds, demonstrates the robust "Chinese speed" of China's new material industry.



Responding to customer complaints

To effectively protect customer rights and improve service response efficiency, the Company has formulated the *Delivery and Service Control Procedures* to fully standardize the customer complaint handling process and clearly define the responsibilities of each department upon receiving a complaint. We strictly implement the "24-Hour Acknowledgement, 48-Hour Written Response" mechanism for quality complaints to ensure issues are resolved in a closed-loop and efficient manner. We promptly handle customer after-sales service requests and provide technical support. In 2025, the Company's customer complaint response rate was 100%, and the resolution rate was 84.1%.

Customer complaint handling measures

- Establish a dedicated customer service team and conduct professional training to enhance their communication skills, problem-solving abilities, and emotional management capabilities;
- Add after-sales service staff and product delivery managers to provide one-on-one follow-up throughout the "Pre-sales, In-sales, and After-sales" stages, ensuring real-time tracking of issue resolution and timely feedback on customer needs;
- Add communication channels such as telephone, WeChat, and email to provide customers with diverse communication options;
- Use a digital system to record and track customer complaints, enhancing information transparency in the complaint handling process;
- Adopt a cross-departmental collaborative approach to identify and resolve similar issues, improving handling efficiency;
- Employ scientific analysis methods to trace the root causes of problems and systematically improve product quality to enhance customer satisfaction.



Improving customer satisfaction

We provide products that satisfy users through advanced production technology, maintain our corporate vitality with the highest quality and efficiency, and fulfill our commitments by focusing on customers. We conduct customer satisfaction surveys twice a year on a regular basis, compile analysis reports, analyze the root causes of major areas of dissatisfaction, and formulate corrective and preventive measures. This ensures that our product quality, delivery, and services meet customer needs and expectations, thereby continuously improving customer satisfaction.

Key performance 2025

Customer satisfaction rate was

95.5%

Protecting customer information

The Company strictly adheres to the *Personal Information Protection Law of the People's Republic of China* and industry data security regulations, always considering customer privacy and information protection as a crucial bottom line for its business development. We have enhanced our *Confidentiality Management System* and *Customer Management System* to strengthen customer data management. From the collection and storage of customer information to its use, transmission, and destruction, we have established standardized control processes to build a strong security defense against information leakage, tampering, and misuse.

Practicing responsible marketing

The Company focuses on building a comprehensive and systematic service network to enhance its brand marketing strength. By creating a system that covers domestic and international sales, after-sales, and market management, we achieve full coverage of the sales process and service regions. This enables us to control processes for identifying, reviewing, and managing customer requirements and changes, ensuring that customer needs and expectations are fully understood and met, thereby providing products that satisfy customers and enhancing their satisfaction.

Implementing supplier management

The Company has established a full-lifecycle supplier evaluation system covering admission audits, performance assessments, dynamic ratings, and exit mechanisms, ensuring that every partnership is guided by standards and supported by a system. We have formulated regulations such as the *Sustainable Supply Chain Management Policy Statement* and the *Supplier Code of Conduct*, which clearly require suppliers to fulfill their responsibilities in areas such as safety and health, employees and community, and environment and climate change.

Focusing on ESG performance

We firmly believe that sustainable development is inseparable from the synchronized efforts of our supply chain partners. Therefore, the Company places a strong emphasis on the ESG performance of its suppliers. Under equal conditions, we prioritize collaboration with suppliers who demonstrate excellent ESG management and performance. Through this symbiotic effort, we aim to build a green and responsible supply chain ecosystem, ensuring that every collaboration holds both value and warmth.





Implementing intrinsic safety

Upholding the bottom line of safety to solidify the foundation for development. The Company has always regarded safety as the prerequisite and bottom line for development. We diligently implement intrinsic safety construction, deeply integrating the safety concept into every process and link of production and operation. Through institutionalized, standardized, and refined safety management, we build a strong protective barrier, making intrinsic safety the solid foundation for the Company's high-quality development and ensuring its steady and long-term progress.

Information security

The Company attaches great importance to information security management, regarding it as a vital guarantee for stable development, and has established a comprehensive network security management system. In terms of governance, the Board of Directors serves as the highest decision-making body for information security, providing overarching supervision, professional support, and strategic direction to fortify the Company's security defenses. On the policy front, regulations such as the *Administrative Measures for Information System Security* have been formulated to define the security governance framework and solidify management responsibilities at all levels. Furthermore, the Company conducts regular vulnerability analyses to promptly identify, assess, and mitigate security risks. A standardized reporting mechanism has been established for employees to report security incidents, vulnerabilities, or suspicious activities, ensuring smooth feedback channels and fostering a collective defense mindset across the organization. As of the end of 2025, the Company's industrial informatization office platform achieved Network Security Level III protection, with zero information security incidents recorded throughout the year.

Building a compliance system

Focusing on sound operations and risk prevention, Zhongfu Shenying continuously improves its Compliance Management System and systematically streamlines compliance management processes. The Company has designated the Audit Committee under the Board of Directors to oversee risk supervision and has established an Audit Department and a Legal Compliance Department to conduct audits, legal compliance reviews, and related work. A working mechanism led by the Legal Compliance Department, with coordination from various business departments, embeds compliance requirements into daily operations and management to effectively prevent legal and compliance risks.

Upholding business ethics

Zhongfu Shenying adheres to business ethics as a development principle, strictly complies with the *Anti-Unfair Competition Law of the People's Republic of China*, and has formulated the *Zhongfu Shenying Code of Business Ethics* and the *Anti-Corruption Policy Statement*. These documents explicitly prohibit corruption in all aspects of the Company's operations, covering all employees, suppliers, and other partners in its operations.



03

Harmony: Protecting the Ecology and Promoting Transformation

The path to harmony is defined by an ecological bottom line and a transformative journey. Zhongfu Shenyang deeply integrates the modern mission of technological innovation with the corporate responsibility for ecological civilization. Using high-performance carbon fiber materials as a cornerstone, we have built a full-chain low-carbon practice, from green manufacturing to empowering downstream industries, thereby promoting the green transformation of the industry. Through a comprehensive environmental management system and continuous innovation in clean production, we not only reduce pollution and carbon emissions in our own operations but also leverage the power of our materials to promote lightweight upgrades in key sectors such as transportation, energy, and construction. In our high-quality development, we are painting an industrial picture of harmonious coexistence between humanity and nature.

Contributing to the UN Sustainable Development Goals (SDGs)



Accelerating Low-carbon Transition

Strengthening environmental management

The Company strictly abides by all applicable environmental laws and regulations, such as the *Environmental Protection Law of the People's Republic of China* and the *Air Pollution Prevention and Control Law of the People's Republic of China*. We adhere to the principle that "Environmental Protection Must Be Managed Alongside Development, Production and Operation, and Business Activities". It implements environmental protection requirements at all levels of decision-making, execution, management, and supervision, and continuously implement and build a comprehensive environmental responsibility system. Zhongfu Shenying has obtained environmental management system certification (GB/T 24001-2016). In 2025, all of the Company's ecological and environmental protection goals were fully achieved, resulting in a compliance management record of zero environmental violations, zero accidents, and zero penalties.

The Company continuously improves its environmental management system, systematically revising and upgrading regulations such as the *Ecological and Environmental Protection Responsibility System* and the *Implementation Rules for Ecological and Environmental Protection Management*. We have also formulated and publicly released the Environmental Policy Statement, promoting the in-depth development of environmental management towards a more systematic, refined, and closed-loop approach.

Cleaner production

The Company ensures that the emission concentration and total amount of all pollutants, including wastewater, waste gas, waste, and noise, meet the mandatory standards of the state and the locality. We reduce the emissions of air pollutants, water pollutants, hazardous waste, and non-hazardous waste, enhance the efficiency of resource utilization, and reduce the negative environmental impact of the Company's production and operation. In 2025, all issues raised by ecological and environmental protection inspections, supervision, and assistance at all levels were rectified on time, with high quality, and in full.

Pollutant	Progress in 2025
Waste gas	Unorganized waste gas collection and treatment have been continuously improved, and the collection efficiency of the main processes has reached over 90%.
Waste	100% compliant disposal rate for general solid waste and hazardous waste
Wastewater	13.8% reduction in wastewater discharge intensity per unit of product; wastewater per unit of product 28.1% reduction in COD emission intensity

Item	2025 target	Progress
Number of reported incidents of violation (cases)	0	0
Number of fined incidents of violation (cases)	0	0
Number of genuine complaint and report incidents (cases)	0	0
Number of environmental pollution accidents (cases)	0	0
Number of cases involving temporary seizure or revocation of licenses, administrative detention, or orders for production suspension, business closure, or shutdown (cases)	0	0
Emissions of wastewater, waste gas, waste, noise, etc.	Compliant with local and national relevant regulations and standards	Compliant

Green products

The Company continuously strengthens the construction of its green and intelligent manufacturing system, explores low-carbon management throughout the entire lifecycle of carbon fiber products, increases investment in energy-saving, low-carbon technologies and the application of renewable energy, actively explores the construction of zero-carbon factories, and strives to achieve industry leadership in energy consumption and carbon emission intensity for high-value output. Our products are widely used in fields such as wind power, hydrogen energy, and new energy vehicles, contributing to energy conservation and carbon reduction in downstream industries through their lightweight characteristics. "China Strength" has become a distinct symbol of sustainable material solutions.

Empowering green transformation in multiple fields through material innovation

Transportation sector: Carbon reduction through lightweighting

The products are used in unmanned cargo aircraft, rail transit, and new energy vehicles. By significantly reducing equipment weight, they directly improve operational energy efficiency and lower energy consumption and emissions.



The first carbon fiber subway train in the country, CETROVO 1.0 - Carbon Star Express Rail

New energy sector: Efficiency enhancement through clean technology

As a key material for wind turbine blades, photovoltaic thermal fields, and hydrogen storage cylinders, it effectively enhances the reliability, efficiency, and safety of clean energy equipment, serving as an indispensable supporting force in building a "Green Kinetic Energy" system.



The world's largest 26MW offshore anti-tornadic blade

Construction engineering sector: Material savings through longevity

Applied in cables for ultra-long-span bridges, structural reinforcement of buildings, and high-performance concrete enhancement, it helps break the limits of traditional materials, extend infrastructure lifespan, reduce resource consumption and maintenance costs over the entire lifecycle, and reshape the "Green Standard" for infrastructure strength.



The world's largest-span suspension bridge - Changtai Bridge

Protecting biodiversity

In the mission of our time to protect clear waters and blue skies, the Company has always adhered to the concept of green development, committed to achieving a harmonious coexistence between corporate growth and ecological environmental protection. We strive to minimize the impact of our operations on the natural environment and biodiversity, putting our green development commitment into practice and making the co-construction of a beautiful home where humanity and nature coexist in harmony a conscious action internalized by every employee.

Using Resources Efficiently

Zhongfu Shenying strictly complies with relevant laws and regulations such as the *Energy Conservation Law of the People's Republic of China*, adheres to the development philosophy of being green, low-carbon, and circular, and actively promotes the transformation of its energy structure and the efficient use of resources. Through systematic measures such as optimizing the energy mix, increasing the proportion of renewable energy, and deepening the recycling of water resources, the Company is committed to reducing the environmental load of resources per unit of product. It has also established a special energy-saving team and implemented an energy performance assessment system to continuously explore opportunities for energy conservation and consumption reduction, aiming to maximize energy use efficiency.

In 2025, the Company's energy sources included electricity, steam, natural gas, and municipal water.

The consumption of new energy electricity was
295.5966 million kWh

Reduce carbon dioxide emissions, increase the purchase of natural gas for use in generating steam instead of traditional coal-fired steam production.

The electricity consumption of new energy (including green certificate electricity) has increased month-on-month

27.23 %



Natural gas consumption increased by
192.86 % compared to the previous period



reducing carbon dioxide emissions by

32,000 tonnes.



Clean energy substitution

Shenying Xining is gradually replacing externally supplied coal-fired steam with self-produced steam from natural gas, reducing carbon dioxide emissions per tonne of steam by **50%**.

Increasing the proportion of green electricity

The proportion of clean energy such as wind power and hydropower has been continuously increased, and the proportion of electricity consumed by wind power and hydropower has exceeded 75%. The comprehensive energy consumption per unit of carbon fiber and the carbon dioxide emissions have decreased by 4.4% and 8.2% respectively year-on-year. Among them, Shenying Xining purchased 5,708.28 megawatt-hours of green certificates. Shenying Lianyungang, relying on the resource endowment of the Lianyungang sea area, has realized the three-dimensional utilization of spatial resources, effectively contributing to the reduction of carbon footprint.



Responding to climate change

Zhongfu Shenying anchors its efforts on the national "Dual Carbon" goals, integrating climate change response into its overall corporate development. We continuously improve our environmental governance structure, clarify responsibilities at all levels, formulate forward-looking response strategies, and progressively develop our climate change risk management system. We also set quantitative indicators to ensure the efficient implementation of our actions.

Governance

To better address the challenges posed by climate change, the Company has integrated the concept of climate change into its sustainable development governance structure. This effectively promotes the implementation of our climate strategy, reduces the impact of climate risks on our operations, and involves identifying climate opportunities. By embracing the trends of clean energy transition and low-carbon development, we contribute to the green development of both the Company and society as a whole⁶.

Strategy

In the process of responding to climate change, to identify and assess the impact of climate-related risks and opportunities on the Company, we integrate risk management requirements. Based on our own operational conditions and with reference to future climate change trends, we closely monitor these trends to identify and evaluate potential climate risks and opportunities. We comprehensively assess the Company's climate resilience and, based on the analysis results, define and adjust our climate change strategy and response measures in a timely manner. This lays the foundation for enhancing long-term operational resilience and seizing future development opportunities.

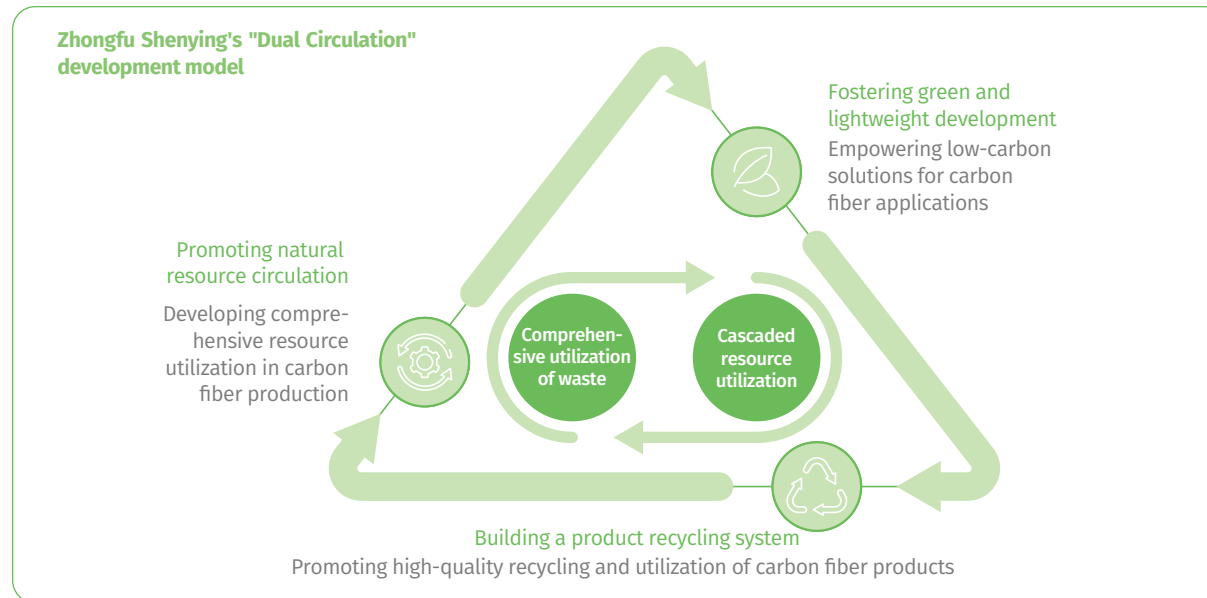
Regarding physical climate risks, the Company has identified that it will be affected by acute and chronic physical risks such as increased extreme weather and rising sea levels in the medium and long term. However, considering the locations of our operations, the continuous improvement of our risk monitoring system, and the vigorous promotion of risk emergency response measures, the overall level of physical climate risk is relatively low.

⁶The Company's governance structure for responding to climate change is consistent with its sustainable development governance structure.



Emphasizing circular economy

Zhongfu Shenying adheres to the development philosophy of "Resource Efficiency and Green Circulation", and has built and practices a "Dual Circulation Development Model" that combines an "Energy Input Cycle" with a "Product Output Cycle". We are not only committed to optimizing the resource utilization efficiency of our own production processes, but also leverage the lightweight properties of carbon fiber materials to empower downstream industries to achieve systematic energy conservation and carbon reduction, promoting the green transformation of the entire value chain.



Energy recycling

The Company has built and practices a "Dual Circulation" development model, systematically promoting the optimization of its energy structure and the extension of resource value. At the energy input end, we not only continue to advance the cascaded recovery and recycling of waste heat and steam to achieve "High-Quality for High-Use, Low-Quality for Low-Use", but also reduce the carbon intensity of our energy structure through measures such as replacing high-carbon coal steam with natural gas steam. At the output end, we actively direct carbon fiber products toward clean energy fields like wind power and photovoltaics, leveraging material innovation to support the green and low-carbon transformation of downstream industries. Through the dual path of "Carbon Reduction at the Input End + Empowerment at the Output End", the Company is gradually achieving a circular leap from energy consumption to value creation, comprehensively enhancing the green benefits of resource utilization.

Water resource recycling

Over 99% of the Company's water is used for production, all sourced from the municipal pipe network. We are fully committed to advancing water recycling through management and technological innovations such as the cascade utilization of flash steam via ejectors, steam condensate recovery, the commissioning of a reclaimed water reuse project, and the upgrade of our wastewater treatment station, thereby achieving efficient, closed-loop utilization of water resources.

Key performance 2025

Reused water volume of **161.857** million tonnes, with a water reuse rate of **98.3**%.

Shenying Xining was recognized as a "Water Efficiency Leader" among key water-consuming enterprises in Qinghai Province.

04

Responsibility: Nurturing Talent and Benefiting Society

Zhongfu Shenying always adheres to the mission of CNBM, "Creating a Better World With Materials". We uphold a people-centered development philosophy, fostering a humanistic environment of "Happy Work, Happy Life, and Mutual Growth for Employees and the Company". We continuously contribute to rural revitalization and social welfare activities, sowing hope on our journey of progress.

Contributing to the UN Sustainable Development Goals (SDGs)





Safeguarding employee rights

Zhongfu Shenying strictly complies with laws and regulations such as the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*. We also refer to UN conventions and declarations, including the *Universal Declaration of Human Rights*, *Inhuman or Degrading Treatment or Punishment*, and the *International Convention on the Elimination of All Forms of Racial Discrimination*, to formulate our human rights policy statement. This statement defines the commitments and responsibilities regarding human rights for our own operations, suppliers, and other partners. We have improved our human rights due diligence process, firmly oppose human trafficking, and safeguard the personal freedom and dignity of our employees. We have clarified the channels for human rights mitigation and remedy grievances, investigation procedures, compensation plans, and system improvements, actively building harmonious labor relations.

Standardized employment

The Company strictly adheres to internal regulations such as the Employee Handbook of Zhongfu Shenying Carbon Fiber Co., Ltd., prohibiting discrimination based on gender, ethnicity, religious belief, age, or region. We treat every employee fairly and justly, maintaining a "Zero-Tolerance" attitude toward discrimination and committing to protecting employees from any form of discrimination, thereby effectively safeguarding their rights and interests. During the reporting period, the Company had no instances of child labor or forced labor.

Diversity and equality

The Company provides fair and reasonable work opportunities. Decisions regarding employment, remuneration, training, promotion, demotion, or retirement are based on an individual's work capabilities and needs, not on factors such as race, nationality, religion, disability, social class, sexual orientation, union membership, or government relations. The Company advocates for a diverse and inclusive workforce and work environment. Senior management is responsible for the diversity of the Company's employees and regularly conducts training for all staff on diversity, workplace inclusivity, and anti-discrimination.



Convening the 2025 Work Conference of Zhongfu Shenying and the 14th Session of the First Workers' Congress

Caring for employees

The Company adheres to a people-oriented philosophy, placing high importance on employee care. Through a variety of cultural and sports activities, it enriches the leisure lives of its employees, builds a platform for communication and interaction, and effectively addresses their urgent needs and concerns, committed to creating a happy and warm working environment.

<p>Employee health</p>	<p>Organize annual employee welfare health check-ups covering all employees to help them fully understand their physical condition;</p> <p>Provide critical illness insurance and employee mutual aid insurance to offer comprehensive and effective protection for employees.</p>
<p>Leave management</p>	<p>The Company continuously promotes the scientific, rational, and standardized management of leave. Employees are entitled to sick leave, personal leave, and statutory holidays in accordance with the law. Statutory holidays include: marriage leave, bereavement leave, family visit leave, parental care leave for single-child families, family planning leave, and annual leave⁸:</p> <ul style="list-style-type: none"> • Marriage leave: Employees are entitled to 13 days of paid leave for marriage in accordance with the law; • Family visit leave: Employees who do not live with their parents and cannot reunite with them during public holidays may be granted 20 days of family visit leave, depending on the specific circumstances. Round-trip travel expenses for the family visit are reimbursed by the Company; • Family planning leave: Female employees are entitled to 158 days of standard maternity leave. Male employees are entitled to 15 days of paid paternity leave during their spouse's maternity leave. Additionally, employees can take various types of f.
<p>Educational aid for employees' children</p>	<p>During the periods of the national senior and junior high school entrance examinations, the Company provides exam-accompanying leave for eligible employees. It awards scholarships to the children of employees who are admitted to universities and assists the children of employees in need with applying for educational aid grants through the "Golden Autumn Student Aid" program.</p>
<p>Employee condolences and support</p>	<p>Carried out special condolences and support (such as for birthdays, childbirth, retirement, weddings, and funerals), and conducted "Sending Warmth" assistance visits, supporting a total of 36 employees in need.</p>

⁸The Company provides annual leave pay for employees in accordance with legal requirements

Upholding the philosophy that "The Enterprise Is About People, for People, and Loves People", we implement both inclusive care and targeted services.

Focusing on the spiritual, cultural, and daily needs of our employees, we have meticulously built an "Industrial Workers' Home" to create a diverse cultural and lifestyle hub. We regularly carry out four-season care initiatives: "Comfort in Spring, Coolness in Summer, Student Aid in Autumn, and Warmth in Winter". During important occasions like International Women's Day, the Dragon Boat Festival, and the National Day/Mid-Autumn Festival, we plan special themed activities to convey the Company's warmth in all aspects, effectively enhancing employees' sense of belonging, happiness, and fulfillment.



Deepening talent cultivation

Zhongfu Shenying effectively integrates the concept of talent development into its business operations and growth. By providing abundant learning resources and diverse career development paths, the Company offers employees opportunities to showcase their abilities, builds platforms for career advancement, and achieves a win-win situation for both personal value and company development.

Empowering growth through training

The Company has developed an efficient and adaptive talent training system. Through customized training, new employee training, and other programs, it empowers employees in an all-round and multi-level manner, establishing a tiered and categorized training system that covers the entire career cycle of employees.

The Company has enhanced the systematic and standardized nature of its training through measures such as strengthening process supervision, optimizing onboarding training, standardizing the management of internal trainers, and revising training management systems. It conducts specialized, tiered, and categorized training for groups such as leaders, key personnel, and critical positions, forming a training model that combines "Specialized Training + Self-Directed Learning". The training coverage for leadership personnel reached 100%, with specialized training covering over 400 participants throughout the year. This has effectively promoted the enhancement of competencies and qualities of employees at all levels, providing continuous talent support for the Company's development.

Key performance 2025

the Company conducted a total of **2,424** training sessions across all levels

Cumulative training **62,025** person-times

Middle and senior management capability enhancement

Focusing on the three core themes of "Application of Lean Work Methods, Process Optimization, and Refined Management", the training is closely aligned with the Company's needs for management modernization and sustainable development. It adopts a blended online and offline model to achieve full coverage of middle and senior management. The aim is to strengthen their strategic execution and refined management capabilities through systematic empowerment, driving the Company's progression towards lean development.

New employee onboarding training

To help new employees integrate into the Company culture more quickly during their probationary period, the Company regularly conducts new employee training. This helps them become familiar with work processes and requirements, effectively facilitating their role transition and cultural integration.

- **Systematic training courses:** Covering company introduction, rules and regulations, safety production, integrity education, quality management, etc.;
- **Full-coverage training:** 100% coverage for new employee onboarding training;
- **Results-oriented evaluation:** Training effectiveness is assessed through online exams, surveys, etc. A Notice of Qualification for Post-training Employment is issued upon passing the exam to ensure the training's practical impact.

Industrial worker reform

The Company places great importance on the reform of its industrial workforce and continuously promotes the enhancement of employee capabilities. Taking the establishment of the Craftsman College as a new starting point, the Company will focus on strengthening the capacity of employee representatives to fulfill their duties, optimizing the evaluation mechanism for proposals, improving the efficiency of cross-level consultations, and accelerating the digital transformation of industrial reform. A special innovation fund will be established and incentive mechanisms improved, aiming to create a replicable and scalable model for industrial reform. This will inject strong "Craftsman Momentum" into forging a high-quality industrial workforce for the new era, boosting the Company's transformation and upgrading, and promoting high-quality local economic development.



More than just "Craftsmanship"! The Zhongfu Shenying Carbon Fiber Craftsman College injects innovative momentum into industrial reform

In August 2025, Shenying Xining's reform of its industrial workforce yielded another significant achievement: the Company's meticulously established "Zhongfu Shenying Carbon Fiber Craftsman College" was officially accredited by the Qinghai Provincial Federation of Trade Unions. This marks a solid step forward for the Company in deepening industrial reform and cultivating highly skilled talent.

Building a harmonious community together

Zhongfu Shenying is committed to fulfilling its social responsibilities through concrete actions. By deeply engaging in public welfare and charity and contributing to community prosperity, the Company integrates the promotion of local socio-economic development and the enhancement of public well-being with its own growth, working hand in hand with stakeholders to build a beautiful and harmonious society.



Donated to the “Good Building Public Welfare Fund” for multiple consecutive years;



Launched a series of assistance programs, including the consecutively five-year “Shenying Student Aid Program” and the “Construction Technology Festival – Resource Utilization Day”, benefiting hundreds of ethnic minority students through educational support and material donations;



Actively organize public welfare teaching assistance programs



Environmental protection volunteer activities



Organized employees to participate in “Voluntary Blood Donation” campaigns; Shenying Xining was honored with the “National Voluntary Blood Donation Promotion Award.”



Leading with passion, shouldering public welfare

On June 13, 2025, the “Donating Blood to Pass on Hope, Joining Hands to Save Lives” public welfare and promotional event for the 22nd World Blood Donor Day in Qinghai Province was held. As a central state-owned enterprise in Qinghai, Shenying Xining has always integrated social responsibility into its corporate DNA. By continuously dedicating itself to the cause of voluntary blood donation, it has become a benchmark and model for public welfare practices in Qinghai Province.



Future Outlook

The "14th Five-Year Plan" has witnessed a remarkable progress. The grand blueprint for the "15th Five-Year Plan" is unfolding before our eyes. We always keep in mind the "Four Comprehensives", and work collaboratively in the three dimensions of environment, society and governance. We will continuously strengthen technological innovation and industrial collaboration, promote the deep integration of green manufacturing and intelligent manufacturing, and keep advancing towards higher intensity, higher standards, and more low-carbon and green carbon fiber technologies. We will adhere to people-oriented principles and safety as the foundation, share development achievements with shareholders, employees, customers, partners and society, and build a sustainable development ecosystem of mutual support and co-prosperity. We will continuously improve the company's governance system, and lay a solid foundation for high-quality development through compliant, transparent and efficient management.

We will adhere to the strategic path of "Greenization, high-end, digitalization", shoulder the responsibility of being a "material power", enhance our core competitive edge, and strive to build a globally competitive carbon fiber technology industry company.

Appendix

Key performance

Environment

Topic	Index	Unit	2023	2024	2025
Energy	Total comprehensive energy consumption	Tonnes of standard coal	180,371.6	163,336.1	190,242.6
	Comprehensive energy consumption intensity	Tonnes of standard coal/tonne of carbon fiber	8.7	8.3	8.4
	Total direct energy consumption	Tonnes of standard coal	2,589.1	2,045.6	2,321.0
	Total indirect energy consumption	Tonnes of standard coal	177,782.6	161,290.5	187,921.7
	Including: total purchased electricity consumption	Tonnes of standard coal	61,549.3	55,859.2	66,987.1
	Including: total purchased heat consumption ⁹	Tonnes of standard coal	116,233.2	105,431.3	95,742.5
Responding to climate change	Including: total purchased heat consumption	Tonnes of CO ₂ equivalent	650,218.0	586,016.0	651,032.4
	Greenhouse gas emission intensity	Tonnes of CO ₂ equivalent/tonne of carbon fiber	31.2	29.9	28.8
	Including: total scope 1 greenhouse gas emissions	Tonnes of CO ₂ equivalent	4,642.0	20,420.0	60,015.0
	Including: total scope 2 greenhouse gas emissions	Tonnes of CO ₂ equivalent	645,576.0	565,596.0	591,017.4
Waste	Hazardous solid waste generation	Tonnes	1,941.7	1,505.0	1,690.3
	Hazardous solid waste generation intensity	Tonnes of carbon fiber	0.09	0.08	0.07
	Non-hazardous solid waste generation	Tonnes	2,741.9	2,720.9	3,467.5
	Non-hazardous solid waste generation intensity	Tonnes of carbon fiber	0.13	0.14	0.15
	Waste disposal-industrial treatment	Tonnes	1,010.3	2,661.6	3,050.6
	Waste disposal-landfill	Tonnes	1,251.2	350.0	17.8
	Waste disposal-incineration for power generation	Tonnes	492.4	40	0
	Waste disposal-incineration only, no power generation	Tonnes	1,929.2	1,298.4	1,871.4
Resource consumption	Non-renewable material consumption	Ten thousand tonnes	4.4	3.9	4.5

Topic	index	Unit	2023	2024	2025
Resource consumption	Material consumption intensity	Tonnes of carbon fiber	2.1	2.0	2.0
	Total drainage	Ten thousand tonnes	173.6	118.2	125.7
	Total water withdrawal	Ten thousand tonnes	313.7	243.4	275.7
	Water withdrawal intensity	Tonnes of carbon fiber	150.7	124.0	122.0
	Recycled water volume	Ten thousand tonnes	10,103.7	10,248.8	16,185.7
Environmental investment	Amount of environmental investment	Ten thousand yuan	3,770.7	2,733.8	3,205.3

Social

Topic	index	Unit	2023	2024	2025
Employee recruitment	Total number of employees	Persons	3,719	2,955	3,267
	Total number of employees by gender - Male	Persons	2,139	1,734	1,981
	Total number of employees by gender - Female	Persons	1,580	1,221	1,286
	Total number of employees by ethnicity - Han	Persons	3,414	2,735	2,991
	Total number of employees by ethnicity - Ethnic minorities	Persons	305	220	276
	Total number of employees by job rank - Senior management	Persons	9	9	8
	Total number of employees by job rank - Senior management (Female)	Persons	2	2	2
	Total number of employees by job rank - Middle management	Persons	70	77	75
	Total number of employees by job rank - Middle management (Female)	Persons	20	22	22
	Total number of employees by job rank - General staff	Persons	3,640	2,869	3,184
	Total number of employees by job rank - General staff (Female)	Persons	1,558	1,197	1,957
	Number of employees by age - Under 30	Persons	1,455	928	1,195
	Number of employees by age - 30 to 50	Persons	2,169	1,944	1,969
	Number of employees by age - Over 50	Persons	95	83	103
	R&D and technical (STEM) personnel	Persons	325	303	328
	Including: Female R&D and technical personnel	Persons	73	76	130
	Total number of new recruits	Persons	1,082	366	970
	Total number of internal hires	Persons	143	144	102
	Internal hiring rate	%	13.2	39.3	10.5
	Employee turnover rate	%	14.5	14.3	16.40

Topic	Index	Unit	2023	2024	2025
Employee training	Average training hours per person	Hours	128.6	110.2	100.0
	Training hours by gender - Male employees	Hours	1271	110.2	100.0
	Training hours by gender - Female employees	Hours	130.7	110.2	100.0
	Employee training hours by job level - Senior management	Hours	38.9	103.1	78.6
	Employee training hours by job level - Middle management	Hours	128.6	116.5	101.4
	Employee training hours by job level - General staff	Hours	128.9	110.1	100.1
	Training hours by age - Under 30	Hours	128.1	110.1	90.7
	Training hours by age - 30 to 50	Hours	130.6	110.9	107.2
Employee training	Training hours by age - Over 50	Hours	88.8	84.5	70.3
	Number of environmental protection training sessions	Times	10	12	6
	Number of participants in environmental protection training	Person-times	3,078	1,103	4,576
Employee rights	Number of employees in the trade union	Persons	3,719	2,955	3,267
	Percentage of employees in the trade union	%	100	100	100
	Percentage of employees covered by collective contracts	%	100	100	100
	Percentage of employees represented through the employee representative conference	%	100	100	100
Health and safety	Number of work-related fatalities	Persons	0	0	0
	Fatality rate per thousand people	‰	0	0	0
	Number of contractor work-related fatalities	Persons	0	0	0
	Number of workdays lost due to work-related injuries	Days	0	0	0
	Employee lost time injury rate per million hours worked	/	0	0	0
	Contractor lost time injury rate per million hours worked	/	0	0	0
	Investment in safety production	Ten thousand yuan	1,985.5	1,797.1	1,374.7
R&D investment	Number of patent applications in the year	Items	230	269	308
	Number of invention patents in the year	Items	123	166	197
	Number of patents granted in the year	Items	95	107	104
	Number of invention patents granted in the year	Items	17	12	27
	Cumulative number of valid patents ⁰	Items	212	319	425
	Cumulative number of valid invention patents	Items	47	59	90
	Cumulative number of successful software copyright registrations	Items	3	5	7

Topic	Index	Unit	2023	2024	2025
Responsible operations	Customer satisfaction survey rate	%	100	100	100
	Average customer satisfaction	%	95	96.4	95.6
	Number of cases of employee violations of the code of conduct	Cases	0	0	0
	Number of integrity and self-discipline commitment letters signed	Copies	205	218	192
Supplier management	Number of tier 1 suppliers with transactions (direct transactions)	Counts	165	178	200
	Number of critical tier 1 suppliers with transactions (sum of grade A and B)	Counts	17	17	21
	Percentage of transaction expenditure with critical tier 1 suppliers	%	27.6	35.6	31.7
	Number of critical non-tier 1 suppliers with transactions	Counts	0	0	0
	Total number of critical suppliers for the year	Counts	55	60	63
Supplier management	Total number of suppliers undergoing desk or on-site assessments	Counts	55	63	81
	Number of suppliers participating in capacity building	Counts	8	8	9
	Percentage of critical suppliers participating in capacity building	%	30.9	28	14.3
Social welfare	Total public welfare expenditure	Ten thousand yuan	46.6	16.2	11.2
	Charitable education support - assisting/rewarding children of employees in need with their schooling	Person-times	17	26	33
	Charitable education support - total expenditure on assisting/rewarding children of employees in need	Ten thousand yuan	2	1.3	2.1
	Charitable education support - total number of university students assisted	Persons	25	13	21
	Charitable education support - total annual scholarship amount disbursed	Ten thousand yuan	10	1.3	2.1
	Public welfare activities - visiting and supporting employees in need	Person-times	34	34	36
	Public welfare activities - total expenditure on visiting and supporting employees in need	Ten thousand yuan	4.7	4.3	4.0

Responsible operations

Topic	Index	Unit	2023	2024	2025
Shareholders' Meeting	Number of shareholders' meetings	Times	5	2	3
	Total number of proposals reviewed and approved	Items	20	13	15
Board of Directors	Number of directors	Persons	9	9	9
	Number of female directors	Persons	2	4	3
	Percentage of female directors	%	22	44	33
	Number of non-independent directors	Persons	6	6	6
	Number of independent directors	Persons	3	3	3
	Number of board meetings	Times	9	5	8
	Number of proposals reviewed and approved by the board	Items	61	41	62
	Status of proposal rejections	Cases	0	0	0
Senior management	Key senior management	Persons	9	9	8
	Number of female senior executives	Persons	2	2	2


Zhongfu Shenying Carbon Fiber Co., Ltd.

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