



2025

Environmental, Social and Governance Report



XT SHIPPING

Contents

Report Preparation Instructions	01
Message from the Chairman and General Manager	03
About Xingtong Shipping	05
ESG Governance	19
Special Feature: Intelligent Voyage Across Blue Seas, Green Xingtong	25
ESG Data Table and Notes	93
Index Table	99
Terms and Definitions	101

Green Empowerment Setting a Benchmark for Low-Carbon Shipping

Climate Change Adaptation and Mitigation	37
Environmental Management and Ecological Protection	42
Pollutant Emissions and Waste Management	45
Circular Economy and Resource Utilization	48

Collaborative Co-creation Enhancing Safety and Service Levels

Innovation-Driven Development and Intellectual Property	53
Product and Service Safety and Quality	54
Data Security and Customer Privacy Protection	56
Supply Chain Security	60
Employment and Employee Rights	62
Employee Training and Development	69
Occupational Health and Safety	71
Fostering Community Co-development	76
Collaborating for Industry Progress	78

Compliance as the Helmsman Solidifying the Foundation for Sustainable Development

Corporate Governance	81
Transparent Disclosure	84
Risk Control	86
Business Ethics	88
Party-Building Leadership	91



Report Preparation Instructions



This is the fourth Environmental, Social, and Governance (ESG) Report (the "ESG Report") issued by Xingtong Shipping Co., Ltd. In the principles of objectivity, standardization, transparency, and comprehensiveness, this report provides a detailed disclosure of the Company's practices and performance in environmental, social, and governance matters for the year 2025.

Reporting Period This report covers the period from January 1, 2025, to December 31, 2025 (the "Reporting Period"). To enhance the comparability and foresight, certain sections may appropriately refer to previous years or contain forward-looking statements. This report is released on an annual basis, consistent with the financial year.

Terminology For ease of expression and readability, in this report:

Full Name	Abbreviation
Xingtong Shipping Co., Ltd.	Xingtong Shipping, Xingtong, the Company, We
XT-IMC Shipping Co., Ltd.	XT-IMC
Shanghai Xingtong Lianfa Shipping Co., Ltd.	Xingtong Lianfa
Quanzhou Xingtong Fuxing Crew Management Co., Ltd.	Fuxing Crew Management
Shanghai Xingtong Fokai Ship Management Co., Ltd.	Fokai Ship Management
HK XINGYAO SHIPPING CO., LIMITED	HK Xingyao Shipping

Reporting Boundary This report discloses information on the economic, environmental, social, and governance responsibilities of Xingtong Shipping Co., Ltd. and its subsidiaries. Relevant case studies are sourced from the Company and its affiliates.

Preparation Basis This report has been prepared with reference to the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)* (the "SSE Guidelines"), and the *GRI Sustainability Reporting Standards (GRI Standards)*. It also incorporates the *Guide No.4 for Self-Regulatory Supervision on Listed Companies of the SSE—Compilation of Sustainable Development Reports*, the *Guidelines for Preparing Corporate Social Responsibility Reports in China (CASS-ESG 6.0)*, the United Nations 2030 Sustainable Development Goals (SDGs), the Sustainability Accounting Standards Board (SASB) standards, and the *A Practical Guide to Sustainability Work of Listed Companies* issued by China Association for Public Companies (CAPCO).

Data Sources Data sources used in this report include public data from government departments, the Company's actual operational data, annual financial data, internal statistical reports, third-party questionnaire surveys, and third-party evaluations or interviews. The financial data in this report is expressed in Renminbi (RMB). In the event of any discrepancies between this report and the financial statements, the financial statements shall prevail.

Confirmation and Approval This report was approved by the Company's Board of Directors on April 21, 2026, and was subsequently released in conjunction with the Annual Report. The Board of Directors pledges to exercise oversight over the contents of this report, ensuring its absence of any false records or misleading statements, and assuming responsibility for its truthfulness, accuracy, and completeness.

This report is published in bilingual versions, Chinese and English. The English version is based on the Chinese version. In the event of any discrepancy between the two versions, the Chinese version shall prevail.

Access to This Report This report is available for review and download on the official websites of the Company (<https://www.xt-shipping.com>) and the Shanghai Stock Exchange (<http://www.sse.com.cn>).

Message from the Chairman and General Manager

With the deep blue sea ahead and a clear course in our hearts, we forge a solid foundation.

With the trade winds as our sails and determined action as our oars, we voyage towards a distant horizon.

Since its inception, Xingtong Shipping has been dedicated to the shipping of bulk liquid dangerous cargoes, striving to become a world-class, domestically leading integrated service provider for the chemical supply chain. In 2025, against the complex backdrop of geopolitical tensions, industry cyclical fluctuations, and technological transformation, Xingtong Shipping adhered to the business policy of "seeking progress while maintaining stability, and using progress to promote stability." We built the certainty to navigate through cycles amidst changes. We continued to optimize our business layout, expanded our high-end and green fleet, and enhanced operational efficiency. Driven by sustainability as an internal engine, we promoted the Company's high-quality and sustainable development, built a summit of value for our customers, broadened the boundaries of value for our investors, held up the blue sky of dreams for our employees, and shouldered our responsibilities to society with courage.

Guided by the national policy of building China into a "Maritime Power" and a "Transportation Power," the Company seized the opportunities of the times. Following the "1+2+1" development strategy, we focused on expanding and strengthening the transportation business of domestic coastal liquid dangerous cargoes as our core, advanced clean energy transport and deepened international shipping operations as our two wings, and built a digital platform to fuel our growth. These efforts continuously solidified our leadership in domestic chemical transportation, comprehensively expanded our presence into the international chemical transportation arena, and strengthened our main business of hazardous chemicals transportation.



Driven by an Advanced Fleet, Consolidating the Foundation for Sustainable Development

In 2025, the Company continued to advance the upgrade of its fleet towards being high-end, green, and intelligent. The world-leading 25,900 DWT methanol dual-fuel stainless steel chemical tankers, "XT SEA LION" and "XT SEAL," were successively put into operation. XT-IMC's 13,000 DWT high-end stainless steel chemical tankers, "ShanTong", was successfully delivered, and the 13,000 DWT stainless steel chemical tanker "XT FORTUNE" of HK Xingyao Shipping has been successfully commissioned. The gradual replacement of older vessels with new ones progressed steadily. As of the end of the Reporting Period, the Company had 40 vessels in operation, with a total carrying capacity of 501,300 DWT; and 9 vessels under construction, with a total carrying capacity of 170,200 DWT. The average age of the company's chemical tanker fleet is only about 7.26 years, with stainless steel vessels accounting for 70.59% of the fleet. The proportion of high-end stainless steel vessels ranks among the top in the industry. The overall fleet continues to become younger in age, and operational efficiency is steadily improving, providing a solid capacity support for global business expansion, high-end customer service, and green and compliant operations.

Based on Intrinsic Safety, Strengthening the Lifeline of Global Operations

Safety is Xingtong Shipping's core, long-term, and non-negotiable foundation value. It is also a competitive advantage that the Company has long been cultivating. In 2025, the Company achieved safe and stable operations throughout the year, and was awarded the "Safety & Integrity Company" and its valid endorsement by the Maritime Safety Administration of the Ministry of Transport for eight consecutive years. 4 vessels and 11 captains were also honored with the "Safe & Integrity" honors. The Company again secured the highest rating nationwide for new capacity, fully reflecting the high recognition of Xingtong Shipping's safety management capabilities by the industry's competent authorities. The Company established June 9 as the annual "Safety Day" and released the documentary *Safety in Action by Everyone*, transforming safety objectives into a conscious consensus and unwavering action for all Xingtong people. Building on this foundation, the Company continuously improved its internal control and audit systems, strengthened the compliance baseline and risk resilience for both domestic and international operations, providing a more robust safety barrier for global operations.

Positioned in the Global Market, Building a Multi-dimensional and Collaborative Shipping System

In 2025, Xingtong Shipping positioned itself in the global market, continuously expanding the boundaries of its clientele. The Company served clients across 47 countries and regions, calling at 214 ports, and continuously optimized and expanded its route network to South America and pan-oceanic regions, achieving a steady enhancement of its global transportation capacity. Xingtong Shipping is steadily transitioning from the exploratory phase of "going international" to a new stage of "possessing global influence".

In the domestic market, we successfully onboarded international chemical industry leaders such as ExxonMobil and BASF, further optimizing our high-end client structure.

Guided by Digital Intelligence and ESG, Cultivating New Productive Forces

In 2025, in terms of technology and innovation, the Company continued to advance the integrated application of "Artificial Intelligence + Shipping." The self-developed "AI-XingZai" shipping model was successfully launched, integrating the DeepSeek API to drive visualized fleet operations, intelligent maritime risk management, efficient procurement collaboration, and the valorization of data assets, continuously enhancing operational efficiency and management transparency. The Company is also gradually upgrading its digital and intelligent capabilities from a single-tool application to a foundational capacity supporting business decision-making, governance optimization, and risk management. The Company signed a cooperation agreement with Shanghai Maritime University to jointly explore the implementation of intelligent applications in the industry and promote the digital and intelligent transformation of shipping services.

Upgrading Organization, Capital, and Ecosystem, Accumulating Momentum for Long-Term Development

In terms of capital and organizational development, the Company completed an A-share private placement of RMB 643 million, introducing multiple institutional investors and optimizing its shareholder structure. The inauguration of Fukai Ship Management and Fuxing Crew Management established an international, standardized ship management system and a full-cycle talent management system, achieving a deep integration of "vessel assets + human capital" and further enhancing global operational capabilities and international competitiveness. In ecosystem development, the Company continued to deepen its partnerships with strategic allies such as C&D Inc. and Xiamen Xiangyu Co., Ltd., upgrading from business collaboration to capital-level synergy, thereby building a cooperative ecosystem characterized by "resource sharing, complementary advantages, and long-term win-win outcomes."

Looking ahead, Xingtong Shipping will focus on international development and the enhancement of green shipping capabilities. We will continue to advance the upgrade of our fleet towards being high-end, green, and intelligent, strengthen occupational health and safety management, promote the digital and intelligent transformation of shipping services, and continuously optimize our corporate governance and compliance systems. The Company will uphold its "green, safe, innovative, and efficient development philosophy", seize market opportunities, enhance core competitiveness, and strive to achieve the multiple values of economic benefits, social responsibility, and environmental sustainability, steadily advancing towards becoming a globally influential chemical shipping enterprise.

We firmly believe that through stable operations, strategic positioning, and innovation-driven growth, Xingtong Shipping is poised to write a brilliant new chapter on the international shipping stage.

Qilong Chen

Chairman and General Manager of
Xingtong Shipping Co., Ltd.

About Xingtong Shipping

Company Overview

I Company Profile

Founded in December 1997 with a registered capital of RMB 325 million, Xingtong Shipping Co., Ltd. is primarily engaged in domestic and international waterborne transportation of bulk liquid dangerous cargoes. It is a leading enterprise in the domestic coastal bulk liquid chemical shipping industry in China. The Company was listed on the Main Board of the Shanghai Stock Exchange on March 24, 2022, with the stock code 603209. The Company serves as a Vice Director Unit of the Chemical Transportation Committee of the China Shipowners' Association, a Vice President Unit of the Fujian Shipowners' Association, and the President Unit of the Quanzhou Shipowners' Association. It is recognized as one of the three leading shipping enterprises in Fujian Province.

Guided by the "1+2+1" strategic development plan, with expanding and strengthening the transportation business of domestic coastal liquid dangerous cargoes as the core, advancing clean energy transport and deepen international shipping as the two wings, and building a digital platform as an enabler, the Company is committed to becoming a "world-class, domestically leading integrated service provider for the chemical supply chain".

Embracing the shipping industry's new trend towards green, low-carbon, and intelligent development, the Company seizes market opportunities, appropriately expands its fleet size, and continuously enhances its safety management level to achieve high-quality and stable development. In recent years, amid a complex operating environment, the Company has demonstrated robust operating resilience.

In 2025



the operating revenue reached

1.628 billion RMB

a year-on-year increase of

7.51%



the net profit attributable to shareholders of
the listed company reached

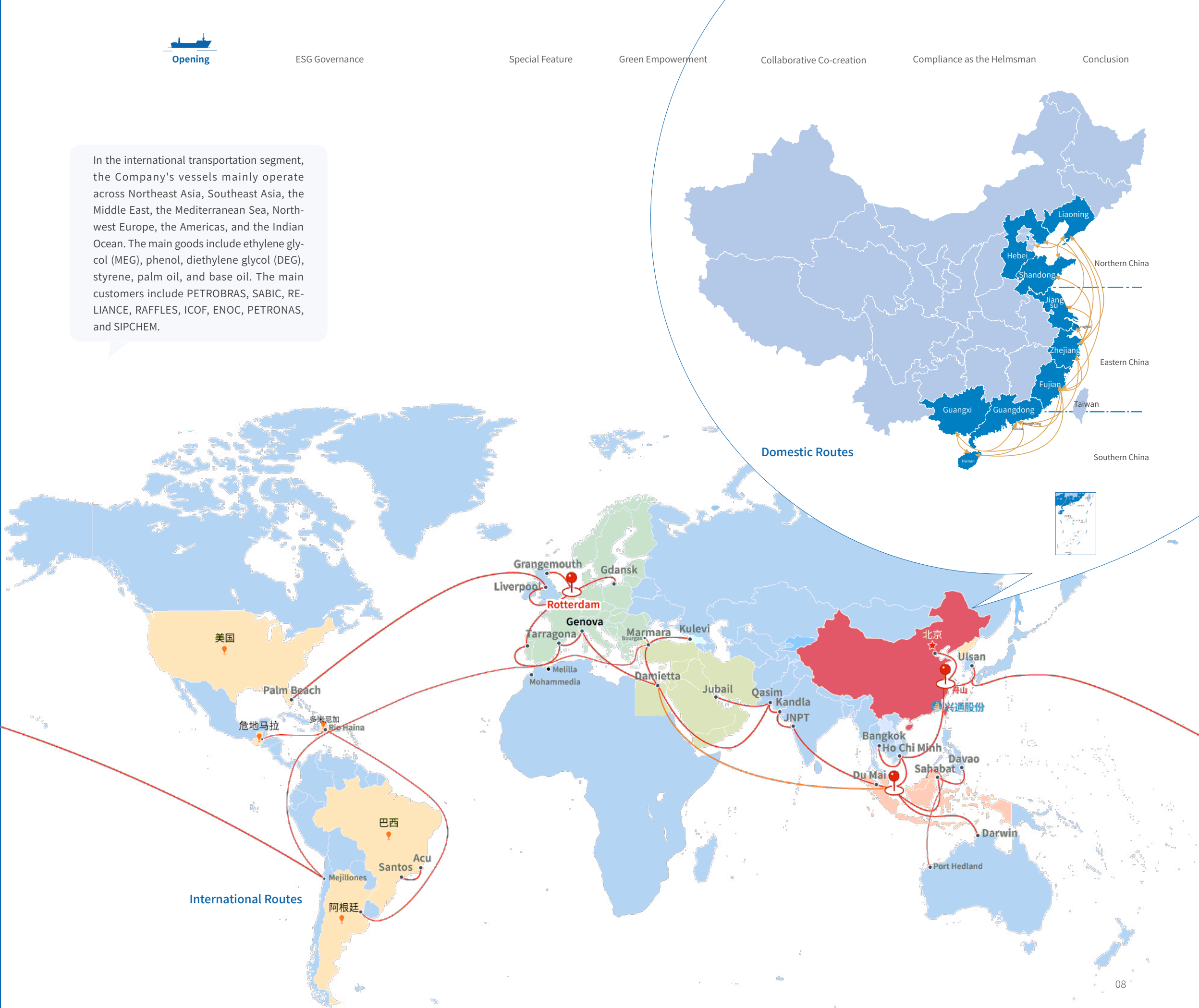
0.27 billion RMB

I Main Business

After years of development, the Company has evolved into a leading enterprise in the domestic coastal bulk liquid chemical shipping industry, holding a leading position in its market segment. As of the end of the Reporting Period, the Company owned 40 vessels of bulk liquid dangerous cargoes, with a total capacity of 501,300 DWT. This includes 30 domestic trading vessels, with a total capacity of 332,500 DWT, and 10 international trading vessels with a total capacity of 168,800 DWT. We have 9 vessels under construction, with a capacity of 170,200 DWT.

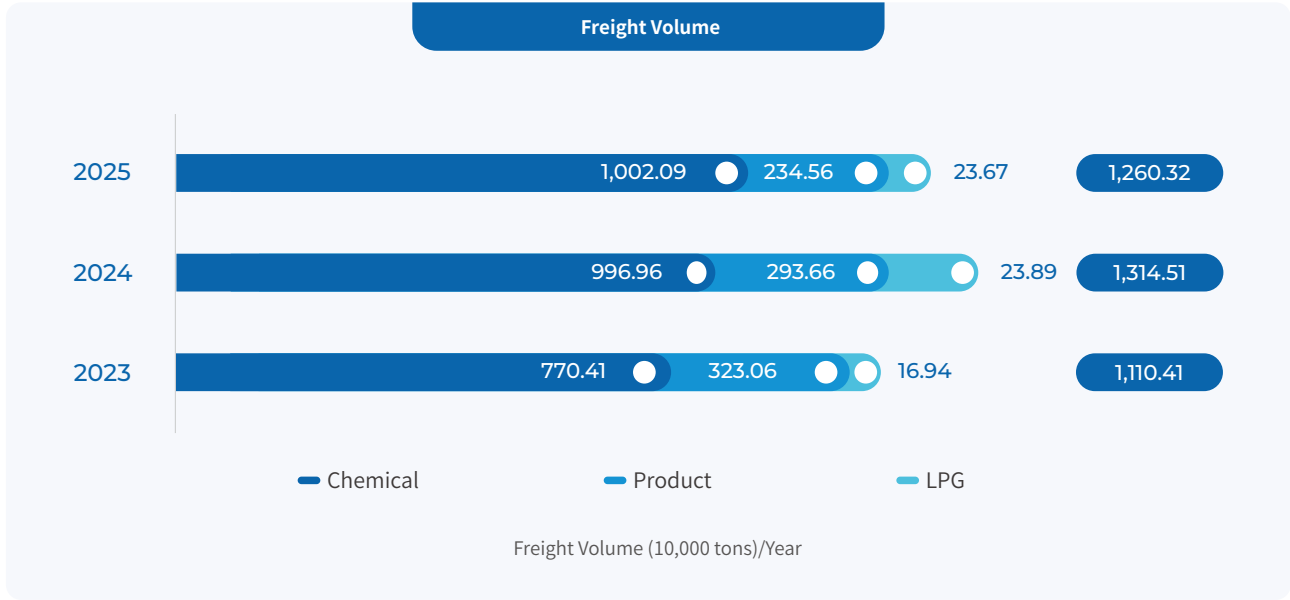
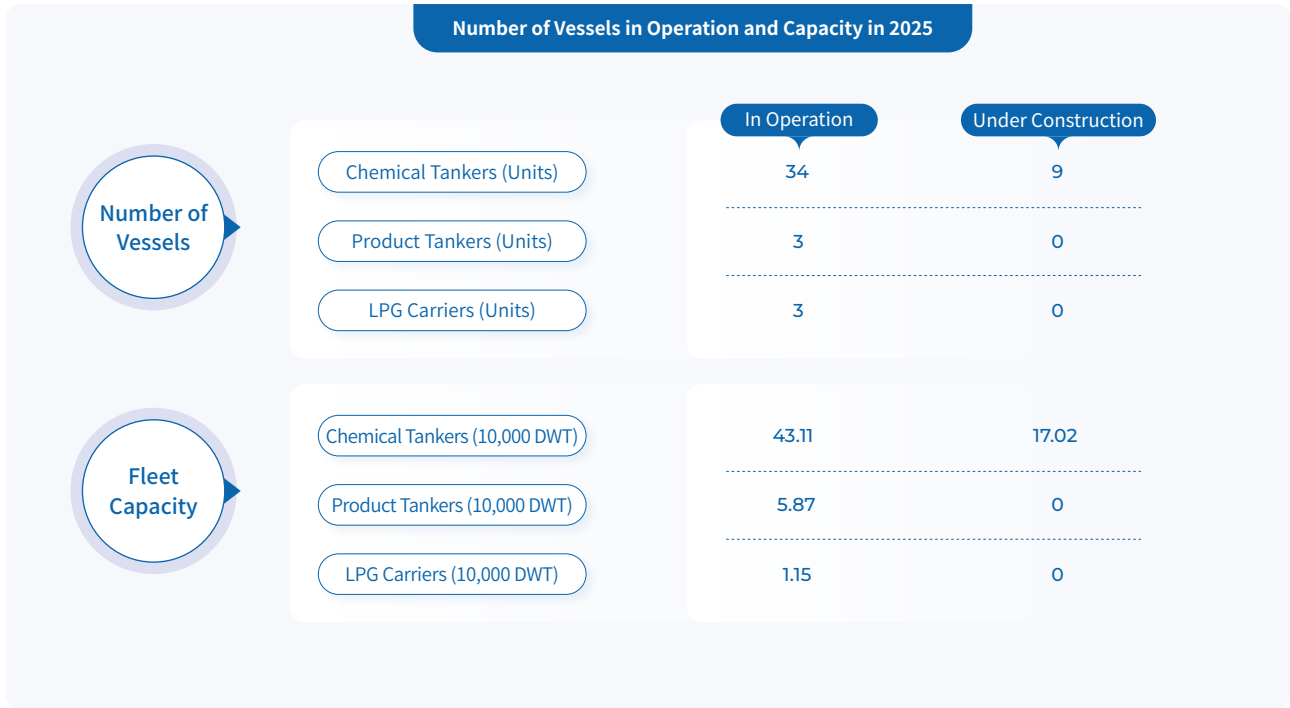
In the domestic transportation segment, the Company's transportation routes cover the coastal areas of mainland China, the middle and lower reaches of the Yangtze River and Pearl River, and the Taiwan Strait. This forms a transportation network system that can serving major domestic chemical industry bases such as Bohai Bay, the Yangtze River Delta, the Pearl River Delta, Beibu Gulf, and Hainan. The wide range of our transportation services mainly includes petrochemical products such as paraxylene (PX), ethylene glycol (MEG), pure benzene, phenol, polyether polyol, liquid caustic soda, methanol, jet fuel, butadiene, and butane. The primary clientele comprises petrochemical giants such as Sinopec, CNPC, CNOOC, CNAF, Rongsheng Petrochemical, Shenghong Refining & Chemical, CNOOC and Shell Petrochemicals, and Fujian Refining & Petrochemical. The Company has won the titles of "Best Logistics Service Provider in Safety and Integrity," "Excellent Supplier," and "Outstanding Service Provider" from downstream customers.

In the international transportation segment, the Company's vessels mainly operate across Northeast Asia, Southeast Asia, the Middle East, the Mediterranean Sea, North-west Europe, the Americas, and the Indian Ocean. The main goods include ethylene glycol (MEG), phenol, diethylene glycol (DEG), styrene, palm oil, and base oil. The main customers include PETROBRAS, SABIC, RELIANCE, RAFFLES, ICOF, ENOC, PETRONAS, and SIPCHEM.



Fleet Capacity

The Company continues to build a fleet of vessels that are "larger, younger, higher-end, greener, and more intelligent" ,constantly increasing capacity to meet the diverse needs of customers with exceptional service.



Corporate Culture



Top 10 Events in 2025



Sailing Green

Achievements in Building a Green, High-End Fleet Delivered

- From the maiden voyage of the 13,000 DWT high-end chemical tanker "XT FORTUNE" on May 31, to the naming and delivery ceremony of China's first 25,900 DWT methanol dual-fuel stainless steel chemical tanker "XT SEA LION" on September 26, followed by the successful delivery of its sister ship "XT SEAL" on December 9, and the successive commissioning of XT-IMC's 13,000 DWT stainless steel chemical tankers "ShanTong".
- Xingtong Shipping added a total of four vessels in 2025, with a combined capacity of 78,300 DWT.



Sailing Far

Global Routes and Customer Structure Upgraded in Tandem

In 2025, Xingtong Shipping's global capabilities were further enhanced. Throughout the year, the Company served clients across 47 countries and regions and called at 214 ports globally.

- In the domestic market, 18 new customers were added, successfully onboarding international chemical giants like ExxonMobil and BASF, continuously optimizing the high-end client structure.
- In the international market, Xingtong Shipping's route network accelerated its shift from "regional" to "global," with new routes opened to Chile and Peru in South America, further refining the pan-oceanic route system.



Advancing Steadily

Capital Empowerment Supports the Implementation of Long-Term Strategy

In June 2025, Xingtong Shipping completed its two-year A-share private placement project, raising RMB 643 million and introducing several key strategic investment institutions.

- The funds raised will continue to be used for fleet upgrades, international expansion, and core capability building, providing solid support for the comprehensive advancement of the "1+2+1" development strategy and accelerating the journey towards becoming a "world-class, domestically leading integrated service provider for chemical supply chain".



Guarding Safety

Safety Culture Becomes the Core Competitiveness

In 2025, leveraging the "Work Safety Month" and the inaugural Xingtong Shipping Safety Day, the Company established a safety culture system featuring ship-shore collaboration and full participation.

- Concurrently, June 9 was designated as the annual Work Safety Day. The documentary *Safety in Action by Everyone* was released, making "safety is the lifeline" a consensus, a habit, and an instinct.



Advancing Intellectually

Digital Intelligence Becomes a Foundational Capability

2025 marked a pivotal year for Xingtong Shipping's digital and intelligent transformation, moving from "tool application" to "system capability".

- In February, the "AI-XingZai" shipping model completed integration testing. In April, various applications were officially launched. In December, Xingtong Shipping obtained another data intellectual property registration certificate. By continuously advancing "AI + Shipping," Xingtong Shipping built an integrated ship-shore intelligent navigation safety management platform, achieving visualized operations, intelligent risk management, efficient procurement collaboration, and data assetization.



Building Strength

Dual Drivers Enhance the Shipping Service Ecosystem

- On December 22, Fokai Ship Management and Fuxing Crew Management were jointly inaugurated, marking a crucial step in Xingtong Shipping's development of its shipping service system.
- Fokai Ship Management aims to build an international, standardized ship management system. Fuxing Crew Management aims to establish a full-cycle talent management system. The deep integration of "vessel assets + human capital" is a significant indicator of Xingtong Shipping's transition from "scale expansion" to "capability-driven" growth.





Rooted in Talent

Industry-University-Research Integration
Strengthens the Talent Foundation

In 2025, Xingtong Shipping continued to advance its strategy of "Developing Enterprise by Talent Management":

- In March, a cooperation agreement was signed with Shanghai Maritime University.
- In December, a practice base was established with the MPAcc Education Center of Huaqiao University.
- Through deep industry-university-research integration, Xingtong Shipping is systematically building a talent pool of versatile professionals to support its international development.



Driving for Good

ESG Practices and Social Responsibility
Continuously Pursued

In 2025, Xingtong Shipping continued to deepen its efforts in the ESG field, interpreting responsibility through action rather than words.

- On July 23, Xingtong Shipping donated 10 sets of hemodialysis equipment to the General Hospital of Quangang District, supporting the enhancement of local medical capabilities through concrete action.
- At the end of the year, Xingtong Shipping was awarded the "2025 ESG Value Communication Award for Listed Companies" in recognition of its ESG system development, information disclosure quality, and effectiveness in value communication.



Advancing with Honors

Brand Strength and Industry Influence
Continuously Enhanced

In 2025, Xingtong Shipping received high industry recognition in multiple dimensions including safety, service, and governance:

- "Golden Pot Award" Safety Management Enterprise in China's Chemical Logistics Industry.
- Zhenghe Navigation Awards "Best Shipping Company".
- CNPC's 2025 Excellent Logistics Cooperation Partner.
- Strategic Partner of Rongsheng Holding Group.
- President Chen Qilong was named "Outstanding Contributor to Fujian's Non-Public Economy".



Collaborative Win-Win

Strategic Cooperation Reaches a
Deeper Level

In 2025, the cooperation between Xingtong Shipping, C&D Inc., and Xiamen Xiangyu Co., Ltd. was upgraded from business collaboration to capital synergy:

- On January 8, Shanghai XT-Lianfa Shipping Co., Ltd. was officially inaugurated.
- On December 18, HK Xingyao Shipping completed a capital increase and share expansion.
- Through the deep integration of "shipowner expertise + supply chain resource advantages," Xingtong is building a long-term, stable, and sustainable cooperative ecosystem.



Key Honors



National Level



"Safety & Integrity Company",
"Safety & Integrity Ship", "Safety
& Integrity Captain" in 2025
Maritime Safety Administration,
Ministry of Transport



AAA Class Credit Enterprise
China Enterprise Confederation,
China Enterprise Directors Association



Zhenghe Navigation Awards
"2024 Best Shipping Company"
Organizing Committee of the Zhenghe
Navigation Awards Selection Activity



"2024 Top Ten Ships" Finalist Nom-
ination for "XINGTONG 739"
Organizing Committee of the Zhenghe
Navigation Awards Selection Activity



"Golden Pot Award" Safety Management
Enterprise in China's Chemical Logistics Industry
China Federation of Logistics & Purchasing

Municipal Level



2025 Top 100 Private Enter-
prises with Tax Payments
(Exceeding RMB 100 Million)
Quanzhou Municipal
People's Government



2025 Top 100 Private Enterprises in Quanzhou – Rank 57
2025 Top 20 Service Private Enterprises in Quanzhou – Rank 13
Quanzhou Investment Promotion
Office, Quanzhou Federation of
Industry and Commerce



2025 Top Taxpayer
(Exceeding RMB 100 Million)
CPC Quangan District Commit-
tee, Quangan District People's
Government

District Level



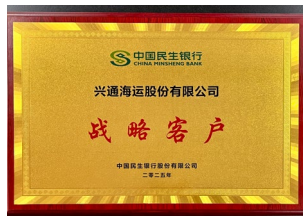
Partners



CNPC's 2025 Excellent Logistics
Cooperation Partner
PetroChina South China Chemi-
cals Marketing Company



2024 Strategic
Cooperation Service Provider
RONGSHNEG
HOLDING GROUP



Strategic Clients
China Minsheng Bank Corp., Ltd.



Outstanding Contribution Award for Port
News and Publicity
Quanzhou Port Association



Member of the
"Silk Road Maritime" Association
Fujian Silk Road Maritime Operation Co., Ltd.

Qualification Certifications



ISO 14001 Environmental
Management System
Certification



ISO 9001 Quality
Management System
Certification



ISO 45001 Occupational
Health and Safety Management
System Certification



Certificate of Work Safety
Standardization for
Transportation Enterprises

 Key Performance Highlights



Economic and Operational Performance

As of the end of the Reporting Period, There were

40 vessels in operation

Countries and Regions Covered by Served Customers

47

With a total capacity of

501,300 DWT

Number of Ports Called Globally

214

Making a year-on-year increase of

16.72%

New Customers in the Domestic Market

18



Green Environmental Performance

Methanol Dual-Fuel Stainless Steel Chemical Tankers Delivered

2

Total GHG Emissions (Scope 1 + Scope 2)

164,225.98 tCO₂e

Total Volume of Waste Recycled and Reused

646.49 m³

Foreign Trade Vessels with CII Rating of C or Above

6

Achieved

CO₂ Emission per Unit of Transport Work ≤ 310 kg/10,000 ton-miles

Percentage of Waste Recycled and Reused

35.38 %

SIRE / CDI Inspection Pass Rate

100 %

Achieved

Fuel Oil Consumption ≤ 99 kg/10,000 ton-miles

Compliant Waste Disposal Rate

100 %



Safety Management Performance

Major Safety Incidents

0

"Safety & Integrity Ships"

4

Class I Certificate

Standardized Waterway Transport of Dangerous Goods

Work-related Fatalities

0

"Safety & Integrity Captains"

11

Ship-shore Joint Drills

4

"Safe & Integrity Company" awarded by the Maritime Safety Administration of the Ministry of Transport for

8 consecutive years

PSC / FSC Detentions

0



Social and Employee Performance

Total Number of Employees (163 Shore-based + 659 Crew)

822 人

Corporate Customer Satisfaction

96.40 %

Total Employee Training Hours

68,541.33 Hours

Employee Training Coverage Rate

100 %

0 Customer Complaints

Shore-based Employee Satisfaction

96.81 %

Total Social Welfare Investment

1.615 million RMB



Governance and Compliance Performance

A-share private placement of

643 million RMB

Cumulative Number of Granted Patents

29

Significant Illegal or Regulatory Violations

0

Replied to Investor's Questions in SSE E-Interaction Platform

49

Cumulative Number of Software Copyrights

18

Bribery, Embezzlement, or Corruption

0

Response Rate to Investor Inquiries

100 %

Data Security Incidents and Customer Privacy Breaches

0

Signing Rate of Integrity Agreements with Core Suppliers

100 %

ESG Governance

ESG Development Strategy

ESG Governance System

To align with the Company's strategic direction, promote sustainable development, ensure the scientific basis and rationality of development plans and strategic decisions, and comprehensively enhance sustainable development capabilities, Xingtong Shipping has formulated and issued the *ESG Management Policy*. This system establishes a sustainable development governance framework covering three tiers—"Decision-Making, Management, and Execution"—to provide unified leadership, overall decision-making, and specific execution of ESG efforts.



Board of Directors

As the highest leadership and decision-making body for ESG matters, it is responsible for determining the Company's sustainability policies, strategies, and objectives; supervising the assessment of sustainability-related impacts, risks, and opportunities, as well as the implementation of related work; making decisions on significant ESG issues; and approving the Company's annual ESG Report.



ESG Working Group

Led by the General Manager, the Group comprises other senior executives, heads of departments and subsidiaries, with the Securities Department serving as the coordinating department.

The Working Group is responsible for researching ESG trends and regulatory developments; formulating ESG visions and goals aligned with the Company's strategy and providing decision-making support to the Board; identifying significant ESG risks and reporting them to the Board with improvement recommendations; developing ESG guidelines and plans, refining relevant systems, and evaluating implementation to suggest optimizations; and compiling the annual ESG Report and facilitating ESG-related communications.



Functional Departments and Subsidiaries

As the implementing entities, they are responsible for identifying and assessing the impacts, risks, and opportunities related to ESG topics, and developing response plans; managing the collection, review, and reporting of ESG information; and engaging with relevant stakeholders to address their ESG needs.

ESG Governance Structure

Conducting Internal and External ESG Training

The Company continuously strengthens its ESG professional capacity building and internal collaboration mechanisms, promoting a systematic and standardized approach to sustainability management and information disclosure. The Company actively participates in external learning and exchanges. In February 2025, it attended the special training on "ESG Sustainability Disclosure and Hong Kong Registration" organized by the Quanzhou Administration for Market Regulation, gaining timely insights into the latest regulatory and market requirements and enhancing its awareness of disclosure compliance and understanding of relevant rules. Additionally, the Company organized a themed training on "ESG and Sustainability Leadership" for senior management and key business personnel, covering ESG strategic management, risk identification and response, international standard frameworks, and practical implementation. Through interactive lectures and case discussions, the training strengthened management's practical capabilities in corporate sustainability, risk management, and strategic decision-making.

The Company simultaneously strengthens internal review and advance planning. In June 2025, an ESG Report review meeting was held to systematically evaluate the data definitions, preparation process, and disclosure priorities from the previous reporting cycle, identifying areas for improvement and clarifying responsibilities. In December 2025, an ESG Report kick-off meeting was convened to prearrange the annual preparation plan and key milestones, facilitating efficient coordination across departments, data management, and content planning. These efforts lay the groundwork for continuously enhancing the ESG governance level and disclosure quality.



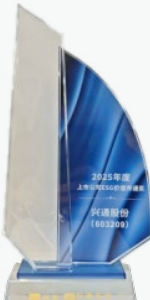
ESG Report Kick-off Meeting

ESG Honors and Achievements

Xingtong Shipping consistently advances its ESG management and practices, with continuous improvements in relevant systems and actions, leading to an upward trend in overall performance year by year. During the Reporting Period, the Company's ESG efforts were recognized by external organizations and earned related honors, reflecting the steady strengthening of its sustainable development capabilities.



"A" Rating from Wind ESG



2025 ESG Value Communication Award for Listed Companies

Sustainable Development Concepts and Goals

The Company's social responsibility policy is to conduct business based on the fundamental principles of responsibility, ethics, and sustainability, adhering to a long-term value orientation and continuously promoting high-quality, sustainable development. Focusing on the UN Sustainable Development Goals (SDGs), the Company systematically advances its ESG practices to foster synergistic improvement in both business and social value.

Collaborating for Industry Progress

The Company deepens the strategic cooperation with upstream and downstream enterprises in the supply chain, actively participates in industry forums and school-enterprise exchange activities, and establishes supply chain partnerships, to jointly promote the sustainable development of the shipping industry and drive win-win cooperation with a more open attitude.

Risk Management

The Company builds an efficient governance structure, strengthens compliance and risk management, promotes internal communication and cooperation with stakeholders, standardizes business practices, and establishes a peaceful, just, and strong business environment.

Environmental Management and Ecological Protection Circular Economy and Resource Utilization

The Company actively promotes the use of environmentally friendly packaging materials, implements green office practices, and conducts environmental activities such as tree planting to contribute to the protection of terrestrial ecosystems and biodiversity.

Environmental Management and Ecological Protection

The Company takes measures such as route optimization, enhanced ballast water management, and noise reduction during navigation to effectively protect the marine ecosystems, maintain underwater biodiversity, and actively contribute to marine protection efforts.

Green and Low-Carbon Shipping Climate Change Adaptation and Mitigation

The Company adopts advanced energy-saving technologies and equipment to optimize ship design, improve energy efficiency, and reduce greenhouse gas emissions.
The Company actively tracks international climate policy trends, participates in relevant training and seminars, ensures that business operations comply with international emission reduction requirements.

Sustainable Supply Chain

The Company implements a green procurement policy, prioritizes the selection of environmentally friendly and efficient materials and services, and drives the upstream and downstream of the supply chain to jointly practice responsible consumption and production concepts.

Fostering Community Co-development

The company actively organizes volunteer harvesting assistance, medical equipment donations, and other public welfare activities to improve local medical standards and rural economic vitality, contributing to the sustainable development of communities.

Employment and Employee Rights Employee Training and Development

The Company provides equal career development opportunities and implements a non-geographical and gender-neutral recruitment and employment policy to ensure that every employee enjoys a fair working environment and promotion opportunities.



Fostering Community Co-development

The Company actively engages in public charity initiatives and supports education development and rural revitalization. Through concrete actions like agricultural support procurement, it fulfills its corporate social responsibility, helping to reduce poverty and inequality and contributing to building inclusive and sustainable social development.

Fostering Community Co-development

The Company organizes agricultural support activities and actively contributes to the cause of rural revitalization.

Occupational Health and Safety

The Company pays attention to the physical and mental health of crew members, strengthens occupational health protection, and regularly conducts occupational health surveillance and medical checkups.

The Company organizes professional lectures and training, offers psychological counseling services, and fully safeguards the health and well-being of crew members.
The Company also implements shore-based security management for onshore personnel to strictly control and prevent health and safety risks.

Employee Training and Development

The Company attaches importance to talent cultivation, solidly offers professional ability and knowledge training, deepens school-enterprise cooperation, and co-cultivates shipping talent, constantly improves the professional skills and knowledge base of the staff, and creates a high-quality talent team.

Employment and Employee Rights

The Company actively advocates for gender equality, implements a gender-neutral recruitment policy, fully safeguards the rights and interests of female employees, organizes themed events such as Women's Day, and creates an inclusive and equitable working environment.

Circular Economy and Resource Utilization

The Company strictly regulates the compliant treatment of sewage from ships, ensures the safety of fresh drinking water onboard, actively improves sanitary facilities, and provides a healthy and safe living environment for the crew.

Green and Low-Carbon Shipping

The Company actively promotes the construction of low-carbon ships such as methanol dual-fuel vessels while exploring the application of green energy, and is committed to promoting the transition of the shipping industry to economic and applicable clean energy.

Employee Training and Development

The Company provides competitive compensation and diversified career development paths, strengthens employee training and promotion mechanisms, and fully safeguards employee rights and benefits.

Digital and Intelligent Shipping Transformation Innovation-Driven Development and Intellectual Property

The Company has actively invested in R&D to promote the digital and intelligent transformation of ships, build intelligent shipping platforms and enhance shipping efficiency and safety.
The Company strengthens strategic cooperation with industry partners, jointly promotes technological innovation and industrial upgrading, facilitates upstream and downstream coordination in the supply chain, and support sustainable economic development.

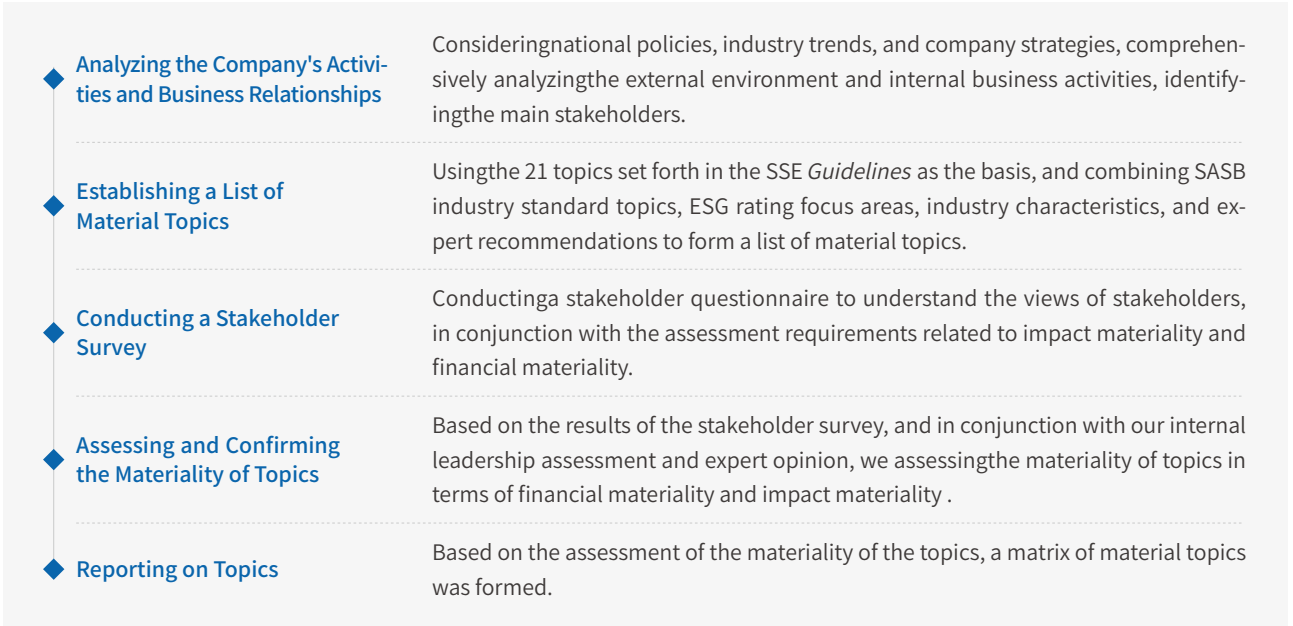
Stakeholder Communication

The Company is committed to enhancing its level of responsible corporate governance and responsible competitiveness. Focusing on "shaping the Xingtong brand and delivering Xingtong value," it actively engages in communication with stakeholders, including government, regulatory bodies, shareholders, employees, and customers. This enhances the transparency of information disclosure, optimizes mechanisms for responding to stakeholder needs, and promotes the synergistic sustainable development of the Company and society.

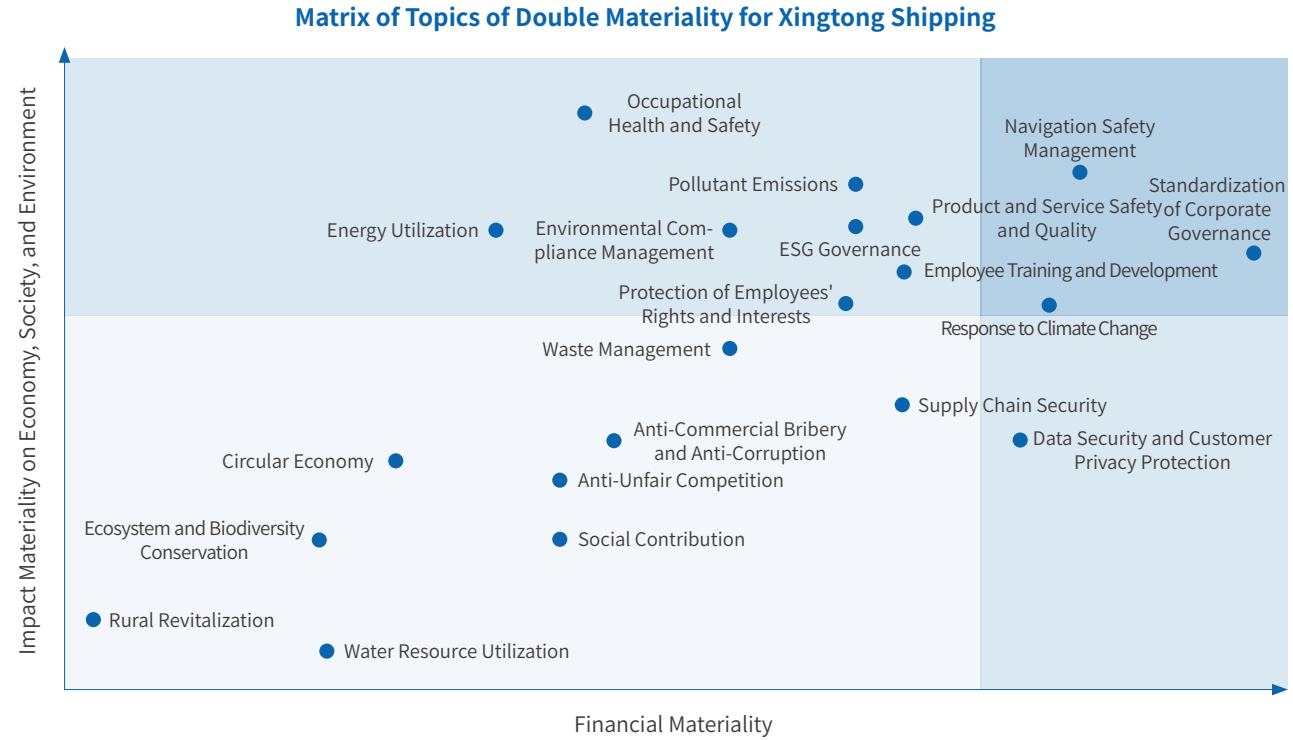
Stakeholders	Main Topics of Concern		Company Response	
 Government / Regulatory Agencies	Tax compliance	Standardization of Corporate Governance	Strengthen communication and reporting with government/regulatory agencies	Enhance environmental management
	Compliant Operations	Waste Management	Implement energy conservation and emission reduction	Protect marine ecology
 Shareholders	Climate Change Adaptation and Mitigation	Pollutant Emissions	Publish periodic reports and corporate ESG reports	Develop green vessels
	Environmental Compliance Management	Protection of Marine Ecology	Fulfill tax obligations	
 Employees	ESG Governance			
	Anti-Commercial Bribery and Anti-Corruption	Standardization of Corporate Governance	Carry out information disclosure	Publish periodic reports and the corporate ESG Report
 Communities	Risk Management and Internal Control	Development Strategy	Convene General Meeting of Shareholders	
 Customers	Protection of Employees' Rights and Interests	Navigation Safety Management	Convene Staff representative assemblies and other communication meetings	Provide competitive compensation and benefits
	Occupational Health and Safety		Safeguard employees' occupational health and safety	Conduct diversified employee training
 Suppliers				Create a "Home for Seafarers"
	Social Contribution	Rural Revitalization	Donate to education development funds	Participate in community public welfare activities
 Industry Organizations	Navigation Safety Management	Product and Service Safety and Quality	Enhance capacity for safe and efficient transportation services	Provide green and low-carbon transportation services
 Media	Sustainable Supply Chain		Provide fair opportunities and conduct responsible procurement	
	Contribution to Industry Development	Waste Management	Support industry exchanges	Implement energy conservation and emission reduction
	Energy Conservation and Carbon Reduction	Protection of Marine Ecology	Participate in industry forums and conferences	Protect marine ecology
			Enhance environmental management	Develop green vessels
Transparent Communication		Release reports and information in a timely manner		

Material Topic Analysis

With reference to the requirements of the SSE *Guidelines* and other relevant standards, and in combination with the SASB industry standard topics, the topics of the industry in the ESG rating in which the Company is operating, and the business realities of the Company, we comprehensively identify and evaluate material topics that significantly impact its sustainable development and are of close concern to its stakeholders through questionnaire surveys of stakeholders, expert analysis and other means.



Material Topic Analysis Process





Special
Feature

Intelligent Voyage Across Blue Seas,
Green Xingtong

In 2025, guided by China's "Belt and Road" Initiative and the *14th Five-Year Plan for Water Transport Development*, the Company adheres to its vision of becoming a "world-class, domestically leading integrated service provider for the chemical supply chain." It steadily advances the "1+2+1" strategic development plan. While consolidating its leading position in the domestic hazardous chemicals shipping industry, it actively opens new international routes. Through a sustainable business development model, the Company aims to become a renowned and internationally competitive shipping enterprise, solidly promoting the high-quality development of China's marine economy and contributing to the nation's goals of becoming a transportation and maritime power.



One Core

1

Continuously expand and strengthen the transportation of domestic liquid dangerous cargoes, enhancing capabilities and consolidating the leading position.



Two "New"

2

New Field

Continuously explore and develop the field of clean energy transportation.

New Direction

Actively develop the international shipping market to build a large-scale, influential, and first-class shipping fleet.



One Platform

1

Create a digital platform for the chemical supply chain logistics and consistently promote digitalization and the application of technological innovation.

Xingtong Shipping's "1+2+1" Strategy



Consolidating the Foundation, Stabilizing the Leading Industry Position

The shipping of liquid dangerous goods is inherently high-risk. Marine accidents during vessel transport can arise from collisions, reef strikes, stranding, fires, or explosions, and safety incidents can also occur due to improper operational procedures such as tank cleaning or cargo loading/unloading. Xingtong Shipping adheres to the "One Core" strategy, strictly complying with domestic regulations such as the *Law of the People's Republic of China on Work Safety*, as well as mandatory international conventions and standards, including the *International Convention for the Safety of Life at Sea (SOLAS)*, the *International Convention for the Prevention of Pollution from Ships (MARPOL)*, and the *International Maritime Dangerous Goods (IMDG) Code*. This ensures that vessel design, equipment, suitability for cargo, and navigation conditions all meet relevant domestic and international regulatory requirements. All vessels transporting dangerous goods are equipped with valid safety certificates and equipped with smart shipping systems and other equipment to enhance dynamic navigation monitoring.

The Company maintains a strong record in navigation safety, cargo operations, and terminal inspections, with **no** major safety incidents occurring.

In 2022, the Company obtained the **"Class I Certificate for Standardized Waterway Transport of Dangerous Goods"**.

Honors from the Ministry of Transport

"Safe & Integrity Company" endorsement for 2025

8 consecutive years

4 "Safety & Integrity Ships"

11 "Safety & Integrity Captains"

Hazardous Chemicals Safety Management System

Xingtong Shipping has established the Safety and Quality Management System (SQMS) covering ship-shore collaboration and all business processes, continuously integrating elements such as safety, quality, and environment. Since implementing the Safety Management System (SMS) in 2002, the Company has successively formulated a series of institutional documents, including the *Safety Management Manual* and the *Guidelines for Ship Operation and Management*, clarifying safety and quality responsibilities for all personnel, operational procedures, and emergency response plans. All dangerous goods vessels are maintained in good condition, hold statutory inspection certificates, and undergo rigorous annual surveys and audit procedures. The Company obtained its Document of Compliance (DOC) in May 2003 and has since passed four renewal audits.

The Company proactively benchmarks against industry best practices, introducing the TMSA system. It places high importance on the implementation of safety inspections such as FSC, PSC, SIRE, and CDI, continuously enhancing all employees' awareness of inspection readiness and strengthening preparation efforts. Deficiencies identified during inspections are promptly rectified as required, forming a closed-loop management mechanism of "benchmarking - implementation - rectification - improvement," consistently elevating the standardization and refinement of the Company's ship safety management.

During the Reporting Period

There were
44 PSC inspections

with
0 detentions

There were
47 FSC inspections

with
0 detentions

There were
66 SIRE inspections

with a
100% pass rate

There were
22 CDI inspections

with a
100% pass rate

I Hazardous Chemicals Safety Management Culture

The Company places great importance on building a safety culture from top to bottom, deeply implementing the philosophy of "safety first, prevention foremost." The Company has established communication platforms such as the "Home for Seafarers" and publicized typical accident warnings, regulatory knowledge, and safety education through multiple channels. In June 2025, the Company launched "Work Safety Month" and its inaugural "Safety Day" activities, including safety knowledge lectures, fire drills, and hazard identification, ensuring safety awareness permeates the daily work of all employees.

In hazardous chemicals shipping, high-caliber, versatile seafarers are the core guarantee for safe operations. The Company's domestic trade crew are 100% in-house. For foreign trade vessels, crew on flag-of-convenience ships are currently assigned by third-party ship management companies. However, with the establishment of Fokai Ship Management and Fuxing Crew Management by the end of 2025, the proportion of own crew will further increase. The Company regularly organizes training for crew members on the properties of dangerous goods, operational procedures, and emergency knowledge, while also continuously enhancing their professional skills through external training and simulation drills.

I Hazardous Chemicals Safety Management Measures

Pre-Transport Preparation

Before voyage commencement, the Company systematically conducts route risk assessments, meteorological and sea condition analyses, and cargo characteristic evaluations. It comprehensively verifies cargo suitability and compliance of transport documents, ensuring documentation such as dangerous goods declarations and safety data sheets are complete and accurate. Key information, including cargo name, physicochemical properties, loading quantity, and emergency protection points, is precisely communicated to the vessel's frontline team. The Company strictly enforces regulations for vessel carriage of hazardous chemicals. The cargo that does not meet safety standards or involves under-declaration or non-declaration of hazardous properties is not loaded in accordance with regulations, eliminating safety risks at the source.

Loading/Unloading and Navigation Management

Throughout the entire loading/unloading and navigation process, the Company strictly implements standardized specifications for hazardous chemicals operations. It deepens ship-shore coordination mechanisms, and conducts safety communication confirmations and joint on-site inspections before operations to promptly address safety concerns. Patrol and monitoring positions are scientifically arranged, and critical equipment such as hoses and valves is ensured to meet technical specifications and undergo regular inspection and maintenance. Simultaneously, full-area firework controls are implemented, strictly prohibiting open-flame work and high-risk operations that can generate sparks. Navigation monitoring and watchkeeping systems during voyages are strengthened, and crew members are adequately equipped with professional protective gear, systematically reducing operational and navigational safety risks.

Emergency and Post-Incident Management

The Company ensures that vessels develop specific emergency plans for safety and pollution prevention, regularly organizing practical drills. Sufficient professional emergency equipment for firefighting, first aid, and spill control is provided. In the event of an emergency, procedures for rapid reporting, scientific assessment, and decisive action are strictly followed. Post-incident, in-depth investigation, analysis, and experience review are promptly conducted to promote continuous optimization of management systems and operational processes, establishing a closed-loop "prevention-response-improvement" mechanism to achieve a spiral increase in safety management level.

I Hazardous Substances Management

The Company, strictly adhering to IMO and relevant domestic regulations, has established procedures such as the *Instructions for Preventing Pollution by Noxious Liquid Substances in Bulk*, *Instructions for Preventing Pollution by Harmful Packaged Substances*, *Instructions for Preventing Garbage Pollution from Ships*, and *Instructions for Preventing Sewage Pollution from Ships*. Antifouling paints used on vessels comply with the requirements of the IMO's AFS Convention. For various materials such as fuel oil, lubricating oil, toxic and hazardous chemicals, and marine spare parts, the Company implements management measures including isolated zones, sealed storage, and clear labeling, complemented by spill prevention facilities and emergency response equipment. During material transport, strict use of dedicated containers and standardized management ensures safety, controllability, and full traceability throughout all stages of loading, transportation, and storage.

Diversified Exploration, Building a New Force in International Shipping

The introduction of the "Two" new aspects of the strategy is Xingtong Shipping's proactive action under the new development paradigm. In expanding its international shipping business, Xingtong Shipping increased vessel investment, optimized route layouts, and continuously opened new international shipping routes to serve countries along the Belt and Road. This not only promotes trade with countries along the routes and drives synergistic regional economic development but also enhances Xingtong Shipping's voice and influence in the international shipping market, helping to build a first-class, internationally competitive shipping fleet. Concurrently, in the field of clean energy transportation, the Company keeps pace with the global energy transition by actively positioning itself in LPG and other clean energy transport businesses, contributing to the security of national energy transportation.

I Environmentally Friendly Design of New Vessels

Xingtong Shipping practices the development concept of "green, low-carbon, and intelligent" shipping. Actively responding to the national "dual carbon" goals and global green shipping initiatives, the Company focuses on building a high-end, green fleet to reduce greenhouse gas emissions. All new vessels are designed in accordance with the China Classification Society's *Rules for Green Eco-Ships*, incorporating energy-saving technologies such as hull lightweighting and optimized lines, as well as measures like main engines using low-carbon fuel of methanol to achieve low-carbon emissions.

The Company continuously optimizes its fleet structure and accelerates the renewal and upgrade of green vessels. The six contracted 25,900 DWT methanol dual-fuel stainless steel chemical tankers all feature energy-saving designs such as hull lightweighting and optimized lines to enhance propulsion efficiency and energy utilization, reduce fuel consumption and greenhouse gas emissions, and drive the green and low-carbon development of the fleet. During the Reporting Period, two of these vessels ("XT SEA LION" and "XT SEAL") were delivered and put into operation, with the remaining four under construction.

During the Reporting Period

Among the Company's **10** foreign trade vessels, aside from **2** newly operational vessels without CII rating data yet, **6** vessels achieved a CII rating of C or above.

The Company plans to implement optimization adjustments to strive for all foreign trade vessels to attain a CII rating of C and above.



Case Study

Delivery and Operation of Methanol Dual-Fuel Sister Ships Empowering Green and Intelligent Chemical Transport

The "XT SEA LION" and "XT SEAL," as the first two delivered vessels in the Company's 25,900 DWT methanol dual-fuel stainless steel chemical tanker series, integrate green, low-carbon features with high-end intelligence and global service capability, representing a milestone in the Company's green, high-end fleet development.

Both vessels utilize low-carbon technology pathways, such as methanol dual-fuel readiness, and incorporate comprehensive hull energy-saving and efficiency optimization solutions in their design to enhance propulsion efficiency and fuel economy, demonstrating a forward-looking commitment to green shipping.

Additionally, the vessels are equipped with intelligent ship management systems that integrate functions such as intelligent navigation, intelligent engine room, intelligent energy efficiency, and intelligent information integration. These systems enable real-time collection of navigation status, equipment operation, and key energy consumption data, supporting intelligent decision-making and precise control through data analysis, significantly enhancing the digitalization and refinement of vessel operations.

Regarding environmental performance, these vessels meet the EEDI Phase 3 requirements. Their main engines and generator sets are equipped with Selective Catalytic Reduction (SCR) systems to meet the IMO Tier III emission standards. They have also been awarded relevant environmental class notations by the American Bureau of Shipping (ABS), such as ENVIRO, Methanol Fuel Ready Level 1C, and EEDI-PH3, which further reduce air pollutants like nitrogen oxides while minimizing greenhouse gas emissions. Through the combined application of clean fuel pathways and energy-saving/emission-reduction technologies, Xingtong Shipping continuously reduces the carbon footprint of its vessels, driving the green, low-carbon, and high-quality development of its fleet.



Successful Naming and Delivery Ceremony for "XT SEA LION" and "XT SEAL"

Green Ship Retrofitting

Aiming to enhance the energy efficiency and reduce emissions of its fleet, Xingtong Shipping systematically advances green ship retrofitting, covering areas such as power system optimization, hull resistance control, auxiliary equipment energy saving, and intelligent operations management. By combining technological upgrades with refined operations, the Company continuously reduces fuel consumption and pollutant emissions, enhancing the green competitiveness of its fleet.

Green Retrofitting Initiatives of Ships



Power System Optimization

Install shaft generators to utilize the surplus power from the main engine for electricity generation, reducing the runtime of the auxiliary engine to lower fuel consumption and emissions. Add Propeller Boss Cap Fins (PBCF) to the propeller to recover rotational energy from the wake, improve water flow, enhance propulsion efficiency, and reduce the power demand of the main engine at a given speed.



Auxiliary Equipment Energy Saving

Utilize variable frequency drives (VFDs) for auxiliary equipment such as fans and pumps to automatically adjust speed and power based on actual operating conditions, avoiding energy waste. Comprehensively replace lighting with high-efficiency fixtures like LEDs to reduce lighting power load. Use high-efficiency electric heaters instead of oil-fired boilers during low load or berthing to reduce boiler starts and pollutant emissions. Optimize the ship's electrical grid to enhance power savings.



Hull Resistance Control

Apply new low-resistance antifouling coatings (such as the high-standard tin-free linear polishing polymer antifouling paint used on "XT PROGRESS") to the hull surface to inhibit marine growth and maintain hull smoothness. During the Reporting Period, "XT HONESTY" conducted two hull fouling cleanings operations to reduce sailing resistance, while "Xingtong 799" completed one hull resistance control.



Intelligent Operations Management

Utilize Hi-fleet software for route optimization, avoiding adverse weather by integrating weather and sea condition forecasts, and leveraging favorable currents and winds, potentially achieving voyage energy savings of 2%-5%. Introduce the AQUAMETRO fuel flow consumption monitoring system for real-time, accurate fuel consumption tracking, identifying abnormal consumption, optimizing routes and driving practices, while also providing data validation for the effectiveness of energy-saving technologies and guiding maintenance decisions.



In 2025, Xingtong Shipping's global capabilities continued to strengthen. Throughout the year, the Company served clients across 47 countries and regions and called at 214 ports globally. In the domestic market, 18 new customers were added, successfully onboarding international chemical giants like ExxonMobil and BASF, continuously optimizing the high-end client mix. In the international market, the route network accelerated its shift from "regional" to "global," with new routes opened to Chile and Peru in South America, further refining the pan-oceanic route system and achieving sustained enhancement of global cargo transportation capacity.



In December of the same year, the joint inauguration of Fokai Ship Management and Fuxing Seafarer Management marked a crucial step in the Company's construction of an international shipping service system. Fokai Ship Management aims to build an international, standardized ship management system; Fuxing Crew Management aims to establish a full-cycle talent management system. This achieves a deep integration of "vessel assets + human capital." This strategic move not only enhances the Company's global operational capabilities but also signifies Xingtong Shipping's strategic transformation and upgrade from "scale expansion" to "capability-driven" growth.



As the core content of the "One Platform" in the Company's strategy, Xingtong Shipping actively promotes the construction of a digital platform for chemical supply chain logistics, demonstrating a firm commitment to driving digital transformation. By independently developing the "AI-XingZai" shipping model with characteristics specific to chemical shipping, and introducing advanced technologies such as big data, cloud computing, and the Internet of Things (IoT), the Company has achieved monitoring and intelligent management of logistics processes, effectively improving the operational efficiency of the supply chain and reducing operating costs. The construction of this digital platform not only provides the Company's customers with more convenient and efficient services but also offers valuable insights for the digital upgrade of the chemical supply chain logistics industry.

International Ship Cost Integration with Kingdee Cloud Constellation

Intelligent Crew Scheduling System

Intelligent Ship Scheduling

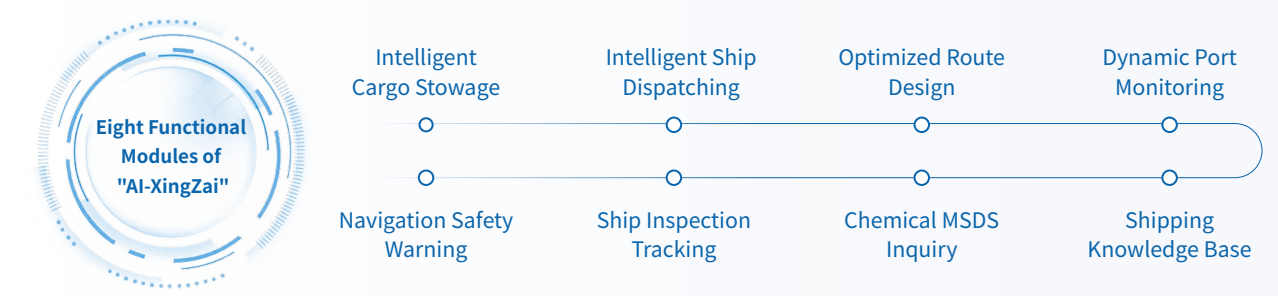
"AI-XingZai" Agent

Ship Operations
Visualization Platform

"AI-XingZai" Agent Platform

Ship Risk Management Platform

Riding the wave of digitalization, Xingtong Shipping accelerates the transformation and upgrade to "smart shipping." The Company has integrated APIs from DeepSeek and Zhipu AI's large models, and independently developed the "AI-XingZai" intelligent platform tailored for hazardous chemicals shipping, deeply embedding artificial intelligence into all aspects of vessel operations and management. This platform integrates the Company's long-term in-house developed "Shipping Butler" system and collaborates deeply with digital platforms like Kingdee Cloud Constellation and Kingdee Cloud Cosmic, covering various functional modules, including:



Through the coordinated integration of the above modules, the "AI-XingZai" platform achieves intelligent, collaborative management across the shipping business chain. After thorough testing, its core functionalities have been stably deployed and operational in the Company's key operational scenarios since June 2025.



AI-XingZai Intelligent Agent Assistant Platform

In advancing its smart shipping development, the Company has introduced AI-assisted development, embedding AI tools into the requirement design and iterative development of its core self-developed systems. This supports rapid prototyping, automated code generation and optimization, and swift data and interface construction, significantly shortening development cycles and reducing cross-departmental communication and modification costs. These practices have been applied in the development of modules such as green voyage analysis, operational visualization dashboards, and risk management, enhancing platform stability and scalability, and providing technical support for refined operations and green, low-carbon management.

Vessel Operations Management

"AI-XingZai" leverages multi-dimensional information, including historical voyage data, port operation efficiency, meteorological data, shipping market dynamics, and vessel queue status to achieve intelligent route pre-scheduling and dispatching optimization, reducing labor costs and significantly improving vessel utilization and operational efficiency.

Engine Room & Cargo Hold Monitorin

To enable shore-based teams to promptly understand the operational status of onboard equipment, the intelligent ship system platform collects real-time operational data from engine room equipment and presents it intuitively on the platform. By setting reasonable thresholds, the system can issue timely alerts for abnormal equipment operation, helping managers quickly locate faults and make accurate diagnostics. Shore-based managers can monitor critical information such as ship pressure and temperature in real-time through the system, promptly identifying cargo leakage or abnormal temperature conditions, thereby ensuring safe cargo transport and effectively reducing risks and incidents.

Cost Control Monitoring

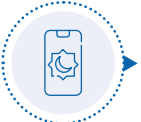
The Company has established standardized original records and statistical ledgers for energy consumption by installing metering equipment such as smart electricity meters and fuel flow meters. It relies on the "Ship Energy Efficiency Management Digital Platform" for real-time data collection, monitoring, and comparative analysis.

Leveraging the powerful data analysis and computational capabilities of DeepSeek, the platform accurately calculates ship energy consumption and optimizes speed, fuel configuration, and refueling plans based on different sailing conditions, thereby reducing fuel costs. Furthermore, real-time monitoring of the operational status of marine mechanical and electrical equipment enables early warning of potential equipment failures, reducing equipment maintenance costs.

Navigation Safety Warning

The platform integrates a high-throughput satellite broadband system, CCTV smart monitoring, AI behavior recognition, and a navigation safety assistance system to build an integrated ship-shore intelligent navigation safety management platform. Combined with authoritative meteorological data, it intelligently analyzes sea area weather conditions to proactively avoid risks and ensure navigation safety.

CCTV System



Intelligent Dialogue in Corporate Knowledge Base

An intelligent internal corporate knowledge base system has been built. Leveraging natural language processing technology, it enables efficient knowledge retrieval, precise question answering, and automated knowledge recommendations. This system helps employees quickly access key information such as corporate policies, process guides, industry regulations, and operation manuals. It promotes knowledge sharing, enhances team collaboration efficiency, optimizes the corporate decision support system, and provides more precise information support for business operations.

Crew rotation Scheduling

By integrating multi-dimensional data such as crew skills, contract duration, route requirements, and vessel type, intelligent algorithms are used to optimize rotation scheduling. This system effectively improves human resource utilization efficiency, ensures personnel matching, reduces operational costs, minimizes the complexity of manual scheduling, and enhances the precision and flexibility of crew deployment.

Financial Data Analysis

The Company's self-developed International Ship Cost Integration with Kingdee Cloud Constellation provides standardized expense reporting and collection interfaces for overseas ship management companies, supporting their efficient upload of ship operation-related expenses. Data is automatically synchronized to the Kingdee Cloud Cosmic and Constellation financial systems, enabling automated aggregation, categorized accounting, and multi-dimensional analysis of international ship costs, thereby improving expense transparency and settlement efficiency.

Empowering Operational Processes with Digital Intelligence

While advancing the construction of its smart shipping platform, Xingtong Shipping continues to strengthen data governance and data valorization. During the Reporting Period, the Company completed data intellectual property registration for its "Dataset for Crew Service History and Dispatch Stability Assessment." Following the "Ship Operation Efficiency Analysis Dataset," this marks another instance of data rights confirmation, demonstrating substantive progress in transforming shipping data into a factor of production and an asset. Centered on a unique crew identifier, this dataset integrates indicators such as qualification matching, service stability, certification status, and availability for dispatch to form a crew competency profile. Through standardized governance and compliant desensitization, it is dynamically updated. It has been applied to intelligent scheduling and talent pipeline development, supporting coordinated dispatch and resource sharing among subsidiaries, and driving the transformation of management from experience-based judgment to data-driven decision-making.

During the Reporting Period, all newly delivered vessels were equipped with advanced intelligent ship management systems, integrating functions for intelligent navigation, engine room management, energy efficiency, and information management. These systems enable real-time collection of navigation status and key energy consumption data, as well as big data analysis, thereby facilitating intelligent decision-making and precise control, significantly enhancing the level of operational intelligence. The deep application of digital and intelligent technologies empowers the Company, building a new, efficient, and safe model for smart shipping. This further solidifies Xingtong Shipping's leading position in the hazardous chemicals transportation sector.



Data Intellectual Property
Registration Certificate

Green Empowerment

Setting a Benchmark for Low-Carbon Shipping

Guided by the concept of green development, Xingtong Shipping integrates environmental management into its corporate strategy and daily operations. It systematically advances key tasks, including responding to climate change, enhancing environmental compliance and emergency management, strengthening ecological protection, improving pollutant and waste management, and enhancing resource and energy efficiency. The Company is committed to consolidating its management foundation through system development and capacity building, promoting energy conservation and emission reduction via technological advancement and management optimization, and improving environmental performance through continuous improvement. It strives to achieve harmony between shipping operations and the ecological environment, providing solid support for the Company's high-quality and sustainable development.

Climate Change Adaptation and Mitigation	37
Environmental Management and Ecological Protection	42
Pollutant Emissions and Waste Management	45
Circular Economy and Resource Utilization	48



Climate Change Adaptation and Mitigation



Governance

Xingtong Shipping follows its established ESG governance structure to ensure that the identification of climate-related risks and the formulation and execution of strategies are effectively managed and supervised. The Board of Directors, as the highest decision-making body, is responsible for reviewing long-term strategies, major objectives, and risk response policies related to climate change. The functional departments and subsidiaries are responsible for implementing various energy-saving and emission-reduction measures, as well as completing relevant data monitoring and performance improvement.

Under this governance framework, the Company continuously improves and implements its energy conservation and emission reduction management procedures, integrating these efforts into daily operations. Through periodic reviews and continuous improvement mechanisms, it consistently enhances energy efficiency and carbon reduction results, driving the Company's green transformation and striving for harmonious coexistence with nature.

Strategy

By referring to publicly available scenario models from the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA), and based on factual evidence such as shipping industry development trends, the Company identifies potential transition risks, physical risks, and opportunities across three time horizons: short-term (2025–2026), medium-term (2026 [inclusive] -2030), and long-term (2030 [inclusive] -2050), and comprehensively analyzes the potential impacts of climate-related risks and opportunities.

Risk Type	Description	Financial Impact	Impact Duration	Impact on Value Chain	Countermeasures
Policy and Legal Risk	Global shipping emission reduction policies (e.g., EU-ETS, FuelEU Maritime) are continuously strengthened, imposing stricter requirements on vessel emissions, leading to increased compliance costs. Failure to meet requirements	Cost Increase	Short-term Medium-term Long-term	Operations Downstream	- A closed-loop management mechanism has been established by building a systematic carbon management and compliance fulfillment framework and setting up a dedicated task force. - Continuously and closely track the dynamics of key policies such as the EU ETS and FuelEU Maritime, as well as changes in carbon allowance prices. Conduct compliance impact assessments and cost calculations to support advanced planning and procurement decisions. - Strengthen relevant personnel's understanding and implementation capabilities regarding the key points, scope of application, and compliance strategies of new regulations through specialized training and internal communication on topics like carbon trading, laying the foundation for fleet optimization and compliance fulfillment. - Focus on optimizing fleet fuel and energy efficiency management in line with new regulations, and coordinate the allocation of compliance resources to achieve coordinated compliance across routes, ensuring business operations meet regulatory requirements. - Open special green deposit accounts with banks to ensure funds are directed towards projects that meet green and low-carbon industry standards. The use of these funds is verified by third-party environmental assessments, helping to support the Company's green transformation and low-carbon shipping development. - Track information on the latest technological developments, policy changes, and market acceptance of clean-fuel-powered vessels. Advance the planning and implementation of methanol dual-fuel retrofits for the fleet.
Transition Risk					
Technology Risk	- The research, development, and application of ship energy-saving technologies, including direct and indirect measures such as hull drag reduction, engine efficiency upgrades, and route optimization, are becoming mandatory requirements. - Accelerating the deployment of clean-fuel-powered vessels has become an industry trend, but this process also entails significant risks, such as high retrofit costs, technological uncertainty, and challenges related to market acceptance.	Cost Increase	Medium-term Long-term	Upstream Operations	- Accelerate the intelligent upgrade of vessels, enhancing the energy efficiency management and operational level of its fleet through digital and intelligent retrofits, providing technical support for emission reduction. - Systematically incorporate carbon reduction requirements and assessments during the ship design, testing, and modeling phases to shape low-carbon competitiveness from the source. - Actively participate in industry conferences, seminars, and other activities to acquire the latest information and experience.
Reputation Risk	- As shipping is a high-energy-consumption, high-emission industry, if the Company fails to effectively address climate change, its environmental image could be severely damaged, making it difficult to attract and retain stakeholders such as investors, banks, customers, suppliers, and employees who are concerned about climate change. - Environmental regulations in the hazardous chemicals transportation industry are becoming stricter, and customers and consumers are increasingly environmentally conscious. Inadequate emission reduction or energy efficiency management measures by the Company could lead to reputational damage.	Revenue Decrease Financing Costs Increase	Long-term	Upstream Operations Downstream	- Establish and maintain a robust environmental management system to ensure the effective implementation of all environmental protection measures. - Establish communication channels with stakeholders, respond to their concerns and feedback promptly, and enhance trust and cooperation. - Organize in-depth training for employees on relevant environmental regulations to ensure the Company's operations comply with legal requirements.

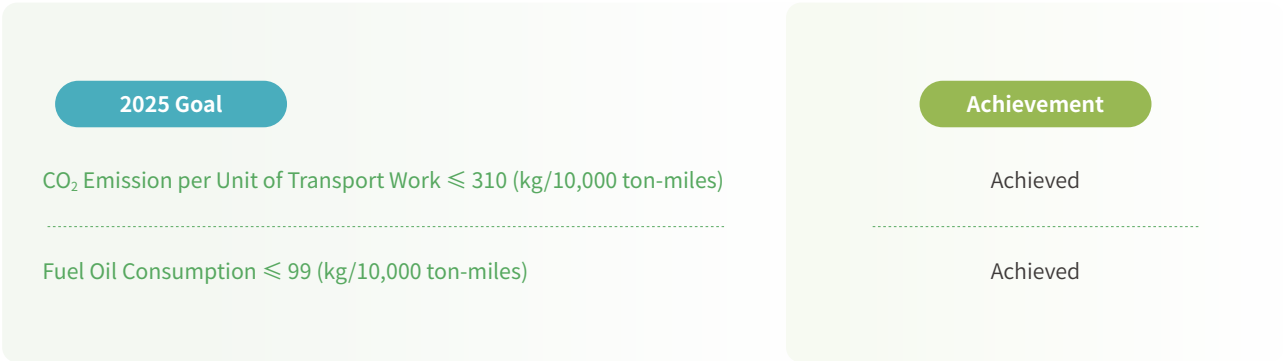
Risk Type		Description	Financial Impact	Impact Duration	Impact on Value Chain	Countermeasures
 Physical Risk	Acute Risk	Climate change leads to more frequent extreme weather events such as typhoons and storms, which can damage vessels and port facilities and increase risks during navigation and loading/unloading operations. Prolonged adverse weather can delay shipping schedules, reduce fleet turnover efficiency, and increase insurance claims and operational costs.	Cost Increase Increased Insurance Premiums Revenue Decrease	Short-term	Operations Downstream	- The Company collaborates with third-party organizations to monitor the impact of real-time weather on routes, helping to mitigate climate risks (such as monsoons, typhoons, ocean currents, haze, high temperatures, and sea-level rise). It has established a comprehensive meteorological warning and route adjustment mechanism to proactively avoid high-wind areas and reduce impacts. - Strengthen the wind and wave resistance design of key vessel components and conduct regular inspections to ensure equipment reliability under severe sea conditions. - The Company has formulated and implements the Emergency Instructions for Adverse Weather Damage to standardize vessel navigation operations under adverse weather conditions, ensuring the safety of personnel, the vessel, and cargo. - At the preventive level, the captain and navigating officers are required to promptly analyze meteorological data, assess trends of marine weather changes, and optimize routes. Preparations such as watertight closure, stability management, and lashing and securing to prevent shifting are made in advance. Simultaneously, the main engine, steering gear, and ship communication equipment are checked to ensure the reliability of critical equipment. At the response level, lookouts are intensified during navigation, and the course and speed are adjusted according to wind and wave conditions. In case of drifting caused by main engine or steering gear failure, measures such as anchoring nearby, heaving to, emergency repairs, checking watertight integrity, and reducing free surface effects are taken based on the water depth and channel conditions. The competent authorities and the Company are notified promptly according to the Ship and Shore Emergency Response Procedures, and rescue is requested. If damage occurs, a maritime declaration is properly made, relevant documentation is retained, and the inspection checklist is filled out as required.
	Chronic Risk	- Sea level rise affecting cargo discharge and berthing: Rising sea levels will impact cargo discharge operations and berthing at existing ports and may reduce the number of available ports. - Changes in average wind speed affecting navigation and onboard operations: Variations in average wind speed at sea will affect factors such as vessel resistance and speed, making route planning more challenging and potentially posing safety risks for onboard operations.	Cost Increase	Long-term	Operations Downstream	Conduct comprehensive assessments of existing ports' adaptability to sea level rise, prioritizing those with strong adaptability for berthing and cargo discharge. Regularly update nautical information such as electronic navigational charts to ensure vessels have access to the latest data on channels, water depths, and port facilities to address challenges posed by environmental changes like sea level rise. Real-time monitoring of vessel performance, including key indicators such as speed, fuel consumption, and stability, is carried out. Operational parameters are adjusted promptly based on environmental factors like sea level rise and wind speed changes to ensure safe and efficient navigation.

Opportunity Type		Description	Financial Impact	Impact Duration	Impact on Value Chain	Countermeasures
Resource Efficiency Improvement	Improved Ship Operational Efficiency	By developing and deploying digital and intelligent ship management systems, routes are scientifically optimized, improving vessel operational turnover.	Cost Reduction Revenue Increase	Short-term Medium-term	Operations Downstream	Increase R&D investment to build digital and intelligent management systems; continuously iterate and upgrade to maintain system advancement.
	Improved Ship Energy Efficiency	Improve energy efficiency of ships through energy-saving retrofits, and the development and deployment of digital and intelligent management systems.	Cost Reduction	Short-term Medium-term	Operations	Formulate energy-saving retrofit plans, adopt advanced energy-saving technologies and equipment; strengthen data integration and analysis to enhance decision support; train crew members to improve proficiency in using advanced systems.
Energy Transition	Utilization of Low-Carbon Energy	Deploy dual-fuel powered vessels capable of using low-carbon energy sources such as methanol and LNG, and gradually increase the proportion of low-carbon energy used.	Increased Green Financing Revenue Increase	Medium-term Long-term	Upstream Operations Downstream	Evaluate existing vessel power systems and select suitable dual-fuel power system solutions for retrofitting or newbuilds, ensuring technical feasibility and economic viability.
Products and Services	Development of Green Vessels	Continuously research and develop green ship technologies to build green vessels, enhancing competitive advantage and improving customer retention.	Revenue Increase	Long-term	Upstream Operations Downstream	Actively explore green methanol supply solutions, focusing on research and selection, fleet development, and supply chain construction, positioning green methanol as the primary direction for ship clean fuel at the current stage, and advancing energy-saving technical retrofits and intelligent control.
Market Expansion	Increased Market Demand for Clean Energy and Chemical Transportation	The manufacturing and processing industries require green transformation and industrial upgrading, leading to increased demand for clean energy and chemical transportation.	Revenue Increase	Medium-term Long-term	Downstream	Analyze the demand distribution in the clean energy and chemical transportation markets to rationally plan transport routes and service networks.
Resilience	Diversified Layout	Accelerate the expansion of international routes and the clean energy transportation business to effectively address risks from the relocation of chemical industry chains and the trend of clean energy transition.	Increased Green Financing Revenue Increase	Medium-term Long-term	Operations Downstream	Conduct in-depth research on international routes and the clean energy transportation market, analyzing market demand, competitive landscape, and potential risks. Formulate long-term strategic plans, clarifying goals, pathways, and timelines for expanding international routes and the clean energy transportation business.

 Impact, Risk, and Opportunity Management

The Company systematically identifies and assesses climate-related risks that may arise during operations, focusing on the nature of the risks, the time horizon of impacts, and potential financial implications, and takes appropriate measures to control these risks within acceptable levels. In 2025, based on its actual operating situation, the Company built and improved its climate change risk response mechanism. Through diverse methods such as internal discussions, expert consultations, and participation in industry exchange conferences, it comprehensively identified potential risks and opportunities related to climate change. Simultaneously, the Company formulates and dynamically adjusts its opportunity utilization strategies based on the types, impact time horizons, and potential financial impacts of climate-related opportunities, integrating them with actual operations. This continuously enhances its climate resilience and operational adaptability.

 Indicators and Goals



Goals and Achievement of Climate Change Adaptation and Mitigation

Indicator	Unit	2025
Total GHG Emissions (Scope 1 + Scope 2)	tCO ₂ e	164,273.85
GHG Emission Intensity (Scope 1 + Scope 2)	tCO ₂ e/RMB 1 Million (Operating Revenue)	100.88
Scope 1 GHG Emissions	tCO ₂ e	164,096.11
Scope 2 GHG Emissions	tCO ₂ e	177.74

Greenhouse Gas Emissions

Environmental Management and Ecological Protection

Xingtong Shipping's transportation business of liquid dangerous cargoes is inherently high-risk, as the cargoes transported are typically polluting. A leak caused by human operational error, equipment failure, or unforeseen events could not only disrupt the balance of the marine ecosystem and destroy the living environment of marine life but also potentially have a significant impact on the daily lives of coastal residents and local economic activities. The Company strictly adheres to the environmental protection policy of "environmental protection, prevention first, and continuous improvement." It has formulated regulations such as the *Environmental Protection Management Procedures*, *Instructions for Preventing Air Pollution from Ships*, *Instructions for Preventing Domestic Sewage Pollution*, and *Instructions for Preventing Ballast Water Pollution from Ships* to ensure environmental protection measures are compliant.

The Company's Board of Directors has established the Safety and Environmental Protection Committee, responsible for supervising and managing the Company's safety and environmental protection efforts. The General Manager is the primary person responsible for environmental management, tasked with ensuring that the environmental management system is integrated into daily operations and business development. The Company continuously ensures environmental compliance management and has obtained multiple environmental compliance certifications, including the Environmental Management System Certification, and certificates for International Sewage Pollution Prevention Certificate, International Oil Pollution Prevention Certificate, Document of Compliance for the Prevention of Garbage Pollution, International Ballast Water Management Certificate from the China Classification Society.



Environmental Emergency Response

To enhance its capability to prevent and respond to sudden environmental pollution incidents, the Company has established a comprehensive emergency coordination mechanism and formed the Emergency Response Team. The General Manager serves as the overall commander, responsible for supervising and coordinating emergency actions and making decisions. The Company has also established specialized emergency groups comprising professionals based on shipping expertise, and on-site emergency teams composed of designated professionals from the emergency leadership group, forming a complete emergency management structure. To address potential marine environmental pollution incidents such as oil spills, chemical leaks, fires, and explosions, the Company has developed emergency response plans including the *Ship and Shore Emergency Response Procedures*, *Shipboard Marine Pollution Emergency Plan*, and *Shipboard Oil Pollution Emergency Plan*. These plans define roles and responsibilities, emergency response procedures, resource allocation, and pollution control measures for various types of pollution incidents.

The Company regularly organizes emergency response training and drills for crew members on pollution incidents, explaining the correct usage of emergency equipment and accident reporting procedures, simulating incidents such as oil spills and hazardous material leaks. By combining theoretical learning with practical operation, these exercises enhance crew members' environmental awareness and emergency response capabilities, while testing the effectiveness and feasibility of the emergency response plans. During the Reporting Period, the Company added the *Emergency Response Instructions for Nitrogen Leakage* and the *Emergency Response Instructions for Dangerous Cargo Reactions*. It formulated a five-year ship-shore joint drill plan, and ships developed their own annual drill plans. A total of four ship-shore joint drills were conducted, comprehensively covering all identified emergency scenarios.

Environmental Compliance Education

The Company systematically conducts specialized training and awareness and educational campaigns focused on the management of exhaust gas, wastewater, and solid waste. During the Reporting Period, the Company organized all crew members and relevant shore-based personnel to participate in specialized training on the latest requirements of the MARPOL Convention, compliant disposal procedures for ship pollutants, and environmental emergency operations. Relevant instructional videos and case materials were released via the internal learning platform. Concurrently, the Company displayed pollution prevention posters in public areas of vessels and office premises, and regularly published environmental knowledge columns through corporate newsletters to strengthen environmental awareness among all employees.

During the Reporting Period,

the Company invested RMB
5.9085 million
in environmental protection.

Biodiversity Conservation

Marine biodiversity holds significant value within the global ecosystem. The Company systematically identifies and assesses the impacts of ship navigation and related business activities on biodiversity. It manages biodiversity conservation under its overall environmental management framework, strictly adhering to international and regional regulations such as the *IMO Biofouling Guidelines* and the *Ballast Water Management Convention*. The Company has also formulated and publicly released the *Biodiversity Statement* to properly manage relevant risk factors and minimize the disruption or damage caused by its business operations to the marine ecology.

Route Planning and Species Avoidance

Utilize ECDIS to designate Particularly Sensitive Sea Areas (PSSAs) and key biodiversity protection zones as no-go areas. Avoid the right whale reporting areas, maintaining a distance of over 500 yards from right whales. During navigation, obtain right whale information through multiple channels; upon sighting, maintain a safe speed to minimize the impact on marine species.

Noise Control

Utilize low-noise equipment and optimize the shafting system during ship design and construction. Reduce the operating time of the main engine at high amplitudes and maintain equipment in good condition. Slow down when approaching PSSAs and key marine biodiversity protection zones to minimize noise.

Onboard Pest Control

Conduct regular external hull inspections to prevent the spread of marine fouling organisms and shipboard pests. Strengthen quarantine controls for invasive species such as moths. Actively carry out self-inspections and specialized surveys for vessels navigating high-risk areas, obtain official inspection certificates, and reduce the risk of ecological invasion along international routes.

Ballast Water Management

Vessels are equipped with ballast water management systems to standardize treatment procedures. All foreign trade vessels are subject to ballast water treatment, while some domestic trade vessels are equipped with corresponding facilities to prevent the abnormal migration of marine organisms.

Hull and Biofouling Management

Use environmentally friendly antifouling paints, hull cathodic protection systems, and silicone antifouling paint for propellers to reduce the impact on marine ecology. Regularly maintain and clean the hull to reduce the risk of spreading invasive species.

Oil Spill Emergency Response System

Based on the Company's *Environmental Protection Management Procedures*, a full-process oil spill emergency response management system has been established, forming a closed loop from risk prevention and control, emergency preparedness, and rapid response to post-incident ecological restoration. This enhances the capability to respond to sudden environmental incidents and minimizes the damage caused by oil spills to marine life and the ecological environment.

Biodiversity Conservation Measures

Pollutant Emissions and Waste Management

Xingtong Shipping strictly adheres to the requirements of the International Maritime Organization and relevant domestic regulations. It has formulated a series of rules and procedures, including the *Environmental Protection Management Procedures* and the *Operating Instructions for Preventing Oil Pollution from Ships*, to regulate various pollutant emissions and clarify environmental management requirements of ships, ensuring that treatment methods and discharge standards comply with international conventions and domestic laws. During the Reporting Period, all of the Company's vessels held valid pollution prevention certificates. No exceedances of discharge limits for major pollutants, characteristic pollutants, or controlled substances occurred in the Company's vessels or operational activities. Through the implementation of measures such as the Ship Energy Efficiency Management Plan, ballast water management, and sulfur and nitrogen oxide emission control, discharge levels met and even surpassed regional limit requirements, maintaining environmental management performance at an advanced industry level.

Ship Wastewater Management

The Company has formulated relevant regulations and procedures, including the *Environmental Protection Management Procedures*, *Operating Instructions for Preventing Oil Pollution from Ships*, *Instructions for Preventing Domestic Sewage Pollution*, and *Instructions for Preventing Ballast Water Pollution from Ships*, to regulate the discharge activities of sludge and bilge, domestic sewage, and slop.



Oily Water

- Ships are equipped with pollution prevention equipment such as oil-water separators and oil content meters, which are regularly inspected and maintained to ensure their reliable operation. Oily water is strictly stored in designated tanks and effectively treated via oil-water separators or disposed of onshore.



Tank Washings

- Discharge is regulated according to MARPOL and the *Discharge Standard for Water Pollutants from Ships*, adhering to the principle of prioritizing onshore disposal. Oily tank washings is sent ashore for recovery whenever possible. Tank Washings from Category X and other toxic substances that require mandatory pre-wash is also sent ashore for recovery. Other tank washings strictly complies with the provisions of MARPOL Annexes I and II and is discharged only when discharge conditions are met.
- Improve the operational processes and supporting facilities for the generation, collection, storage, and recovery of tank washings, gradually reducing the generation and discharge of wastewater from ships.



Domestic Sewage

- Each vessel is equipped with a classification society-certified sewage treatment plant to ensure compliant treatment. During port stays and anchorage, sewage is switched to holding tanks.

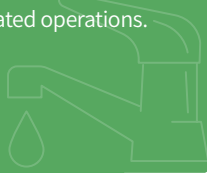
2025		
Total Ship Wastewater Discharge (Discharged to Sea + Shore-Received)	Discharged to Sea (Compliant Discharge / Discharged After Treatment)	Total Volume of Shore-Received Wastewater
172,993.04 m³	168,969.54 m³	4,023.50 m³
Shore-Received Domestic Sewage	Shore-Received Oily Water (Engine Room)	Shore-Received Tank Washings
50.00 m³	463.89 m³	3,509.61 m³

Exhaust Gas Management

The Company has established regulations such as the *Instructions for Preventing Air Pollution from Ships*, which clearly define the management requirements and operating procedures for ship exhaust gas emissions. Ships are equipped with vapor recovery systems to capture gases generated during navigation and equipment maintenance, sending them ashore for recovery during loading to reduce vapor emissions. For newbuilds, Selective Catalytic Reduction (SCR) systems are added to the diesel engine exhaust for further denitrification, achieving IMO Tier III emission levels.

Prevention of Leakage of Toxic and Hazardous Substances

- Assign specialized personnel to regularly maintain and service anti-pollution equipment, and test pollution monitoring devices to ensure the effectiveness and reliability of pollution control equipment and procedures.
- For operations such as tanker washing, discharging ballast water, and in harbor waters, obtain prior approval from the relevant departments as required, and fully control the pollution risks of the related operations.



Reduction in Gaseous Pollutant Emissions

- Adopt low-emission and high-efficiency equipment and clean fuel technologies, promote the implementation of technological reforms for ship environmental protection, equip all ships with Vapour Emission Control Systems (VECS) , and install selective catalytic reduction (SCR) denitrification devices for new ships.
- Strictly standardize the operation, maintenance, and overhaul processes of equipment and treatment devices to avoid the escape of gases during operation, and reduce the emission of gaseous pollutants such as nitrogen oxides, sulfur dioxide, particulate matter, and VOCs in a multi-dimensional manner.

Company's Staged Goals for Exhaust Gas Emissions

- Short-term Goal:** Maintain and service ship engines, optimize the combustion process, and reduce emissions of nitrogen oxides and particulate matter.
- Medium-term Goal:** Research, develop, and apply new exhaust gas purification technologies, such as SCR, to further reduce pollutant content in exhaust gases. Accelerate the substitution of traditional high-pollution fuels with low-sulfur fuels and clean energy alternatives.

2025 Goal Progress

NOx emission density decreased by
8.67% compared to 2024.

2025

NOx Emissions

2,846.12 tons

SOx Emissions

2,758.28 tons



 Waste Management

The Company has formulated the *Ship Garbage Management Plan* and the *Instructions for Preventing Garbage Pollution from Ships* to stipulate methods for waste storage and treatment. It actively promotes waste minimization and resource management by optimizing ship material procurement plans and usage processes. The *Implementation Plan for the Management of Single-Use Plastic Products on Ships* has been developed to reduce the use of disposable items and packaging materials, while electronic office practices are promoted to reduce paper consumption. The Company has established an environmental data monitoring system to compile monthly statistics on waste classification and disposal for each vessel. Quarterly analysis reports on the progress of emission reduction are prepared to compare actual performance against established goals. Goal achievement is incorporated into the annual performance assessment system for ship management and relevant departments, ensuring transparency, traceability, and continuous improvement of the goal management process.

Waste Type	Treatment Method
Food Waste	- Sent ashore for recovery whenever possible. - May be discharged when regulatory requirements are met (beyond 12 nautical miles from the territorial sea baseline).
Domestic Waste (Plastic, Glass, Metal, etc.)	Disposal into the sea is prohibited at all times. It is sorted, collected, and stored according to MARPOL requirements and handed over to compliant port reception facilities upon arrival at port.
Operational Waste (Scrap Metal, Waste Lubricating Oil, Scrap Parts, etc.)	After collection and sorting, qualified partners are entrusted with professional recycling or compliant disposal (e.g., waste lubricating oil is recycled into secondary industrial raw materials, old equipment parts are refurbished for use in ship maintenance).

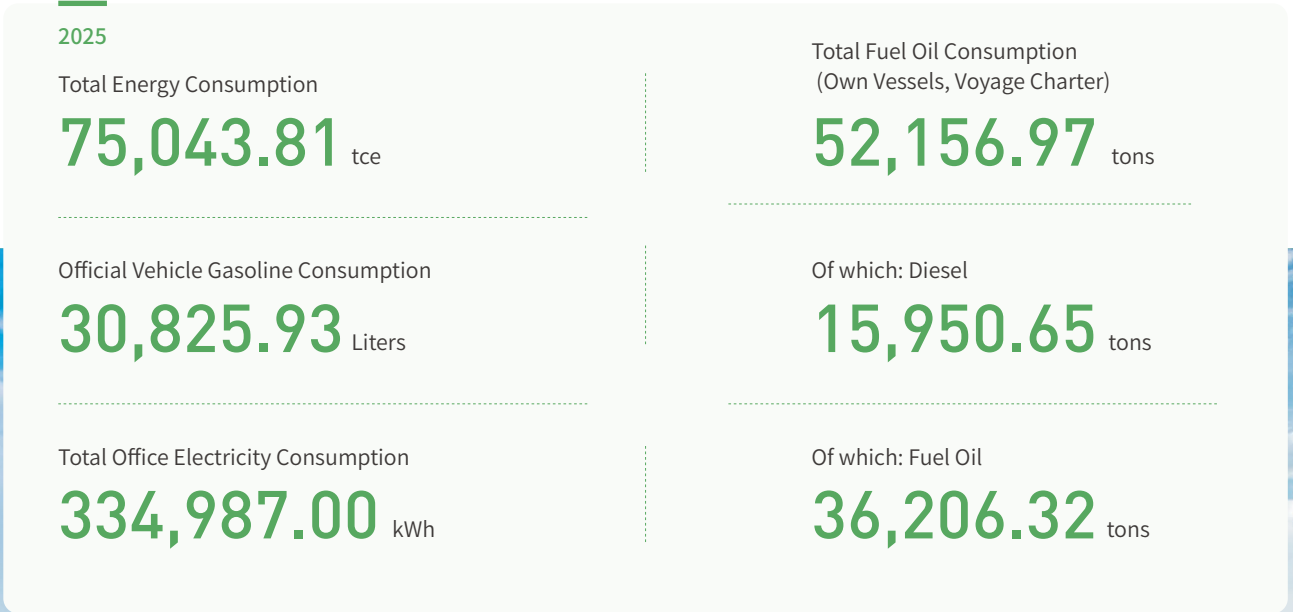


Circular Economy and Resource Utilization

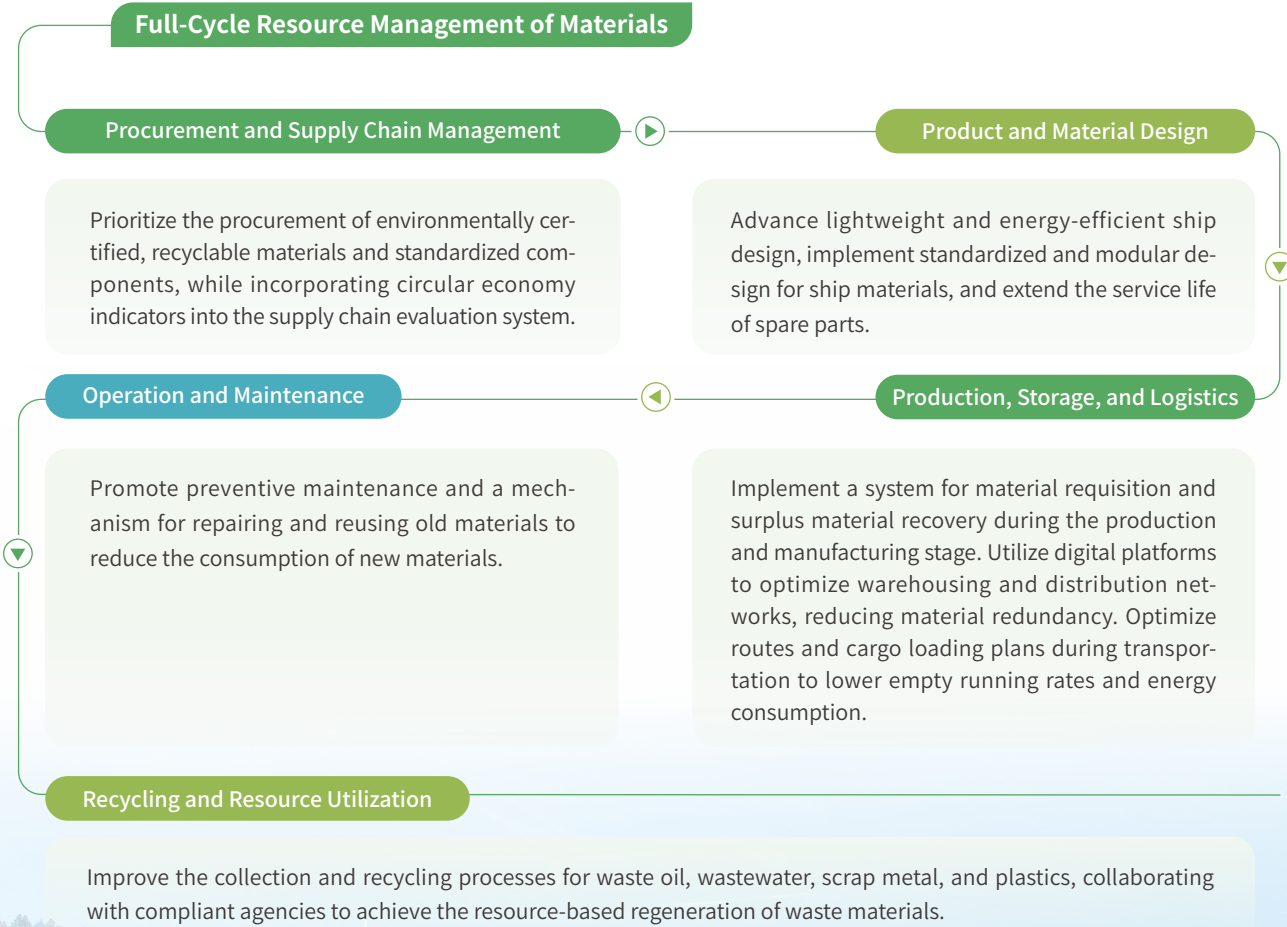
The Company has built a full-chain resource utilization system covering green ship operations, full-cycle material management, water resource optimization, and green office practices. By improving energy management standards, establishing digital monitoring platforms, implementing refined material control, and undertaking water-saving technical retrofits, it continuously enhances resource efficiency, reduces environmental load during operations, and steadily advances towards a new model of resource-conserving and sustainable maritime development.

 Resource Conservation

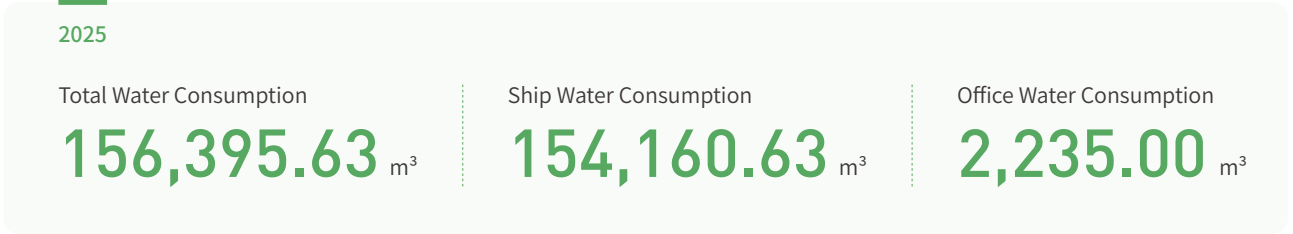
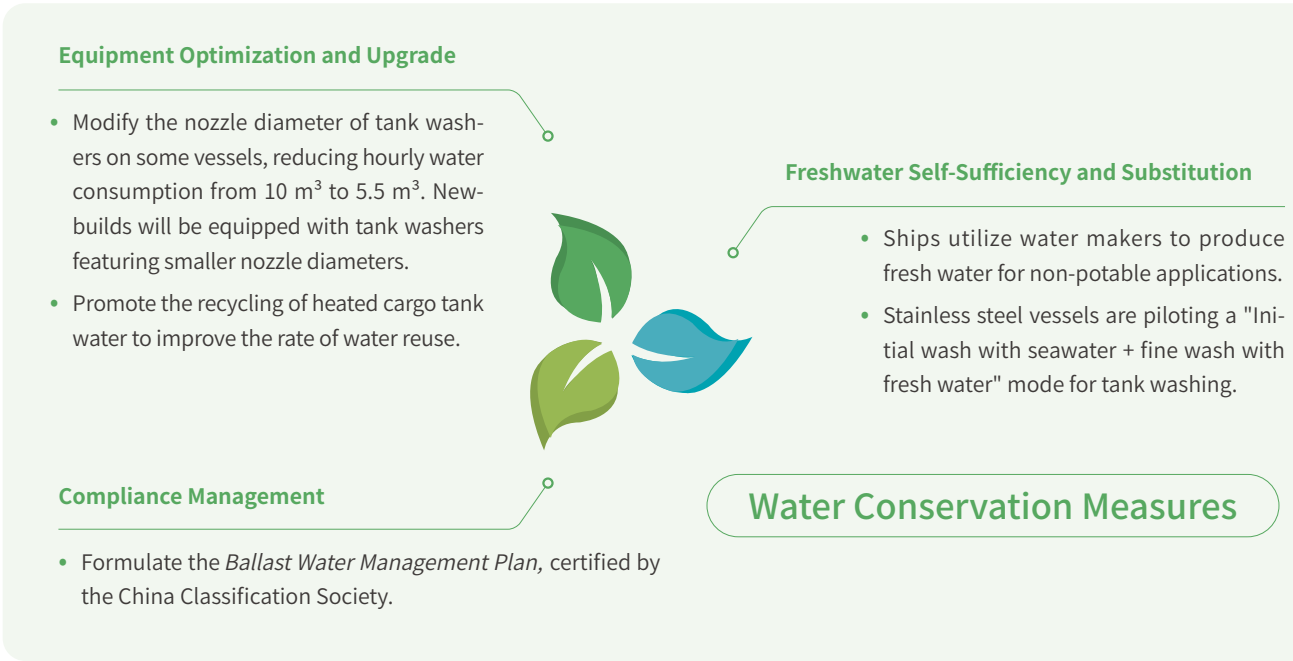
The Company strictly adheres to regulations and standards such as the IMO's *Ship Energy Efficiency Management Plan* and the China Maritime Safety Administration's *Measures for the Management of Ship Energy Consumption Data and Carbon Intensity*. It has established a comprehensive energy management system, formulated the *Energy Conservation and Emission Reduction Management Procedures*, and developed the "Energy Efficiency Management Plan," clarifying responsibilities at various levels for both ship and shore operations. By installing smart metering equipment, it has established energy consumption record ledgers and relies on the "Ship Energy Efficiency Management Digital Platform" for real-time data collection, monitoring, and analysis. The Company's primary energy sources are purchased marine fuel and shore-based electricity. Monthly energy consumption and voyage efficiency indicators (such as EEOI) are included in statistical reports, serving as a basis for management reviews and continuous improvement.



The Company is committed to continuously reducing material consumption and waste generation through refined full-process control, gradually building a resource-conserving and environmentally friendly maritime operation model. Guided by the goal of improving resource efficiency and promoting a circular economy, the Company has established clear material management objectives and implementation plans. The Company plans to increase the comprehensive utilization rate of key materials in ship operations by 5% from 2025 to 2027, and to raise the recovery rate of renewable and reprocessable materials to over 80% through the establishment of a closed-loop management system. During the Reporting Period, through full-cycle closed-loop management of materials, the Company significantly improved material utilization efficiency. A total of 646.49 m³ of waste was recycled and reused, accounting for 35.38% of total waste, achieving sustainable development goals in resource conservation and environmental friendliness.



During the Reporting Period, the Company continuously improved its water resource management. Measures such as process optimization and the refinement of tank washing procedures were implemented to reduce water usage and enhance water utilization efficiency.



 Green Office

The Company continues to deepen its green office initiatives. During the Reporting Period, intelligent air curtain systems were installed in all elevators, leveraging infrared sensing and smart temperature control technology to achieve self-adaptive start/stop and airflow adjustment based on foot traffic, thereby reducing air conditioning energy consumption. In daily office operations, the Company vigorously promotes paper-saving actions, advocating for double-sided printing, widely procuring and using recycled paper products, and encouraging employees to reduce paper material consumption through electronic office tools and online approval processes, thereby minimizing resource waste at the source.



Paper Conservation



2 Collaborative Co-creation

Enhancing Safety and Service Levels

Xingtong Shipping adheres to the principles of people-oriented management and value co-creation, integrating social responsibility into its management and business operations. It continuously advances management enhancement and practical implementation around key topics such as customer service and product quality, data security and customer privacy protection, supply chain security and sustainable procurement, employee employment and development, occupational health and safety, community engagement, and industry collaboration. The Company meets customer expectations with stable and reliable transportation services, strengthens data and information security assurance through robust systems and training, promotes partner growth via standardized supplier management and responsible procurement, and continuously enhances employee satisfaction and organizational resilience through talent development and safety culture cultivation, consistently creating long-term shared value for its stakeholders.

Innovation-Driven Development and Intellectual Property	53
Product and Service Safety and Quality	54
Data Security and Customer Privacy Protection	56
Supply Chain Security	60
Employment and Employee Rights	62
Employee Training and Development	69
Occupational Health and Safety	71
Fostering Community Co-development	76
Collaborating for Industry Progress	78

Innovation-Driven Development and Intellectual Property

Xingtong Shipping places high importance on innovation and R&D. Guided by the philosophy of "People-Oriented, Innovation-Driven, Responsibility-Sharing," it has established an R&D management system grounded in robust systems, driven by collaboration, and oriented towards value. Through clear role division, transparent decision-making mechanisms, and continuous knowledge sharing, it consistently enhances the team's professional capabilities and organizational resilience. The Company's software development strictly adheres to the *Software Development Management System* and the *Application System Management System*, integrating agile thinking with structured management to form a full-process development mechanism that balances efficiency, quality, and compliance.

In intellectual property management, Xingtong Shipping has formulated the *Intellectual Property Management System*. The Company's Administration Office serves as the primary management department, overseeing IP management, including system implementation, application/registration, protection, and management. The Digitalization Department is responsible for the specialized management of computer software copyrights and patents. Each department manages R&D results, on-the-job technical achievements, service works, and other intellectual outcomes within its respective scope of responsibilities, forming an organizational structure characterized by unified management and division of labor.

During the Reporting Period

the Company invested RMB	The cumulative number of granted patents reached	software copyrights totaled	and trademarks totaled
1.1146 million in R&D.	27	18	23

In its daily management, the Company handles the application, registration, maintenance, licensing, and archiving of patents, trademarks, computer software, and other service works. It has established a confidentiality system and manages technical documents with encryption. The ownership of results is clearly defined in commissioned or cooperative development projects. Legal and Risk Control Department assists in handling intellectual property disputes, involving both internal employees and external third parties. Individuals who make outstanding contributions to the formation, protection, or transfer of IP are rewarded, while infringements are pursued according to the law. Additionally, the Company enhances employees' IP awareness through promotional training, ensuring the legal and effective protection and transfer of R&D outcomes.

In addition to digital innovation, the Company takes business model innovation as a breakthrough point, deepening collaborative cooperation with leading enterprises in the industrial chain. Through multi-level and multi-field joint venture and cooperation innovation, the Company continuously expands its business boundaries and optimizes resource allocation. During the Reporting Period, the Company established a joint venture, Xingtong Lianfa, with C&D Inc., focusing on green shipping deployment and jointly investing in the construction of two methanol dual-fuel stainless steel chemical tankers to seize the initiative in the low-carbon shipping market. Collaboration with Xiamen Xiangyu Co., Ltd. was upgraded from a bareboat charter business synergy to capital integration through the capital increase and share expansion project of HK Xingyao Shipping, forming a deep cooperation model of "operational running-in + equity binding" and achieving a precise alignment of the shipowner's professional operational advantages with the supply chain resource advantages. A joint venture, Fuxing Crew Management, was established with Xingyang Shipping to enhance the talent service support system, solidifying the human resource foundation for business expansion. The Company's core business does not involve scientific research, technological development and other activities in sensitive fields such as life sciences and artificial intelligence ethics.

Product and Service Safety and Quality

Xingtong Shipping has built a full-process, internally and externally coordinated quality management system. It has formulated systems such as the *Customer Evaluation Management System*, *Customer Complaint Management System*, and *Customer Satisfaction Survey and Complaint Management Procedure* to continuously improve service quality and operational efficiency. Internally, an efficient collaboration mechanism has been established. The Ship Management Department communicates with crew members in advance before voyage execution, and the Market Operations Department proactively coordinates with the Ship Management Department, the Marine/Engine Department, and others to ensure smooth internal information flow and efficient execution. Externally, a proactive communication mechanism has been set up, led by the Market Operations Department, which organizes relevant personnel to communicate with customers and terminals before voyage execution to ensure smooth business coordination. Concurrently, a dedicated service quality communication group, centered around the Operations Supervisor and including Marine and Technical Superintendents, has been formed. This allows for the creation of vessel-specific working groups, enabling rapid problem response and resolution. The Operations Department leads a service quality seminar every two months, defining core issues and inviting crew representatives to participate, pooling wisdom to continuously optimize service processes and solidify the foundation of quality management.

Service Quality Improvement Measures



Awareness Strengthening

- Conduct specialized training on service quality, inviting industry experts or senior internal managers to teach, using case studies and group discussions.
- Set up service quality columns on platforms such as internal bulletin boards, internal publications, and work groups, updating content regularly.
- Establish a feedback mechanism for service quality issues, publicly exposing service quality issues.



Risk Management

- Incorporate service quality into the voyage risk management system, establishing service quality risk assessment indicators and methods to conduct a comprehensive evaluation of service quality risks for each voyage.
- Formulate detailed service quality assurance plans for high-risk voyages, clarifying responsible personnel and key deadlines.
- Strengthen real-time monitoring of service quality during voyage execution to promptly identify and resolve issues.



Customer Interaction

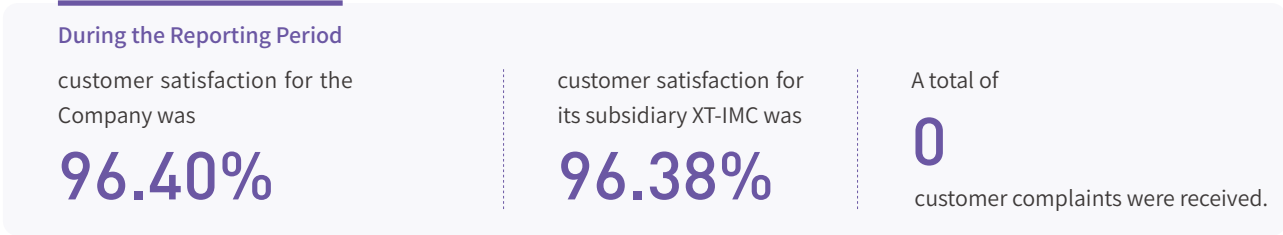
- Develop a comprehensive customer visit and communication plan. The Marketing Department is responsible for cargo owner visits, while the Operations Department handles public relations visits to ports, maritime authorities, inspection agencies, pilot stations, etc.
- During visits and communications, understand customer satisfaction and feedback, introduce the Company's new services and products, identify potential customer needs, and gather information on industry trends and market dynamics.
- Organize and analyze questions and suggestions raised by customers, incorporating them into the service quality improvement plan, and regularly follow up on the implementation of corrective actions.



Service Quality Improvement Review Meeting

In October 2025, the Company held a service quality improvement review meeting. Chaired by the Operations Department, the meeting was attended by company leaders and heads/key personnel from seven departments, including Operations, Marketing, and Marine Affairs. The meeting reviewed ship operations and customer feedback from the first three quarters, identified core issues, formulated measures such as "three-stage information synchronization" and "24-hour customer response," and finalized quantitative goals such as "≤ 2 COA customer complaints in 2026." This meeting facilitated the transformation of service from "post-incident correction" to "pre-incident prevention," laying a solid foundation for building an integrated "Ship-Shore-Customer" system and enhancing customer satisfaction.

Case Study



Data Security and Customer Privacy Protection

With a core focus on "risk prevention, defense-in-depth, and continuous improvement," Xingtong Shipping has established an information security protection mechanism covering all IT/OT systems across its ship and shore operations. It defines full-process management requirements and implements key measures such as asset classification, access control, vulnerability remediation, and emergency drills to meet international and domestic standards like IMO requirements and ISO/IEC 27001. This ensures navigation safety, data security, and business continuity, applicable to all employees, contractors, and authorized third parties.

Governance

Adhering to the principles of "risk orientation, full participation, continuous improvement, compliance, and responsibility," the Company strictly complies with laws and regulations such as the *Data Security Law of the People's Republic of China* and the *Cybersecurity Law of the People's Republic of China*. It has formulated systems such as the *Ship and Shore Network Information Security Management Manual*, *Network Security Management System*, and *Computer Information Security Management System*, establishing a stable information security management system to effectively safeguard the Company's information and data security.

The Company's Digitalization Department serves as the core, with the Information Security Task Force leading work related to data security and customer privacy protection. Senior management is responsible for decision-making and oversight, while the Legal and Risk Control Department provides compliance support. Business departments ensure policy implementation at the grassroots level. The Information Security Team is primarily responsible for implementing relevant policies and ensuring they align with strategic objectives and laws/regulations, ensuring the coordinated development of digitalization and information security. It directly manages the Information Security Task Force, overseeing policy, technology, and process management. It conducts regular risk assessments and vulnerability scans, formulates and promotes the implementation of protective measures. It ensures the stable operation of information systems and end-to-end data security. It advances the security and compliance of digitalization projects. It collaborates with business departments to conduct information security training and awareness campaigns, enhancing employee security awareness. It implements security technologies such as data encryption and access control. It is responsible for the response, monitoring, and reporting of security incidents to ensure data integrity and security.

Strategy

Risk/Opportunity Type		Description	Financial Impact	Impact Duration	Impact on Value Chain
Operational Risk	Data Leakage Risk	Leakage of sensitive data, such as customer information and navigation data, caused by vulnerabilities in ship-shore IT systems or employee non-compliant operations.	Revenue Decrease	Short-term Medium-term Long-term	Operations Downstream
	Unauthorized Data Usage Risk	Sharing ship operation data or customer information with third parties without authorization, violating compliance requirements.	Revenue Decrease	Short-term Medium-term Long-term	Operations Downstream
Reputation Risk	Privacy Complaint and Reputational Risk	Failure to respond promptly to customer privacy issues, leading to complaints or negative online dissemination, affecting brand reputation.	Revenue Decrease	Short-term	Operations Downstream
Market Opportunity	Digital Compliance Management Opportunity	Standardized upgrades to ship-shore data management systems, enhancing data governance and privacy protection capabilities, thereby increasing customer trust.	Cost Increase Revenue Increase	Medium-term Long-term	Operations Downstream

Response Strategy	Specific Measures
Deployment Architecture and Data Storage	- Highly sensitive core data (financial data, AI large model-related data) is deployed locally on-premise, ensuring data does not leave the corporate intranet. - Business operational systems requiring global access (e.g., ship management systems, SRM) rely on public cloud infrastructure, leveraging its cloud-native security capabilities such as DDoS protection, Web Application Firewall (WAF), and end-to-end encryption to strengthen protection. - Build a core data platform to achieve unified management of master data, eliminate data silos, and fundamentally prevent security risks caused by data disorder.
Privacy Protection (Encryption/Desensitization/Tamper-Proof)	- Sensitive data is encrypted during both transmission and storage. Sensitive fields such as customer information and quotes are desensitized on system interfaces and in non-production environments. - The data platform automatically desensitizes sensitive content such as customer/shipper information and crew personal information during data cleansing for the operations visualization platform, preventing privacy leaks. - Limit the scope of user modifications to critical data. Enable audit log functionality for important business documents, completely recording the operator, time, and change details to support traceability and compliance reviews. - The SRM system covers the full digital closed-loop process of "Ship Application - Shore Approval - SRM Order Placement - Contract Signing," ensuring data flow cannot be manually tampered with.
Access and Permission Control	- Leverage the data platform architecture to implement unified Identity and Access Management (IAM) for all integrated systems (ship management, risk management, SRM, etc.), providing unified authentication and access control with a single entry point for centralized management of business access. - Implement the Role-Based Access Control (RBAC) mechanism, assigning data permissions based on job responsibilities. Support field-level permission settings to restrict the visibility of sensitive fields for specific roles. - Strictly enforce the principle of least privilege, regularly review and adjust permission configurations to ensure users only have access to data necessary for their duties, preventing permission abuse.
Network and System Security Protection	- Deploy firewalls, Web Application Firewalls (WAF), host protection software, Intrusion Detection/Prevention Systems (IDS/IPS), anti-malware, and other devices. Regularly upgrade and maintain these systems to monitor and block security threats such as network attacks and abnormal behaviors. - Monitor system security vulnerabilities, regularly check for and promptly patch known vulnerabilities in core systems, and strengthen vulnerability management.
Emergency Response and Disaster Recovery	- Formulate emergency plans for security incidents such as data breaches, including the Business Continuity Plan, clarifying response procedures, responsibilities, and reporting mechanisms. - Perform regular data backups and conduct disaster recovery drills to ensure business continuity. - Regularly test critical hardware equipment and conduct routine security inspections to eliminate safety risks at the physical and configuration levels.
Third-Party Security Management	- Outsourced service providers must sign Non-Disclosure Agreements (NDAs) clearly defining their confidentiality obligations and responsibilities. - Third-party platforms/systems must pass a data security assessment before integration.
Personnel and Compliance Assurance	- Regularly organize company-wide data security and privacy protection training, using online courses, knowledge bases, and case studies to enhance employee security awareness, and incorporate this into the assessment mechanism. - Establish a regular security knowledge sharing mechanism, using channels such as the corporate intranet, email newsletters, and instant messaging groups to periodically push content like cybersecurity tips, data breach post-mortems, and ransomware prevention guides, enhancing employees' sensitivity to and ability to respond to new threats. - R&D and operations processes follow security management standards. Platforms have built-in audit logs and compliance reporting tools to meet the requirements of regulations and standards such as GDPR and ISO/IEC 27001. - Users sign privacy statements and agreements clearly defining the boundaries of data usage.

Case Study

Account Compromise Attack and Defense Drill to Strengthen Data Security Protection Capabilities

In December 2025, the Company's Digitalization Department, in collaboration with the Business Department, conducted a data network security attack and defense drill. The drill simulated a scenario where an employee's account was compromised, and an attacker gained unauthorized access, exported, and tampered with core business data. The Red Team logged into the system via an unusual IP address, performed batch queries and export of data such as voyages and customers, and carried out add, delete, and modify operations. The Blue Team detected alerts in real-time, such as abnormal CPU usage and irregular operational behaviors, quickly disabled the account, reset the password, traced the data, and successfully restored 120 abnormal records from the backup database. This drill validated the effectiveness of the existing defense and emergency response mechanisms, identified areas for improvement such as API access control and password security, and enhanced practical response capabilities.

Impact, Risk, and Opportunity Management

Management Stage	Specific Measures
 Identification	- Cover security risks in areas such as ship-shore IT/OT system assets, network communications, data security, and the physical environment. - Establish the <i>IT/OT System and Software Asset Inventory</i>, conducting a comprehensive review at least once a year. - Collect risk information through channels such as vulnerability scans, employee reports, and industry threat intelligence. - Individually identify risks related to Critical Information Infrastructure (CII), conducting an assessment and filing at least once a year.
 Assessment	- Use a combination of qualitative and quantitative methods, determining the risk level through a structured process of "Asset Value Assessment → Threat Identification → Vulnerability Analysis". - Conduct a company-level risk assessment at least once a year, triggering special assessments for major changes such as new system launches or business process adjustments. - Categorize risk levels based on the likelihood of occurrence and potential impact (e.g., navigation safety, financial loss, non-compliance).
 Detection	- Technical Monitoring: Monitor network traffic and system activity using tools like SIEM, IDS/IPS. Retain logs for critical systems for at least 180 days. Deploy anti-virus software with virus signatures updated automatically daily. - Manual Inspection: The Ship Cyber Security Officer conduct onboard security checks monthly using the <i>SCSO Monthly Inspection Checklist</i>, recording results and reporting them. - External Tracking: Monitor updates to maritime regulations, industry security standards, and network threat intelligence.
 Response and Recovery	- Organizational Responsibility: Clarify the hierarchical responsibility structure of "General Manager → Company Cyber Security Manager (CCSM) → Captain → Ship Cybersecurity Officer," ensuring accountability is assigned to individuals. - Countermeasures: High-level risks are addressed immediately. The installation rate for high-risk patches on IT systems must be $\geq 98\%$ within 15 days of release. Patches for OT systems require vendor certification and captain approval. Configure redundant backups for critical systems. Encrypt sensitive data during transmission and storage. - Emergency Response: Classify incidents into high, medium, and low levels based on their impact. Develop specialized plans defining response procedures and conduct at least one emergency drill annually. - Continuous Improvement: Conduct at least one internal audit and management review annually, updating system documents and protective measures based on assessment results.

Indicators and Goals



During the Reporting Period the number of data security incidents and customer privacy breaches was

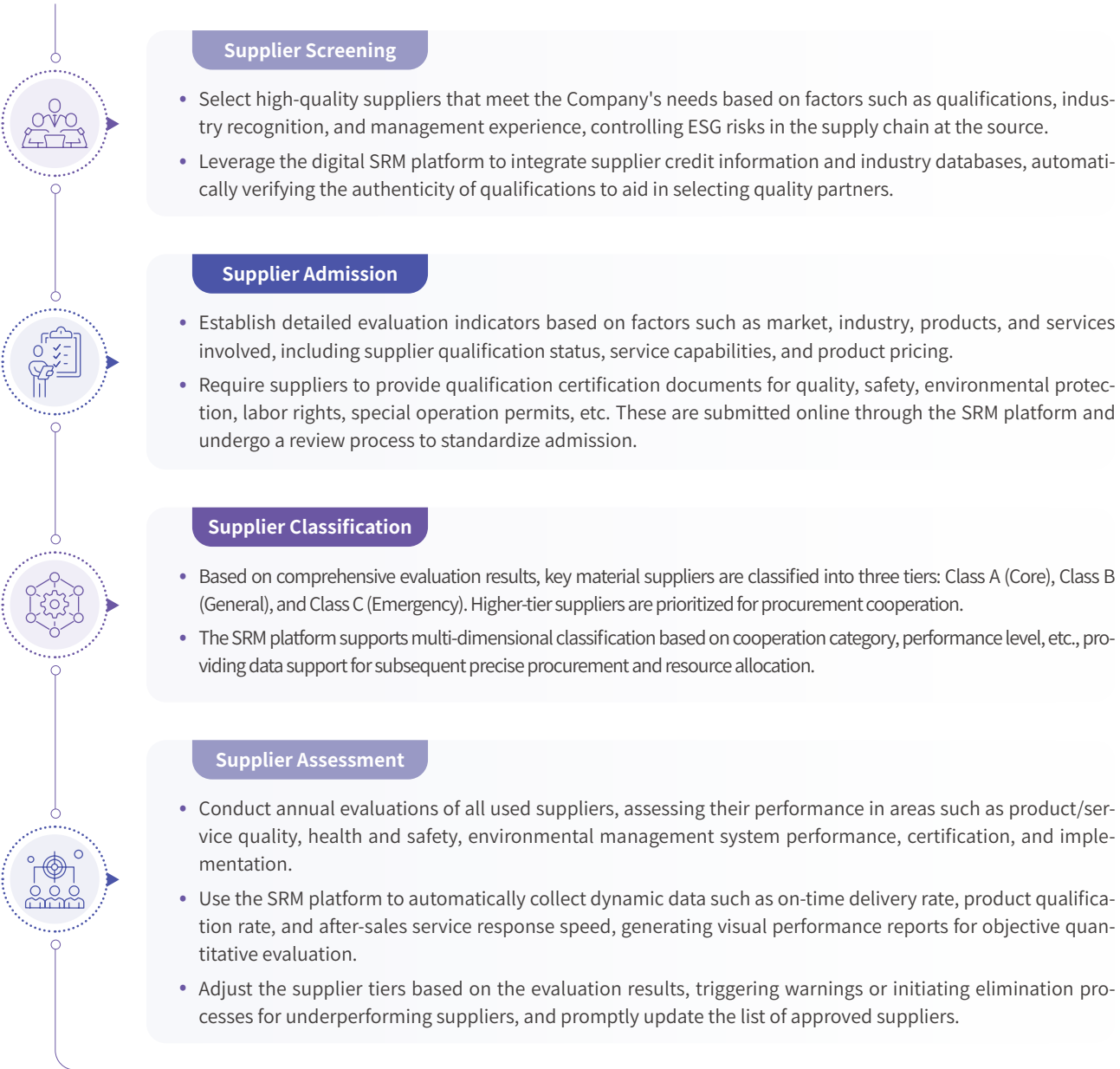
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Supply Chain Security

Xingtong Shipping places high importance on supply chain security. It has formulated systems such as the *Supplier Management System* and *Procurement Business Management System*, defining overall requirements for suppliers, standardizing management processes for supplier selection and evaluation, and procurement procedures for key materials like fuel oil, ship supplies, and repair parts, thereby fostering a safe and sustainable supply chain.

Supplier Management

The Company has established standardized control processes for supplier development, evaluation, and assessment. Combined with the digital SRM platform, it has achieved full-process management.

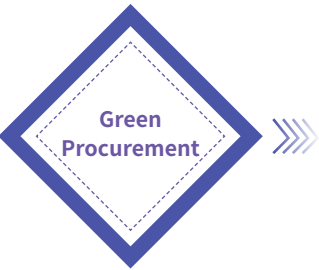


Sustainable Procurement

The Company closely monitors suppliers' ESG performance across various aspects, incorporating ESG requirements into supplier management processes. Through strengthening green procurement and ethical procurement, it collaborates with supplier partners to jointly promote sustainable development of the supply chain. The Company treats small and medium-sized enterprises (SMEs) equally, with no overdue outstanding payments owed to SMEs.



- An ESG evaluation module is embedded in the SRM platform, linking suppliers' compliance performance in areas such as environmental protection, labor rights, and anti-corruption to prevent supply chain compliance risks.
- For international ship management and shipping labor services, the Company requires suppliers to provide relevant qualification certification documents, such as labor rights and special operation permits, to ensure their compliance in terms of labor rights, occupational health and safety, and welfare protection.
- Conduct ESG promotion and support activities for suppliers, including minimizing product packaging, reusing packaging materials, and recycling packaging as much as possible after products are delivered to ships.



- In line with the green procurement requirements, the SRM platform prioritizes suppliers with compliance qualifications such as environmental certifications and asbestos-free test reports. Products with ecological protection notations (G-ECO), such as environmentally certified chemical cleaning agents and oil spill dispersants for ships, are used whenever possible.
- Require suppliers to declare whether materials contain hazardous substances. For packaging containing hazardous substances, the correct technical names must be marked, and labels affixed.
- Prohibit the use of spare parts or materials containing asbestos on ships and refrain from purchasing such items. For high-risk products that may contain asbestos, suppliers are required to provide asbestos-free test reports issued by testing bodies recognized or accepted by classification societies.



- The Company continuously strengthens integrity management in the supply chain, requiring the signing of *Integrity Cooperation Agreements* with suppliers or incorporating integrity clauses in relevant contracts. These strictly define the ethical standards for both parties, jointly maintaining a healthy and fair business environment.

During the Reporting Period

the Company achieved

100%

ESG review coverage for its suppliers

and a

100%

signing rate of integrity agreements with core suppliers.



Employment and Employee Rights

Adhering to a "people-oriented" philosophy, Xingtong Shipping has built a full-cycle and multi-dimensional employee rights protection system. By standardizing recruitment and employment, practicing diversity, equity, and inclusion, improving democratic management and communication mechanisms, strengthening the compensation and benefits system, and enriching employee activities and care, the Company comprehensively safeguards employees' legitimate rights and interests. With systems as the foundation and care as the support, it fosters a fair, harmonious, warm, and supportive workplace environment, helping employees and the Company grow together.

Recruitment and Employment

Xingtong Shipping strictly complies with laws and regulations such as the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and the *Law of the People's Republic of China on Promotion of Employment*. It has formulated multiple systems, including the *Recruitment Management Regulations*, *Employee Handbook*, *Recruitment and Allocation Management System*, and *Shore-based Employee Resignation Management System*, to comprehensively standardize the entire process of employee recruitment, onboarding, and offboarding.

Talent Philosophy



Loyalty and Integrity:
The Rudder



Selflessness and
Gratitude: The Anchor



Responsibility and
Dedication: The Sail



Humility and
Ambition: The Oar

During the Reporting Period

the Company had a total of
163
shore-based employees

with
34
new hires

The total number of
in-house crew members was
659

with
160
new recruits



Anti-Child Labor and Forced Labor

The Company strictly adheres to the bottom line of employment compliance and resolutely prohibits child labor and forced labor. For shore-based recruitment, a full-process age verification mechanism has been established, with rigorous checks from resume screening to pre-employment medical examinations, ensuring no child labor is hired. Simultaneously, the Company resolutely opposes all forms of forced labor, safeguarding all employees' legal rights to voluntary employment and free movement. It strictly prohibits violations such as withholding identity documents, compulsory overtime, and restricting personal freedom, actively building a transparent and law-based employment environment.

Providing Employment Opportunities

Guided by its talent development strategy, the Company promotes the construction of its shore-based and crew teams in a categorized manner. For crew recruitment, precise hiring needs are determined based on fleet development plans, and diverse talent acquisition channels are established. The Company also maintains dynamic connections with universities, human resources and social security bureaus, and disabled persons' federations, actively conducting recruitment initiatives for individuals with disabilities to inject diverse vitality into the Company's talent development.



Campus Recruitment at
Quanzhou Ocean Institute



Job Fair at Jimei University



Established "Education and Practice
Base" with the MPAcc Education
Center of Huaqiao University

Diversity, Equity, and Inclusion

Xingtong Shipping adheres to the principle of equal employment. Guided by the *Shore-based Recruitment Management System*, it standardizes recruitment procedures and clearly stipulates that employment barriers or discrimination, whether based on ethnicity, race, gender, religious belief, household registration, or other factors, are prohibited, effectively safeguarding the legitimate rights and interests of every worker. Concurrently, the Company actively cultivates an inclusive and diverse corporate culture. It promotes its core values through multiple channels, such as the internal publication *Xingtong · Seaway*, bulletin boards, and the Company's official website, advocating mutual respect, understanding, and collaboration among employees. This ensures that employees from diverse backgrounds and with different personalities feel cared for and respected, effectively enhancing their sense of belonging and identification.

Protection of Female Employees' Rights and Interests

Xingtong Shipping has formulated the *Labor Protection System for Female Employees* and established the Female Employees' Committee. On one hand, it guides female employees to embrace the spirit of "self-respect, self-confidence, self-reliance, and self-improvement," organizing their participation in democratic management, cultural and sports activities, and specialized training to enhance their capabilities and encourage excellence in their roles. On the other hand, it effectively safeguards the legitimate rights, interests, and special protections of female employees in political, economic, cultural, and other aspects, promoting the implementation of special collective contracts, equal pay negotiations, insurance coverage, and assistance for those facing difficulties.

The Company strictly adheres to the *Quangang District Special Collective Contract for the Protection of Female Employees' Rights and Interests*, which clearly stipulates that female employees' salaries shall not be reduced, nor shall they be dismissed, due to pregnancy, childbirth, or breastfeeding. Labor contracts that expire during pregnancy, maternity leave, or lactation are automatically extended. Regarding leave entitlements, in addition to statutory leaves such as marriage leave, maternity leave, prenatal check-up leave, and breastfeeding leave, the Company also provides menstrual health leave and a flexible leave allowing a 30-minute delay in reporting to work for school drop-off/pick-up. These measures accommodate both the work and family needs of female employees, providing comprehensive support for their career development.

Empowering Women in the Workplace to Radiate Confident Brilliance

In March 2025, the Company organized a Women's Day event for all its female employees under the theme "Charting a New Course in the Workplace, Our Confident Journey Illuminated." By combining school-enterprise collaboration, cultural immersion, and physical and mental wellness activities, the event demonstrated the Company's deep care and high expectations for its female employees.



Women's Day Event

Democratic Management

Xingtong Shipping has established a sound democratic management mechanism centered on the Trade Union and the Staff Representative Assembly. It has formulated the *Trade Union Constitution* and the *Staff Representative Assembly System*, clearly safeguarding employees' rights to be informed, to participate, to express their views, and to supervise. This promotes the institutionalization, standardization, and scientific advancement of corporate democratic management. Concurrently, it has established and improved a multi-faceted guarantee mechanism, fully implementing the requirements of democratic management through measures such as equal consultation, regular communication, acceptance of supervision, and satisfaction surveys.

Equal Consultation System

Leveraging the Trade Union organization, the Company implements the equal consultation system for collective contracts, establishes channels for labor dispute mediation and labor protection supervision and inspection, and sets up a liaison system for union member representatives. This comprehensively safeguards employees' rights and interests and broadens the pathways for consultation.

Regular Communication Channels

Regular communication is conducted through diverse forms such as one-on-one interviews, employee representative forums, departmental gatherings, and tea parties, establishing regular communication channels and a closed-loop feedback mechanism.

Talent
Philosophy

Acceptance of Employee Supervision

A mechanism for regular and targeted information disclosure has been established, proactively disclosing hot topics, focal points of employee concern, and difficult issues in operations management, thereby accepting supervision from all employees.

Employee Satisfaction Survey

Satisfaction surveys are integrated into the regular employee interview system, in conjunction with thematic interviews to capture the demands and opinions of employees.

During the Reporting Period

the proportion of Trade Union members among the Company's active employees was

100%

that of Xingtong Shipping's in-house crew members was

90%

The satisfaction rate of shore-based employees was

96.81%

and that of XT-IMC's in-house crew members was

100%

Building a Two-Way Communication Bridge, Empowering New Talent Growth

Case Study

The Company has always regarded talent as the core driver of sustainable development. In August 2025, the Company successfully held its annual New Employee Forum, aimed at breaking down communication barriers between generations and accelerating talent integration. The event invited department heads and outstanding employee representatives to engage in face-to-face, direct communication with new employees. By systematically sharing the Company's cultural context, business architecture logic, and clear career development paths, the event helped new talent quickly build corporate awareness and identity.

The forum served not only as a platform for cultural communication but also as a window for gathering opinions. We encouraged new employees to speak freely on practical issues such as workflow connections and team collaboration efficiency, raising questions and offering suggestions for improvement. This forum effectively built an efficient and transparent communication bridge. It not only significantly enhanced new employees' sense of belonging and cohesion but also enabled the Company to precisely identify areas for improvement in system optimization and talent services, laying a solid foundation for building a more dynamic team ecosystem.



New Employee Forum

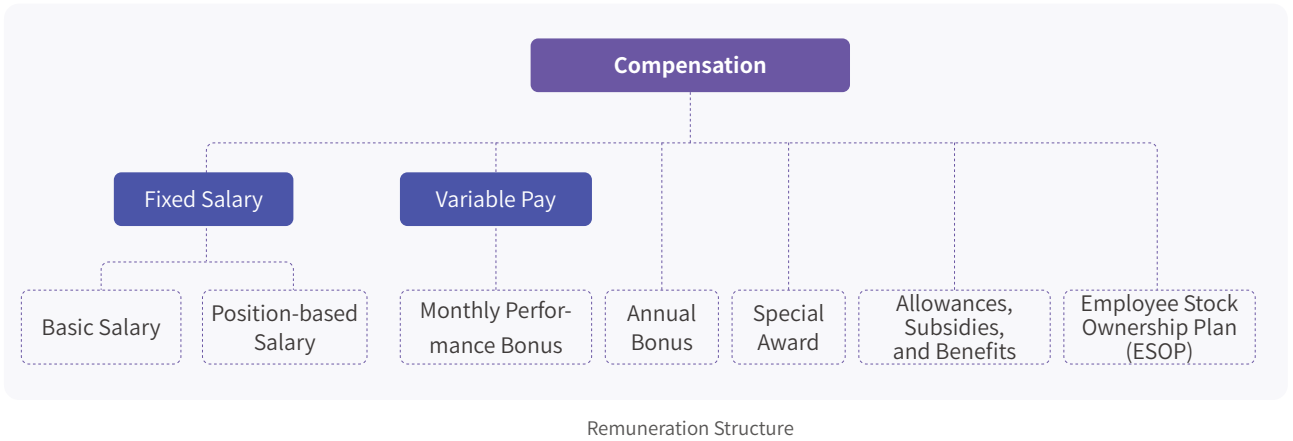
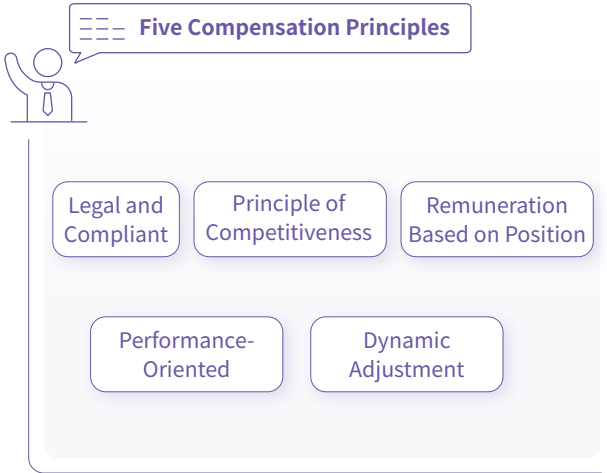
 Compensation and Performance

With legal compliance and performance orientation as its core principles, Xingtong Shipping deeply links employee income with corporate performance through a comprehensive compensation management system and a scientific performance management mechanism. This empowers both employee growth and the Company's high-quality development.

Compensation Management

Following the *Labor Law of the People's Republic of China* and considering the Company's actual circumstances, it has formulated regulations such as the *Shore-based Employee Compensation Management System* and the *Crew Compensation Management System*, establishing a scientific, reasonable, fair, and competitive compensation system. This helps attract, retain, and motivate talent, ensuring the enhancement of core competitiveness and the achievement of strategic goals.

The Company adopts a hybrid compensation strategy, implementing differentiated plans for different job levels and positions based on the two dimensions of compensation level and compensation structure. For core positions, a leading strategy is implemented, offering compensation standards above the industry average to match high job requirements. Crew compensation is benchmarked against market levels, with the Crew Department leading a multi-departmental collective evaluation mechanism held every six months, allowing compensation to dynamically adjust with labor market prices.



Performance Assessment and Appeal

Xingtong Shipping has built a strategy-oriented performance management system. It has formulated the *Shore-based Performance Management System* and utilizes tools such as the Balanced Scorecard and Key Performance Indicators (KPIs) to establish an evaluation system focusing on departmental performance. Departmental performance bonuses are linked to the Company's operating results, creating a mechanism that ties employee compensation to corporate performance.

Performance assessments are primarily conducted on a monthly cycle. Employees complete self-evaluations for the previous month and formulate plans for the current month at the beginning of each month. These are evaluated step by step by department heads and senior managers, with scores directly linked to monthly performance pay. Simultaneously, the Company has formulated an annual comprehensive evaluation plan that integrates monthly performance, year-end performance, and 360-degree feedback to comprehensively assess employees' value contribution and growth.

Regarding performance feedback and appeals, the Company integrates two-way communication throughout the entire assessment process. The Human Resources Department urges department managers to conduct performance feedback sessions quarterly, providing employees with assessment results and the rationale behind them, jointly analyzing shortcomings, and formulating improvement plans. If employees have questions about their assessment results, they can communicate and provide feedback on the spot. The system also clearly defines an appeal mechanism to ensure employees' concerns are objectively addressed, promoting continuous optimization of performance management through closed-loop communication.

Benefits and Care

Xingtong Shipping is deeply committed to employee well-being, providing comprehensive benefits, implementing a reasonable leave system, optimizing work and living facilities, and building team vitality through a series of enriching activities. It conveys warmth through details such as birthday greetings and family-friendly initiatives, enabling every employee to feel a sense of belonging while striving, thus achieving mutual growth and shared success between the Company and its employees.

Employee Benefits

The Company advocates a cultural atmosphere of "healthy life, happy work." By formulating normative documents such as the *Shore-based Employee Welfare Management System* and the *Crew Welfare System*, it has built a comprehensive welfare system covering all employees, satisfying their needs from multiple dimensions and enhancing their sense of belonging and well-being.

Statutory Benefits

In strict accordance with national policies and relevant company regulations, statutory benefits include social insurance, housing provident fund, paid annual leave, marriage leave, bereavement leave, prenatal check-up leave, maternity leave, paternity leave, breastfeeding time, medical treatment period, and other statutory protections.

Corporate Benefits

As a supplement to statutory benefits, corporate benefits enrich the dimensions of welfare protection, specifically including accidental injury insurance, employee health check-ups, travel leave, seniority allowance, phone bill allowance, and special benefits.

Trade Union Benefits

As a valuable supplement to corporate benefits, Trade Union benefits focus on humanistic care, covering team building, annual trips, birthday gifts, holiday greetings, Women's Day greetings, wedding gifts, hospitalization visits, assistance for employees in difficulty, condolence visits, education scholarships, and daily benefits.

Nurturing the Dreams of Employees' Children, Conveying Corporate Warmth

In August 2025, Xingtong Shipping held its 2025 Employee Children's Education Award Ceremony to commend employees whose children were admitted to undergraduate or higher-level institutions, demonstrating the Company's commitment to being a strong support for its employees and supporting the educational growth of the next generation.



Employee Children's Education Award Ceremony

Leave Management

Xingtong Shipping has established a standardized and humanized working hours and leave management system. While ensuring orderly company operations, it fully respects employees' rights to rest and helps them achieve work-life balance through diversified flexible arrangements.

Flexible Attendance for Shore-based Employees

The *Shore-based Employee Attendance Management System* has been formulated, clarifying attendance regulations and leave entitlements, and establishing a user-friendly check-in system.

Scientific Management of Crew Working Hours

Regulations on preventing crew fatigue are followed, and work and rest hour logs are maintained, ensuring crew members receive adequate rest through a systematic management mechanism.

Leave and Working Hours Management

Employee Activities

Focusing on employees' spiritual and cultural needs, Xingtong Shipping uses diverse cultural and sports activities as a vehicle to continuously build platforms for communication, physical fitness, and self-expression. While enhancing physical health and alleviating work stress, these activities effectively strengthen team cohesion and unity, creating a positive, harmonious, and vibrant corporate culture.

Promoting Shipping Spirit, Contributing to Maritime Power

In June 2025, in accordance with the requirements of the *Notice of the Maritime Safety Administration of the People's Republic of China on Dressing Ships Overall in Celebration of the 'Day of the Seafarer'*, our fleet celebrated the "Day of the Seafarer" solemnly and enthusiastically by dressing ships overall and sounding their whistles for one minute. In response to the theme initiative of the IMO's Day of the Seafarer in 2025, "My Harassment-Free Ship," and to foster a maritime culture of respect, inclusion, and zero tolerance for bullying and harassment, the Company, under the guidance of the Xiamen Maritime Safety Administration and in collaboration with the Navigation College of Jimei University, organized a one-day "Xingtong Cup" series of activities to jointly celebrate the 15th Day of the Seafarer. The activities aimed to promote maritime culture and create a safe and harmonious seafaring atmosphere, focusing on cultivating a new generation of seafarers equipped with both professional skills and humanistic care, thereby providing well-rounded maritime talent for the national "Belt and Road" Initiative.



Day of the Seafarer Event

Enriching Cultural and Sports Life, Enhancing Team Cohesion

In June and November 2025, the Company successively held a series of cultural and sports events, including the "Xingtong Cup" Badminton Tournament and the Health Run. These events enriched employees' off-duty life, effectively stimulated their enthusiasm for sports, and helped improve their physical fitness. They also served as cross-departmental communication platforms, enhancing collaboration and friendship among employees, demonstrating the Company's commitment to and care for their physical and mental well-being.



"Xingtong Cup" Badminton Tournament and Health Run



Employee Training and Development

Xingtong Shipping upholds the talent philosophy of "empowering our people to excel, and attracting outstanding talent to Xingtong," placing high importance on employee growth and development. By building quality development platforms and leveraging diverse mechanisms such as training and promotion, the Company stimulates employee potential, assists them in enhancing their capabilities and achieving self-improvement, and cultivates employees with the spirit of "unity, striving, pioneering, and dedication."

Employee Training

Guided by the talent strategic goal of "building a first-class shipping team with professional spirit and specialized capabilities that helps continual strategic improvement," and in accordance with the SQMS Personnel Training Procedures, the Company focuses on the core safety operation requirements of the hazardous chemicals shipping industry. It has built a full-cycle, categorized, and closed-loop employee training system. Through systematic development and digital empowerment, it comprehensively enhances the professional competence of its personnel, solidifying the talent foundation for the Company's high-quality development.

"Triple Integration" Training Mechanism

- Integrate national and local policies/regulations, IMO conventions/rules, and industry technical standards.
- Integrate diversified modes such as theoretical lectures, practical drills, case studies, and online learning.
- Integrate the characteristics of different roles, such as crew members, shore-based management personnel, and functional department staff, to develop categorized and tiered training programs.

Phased Training Plan

- Formulate training system development plans for the short-term (1-2 years), medium-term (3-5 years), and long-term (5+ years), simultaneously advancing the establishment of a talent pool and the creation of a learning organization culture.

Integrated Online and Offline Training Formats

- Internal Trainer Team Development: Select managerial-level personnel and key business professionals to form an internal trainer team, honing their teaching skills through scenarios such as intra-departmental sharing and cross-departmental instruction, enabling internal knowledge consolidation and transfer.
- Digital Learning Platform Empowerment: Leveraging the "Xing Academy" online learning platform to achieve full-process digital management, including training needs analysis, plan formulation, course delivery, and assessment evaluation.

Company's Employee Training System

Full-Career Cycle Training Content

- Run through all stages of employee career development, covering new employee orientation, on-the-job improvement, job transfer adaptation, and knowledge updates.
- Content is divided into over ten categories, including system training, job skills training, new equipment training, regulatory training, emergency response training, safety awareness training, and accident investigation training.
- The Company integrates ship and shore-based emergency management training with management leadership development to enhance decision-making, execution, and cross-departmental coordination capabilities. Through simulated emergencies and command drills, it strengthens management's response capabilities while promoting the implementation of a safety culture across all employees.

Full-Process Training Assessment and Evaluation

- Implement an annual training plan management and establish a strict assessment and evaluation mechanism. Internal training uses instructor-set assessments combined with satisfaction surveys in the shipping knowledge base. External training is evaluated through questionnaires. Those who do not meet the standards are scheduled for make-up exams or supplementary training.
- Management regularly reviews training quality and continuously optimizes training content and methods based on feedback.



During the Reporting Period

Periodthe Company invested RMB **116,200** in training for shore-based employees and RMB **727,000** for in-house crew members. The training coverage rate for both shore-based employees and in-house crew members was **100%**. The total training hours for shore-based employees were **3,926.33** hours, with an average of **24.09** hours per person. The total training hours for in-house crew members were **64,615** hours, with an average of **98.05** hours per person.

Employee Development

Based on the *Measures for Administration of Shore-Based Employee Job Grades and Development Paths*, Xingtong Shipping has built a dual-track employee development system combining "vertical promotion + horizontal mobility," laying out clear growth paths for different types of talent. The Company has established two main vertical tracks: management and professional, covering various job levels such as general management, technical management, business, technical, and functional roles. Simultaneously, it offers cross-track horizontal mobility channels supported by a standardized probationary assessment mechanism. By clarifying promotion standards step by step, prioritizing performance, and outlining pathways for fast-track promotions, it ensures development fairness through standardized evaluation processes, comprehensively empowering employees' professional growth.

The Company places high importance on employees' continuous learning and long-term development. In addition to on-the-job training, it provides comprehensive support in two areas: advanced education and professional qualification certification. This helps employees enhance their professional capabilities while linking such development outcomes to job placement and promotion, forming a virtuous cycle of growth.

Employee Development Support Measures

Academic Education Support

- Formulate and implement policies encouraging employees to pursue higher education, supporting eligible manager-level personnel to apply for the Master of Business Administration (MBA) program at Dalian Maritime University. Substantial tuition reimbursement is provided according to policy for admitted employees.

Professional Qualification Certification Support

- Encourage employees to obtain job-related domestic and international authoritative professional qualifications, providing subsidies or reimbursement for training and examination fees according to relevant regulations. Holders of such certifications receive additional consideration for job placement and promotion.
- For key certifications closely related to work, such as Work Safety and Management Ability Certificates, Company Auditor (ISM), Company Security Officer (CSO), Marine Engineer Certificate of Competency, Designated Person Ashore (DPA), and Seafarer Certificates, the Company provides full-process support, including covering training costs and organizing training and examinations through professional institutions.

Occupational Health and Safety

Adhering to the creed that "safety is the lifeline, to be managed strictly, practically, and meticulously," Xingtong Shipping regards occupational health and safety as the management baseline and core requirement for ensuring the safe and stable operation of hazardous chemicals transportation. Leveraging systematic management and ship-shore coordination mechanisms, the Company continuously strengthens risk prevention, hazard identification and rectification, and emergency response capabilities, safeguarding employee health and operational safety.

Governance

Xingtong Shipping has established the Safety and Environmental Protection Committee under the Board of Directors, with the General Manager as the primary person responsible for work safety, overseeing safety objectives and key tasks. The Company's management is responsible for formulating safety objectives and measures and ensuring their achievement. The Marine Department and the Engine Department are responsible for managing and implementing safety indicators and continuously improving the safety capabilities of all employees.

Based on international and professional management requirements, the Company has established a Safety and Quality Management System (SQMS) tailored to its characteristics. By formulating a series of safety management documents, including the *Safety Management Manual*, it continuously enhances its refined safety management level. The Company has formulated management systems such as the *Work Safety Responsibility System*. It signs safety responsibility agreements with department heads and ship leaders annually to ensure all personnel strictly implement their primary work safety responsibilities. An assessment, reward, and punishment mechanism has been established, evaluating relevant personnel's achievement of goals based on the *Work Safety Goal Assessment and Reward-Punishment Measures*, motivating ship and shore employees to implement the Company's safety protection policy.

Strategy

Risk Type	Description	Primary Financial Impact	Impact Duration	Impact on Value Chain
Core Operational Safety Risks	Vessel navigation, berthing/unberthing, and critical equipment failures, combined with human errors caused by crew fatigue, are direct causes of maritime accidents, cargo damage, and operational interruptions.	Cost Increase, Revenue Decrease	Short-term Medium-term	Operations
Fire/Explosion Risk	Areas such as the engine room, galley, and hazardous materials storage areas on ships may experience catastrophic fires or explosions due to improper hot work, electrical faults, or lapses in chemical management.	Cost Increase, Revenue Decrease	Short-term	Operations
Occupational Health and Emergency Response Capability Risks	Prolonged exposure to high-temperature/noise environments leads to occupational diseases. Combined with inadequate emergency response to incidents (e.g., spills, piracy) and security vulnerabilities on shore, this endangers employee health and threatens business continuity.	Cost Increase, Revenue Decrease	Medium-term Long-term	Operations

Work Safety Management Measures



Fatigue Prevention

- The Company has formulated the *Instructions for Preventing Crew Fatigue*, integrating work-rest management into daily safety control. Through scheduling and process monitoring, it prevents overtime work and implements risk control and compensatory rest mechanisms for special conditions such as drills and emergencies. Ships' department heads prepare and dynamically update the in-port and navigation schedules, which are implemented and posted after approval by the captain. Concurrently, a work-rest time management system is used to record and verify work and rest data. If deviations or fatigue risks are identified, the causes are promptly analyzed, and corrective and preventive actions are taken. In cases of frequent deviations, the captain may, based on risk assessment, adjust shifts, delay departure, anchor for rest, or request additional personnel, reporting to the Company for coordination and support as needed, thereby reducing the risk of accidents caused by fatigue.



Fire Safety Management

- The Company has formulated the *Ship Fire Safety Code* and established and implemented ship fire safety management requirements, focusing on fire and explosion prevention through "strict control of ignition sources and isolation of combustible environments." It strictly restricts ignition sources in flammable gas areas, prohibits carrying any ignition source onboard, and standardizes smoking management in designated areas.
- For key areas such as the galley, paint/hazardous material storage rooms, measures are implemented, including explosion-proof lighting, ventilation, compliant storage of materials, regular inspection and maintenance of facilities and equipment, and firefighting training. During operations, adequate ventilation is required, oxygen and combustible gas concentrations are continuously monitored, and explosion-proof lighting is used. Operations cease immediately if conditions are not met and are suspended during fire risk situations such as lightning.
- The Company has formulated the *Instructions for Hot Work*, strictly controlling open flame operations on ships.
- Additionally, the Company conducts nighttime fire prevention patrols and electrical usage control, strictly prohibiting unauthorized wiring, use of unapproved electric heating appliances, and use of non-intrinsically safe electronic equipment in work areas, reducing fire hazards.



Shore-Based Safety and Health Management

- The Company has established and implemented the *Shore-Based Safety and Health Management System*, covering offices, warehouses, terminals, dormitories, and other facilities, enhancing personnel and operational security capabilities through systematic management.
- Emergency evacuation diagrams are posted at all shore-based facilities, improving guidance for personnel evacuation during emergencies.
- The Company implements standardized control over the entry and exit of personnel and vehicles. External vehicles are registered, inspected, and required to follow designated routes. Regular patrols are conducted with records kept to promptly identify and address abnormal situations.
- The Company organizes hazard identification and rectification efforts monthly, establishes ledgers, and ensures closed-loop rectification, with the Safety and Quality Department conducting follow-up inspections and acceptance.
- During duty hours, continuous monitoring and incident response are carried out. In the event of a security incident, rapid response is initiated according to emergency procedures, with timely reporting to relevant authorities as necessary.



Safety Culture Development

- Guided by the principle that "safety is the lifeline," the Company strengthens leadership-driven and ship-shore coordinated promotion through activities such as the "Work Safety Month," fostering a safety culture atmosphere with full participation. The Company designated June 9 as the annual Work Safety Day and released the documentary *Safety in Action by Everyone*, making "safety is the lifeline" a consensus, a habit, and an instinct. Simultaneously, training drills and ship-shore joint exercises are conducted on topics such as fire and evacuation, rescue and first aid in enclosed spaces, and typhoon preparedness, enhancing frontline risk identification and emergency response capabilities. Targeted hazard identification and special inspections are organized around key operational aspects, leveraging AI-driven analysis of hazard data to promote rectification closure and management optimization. Complementary incentive mechanisms, including accident case study education, online quizzes, and competitions, are used to continuously reinforce safety awareness and behavioral norms.



June 9th Safety Day



Navigation Safety Strategic Meeting

Occupational Health Management Measures

Occupational Health Protection

For potential occupational hazard scenarios such as the use of chemicals in engine rooms and work on high-temperature equipment surfaces, the Company has formulated and implemented management requirements for occupational disease protective equipment and facilities. Its vessels are equipped with necessary personal protective equipment and chemical protective gear (e.g., safety helmets, face shields) as per regulations, along with operation manuals and work instructions. Routine maintenance of protective facilities is carried out to ensure the effectiveness of protective measures and the safe operation of equipment.

Occupational Health Examinations

The Company has established systems such as the *Occupational Health Management* and *Occupational Health Management Archives*. It regularly commissions third parties to conduct workplace occupational hazard factor detection and organizes occupational health examinations for employees exposed to these hazards. The results are truthfully communicated to the employees, and corrective suggestions are implemented. The Company concurrently standardizes the management of occupational health records, maintaining "one file per person" to provide a basis for the diagnosis and identification of occupational diseases, and accepts supervision and inspection by health authorities.

Occupational Health Promotion

Through systematic training and multi-channel promotion (bulletin boards, meetings, training sessions, on-site explanations, warning signs, etc.), the Company continuously disseminates laws, regulations, systems, and operating procedures for the prevention and control of occupational diseases. It focuses on reinforcing the correct use of protective equipment and self-protection awareness, continuously enhancing employees' ability to identify and protect against occupational health risks.

Mental Health Care

The Company cares about employees' mental health. By engaging external professional resources to conduct mental health lectures and training, and providing counseling and guidance support, it helps employees enhance their stress management and psychological adjustment capabilities, jointly creating a healthy and positive work atmosphere.

Impact, Risk, and Opportunity Management

Xingtong Shipping identifies, assesses, and categorizes occupational health and safety risks. It employs diversified management and control mechanisms to manage corresponding risks, minimizing the likelihood of their occurrence.

Risk Grading and Control

The Company classifies safety risks into "risks related to operational activities," "risks related to facilities and equipment," and "risks related to occupational disease hazards," establishes the *List of Risk Sources* and the *List of Major Risk Sources* covering both ship and shore-based operations. We standardize risk identification, assessment, and grading criteria, implement differentiated control measures for risks of different levels, and regularly organize risk reviews and reassessments to identify and control major risks at the source, continuously strengthening our capacity to prevent major and catastrophic accidents.

Hazard Identification and Rectification

The Company classifies accident hazards into "basic management accident hazards" and "production site accident hazards", clarifying the scope, frequency, responsible personnel, and process monitoring requirements for identification and rectification. Through diverse methods such as self-inspections, shore-based ship visits, external audits, maritime safety inspections, and on-site supervision, hazards are promptly identified and rectified in a closed-loop manner. For major hazards, a specialized investigation and assessment team is formed to formulate a rectification plan and organize follow-up evaluations. The case is closed after verification and confirmation by designated personnel, ensuring rectification is thorough and traceable.

Emergency Management

In accordance with regulatory requirements such as the *Emergency Response Law of the People's Republic of China* and the *Measures for the Administration of Contingency Plans for Work Safety Incidents*, the Company has formulated systems and procedures, including the *Emergency Response Manual* and the *Emergency Response Procedures for Ships and Shores*, building a ship-shore collaborative emergency management system. For scenarios such as ship operation safety, toxic liquid leakage, severe weather, and pirate hijacking, the Company has established a standardized mechanism covering emergency contact, response, and on-site handling, ensuring emergencies are controllable and manageable. The Company develops its annual drill plan on a rolling basis in accordance with the *Five-Year Plan for Ship/Shore Joint Drills*, conducts comprehensive ship/shore joint drills, and continuously evaluates and improves them, ensuring coverage of all emergency scenarios identified by the Company within five years.

Opportunity Type	Description	Financial Impact	Impact Duration	Impact on Value Chain
Technological Enhancement	Deploy technologies such as intelligent monitoring and early warning systems to enhance the capability to monitor hazardous chemical leaks and risks.	Cost Reduction	Medium-term	Operations
		Revenue Increase	Long-term	
Enhanced Employee Stability	Investment in occupational health and safety enhances employees' sense of security, increasing satisfaction and loyalty.	Cost Reduction	Long-term	Operations



Crew Mental Health Training



Occupational Health Protection Knowledge Training

Work Safety Control Mechanism



 Indicators and Goals

The Company constantly builds a strong safety defense around the long-term safety goals of "zero accidents, zero casualties, zero pollution, zero detentions, and zero cargo losses," formulates the annual work safety management objectives accordingly, and conducts quarterly tracking statistics to ensure the effective implementation of all safety work.

2025 Safety Management Goals	Target Value	Achievement
Navigation Safety (Explosion/Collision/ Grounding)	0 Accidents	Achieved
Engineering Safety (Machinery Damage)	0 Accidents	Achieved
Fire Safety	0 Fires (Minor or Above)	Achieved
Oil Major Vetting Inspections	Average Number of Deficiencies per Ship ≤ 7	Achieved
Inspections	Annual Pass Rate for Oil Major Vetting Inspections ≥ 96%	Achieved
Comprehensive Management	Zero Detentions in Flag State Control (FSC) Inspections	Achieved
	Average Number of Deficiencies per Ship in FSC Inspections ≤ 2.8	Achieved
	0 Critical Non-conformities	Achieved

Work Safety Management Goals

The Administration Department is responsible for organizing pre-employment, in-service, and pre-separation occupational health examinations according to regulations, ensuring that the actual participation rate of those required to be examined is not less than 100%. Personnel who have not undergone pre-employment occupational health examinations shall not be assigned to work involving exposure to occupational hazards. Personnel with occupational contraindications shall not be assigned to prohibited occupations.

2025 Occupational Health Management Goals	Target Value	Achievement
Occupational Health	0 Work-related Fatalities	Achieved
	≤ 3 Safety Incidents	Achieved
	≤ 3 Work Days Lost Due to Work-related Injuries	Achieved
	0 Permanent Total Disabilities	Achieved
	0 Permanent Partial Disabilities	Achieved

Occupational Health Management Goals

Fostering Community Co-development

Xingtong Shipping has long supported public welfare, helping to enhance local medical services and protect residents' health through initiatives such as donating medical equipment. Concurrently, the Company deeply implements rural revitalization by innovatively combining employee welfare procurement with agricultural assistance. By directing procurement towards agricultural products from underdeveloped regions, it not only enriches employee benefits and strengthens team cohesion but also effectively increases farmers' incomes and stimulates rural economies, demonstrating the Company's profound commitment and practical responsibility.

Case Study

Donating Medical Equipment to Enhance Local Medical Services

In July 2025, Xingtong Shipping donated a batch of hemodialysis equipment, including six hemodialysis machines, four hemodiafiltration machines, and supporting systems, to the Quangang District Hospital in Quanzhou City.

While completing this charitable act, the Company also secured systematic health support services for its employees and crew members through a signed cooperation agreement, including green channels, remote medical guidance, and health training from the hospital, forming a sustainable "philanthropy-reward" virtuous cycle.



Procuring Locally Sourced Apples to Fulfill Rural Revitalization Responsibility

Case Study

In December 2025, the Company organically combined employee welfare procurement with agricultural assistance, precisely supporting the development of characteristic agriculture in the Aba Tibetan and Qiang Autonomous Prefecture in Sichuan Province, a key national rural revitalization area. The "high-altitude Tangxin Fuji apples" procured are a representative product of the region's characteristic fruit and vegetable industry. This initiative not only provided employees with high-quality, healthy food but also, through consumption assistance, directly participated in the process of transforming ecological advantages into industrial advantages in the ethnic minority regions. It helped consolidate local achievements in poverty alleviation and achieve rural industrial revitalization, resulting in a win-win outcome of "improving employee welfare" and "supporting rural industries."

Volunteer Harvesting Assistance, Multi-faceted Measures Empowering Rural Revitalization

Case Study

In 2025, to deepen employee volunteer agricultural assistance practices, the Company organized a series of "Agricultural Assistance Harvesting, Warm-hearted Companionship" public welfare activities from November to December. In November, employee volunteers were organized to assist local farmers in Dehua County, Quanzhou, in the timely harvest of seasonal fruits, effectively alleviating the labor pressure during the busy harvest season. In December, the activities extended to the Youran Vineyard in Quangang, continuing to deepen the assistance model of "helping by harvesting, donating by purchasing." Through volunteers' personal participation in harvesting and on-site purchasing of agricultural products, these activities alleviated farmers' harvesting pressure while expanding sales channels for agricultural products. This fully demonstrated the Company's sense of responsibility in serving the grassroots and giving back to society, achieving an organic unity between volunteer assistance and helping farmers increase their income.



Dehua Agricultural Assistance Harvesting



Quangang Youran Vineyard Agricultural Assistance Harvesting Activity

Collaborating for Industry Progress

Actively and deeply participating in industry forums and exchange activities is a crucial pathway for Xingtong Shipping to practice its sustainable development philosophy. This not only reflects the Company's open attitude of proactively integrating into the industry ecosystem and jointly creating and sharing development opportunities but also demonstrates its responsibility in identifying trends, engaging with cutting-edge developments, and driving overall industry progress through practical action.

Debating at the 2025 "Silk Road Maritime" Annual Conference, Co-building a New Green Shipping Ecosystem

Case Study

In March 2025, the Company made its debut at the "Silk Road Maritime" Annual Conference held in Putian and became a new member of the "Silk Road Maritime" Association. This high-level conference, themed "Innovating Port and Shipping Supply Chain Models," focused on cutting-edge topics such as "Green Shipping" and released authoritative industry reports. This marks the Company's upgrade from an industry participant to a co-builder of the national-level "Belt and Road" shipping ecosystem. It not only significantly enhances the Company's brand reputation and strategic position, providing a broad platform for direct communication and cooperation with 353 top-tier partners globally, but also demonstrates its commitment and leadership in promoting the industry's sustainable development through participation in discussions on green topics.



2025 "Silk Road Maritime" Annual Conference

Deepening Customer Collaboration, Fulfilling Supply Chain Responsibility

Case Study

In November 2025, the Company was invited to participate in the "2026 Organic Chemicals Business Fair and 2025 Logistics Service Provider Conference" organized by its key customer, CNPC South China Chemical Marketing Company. This participation affirmed the customer's high recognition of the Company as a reliable logistics service partner. By discussing supply chain optimization with the customer, the Company aims to integrate its professional, safe, and stable logistics services into the customer's sustainable supply chain system, thereby enhancing supply chain resilience and helping the chemical industry achieve better environmental and social benefits.



2026 Organic Products Fair and 2025 Logistics Service Provider Conference



3

Compliance as the Helmsman

Solidifying the Foundation for Sustainable Development

Taking its high-standard governance system as the core lever, Xingtong Shipping coordinately advances the development of five key dimensions: corporate governance, information disclosure, risk management, business ethics, and Party-building leadership. This has established a new governance framework characterized by clear rights and responsibilities, rigorous control, and the ability to achieve steady and long-term progress. By perfecting its governance structure to strengthen the development foundation, ensuring market transparency through standardized information disclosure, mitigating operational risks via full-process risk management, adhering to strict business ethics to uphold development bottom lines, and anchoring the way forward with Party-building leadership, the Company comprehensively consolidates the governance cornerstone for its high-quality and sustainable development.

Corporate Governance	81
Transparent Disclosure	84
Risk Control	86
Business Ethics	88
Party-Building Leadership	91

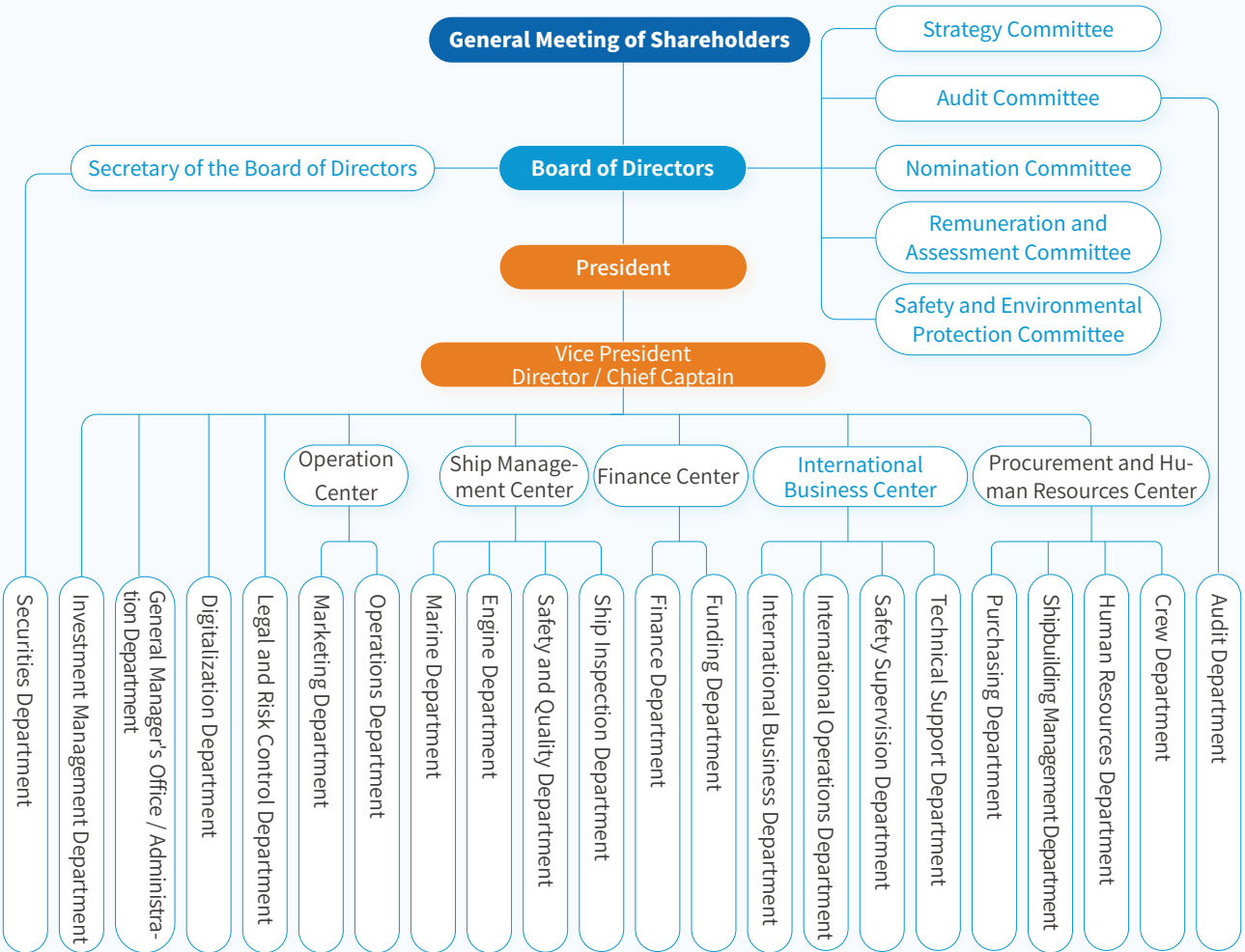
Corporate Governance

Xingtong Shipping strictly adheres to the regulatory requirements of the capital market, establishing a governance structure with the General Meeting of Shareholders as the supreme authority and the Board of Directors as the core decision-making body. Starting from solidifying its governance foundation, the Company continuously improves the operation mechanism of the General Meeting of Shareholders, persistently advances the development of Board diversity, independence, and effectiveness, and empowers the improvement of decision-making quality through scientific governance.

Governance

Xingtong Shipping strictly complies with the requirements of the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Governance Code for Listed Companies, and other laws and regulations. It has established a governance structure with the General Meeting of Shareholders as the supreme authority, the Board of Directors as the core decision-making body, and the management as the main executing entity. The Company continuously optimizes its governance mechanisms, strengthening the scientificity of decision-making, the efficiency of execution, and the effectiveness of supervision. It promotes the modernization of its governance system and capabilities, providing a solid guarantee for high-quality development.

Organizational Structure of Xingtong Shipping Co., Ltd.



Note: The Company abolished the Board of Supervisors in November 2025.

Strategy

In the field of corporate governance, Xingtong Shipping has identified key opportunities that can be realized by improving its governance system, including enhancing governance levels and decision-making efficiency, increasing corporate transparency and reputation, attracting high-quality investment, and enhancing long-term corporate value. By strengthening the functions of the Board of Directors and its specialized committees, and improving information disclosure and compliance control mechanisms, the Company actively seizes the aforementioned opportunities. It optimizes its governance structure and processes, enhances organizational resilience and market trust, thereby creating favorable conditions for its high-quality and sustainable development.

General Meeting of Shareholders

The Company strictly follows the requirements of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, the Articles of Association, the Rules of Procedure for the General Meeting of Shareholders, and other regulations. It convenes and holds the General Meeting of Shareholders in a standardized manner, ensuring the meeting process is legal and compliant, and the decision-making procedures are rigorous and transparent. Concurrently, it adopts a hybrid meeting model combining online and offline participation, effectively safeguarding the rights of all shareholders, especially minority shareholders, to be informed, to participate, and to vote, fully embodying the principle of shareholder equality.

Board of Directors

The Company's Board of Directors has set up five specialized committees: the Strategy Committee, the Audit Committee, the Nomination Committee, the Remuneration and Assessment Committee, and the Safety and Environmental Protection Committee. These committees operate in strict accordance with the Articles of Association, the Rules of Procedure for the Board of Directors, and the respective implementation rules of each committee. Through their professional performance of duties, they empower the Board of Directors' decision-making and ensure its efficient and standardized operation.

Board Independence

The Company strictly follows the Measures for the Administration of Independent Directors of Listed Companies, supported by the Work System of Independent Directors and the Work System for Special Meetings of Independent Directors. It has established a robust system to support the performance of independent directors, fully leveraging their supervisory and advisory roles in corporate governance, thereby effectively enhancing the scientificity and professionalism of the decision-making by the Board of Directors.

Board Diversity

The Company regards Board diversity as a core cornerstone of excellent governance, scientific decision-making, and sustainable development. It has issued the Statement on Board Diversity, promoting a reasonable balance and complementary advantages among Board members in dimensions such as professional background, industry experience, gender, and age. This ensures the Board can lead the Company in stable operations and effectively respond to industry challenges. The Company explicitly lists diversity as a core consideration in the selection and renewal of directors. It focuses on identifying candidates with relevant professional backgrounds in the chemical supply chain, practical experience, and strong performance capabilities. It regularly reviews the effectiveness of this policy to optimize the Board's composition. Currently, the Company's Board of Directors has formed a diverse professional structure covering key areas such as corporate management, finance and accounting, and legal compliance, with deep industry experience, laying a solid foundation for diversified governance.

Board Effectiveness

Board effectiveness is the core guarantee for the Company to improve its governance structure, achieve scientific decision-making, and realize sustainable development. To strengthen the performance effectiveness of the Board and standardize governance operations, Xingtong Shipping actively conducts effectiveness evaluations of the Board of Directors. By focusing on key dimensions and conducting independence self-assessments for independent directors, it systematically verifies the compliance and effectiveness of Board members' performance. This solidifies the foundation for the Board to fully play its decision-making, supervisory, and leadership roles, helping the Company continuously improve its governance level and safeguard the long-term interests of stakeholders.

Compensation Management for Directors and Senior Executives

Xingtong Shipping strictly adheres to regulatory requirements such as the Governance Code for Listed Companies and its Compensation Management System for Directors and Senior Executives. It clearly defines the compensation standards and distribution rules for directors and senior executives, adhering to the fair principle of "aligning responsibilities, risks, and interests." This effectively motivates directors, supervisors, and senior executives to perform their duties and enhances team cohesion, ensuring the maximization of shareholder interests through a scientific and reasonable compensation system, thus solidifying the foundation for the Company's long-term stable development.

Potential risks at the corporate governance level, such as inadequate protection of the legitimate rights and interests of shareholders and creditors, or weakened independence of Board supervision, can lead to a decline in market trust and damage to corporate reputation, negatively impacting the Company's financing cost control and long-term value enhancement.

Impact, Risk, and Opportunity Management

Xingtong Shipping has established a full-process control system for the identification and supervision of corporate governance risks. In the risk identification phase, leveraging the "Three Lines of Defense" mechanism, combined with internal and external regulatory requirements and industry characteristics, the Company identifies potential governance-level risks such as decision-making compliance, internal control execution, and information disclosure through processes like regular targeted investigations and coordinated reviews by various business departments.

Regarding the supervision mechanism, the Company has established a dual supervision system of "Board coordination and management execution," supplemented by regular internal audits. It strictly implements system execution tracking and risk early warning mechanisms. Identified risks are promptly assessed, and countermeasures are formulated. Governance risk management status is regularly reported to the Board of Directors, ensuring early detection and handling of potential risks, and guaranteeing the standardized and efficient operation of the governance system.

Indicators and Goals

Xingtong Shipping has established corporate governance-related goals: to continuously improve the governance structure centered around the General Meeting of Shareholders, the Board of Directors, and the management, promoting clear boundaries and efficient synergy between decision-making, execution, and supervision. This ensures that all governance entities perform their duties in compliance with laws and regulations and effectively safeguards the performance of independent directors and the legitimate rights and interests of minority shareholders. The Company will regularly review key governance performance indicators such as the operation of the Board of Directors and its specialized committees, the quality of information disclosure, investor communication, and shareholder returns. Combined with internal and external assessment and improvement mechanisms, it will continuously enhance the standardization, transparency, and effectiveness of its governance system.

Corporate Governance Related Indicators	Unit	2025
Number of General Meeting of Shareholders Convened	Times	4
Meetings of the Board of Directors Convened	Times	10
Meetings of Audit Committee Convened	Times	5
Meetings of Nomination Committee Convened	Times	2
Meetings of Remuneration and Assessment Committee Convened	Times	2
Meetings of Strategy Committee Convened	Times	3
Meetings of Safety and Environmental Protection Committee Convened	Times	1

Corporate Governance Related Indicators

Transparent Disclosure

Xingtong Shipping consistently upholds the principle of prioritizing investor interests. It enhances shareholder returns through stable dividends and diverse reward mechanisms, safeguards shareholder information rights through standardized disclosure and confidentiality mechanisms, and protects shareholder rights through sound systems and open channels. This comprehensively reinforces the foundation of trust, supporting the Company's high-quality development.

Protection of Investors' Rights and Interests

Adhering to the principles of "openness, fairness, and justice" in the capital market, Xingtong Shipping places a sound governance mechanism at its core. By improving the institutional framework, keeping communication channels open, and strengthening compliance management, it effectively safeguards the legitimate rights and interests of all shareholders, especially minority shareholders, consolidating the investor trust foundation for the Company's high-quality development.



 Information Disclosure

Centered on safeguarding investors' right to information and maintaining fair market order, Xingtong Shipping continuously improves its information disclosure and insider information management systems. The Company has formulated and strictly implements the Information Disclosure Management System. By standardizing disclosure procedures, refining disclosure standards, and strengthening the review mechanism, it comprehensively improves the quality of information disclosure, ensuring that all disclosed information is true, accurate, complete, fair, and timely, fully meeting investors' needs for information about the Company's operating status.

Concurrently, the Company places high importance on the confidentiality of undisclosed information. Strictly following the Insider Information and Confidentiality Management System, it clearly defines the scope of insider information, the registration process for insiders, and the mechanism for pursuing confidentiality responsibility. This helps prevent insider trading risks at the source, effectively safeguarding the legitimate rights and interests of all shareholders, especially minority shareholders, and fostering a favorable market environment for the Company's healthy and stable development.

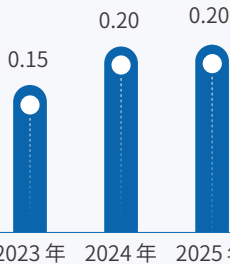
 Returns to Shareholders

Xingtong Shipping coordinates the dynamic balance between corporate sustainable development and shareholder returns, establishing a "sustainable, stable, and scientific" dividend policy system. Through diversified return measures such as cash dividends and share buybacks, the Company creates long-term stable returns for investors, effectively enhancing their tangible returns, and ensuring that all shareholders, including minority investors, share in the fruits of the Company's development.

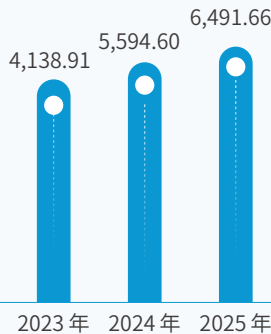
During the Reporting Period, in active response to the Shanghai Stock Exchange's Proposal for the Special Action of "Improving Quality, Increasing Efficiency, and Focusing on Returns" for Companies Listed on the Shanghai Stock Exchange, the Company formulated a special action plan, focusing on core dimensions such as business operations, shareholder returns, cash dividends, share buybacks, employee stock ownership plans, and green development. This comprehensively promotes the Company's high-quality development, continuously enhances investor returns, and steadily increases the Company's investment value.

Company's Cash Dividend Situation in the Past Three Years

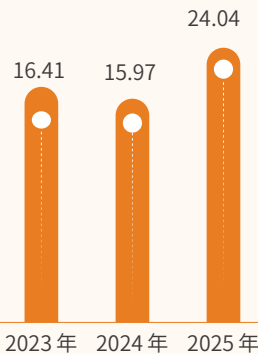
Cash Dividend per Share (RMB/share)



Total Cash Dividend (Tax Inclusive) (RMB 10,000)



Proportion to Net Profit Attributable to Shareholders of the Listed Company (%)



Note: Total cash dividends exclude the amount paid for share repurchases by cash.

Risk Control

Guided by the core principle of stable operations, Xingtong Shipping deeply integrates risk management and internal control, embedding them throughout the entire chain of corporate operations. This has resulted in the establishment of a full-cycle risk prevention and control, as well as an internal control supervision system. Based on industry characteristics and market changes, the Company enhances its risk resilience and internal control execution levels through system improvement, process optimization, and mechanism innovation, building a solid safety barrier for its high-quality development.

 Risk Management

Xingtong Shipping deeply integrates risk management requirements into all aspects of corporate management and business processes. By strictly following the Risk Management System, it has established and refined the "three lines of defense" for risk management. The Company considers both internal and external influencing factors in its risk assessment. Internally, it identifies the nature of risks and formulates response strategies. Externally, it solidifies its risk defense in cooperation through measures such as due diligence on domestic and international customers and suppliers, and KYC (Know Your Customer) reviews. During the Reporting Period, the Company conducted risk identification and management activities twice, producing the Legal Risk and Compliance Risk Management Report, which comprehensively supports the Company's stable operations.



Company's "Three Lines of Defense" for Risk Management

During the Reporting Period

the Company conducted internal risk training
2 times

the total number of participants in internal risk control training was
47 times

the total duration of internal risk control training was
87.5 hours

Internal Control Management

Xingtong Shipping places high importance on internal control systems. Strictly following regulations such as the Basic Standard for Enterprise Internal Control and the Company's Internal Audit System, it has established an internal control management structure composed of the Audit Committee and the Internal Audit Department, which implements comprehensive supervision and objective evaluation of internal control work. The Company has established a regular internal audit mechanism, conducting audits on monetary funds, raised funds, and key business processes across all categories on a quarterly, semi-annual, and annual basis. It also engages third-party institutions to issue assurance reports. In 2025, evaluated by a third-party institution, the Company's internal control management system was deemed reasonable and effectively operated, with internal controls for all major matters maintained in good condition.

Compliance Management

Xingtong Shipping regards compliance as the lifeline for its stable development. It has built a full-chain compliance risk control system, formulated and strictly adheres to regulations such as the Contract Management System, the Litigation Management System, and the Sanctions Compliance Policy. It clearly defines the responsibilities and authorities of the Legal and Risk Control Department, various business departments, and the Audit Department, resolving operational risks through means such as risk identification, early warning, tracking, and control. Concurrently, the Company embeds anti-money laundering and sanctions compliance reviews into the KYC cooperation background check process, conducting investment cooperation in accordance with the law after completing the filing for anti-monopoly review of the concentration of undertakings. In 2025, the Company did not experience any significant illegal or regulatory violations.

Compliance Review Process

Prior Prevention

The responsible department collaborates with the Legal and Risk Control Department to conduct a legal and compliance review of specific matters from the perspectives of laws and regulations, regulatory requirements, company policies, and procedural legitimacy. The project will be submitted to the management for further decision-making only after the relevant departments have issued an unqualified compliance opinion that it is "legally compliant, feasible, and procedurally proper."

01

In-process Control

On the one hand, the responsible department tracks the progress of the project and, if risks or new compliance review requirements arise during execution, promptly informs the Legal and Risk Control Department for intervention. On the other hand, monitoring is strengthened to ensure the responsible department executes in a legal and compliant manner and adheres to the internal control systems.

02

Post-Implementation Review and Efficacy Assessment

The overall status of the project is supervised and evaluated, with corrective suggestions provided for any violations of internal control requirements or weak links in compliance management, ultimately forming a single compliance review report.

03

During the Reporting Period

the Company conducted legal training

4 times

the total duration of legal training was

60 hours

the total number of participants in legal training was

79

Business Ethics

Adhering to the corporate style of being "rigorous, pragmatic, modest, and frugal," Xingtong Shipping consistently upholds integrity as its core principle, strictly complies with relevant laws and regulations, and empowers compliance management through ethical development. It steadfastly maintains the bottom line of fairness and justice in market operations, guiding all employees to establish a correct view of competition and professional ethics. This not only solidifies its own operational risk defense line but also injects positive momentum into the healthy development of the industry.

Anti-Commercial Bribery and Anti-Corruption

Upholding the business philosophy of "integrity, standardization, cooperation, and win-win," and guided by the creed of "respecting responsibility, respecting rules, respecting life," Xingtong Shipping deeply integrates integrity, compliance, and anti-corruption requirements into its daily production and operations, striving to build a clean and standardized enterprise. The Company has issued the Anti-Bribery Compliance Policy, clearly stating its adherence to domestic and international anti-bribery laws, regulations, and conventions, including the Criminal Law of the People's Republic of China and the U.S. Foreign Corrupt Practices Act (FCPA). It strictly prohibits bribery and corruption, and has established supporting reward and punishment mechanisms, using institutionalized measures to build a strong defense line against commercial bribery and corruption. In 2025, the Company did not experience any matters or legal proceedings related to bribery, embezzlement, or corruption, nor did it incur any economic losses resulting from such issues.



Reporting and Complaints

Xingtong Shipping has established a standardized and comprehensive anti-corruption reporting mechanism, clarifying the full-process requirements for receiving and handling reports. By maintaining open reporting channels, standardizing handling procedures, and strengthening safeguard and incentive measures, it ensures the effective progress of anti-corruption/anti-bribery efforts and encourages all employees to participate in supervision.



Anti-Unfair Competition

Xingtong Shipping strictly adheres to the principles of fair competition and business ethics, comprehensively establishing an anti-unfair competition and integrity compliance management system. The Company strictly complies with laws and regulations such as the Anti-Unfair Competition Law of the People's Republic of China, the Anti-Monopoly Law of the People's Republic of China, and the Anti-Money Laundering Law of the People's Republic of China. Following the Anti-Monopoly Compliance Policy, the Legal and Risk Control Department leads anti-monopoly and fair competition management, resolutely eliminating unfair competition practices and activities that disrupt fair market order. Concurrently, the Company strengthens integrity risk prevention and control with the principles of being "strict, rigorous, and serious." It integrates integrity requirements into employees' daily work norms and strengthens the supervision of key personnel. Integrity clauses are embedded in major contracts, procurement processes and evaluation standards are improved, and a strict supervision mechanism is established to ensure the fairness and transparency of procurement activities. In 2025, the Company did not experience any unfair competition incidents, nor did it face litigation or major administrative penalties due to its own unfair competition practices.

During the Reporting Period

the Company conducted anti-monopoly and fair competition training activities
3 times

the total number of participants in anti-monopoly and fair competition training was
33

the total duration of anti-monopoly and fair competition training was
58 hours

Regulating Fair Competition, Strictly Adhering to Compliance Bottom Line

In September 2025, Xingtong Shipping organized anti-unfair competition training. The content covered the Chinese anti-monopoly and anti-unfair competition legal framework, regulatory trends, and typical case analyses, while also conducting research on relevant Singapore regulatory frameworks. This training effectively strengthened employees' compliance awareness, clarified the legal boundaries of market competition, helped the Company avoid operational risks, and laid the foundation for building a compliant operating system and participating in fair market competition.



Anti-Unfair Competition Training



Party-Building Leadership

As the first private enterprise Party General Branch in Quangang District, the Xingtong Shipping Party General Branch uses the optimization of the Party organization structure as a lever, the construction of the Party member team as the core, and characteristic activities such as red study tours and joint learning and co-construction as carriers. It effectively transforms the Party's political and organizational strengths into corporate development advantages and market competitiveness, solidifying the political foundation for the Company's stable development and uniting efforts for progress.

Party-Building Management

The Xingtong Shipping Party General Branch consistently adheres to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. Closely focusing on the responsibilities and missions of non-public enterprises, it concentrates on three core tasks: improving the quality of the Party member team, innovating educational formats, and strengthening the sense of responsibility. It solidly promotes the deep integration of Party-building management with production and operations.

During the Reporting Period, through precise research and overall planning, the Company's Party General Branch completed the optimization and adjustment of the Party organization structure, integrating two Party branches. This increased the number of subordinate Party branches from four to six, further expanding the coverage of the Party organization and solidifying the organizational foundation for serving business development. Regarding the construction of the Party member team, strictly following the overall requirements of "controlling the total number, optimizing the structure, improving quality, and playing a role," the Party Branch successfully developed two outstanding key personnel into probationary Party members in 2025. At the same time, it efficiently completed the transfer and integration of Party organization relationships for newly hired employees who are Party members, continuously strengthening the Party member team and injecting fresh vitality.

Pros-per-ous System: "Connecting" the Party and Enterprise

Two-way participation in leadership teams, two-way integration in management, two-way cultivation of talent.

Pros-per-ous Team: "Interchanging" Talent

Highlight the vanguard role of Party members, mobilize their learning capability, and leverage their creativity.

Pros-per-ous Ideas: "Sharing" Development

Strengthen communication and exchange between the government and enterprises, deepen joint construction with new economic and social organizations, and innovate collaboration among police, schools, enterprises, and villages.

Pros-per-ous Culture: "Cohesive" Responsibility

Emphasize cultural immersion, commit to humanistic care, and actively participate in local public welfare.

"Four Connections" Work Method

As of the end of the Reporting Period

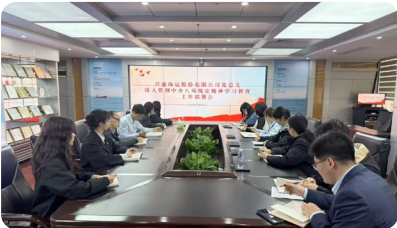
the Company had full Party 67 members

probationary Party 4 members



Party-Building Education

The Company's Party General Branch regularly carries out Party-building learning and education. On one hand, it periodically convenes Party member meetings and organizes various Party course studies to strengthen the ideological foundation of Party members. On the other hand, it focuses on current affairs, organizing all Party members to collectively watch military parades and, centered on the Party's latest theoretical achievements and policy directions, helps Party members promptly grasp the Party's latest guidelines through special study sessions and seminar exchanges, continuously enhancing their political judgment, understanding, and execution capabilities.



Party General Branch Party Studied the Eight-Point Decision in March



Party Course Study in June



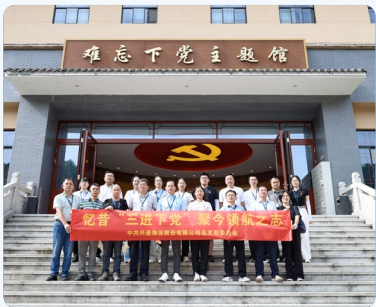
Party General Branch Held Party Maember Meeting in July

Party-Building Activities

The Company's Party General Branch actively practices the concept of promoting development through Party-building, driving the deep integration and mutual reinforcement of Party-building work with daily operations. To meet the requirements of Party-building in the new era, the Party General Branch, based on the actual work situation after the structural adjustment and focusing on current hot topics, innovatively launched a series of diverse and meaningful Party member educational activities, effectively enhancing the impact and effectiveness of the education. The implementation of these activities constitutes not only a profound exercise in Party spirit and spiritual baptism but also demonstrates Xingtong Shipping's firm determination to integrate Party-building into the fabric of the enterprise and guide high-quality development with high-quality Party-building leadership. Standing at a new starting point, all Party members of the Company are striving with renewed vigor to contribute the surging strength of "Xingtong" to the creation of a new chapter in Chinese-style modernization.

Following the Red Trail, Inheriting the Spirit of Struggle

In June 2025, Party members from the Company went to Xiadang Township, Shouning County, Ningde, to conduct a July 1 Party Day activity titled "Recalling the 'Three Visits to Xiadang' to Gather Today's Guiding Aspiration." During the activity, through precious historical materials, Party members deeply appreciated the leader's profound sentiment for the people and the struggle spirit of the people in eastern Fujian, characterized by "the weak bird takes flight early, and persistent effort can wear away a stone." When reviewing their oath to join the Party, all Party members spoke with firmness, never forgetting their original aspiration for joining the Party. By retracing the "Party-Masses Heart-to-Heart Path," Party members experienced the deep bond of unity between cadres and the masses in overcoming difficulties through their trek. At the forum, Party members freely shared their insights based on their roles, unanimously expressing their commitment to integrating the eastern Fujian spirit into their being. In the magnificent voyage of serving the "Belt and Road" Initiative and building a maritime power, they pledged to row and sail with a more vigorous spirit, bravely take the lead, and let the "Xingtong Red Sail" fly high over the vast seas.



July 1 Party Day Study Tour

Party-Building Co-construction Gathers Consensus, Deep Learning and Reflection Practice Initial Commitment

In June 2025, the Company's Party General Branch, in collaboration with the Quangang Experimental Kindergarten, the local public security bureau, village committees, and other relevant units, conducted a special Party course activity on jointly studying the eight-point decision on improving Party and government conduct. Representatives from various units shared practical experiences on improving work style, using case studies to strengthen self-education. Through cross-unit collaborative learning, the activity promoted a deep understanding of the eight-point decision, strengthened Party members' discipline and awareness of rules, and built a bridge for Party-building co-construction among police, schools, enterprises, and villages, consolidating multi-party consensus and laying a solid foundation for deepening cooperation and jointly promoting development. Concurrently, the co-constructing units also organized students from the Quangang Experimental Kindergarten to visit the Company's "Pioneering Culture Exhibition Hall." Through the form of "educational immersion + practical engagement," they guided the children to appreciate corporate culture and cultivate patriotic sentiments through immersive experiences, allowing the red gene to take root and sprout in the fertile soil of the new era, presenting a tribute to the Party's birthday through practical action and dedication.



Joint Party Day Activity of Police, Schools, Enterprises, and Villages



ESG 数据表和附注

 Governance Performance

Key Indicator	Base Unit	2025	2024	2023
Governance Through the General Meeting of Shareholders and Board of Directors				
Total Number of General Meetings of Shareholders Convened	Time(s)	4	5	5
Number of Proposals Reviewed and Approved at General Meetings of Shareholders	No.	20	19	50
Number of Board Members	Person(s)	11	11	11
Number of Meetings of Board of Directors Convened	Time(s)	10	10	12
Number of Proposals Reviewed and Approved by the Board of Directors	No.	51	45	93
Investor Relations Management				
Number of Performance Briefings	Time(s)	4	4	3
Number of Interactions with Investors on SSE E-Interaction Platform	Time(s)	49	17	16
Response Rate to Investor Inquiries	%	100	100	100
Information Disclosure				
Number of Periodic Reports Disclosed	Copies	4	4	4
Number of Provisional Reports Disclosed	Copies	85	85	125
Number of Penalties for Violations in Information Disclosure	Time(s)	0	0	0
Compliance Management				
Total Number of Anti-Corruption and Anti-Bribery Whistleblows	Time(s)	0	0	0

 Economic Performance

Key Indicator	Base Unit	2025	2024	2023
Operating Revenue	RMB 10,000	162,842.28	151,473.84	123,727.03
Net Profit Attributable to Shareholders of the Listed Company	RMB 10,000	26,998.89	35,041.63	25,219.59
Cash Dividend per Share	RMB/Share	0.20	0.2	0.15
Total Cash Dividend(Tax included and repurchase excluded)	RMB 10,000	6,491.66	5,594.60	4,138.91
Percentage of Net Profit Attributable to Shareholders of the Listed Company	%	24.04	15.97	16.41

 Environmental Performance¹

Key Indicator	Base Unit	2025	2024	2023
Environmental Management				
Total Environmental Investment	RMB 10,000	590.85	254.31	112.29
Violations of Laws and Regulations Concerning Environmental Protection	Case(s)	0	0	/
Energy Management				
Total Fuel Oil Consumption (Own Vessels, Voyage Charter)	10,000 tons	5.22	4.14	3.44
Of which: Fuel Oil	10,000 tons	3.62	2.89	2.52
Diesel	10,000 tons	1.6	1.25	0.92
Gasoline (Official Vehicle)	Liters	30,825.93	35,182.73	32,641.74
Diesel (Official Vehicle)	tons	0.98	/	/
Total Electricity Consumption (Office)	kWh	334,987	242,211.37	216,862
Total Energy Consumption	tce	75,043.81	59,500.58	49,467.51
Climate Change Adaptation and Mitigation				
Total GHG Emissions (Scope 1 + Scope 2)	tCO ₂ e	164,273.85	130,138.52	108,170.42
Direct (Scope 1) GHG Emissions (Own Vessels, Voyage Charter)	tCO ₂ e	164,022.96	129,922.25	107,976.95
Direct (Scope 1) GHG Emissions (Official Vehicle)	tCO ₂ e	73.14	78.14	69.79
Indirect (Scope 2) GHG Emissions (Purchased Electricity by Offices on Shore)	tCO ₂ e	177.74	138.13	123.68
Indirect (Scope 3) GHG Emissions (time-chartered ships) ²	tCO ₂ e	46,241.91	/	/
Water utilization				
Total Water Consumption	m ³	156,395.63	131,784.32	98,302.08
Office Water Consumption	m ³	2,235	1,835.30	1,685.38
Ship Water Consumption	m ³	154,160.63	129,949.02	96,616.70
Wastewater				
Total Ship Wastewater Discharge (Discharged to Sea + Shore-Received)	m ³	172,993.04	123,860.87	96,616.70
Discharged to Sea (Compliant Discharge / Discharged After Treatment)	m ³	168,969.54	116,439.78	94,596.08
Total Volume of Shore-Received Wastewater	m ³	4,023.50	7,386.08	2,020.62
Of which: Domestic Sewage	m ³	50	/	/

Note 1: Due to changes in statistical reporting standards, some data have been retroactively adjusted to ensure comparability.

Note 2: Scope 3 greenhouse gas data statistics have been gradually improved in 2025. No statistical data is available for 2023 and 2024.

Key Indicator	Base Unit	2025	2024	2023
Oily Water (Engine Room)	m ³	463.89	231.13	162.35
Tank Washings	m ³	3,509.61	7,154.95	1,858.27
Exhaust Gas				
NOx	tons	2,846.12	2,899.76	2,435.41
SOx	tons	2,758.28	306.83	247.19
PM		420.64	/	/
VOCs		127.66	/	/
Waste				
Ship Garbage/Waste Disposal Volume	m ³	1,827.21	1,222.55	760.81
Of which: (Food Waste) Discharged into the Sea After Treatment in Accordance with MARPOL Annex V	m ³	73.3	91.88	63.12
Waste Incinerated	m ³	12.3	8.18	/
Waste Discharged to Reception Facilities	m ³	1,741.61	1,122.50	697.69
Compliant Waste Disposal Rate	%	100	100	100
Non-hazardous Waste Generated	m ³	732.08	673.14	245.8
Hazardous Waste Generated	m ³	1,095.12	549.42	481.74

Social Performance

Key Indicator	Base Unit	2025	2024	2023
Labor Relations Management - Shore-based Employee				
Total Number of Shore-based Employees	Person(s)	163	136	128
Number of Shore-based Employees by Gender				
Female	Person(s)	71	59	51
Male	Person(s)	92	77	77
Number of Shore-based Employees by Job Level				
Senior Management	Person(s)	6	6	6
Middle Management	Person(s)	44	37	37
Junior Management	Person(s)	34	30	36
General Staff	Person(s)	79	63	49
Number of Shore-based Employees by Age				
Under 30 Years Old	Person(s)	49	29	27

Key Indicator	Base Unit	2025	2024	2023
31-45	Person(s)	74	70	66
46-55	Person(s)	31	30	25
56 Years Old or Above	Person(s)	9	7	10
New Hires	Person(s)	34	21	23
Number of Employee Turnover	Person(s)	11	7	11
Total Employee Turnover Rate	%	6.75	5.15	8.59
Labor Relations Management - in-house crew members				
Total Number of Crew Members	Person(s)	659	595	551
Number of In-house Crew Members by Job Level				
Captain	Person(s)	43	32	26
Senior Crew Members	Person(s)	260	240	210
Regular Crew Members	Person(s)	356	323	315
Number of In-house Crew Members by Age				
25 Years Old or Below	Person(s)	27	16	15
26-35	Person(s)	139	133	122
36-45	Person(s)	286	253	230
46-55	Person(s)	163	159	156
56 Years Old or Above	Person(s)	44	34	28
New Hires	Person(s)	160	189	178
Number of Employee Resignations	Person(s)	93	86	121
Total Employee Turnover Rate	%	14.11	14.45	21.96
Compensation and Benefits - Shore-based Employees				
Social Insurance Coverage Rate	%	95.09	97.79	/
Percentage of Employees Regularly Undergoing Perfor- mance Assessment and Career Development Evaluations	%	96.32	95.59	/
Compensation and Benefits - In-house Crew Members				
Social Insurance Coverage Rate	%	100	100	100
Development and Training - Shore-based Employees				
Investment in Employee Training	RMB 10,000	11.62	23.2	/
Total Number of Employees Trained	Person(s)	163	130	119
Employee Training Coverage Rate	%	100	95.59	92.97

Key Indicator	Base Unit	2025	2024	2023
Average Training Hours per Employee per Year	Hours/Person	24.09	30.62	24.76
Development and Training - In-house Crew Members				
Investment in Crew Training	RMB 10,000	72.7	75.22	44.08
Total Number of Employees Trained	Person(s)	667	595	/
Crew Training Coverage Rate	%	100	100	100
Average Training Hours per Crew Member per Year	Hours/Person	98.05	101.11	89.91
Democratic Governance & Employee Satisfaction				
Shore-based Employee Satisfaction	%	96.81	95.9	/
Proportion of Trade Union Members in Existing Employees	%	100	100	/
Safety and Health				
Investment in Work Safety	RMB 10,000	1,967	1,578.45	1,180.80
Number of Joint Safety and Emergency Drills Between Ships and Shores	Sessions	4	6	4
Number of Safety Education and Training Sessions	Sessions	972	956	/
Total Hours of Safety Education and Training	Hours	31,734	3,732	/
Coverage Rate of Safety Education and Training	%	100	100	/
Investment in Work-related Injury Insurance	RMB 10,000	46.42	40.06	37.19
Coverage Rate of Work-related Injury Insurance	%	99.03	100	/
Employee Health Checkup Coverage Rate	%	98.53	100	/
Occupational Hazard Factor Detection Rate	%	100	100	/
Occupational Hazard Factor Monitoring Compliance Rate	%	100	100	/
Number of Safety Incidents	Case(s)	0	0	0
Major Safety Incidents	Case(s)	0	0	0
Number of Work-related Deaths	Person(s)	0	0	0
Work-related Fatality Rate	%	0	0	0
Total Number of Work-related Injuries	Person(s)	0	0	/
Number of Working Days Lost Due to Work-related Injuries	Working Day(s)	0	0	/

Key Indicator	Base Unit	2025	2024	2023
Number of Port State Control (PSC) Ship Inspections	Ship-time(s)	44	27	17
Number of Port State Control (PSC) Ship Detentions	Ship-time(s)	0	0	0
Number of Flag State Control (FSC) Ship Inspections	Ship-time(s)	47	38	45
Number of Flag State Control (FSC) Ship Detentions	Ship-time(s)	0	0	0
Number of SIRE Inspections	Ship-time(s)	66	64	44
SIRE Inspection Pass Rate	%	100	100	100
Number of CDI Inspections	Ship-time(s)	22	6	7
CDI Inspection Pass Rate	%	100	100	100
R&D and Innovation				
Investment in R&D	RMB 10,000	111.46	149.69	153.94
Cumulative Number of Granted Patents	No.	27	27	26
Cumulative Number of Software Copyrights	No.	18	18	18
Total Number of Trademarks	No.	23	18	12
Supply Chain Management				
Supplier Review Coverage Rate	%	100	100	100
Signing Rate of Integrity Agreements with Core Suppliers	%	100	100	100
Data Security and Customer Privacy Protection				
Number of Data Security Violation Incidents	Time(s)	0	0	0
Specific Amount Involved in Data Security Incidents	RMB 10,000	0	0	0
Number of Incidents Involving Leakage of Customer Information	Case(s)	0	0	/
Contribution to Society				
Total Social Welfare Investment	RMB 10,000	161.5	200	202.28
Number of Volunteer Activity Participants	Person-times	135	130	100
Number of Volunteer Activities	Time(s)	5	5	5
Investment in Rural Revitalization	RMB 10,000	1.9	1.74	/
Number of People Benefiting from Rural Revitalization	Person(s)	30	/	/

Indicator Index of 2025 ESG Report of Xingtong Shipping Co., Ltd.



Corresponding Report Section		Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)	Guidelines for Preparing Corporate Social Responsibility Reports in China (CASS-ESG 6.0)	GRI Standards
About This Report		/	P1	2-1/2-2/2-3
Message from the Chairman and General Manager		/	P2	2-22
About Xingtong Shipping		/	P3	2-6
ESG Governance		Articles 5, 9, 11 to 19, 51 and 53	G1.1-G1.3	2-9/2-12/2-22/2-29/3-1-3-3
Special Feature: Intelligent Voyage Across Blue Seas, Green Xingtong	Consolidating the Foundation, Stabilizing the Leading Industry Position	Articles 49 and 50	S4.2	403-1/403-7
	Diversified Exploration, Building a New Force in International Shipping	Articles 21 to 27, 41	E1.1/S2.1	305-1/305-2
	Technology Empowerment, Leading the Industry's Digital Transformation	Articles 41 and 42	S2.1	/
Green Empowerment: Setting a Benchmark for Low-Carbon Shipping	Climate Change Adaptation and Mitigation	Articles 21 to 27	E1.1	305-1/305-2
	Environmental Management and Ecological Protection	Articles 29 to 32	E2.1/E2.2/E2.3/E2.4	304-1/304-2/304-3/304-4/307-1
	Pollutant Emissions and Waste Management	Articles 30, 31 and 33	E2.2/E2.4	305-5/305-6/305-7/306-1/306-2
	Circular Economy and Resource Utilization	Articles 34 to 36	E3.1-E3.2	302-1/302-3/303-1/305-4/306-2
Collaborative Co-creation: Enhancing Safety and Service Levels	Innovation-Driven Development and Intellectual Property	Articles 41 and 42	S2.1	/
	Product and Service Safety and Quality	Article 47	S3.2	416-1/416-2/417-1
	Data Security and Customer Privacy Protection	Article 48	S3.4	418-1
	Supply Chain Security	Articles 44 and 45	S3.1	308-1/414-2
	Employment and Employee Rights	Articles 49 and 50	S4.1	401-1/405-1/406-1/408-1/409-1
	Employee Training and Development	Articles 49 and 50	S4.1/S4.3	401-2/404-1/404-2/404-3
	Occupational Health and Safety	Articles 49 and 50	S4.2	403-1/403-2/403-3/403-5/403-6/403-9/403-10
	Fostering Community Co-development	Articles 38 to 40	S1.2	413-1/415-1
	Collaborating for Industry Progress	Articles 41 and 42	S2.1	/
Compliance as the Helmsman: Solidifying the Foundation for Sustainable Development	Corporate Governance	Article 53	G1.1	2-9/2-12
	Transparent Disclosure	Article 53	G1.2	2-29
	Risk Control	Articles 12 and 15	G1.3	207-1/207-2
	Business Ethics	Articles 54 to 56	G2.1/G2.2	205-2/205-3/206-1
	Party-Building Leadership	/	/	/
Conclusion	ESG Data Table and Notes	/	A2	305-3
	Index Table	Article 57	A3	/
	Terms and Definitions	/	/	/

Terms and Definitions



Term	Definition
IMO	International Maritime Organization is a specialized agency of the United Nations responsible for maritime safety and preventing ship-generated marine pollution. Its purpose is to promote technical cooperation among countries in the shipping industry, encourage countries to adopt unified standards in promoting maritime safety, improving ship navigation efficiency, and preventing and controlling ship pollution to the oceans, and to carry out related activities.
MARPOL	International Convention for the Prevention of Pollution from Ships is an international convention established by the International Maritime Organization that sets safety regulations regarding the prevention and limitation of ship discharges of oil and other harmful substances that pollute the oceans.
International Convention for the Control and Management of Ships' Ballast Water and Sediments	According to IMO requirements, existing ships need to meet the D-2 standard for ballast water discharge at the first IOPP renewal inspection after September 8, 2017; new ships delivered on or after September 8, 2017, should meet at least the D-2 discharge standard at the time of delivery. MEPC71 approved the amendment to Article B-3 of the Ballast Water Convention. New ships should be equipped with a BWMS at the time of delivery to meet the D-2 discharge standard. Existing ships should be equipped with a Ballast Water Management System (BWMS) during their first IOPP certificate renewal inspection on or after September 8, 2019.
EU ETS	European Union Emissions Trading System is a carbon emissions trading mechanism established by the EU to achieve greenhouse gas reduction targets. By setting an overall carbon emissions cap, carbon emissions quotas are allocated to businesses, allowing the trading of carbon emission rights between companies, using market methods to encourage businesses to reduce carbon emissions.
EEXI	Energy Efficiency Existing Ship Index is a requirement for the energy efficiency and carbon dioxide emissions per ton-mile of existing ships.
CII	Carbon Intensity Indicator measures the carbon dioxide emissions during the shipping process and reflects the carbon emissions generated per unit of cargo transported. This index was introduced by the IMO to address climate change and reduce greenhouse gas emissions. It aims to encourage ship operators to adopt more energy-efficient and environmentally friendly operational methods to reduce carbon emissions.
EEOI	Energy Efficiency Operational Indicator is proposed by the IMO and is used to measure a ship's energy efficiency and carbon emission intensity in actual operation. It is typically expressed as "CO ₂ emissions per unit of transport work" (e.g., CO ₂ emissions per ton·nautical mile) and can be used for monthly/annual energy efficiency performance tracking, benchmarking, and continuous improvement.
PSC	Port State Control refers to the supervision and control conducted by the maritime authority of the port state on foreign ships entering its ports, in accordance with relevant international conventions.
FSC	Flag State Control refers to the supervision and inspection conducted by the maritime authority of the flag state on ships registered under its flag.
SIRE	Ship Inspection Report Programme is an industry-wide ship inspection and reporting system aimed at improving the safety and anti-pollution standards of oil tankers and chemical tankers. Through unified inspection standards and reporting formats, it provides references for ship operation, chartering, and other related activities.
CDI	Chemical Distribution Institute is an international industry organization dedicated to developing and promoting safety, environmental protection, and operational standards for the transportation of chemicals by ships.

Term	Definition
DOC	Document of Compliance is a document issued to a shipping company or ship management company as proof of compliance with the International Safety Management (ISM) Code. It indicates that the Company has an effective safety management system in place to ensure safe ship operations and prevent pollution.
SMC	Safety Management Certificate is a certificate issued to a ship by the competent authority or an accredited organization after the ship has established and operated a safety management system in compliance with the ISM Code and passed an audit, certifying that the ship is capable of safe operations and preventing pollution.
SQMS	Safety & Quality Management System. Refers to the management system established by the Company for the institutional integration of safety management, quality management, and related environmental/occupational health requirements. It covers ship-shore coordination, risk identification and control, operating procedures, training and drills, inspection/auditing, and continuous improvement, ensuring safe operation, compliance management, and stable service quality during hazardous chemicals transportation.
SMS	Safety Management System refers to the safety management system established and operated by the Company in accordance with the International Safety Management (ISM) Code. It standardizes ship-shore coordinated management and ship safety operations and pollution prevention activities, covering safety responsibilities and procedures, operational controls, risk assessment, emergency preparedness, accident reporting and corrective/preventive actions, auditing, and continuous improvement.
TMSA	Tanker Management and Self Assessment is an industry management framework proposed by the Oil Companies International Marine Forum (OCIMF). Through graded assessment and continuous improvement of elements such as safety management, ship operations, personnel capability, maintenance assurance, accident prevention, and emergency response, it helps tanker/liquid cargo ship companies benchmark against the requirements of major international oil companies, systematically enhancing safety management maturity and operational management level.
DWT	Deadweight Tonnage refers to the maximum weight a ship can safely carry under specified draft and sailing conditions, including cargo, fuel, fresh water, ballast water, crew, and supplies. It is an important indicator of a ship's carrying capacity.
ECDIS	Electronic Chart Display and Information System refers to a navigation system on ships used to display official electronic navigational charts and integrate information such as position, speed, radar, and AIS. It enables route planning, hazard warnings, and the setting of no-go zones. It is one of the core navigation safety devices recognized and required by the IMO.
PSSA	Particularly Sensitive Sea Area is an area identified within the IMO framework that, due to its significant ecological, socio-economic, or scientific value and vulnerability to damage by international shipping activities, requires "special protective measures adopted by the IMO." It is typically supported by protective measures such as routing systems, no-go/restricted navigation areas, and reporting systems to reduce shipping impacts and risks to sensitive areas.
SCSO	Ship Cyber Safety Officer (or Ship Cyber Security Officer) refers to a cybersecurity officer designated/appointed by the Company on board, responsible for promoting the implementation of the ship's cybersecurity plan (or cybersecurity/cyber protection plan), organizing the execution of crew cybersecurity awareness and operational requirements, monitoring the effectiveness of measures, and coordinating reporting, handling, and improvement actions according to procedures when a cyber incident occurs or risks are identified.



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