

2025

SUSTAINABILITY REPORT



CONTENTS

About This Report	03
Message from the Chairman	05
About China Resources Chemical Innovative Materials	07
Our Sustainability Journey	09
Green Cycle, Infinite Innovation	15

01 Pursuing Green Development for a Shared Ecological Future

Addressing the Challenges of Climate Change	23
Advancing Circular Resource Utilization	28
Strengthening Environmental and Ecological Foundation	31
Strictly Controlling the Discharge of the Three Wastes and Reducing Pollution	34

02 Acting for Good, Building a Harmonious Society

Empowering Employee Well-being and Development	37
Advancing Customer Value Co-creation	48
Building a Responsible Supply Chain Network	52
Deepening Harmonious Community Development	55

03 Pursuing Thriving Governance, Advancing Together toward a Sustainable Future

Enhancing the Effectiveness of Corporate Governance	61
Upholding Business Compliance Principles	66
Building Barriers Against Operational Risks	70
Strengthening Technology Innovation Leadership	73

APPENDIX

Future Prospects	77
Index of Indicators	79
Key Performance Indicators	81
Feedback	89



About This Report¹

■ Reporting Period

This report is the fifth sustainability report released by China Resources Chemical Innovative Materials Co., Ltd. Adhering to the principles of objectivity, comprehensiveness, standardization, and transparency, this report provides a detailed account of the Company's management approach, notable practices, and annual performance in environmental, social, and governance (ESG) areas in 2025.

■ Reporting Scope

Unless otherwise specified, this report primarily describes the practices and performance of China Resources Chemical Innovative Materials Co., Ltd. and its subsidiaries from January 1, 2025 to December 31, 2025 in key areas including green development, employee growth, workplace safety, win-win partnerships, social contribution, sound governance, integrity in business operations, and technological innovation. Certain content may also refer back to 2025 and earlier years, or extend to 2026.

■ Organizational Scope

This report covers China Resources Chemical Innovative Materials Co., Ltd. and its affiliated entities. For ease of expression, "China Resources Chemical Innovative Materials," the "Company," and "we/us/our" refer to China Resources Chemical Innovative Materials Co., Ltd.; "Changzhou Base" refers to Changzhou Branch of China Resources Chemical Innovative Materials Co., Ltd.; and "Zhuhai Base" refers to Zhuhai China Resources Chemical Innovative Materials Co., Ltd. In this report, "China Resources Group," "China Resources," and the "Group" are abbreviated references to China Resources (Holdings) Co., Ltd.

■ Preparation Basis

This report is prepared with reference to the Global Reporting Initiative (GRI) Standards, the Guiding Opinions on Better Fulfillment of Social Responsibilities by Central State-owned Enterprises in the New Era and the Guiding Opinions on Better Fulfillment of Social Responsibilities issued by the State-owned Assets Supervision and Administration Commission of the State Council, the General Framework of Guidelines on Corporate Sustainability Reporting for Chinese Enterprises (CASS-ESG 6.0) issued by the China Enterprise Reform and Development Society and the CSR Cloud Research Institute, the Guidelines No.2 for Self-regulation of Listed Companies—Normative Operations on the ChiNext Listed Companies and the Guidelines No.17 for Self-regulation of Listed Companies—Sustainability Reports (Trial) issued by the Shenzhen Stock Exchange, as well as "1+N" Social Responsibility Indicator Management Manual of China Resources Group. Meanwhile, in the Report, we take into full consideration the expectations of stakeholders and incorporate our specific ESG practices.

■ Preparation Process

The report was prepared through a series of steps, including peer benchmarking, questionnaire surveys, information collection, information verification, report drafting, management review and approval, Board deliberation, and public disclosure, in order to ensure the completeness, authenticity, and balance of the information presented.

■ Data Statement

The data used in this report is derived from the Company's operational raw data, annual financial data, internal statistical reports, third-party evaluations and interviews, and other relevant sources. Unless otherwise specified, the financial data contained in this report are denominated in RMB. In the event of any discrepancy between this report and the financial report, the financial report shall prevail.

■ Quality Assurance

The Company undertakes that this report contains no false records or misleading statements, and assumes responsibility for the authenticity, accuracy, and completeness of its contents.

■ Access to the Report

This report is published in both printed and electronic forms. The electronic version is available for download and reading on the Company's official website (<https://www.crcchem.com/>). To reduce the environmental impact of printing, we encourage readers to access and read the electronic version whenever possible.

■ Contact Information

Office Address: Floors 11–12 and 14, Building 3, Linghang Tower, Xinbei District, Changzhou, Jiangsu Province
Postal Code: 213000
Tel: 0519-8517777

Message from the Chairman¹

The year 2025 marked a pivotal juncture for concluding the 14th Five-Year Plan and laying the groundwork for the 15th Five-Year Plan. By focusing on green and low-carbon development, technological innovation, and responsible governance as our key drivers, we made a breakthrough against headwinds and maintained steady progress. Through concrete actions, we have embodied the true essence of sustainable development and continued to drive high-quality corporate growth.

Pressing ahead under pressure and delivering a new chapter in transformation and development. Amid the profound adjustment period following the concentrated release of production capacity in the polyester bottle chip industry, the Company sought opportunities in the face of challenges and opened new horizons amid changing circumstances. In the third quarter, it successfully returned to profitability on a single-quarter basis, while for the full year, net profit attributable to shareholders of the parent company recorded a substantial year-on-year reduction in losses. Operating quality improved steadily, and solid business performance provided strong evidence of the effectiveness of the Company's strategic transformation.

Forging the soul through Party building and inspiring a stronger commitment to action and responsibility. We remained committed to the deep integration of Party leadership with corporate governance, giving full play to the role of Party organizations and Party members, and embedding Party building throughout all aspects of the Company's development. Through a series of Party building themed initiatives such as "Strengthening Reform and Advancing Toward Targets," we inspired employees' spirit of perseverance and fostered a practical, responsible working style. Leveraging initiatives such as "Discussions on the Development of Chemical Materials" and "I Do Practical Things for the People," we encouraged employees to voice their views openly, responded effectively to their reasonable concerns, and brought together a powerful synergy of shared purpose, commitment, and accountability.

Empowering development through talent and gathering new momentum for co-creation and shared success. We have always regarded talent as the foremost resource for corporate development, and coordinated efforts to strengthen leadership teams at all levels and build a strong backbone of professional personnel. We continued to improve talent development and promotion pathways, refined the cultivation system for skilled talent pipelines, and further optimized incentive and restraint mechanisms. We also focused on deepening collaboration among industry, academia, research, and application, working with universities and research institutes to enhance collaborative innovation and joint talent development, thereby creating a cooperative ecosystem built on complementary strengths. In addition, we carried out targeted initiatives such as consumption-based assistance for rural revitalization and industrial support programs, giving back to society and fulfilling our responsibilities through concrete actions.

Breaking new ground through reform and unleashing fresh vitality for innovation-driven development. Guided by the

principle of "dual cores and one driving force," we advanced the implementation of the "Six Refinements strategy", continuously strengthening the Company's core advantages in cost control, product innovation, and customer service. We further improved and optimized our innovation system, reinforced the alignment between R&D and the market, and enhanced the efficiency of innovation commercialization. We also steadily advanced the deepening reform and enhancement initiative as well as the benchmarking initiative against world-class management practices. By leveraging the demonstrative effect of the "Double Hundred Action", we continuously improved our governance structure, talent mechanisms, and incentive approaches, thereby fully unleashing organizational vitality and creative potential.

Achieving product breakthroughs and shaping new advantages for industrial upgrading. We remained committed to using product breakthroughs to lead a new journey of sustainable development. In the field of rPET, we successfully developed a series of products containing 25% ~ 50% recycled bottle flakes, becoming the first enterprise in China to achieve large-scale production of chemical "bottle-to-bottle" recycling technology. Our PETG products continued to consolidate their leading position in the domestic cosmetics packaging market, while actively expanding into emerging sectors such as 3D printing. Cooperation with key customers continued to deepen, market share increased steadily, and the product structure was further innovated and optimized.

Laying a green foundation and painting a new picture of ecological harmony. Closely aligned with the national dual carbon goals, we fully implemented our carbon peaking action plan and carbon emissions management requirements, and further advanced the "Eight Actions for Carbon Peaking." We actively introduced new energy-saving and carbon-reduction technologies, equipment, and processes, driving the continuous decline of energy consumption and carbon emissions. We also deepened the development of our environmental management system, thoroughly implemented the philosophy of green development, and integrated ecological and environmental protection requirements throughout all areas and processes of production and operation. At the same time, we continued to advance green manufacturing. The Changzhou Base was recognized as a "Jiangsu Provincial Green Factory," and the Zhuhai Base initiated its application for designation as a municipal-level green factory.

Looking ahead to the 15th Five-Year Plan period, we will remain focused on the goal of becoming an enterprise specializing in internationally competitive new chemical materials, and committed to pursuing higher-end, smarter, and more eco-friendly development. We will lead industrial upgrading through technological innovation, reshape our competitive advantages through green and low-carbon development, demonstrate greater achievements in fostering a new development paradigm, and take more solid and forceful steps on the new journey of serving national strategies and empowering industrial upgrading.

China Resources Chemical
Innovative Materials Co., Ltd.

Chairman
Yan Xianjun



About China Resources Chemical Innovative Materials

I Company Profile

China Resources Chemical Innovative Materials Co., Ltd. is a first-level business unit within the technology and emerging industries segment of China Resources Group and serves as the Group's core platform for the development of its new materials business. The Company is principally engaged in the research and development, production, and sales of bottle-grade PET chips and organic polymer new materials. It operates production bases in Changzhou and Zhuhai, with an annual production capacity of **2.1 million tonnes** of PET and **50,000 tonnes** of PETG. The Company has received numerous honors, including "the Second Prize of the National Award for Scientific and Technological Progress", the title of "National Civilized Unit", and "the Second Prize for National Enterprise Management Modernization Innovation Achievements".

The Company's products are marketed worldwide and are widely used in beverages, edible oil, alcoholic beverage packaging, medical blood collection tubes, films, and sheets. It serves many well-known domestic and international customers, including Coca-Cola, Evian, Nongfu Spring, Wahaha, C'estbon, Dingjin, and Wuliangye. Its "Hualei" brand bottle-grade PET chips are widely recognized in the industry as a reputable food-grade polyester chip brand. By leveraging technological innovation to advance the circular economy, the Company has achieved production of recyclable PET bottle flakes at a relatively high recycled content ratio and has obtained Coca-Cola's global green and low-carbon certification, becoming the first enterprise in China to realize "bottle-to-bottle" technology.

Upholding the value philosophy of "Harnessing the Power of Technology to Shape a Better Life," the Company remains committed to its "2+N" strategy, continuously strengthening its core functions and core competitiveness, actively fostering new quality productive forces, and striving to build strategic capabilities of national significance. With a firm commitment to better serving everyday life, the Company is dedicated to becoming an internationally competitive chemical new materials enterprise in the polymer sector that is technologically advanced and trusted by customers.



Corporate Vision

To become a chemical new materials enterprise that is trusted by customers, innovation-leading, and internationally competitive



Corporate Values

Integrity Performance-driven People-oriented Win-win cooperation



Corporate Mission

Creating Better Lives through Chemical Materials



Corporate Organizational Climate

Sincerity Unity Openness Progressiveness

Our Sustainability Journey



Strengthening Sustainability Governance

Enhancing Sustainability Capabilities

Materiality Analysis

Stakeholder Communication



Strengthening Sustainability Governance

I Governance Strategy

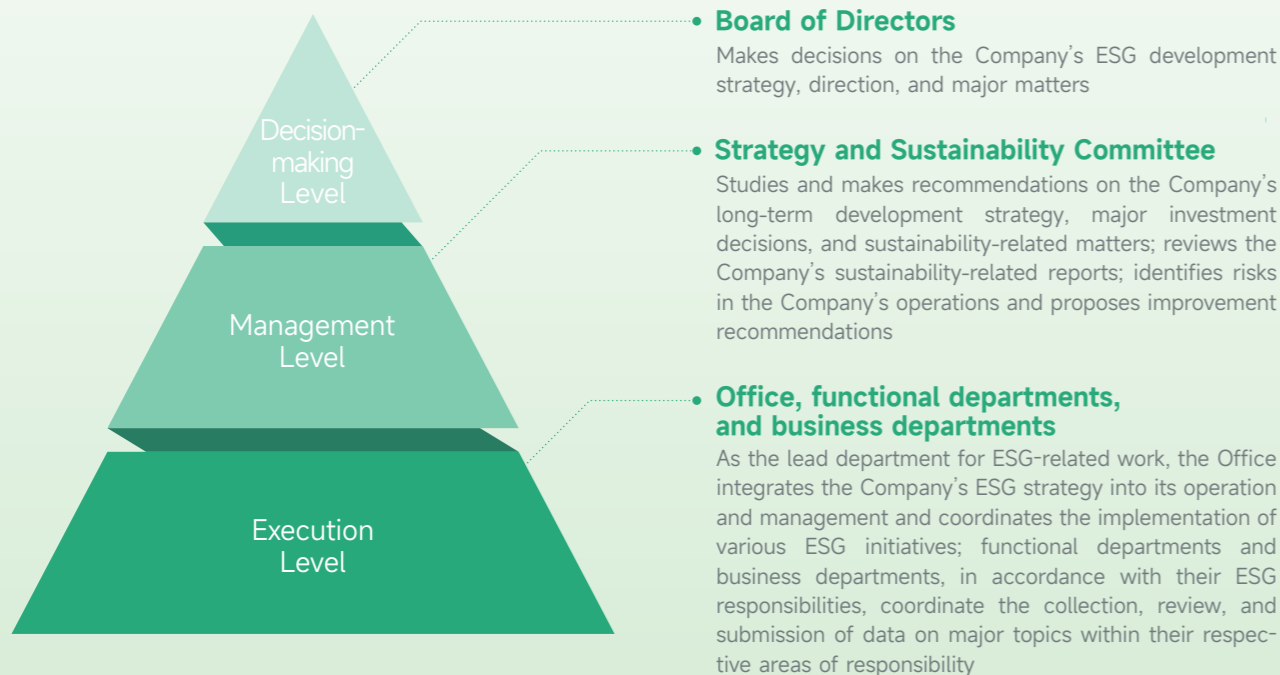
The Company adheres to the Social Responsibility 14th Five Year Plan of China Resources Group, aiming to become a reliable, capable, and responsible enterprise. We integrate sustainability into our strategic planning, enhance our sustainability strategy framework, and define five key strategic themes. Meanwhile, we are committed to embedding the sustainability concept throughout our operation and growth processes.



The Company has formulated such policies as the Measures for the Administration of External Donations, the Measures for the Administration of Social Responsibility Projects, and the Working Rules of the Board Strategy and Sustainability Committee, incorporating ESG-related matters into its existing management system to promote the active fulfillment of social responsibilities, standardize the sustainability process, and comprehensively enhance its capability to practice sustainable development.

During the reporting period, the Company revised the Working Rules of the Board Strategy and Sustainability Committee, further strengthening the overall guidance of its long-term development strategy and ESG work, improving the effectiveness of sustainability governance, and supporting the Company in identifying operational risks and advancing high-quality development.

I Organizational Structure



Enhancing Sustainability Capabilities

The Company regards the development of its sustainability capabilities as a key priority. Closely aligned with regulatory requirements, mainstream disclosure guidelines, and industry standards, and drawing on advanced practices from industry peers, the Company regularly publishes its annual sustainability report, actively improves relevant internal mechanisms, and delivers ESG-focused training to enhance ESG ratings, so as to continuously strengthen the awareness of and capacity for sustainable development.

Authoritative Recognition

In August 2025, according to the Wind ESG Ratings, the Company's rating was upgraded from A to AA, ranking fourth in the basic chemicals industry.



In September 2025, the Company received a Five-Star Excellence Rating and was included in two authoritative lists: the Top 100 ESG-listed Companies in the Yangtze River Delta and the Top 100 ESG-listed Central SOE Pioneers in China.



In November 2025, the Company was selected for the Top 100 of the Third "ESG Golden Bull Awards" organized by China Securities Journal.



In December 2025, the Company was honored with the 2025 ESG Whale Bull Award – ESG Pioneer Enterprise.



Training and Capacity Building

On February 28, 2025, the Company organized a training session on dual-carbon policies and carbon verification, inviting external experts from IPE to provide in-depth explanations on key topics including climate policy trends, carbon emissions accounting, emissions reduction target setting, and information disclosure.



Training on Dual-Carbon Policies and Carbon Verification

Materiality Analysis

The Company conducted a comprehensive assessment of macro policy directions and industry development trends, taking into account its own strategic planning and the core concerns of stakeholders, benchmarking against domestic and international ESG standards, and engaging external experts to identify, assess, and report on material topics.

I Identifying Issues by Benchmarking Standards

With reference to domestic and international standards, including the GRI Standards, the General Framework of Guidelines on Corporate Sustainability Reporting for Chinese Enterprises (CASS-ESG 6.0), the Guidelines No.2 for Self-regulation of Listed Companies—Normative Operations on the ChiNext Listed Companies and the Guidelines No.17 for Self-regulation of Listed Companies—Sustainability Reports (Trial) and in close alignment with macro policy directions and industry trends such as China’s dual-carbon strategy and the cultivation of new quality productive forces, the Company identified material topics that have significant impacts on both its own development and its stakeholders, based on the actual circumstances of its business in the R&D, production, and sales of polyester materials and new materials.

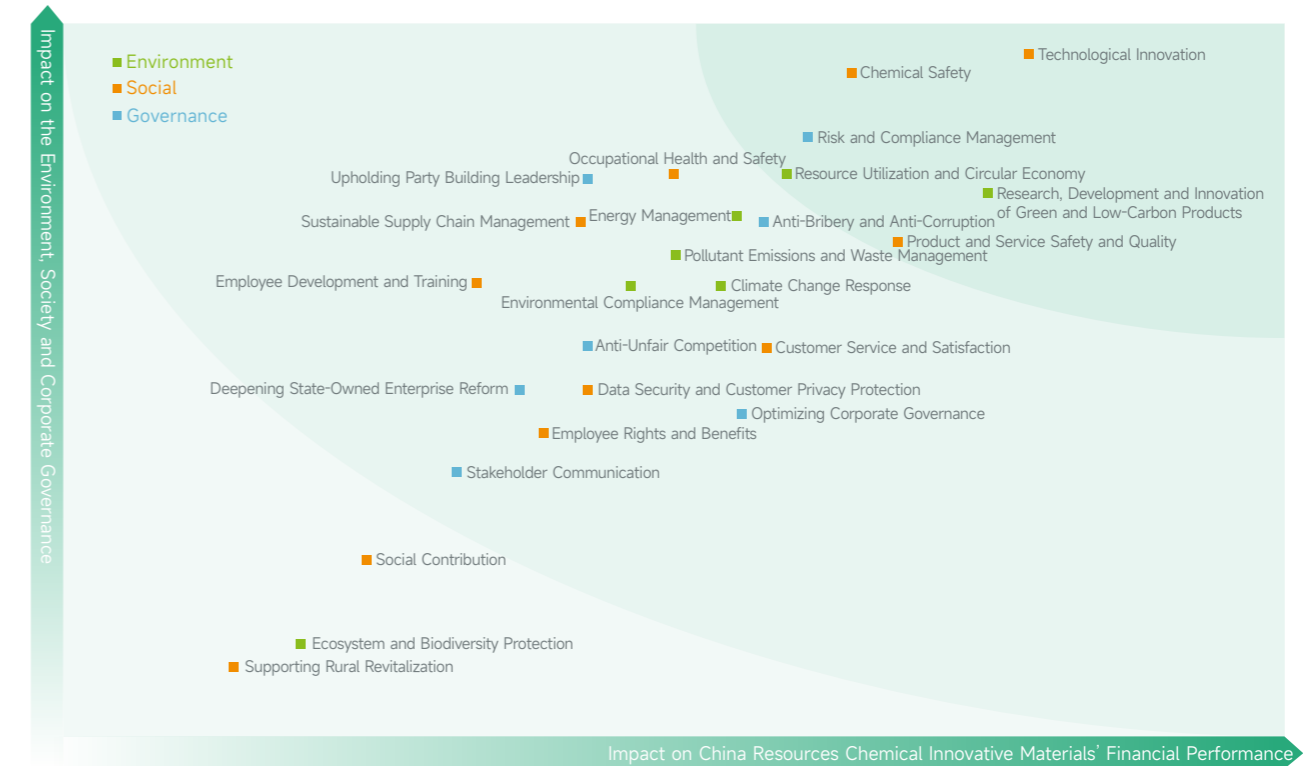
I Assessing stakeholder interests and expectations

In strict adherence to the principle of double materiality, the Company conducted stakeholder surveys and interviews from two dimensions: the financial materiality of topics to the Company, and their impact materiality on the economy, society, and the environment. The survey covered key stakeholder groups, including shareholders and investors, customers, employees, suppliers and business partners, regulatory authorities, and communities, with a view to gathering stakeholder expectations and continuously updating and refining the list of material topics.

I Assessing, Prioritizing, and Determining Key Topics

Using a combination of quantitative questionnaire analysis and qualitative assessment, the Company carried out materiality evaluations of various topics. Based on the strategic judgment of internal management and the professional opinions of external experts, the Company determined the priority of each topic, developed a materiality matrix, and focused in this report on responding to the core issues of greatest concern to stakeholders.

I Materiality Matrix



Stakeholder Communication

The Company attaches great importance to communication and interaction with its stakeholders, and has established long-term, stable, well-regulated, and orderly channels for communication and oversight. It actively promotes its sustainability philosophy and communicates the achievements of its social responsibility initiatives.

Stakeholders	Expectations and Concerns	Communication and Response Mechanisms
Government and Regulatory Authorities	<ul style="list-style-type: none"> • Compliance with laws and regulations • Tax payment in accordance with the law • Support for local development • Commitment to environmental protection 	<ul style="list-style-type: none"> • Compliance with laws and regulations • Proactive tax payment • Information reporting • Acceptance of supervision and inspection
Shareholders and Investors	<ul style="list-style-type: none"> • Investment returns • Improved information disclosure • Enhanced profitability • Stronger core competitiveness 	<ul style="list-style-type: none"> • Strengthening internal control systems • Regular report disclosure • Investor research and communication • Performance briefings
Employees	<ul style="list-style-type: none"> • Compensation and benefits • Career development opportunities • Rights and interests protection • Health and safety 	<ul style="list-style-type: none"> • Employee forums • Career development and training • Rights protection mechanisms • Workplace safety management
Customers	<ul style="list-style-type: none"> • High-quality products • Excellent services 	<ul style="list-style-type: none"> • Customer visits and exchanges • Satisfaction surveys • Continuous improvement of product • Service quality
Suppliers and Business Partners	<ul style="list-style-type: none"> • Honoring contracts • Maintaining good faith • Equal cooperation • Mutual benefit 	<ul style="list-style-type: none"> • Performance of contracts in accordance with the law • Public disclosure of tender information • Supplier communication and cooperation • Strategic partnerships
Environment	<ul style="list-style-type: none"> • Energy conservation and emissions reduction • Ecological protection • Rational resource utilization 	<ul style="list-style-type: none"> • Development of environmentally friendly products • Construction of green factories • Increased environmental investment • Promotion of green development concepts
Communities and the Public	<ul style="list-style-type: none"> • Support for social development • Participation in public welfare initiatives 	<ul style="list-style-type: none"> • Promotion of local employment • Volunteer service activities • Industrial assistance

Green Cycle Infinite Innovation

China Resources Chemical Materials has consistently regarded the efficient use of resources and the development of a circular economy as core strategic priorities, while fostering new quality productive forces through technological innovation.

In 2024, the Company achieved an industrialization breakthrough in its chemical “**bottle-to-bottle**” rPET technology, becoming the first enterprise in China to establish a chemical recycling process from “used bottles to new bottles.” In 2025, the Company completed a strategic leap from a “technology breakthrough pioneer” to a “definer of circular economy standards.”



Breaking Through via Circularity:
Navigating Industry Cycles with Resilience

Synergizing Digital & Green Transitions:
Leading Industry Upgrades through Benchmarking



Breaking Through via Circularity: Navigating Industry Cycles with Resilience

I Breakthroughs in rPET Technology

Against the backdrop of plastic recycling and regeneration becoming a key issue in promoting a green recovery of the economy, the Company has driven the transformation and upgrading of the circular economy through technological innovation, achieving a leap in its semi-chemical “bottle-to-bottle” rPET technology from industrialization breakthrough to standards leadership.



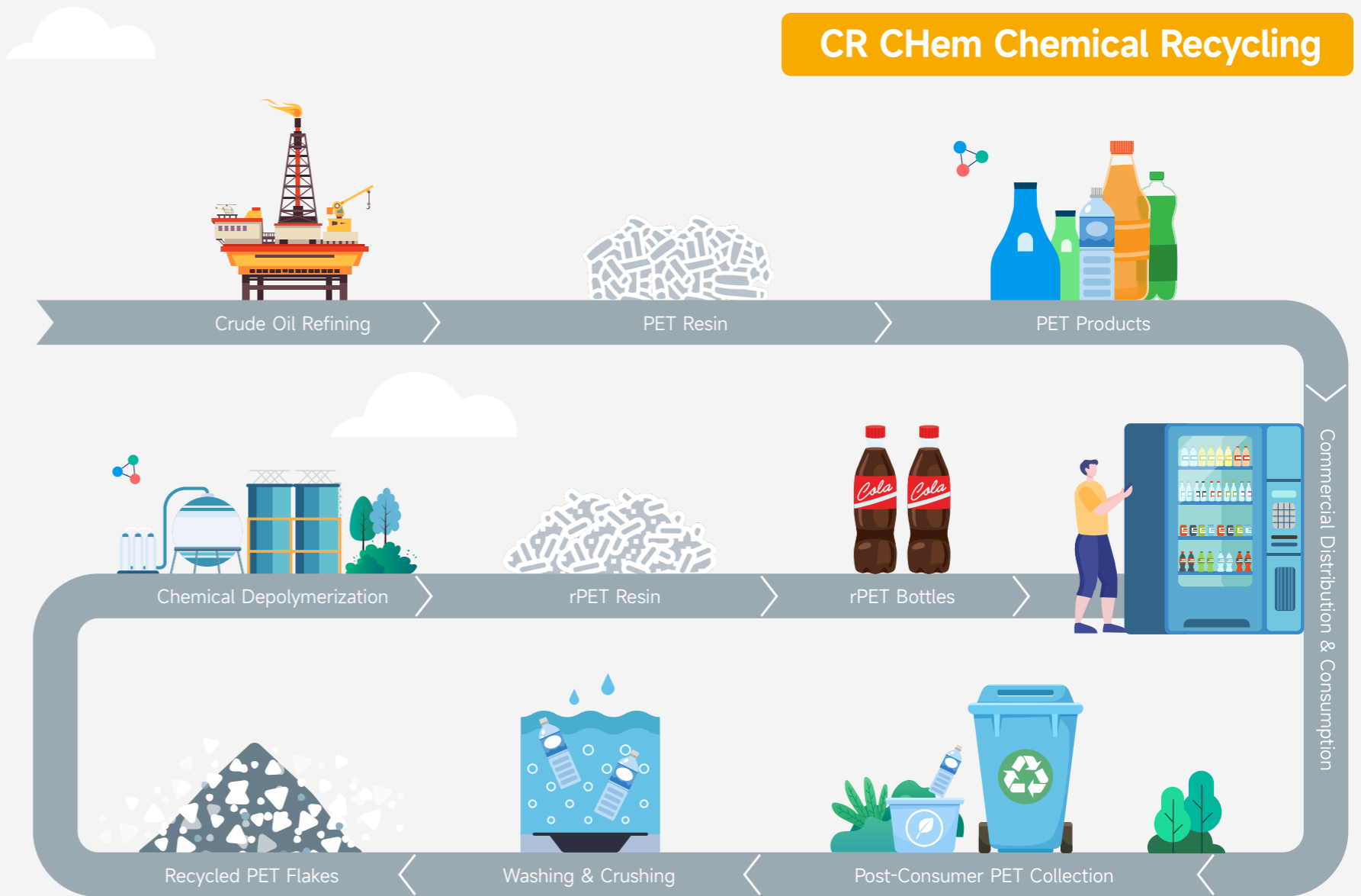
Breakthroughs in Industrialization and Certification

Since 2017, the Company has been deeply engaged in the R&D of food-grade recycled rPET polyester products, and has gradually developed chemical recycling bottle-to-bottle rPET technologies with recycled PET content levels of 10%, 25%, and 35%–50%, respectively. In 2024, the Company achieved mass production of 25% rPET and exported it to countries participating in the Belt and Road Initiative, becoming the first domestic enterprise to obtain Coca-Cola certification for a chemical recycling route for food-grade rPET polyester, reaching a leading level in China and an advanced level internationally.

During the reporting period, the Company’s sales volume of 25% rPET food-grade recycled polyester reached from **16,000 to 34,000 tonnes**, representing a year-on-year increase of **113%**.

Over the course of the year, approximately **8,600 tonnes** of recycled waste PET flakes were used, equivalent to the recycling and reuse of about **477 million** discarded plastic bottles, reducing carbon emissions by approximately **25,000 tonnes**.

CR Chem Chemical Recycling



Standards Leadership and Industry Advancement

The Company has actively participated in the formulation and revision of national and industry standards, contributing to the high-quality development of the industry. During the reporting period, the China Chemical Fibers Association released the Association Standard for Recycled Polyethylene Terephthalate (rPET) Resin for Bottles, which was led and developed by the Company.



Leading the formulation of the Group Standard for Recycled Polyethylene Terephthalate (rPET) Resin for Bottles

I Expanding PETG Application Scenarios

The Company achieved a technological breakthrough, successfully developing a preparation technology for environmentally friendly copolyester materials, thereby filling the domestic gap in this area. Positioning its products in the daily chemical packaging materials market, the Company successfully secured international brand customers and has become a key supplier of domestic copolyester materials for the daily chemical packaging sector.

During the reporting period, the Company actively expanded into emerging application fields such as 3D printing, medical care, home appliances, and films. Among them, sales in the 3D printing application area grew by 270% year-on-year. By developing tailored products for these applications, the Company enhanced product-process compatibility and customer service, further increasing its market share.

I Deepening New Materials R&D

Focusing on core directions in the field of new materials, the Company continued to make sustained efforts in key technologies such as high-temperature-resistant copolyesters, recycled polyester, titanium-based catalysts, differentiated nylon, and high-barrier materials. Multiple R&D achievements were successfully industrialized, and annual sales revenue from differentiated polyester products exceeded RMB **80 million**.

Expanding Differentiated Nylon Products. The Company, together with China Resources Double-Crane Pharmaceutical Co., Ltd., launched the Collaborative Innovation Project for the Bio-based Pentamethylenediamine-Nylon 46 Industrial Chain. Using bio-based 1,4-butanediamine, independently developed by the China Resources Double-Crane Synthetic Biology Research Institute, as a key raw material, the project has been included in the first batch of landmark biomanufacturing products released by the Ministry of Industry and Information Technology of China, and is dedicated to advancing the industrialization of high-performance Nylon 46.

Synergizing Digital & Green Transitions: Leading Industry Upgrades through Benchmarking

I Establishing a 5G Smart Factory

The Company launched the development of a “5G + Industrial Internet” initiative, taking the lead at its Changzhou Base in exploring the integrated application of 5G technology in production and operations.

In September 2025, the Changzhou Base was included in the 2025 National 5G Factory Directory issued by the Ministry of Industry and Information Technology, becoming a benchmark for digital transformation in the chemical industry. In partnership with China Mobile, the factory achieved full 5G network coverage across the entire plant area, with an overall coverage rate of **99.96%**.



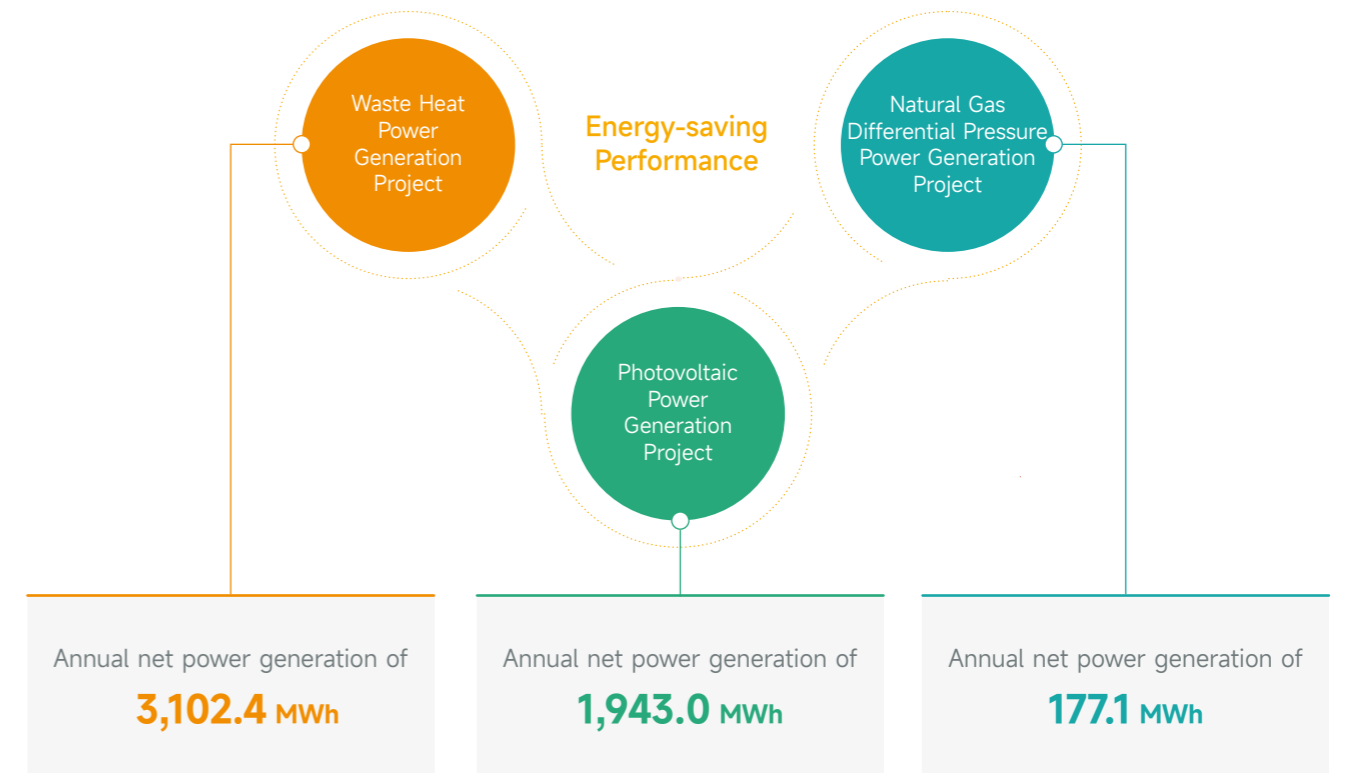
I Deepening Green Manufacturing

The Company steadily advanced the Eight Actions for Carbon Peaking, while promoting new technologies, equipment, and processes for energy conservation and carbon reduction. Energy-saving transformation projects, including natural gas differential pressure power generation, power generation from surplus esterification steam, and distributed photovoltaic systems, were implemented in a steady and orderly manner.

The Changzhou Base constructed a distributed photovoltaic power station by utilizing the rooftops of buildings within the plant area, covering approximately 79,800 square meters, with an installed capacity of 10.75 MW. The project passed acceptance in March 2025. After being put into operation, it is expected to generate approximately 10.5 million kWh of electricity annually, save about 3,045 tonnes of standard coal per year, and reduce carbon dioxide emissions by approximately 7,490 tonnes annually.



As of the end of the reporting period, the project had generated a cumulative net output of **11.5216 million kWh**, equivalent to **1,416 tonnes** of standard coal.



I Refining Best Practices

The Company has systematically distilled its integrated practical experience in “5G + Industrial Internet + green and low-carbon development + ESG governance” into a replicable and scalable methodology for industry transformation. From Changzhou to Zhuhai, the China Resources model is being replicated; from “green factory” to “green brand,” the Company’s influence continues to expand.

The Company has consistently aligned itself with regional development and, by practicing ESG principles to high standards, has continued to deepen its efforts in green production, social responsibility, and sound governance. In doing so, it has injected strong momentum into its own high-quality development and demonstrated the proactive commitment of a central state-owned enterprise.



Pursuing Green Development for a Shared Ecological Future

The ecological environment is an important cornerstone of corporate sustainable development. China Resources Chemical Innovative Materials integrates environmental responsibility throughout the entire process of its operations and development, adheres to the philosophy of green and low-carbon development, and proactively fulfills its mission of ecological protection and environmental governance. Focusing on key areas such as energy conservation and emissions reduction, efficient resource utilization, and pollution prevention and control, the Company adopts pragmatic measures to reduce its environmental impact, safeguards the ecological environment through responsible environmental practices, and steadily advances green, high-quality development.

Key Indicators

- Both the completion rate for comprehensive energy consumption per RMB 10,000 of output value and the completion rate for carbon dioxide emissions per RMB 10,000 of **output value exceeded target levels.**
- Total greenhouse gas emissions (Scope 1 + Scope 2 + Scope 3): **3,816,581.54 tonnes** of CO₂ equivalent.
- Investment in energy conservation and environmental protection reached RMB **9.9 million.**
- Comprehensive waste utilization rate: **95.88%.**

UN SDGs



Addressing the Challenges of Climate Change¹

I Guided by the “Dual Carbon” Strategy

The Company firmly implements the major national strategic objectives of carbon peaking and carbon neutrality, actively advances the coordinated formulation of climate action policies and strategies, has developed the Carbon Peaking Action Plan, and steadily carries out various carbon reduction initiatives, making every effort to promote green, low-carbon, and high-quality development.

The Company has always attached great importance to ecological and environmental protection, and conducts regular monitoring of key pollutant emissions as well as energy-saving and carbon-reduction efforts. The Company’s two major production bases in Changzhou and Zhuhai collect monthly data on pollutant emissions, water consumption, electricity consumption, and natural gas consumption, and compile them into the Summary Statistical Report on Energy Conservation and Emissions Reduction Monitoring. Through detailed analysis of year-on-year and month-on-month changes in the data, and timely investigation of fluctuations exceeding 5%, the Company ensures that energy conservation, carbon reduction, and environmental management measures are effectively implemented.

The Company has also advanced innovative digital applications by establishing an integrated digital EHS management platform. It has identified 15 core control indicators and designed eight major functional modules, covering scenarios such as hazardous operations and closed-loop rectification of hidden risks. Supported by data visualization and intelligent early-warning functions, the platform enables dynamic analysis of key indicators, full-process monitoring of special operations, and automatic alerts for permits and licenses, thereby establishing a full-chain EHS management mechanism and comprehensively enhancing management effectiveness and control efficiency.

“ By 2025, the Company aims to make positive progress in the R&D, promotion, and application of green and low-carbon technologies, reduce comprehensive energy consumption per RMB 10,000 of output value by 10% compared with 2020, and reduce carbon dioxide emissions per RMB 10,000 of output value by 5% compared with 2020. ”

Dual-Carbon Targets

“ By 2030, the Company aims to achieve significant results in its comprehensive green and low-carbon transformation, bring the energy efficiency of its PET business close to the advanced level of world-class enterprises, and reach its peak carbon emissions by 2028. ”

The reporting period marked the concluding year of the Company’s first dual-carbon target phase. The Company exceeded its first-stage targets, with the completion rate for comprehensive energy consumption per RMB 10,000 of output value reaching 106.19%, and the completion rate for carbon dioxide emissions per RMB 10,000 of output value reaching 126.3%. Various carbon reduction, green, and low-carbon development measures were effectively implemented and delivered tangible results.

Basic Principles

Adhering to technology leadership and a goal-oriented approach ◆

strengthen technological innovation, promote green technologies featuring low-carbon, zero-carbon, and negative-carbon characteristics, advance the transformation of high energy-consuming businesses, and define development tasks with clear objectives.

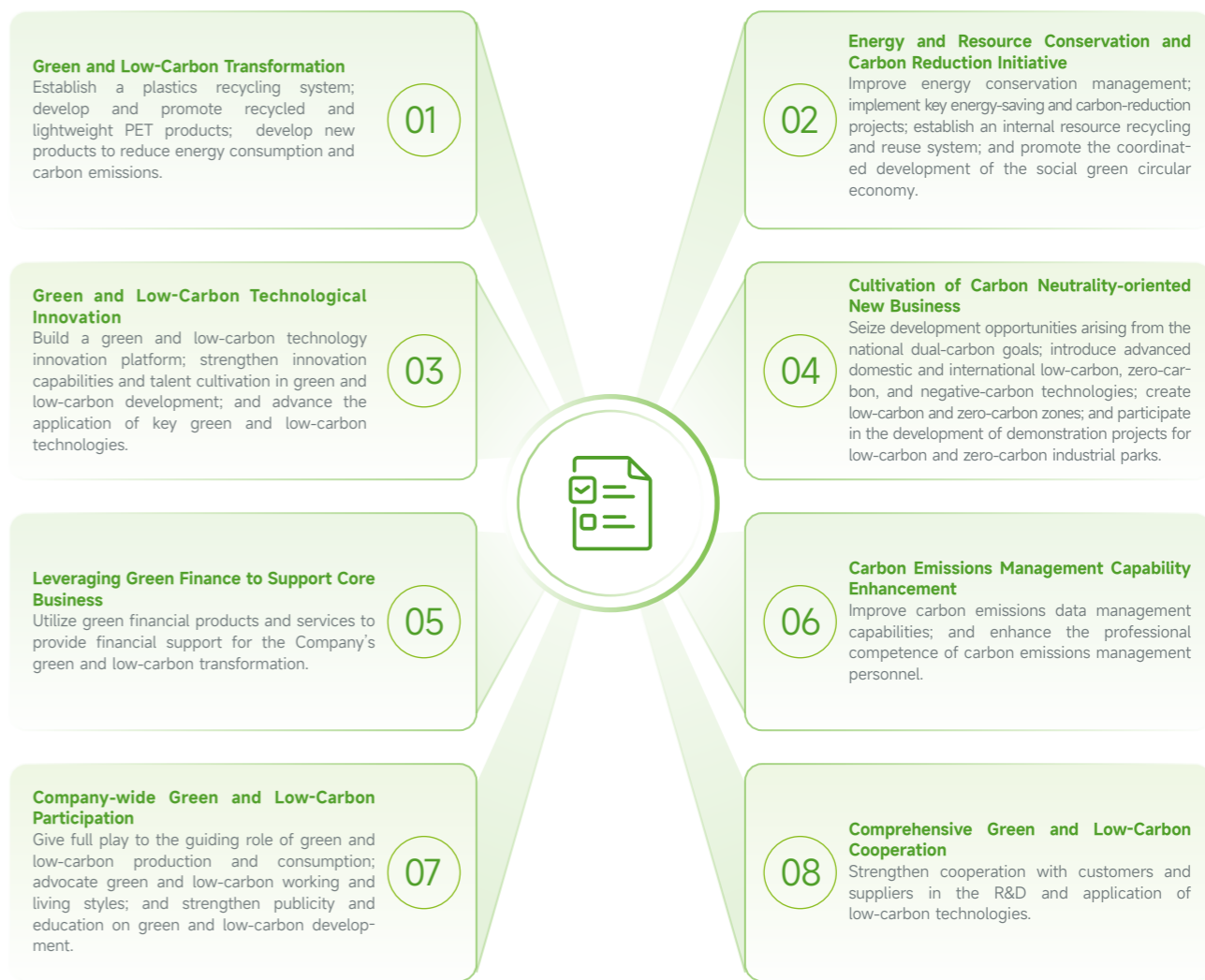
Adhering to coordinated planning and synergistic development ◆

enhance overall coordination, improve supporting mechanisms, integrate green and low-carbon development throughout all aspects of operations, and improve both economic and social benefits.

Adhering to the principle of conservation first and carbon reduction at source ◆

prioritize energy conservation, optimize the energy structure, steadily reduce carbon emissions through cleaner production, and earnestly fulfill social responsibilities.

Eight Priority Tasks



Innovation Empowering Carbon Reduction

Actively responding to the national dual-carbon strategy and the requirements for green development, the Company has focused on addressing key pain points in the polyester industry, including resource waste and low recycling rates, and has established a long-term mechanism for green and high-quality development. The Company successfully overcame key technical bottlenecks in chemical recycling-based food-grade rPET polyester, developed its proprietary chemical recycling process, took the lead in achieving industrialization, and expanded into overseas markets, with product sales continuing to rise. During the reporting period, the project had recycled and reused **12,003 tonnes** of recovered PET flakes, enabling the high-value reuse of approximately **670 million** waste plastic bottles and reducing carbon emissions by **35,962 tonnes**.

I Improving the Management Framework

The Company has established a Leading Group for Carbon Peaking and Carbon Neutrality, and designated the principal person in charge of each subordinate enterprise as the primary person responsible for dual-carbon efforts, while members of the management team work in coordination to ensure effective implementation. At the same time, dual-carbon initiatives have been incorporated into the key agenda of executive education and training, continuously enhancing management’s capability to fulfill its responsibilities in advancing green and low-carbon development and providing a solid organizational foundation for the Company’s low-carbon transformation.

Identifying Risks and Opportunities

The Company closely follows the prevailing trend of low-carbon development, optimizes the layout of its green business portfolio, and proactively identifies climate change-related risks and opportunities.

Climate Risk Identification

Climate Risk Type	Risk Category	Risk Description	Time Horizon	Financial Impact	Measures
Physical Risks	Chronic	<ul style="list-style-type: none"> Risks such as rising temperatures may lead to increased energy consumption, higher cooling-related energy use and equipment wear, and may also affect employee safety at work. 	Short-term	Increased Operating Costs	<ul style="list-style-type: none"> In response to the hot and humid climate conditions in South China, the Company has replaced existing equipment with energy-efficient cooling systems to reduce energy consumption; Adjusted employees' working hours to prevent heat-related incidents; And established a monitoring and intelligent early-warning mechanism for facility operating conditions through digital technologies, thereby optimizing the efficiency of operations and maintenance management.
	Acute	<ul style="list-style-type: none"> Risks such as typhoons may cause damage to buildings and equipment, result in casualties and major property losses, lead to production disruptions, and generate costs associated with idle equipment, delayed order delivery, and contractual compensation, thereby affecting the Company's market reputation and weakening its competitiveness. 	Short-term	Increased Operating Costs	<ul style="list-style-type: none"> In view of the high incidence of typhoons in coastal areas, the Company has established dedicated emergency response plans, regularly conducted typhoon and flood prevention drills, relocated resources to safe areas, and promptly evacuated personnel to safeguard operational continuity; It has also optimized drainage systems in advance and reinforced protective facilities and equipment.
		<ul style="list-style-type: none"> Unstable raw material supply may affect the Company's normal production planning, potentially resulting in production disruptions or reduced output and increasing production costs, as the Company may need to procure raw materials at higher prices or seek alternative suppliers, which may in turn affect product quality and stability; Delays in fulfilling customer orders may also damage the Company's reputation and could lead to customer loss. 	Short-term	Increased Operating Costs	<ul style="list-style-type: none"> Establish stable transportation channels for bulk raw materials; Strengthen supply chain risk management and establish a risk early-warning mechanism; And build close cooperative relationships with logistics service providers to jointly respond to emergencies.
	Policy and Legal Risks	<ul style="list-style-type: none"> Environmental protection requirements under laws and regulations are becoming increasingly stringent, making corporate compliance more challenging. 	Long-term	Increased Management Costs	<ul style="list-style-type: none"> Continuously monitor relevant laws and regulations, make timely adjustments, and carry out rectification of non-compliant projects.
Transition Risks	Technology	<ul style="list-style-type: none"> The development of green and low-carbon technologies may render existing technologies obsolete. 	Medium-term	Impairment of Fixed Assets	<ul style="list-style-type: none"> Apply green and low-carbon technologies and equipment, and upgrade outdated equipment.
	Market	<ul style="list-style-type: none"> The market increasingly demands products that are green, low-carbon, and environmentally friendly. 	Long-term	Decline in Revenue	<ul style="list-style-type: none"> Develop green products aligned with environmental trends through innovation and upgrading.
	Reputation	<ul style="list-style-type: none"> Environmental compliance violations or the absence of green products, coupled with growing societal attention to corporate information disclosure, may undermine trust in the Company if disclosures are incomplete. 	Medium-term	Increased Management Costs	<ul style="list-style-type: none"> Proactively and comprehensively disclose relevant information, and strengthen communication with stakeholders.

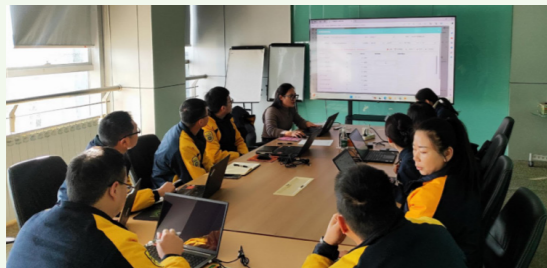
Climate Opportunity Identification

Opportunity Type	Opportunity Description	Response Measures
Green Product Market	<ul style="list-style-type: none"> Demand for bio-based materials continues to rise, helping the Company expand into new markets, increase market share, and grow revenue; The circular economy is also driving the development of recycled materials, creating new profit growth points and enhancing economic performance and sustainability capabilities. 	<ul style="list-style-type: none"> Formulate an innovation-driven development strategy, develop bio-based materials and deepen efforts in recycled materials, optimize processes, expand channels, and comprehensively enhance core market competitiveness; Leverage locational advantages to expand PETG applications in emerging fields such as daily chemical packaging and 3D printing.
Technological Innovation	<ul style="list-style-type: none"> By leveraging its industrial strengths, the Company can deepen the R&D and application of low-carbon processes, reduce carbon emissions in production, improve energy efficiency, control costs, and strengthen competitiveness; At the same time, it can expand the boundaries of its new materials business, promote diversified development, and further enhance market position and risk resilience. 	<ul style="list-style-type: none"> Formulate a technological innovation strategy, increase investment in low-carbon and energy storage R&D, deepen industry-academia-research collaboration, improve incentive mechanisms, and strengthen sustainable innovation capabilities; Advance energy-saving and carbon-reduction projects to continuously reduce production energy consumption.
Policy Support	<ul style="list-style-type: none"> Supportive policies for green industries can reduce the cost of green transformation and accelerate the pace of transition; Opportunities arising from participation in the carbon market can increase the value of carbon assets and encourage greater emissions reduction efforts; Policy guidance can also optimize the competitive landscape of the industry, helping improve cost efficiency and sustainable competitiveness. 	<ul style="list-style-type: none"> Incorporate energy conservation, green and low-carbon development, and carbon peaking and carbon neutrality efforts into the 15th Five-Year strategic plan, and formulate and implement a task list for green development; improve management systems for energy conservation, carbon reduction, and ecological and environmental protection, and strictly implement special inspection and rectification plans; Establish a policy research team to keep abreast of policy developments and actively apply for fiscal subsidies, tax incentives, and special R&D funding; Strengthen carbon asset management, establish a carbon emissions monitoring and management system, optimize the carbon emissions structure, and actively participate in carbon market trading.
Cooperation and Development	<ul style="list-style-type: none"> Deepening industry-academia-research collaboration can enhance the Company's technological innovation capabilities and promote green development through external research resources; Green supply chain cooperation can improve the resilience and green competitiveness of the entire supply chain; Collaboration across the industrial chain and linkage with global customers can accelerate technological breakthroughs and global expansion. 	<ul style="list-style-type: none"> Deepen industrial chain collaboration and industry-academia-research cooperation, expand high-quality domestic and overseas partnerships, and focus on the development of high-end and green materials; Promote the development of a green supply chain, and work with suppliers and customers to formulate green supply chain standards and norms; Actively participate in industry association activities and achieve high-quality development through open cooperation.

I Greenhouse Gas Management

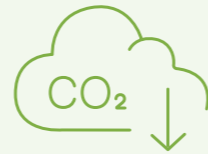
The Company has actively carried out greenhouse gas emissions management. With the support of tools such as the Carbon Explorer Platform, it records and verifies its greenhouse gas emissions, strictly controls both the total volume and intensity of greenhouse gas emissions, and has established a standardized and normalized mechanism for greenhouse gas accounting and disclosure. In accordance with the requirements of ISO 14064, the Company voluntarily conducts an annual carbon inventory and prepares a carbon inventory report to ensure the accuracy and reliability of carbon emissions data, while providing assistance and guidance to various departments in carrying out carbon reduction and greenhouse gas inventory work. During the reporting period, the Company completed its greenhouse gas emissions accounting and disclosed the relevant data on the Institute of Public & Environmental Affairs (IPE) platform, thereby ensuring transparency and openness and demonstrating the Company's commitment and actions.

Training on EHS Quantification and Energy Conservation, Environmental Protection, and Carbon Reduction Data



On February 6, 2025, the Company organized a training session on EHS quantification and the consolidation of data related to energy conservation, environmental protection, and carbon reduction. Relevant persons in charge from the EHS Department, designated coordinators for quantitative rating across business units, and personnel from the carbon management function line participated in the training both on-site and online.

Carbon Management Dashboard



Statistics on Greenhouse Gas Emissions for the Past Three Years

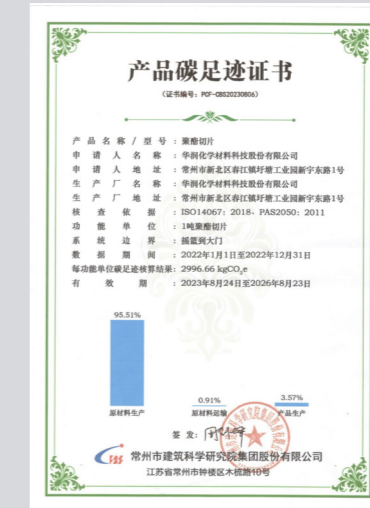
Year	Scope 1 Greenhouse Gas Emissions (tonnes)	Scope 2 Greenhouse Gas Emissions (tonnes)	Scope 3 Greenhouse Gas Emissions (tonnes)
2023	328,982.45	128,889.96	671,341.28
2024	311,728.67	121,059.18	764,092.77
2025	286,275.04	98,329.60	3,431,976.90

Note 1: Scope 1 greenhouse gas emissions mainly include greenhouse gas emissions from the Company's consumption of natural gas, gasoline for vehicles, diesel for forklifts, refrigerants, septic tanks, and production processes.

Note 2: Scope 2 greenhouse gas emissions mainly refer to greenhouse gas emissions resulting from the Company's purchased electricity.

Note 3: Scope 3 greenhouse gas emissions mainly include greenhouse gas emissions arising from purchased goods and services, energy-related activities not included in Scope 1 and Scope 2, upstream transportation, waste treatment, employee commuting, and downstream transportation.

Note 4: In order to improve the accuracy and completeness of greenhouse gas emissions data, the Company updated the emission accounting parameters and accounting boundaries for certain Scope 3 categories. Therefore, the data for the year of 2025 are not fully comparable with those of 2024.



Carbon Footprint Certificate for Polyester Chips Products

Advancing Circular Resource Utilization¹

I Managing Energy and Resources

The Company consistently adheres to green and low-carbon development, and regards energy management and rational planning as important components of sustainable development. To this end, it has formulated the Measures for the Supervision and Administration of Energy Conservation and Carbon Emissions. In daily operations, the Company places emphasis on energy conservation and the scientific use of energy, and effectively reduces energy consumption through measures such as optimizing energy utilization methods, advancing energy-saving retrofits, and improving energy efficiency.

Energy Use Requirements

Strengthen full-process energy management, adhering to principles of rational energy utilization and conservation priority.

Formulate and implement energy-saving work plans and technical measures.

Strictly control energy consumption and losses, and eliminate wasteful practices.

Continuously optimize the industrial structure, product mix, and energy consumption structure.

Steadily reduce energy consumption per unit of output value and per unit of product, and resolutely phase out outdated production capacity.

New Energy Development and Utilization

All business units shall actively promote the development and utilization of renewable energy and non-fossil energy, steadily increase the share of electricity consumption from new energy sources, accelerate the establishment of a clean, low-carbon, safe, and efficient energy system, and continuously advance the transformation of the energy structure toward greater cleanliness and lower carbon intensity.

Energy Consumption Analysis

Enterprises at all levels shall establish and improve mechanisms for energy consumption statistics and analysis of energy utilization, regularly conduct energy use monitoring and analytical assessments, promptly investigate the causes of abnormal energy consumption, implement corrective measures, and continuously enhance the level of refined energy management.

The Company has formulated annual assessment targets for energy conservation and ecological and environmental protection, and has incorporated such assessments into its daily management practices in order to enhance its overall environmental management capabilities.

Indicator Type	Indicator	Unit	2025 Target Requirement	2025 Completion Rate
Energy Consumption Indicators	Comprehensive energy consumption per RMB 10,000 of output value (comparable price basis)	tonnes of standard coal / RMB 10,000	Decrease by no less than 10%	106.19%
	Comprehensive energy consumption per RMB 10,000 of value added (comparable price basis)	tonnes of standard coal / RMB 10,000	Decrease by no less than 8%	-94.25%
	Comprehensive energy consumption per tonne of chemical product	tonnes of standard coal / tonne	Decrease by no less than 5%	103.61%
Emissions Indicators	Nitrogen oxides (NOx) emissions	tonnes	Decrease by no less than 50%	106.75%
	Carbon dioxide emissions intensity (comparable price basis)	tonnes of CO ₂ / RMB 10,000	Decrease by no less than 5%	126.30%



During the reporting period, the Company participated in the formulation of the national standard Norm of Energy Consumption per Unit Product of Chemical Fiber (GB/T 36889-2025), promoting improvements in industry energy efficiency and low-carbon transformation at the level of technical standards.

I Protecting Water Resources

The Company attaches great importance to the conservation and protection of water resources, and regards water resource management as an important component of green development. Adhering to the principles of water conservation first and efficient utilization, the Company strengthens full-process control over water use, promotes water-saving measures, and improves water use efficiency, thereby protecting water resources through practical actions and fulfilling its responsibility for green and sustainable development.

During the reporting period, the Company's freshwater consumption totaled **1.2805 million tonnes**, with water consumption intensity of **0.98 tonnes per RMB 10,000** of output value.

I Conserving Energy and Resources

The Company continues to advance efforts in energy and resource conservation, constantly optimizing its energy structure, implementing energy-saving management and benchmarking requirements, accelerating the retrofitting of energy-efficient equipment and process optimization, and phasing out outdated production capacity. At the same time, it strengthens the refined management of energy and resources, promotes water conservation, material saving, and resource recycling and reuse, improves utilization efficiency, and is committed to building a resource-efficient and environmentally friendly enterprise.

Energy Conservation, Consumption Reduction, Efficiency Enhancement, and Intensive Resource Utilization

The Company has incorporated energy conservation, green and low-carbon development, and the dual-carbon goals into its 15th Five-Year strategic plan, formulated a task list for green development, and advanced its implementation, while continuously improving the utilization of renewable energy. In parallel, the Company Department has further improved management systems for energy conservation, carbon reduction, and ecological and environmental protection, and organized all units to carry out special inspections and rectification initiatives, thereby systematically enhancing the Company's ecological and environmental management capabilities.

Cleaner Production and Efficient Utilization

Changzhou Base

Biogas generated by the wastewater treatment station is utilized at the 600,000-tonne heat transfer medium station. By leveraging the calorific value of biogas to reduce natural gas consumption, the biogas reuse project entered trial operation on April 29, achieving average daily savings of **1,100 cubic meters** of natural gas, annual cost savings of **RMB 1.48 million**, and an annual reduction of approximately **828 tonnes** of carbon dioxide emissions.



I Developing Circular Economy

The Company adheres to the principles of reduction, reuse, and resource recovery in developing the circular economy, and focuses on advancing waste recycling, energy reuse, and resource circular utilization throughout the entire production and operational process.

Waste Recycling and Reuse at Zhuhai Base

The Zhuhai Base has actively promoted waste recycling and reuse. For the 600,000-tonne and 500,000-tonne units, it implemented a discharge waste recycling project, under which discharged melt is crushed and then fed back into the slurry tank for recycled slurry preparation. At the same time, while ensuring product quality, the Base has expanded the recycling of various types of waste, including hot well residues and filter residues, thereby achieving resource circular utilization. During the reporting period, the two units collectively recycled **149.36 tonnes** of waste, reducing carbon dioxide emissions by approximately **342.28 tonnes**.



Phase II Waste Heat Power Generation Project at Zhuhai Base Connected to the Grid

The generator unit of the Phase II Waste Heat Power Generation Project at the Zhuhai Base was successfully connected to the grid on its first attempt and began stable power generation, marking the project's formal readiness for operation. The project focuses on the intensive utilization of tail gas from the process towers of the Phase III polyester unit. With an installed capacity of 2 MW, the unit is capable of generating up to 1,550 kWh of net electricity per hour under rated operating conditions, and its annual net power generation is expected to reach 12.4 million kWh, equivalent to an annual reduction of **1,525 tonnes** of standard coal consumption and approximately **7,560 tonnes** of carbon dioxide emissions. After being put into operation, the project will significantly reduce the proportion of externally purchased electricity used at the Zhuhai Base, optimize the energy structure, effectively lower product energy consumption, and contribute to cost reduction, efficiency improvement, and business growth.



Strengthening Environmental and Ecological Foundation

I Enhancing Compliance Management

The Company has improved its environmental management system and formulated relevant policies, including the Measures for the Supervision and Administration of Energy Conservation and Ecological and Environmental Protection. Based on their actual circumstances, subordinate units have further refined supporting management systems, actively pursued environmental management system certification, and effectively strengthened primary responsibility for ecological and environmental protection.

During the reporting period, the Company's cumulative investment in energy conservation and environmental protection reached RMB **9.9008 million**, including RMB **1.0225 million** in emissions reduction investment and RMB **8.8783 million** in other environmental protection investment. The Company did not experience any major environmental incidents, nor was it subject to any administrative penalties by ecological and environmental authorities or held criminally liable for environmental incidents.



Environmental Management System Certification Certificate of Zhuhai Base



Environmental Management System Certification Certificate of Changzhou Base

I Protecting Biodiversity

Biodiversity is the foundation for human survival and development, and also a prerequisite for corporate sustainable development. The Company deeply fulfills its social responsibilities, follows relevant national policies and ecological principles, and integrates biodiversity protection throughout its strategy, production, and supply chain processes.

No.	Protection Measure	Specific Content
1	Strengthening the strategic foundation and improving institutional safeguards	Incorporate green and low-carbon development into the Company's strategic planning, establish and improve management systems for ecological and environmental protection, strictly implement national and local environmental laws and regulations, formulate and implement the Special Inspection and Rectification Work Plan for Enhancing Ecological and Environmental Protection, and regularly conduct compliance reviews and internal inspections.
2	Focusing on ecological restoration and safeguarding habitat integrity	Carry out ecological restoration in light of the ecological characteristics of operational areas, optimize green spaces within plant areas, and plant native species; strictly prohibit non-compliant operations and avoid disturbing rare species and their habitats.
3	Strengthening operational control and reducing ecological impact	Promote green and low-carbon operations, ensure that treatment facilities for the "three wastes" meet discharge standards, and optimize water resource utilization; standardize raw material procurement and give priority to environmentally friendly and sustainable raw materials.
4	Deepening collaborative governance and building a joint protection mechanism	Strengthen communication and cooperation with external professional institutions, and advance technological research and practical exploration in relevant fields; extend environmental management requirements throughout the upstream and downstream industrial chain to promote coordinated green development.
5	Enhancing public awareness and fostering a shared commitment to protection	Popularize knowledge of biodiversity protection through various means, including internal training and external public welfare outreach, so as to raise awareness among employees, partners, and the public.
6	Establishing a monitoring system and continuously improving performance	Strengthen the management and disclosure of monitoring data to ensure that data are authentic, accurate, and traceable; establish a database to track biodiversity changes; and regularly analyze and assess data to optimize protection measures.

I Conducting Environmental Protection Training

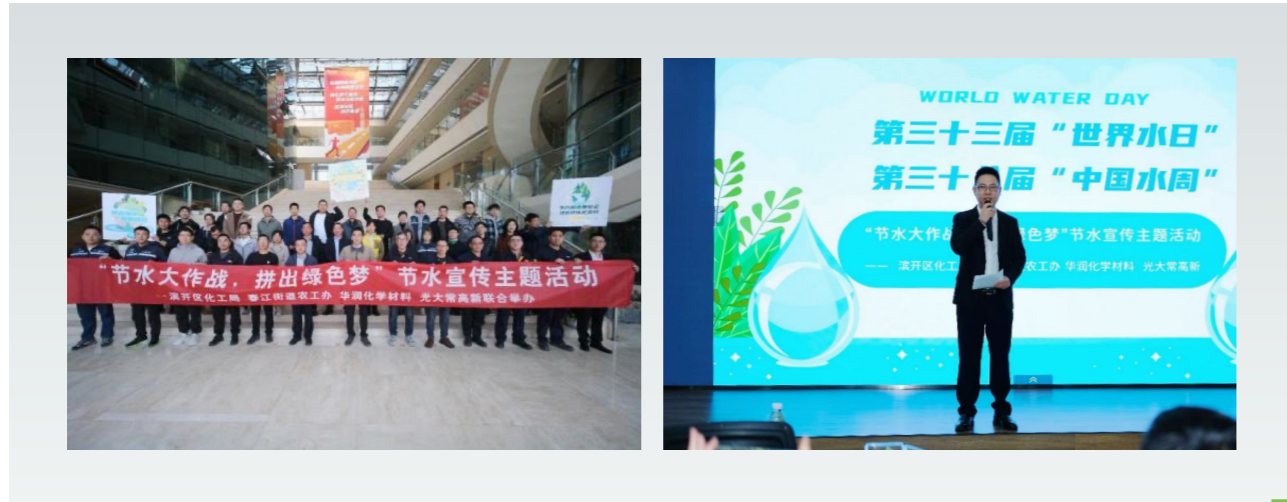
Promoting Environmental Protection Concepts. The Company has strengthened the promotion of green and environmental protection concepts by organizing employees' environmental learning through centralized training sessions, presentations at meetings, and other forms of communication. The Company organized **55 employees** to participate in the 2025 China Resources Group Professional Training and Qualification Certification in Ecological and Environmental Protection. During National Ecology Day, the Company's various bases jointly carried out **14 systematic** environmental protection training sessions, covering **175 participant attendances**.



China Resources Group Professional Qualification Certificate in Ecological and Environmental Protection

Organizing a World Water Day Themed Awareness Campaign

During the 33rd World Water Day and the 38th China Water Week, the Company, together with the Changzhou Binjiang Economic Development Zone Chemical Industry Bureau, Changzhou and Everbright Changgaoxin Environmental Energy (Changzhou), organized a themed awareness campaign entitled "Water Conservation Challenge: Piecing Together a Green Dream." Going forward, the Company will continue to explore new approaches to water use and water conservation, deepen new mechanisms for technological and management-based water saving, and promote the transformation of water-saving efforts from public advocacy to company-wide practice.



Deepening Green Office Practices

The Company actively promotes the concept of green office practices, advocating for low-carbon, resource-saving, and environmentally efficient office models. In daily operations, it strictly implements water and electricity conservation, promotes a paperless approach, reduces the use of disposable items, and standardizes waste sorting and recycling.



Strictly Controlling the Discharge of the Three¹ Wastes and Reducing Pollution

I Controlling Waste Gas Emissions

The Company strictly complies with laws and regulations including the Atmospheric Pollution Prevention and Control Law of the People's Republic of China

and the Emission Standard of Air Pollutants for Boilers, and has formulated relevant policies such as the Administrative Provisions on Waste Gas Emissions and the Management System for VOCs Pollution Prevention and Control. By carrying out routine leak detection and repair (LDAR) and continuously optimizing cleaner production processes and technologies, the Company effectively reduces the volume of atmospheric pollutant emissions and leakages at the source.

Indicator	Unit	2023	2024	2025
SO ₂ emissions	tonnes	2.06	1.74	1.06
NO _x emissions	tonnes	93.22	79.52	55.17

During the reporting period, the Company's SO₂ emissions decreased by **39.08%** year on year, while total NO_x emissions decreased by **30.62%** year on year. In addition to the impact of output decline caused by shutdowns for inspection and maintenance, the reductions were mainly attributable to low-NO_x retrofits, as well as strengthened pollutant treatment and control measures.

I Controlling Wastewater Emissions

The Company has established and continuously improved its wastewater treatment management system, and has formulated and strictly implemented dedicated policies such as the Management System Documents for Wastewater Treatment Stations and the Administrative Provisions on Excessive Wastewater Discharge.

Indicator	Unit	2023	2024	2025
Wastewater discharge volume	10,000 tonnes	45.28	43.93	44.57

During the reporting period, all wastewater pollutants discharged by the Company complied with applicable standards. Wastewater discharge volume at each base showed structural changes in light of production load, project construction, and process optimization. At the Zhuhai Base, wastewater discharge decreased by **9.63%** year on year as a result of shutdowns for maintenance, strict water use control, and recycling efforts. At the Changzhou Base, however, changes in reclaimed water reuse and process adjustments led to an overall increase in the Company's wastewater discharge volume. In response, the Company has strengthened targeted water use control and reclaimed water reuse measures, and is striving to achieve a year-on-year decline in wastewater discharge in the following year.

I Controlling Wastewater Emissions

The Company has strengthened full-lifecycle management of solid waste and hazardous waste, strictly adhering to the principles of reduction, resource recovery, and harmless treatment. It has formulated policies such as the Administrative Provisions on Hazardous Waste and the Administrative Provisions on General Waste, improved its management plans for solid and hazardous waste, standardized the construction and temporary storage of hazardous waste warehouses, and entrusted compliant professional entities with disposal.

Indicator	Unit	2024	2025	Decrease
Total waste generated	tonnes	3,585.96	3,231.89	9.87%
Total recyclable waste	tonnes	3,264.22	3,098.62	5.07%
Total general solid waste	tonnes	3,464.96	3,123.14	9.87%
Total hazardous waste	tonnes	121	108.75	10.12%

During the reporting period, the Company's total waste generation decreased by **9.87%** year on year. Among this, general solid waste decreased by **9.87%** year on year, recyclable and hazardous waste decreased by **5.07%** and **10.12%** respectively year on year. The comprehensive utilization rate of waste increased from 91.03% in 2024 to **95.88%** in 2025.

Acting for Good, Building a Harmonious Society

Employees, customers, partners, and communities constitute the core foundation of corporate sustainable development. China Resources Chemical Innovative Materials integrates social responsibility throughout the entire course of its operations, adheres to a people-oriented philosophy and win-win cooperation, and focuses on employee well-being, customer value, supply chain responsibility, and community harmony. Through pragmatic measures, the Company enhances social well-being, builds synergy for development, and promotes coordinated progress and mutual benefit between the enterprise and society.

Key Indicators

- Employee Training Investment **RMB 1.432 million**
- Work Safety Investment **RMB 1.35 million**
- PET Customer Satisfaction **96.60%**
- PETG Customer Satisfaction **94.83%**
- Rural Revitalization Investment **RMB 421,400**

UN SDGs



Empowering Employee Well-being and Development¹

I Optimizing Compensation and Benefits

The Company consistently upholds a people-oriented development philosophy and regards employees as its most valuable asset. The Company strictly comply with the labor laws and regulations of the places where we operate, continuously optimize our compensation and performance management mechanisms, standardize working hour and leave management, strengthen supervision over labor employment, and effectively safeguard employees' lawful rights and interests. By building a human resources management system that is well-regulated, fair, transparent, and orderly, we foster a positive environment that respects, develops, and empowers people, thereby achieving resonance between employee growth and the Company's development.

Optimizing the compensation and performance management system. Centering on the three pillars of "improving mechanisms, optimizing structure, and strengthening incentives," the Company has systematically advanced the upgrading of its compensation and performance management system, continuously enhancing the standardization of compensation management and the effectiveness of incentives.

Building mechanisms

consolidating the management foundation and systematically establishing the groundwork for compensation and performance management

- Established a total payroll budget management system, upgrading it from a cost management tool to a strategic lever;
- Successfully launched the compensation management system and Data Collection 2.0, realizing process standardization and data-driven decision-making;



Strengthening incentives

stimulating organizational vitality and comprehensively reinforcing a long- and short-term integrated incentive system

- Strictly implemented the tenure system and contractual management for the managerial level, realizing that "positions can be promoted or demoted, and income can increase or decrease";
- Performance contracts were extended to all employees to ensure that strategic objectives are cascaded at every level;
- Continued to advance equity incentives, completed the previous grant and repurchase, and drafted a new round of incentive plan.

Optimizing the structure

improving precise alignment and deeply optimizing the compensation and performance structure

- Conducted comprehensive research and dual benchmarking of "performance-compensation", and designed and implemented a compensation structure plan centered on "performance alignment and precise incentives";
- At the same time, revised the performance management measures for all employees, forming a value closed loop of "target-execution-evaluation-feed-back-development";

Safeguarding employees' rights to working hours and leave. The Company has always regarded its employees as its most valuable asset, strictly complies with all applicable labor laws and regulations in the locations where it operates, and is committed to fostering a compliant, fair, and healthy work environment. Through scientific shift management and flexible working mechanisms, the Company reasonably controls employee working hours, prohibits overtime work in violation of regulations, and ensures that employees have adequate rest time. In terms of leave entitlements, the Company fully guarantees statutory holidays, paid annual leave, sick leave, maternity leave, and other types of leave, encouraging employees to balance family and personal development alongside their work. The Company firmly believes that respecting employees' right to rest and leave is the cornerstone of enhancing employee well-being, stimulating organizational innovation, and achieving sustainable corporate development.

During the reporting period, employees took an average of **16.3 days** of paid annual leave.

Standardizing the management of labor service providers. The Company has formulated the Measures for the Administration of Labor Employment, standardizing the management of labor service suppliers throughout the entire process from access and engagement to supervision. Each subsidiary has established an annual assessment and elimination mechanism, with a particular focus on evaluating workplace safety, labor contracts, wage payment, social insurance, and personnel qualifications. Labor service providers that fail the assessment or cause safety incidents due to inadequate management will categorically not have their contracts renewed, thereby ensuring that labor employment is compliant, safe, and controllable.

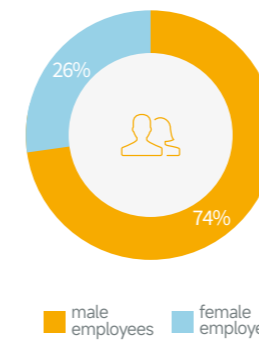
I Ensuring Equal Employment Opportunities

The Company strictly adheres to national laws and regulations such as the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, the Employment Promotion Law of the People's Republic of China, and the Law on the Protection of Minors of the People's Republic of China, while also aligning with international human rights standards and relevant local regulations and policies. It continuously standardizes labor management. By establishing policies such as the Recruitment Management Measures and the Labor Contract Management Measures, the Company integrates the principles of equality and non-discrimination into every stage of employment, resolutely preventing illegal practices such as child labor and forced labor, and effectively safeguarding the legitimate rights and interests of workers.

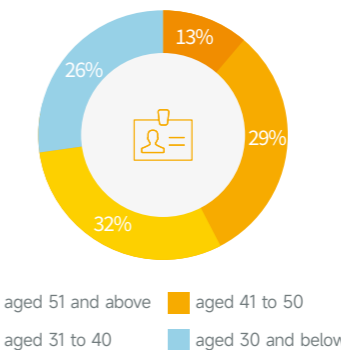
As of the end of the reporting period, the Company employed **1,079** full-time employees, with **36** new hires, including **6** fresh graduates. The labor contract signing rate and social insurance coverage rate both reached 100%, and there were no instances of child labor, forced labor, or other violations.

I Showcasing Diversity

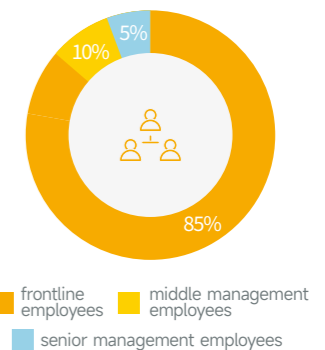
The Company adheres to the principle of equal employment and strictly prohibits discrimination based on race, gender, age, disability, or other factors in recruitment, promotion, compensation, and other processes. It fully complies with relevant local laws and regulations and actively promotes the career development of female employees, supports employment for individuals with disabilities, and fosters a fair and just working environment. The Company firmly believes that a diverse workforce is a key source of innovation and sustainable development.



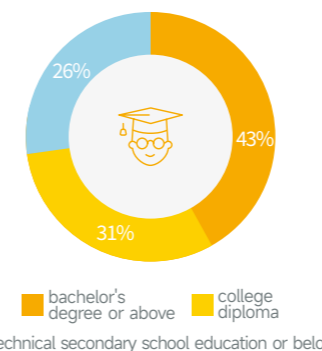
795 male employees
284 female employees



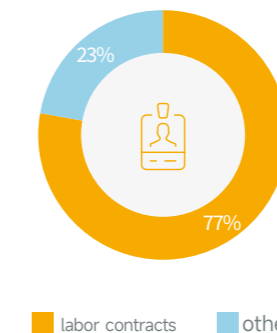
140 aged 51 and above, **314** aged 41 to 50, **345** aged 31 to 40, **280** aged 30 and below



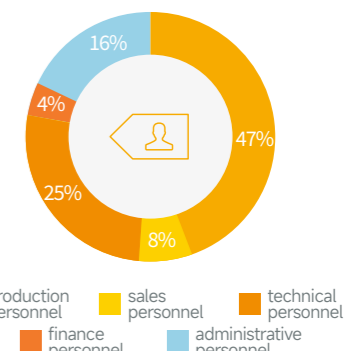
918 frontline employees, **103** middle management employees, **58** senior management employees



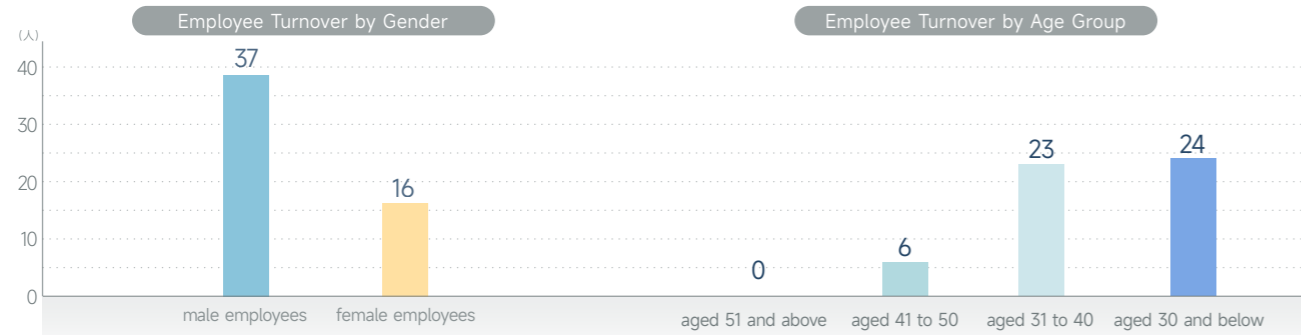
465 with a bachelor's degree or above, **336** with a college diploma, **278** with a technical secondary school education or below.



1,079 with labor contracts, **323** temporary or other types of workers



506 production personnel, **83** sales personnel, **274** technical personnel, **40** finance personnel, **176** administrative personnel.



During the reporting period, the Company's employee turnover rate was **4.7%**, significantly lower than the industry average, indicating that the workforce remained generally stable.

I Emphasizing Talent Development

The Company adheres to the strategy of strengthening the enterprise through talent development and continuously improves its talent management system under the guidance of the "Six Refinements Strategy". By formulating the Position Management Measures, the Company has continued to optimize management mechanisms covering such areas as compensation, talent planning, and training and development. It has also established multiple career pathways for both professional specialization and generalist development, thereby motivating employees to pursue self-improvement and promoting the shared growth of both the organization and individuals, thereby achieving the vision of "refined minds, remarkable grains".

■ Building a Tiered and Categorized Training System

The Company focuses on the core talent groups of the "3+1" support team, specifically targeting key groups such as Party members, directly managed cadres, and key talents. It has innovatively developed a tiered and categorized training system that is guided by Party building, empowered by business needs, fosters talent development at multiple levels, and emphasizes practical experience. Through a dual-track program design that combines precise empowerment by tier and category with comprehensive training for specialization and versatility, the Company ensures a two-way linkage between strategic needs and employee growth. At the beginning of the year, the Company formulated and implemented the 2025 Education and Training Plan, which systematically outlines learning paths for different business lines and talent groups.

Target Audience	Group talent development programs	China Resources Chemical Materials talent development programs				
CR Group directly managed cadres	Group Executive Training Training for Deputy Managers Directly Managed by the Group	"3+1" branch talent team development program				Party building special programs
		Business Management Sequence - M	Technology R&D Sequence - R	Professional Sequence - P	Skills Sequence - S	Party building and Youth League affairs sequence
Business unit directly managed cadres	Group Young Talent Program China Resources Way Training Program	Leading Talent Program - development for Company directly managed cadres				Special program on the spirit of the "Two Sessions" and the spirit of the Eight-Point Decision
		Training Program for Newly Appointed Directly Managed Cadres - bridging competency gaps for new positions				Joint Training Program
Business unit middle-level cadres (manager level)		Elite Talent Program (Chemical Materials Outstanding Young Talent Class) - reserve development for Company directly managed cadres	Outstanding Talent Program - development of the Company's scientific and technological talent	Training Program for "Six Refinements Strategy"		
		Empowerment Training for Middle-level Cadres - bridging competency gaps for current positions		Talent Development Program for Organizational Work Professionals		
Business unit key employees		Innovation Lecture Hall - fostering the Company's innovation culture		Industrial Digitalization Training Program	Empowerment program for Youth League cadres	
				Empowerment training for frontline team leaders	Young Marxists Training Program	
Business unit general employees				Training and certification for assessors of vocational skill evaluation		
				Vocational skill level evaluation	Empowerment program for Party affairs workers	
				Development of newly hired employees	Study of Party discipline and Party regulations	

During the reporting period, the Company's total investment in employee training amounted to RMB **1.432 million**, with **63** training sessions conducted. The training coverage rate reached **100%**, and a total of **1,079** employees participated in the training.

■ Promoting Key Talent Development Projects

Talent Pipeline Development Project. In line with the concepts of agility in organization and talent rejuvenation, the Company focuses on reviewing and organizing the "talent pool", designing talent growth pathways. Through training sessions such as "Leading Talent," "Skilled Talent," and "Outstanding Talent", the Company implements targeted training projects in a tiered and categorized manner. A total of **8** training projects were completed throughout the year, covering **209** participant attendances.



Leading Talent Program: Leadership Empowerment Project



Skilled Talent Program: Young Cadre Training Class (Fourth Session)

Talent Pipeline Development Project



Outstanding Talent Program: Technology Talent Training Class (Third Session)



"Future Stars" Campus Recruitment New Employee Training Program

Functional Support Projects. Aligned with the Company's strategic objectives, the Company continues to advance benchmarking improvements and organizes action learning initiatives. A total of **36** training projects were completed throughout the year, covering **2,411** participant attendances.



Organizational Work Line Training Project



Precision R&D



Refined Procurement



Lean Production



Precision Marketing



Smart Investment



Energized and Enthusiastic

Strengthening Talent Team Development



Advancing Organizational Transformation

The Company achieve substantial increase in labor productivity through promoting a **1.5-level** organizational reshaping and optimizing the “**three clarifications**” plan.



Optimizing Personnel Structure

The Company has reduced the number of directly managed cadres and promoted competitive recruitment for key positions. The number of cadre positions has been streamlined from 60 to **39**, and **341** key core positions have undergone competitive recruitment.



Strengthening the Talent Pipeline

The Company has established a training system for scientific talent, Hong Kong talent, and postgraduate talent in engineering, and has improved its tiered and categorized training mechanism. Over the course of the year, the Company recruited **24** scientific talents, **3** high-level talents, and recognized **2** core talents.

Supporting Employee Growth

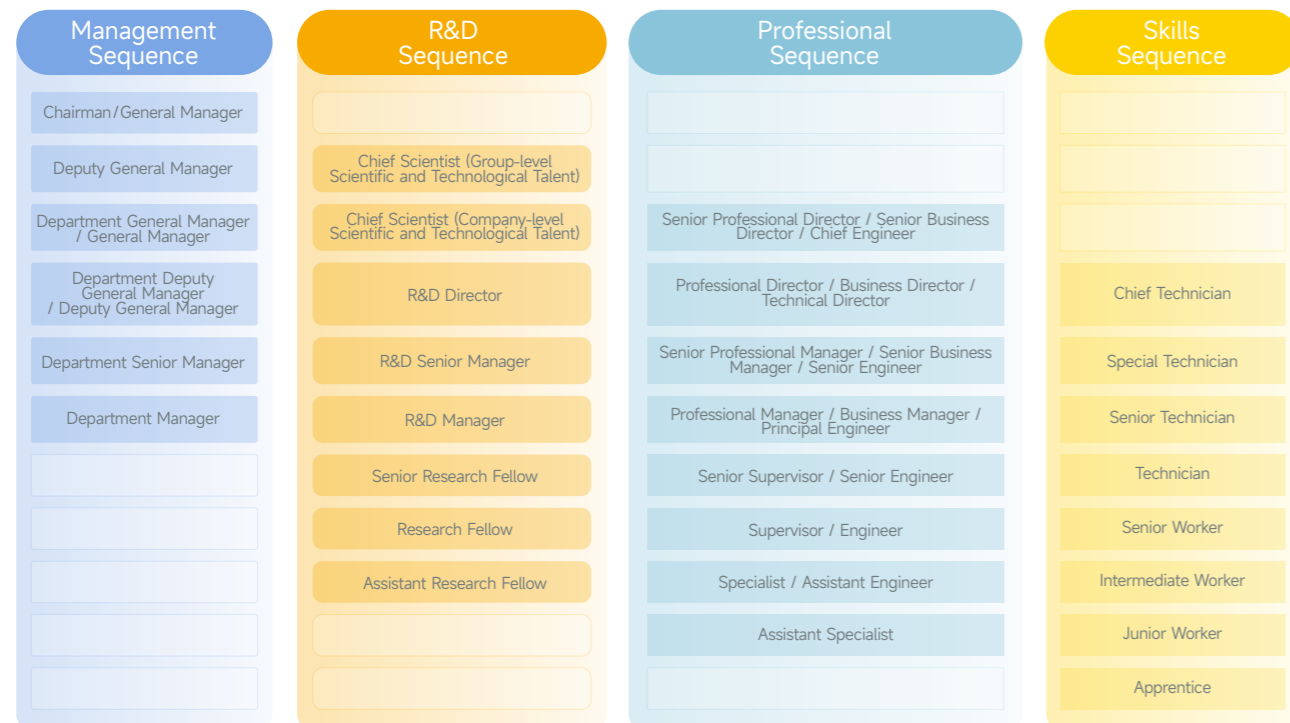
The Company has optimized four career streams: management, R&D, professional, and technical streams, fully opening up career development pathways for employees and expanding diverse promotion opportunities, further boosting employees' enthusiasm for innovation and entrepreneurship.

Innovating Talent Recruitment Channels

The Company actively expands recruitment channels and continuously enriches recruitment resources and channels to provide strong support for attracting highly skilled and scarce talent.

Improving the Incentive System

The Company is simultaneously building a diversified talent incentive mechanism, enhancing compensation and performance policies, and providing institutional guarantees for retaining internal core talents and attracting high-end external talents. This approach continuously strengthens the stability and competitiveness of the talent pool.



Safeguarding Health and Safety

The Company continues to deepen the EHS Strategy, deeply implementing the EHS Responsibility Management Measures, and continuously improving safety production management, emergency management systems, and occupational health management. Through enhanced training, awareness campaigns, and safety drills, the Company has built an EHS training system that covers all employees, with tiered and categorized training. Special training is conducted in key areas such as energy and carbon management, chemical process safety, environmental monitoring, occupational health, and accident prevention, aiming to comprehensively enhance employees' EHS awareness and professional capabilities, ensure the effective implementation of systems, and foster a safe and healthy working environment. This effort helps to lay a solid talent foundation for the Company's green and low-carbon development.

Safeguarding Occupational Health

The Company places a high priority on the physical and mental well-being of its employees and strictly implements national policies and directives, including the Opinions of the State Council on Implementing the Healthy China Action and the National Plan for Prevention and Control of Occupational Diseases (2021-2025). The Company continuously improves its occupational health management system. It has established occupational health management regulations and health records for employees, refining the institutional framework and continuously optimizing the working environment.

For employees in special jobs, the Company provides necessary personal protective equipment (PPE) and installs protective facilities such as dust collectors at work sites to prevent occupational diseases. It strengthens the identification, control, and supervision of occupational health risks. Additionally, the Company regularly organizes occupational health checkups for employees, conducts ongoing occupational health education and awareness training, and continually enhances employee health awareness and participation, ensuring the protection of employees' occupational health rights.



Occupational Disease Prevention and Control.

The Company strictly adheres to the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases and other relevant laws and regulations. It has established a comprehensive occupational disease prevention and control management system, developed the Occupational Disease Hazard Incident Handling and Reporting System and the Emergency Rescue Plan for Occupational Disease Hazard Incidents, and continuously improves its mechanisms for preventing and managing occupational health risks and emergencies. The EHS Committee oversees and coordinates the efforts, with the EHS Department taking the lead and collaborating with production departments and the Comprehensive Management Department, ensuring a clear division of responsibilities and an effective occupational disease prevention and control organizational structure.

Training and Drills Mechanism

Implementation Measures	Implementation Measures
Emergency Knowledge Training	Employees are trained in first aid skills such as cardiopulmonary resuscitation (CPR) and bandaging.
Regular Drills	Organize emergency rescue drills.
Awareness Education	Conduct regular occupational health training.
Material Support	Ensure the availability of sufficient rescue materials and equipment.

During the reporting period, the employee occupational health checkup rate reached **100%**, and no occupational disease cases were identified.

Health Management for Special Positions. For positions involving the use of radiation sources and other special jobs, the Company has established a radiation safety management system and an emergency response plan, specifying responsible managers and emergency organizational structures. The Company strictly enforces requirements such as certified personnel, personal dose monitoring, radiation monitoring of work areas, and health record management, and regularly commissions third-party organizations to conduct testing and evaluations. These measures ensure that the radiation workplace and personnel dose monitoring results meet the required standards.



Strengthening the Safety Defense Line

The Company adheres to the management philosophy of "Safety First, Prevention First, Comprehensive Management". With the support of the Occupational Health and Safety Management System Certification, the Company has established a safety production management system that covers the entire process of bottle-grade polyester chips and PETG specialty polyester R&D and production.



Practical Drills



Fire Drill



Occupational Health and Safety Management System Certification Certificate of Zhuhai

During the reporting period, the Company continued to strengthen safety production management. A total of **48,680** hours of safety training were conducted throughout the year, with safety production investments amounting to RMB **1.35** million.

Enhancing Emergency Response Capabilities

Strengthen Emergency Drills to Enhance Response Capabilities. To improve safety and emergency management standards and enhance emergency response capabilities, the company regularly organizes emergency drills for unexpected environmental incidents. These drills focus on strengthening the ability to handle sudden situations. A total of 52 drills were conducted throughout the year, with 729 participants, covering various safety scenarios. This has effectively improved the contingency planning system and enhanced employees' emergency response skills.



On March 14, 2025, the Changzhou base organized an emergency drill for a high-temperature EG leakage accident, with 20 participants, including process team members and department managers. By regularly conducting emergency drills, the company tests employees' emergency response capabilities in a practical, real-world context, promotes the construction of the emergency management system, strengthens the emergency response coordination mechanism, and reinforces the ecological and environmental protection defense.



On November 27, 2025, the company invited the Xinbei District Fire Brigade of Changzhou City to conduct comprehensive fire emergency training.



On April 27, 2025, the company organized a practical drill with the theme of "Material Package Collapse and Human Crushing," aimed at testing the feasibility of the emergency plan through real-life scenarios and training the emergency rescue team's practical capabilities.



On August 21, 2025, the company conducted a photovoltaic fire drill. A simulated fire point was set up in the inverter room, and the inspection personnel promptly detected the fire and immediately activated the emergency plan. Throughout the drill, all teams coordinated effectively, which successfully tested the scientific and operational feasibility of the emergency plan.



To effectively improve the emergency response capabilities for high-temperature EG leakage accidents, on July 21, 2025, the Changzhou base conducted a drill on the on-site disposal plan for high-temperature EG leakage. The drill was carried out in a tense and orderly manner, with clear division of labor among the teams and excellent coordination, achieving the expected objectives.



To improve the handling capabilities for hazardous chemical leakage, ensure the personal safety of employees during production, and reduce accident losses, on May 30, 2025, the company conducted a phenol-tetrachloroethane leakage drill. The participants responded to the emergency promptly and effectively, achieving the set objectives.

Optimize material allocation to strengthen emergency support. All grassroots enterprises of the company have comprehensively carried out emergency material inspections and inventories, systematically assessing the status of emergency personnel, technology, materials, and equipment. Resources have been optimized, and an emergency response system with both regular and emergency capabilities has been established. Grassroots enterprises have promptly replaced near-expiry materials, ensuring that the existing emergency supplies are intact, sufficient, and within their validity period.

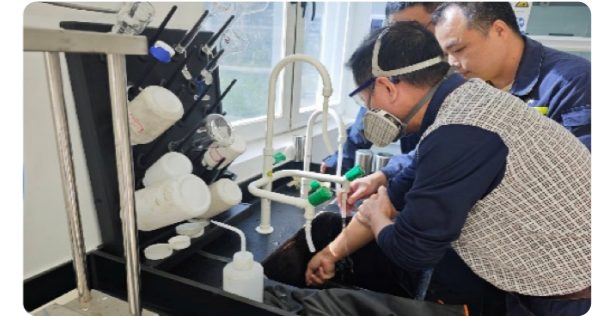


Strictly Control Chemical Risks

The Company strictly complies with the Law of the People's Republic of China on Work Safety, the Regulations on the Safety Management of Hazardous Chemicals, the Regulations on the Administration of Precursor Chemicals, and the Measures for the Public Security Administration of Explosive-Prone Hazardous Chemicals. During the reporting period, the Company issued the Provisions on the Safety Management of Hazardous Chemicals in the Technology Center to further standardize the safety management of hazardous chemicals in research and development and analytical testing, and to ensure safe use and disposal. The Company attaches great importance to personnel safety and emergency response capability building in chemical operations, integrates Environment, Health and Safety (EHS) management requirements throughout the entire chemical use process, implements full-chain safety management for hazardous chemicals under the "one matter, one chain" approach, and strengthens tiered control of major hazard sources and accountability assignment. Each base completed hazard identification and rectification and achieved dynamic risk control, with a **100%** rectification rate for hazardous chemical hazards throughout the year. In response to emergencies such as chemical burns, the Company regularly organized special emergency drills, simulating key procedures including on-site cordoning, personnel evacuation, emergency flushing, casualty rescue, information reporting, and medical transfer after an accident, in order to test the operability of emergency response plans and the efficiency of on-site coordination.



Through these drills, the Company further strengthened employees' understanding of the hazardous characteristics of chemicals and emergency response procedures, enhanced the self-rescue and mutual rescue capabilities as well as emergency response capacity of personnel in relevant positions, continuously improved the allocation of emergency supplies and on-site response mechanisms, and ensured that risks can be quickly and effectively controlled in emergency situations, thereby minimizing the impact of chemical accidents on employee health and production operations.



Hazardous chemical burn drill site in May 2025

Hazardous chemical burn drill site in November 2025

Promoting Democratic communication

The Company adheres to a democratic management system for factory affairs disclosure under the unified leadership of Party organizations, administrative operation, disciplinary inspection and supervision, day-to-day responsibility of labor unions, and broad employee participation, continuously deepens democratic management, advances factory affairs disclosure, and effectively safeguards employees' rights to know, participate, express, and supervise.

Improve institutional safeguards. The Company has formulated the Staff Representative Congress System (Implementation Rules), clearly defining key matters such as the composition, powers, and rules of procedure of the Staff Representative Congress, effectively incorporating democratic management into the Company's internal control management system and ensuring that democratic management is rule-based and standardized in operation.

Deepen factory affairs disclosure. Upholding the principle of openness and transparency, the Company discloses matters of broad employee concern, including production and operation conditions, financial status, personnel appointments and removals, as well as other hot, focal, and sensitive issues, through various channels such as the Company's internal EIP system and bulletin boards. By adopting both prior disclosure and post-event disclosure, the Company proactively accepts employee supervision and enhances management transparency.

Strengthen labor union organizations. During the reporting period, the construction of labor union organizations at all levels of the Company progressed steadily.



On November 13, 2025, Changzhou Base held the first trade union Congress and workers' Congress, deliberated and adopted relevant documents, and elected the trade union committee, the fund review committee, the labor mediation committee and the women workers' committee to lay a solid foundation for the standardization of grass-roots trade unions.



On December 8, 2025, Zhuhai Base held the third Plenary meeting of the third trade union member Congress to further strengthen the participation of workers and the protection of their rights and interests.



On December 24, 2025, the company held the fourth member Congress of the trade union to elect a new trade union team. Yan Xianjun, Secretary of the Party Committee and chairman of the board of directors of the company, put forward the requirements of "the same direction of strategy, the same frequency of reform, the same heart of workers and the same creation of brands".

I Delivering Employee Care

The Company attaches great importance to employee care and support, and continues to improve assistance mechanisms for employees in need and health support systems, effectively enhancing employees' sense of fulfillment and well-being.

Targeted support for employees in need. Throughout the reporting period, the Company implemented multifaceted employee assistance programs, extending aid to **42** employees facing financial difficulties with total disbursements of RMB **77,000**. The Company conducted home visits to **2 households** of needy employees and provided specialized care to **16 ill employees**. Through these concrete support measures, the Company effectively alleviated practical hardships for employees and their families while delivering organizational warmth and care.



The Company cares for employees in need and delivers the warmth of the organization through in-person support.

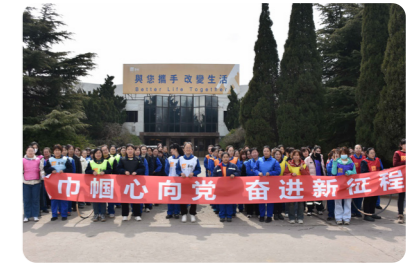
Enrich cultural life. The Company attaches importance to employees' physical and mental well-being and cultural development. During International Women's Day, it organized a series of care initiatives, including miniature landscape making, health care activities, movie viewing, and the fun event themed "Showcasing Women's Charm, Sharing Happiness Together", creating a positive atmosphere of caring for and respecting employees. On November 15, 2025, the Company organized employees to participate in the "Discover Changzhou · 2025 Urban Orienteering Challenge", enhancing employee cohesion and showcasing a positive and progressive spirit through teamwork and sports competition.



"Discover Changzhou 2025 City Orienteering Challenge"



"Discover Changzhou 2025 City Orienteering Challenge"



Women's Day "Graceful Women, Joyful Togetherness" Team Building Event



Women's Day Movie Screening Activity



Women's Day Wellness Initiative



Women's Day Miniature Landscape Making Activity

Advancing Customer Value Co-creation¹

I Ensuring quality and safety

■ Improving the quality management system

The Company is committed to establishing and continuously enhancing its product quality management system. Through end-to-end, systematic institutional development and process optimization, it has laid a solid foundation for delivering exceptional product quality.

During the report period, the Company has formulated the 2025 Quality Objectives and Management Plan.

The Company passed the ISO 9001 recertification audit and expanded the scope of quality management system certification to include the Zhuhai base's 500,000-ton PET business and 50,000-ton PETG new materials business. It also tracked updates to national standards for bottle-grade PET and formulated, updated, and improved PET product quality standards. The Company exercised strict control over product quality and engaged authoritative third-party testing institutions to conduct annual inspections, confirming that its products complied with national standards and related requirements of U.S. FDA. By setting qualification rate targets for various raw materials, auxiliary materials, and packaging materials, the Company strictly controlled quality risks at the source, ensured production stability and product reliability, and enhanced customer satisfaction.



Zhuhai Base Quality Management System Certificate

Changzhou Base Quality Management System Certificate

During the reporting period, the coverage rate of the Company's ISO 9001 quality management system certification reached **100%**, and no major liability accidents related to product and service safety or quality occurred.

■ Building a Solid Foundation of Quality Development

The Company thoroughly implemented the Outline for Building a Quality Nation and the arrangements for Quality Month activities, adhered to quality improvement as the core, full participation as the foundation, and improvement and innovation as the driving force, and systematically advanced key tasks such as cultivating quality awareness, strengthening skills training, optimizing and improving systems, and implementing improvement projects, thereby continuously consolidating the foundation for quality development and providing strong support for the Company's high-quality development.

Strengthening communication and training to enhance quality awareness. The Company gave full play to the role of various media platforms, including newspapers, websites, social media, mobile platforms, and screens, and carried out quality communication through DCS screens, elevator advertisements, and display boards in canteens and workshops. It also systematically organized training on quality knowledge and skills. At the Changzhou base, the Company conducted special study sessions on the Outline for Building a Quality Nation and specialized training on PET export tank truck control and product quality standards, while the Zhuhai base organized quality awareness training under the theme of "Product Quality Is No Small Matter."

Organizing skills competitions to strengthen professional capabilities. During the reporting period, the Changzhou base held the "Runxincai" Craftsman Cup Chemical Inspector Operational Skills Competition and the Electromechanical and Instrument Maintenance Skills Competition.



The 4th "Runxincai" Craftsman Cup Chemical Inspector Operational Skills Competition at China Resources Chemical Materials Changzhou Base

Optimizing system management and preventing and mitigating risks. In response to the increase in complaints related to sea freight packaging, the Changzhou base carried out a special improvement initiative, developed quality supervision and inspection checklists for sea freight packaging and tank trucks, and refined the management requirements for in-vehicle samples; the Zhuhai base organized comprehensive inspection and rectification measures to address impurity risks during the sea freight packaging process.

Advancing improvement projects and enhancing quality competitiveness. The Changzhou base tackled and resolved the issue of negative deviation in truck scale measurements and optimized the daily maintenance process; it also promptly identified and addressed the hidden risk of holes in the connecting fabric bag between the pelletizer drying box and the vibrating screen. In mid-to-late September 2025, the Changzhou and Zhuhai bases organized lean improvement project evaluations, with each base selecting two high-quality projects.

Carrying out internal and external exchanges and expanding industry influence. The Company strengthened its work on the value assignment of national standard samples for bottle-grade polyester chips at Yizheng Chemical Fiber; the Changzhou base also carried out special quality communication activities for outsourced personnel in response to quality-related issues.

Organizing knowledge competitions and consolidating the quality foundation. The Company actively organized all employees to participate in the National Total Quality Management Knowledge Competition for Enterprise Employees, achieving a participation rate of 84.67% and an average score of 96.44.

■ Standardizing Product Identification Management

The Company formulated the Product Identification and Traceability Control Procedure, setting out specific requirements for product identification to ensure that information such as product composition, specifications and models, and production batches is accurately labeled, thereby facilitating quality traceability and customer identification.

During the reporting period, the Company did not record any violations related to product and service information labeling.

I Optimizing Customer Service

Improving the customer complaint handling mechanism. The Company formulated the Customer Complaint Handling Procedure, clearly defining the customer complaint handling process and related responsibilities to ensure that customer feedback is addressed effectively and promptly. The handling process covers six stages, namely acceptance and registration, cause analysis, classified handling, final disposition, customer response, and corrective and preventive actions, thereby achieving closed-loop management of complaint handling.

Establishing a product recall mechanism. The Company formulated the Product Recall Control Procedure, clearly defining the triggering conditions, organizational process, and handling measures for product recalls. When a product is found to have quality defects or safety hazards, the recall procedure is initiated, including product recall proposal, establishment of a recall team, preparation of a recall plan, launch of the recall, handling of recalled products, corrective actions and improvements, and recall reporting.

During the reporting period, the Company did not experience any product recall incidents.

Deepening customer satisfaction management. Upholding the principle that quality is the core competitiveness for an enterprise's survival and development in the market environment, the Company remains committed to providing customers with high-quality services in a dedicated and responsible manner, and organizes customer satisfaction surveys to continuously improve customer service standards.

During the reporting period, the Company received a total of 4 complaints related to products and services, all of which were responded to and handled in accordance with relevant requirements, resulting in a 100% complaint handling rate. Among them, customer satisfaction reached 96.60% for PET and 94.83% for PETG.

Carrying out compliant and honest marketing. The Company strictly complies with laws and regulations such as the Law of the People's Republic of China on the Protection of Consumer Rights and Interests and the Advertising Law of the People's Republic of China, and ensures compliance by improving institutional frameworks and standardizing business processes. In business activities such as contract signing and product promotion, the Company strictly abides by all applicable laws, regulations, and internal rules, provides customers with objective and truthful information, rejects false publicity, and avoids exaggeration, risk concealment, and excessive marketing, thereby fulfilling its responsibilities to customers.

During the reporting period, the Company did not record any violations related to marketing communication.

I Providing Green Solutions

■ Innovating Green Transportation Models

The Company has innovated its transportation models. During the reporting period, sea freight packaging transportation accounted for one-third of the Company's total annual deliveries, representing a year-on-year increase of **26.5%**.

Sea freight packaging delivery covers the entire process, including preliminary planning and container loading, logistics vessel schedule tracking, in-transit change monitoring, and receipt coordination with terminal plants. In response to contingencies such as port congestion and container rollovers, vessel suspension, and shipping delays caused by weather conditions, the Company has established a sound emergency response system and prepared multiple contingency measures in advance. To meet customers' needs for frequent production plan adjustments due to peak and off-peak seasons, the Company rapidly assessed all available options and made prompt decisions to adopt more cost-effective and flexible solutions, which were widely recognized by customers.

Terminal transport vehicles for sea freight packaging deliveries comply with China VI fuel standards or new energy standards, enabling a green, low-carbon, and environmentally friendly transportation model. This approach not only provides customers with efficient and safe transportation services, but also enhances customer trust, creates value for customers, and helps protect the blue planet. The model has effectively prevented disruptions to customers' production lines and ensured the stable supply of downstream beverages.

During the reporting period, the Company received the **"Core Supply Strategic Partner Award"** from COFCO Coca-Cola Beverages (Hebei) Co., Ltd.



■ Customized Supply Chain Solutions

As a supplier to Tricon, a core strategic partner in the export market, the Company focuses on its key needs for raw material stability, timely delivery, and cost competitiveness. Through regular senior management engagement, periodic visits, and in-depth meetings, the Company accurately identifies the personalized standards of end customers in areas such as intrinsic viscosity, transparency, and environmental certification for bottle-grade polyester chips, ensuring a high degree of alignment between product supply and end-market demand.

The Company conducts in-depth analysis of trade policies in target end markets and accurately captures key rules such as anti-dumping duty rates and tariff preference terms, thereby providing customers with tailored integrated supply chain solutions. It has innovatively adopted a flexible trading model combining annual long-term contracts with batch performance under spot orders, effectively helping customers hedge against raw material price fluctuations and strengthen their cost advantages. In parallel, the Company provides professional technical guidance throughout the entire process to ensure the stable operation of end customers' production processes and support improvements in production efficiency and product quality.

By empowering customer growth through professional services and reinforcing the foundation of cooperation through deep collaboration, the Company continues to strengthen partnership stickiness, effectively helps customers enhance their competitiveness in end markets, and drives the steady growth of order volume and market share for both parties, thereby achieving mutual success in corporate development and customer value enhancement.



Visit and exchange with Tricon, the core strategic partner for export

Building a Responsible Supply Chain Network¹

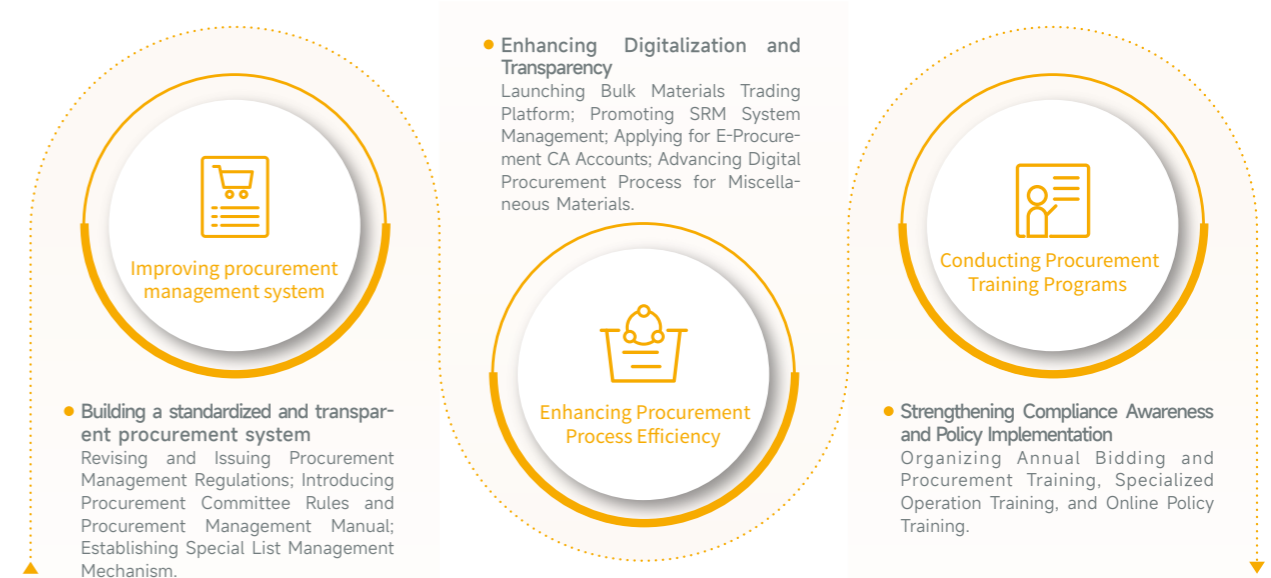
I Improving Supply Chain Management

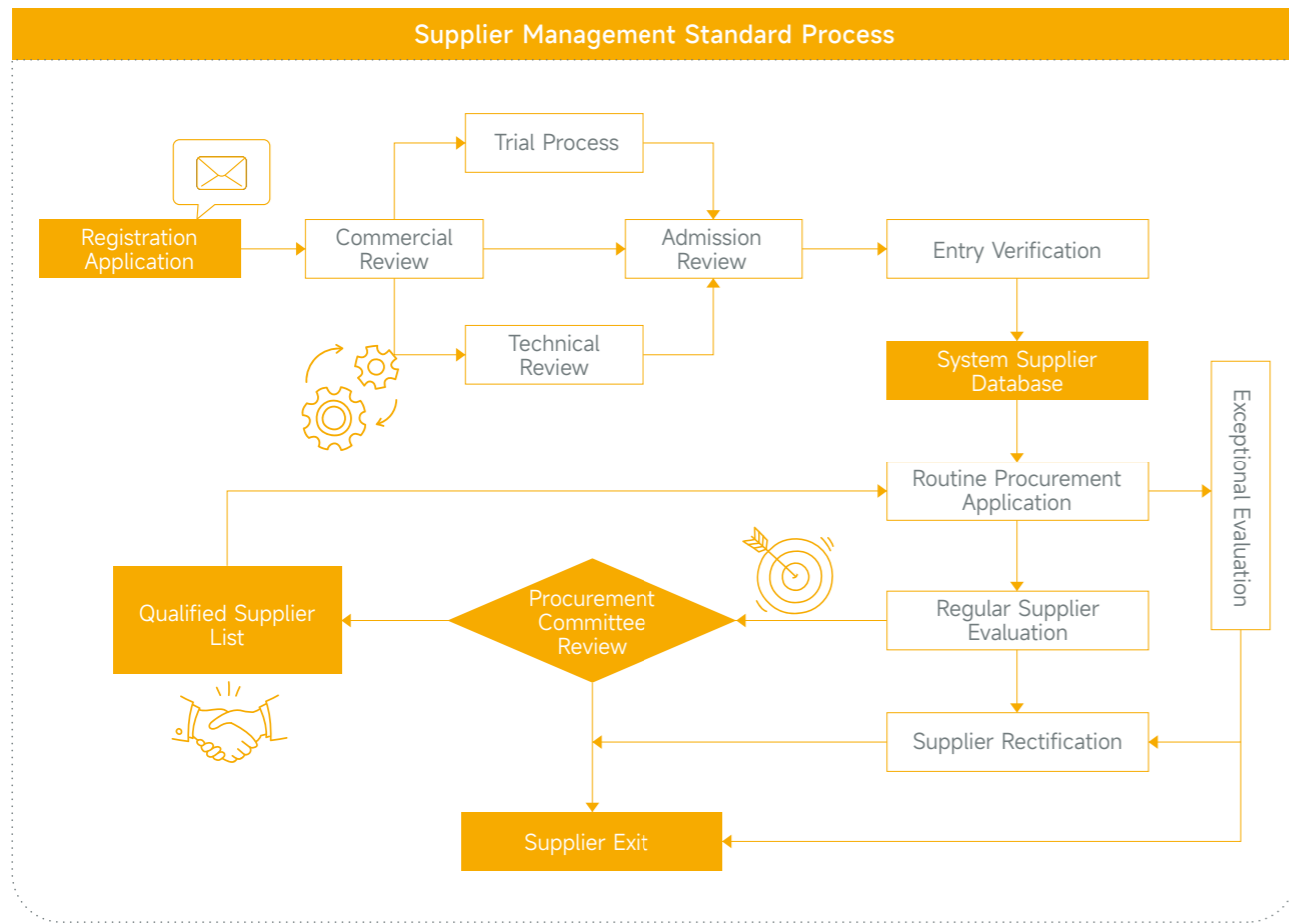
The Company has established and implemented the Supplier Management Measures and continues to improve its supplier management system. By identifying and controlling supplier performance risks and applying classified and tiered management, the Company promotes the development of a stable, transparent, and sustainable supply chain system.

Adhering to transparent procurement. The Company follows the principles of fairness, openness, and impartiality in transactions, signs the Sunshine Declaration with its partners, keeps reporting and supervision channels open, strengthens joint integrity building, and works together to prevent commercial bribery and improper conduct.

Advancing a green supply chain. The Company has formulated the Work Plan for Green Supplier Evaluation to systematically advance the implementation of green supplier evaluation. By specifying environmental protection requirements in contracts, conducting regular on-site environmental reviews, and encouraging suppliers to obtain environmental product certifications, the Company guides and promotes suppliers to improve their environmental management capabilities and works with partners to advance the green and low-carbon transition.

Improving procurement governance mechanisms. The Company continues to improve its procurement management system, enhance the efficiency of procurement processes, and strengthen compliance awareness and the execution of institutional requirements.





I Strengthening Risk Management

The Company attaches great importance to supply chain security and resilience, and integrates supply chain risk management throughout the entire process of supplier admission, evaluation, cooperation performance, performance assessment, and exit management, while continuously improving its supplier management system. Adhering to the management principles of openness and transparency, fair competition, honesty, and good faith, the Company strengthens the prevention and control of compliance, quality, delivery, and EHS risks in the supply chain through classified and tiered management, dynamic evaluation mechanisms, and blacklist control measures, thereby building a stable, reliable, green, and sustainable supply chain ecosystem and ensuring the stable operation of production and business activities.

During the reporting period, the Company organized a total of **58 hours** of ESG training for suppliers, covering **196** participant attendances.



Control links	Risk points/Key Focus Areas	Main measures	Output results/management tools
Supplier Admission	Non-compliant Supplier Qualifications, Insufficient Performance Capacity, Potential Quality and EHS Risks.	Establishing Supplier Admission Mechanism; Strictly reviewing supplier qualifications, capabilities, and credit information; conducting multi-dimensional assessments of key suppliers to ensure reliable sources and qualified quality.	Supplier Admission Review Records, Supplier Database, Qualification Archives.
Supplier Classification and Grading Management	Key Supplier Disruption Risks, Unstable Supply Chain Structure, Dispersed Control Resources.	Implementing Supplier Classification and Grading Management Managing suppliers by importance level (Categories A/B/C/D); implementing focused control for core suppliers and differentiated management for general suppliers.	Classification and Grading List, Qualified Supplier Register.
Supplier Performance Assessment	Delivery Delays, Quality Abnormalities, Insufficient Service Capability, Unstable Performance.	Establishing Dynamic Assessment Mechanism Evaluating suppliers from dimensions of quality, commerce, and on-site management; regularly reviewing contract performance.	Supplier Assessment Score Sheets, Performance Monitoring Records.
Supplier Evaluation Management	Supplier Risks Not Timely Identified, Declining Partnership Quality, Non-transparent Performance.	Implementing Supplier Evaluation Management Classifying suppliers as Excellent, Good, To Be Rectified, or Unqualified based on annual comprehensive assessment scores; updating qualified supplier list and cooperation strategies accordingly.	Annual Supplier Evaluation Results, Qualified/Blacklist Register.
Supplier Exit Mechanism	Inefficient Long-term Partnerships, Persistent Non-compliant Suppliers, Risk Transmission to Production.	Establishing Supplier Exit Mechanism Defining clear exit standards and procedures; implementing exit management for unqualified, poorly managed, or seriously non-compliant suppliers to reduce systematic supply chain risks.	Supplier Exit Records, Exited Supplier List.
Supplier Blacklist Management	Bid Rigging, False Documentation, Major Contract Breaches, Safety and Environmental Incidents, Integrity Risks.	Strengthening Supplier Blacklist Management Establishing supplier blacklist system; banning seriously non-compliant suppliers; blacklisted suppliers ineligible for cooperation within 5 years; identifying and controlling risks of affiliated companies.	Blacklist Supplier Database, Banning Mechanism, Non-compliance Disposal Records.
Integrity and Compliance Partnership	Commercial Bribery, Unfair Competition, Non-compliant Transaction Risks.	Promoting Integrity and Compliance Partnership Adhering to principles of fairness, impartiality, and transparency; strengthening procurement process supervision; reinforcing integrity partnership through agreement constraints and reporting mechanisms.	Integrity Agreements, Reporting Channels, Supervision Mechanism.
Supplier Records and Information Management	Information Gaps Leading to Untraceable Risks, Inability to Review Supplier Historical Performance.	Enhancing Supplier Records and Information Management Establishing supplier records management system covering admission documents, assessment records, evaluation results, and rectification status; achieving full life cycle traceability management.	Supplier Archives Database, Risk Record Ledger, Information Traceability System.
Supply Chain Communication and Collaboration	Insufficient Collaboration and Coordination, Information Asymmetry, Low Supply Chain Efficiency.	Improving Supply Chain Communication and Collaboration Optimizing supplier communication mechanisms; gathering opinions and suggestions through regular mutual visits and satisfaction surveys; enhancing cooperation efficiency and stability.	Supplier Mutual Visit Records, Satisfaction Surveys, Collaborative Improvement Mechanism.
Risk Rectification and Optimization	Inadequate Problem Rectification, Recurring Risks.	Driving Risk Rectification and Optimization Implementing rectification tracking for suppliers to be improved; taking measures of downgrade, suspension, or elimination for suppliers with inadequate rectification.	Rectification Closed-loop Records, Grade Adjustment Mechanism.

Deepening Harmonious Community Development

I Deepening strategic cooperation

The Company proactively engages with external stakeholders including local governments, industry partners, universities, and research institutions, and continues to deepen government-enterprise collaboration, industry-academia-research integration, and industrial chain cooperation to jointly promote technological progress and high-quality industry development. While actively integrating into local economic development, the Company fully leverages both internal and external resource advantages to achieve mutual benefit and win-win outcomes, and continues to contribute the strength of China Resources Chemical Materials to regional economic and social development and the green transformation of the industry.

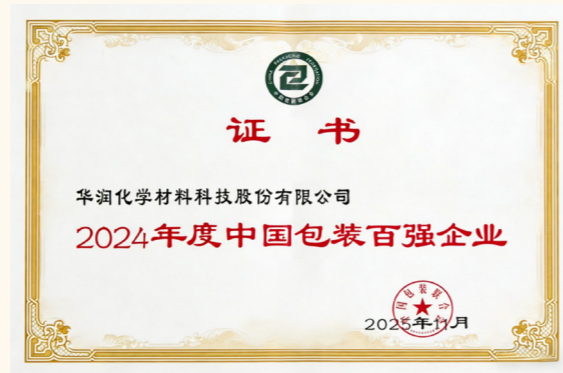
Deepening university-enterprise cooperation and jointly pursue innovation-driven development

Company leadership led delegations to China Plastics Processing Industry Association, Jiangnan University, Hunan University of Technology, and other higher education institutions for discussion and exchange, with a view to advancing university-enterprise cooperation and joint R&D. The parties jointly explored the applications and development trends of packaging materials in the food, pharmaceutical, and cosmetics industries, while actively seeking potential collaboration opportunities in the packaging materials field.



Leveraging association resources to enhance industry influence

The Company actively integrates into the industry ecosystem by becoming a member of the China Pharmaceutical Packaging Association, participating deeply in the formulation of industry standards and policy discussions, and closely following development trends in the pharmaceutical packaging sector. At the same time, the Company was recognized as one of the "Top 100 Packaging Enterprises" by the China Packaging Federation, demonstrating its overall strength and brand position in the packaging industry and continuously enhancing its industry influence and voice.



I Promoting industry development

The Company continues to deepen exchanges and cooperation with new materials enterprises, while strengthening systematic research and forward-looking planning across the new materials industry chain. Leveraging the diverse application-scenario resources of China Resources Group, it works in close coordination with CRB, CR Double-Crane, CR Pharmaceutical Business, NIGALE and CR Beverage to further identify high-quality new materials project opportunities and promote industrial synergy and value co-creation.

Participated in the 37th International Exhibition on Plastics and Rubber Industries and deepened customer collaboration

On April 15, 2025, the 37th China International Exhibition on Plastics and Rubber Industries (CHINAPLAS 2025) opened at Shenzhen World Exhibition & Convention Center (Bao'an). As a leading enterprise in the polyester materials sector, China Resources Chemical Materials participated in the exhibition with its core products, showcasing innovative achievements under the theme of "Harnessing the Power of Technology to Shape a Better Life."



Participated in the 12th World Congress of Chemical Engineering and deepened industrial collaboration

On July 14, 2025, China Resources Chemical Materials, together with China Resources Pharmaceutical, participated in the 12th World Congress of Chemical Engineering (WCCE12 & APCCHE2025). Under the theme of "Biochemical Technology for a Healthier Future," the two companies showcased the innovative applications of core products such as differentiated PET and PETG in the fields of medical devices and medical packaging. They also further deepened integrated cooperation between the chemical and pharmaceutical industries, jointly advancing the development of high-purity, high-performance polyester materials and contributing "China Resources strength" to the coordinated development of the global chemical and pharmaceutical industries.



Participated in the 8th China International Import Expo and signed multiple procurement agreements

From November 5 to 10, 2025, China Resources Chemical Materials participated in the 8th China International Import Expo, where it signed procurement agreements with three internationally renowned chemical companies to ensure the stable supply of key raw materials and strengthen industrial chain collaboration. Meanwhile, at the “Buyer’s Corridor,” the Company showcased its R&D achievements in advanced polymer materials, as well as its achievements in green and low-carbon innovation, through a combination of physical exhibits and graphic displays, attracting many international partners to stop by and engage in discussion.

The Company actively participates in professional exchange activities such as international plastics and rubber industry exhibitions, the Nylon Industry Development Summit Forum, and the Special Engineering Plastics Industry Summit, while strengthening communication and interaction with professional institutions in fields including nylon, film materials, semiconductor materials, and pharmaceutical materials. By continuously tracking industry development trends and cutting-edge technological directions, the Company lays a solid foundation for extending the industrial chain and advancing a diversified business layout.



I Contributing to rural revitalization

The Company actively responds to the national strategy for rural revitalization, proactively integrates into the Group’s rural revitalization framework, and continues to deepen designated assistance and cooperative development efforts to support improvements in rural infrastructure and industrial development.

Supporting the development of Hope Towns. During the reporting period, the Company continued to assign young key employees to Yimeng China Resources Hope Town to participate in township construction, thereby contributing the strength of China Resources Chemical Materials to rural revitalization and common prosperity.

Deepening consumption-based assistance initiatives. The Company actively participated in the 2025 “Central SOEs Spring Festival Consumption Assistance Campaign,” purchasing RMB 102,200 worth of agricultural support products, including RMB 44,600 of agricultural products from Guangchang County, Fuzhou City, Jiangxi Province, a county assisted by China Resources Group. It also participated in the joint consumption assistance initiative “Pooling Strength to Enrich the People and Boost Agriculture” organized by China Resources Group, China National Nuclear Corporation, and COMAC. During the fourth “Central SOEs Spring Festival Consumption Assistance Campaign,” the Company made cumulative purchases of **RMB 319,200**, including **RMB 129,000**

of products from Haiyuan County, Ningxia, a county assisted by China Resources Group, and **RMB 190,200** of agricultural products from Pingshan County, Shijiazhuang City, Hebei Province, a county assisted by other central enterprises and national ministries.

Carrying out industrial assistance cooperation. Since 2021, the Company has provided industrial assistance to Guangchang County Changsheng New Materials Co., Ltd. in Fuzhou City, Jiangxi Province, supporting the company’s development through raw material supply assurance, technical support, and joint Party-building initiatives.

During the reporting period, the Company helped Guangchang County Changsheng New Materials Co., Ltd. reduce raw material procurement costs by approximately **RMB 120,000**.

I Fulfilling social responsibilities

The Company consistently upholds a social responsibility philosophy of “people-oriented development and acting for the greater good,” closely linking corporate development with social well-being. It actively engages in public welfare and charitable initiatives, giving back to society, serving communities, and caring for employees through concrete actions. From red education to urban culture, and from voluntary blood donation to education assistance, the Company measures responsibility through action and conveys warmth through dedication, striving to become a corporate citizen with compassion, accountability, and a strong sense of social commitment, while joining hands with all sectors of society to build a better future.

Public Welfare Education Support to Deliver Warmth

The “A Marathon for a Bag of Milk” charity event

In May 2025, the Company organized a team of 56 employees to participate in Changzhou’s 12th “A Marathon for a Bag of Milk” charity event. Despite temperatures reaching 32°C, they completed a 26-kilometer walking challenge to raise funds for milk donations to children in need. Since 2020, the Company has participated in this event for six consecutive years, and in 2025 it was awarded the honorary plaque of “Caring Organization.”



Red Education for Soul-building and Empowerment

Carrying Forward the Spirit of Resistance and Strengthening the Enterprise in Service of the Nation

In August 2025, the Changzhou Base organized 80 Party members, officials, and frontline employees over three consecutive days to watch the film Dead to Rights. Through the film, they revisited the history of the 1937 Nanjing Massacre, drew inspiration from the fighting spirit of the forebears, and transformed their patriotism and aspiration to build a strong nation into concrete actions to advance the Company’s reform and development.



Remembering History, Strengthening Conviction, Carrying Forward the Legacy, and Courageously Shouldering Responsibility

In September 2025, the Company organized more than 90 employees at its Changzhou Base to watch the film Evil Unbound, in order to further study and implement the guiding principles of President Xi Jinping’s speech at the conference commemorating the 80th anniversary of the victory of the Chinese People’s War of Resistance Against Japanese Aggression and the World Anti-Fascist War, draw lessons from history, and foster a deep sense of patriotism and devotion to the nation.



Voluntary Blood Donation to Safeguard Life

Charity Blood Donation Activity in Changzhou

In March 2025, the Company organized employees to visit the Changzhou Central Blood Station to participate in the public welfare blood donation campaign themed “Donate Blood in Youth, Volunteer for the Future.” Party members took the lead and employees responded actively, taking practical action to help sustain lives.



“Little Green Orange” Volunteer Blood Donation Campaign

In September 2025, the Company organized 48 “Little Green Orange” volunteers to participate in a public welfare blood donation campaign.

Voluntary Blood Donation Activity at the Zhuhai Base

In September 2025, the Zhuhai Base organized eight employees to participate in the third voluntary blood donation campaign of China Resources Group, themed “Donate Blood in Youth, Volunteer for the Future,” helping carry life forward with their blood donation.



Pursuing Thriving Governance, Advancing Together toward a Sustainable Future

China Resources Chemical Materials consistently upholds high-quality development as its strategic guiding principle, systematically advancing key tasks including standardized governance, deepened reform, core business enhancement, and technological innovation. By continuously optimizing its governance structure and efficient operating mechanisms, the Company steadily strengthens its risk prevention and control capabilities and decision-making standards, comprehensively enhances its corporate governance capacity and modernization of governance, and lays a solid foundation for its sound and sustainable development.

Key Indicators

- Held **4** shareholders' meetings
- Held **9** Board meetings
- Overall completion rate of state-owned enterprise reform tasks: **100%**
- **Zero incidents** of commercial bribery and corruption
- **Full employee coverage** of anti-corruption training

UN SDGs



Enhancing the effectiveness of corporate governance

I Standardizing corporate governance

The Company continues to improve its modern corporate governance system and advance the deep integration of Party leadership with corporate governance. It has further strengthened its governance structure composed of the shareholders' meeting, the Board of Directors, the Board of Supervisors, and senior management, while continuously optimizing the division of powers and responsibilities among governance bodies to ensure aligned authority and accountability, coordinated operation, and efficient functioning.

With its Articles of Association as the foundation, governance rules as the key, and internal policies as the basis, the Company continues to enhance its governance system, regularly conducts evaluations of Board operations, and improves the standardization and effectiveness of Board performance. At the same time, it actively participates in the development of the CR Group's director talent pool, standardizes director appointment procedures, strengthens support for director performance, and continuously improves governance effectiveness.

During the reporting period, the operation of the Company's governance bodies was as follows:

Governance Body	Number of Meetings	Matters Considered
Party Committee	36	Considered and reviewed 389 matters of various types, including 36 major operational and management matters subject to prior review
Chairman's Special Meeting	29	Considered 64 agenda items
General Manager's Office Meeting	27	Considered 114 agenda items
Board of Directors	9	Considered 46 resolution items
Board of Supervisors	7	Considered 21 resolution items
Shareholders' Meeting	4	Considered 14 resolution items
Board Specialized Committees	16	2 meetings of the Strategy and Sustainability Committee, 2 meetings

Optimizing the structure of the Board of Directors and its specialized committees.

During the reporting period, the Company's Board of Directors included **three** independent directors, accounting for one-third of the Board, in compliance with the relevant requirements of the Company Law of the People's Republic of China and the Code of Corporate Governance for Listed Companies. The Board members possess professional backgrounds in accounting, finance, economics, chemical engineering, and other fields, as well as extensive industry experience, providing strong support for the Company's strategic decision-making and sound operations.

The Board has established four specialized committees: the Audit Committee, the Strategy and Sustainability Committee, the Nomination Committee, and the Remuneration and Appraisal Committee. These committees have clearly defined responsibilities and operate in a standardized manner. Among them, the Audit Committee and the Remuneration and Appraisal Committee are composed primarily of external directors, effectively strengthening the independence and professionalism of oversight and enhancing the standard of corporate governance and the quality of decision-making.



I Strengthening investor relations

Strengthening information disclosure

The Company strictly complies with laws, regulations, and regulatory requirements relating to information disclosure, and adheres to the principles of truthfulness, accuracy, completeness, timeliness, and fairness. It coordinates the preparation and disclosure of periodic reports, ad hoc announcements, and other documents, and fully and promptly discloses its operating conditions and progress on major matters to investors, thereby effectively safeguarding the right of all stakeholders to be informed.

Deepening investor communication

In accordance with relevant laws and regulations, the Company has formulated the Investor Relations Management Policy and improved its "4R" relationship management system covering investors, media, analysts, and regulators. During the reporting period, the Company regularly carried out activities such as results briefings, investor reception days, institutional research visits, and conference calls through a combination of online and offline channels, while also actively participating in regional collective investor reception events and large-scale investment strategy conferences. The Company has established a dedicated investor hotline and relies on the Shenzhen Stock Exchange's Interactive Easy platform to respond promptly to investor concerns, thereby effectively safeguarding the legitimate rights and interests of investors.

Investor Relationship (IR) Management

The Company regularly monitors and analyzes changes in its shareholder base and responds promptly to investor inquiries. In 2025, it provided responses to a total of 110 investor questions on the Shenzhen Stock Exchange's Interactive Easy platform. The replies were targeted and professional, effectively addressing investor concerns relating to business operations, financial performance, and other relevant matters. The Company also introduced more diverse forms of investor engagement by inviting investors and industry analysts to participate in interviews and site visits, and by conducting interactive exchanges through both online and offline channels. In addition, it held the 2024 Annual Results Briefing to communicate clearly to the market the Company's performance highlights, industry insights, and strategic plans, thereby strengthening investor confidence.

Analyst Relationship (AR) Management

The Company maintains regular communication with industry analysts to share updates on its business operations and industry developments, helping analysts gain an accurate understanding of the Company's development trajectory and promoting deeper research and understanding of the Company in the capital market. Through financial public relations introductions, performance briefings, and active reception of research visits, the Company continues to expand its network of new securities firms and analysts, while continuously improving and enriching its chemical industry analyst contact directory.

Regulator Relationship (RR) Management

Adhering to the principles of proactive communication and active relationship maintenance, the Company maintains sound cooperative relationships in its daily operations with government authorities, the Jiangsu Bureau of the China Securities Regulatory Commission, the Shenzhen Stock Exchange, China Securities Depository and Clearing Corporation Limited, listed company associations, the media, and other listed companies, thereby creating a favorable external environment for its business operations and development. At the same time, it efficiently prepares and submits various reports and documents required by regulatory authorities and intermediary institutions, ensuring smooth coordination with external organizations.

Standardizing the management of inside information.

The Company has established a management mechanism for insiders, standardized the process for external information reporting, and strengthened public opinion monitoring and risk control to promptly grasp market feedback and industry trends, thereby continuously fostering a transparent and prudent image in the capital market.

During the reporting period, the Company released a total of **123** disclosure documents; successfully received one on-site visit and survey by regulatory authorities; actively participated in four online and offline professional training and exchange activities

organized by regulatory authorities and relevant platforms; completed more than **10** feedback submissions on survey questionnaires and special tasks assigned by regulatory authorities; disclosed records of five investor communication activities; and established communication channels with a cumulative total of **70** securities firms, investment institutions, and other stakeholders, while also creating a chemical industry analyst contact directory covering a total of **109** contacts.

I Ensuring full and rigorous Party self-governance

The Company's Party Committee adheres to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era as its guiding principle, thoroughly implements the overall requirements for Party building in the new era, and closely aligns its efforts with the "Six Refinements Strategy" and key tasks. Centered on the main line of "precise theoretical guidance, education-based team strengthening, spirit-centered cultural cultivation, and practice-based effectiveness testing", it has established an ideological and political work system that promotes the effective implementation of Party building at the grassroots level and its deep integration into frontline business operations.

Explore the establishment of a "thematic research + action learning" working mechanism, under which members of the Party committee leadership team take the lead in carrying out targeted research at the grassroots level to advance strategy implementation. In 2025, six research projects covering key areas such as cost reduction and efficiency improvement, technological innovation, organizational restructuring, safety, and environmental protection were promoted and implemented. The "Chemical Materials Development Forum" was carried out to build a mechanism of "discussion - collection - transformation - incentive", fostering a strong atmosphere for lean improvement. The "Six Refinements" Management Lecture Series was launched to enhance the capability and initiative for strategic execution through lectures, case analysis, interactive discussions, and simulation exercises.



the "Chemical Materials Development Forum"

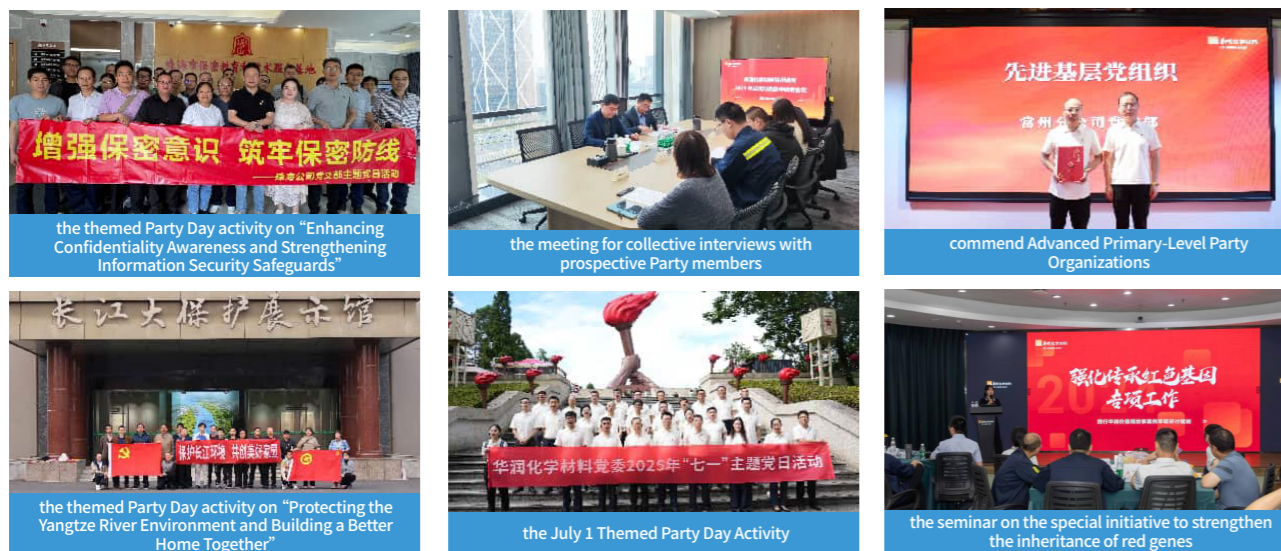
Cost-Efficiency Pioneer Team

the Lean Production Exchange Seminar

offline interactive discussion

Consolidating the foundations at the primary level and strengthen the role of grassroots Party organizations as strongholds for action

In step with business development, the setup of grassroots Party organizations is dynamically optimized, leadership teams are carefully selected and strengthened, and full coverage of Party organizations and Party work is achieved. The requirements of "dual cultivation and one delivery" are implemented, strict quality control is maintained in Party member development, and capacity-building training is carried out for Party branch secretaries and Party affairs personnel. Full implementation of the systems for the "Three Meetings and One Class," themed Party Day activities, and organizational life meetings is ensured, while closed-loop management of organizational activities through "planning-filing-documentation" is promoted to enhance the standardization and effectiveness of grassroots work.



the themed Party Day activity on "Enhancing Confidentiality Awareness and Strengthening Information Security Safeguards"

the meeting for collective interviews with prospective Party members

commend Advanced Primary-Level Party Organizations

the themed Party Day activity on "Protecting the Yangtze River Environment and Building a Better Home Together"

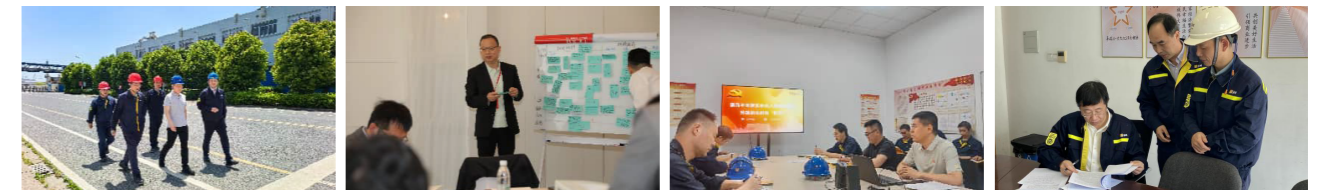
the July 1 Themed Party Day Activity

the seminar on the special initiative to strengthen the inheritance of red genes

Strengthening the integration of Party building with business operations to support production and operational performance

Party branch secretaries take the lead in tackling key challenges through the implementation of the "Secretary Project." The annual Party-building responsibility agreement sets out tailored targets, and Party branch secretaries give full play to the "lead goose effect" by taking the lead in addressing difficult issues that constrain development. Party members are encouraged to strive for excellence through the establishment of a "post-area-team" excellence framework, including Party member demonstration posts, Party member responsibility areas, and Party member vanguard teams. The Party-building themed campaign of "Strengthening Reform and Achieving Targets" is carried out in depth, with specific tasks further refined and broken down, supported by a performance tracking and effectiveness evaluation mechanism featuring monthly follow-up and quarterly reporting. With a focus on cultivating a team of Party affairs personnel who "understand Party building, understand business, and understand management; can speak, can write, and can deliver; and demonstrate strong political competence, professional capability, and work discipline," efforts are being made to explore and establish a "Five-Type Secretary" development framework featuring leadership-oriented, problem-solving, service-oriented, innovation-driven, and integrity-focused secretaries.

Lead Geese Take Charge at the Forefront



Strengthening benchmark leadership and stimulating the momentum for striving for excellence

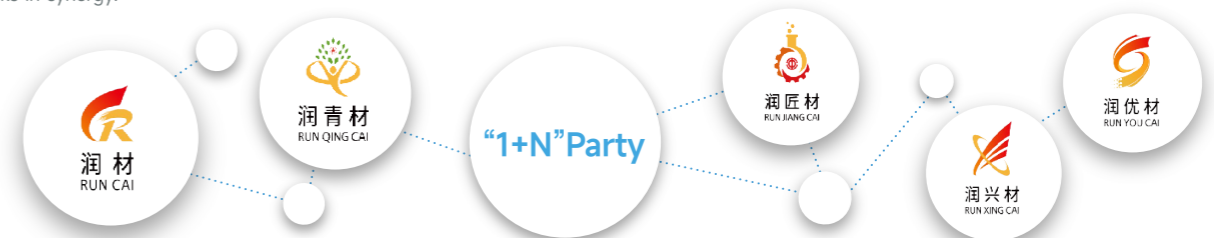
The Company deepens the education and management of Party members and gives full play to their vanguard and exemplary role. It carries out the "Firm in Original Aspiration, Advancing with Run Material" political birthday activities for Party members, using the "Five Initiatives" to awaken their original aspiration for joining the Party and strengthen Party consciousness; organizes the "Party Emblem Shines, Posts Shine" activity for Party members to display their identity, inspiring their awareness to take the lead and set an example; launches the "Pioneers Taking the Lead, Tackling Challenges on the Front Line" commitment-fulfillment activities, encouraging Party members to charge ahead, conduct research, and take action on the front line; and conducts the "Run Material Pioneers Leading the Way and Making Contributions" campaign for Party members to strive for excellence, selecting model Communist Party members on a quarterly basis, identifying advanced Party member role models across different periods and levels, commending and publicizing them, and promoting Party members to play a demonstrative and leading role in production and business operations, thereby making their vanguard and exemplary role concrete and visible.

Reinvigorated and united for breakthroughs



Building Party-building brands and creating distinctive identities

The Company's Party Committee has established the core Party-building brand "RUN CAI", exploring the implementation of the "Five Leadership" initiatives of banner leadership, fortress leadership, leading by example, pioneer leadership, and development leadership. Highlighting the characteristics of each base, the Changzhou base has created the sub-brand "RUN YOU CAI", while the Zhuhai base has established the sub-brand "RUN XING CAI". At the same time, by promoting coordination among mass organizations, the Company has also developed the labor union brand "RUN JIANG CAI" and the youth league brand "RUN QING CAI", forming a "1+N" Party, labor union, and youth league brand system that resonates together and works in synergy.



I Deepening State-Owned Enterprise Reform

Implementing the requirements of the State-owned Assets Supervision and Administration Commission of the State Council and advancing the reform deepening and enhancement initiative.

Strengthening organizational support.

Following organizational restructuring, the Company continued to optimize the composition of the "Reform Deepening and Enhancement Initiative Leading Group" and the "Promotion Working Group", covering 12 departments, business units, and affiliated institutions. Functional lines coordinate and collaborate to ensure that reform responsibilities are implemented at every level.

Advancing reform implementation.

In December 2025, the Company convened a special meeting on the "Double Hundred Action" and the Reform Deepening and Enhancement Initiative, conveying the spirit of higher-level meetings, publicizing the assessment and diagnostic evaluation report, and focusing on optimizing assessment indicators to enhance the effectiveness of reforms.

Leveraging demonstration effects.

The Company achieved an "Excellent" rating in the Double Hundred assessment for both 2022 and 2023. It actively leveraged the demonstration and leading role of the Double Hundred Special Project, using the reform deepening and enhancement initiative as a key driver to improve the quality and efficiency of business development, and contributing the experience of Chemical Materials to the reform of state-owned enterprises in the industry through benchmark practices.

Completing reform tasks.

The Company's reform work ledger focuses on **13 major reform themes**, comprising a total of **81** reform tasks. It undertakes **80%** of the tasks in the Group's reform ledger and has added **20%** self-selected tasks, achieving an overall completion rate of **100%**.

Building a value creation and strategic management system and comprehensively promoting benchmarking against world-class management

The Company continues to deepen its benchmarking initiative against world-class management standards, focusing on coordinated advancement along two main lines: value creation and operational excellence.

In terms of value creation, the Company further optimized its value creation indicator system and established a quarterly tracking mechanism to ensure dynamic control of indicators. At the same time, it aligned the analytical outcomes of the indicator system with the preliminary research for the 15th Five-Year Plan strategy, providing support for development over the next five years. The Company convened multiple working group meetings to continuously refine working approaches and formulated a value creation task list, clearly defining the responsible units and expected outcomes for each indicator. In addition, through internal and external benchmarking research, it studied and drew on the experiences of advanced enterprises to promote continuous management improvement.

In terms of operational excellence and digital development, the Company initially established an operational excellence indicator system and accelerated the development of an integrated digital platform. The platform was officially launched in September 2025, covering five key areas: procurement, marketing, production, operations, and finance. Cross-departmental data sharing efficiency increased by **80%**, and **275** data analysis indicators were integrated, with more than **82%** of core indicators automatically collected and analyzed. Management can monitor operational dynamics through data dashboards, providing data support for strategic decision-making and shortening the decision response cycle by **40%**.



Upholding Business Compliance Principles¹

I Strengthening Integrity Safeguards

The Company strictly complies with laws and regulations on anti-commercial bribery, strictly prohibits any form of bribery, corruption, and improper transfer of benefits, and requires all employees and partners to jointly uphold an honest and clean business environment. To effectively prevent and combat corruption, the Company has established a rigorous integrity risk prevention and control mechanism. Through annual risk assessments and quarterly monitoring, it continuously evaluates the risks of commercial bribery and corruption, and requires employees and key partners to sign the Integrity and Compliance Commitment Letter to strengthen awareness of integrity in professional conduct.

Compliance complaint and whistleblowing handling mechanism

The Company has established a standardized, transparent, and confidential mechanism for handling compliance complaints and whistleblowing, forming a seven-step closed-loop management process of "centralized acceptance, classified preliminary verification, joint investigation, timely feedback, rectification supervision, standardized filing, and continuous improvement". The mechanism is coordinated and managed by the Legal and Compliance Department and strictly implements a five-working-day time limit for acceptance. The Company's supervisory department is specifically responsible for handling such matters and establishes dedicated working groups. Through nine detailed procedures including analysis and assessment, classified handling, coordinated investigation, and follow-up on effectiveness, the Company ensures that every report receives a response and every issue is properly addressed, while maintaining strict confidentiality throughout the process and preventing retaliation, thereby promoting continuous improvement in institutional optimization and risk prevention and control.

Seven-Step Closed-Loop Management Process

Phase	Core Content
Centralized Intake	Dedicated email submission; 5-day acknowledgment
Triage & Preliminary Review	Initial verification for case merit
Joint Investigation	Legal & Compliance-led, cross-functional if needed
Timely Feedback	Results reported to complainant post-investigation
Remediation Tracking	Corrective plans with monitored implementation
Confidential Documentation	Full confidentiality; case files archived
Continuous Improvement	Trend analysis for systemic risk prevention

Nine-Step Detailed Handling Procedure

Step	Core Content
Complaint Receipt	/
Analysis & Assessment	Establish handling task force
Categorized Processing	Based on jurisdiction, nature, severity, verification feasibility
Investigation	Preliminary verification by investigation team
Decision Formulation	Approval and execution per procedure
Result Feedback	Timely response to complainant with ongoing communication
Rectification Tracking	Develop and implement corrective plan
Case Filing	Full confidentiality; standardized archiving
Continuous Enhancement	Analysis and systemic improvement

Strictly protecting the information security of whistleblowers

The Company attaches great importance to the protection of whistleblowers, establishes and improves whistleblower protection mechanisms, and ensures smooth reporting channels through letters, visits, phone calls, and online platforms to promptly accept reports and accusations. It strictly implements confidentiality requirements, manages whistleblower information and report contents as confidential documents, and strictly prohibits any form of retaliation, ensuring that whistleblowers are not subjected to unfair treatment as a result of their reporting.



Email
lianjie@crcchem.com



Tel
0519-85778288

Safeguarding Fair Competition

The Company strictly complies with laws and regulations such as the Anti-Monopoly Law of the People's Republic of China and the Anti-Unfair Competition Law of the People's Republic of China, firmly prohibits monopolistic conduct and unfair competition, and is committed to maintaining a fair and equitable market competition environment.

Improving the institutional system and preventing related risks

The Company implements the China Resources Group Measures for Anti-Monopoly and Anti-Unfair Competition Management and the Code of Conduct for Employee Compliance, clearly prohibiting illegal acts such as price manipulation, bid rigging, infringement of trade secrets, and exchange of sensitive information. In investment and merger and acquisition activities, the Company strictly complies with merger control filing requirements and strictly prohibits "gun-jumping" transactions prior to approval. At the same time, by formulating systems such as the Measures for Trade Name Management and the Measures for Trade Secret Management, the Company strengthens the protection of its intangible assets and prevents unfair competition from harming the Company's interests.

During the reporting period, the Company did not experience any incidents of unfair competition.



Improving the Compliance System

The Company has established a compliance management system centered on "Party Committee leadership, Board supervision, management accountability, departmental coordination, and full employee participation", deeply integrating compliance requirements into key business processes such as procurement, sales, and investment, and promoting the transformation of compliance management toward ex ante prevention and whole-process control.

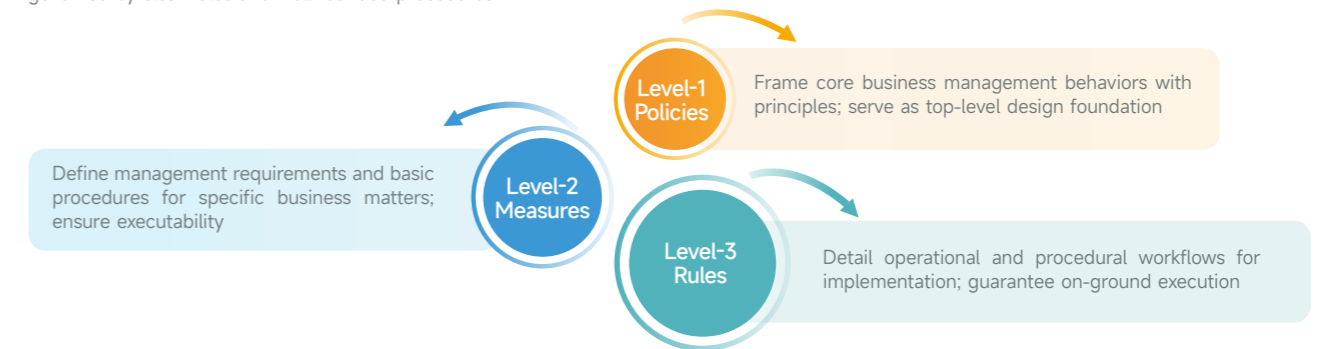
Strengthening the foundation of compliance management

In light of its business characteristics, the Company formulated and issued the Detailed Rules for Compliance Management and the Detailed Rules for Overseas Anti-Commercial Bribery Compliance Management, further improving the compliance management framework, strengthening anti-commercial bribery risk prevention and control in overseas business, and providing clear institutional guidance for the integrity and compliant operation of overseas business.

Initiative	Content & Results
Tiered & Categorized Policy Framework	Established "Level-1 Policies—Level-2 Measures—Level-3 Rules" architecture for systematic compliance management
"Three Lists" Management Mechanism	Mapped 45 compliance obligations and 10 focus areas; developed obligation list, risk list, and review list for standardized compliance processes
Enhancing Code of Business Conduct Signatures	Implemented routine signing mechanism ensuring full coverage; strengthened employee compliance awareness
Improving Fair Competition Compliance	Enhanced identification, assessment, and control of fair competition risks
End-to-End Compliance Policy Network	Gradually built comprehensive compliance system covering domestic and international operations across all processes
Strengthening Compliance Data Reporting	Achieved standardized and routine compliance information reporting

Improving business management systems

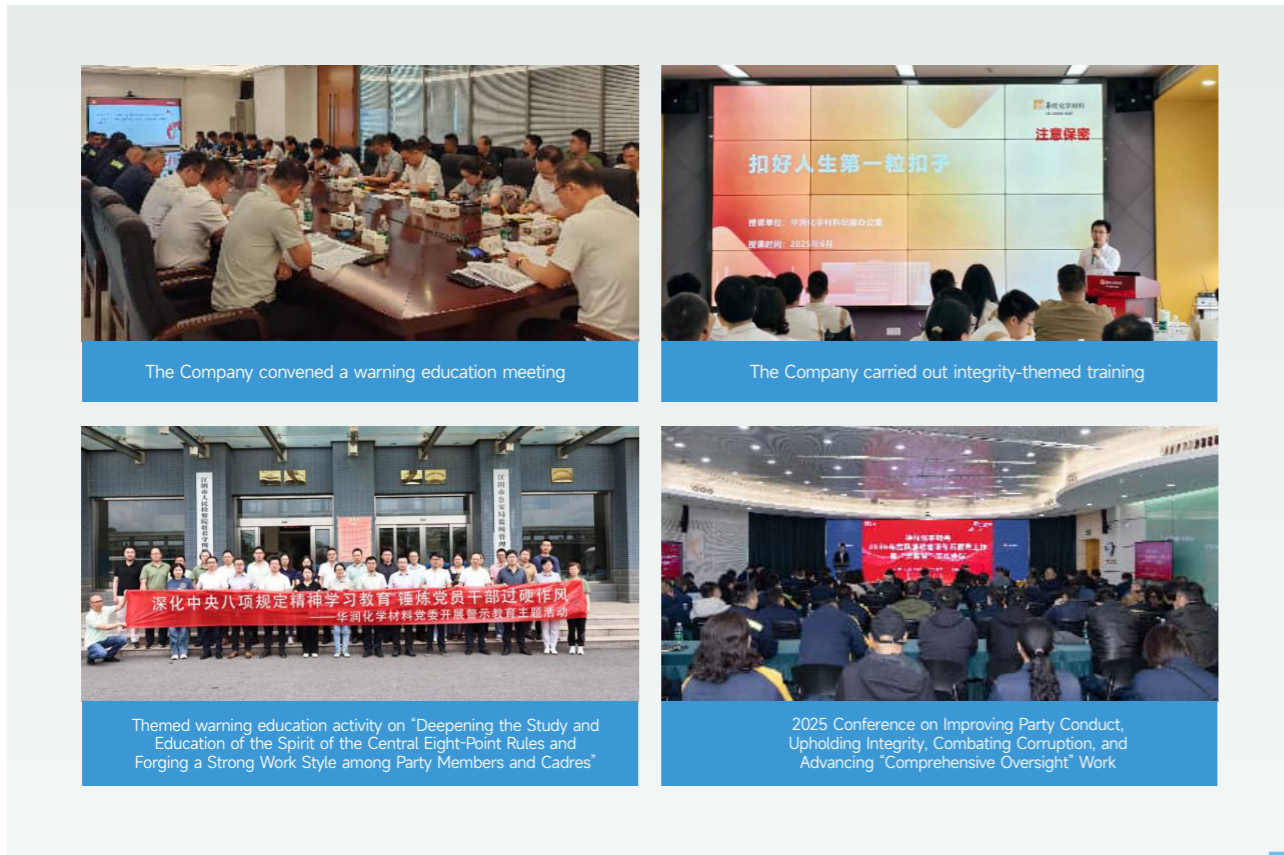
The Company has established a hierarchical and categorized institutional management system to ensure that all business management activities are governed by clear rules and well-founded procedures.



Strengthening compliance to reinforce the defense line.

The Company adheres to the concept of "compliance by all employees" and promotes the transformation of compliance awareness into "conscious behavior" through multi-level and diversified training and communication. During the reporting period, the Company achieved full compliance education coverage for personnel in key positions in areas such as anti-commercial bribery and fair competition.

- ▶ The Company organized members of the Party Committee leadership team and directly managed cadres to complete the SASAC online integrity education training program, with an average of 20.5 training hours per person, and arranged for them to visit the Jiangyin Anti-Corruption and Integrity Warning Education Center to receive work-style warning education, thereby enhancing their awareness of voluntarily accepting supervision and exercising power in a standardized manner.
- ▶ The Company strengthened warning education and case-based analysis, organized 21 special warning education meetings across all units and conducted self-examinations against identified issues, and developed warning education materials such as Insatiable Greed Harms Both the Public Interest and Oneself and Stay Away from Greed, Uphold Integrity and Self-Discipline, and Advance Steadily through Coordinated Fulfillment of the Four Responsibilities.
- ▶ The Company developed courses such as Fastening the First Button of Life and Integrity Creates Value, Compliance Safeguards Development, and delivered six integrity training sessions and seminars to various categories of employees. It also organized and conducted integrity talks for 78 newly appointed cadres, fostering an atmosphere of care and support for young cadres.
- ▶ The Company issued the Plan for Building the Integrity Culture System and organized its first Integrity Culture Activity Month. It promoted integrity education to penetrate frontline operations and key areas, and extended it to employees' "circles of life" and suppliers. The Company organized all employees to sign the Integrity Practice Handbook, clearly setting out the behavioral norms of the "Seven Dos and Seven Don'ts", and distributed Letters to Families on Integrity to leading cadres and personnel in key positions. It also organized its first supplier integrity communication session.



I Ensuring Information Security

The Company attaches great importance to information security and data protection, and integrates cybersecurity, data security, and business continuity management throughout the entire process of digital operations. By improving institutional systems, strengthening technical protection, enhancing risk monitoring and emergency response, and supporting these efforts with company-wide training and communication, the Company continuously enhances its information security prevention and control capabilities, fully safeguards the stable operation of its production and business systems, and protects the information security of customers and partners.

I Standardizing Payment Practices

The Company strictly implemented the relevant policy requirements set out in the Opinions of the Central Committee of the Communist Party of China and the State Council on Promoting the Development and Growth of the Private Economy, the Opinions on Resolving the Issue of Overdue Payments Owed to Enterprises, and the Special Action Plan for Clearing Overdue Payments Owed to Enterprises, standardized payment practices, and made full and timely payments to small and medium-sized enterprises. During the reporting period, no overdue payments occurred.

Building Barriers Against Operational Risks

I Comprehensive Risk Prevention and Control

The Company has continuously improved its comprehensive risk management system, established a closed-loop management mechanism of "identification-assessment-monitoring-warning-response-review", and embedded risk management throughout the entire process of strategic planning, annual business planning, and major decision-making. During the reporting period, focusing on key areas such as market fluctuations, fund security, environmental emissions, hedging, and supply chain stability, the Company established a risk monitoring indicator system combining quantitative and qualitative indicators, implemented a quarterly dynamic monitoring mechanism, and promoted the shift of risk management from ex post response to ex ante prevention.

The Company organizes major risk assessments every year, adopting a combination of a "bottom-up, layered and graded" approach and a "top-down approach from the shareholder perspective" to systematically review risk matters, update the risk database, identify major and important risks, and formulate special control measures for key risks. Through risk indicator warnings, reporting through the risk information system, and a closed-loop rectification mechanism, the Company continuously improves the accuracy of risk identification and the timeliness of response, providing strong support for the Company's business decision-making.

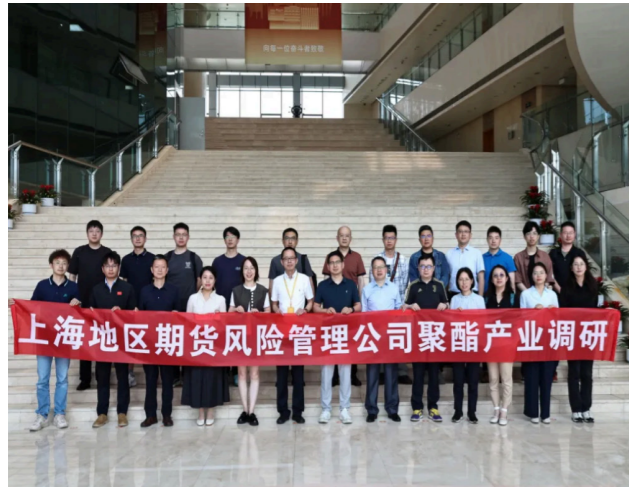
● Risk Prevention and Control Organizational Structure



● Strengthening Comprehensive Risk Management

The Company has established a major operational risk indicator system and formulated 57 quantitative and qualitative early warning indicators covering key areas such as environmental emissions, fund security, and hedging, enabling real-time risk monitoring and threshold-based early warning. It has also established a quarterly dynamic risk monitoring mechanism to update risk status on an ongoing basis and ensure the timely reporting of risk information.

During the reporting period, the Company identified and assessed a total of **832** risks, updated **18** categories in its risk database, and formulated monitoring indicators and control measures for **62** major and important risks, continuously enhancing its capabilities in risk anticipation and forward-looking management.



Strengthening industrial risk management

The Company actively integrates into coordinated industrial chain development and explores new models for combining industry and finance by deepening cooperation with financial institutions and industry partners, injecting new momentum into high-quality industry development. In March 2025, the Company was recognized as a cooperative partner of the Zhengzhou Commodity Exchange's industry-finance integration base. In May of the same year, the Zhengzhou Commodity Exchange organized several futures companies and futures risk management subsidiaries to conduct a special research visit to the Company. The parties held discussions on key topics including the development of polyester futures products, the current state of the bottle-grade PET chip industry, the use of futures instruments by upstream and downstream players across the industrial chain, and industrial risk management, with a view to promoting the role of futures instruments in serving the real economy and helping enterprises enhance their capabilities in cost control and market response.

I Strengthening Operational Management

The Company takes institutional development as the foundation and process control as the key lever, continuously optimizing its operational management system and promoting standardized institutional implementation and regulated business management. Focusing on key areas such as procurement, sales, investment, funds, contracts, and asset management, the Company has established a hierarchical institutional system and approval mechanisms for key control points, strengthened prior review and process supervision, and ensured that all business activities are carried out in accordance with laws and regulations.

Strengthening operational safeguards

In key business areas, the Company has strengthened supplier admission review and contract review mechanisms, promoted the integration of compliance checklists into business processes, improved customer credit management and payment collection tracking mechanisms, and reinforced fund risk prevention and control. Through internal audits and special inspections, it has promoted the closed-loop rectification of identified issues. At the same time, the Company continues to give full play to the supervisory functions of the Board of Directors and its specialized committees, strengthens the review of major matters and risk control, and has formed an operational management framework that combines institutional safeguards, process control, and coordinated supervision.



Standardizing tax management

The Company continues to improve its tax management system, consolidate its management foundation, strengthen risk prevention and control, standardize business guidelines, and respond systematically to inspections, effectively reducing tax risks and costs and providing strong support for the Company's business operations and development.



Strengthening the tax management foundation

Updated the Guidelines for the Super Deduction of R&D Expenses; strengthened the tax-related control checklist at the source of business operations in conjunction with the tax manual; and issued the Tax Control Checklist for the Full Business Lifecycle. The Company also optimized its tax burden analysis reporting system, including improving the profit analysis structure, systematically reviewing tax adjustment items, strengthening the management of deferred tax assets and liabilities, implementing new tax policies, and refining response mechanisms.



Strengthening tax risk management

Updated the tax risk inventory and analytical models; carried out tax risk assessments and follow-up reviews of the basic tax evaluation; strengthened tax credit rating management and achieved significant improvement. During the reporting year, six domestic companies participated in the taxpayer credit rating evaluation, of which four were rated Grade A and two were rated Grade B. Grade A taxpayers accounted for 67%, representing an increase of two Grade A taxpayers compared with the same period last year.



Providing standardized guidance for major business activities

Provide guidance for the Company's downsizing initiatives and the establishment of new entities. Key measures included offering full-process guidance on liquidation procedures to ensure efficient tax clearance, as well as participating deeply in and guiding the optimization analysis of functions at the Company's production bases and headquarters.



Systematically carrying out responses to major tax risks

In line with the overall requirements of "centralized coordination, professional guidance, dynamic tracking, regular communication, and closed-loop management," the Company has established a full-process closed-loop tax risk management mechanism covering receipt, analysis, response, and feedback. It has also developed a three-in-one tax risk management model that integrates routine basic tax assessments, internal risk evaluation, and responses to major tax risks. Issues identified through inspections are deeply incorporated into the annual review of basic tax assessments and internal risk evaluation, enabling effective linkage among risk identification, assessment, and rectification. By leveraging the coordinating and professional oversight role of dedicated task forces and adhering to the deep integration of business, finance, and tax functions, the Company effectively reduces both tax risks and tax costs.

Improving due diligence

The Company refined its due diligence management system and established an internally and externally coordinated due diligence mechanism to conduct comprehensive investigations into strategy, finance, legal affairs, EHS, and other aspects, thereby comprehensively assessing corporate value and risks.

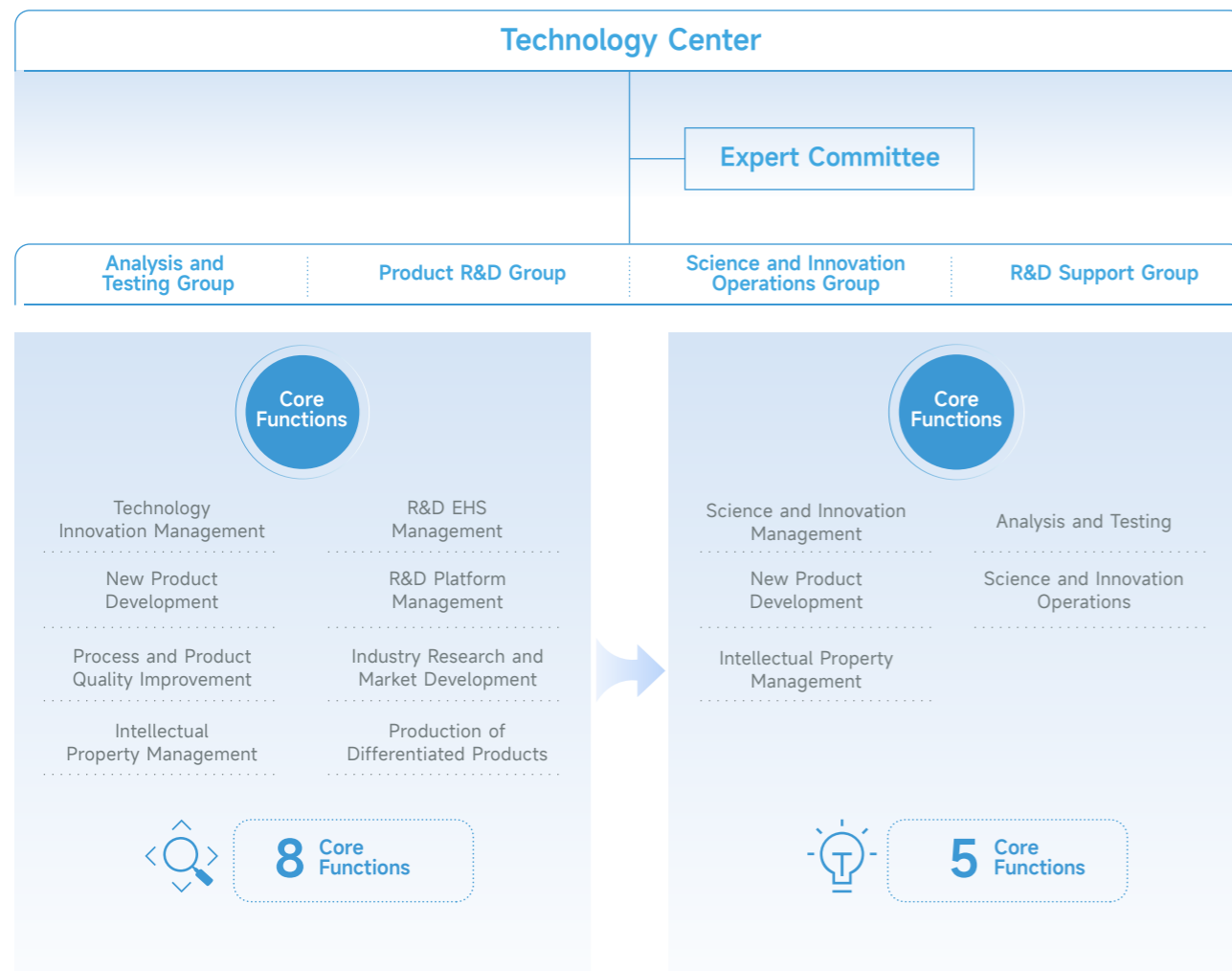


Strengthening Technology Innovation Leadership¹

Strengthening Operational Management

The R&D organizational system was continuously improved

The Company completed the optimization of the Technology Center's organizational structure, established four major functional segments—science and innovation operations, R&D support, product R&D, and analysis and testing—and implemented a matrix management model. The original eight functions were integrated and streamlined into five, with non-core functions such as process and product quality improvement and R&D platform management being separated out. This further sharpened the focus on the two core businesses of new product development and analysis and testing, broke down platform barriers, strengthened product orientation, and enhanced internal R&D service awareness.



Planning strategic objectives for technological innovation

Centered on the strategic plan of “**foundation businesses + new materials businesses**”, and guided by the strategic positioning of “practicing green upgrading, driving innovative development, and becoming the leading provider of the most competitive material solutions in the industry”, the Company will strengthen and optimize its polyester materials business and focus on the “four orientations” in the development of high-end new materials.

Key Focus	Recyclable, high-barrier, high-clarity differentiated polyester materials
Market Expansion	Enter non-bottle fiber market; explore medical applications
Frontier R&D	Bio-based materials and high-performance fiber sectors
Innovation Model	External collaboration + internal R&D synergy; accelerate R&D and commercialization of high-potential new materials; serve national strategic needs through key technology breakthroughs

Improving the Institutional Management System

The Company formulated and issued the Detailed Rules for the Implementation of R&D Investment Statistics and the Measures for the Management of Technological Innovation, revised the Measures for the Management of R&D Projects, introduced the “green channel” and the “open competition mechanism to select the best candidates”, and initially established a whole-process management system covering technological innovation planning, project operation, platform development, and commercialization of achievements. At the same time, it completed the review and implementation of the Technology Center's organizational structure and the “three determinations” plan for staffing.

Upgrading and Optimizing the R&D Information System

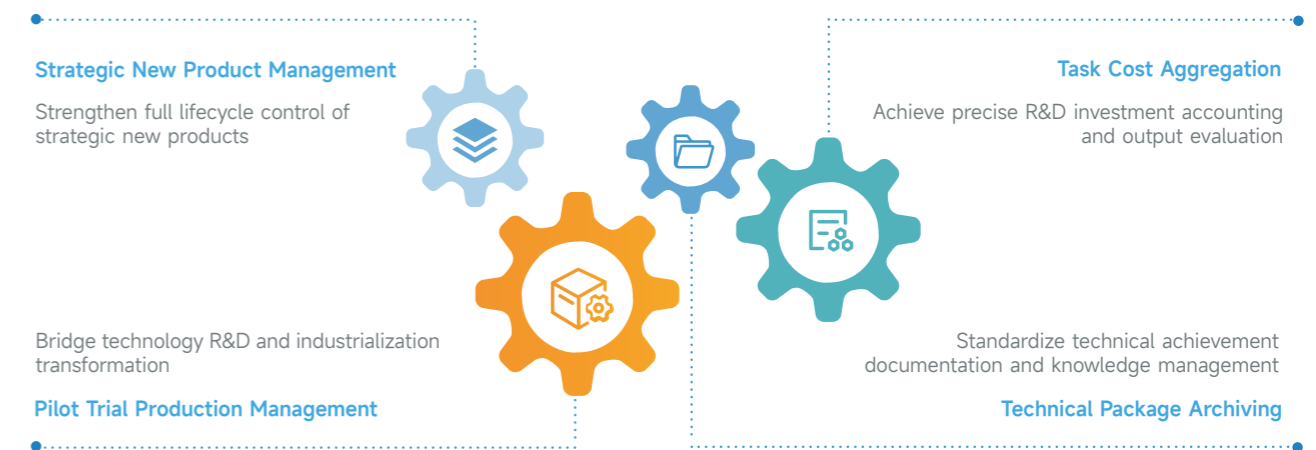
Phase II of the PMS was officially launched in January 2025, achieving a vertical extension from basic R&D process management to the full chain of “technology development–pilot-scale validation–commercialization of achievements”. Core functions such as strategic emerging product management, pilot production management, task cost accumulation, and technical package archiving were added, and system testing and functional optimization for both mobile and desktop terminals were completed.

Advancing Digital and Intelligent Transformation

The Company continuously advanced the digitalization of R&D management. Through information system upgrades, integration of testing resources, and full-process digital management of chemicals, it improved the operational efficiency of technological innovation and the refinement level of management.

Building the R&D management platform

Phase II of the PMS realized the transformation from online process management to data value realization, and strengthened the capability to evaluate the input-output efficiency of R&D investment through the cost accumulation function. The Company also carried out system maintenance as needed, completed data verification and retesting for the strategic emerging products and project management modules, and organized a communication meeting on issues arising from the use of Phase II to ensure stable operation.



Achieving integrated detection data

The Company completed the consolidated management of analysis and testing personnel at the Technology Center and the Changzhou base, and actively advanced physical integration. Daily production services and R&D testing services were differentiated by service recipients. Key testing personnel from the base participated in the work of the Technology Center's testing platform, some equipment was shared, common reagents were procured jointly, and internal management was integrated and operated steadily.

Advancing the digitalization of chemical management

The Company built a material management platform and deeply integrated it with the laboratory management platform, fully covering the entire process of chemical information, including basic information, storage, use, encryption, and disposal. It also formulated the Provisions on R&D Material Management of the Technology Center, clarifying requirements for the use, management, and confidentiality of R&D materials, establishing concurrent material management roles, and enabling real-time data monitoring and intelligent early warning.

Building an Innovation Ecosystem

The Company actively expanded internal and external innovation resources, deepened industry-university-research cooperation and internal Group collaboration, and strengthened standards leadership and intellectual property deployment, providing comprehensive resource support for technological innovation.

Deepening industry-university-research cooperation



The Company, together with Sichuan University, jointly introduced seven engineering master's and doctoral candidates under a co-cultivation program, who entered the Company for practical training in November 2025 and signed tripartite agreements; it also signed the Changzhou Laboratory Alliance Agreement with the Yangtze River Delta Carbon Fiber and Composite Materials Technology Innovation Center, and, as a participating entity, advanced the application for the National Carbon Fiber Innovation Center.

Advancing collaborative innovation within the Group



The Company worked with China Resources Breweries Co., Ltd to jointly promote the Green High-Barrier Beer Packaging Innovation Consortium project, developing lightweight, portable, and environmentally friendly plastic beer packaging materials with reduced emissions; it also organized three projects, namely PETG, nylon high-tenacity filament, and PA66 industrial filament chips, to participate in the application for exhibition projects of major scientific and technological achievements under China Resources Group's 14th Five-Year Plan.

Strengthening standards leadership



During the reporting period, the Company led the formulation of one group standard; cumulatively, it has led or participated in the formulation of three national standards, eleven industry standards, and three group standards, covering areas such as green design product evaluation and waste plastic bottle recycling and treatment.

Improving talent development mechanisms



The Company formulated the China Resources Chemical Materials Talent Recruitment Plan, clarifying demand in areas such as market technical support, polymer materials, polymerization processes, polymer material modification, engineering design, and scientific research project management. During the reporting period, the Company had 148 R&D personnel, accounting for 13.72% of its total workforce.

Strengthening intellectual property management



Strengthening intellectual property management. The Company formulated the Patent Management System and established a management framework covering the entire patent life cycle, standardizing patent application, protection, utilization, and rights enforcement, stimulating employees' enthusiasm for innovation, and safeguarding the Company's legitimate rights and interests.

During the reporting period, the Company was granted 5 patents and filed 11 patent applications, of which 100% were invention patent applications.

Enhancing Science and Innovation Operations

The Company continuously optimized its technology innovation operation and management mechanisms, strengthened whole-life-cycle project management, promoted the release of pilot-scale production capacity and the development of the testing service platform, and supported the Company's high-quality development.

Optimizing project management mechanisms

Established a precise R&D closed loop of "market-project-production-market", formed a coordination mechanism among R&D, production, sales, and other departments, and institutionalized it through a series of interdepartmental coordination meetings; established a dynamic ledger for projects under research and a weekly meeting mechanism to continuously track project progress.

Improving the Sci-Tech Innovation Management System

The Company optimized its sci-tech innovation management system by actively adopting the Group's technological innovation systems. It completed the revision of the R&D Project Management Measures, clarifying the "green channel" for R&D projects and the operational mechanism of the project leader accountability system.

Compliance with Research Ethics

Upholding research integrity

The Company regards integrity as the foundation of scientific research and strictly adheres to the bottom line of scientific ethics. Before the launch of any R&D project, a letter of commitment to integrity must be signed, and the entire process is digitally managed through the R&D information management platform to ensure that experimental data are true and accurate and fully traceable throughout the process.

Strengthening EHS control

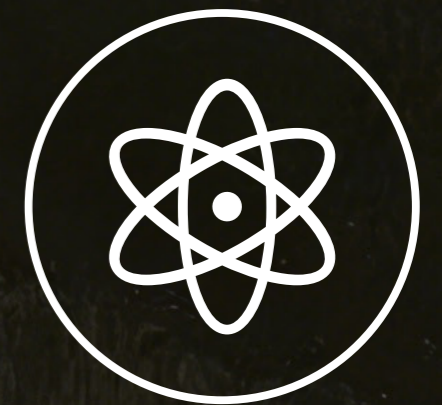
The Company has established a pre-assessment mechanism for EHS in R&D projects to systematically identify environmental, health, and safety risks and ensure that R&D activities comply with environmental protection regulations. During the reporting period, the Company continuously strengthened the EHS training system and further enhanced researchers' awareness of safety protection and emergency response capabilities.



Future Prospects

2026 marks the opening year of the 15th Five-Year Plan period. In the face of new circumstances, new tasks, and new challenges, we will remain committed to high-quality development. We will firmly implement the practical requirements of the “dual cores and one force” approach, continue advancing the “**Six Refinements Strategy**”, further deepen and solidify the “**Four Reshaping**” initiatives, and systematically enhance our core competitiveness. We will promote the development of smart, green, and service-oriented manufacturing, accelerating the transition toward innovation-driven, quality-oriented growth. Upholding the principle of alignment among strategy, organization, and culture, we will build a more scientific and efficient management system and foster an agile, high-performing organization.

We will reshape the corporate spirit of passion, perseverance, and entrepreneurship, promote a culture that honors striving and dedication, and, with a practical, grounded, and truth-seeking work style, as well as a sense of urgency and commitment to seize every moment, focus on making our business segments more specialized and refined, strengthen the market competitiveness of distinctive and innovative products, and secure a strong start for the 15th Five-Year Plan period.



Index of Indicators ¹

First-level title	Secondary title	the General Framework of Guidelines on Corporate Sustainability Reporting for Chinese Enterprises (CASS-ESG 6.0)	the Guidelines No.17 for Self-regulation of Listed Companies—Sustainability Reports (Trial) Report location	Report location
About This Report	-	P1.1-1.2	Article 12 (3)	P3-P4
Message from the Chairman	-	P2.1	/	P5
About China Resources Chemical Innovative Materials	Company Profile	P3.1, P3.3	/	P7
	Governance Structure	P3.4	/	P7
	Cultural Guidance	P3.2	/	P8
Our Sustainability Journey	Strengthening Sustainability Governance	G1.1.1-G1.1.2, G1.1.5-G1.1.7, G1.1.11, G1.2.3	Article 11 (1), Article 52	
	Enhancing Sustainability Capabilities	G1.1.3-G1.1.4, G1.1.10	/	P9 - P14
	Materiality Analysis	G1.1.9	/	
	Stakeholder Communication	G1.3.1-G1.3.2	Article 53 (1) (2)	
Green Cycle, Infinite Innovation	Breaking Through via Circularity: Navigating Industry Cycles with Resilience	S2.1.3,E3.3.1	Articles 20, 23 (2), 28 and 42 (4)	P15 - P20
	Synergizing Digital & Green Transitions: Leading Industry Upgrades through Benchmarking	E3.1.5,G1.1.12	Article 20	
Pursing Green Development for a Shared Ecological Future	Addressing the Challenges of Climate Change	E1.1.1-E1.1.9, E1.1.12-E1.1.18	Articles 11 (2) (3) (4), 12 (1), 13, 14 (1) (2), 15 (3), 24, 25, 26, 27, 51 and 52	P23 - P28
	Advancing Circular Resource Utilization	E3.1.1-E3.1.5,E3.2.1-E3.2.2,E3.1.5,E3.3.2-E3.3.6	Article 34, Article 35 (1) (2) (3), Article 36 (1) (2), Article 37 (1) (2) (3)	P28 - P31

	Strengthening Environmental and Ecological Foundation	E.2.1.1,E2.3.2-E2.3.3	Article 29	P31-P33
	Strictly Controlling the Discharge of the Three Wastes and Reducing Pollution	E2.1.2,E2.2.1,E2.2.3,E2.2.5-E2.2.6	Article 30 (1) (2) and Article 31 (1)	P34
Acting for Good, Building a Harmonious Society	Empowering Employee Well-being and Development	S4.1.1,E4.1.3-S4.1.12,S4.2.1-S4.2.6,S4.3.1-S4.3.6	Articles 49, 50 (1), (2) and (3)	P37-P48
	Advancing Customer Value Co-creation	S3.3.1-S3.3.6	Article 47 (1) (2) (3) (4)	P48-P52
	Building a Responsible Supply Chain Network	S3.1.1-S3.1.4	Article 44 and Article 45 (1)	P52-P54
	Deepening Harmonious Community Development	S1.1.1-S1.1.3,S1.2.1-S1.2.2, S1.2.6	Article 38, Article 39 (1) (2) (3) and Article 40	P55-P58
	Enhancing the effectiveness of corporate governance	/	/	P61-P65
Pursuing Thriving Governance, Advancing Together toward a Sustainable Future	Upholding Business Compliance Principles	S3.4.1,G2.1.1-G2.1.8, G2.2.1-G2.2.3	Article 46, Article 48 (2), Article 54, Article 55 (1), Article 56 (1) (2)	P66-P70
	Building Barriers Against Operational Risks	G1.2.2	/	P70-P72
	Strengthening Technology Innovation Leadership	S2.1.1-S2.1.7, S2.1.9-S2.1.13, S3.4.1-S3.4.2	Articles 41, 42 (1) (2) (3) (4) and 43 (1) (4)	P73-P76
Future Prospects	-	A1	/	P77-78
Appendix	Index of indicators	A3	Article 57	P79-80
	Key performance	A2	Article 57	P81-P88
	Feedback	A6	/	P89-90

Key Performance Indicators ¹

Corporate Governance						
Dimension	Indicators	Unit	Data for 2023	Data for 2024	Data for 2025	
Corporate governance	Number of Disclosure Reports Issued	reports	141	114	123	
	Number of board meetings Held	meetings	9	8	9	
	Number of Board of Supervisors Meetings Held	meetings	8	7	7	
	Number of Strategy and Sustainability Committee Meetings Held	meetings	1	1	2	
	Number of Audit Committee Meetings Held	meetings	5	8	9	
	Number of Nomination Committee Meetings Held	meetings	2	3	2	
	Number of Remuneration and Appraisal Committee Meetings Held	meetings	4	0	3	
	Number of board members	Persons	9	9	9	
	Disclosure by gender	Male directors	Persons	9	9	9
		Female directors	Persons	0	0	0
	Disclosure by type	Independent director	Persons	3	3	3
		Non-independent director	Persons	6	6	6
	Duration of law and compliance training	Hours	4.50	14	11	
	Number of trainings on compliance with laws and regulations	Person-times	62	81	105	
	Number of Concluded Corruption Cases Brought by Regulatory Authorities against the Issuer or Its Employees	Cases	14	12	0	
	Average Hours of Anti-bribery and Anti-corruption Training Received by Employees	Hours	12	15	14	
	Number of Employees Receiving Anti-bribery and Anti-corruption Training	Persons	1,809	1,682	1,079	
	Proportion of employees receiving anti-corruption training	%	100	100	100	
	Total number of management personnel who have received anti-commercial bribery and anti-corruption training	Persons	-	159	223	
	Number of directors trained in anti-corruption	Persons	2	5	2	
Proportion of directors who have received anti-corruption training	%	22.22	55.56	22.22		

Economic indicators	Average number of hours of training for directors who received anti-corruption training	Hours	12	15	14
	Number of Patents Held	Items	76	90	95
	Number of Invention Patent Applications	Items	17	14	11
	Number of Invention Patents Granted	Items	23	13	5
	Number of Valid Patents	Items	76	90	74
	Number of Copyrights Held	Items	2	2	2
	Number of Registered Trademarks and Word Marks Held	Items	4	7	33
	Number of Software Copyrights Held	Items	3	3	4
	Number of New Patent Applications Filed During the Year	Items	23	15	11
	Number of New Copyright Applications Filed During the Year	Items	0	0	0
	R&D Investment	RMB	52,385,479.84	43,126,731.67	24,418,789.39
	Proportion of R & D investment in main business income	%	0.30	0.24	0.19
	Number of R&D Personnel	Persons	153	149	148
	Proportion of R & D personnel to the total number of employees	%	8.46	8.86	13.72
	Total assets	RMB 100 million	104.95	90.36	83.22
	Operating income	RMB 10,000	1,722,498.46	1,805,525.40	1,306,816.44
	Total profit	RMB 10,000	48,136.00	-61,743.67	-11,490.36
	Net profit	RMB 10,000	37,921.54	-57,438.60	-8,616.94
	return on equity	%	5.40	-8.30	-1.33
	Return on total assets	%	4.64	-6.26	-1.31
Rate of value maintenance and appreciation of state-owned assets	%	103.26	91.54	98.99	
Asset-liability ratio	%	31.62	28.38	23.30	
Total tax payment	RMB 10,000	26,874.80	8,224.80	6,645.29	

Employees						
Dimension	Indicators	Unit	Data for 2023	Data for 2024	Data for 2025	
Employee performance	Labor contract signing rate	%	100	100	100	
	Social insurance coverage	%	100	100	100	
	Average Number of Paid Annual Leave Days per Employee	Days	9	14	16.30	
	Health Check-up Coverage Rate	%	100	100	100	
	Total number of employees		Persons	1,809	1,682	1,079
	By gender	Male	Persons	1,413	1,330	795
		Female	Persons	396	352	284
	By type of employment	Labor contract system	Persons	1,809	1,682	1,079
		Labor dispatch system	Persons	0	0	0
		Other	Persons	0	0	323
	By age	51 years and over	Persons	206	220	140
		41 to 50 years	Persons	526	511	314
		31 to 40 years old	Persons	608	564	345
		30 years and below	Persons	469	387	280
	By region	Employees working in mainland China	Persons	1,794	1,667	1,071
		Employees working in Hong Kong, Macao and Taiwan	Persons	15	15	8
		Number of employees working in other countries and regions	Persons	0	0	0
		Number of Local	Persons	733	805	800
	By academic qualifications	Bachelor's degree and above	Persons	552	525	465
		Associate Degree	Persons	526	492	336
		Secondary Technical School and Below	Persons	731	665	278
	By employee category	Total number of grass-roots employees	Persons	1,633	1,523	918
		Total number of employees at middle management level	Persons	139	121	103
		Number of female employees at middle management level	Persons	39	31	30
		Total number of senior management employees	Persons	37	38	58
		Number of female employees at senior management level	Persons	10	9	7

By Employee Professional Composition Category	Production personnel	Persons	1,363	1,225	506
	Salesperson	Persons	68	64	83
	Technicians	Persons	179	250	274
	Financial personnel	Persons	38	37	40
	Administrative staff	Persons	161	106	176
Help employees in difficulty	Number of Newly Hired Fresh Graduates	Persons	53	17	6
	Number of Employees in Financial Difficulty Receiving Assistance	Persons	51	45	42
Visit and console the families of employees in difficulty	Amount Invested in Assisting Employees in Financial Difficulty	RMB 10,000	7.55	7.10	7.70
	Number of Households of Employees in Financial Difficulty Visited and Comforted	Households	2	4	2
Rescue sick employees	Amount Invested in Visits and Comfort for Employees in Financial Difficulty	RMB 10,000	0.06	0.35	0.08
	Number of sick employees receiving Assistance	Persons	17	14	16
	Amount invested in assisting sick employees	RMB 10,000	0.79	0.98	0.77
Total Number of Departed Employees		Persons	113	199	53
Staff turnover rate		%	6.37	11.83	4.70
By gender	Number of Departed Male Employees	Persons	87	146	37
	Number of Departed Female Employees	Persons	26	53	16
By age	Number of Departed Employees Aged 51 and Above	Persons	4	14	0
	Number of Departed Employees Aged 41-50	Persons	17	39	6
	Number of Departed Employees Aged 31-40	Persons	42	58	23
By region	Number of Departed Employees Aged 30 and Below	Persons	50	88	24
	Number of Departed Employees Working in Mainland China	Persons	111	198	49
	Number of Departed Employees Working in Hong Kong, Macao, and Taiwan	Persons	2	1	4
By type of employment	Number of Departed Employees Working in Other Countries and Regions	Persons	0	0	0
	Labor contract system	Persons	113	233	49
	Labor dispatch system	Persons	0	0	0
	Other	Persons	0	0	4
Total investment in staff training		RMB 10,000	230	122.75	143.20
Number of employee trainings		Sessions	-	64	63
Employee training coverage		%	-	100	100
Total number of employees receiving training		Persons	1,809	1,682	1,079
Total number of people receiving environmental protection training		Persons	1,809	1,682	994

By gender	Number of male employees receiving training	Persons	1,413	1,330	795
	Number of female employees receiving training	Persons	396	352	284
By Employee Type	Number of grass-root employees receiving training	Persons	1,633	1,523	918
	Number of middle management employees receiving training	Persons	139	121	103
	Number of senior management staff receiving training	Persons	37	38	58
Total Employee Training Hours		Hours	42,341	36,230.33	38,001
Average Employee Training Hours		Hours	23	21.54	35.20
By gender	Total Training Hours Received by Male Employees	Hours	30,467	28,801.33	27,998
	Total Training Hours Received by female employees	Hours	11,874	7,429	1,003
By Employee Type	Total Training Hours Received by Grass-root Employees	Hours	35,021	28,154.50	27,189
	Total Training Hours Received by Middle Management Employees	Hours	5,200	4,215.53	4,855
	Total Training Hours Received by Senior Management Employees	Hours	2,120	3,860.30	5,957
Coverage Rate of Work-related Injury Insurance and Work Safety Liability Insurance		%	-	100	100
Safety training hours		Hours	54,414	47,945.60	48,680
Safety production input		RMB 100 million	0.14	0.09	0.01
Injury Rate per Million Working Hours		%	-	2	0
Number of Emergency Safety Drills		Times	66	59	52
Number of Participants in Emergency Safety Drills		Person-times	1,451	976	726
Number of Work Safety Accidents		Times	0	0	0
Number of Work-related Fatalities		Persons	0	0	0
Work-related Fatality Rate		%	0	0	0
Work-related Injury Rate		%	0	0	0
Number of Lost Workdays Due to Work-related Injuries		Persons	-	63	61
Number of New Occupational Disease Cases		Cases	0	0	0
Occupational Disease Incidence Rate		%	0	0	0
Number of Emergency Drills for Chemical Incidents		Times	-	20	14
Frequency of Special Equipment Inspections		Times	-	-	12
Pass Rate of Special Equipment Inspections		Times	-	-	100

Industry and Community Relations						
Dimension	Indicators	Unit	Data for 2023	Data for 2024	Data for 2025	
Industry and Community Relations Performance	Total number of suppliers (dealers)		Suppliers	1,971	886	998
	By region	Supplier in Mainland China	Suppliers	1,942	860	964
		Hong Kong, Macao, Taiwan and overseas suppliers	Suppliers	29	26	34
	Percentage of supplier code of conduct signed		%	100	100	100
	Percentage of suppliers with clauses that include environmental and labor requirements		%	100	100	100
	Number of Suppliers Subject to Social Impact Assessment		Suppliers	77	88	89
	Number of Suppliers Subject to Environmental Impact Assessment		Suppliers	77	88	89
	Number of Suppliers Identified as Having Actual and Potential Significant Negative Social Impacts		Suppliers	0	0	0
	Number of Suppliers Identified as Having Actual and Potential Significant Negative Environmental Impacts		Suppliers	0	0	0
	Number of Suppliers Terminated Due to Non-compliance		Suppliers	5	14	36
	Number of Potential Suppliers Rejected Due to Non-compliance		Suppliers	5	0	16
	Total number of new suppliers		Suppliers	213	102	126
	Number of local suppliers purchased		Suppliers	378	216	258
	By Assessment Type	Percentage of New Suppliers Screened Using Environmental Criteria	%	0.36	0.37	0.39
		Percentage of suppliers screened using social criteria	%	0.04	0.05	0.05
	Proportion of buyers trained in sustainable procurement within the company		%	100	100	100
	Supplier ESG training person-time		Person-times	648	1,449	196
	Duration of supplier ESG training		Hours	743.50	748.50	58
	Number of employees participating in voluntary activities		Person-times	233	165	96
	Duration of employee volunteer activities		Hours	-	552	399
The amount of charitable donations		RMB 10,000	43.18	28.17	0	
Investment of special funds for poverty alleviation		RMB 10,000	32.39	11.86	42.14	
Number of New Jobs Created		Persons	257	72	36	
Total investment amount of Rural Revitalization		RMB 10,000	-	6.86	42.14	

Products and Services					
Dimension	Indicators	Unit	Data for 2023	Data for 2024	Data for 2025
Product and service performance	Number of Complaints Received Regarding Products and Services	Cases	5	4	4
	Number of Products Recalled	Items	0	0	0
	Business scope covered by quality management system certification	%	100	100	100
	PETG Customer Satisfaction	%	/	/	94.83
	PET customer satisfaction	%	/	/	96.60
	Customer complaint handling rate	%	100	100	100

Environmental					
Dimension	Indicators	Unit	Data for 2023	Data for 2024	Data for 2025
Environmental performance	Total Environmental Protection Investment	RMB 100 million	0.08	0.11	0.10
	Investment in Energy-saving and Emission-reduction Technological Upgrades	RMB 100 million	0.10	0.01	0.02
	Total Comprehensive Energy Consumption	10,000 tonnes of standard coal equivalent	21.28	20.21	18.60
	Energy Consumption Intensity	Tonnes of standard coal equivalent / RMB 10,000	0.12	0.11	0.14
	Product Energy Savings	10,000 tonnes of standard coal equivalent	1.09	-0.61	-1.61
	Natural Gas	10,000	13,841	13,079.15	12,087.88
	Diesel	Liters	73,000	55	26
	Renewable Energy	kWh	5,694,558	11,258,674	19,429,831
	Purchased Electricity	kWh	232,716,791	228,678,176	108,537,050
	Proportion of Renewable Electricity in Total	%	2.46	4.92	9.49
	Annual fresh water consumption	10,000 tonnes	103.75	128.50	128.05
	Water consumption intensity	Tonnes/RMB 10,000	0.60	0.71	0.98
	Circulating water consumption	Tonnes	8,920.68	8,884.06	9,614.44

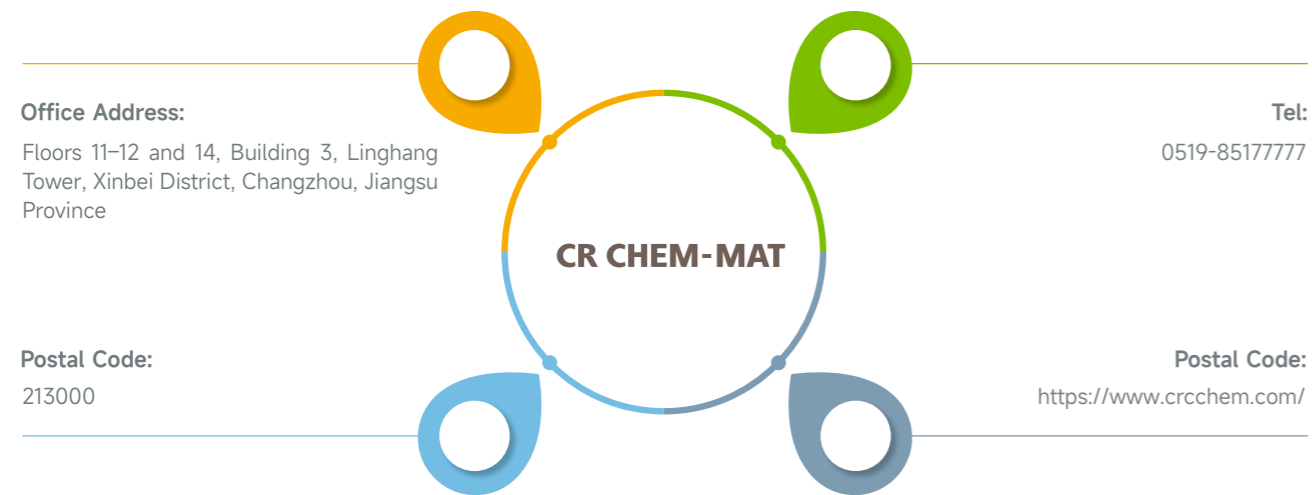
Sulfur dioxide emissions	Tonnes	2.06	1.74	1.06
Sulfur dioxide emission reduction (over the previous year)	Tonnes	-0.13	0.32	0.68
NOx emissions	Tonnes	93.22	79.52	55.17
Emission reduction of nitrogen oxides (compared with the previous year)	Tonnes	17.41	13.70	24.35
Waste water discharg	10,000 tonnes	45.28	43.93	44.57
Wastewater Discharge Reduction (vs. previous year)	10,000 tonnes	7.35	1.35	-0.64
Chemical Oxygen Demand Emissions	Tonnes	30.16	31.45	30.46
Chemical Oxygen Demand Reduction (vs. previous year)	Tonnes	2.28	-1.29	0.99
Ammonia Nitrogen Emissions	Tonnes	4.70	4.87	4.73
Ammonia Nitrogen Emissions Reduction (vs. previous year)	Tonnes	-0.49	-0.17	0.14
Waste Generated	10,000 tonnes	0.48	0.36	0.32
Waste Reduction (vs.previous year)	10,000 tonnes	-0.29	0.12	0.04
Total Recyclable Waste	Tonnes	4,545.07	3,264.22	3,098.62
Total General Solid Waste	Tonnes	4,697.01	3,464.96	3,123.14
General Solid Waste Intensity	Tonnes / RMB 100 million	27.27	19.19	23.62
Total Hazardous Waste	Tonnes	119.81	121	108.75
Scope 1 Greenhouse Gas Emissions	Tonnes of CO ₂ equivalent	328,982.45	311,728.67	286,275.04
Scope 2 Greenhouse Gas Emissions	Tonnes of CO ₂ equivalent	128,889.96	121,059.18	98,329.60
Other Indirect (Scope 3) Greenhouse Gas Emissions	Tonnes of CO ₂ equivalent	671,341.28	764,092.77	3,431,976.90
Scope 1 Greenhouse Gas Emissions Reduction	Tonnes of CO ₂ equivalent	-52,905.01	17,253.78	25,453.63
Scope 2 Greenhouse Gas Emissions Reduction	Tonnes of CO ₂ equivalent	97,591.68	7,830.78	22,729.58
Total Greenhouse Gas Emissions from Operations	Tonnes of CO ₂ equivalent	457,872.41	432,787.85	384,604.64
Greenhouse Gas Emissions Intensity	Tonnes of CO ₂ equivalent / RMB 10,000	0.66	0.66	2.92
Number of Chemical Leakage Incidents	Incidents	0	0	0
Total Chemical Leakage	Tonnes	0	0	0
Product Recycling Rate	%	100	100	100
Electricity Saved	kWh	1,153,660	3,020,168	23,996,724
Total non-methane hydrocarbon emissions	Mg/m ³	4.45	4.66	5.17

Feedback ¹

Dear Reader:

Hello! Thank you very much for taking the time to read the 2025 Sustainability Report of China Resources Chemical Materials Technology Co., Ltd. To continuously improve the management of our sustainability reporting, we sincerely value your opinions and suggestions. We kindly invite you to complete the relevant questions in the feedback form and return it to us through one of the following channels:

**China Resources Chemical Innovative Materials Co., Ltd.
Sustainability Report 2025**



Office Address:
Floors 11-12 and 14, Building 3, Linghang Tower, Xinbei District, Changzhou, Jiangsu Province

Tel:
0519-8517777

Postal Code:
213000

Postal Code:
<https://www.crcchem.com/>

Your information

Name: **Tel:**

Organization / Employer: **Email address:**

Multiple-choice questions >

Please provide an overall evaluation of the 2025 Sustainability Report of China Resources Chemical Materials Technology Co., Ltd.: Excellent Good Fair Poor Very poor

Please evaluate the clarity, accuracy, and completeness of the information, indicators, and data disclosed in this report: Excellent Good Fair Poor Very poor

Please evaluate the extent to which this report reflects the significant economic, social, and environmental impacts of China Resources Chemical Materials: Excellent Good Fair Poor Very poor

Please evaluate how this report responds to and discloses issues of concern to stakeholders: Excellent Good Fair Poor Very poor

Please evaluate the readability of this report: Excellent Good Fair Poor Very poor

Open-ended Questions >

What suggestions do you have for China Resources Chemical Materials regarding its social responsibility and ESG initiatives?

What shortcomings do you believe this report has?

What valuable social responsibility and ESG information do you think this report provides?

What additional social responsibility and ESG information do you think should be disclosed in this report?





China Resources Chemical Innovative Materials Co., Ltd.

SUSTAINABILITY REPORT