



# ESG REPORT 2025

SINO-PLATINUM METALS CO.,LTD. 2025 ESG REPORT



**贵金属集团**  
SINO-PLATINUM METALS CO.,LTD.  
SINCE 1928

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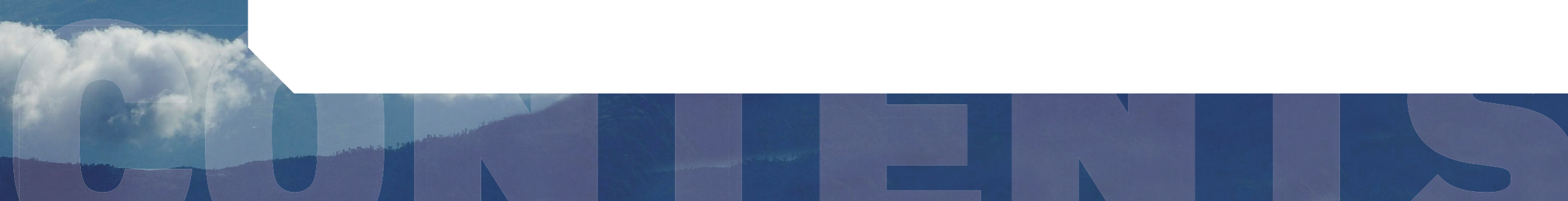
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# Report Introduction

## Report System

This report is the 13th annual environmental, social, and corporate governance report (hereinafter referred to as "this report" or "ESG report") publicly released by Precious Metal Group.

Based on the principles of objectivity, comprehensiveness, standardization and transparency, this report elaborates on the Group's management philosophy, highlighted practices, and annual achievements in the economic, environmental, social, and corporate governance aspects for the year 2025.

## Nomenclature Explanation

Abbreviation	Referenc	Full Name
Precious Metal Group, Group, we	Refers to	Sino-Platinum Metals Co., Ltd.
SPM Catalyst	Refers to	Kunming Sino-Platinum Metals Catalyst Co.,Ltd
SPM Chemical	Refers to	Sino-Platinum Metals Chemical (Yunnan) Co.,Ltd
SPM Industrial Catalyst	Refers to	Sino-Platinum Metals Industrial Catalyst (Yunnan) Co.,Ltd
SPM Semiconductor	Refers to	Sino-Platinum Metals Semiconductor Materials (Yunnan) Co.,Ltd
SPM Functional	Refers to	Sino-Platinum Functional Materials (Yunnan) Co.,Ltd
SPM Electronic	Refers to	Sino-Platinum Electronic Materials (Yunnan) Co.,Ltd
SPM Resources	Refers to	Sino-Platinum Metals Resources (Yimen) Co.,Ltd
Yongxing Resources	Refers to	Sino-Platinum Metals (Yongxing) Resources Co.,Ltd
Yunnan Precious Metals Laboratory	Refers to	Yunnan Precious Metals Laboratory Co.,Ltd
Dongying Catalyst	Refers to	Sino-Platinum Metals Catalyst (Dongying) Co.,Ltd
SPM Longsun	Refers to	Sino-Platinum Metals Longsun(Shanghai) New Materials Technology Co., Ltd
Yongxing Testing	Refers to	Yongxing Guiyan Testing Technology Co.,Ltd
Singapore Company	Refers to	Sino-Platinum Metals (Singapore) Pte. Ltd.
Resources Dongying	Refers to	Guiyan Resources Environmental Technology (Dongying)Co., Ltd.
SPM Bio	Refers to	Sino-Platinum Metals Biomaterials (Shanghai) Co.,Ltd
SPM Gold	Refers to	Sino-Platinum Gold (Yunnan) Co.,Ltd

## Quality Assurance

The Group warrants that this report contains no false representations, misleading statements, or material omissions, and accepts individual and joint liability for the authenticity, accuracy and completeness of its contents.

## Preparation Principles

This report has been prepared with reference to the following guidelines, while taking into full account the expectations of stakeholders and the actual circumstances of the Precious Metal Group:

- State-owned Assets Supervision and Administration Commission (SASAC)of the State Council: Guiding Opinions on Better Fulfilling Social Responsibility for State owned Enterprises
- Shanghai Stock Exchange: Self-Regulatory Guidelines for Listed Companies No. 14–Sustainability Reporting (for Trial Implementation)and Self-Regulatory Guidelines for Listed Companies No. 4–Sustainability Report Preparation
- China Enterprise Reform and Development Society &Responsibility Cloud Research Institute: China Corporate Sustainability Reporting Guide (CASS-ESG 6.0) – General Framework
- Yunnan Provincial SASAC: Opinions on Fulfilling Social Responsibility (ESG)for State-owned Enterprises and Guidelines for Preparing Social Responsibility (ESG) Reports for Yunnan Provincial State-owned Enterprises
- National Standardization Administration: Guidelines for Social Responsibility Report Preparation
- Global Reporting Initiative (GRI): GRI Standards (Sustainability Reporting Standards)

## Report Scope

Unless otherwise specified, this report mainly describes the responsible practices and performance of the Precious Metal Group and its subsidiaries from January 1, 2025 to December 31, 2025.

## Preparation Process



## Data Description

Financial data in this report are expressed in Renminbi (CNY), sourced from the Group's official documents and statistical reports, and have been reviewed by the relevant departments of the Group.

## Report Language and Publication Format


This report is available in English, in both printed and PDF versions.

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# Message from Senior Management



2025 is the closing year of the "14th Five-Year Plan", the year of the Group 's "3815" strategic development goal" three-year construction demonstration" and the decisive victory of a series of three-year actions. It is also a key year for the long-term development of the "15th Five-Year Plan". Over the past year, Precious Metal Group has always been guided by Xi Jinping 's Thought on Socialism with Chinese Characteristics for a New Era, deeply studied and implemented the spirit of the 20th National Congress of the Communist Party of China and the Fourth Plenary Session of the 20th Central Committee of the Communist Party of China, and the spirit of General Secretary Xi Jinping 's important speech on the inspection of Yunnan. Under the leadership of the provincial party committee, the provincial government and the provincial state-owned Assets Supervision and Administration Commission, it has taken the initiative to accelerate the industrial transformation and upgrading, scientific and technological innovation to improve efficiency and empower, green development to improve quality and expand, social responsibility practice is strong, and the governance system is standardized and efficient, showing the mission and responsibility of state-owned enterprises in the new era.

This year, we deepened our focus on core businesses to improve quality and efficiency, positioning transformation and upgrading as the key pillar of our corporate sustainable development. We took the lead in establishing the Dianzhong Rare and Precious Metals National Advanced Manufacturing Cluster, and coordinated the advancement of 22 industrialization projects. Nine projects, including the new precious metals materials production line, were completed and put into operation, while six projects, including the Shanghai Sheshan Industrial Park, are under accelerated construction. The Group ranked 264th on the 2025 China Manufacturing Top 500 list, 9th on the 2025 Top 100 Yunnan Enterprises list, 5th on the Top 100 Yunnan Manufacturing Enterprises list, and 1st on the Top 100 Yunnan High-Tech Enterprises list.

This year, we focused on building new quality productive forces, positioning technological innovation as the core engine of our corporate sustainable development. We continued to increase R&D investment, built high-quality innovation platforms, and carried out research on key technologies to address major national strategic needs, thereby promoting the integrated development of technological and industrial innovation. With a focus on digital infrastructure construction and AI empowerment, we developed an AI public service platform and independently developed a controllable digital factory. In 2025, the Group 's R&D investment reached 1.231 billion RMB. We received support for two National 2030 Major Projects, obtained funding for six National Fund projects, and our National Intellectual Property Operation Center was accredited. The Group was recognized as a "Yunnan Provincial Industrial Internet Demonstration Enterprise" and one of our practices was selected as a typical case study by the Ministry of Industry and Information Technology.

This year, we have remained committed to green development, positioning low-carbon transformation as the core pathway to our corporate sustainable development. In active response to the national "dual carbon" goals, we fully implemented the "Green and Beautiful SPM" construction initiative, driving the green upgrading of our industries. We are building a "zero-carbon park", advancing integrated distributed photovoltaic power generation and hydrogen energy storage projects to optimize our energy mix. We are also comprehensively promoting the construction of green factories and strictly managing the operation of environmental protection facilities.

This year, we deeply fulfilled our social responsibilities, positioning shared contribution and mutual benefit as a solid foundation for our corporate sustainable development. We implemented the "Talent Strengthening Enterprise" strategy and carried out the "Three Hearts" employee care program to provide comprehensive protection for the physical and mental health and well-being of our employees. We continuously optimized our products and services, consistently developed flagship products, and cultivated the second batch of 14 "SPM Premium" products to enhance customer satisfaction. We continued to deepen strategic cooperation, strengthened ESG management of our suppliers, expanded our international markets, and built the SPM international brand. We actively gave back to society, solidly advanced the paired assistance work in Shangjiang Township, Shangri-La City, and widely carried out volunteer services to convey warmth and a sense of responsibility. In 2025, the Group paid 328 million RMB in taxes and fees, created 311 new jobs, and invested 1.56 million RMB in rural revitalization.

This year, we continuously improved our governance system, positioning standardized governance as the fundamental safeguard for our corporate sustainable development. We integrated the Party's leadership into corporate governance, strictly implemented the "Three Major and One Major" decision-making system (major issues, major personnel appointments, major project arrangements, and major fund allocations), and revised and refined various meeting procedures. We advanced the integrated construction of "risk, internal control, and compliance" to strengthen our compliance management system. We thoroughly implemented the series of deployment requirements for the reform and development of state-owned enterprises, further enhancing our efforts to advance SOE reform and development, to strengthen, expand, and enhance SOEs, and to ensure the effective implementation of key annual reform tasks.

A new journey has begun, and a new clarion call has sounded. The blueprint urges us forward, and only solid action will bring a bright future! Standing at this new historical starting point, we will adopt higher standards and more concrete measures to continuously deepen our green and low-carbon transformation, actively fulfill our social responsibilities, improve our corporate governance system, and strengthen the engine of technological innovation. We will contribute greater wisdom and strength to the high-quality economic and social development of Yunnan Province, to the security of national strategic resources, and to the building of a Beautiful China and a Harmonious Society.

# About Precious Metal Group

## Group Profile

Sino-Platinum Metals Co., Ltd. (referred to as "Precious Metal Group"; stock short name: SPM Platinum; stock code: 600459) is a provincial state-owned holding high-tech enterprise group that is publicly listed as a whole. It specializes in the R&D, manufacturing, and resource recycling of precious metals new materials. Its predecessor was the "Engineering Research Institute, Academia Sinica" founded in 1928, which was renamed the Precious Metals Research Institute in 1962, restructured into a technology-based enterprise in 1999, listed on the Shanghai Stock Exchange in 2003, and took the lead among Yunnan provincial state-owned enterprises to achieve a complete overall listing in 2022.

Precious Metal Group possesses the only series of core technologies and a complete innovation system in the field of precious metals in China. It has undertaken over 3,000 national scientific research projects in the precious metals field, with many achievements filling domestic gaps. The Group has 10 national-level and 14 provincial-level innovation platforms, 9 academician workstations, and 18 expert workstations. It was the first Yunnan state-owned enterprise to establish a National Key Laboratory and has successfully reorganized the State Key Laboratory of Precious Metals Functional Materials. It was among the first to build the Yunnan Precious Metals Laboratory, achieving deep integration of "production, academia, research, and application."

Precious Metal Group, bearing in mind the "greaters of the nation" and adhering to the "Four Orientations," develops three core business sectors: manufacturing of precious metals new materials, development and recycling of precious metals resources, and precious metals supply services. It focuses on five major application areas: national defense, environmental protection, new energy chemicals, life and health, and next-generation information technology. The Group serves ten key fields: clean air, green chemicals, electronics and electrical, chip packaging, new energy, biomedicine, advanced materials, resource recycling, high-purity refining, and mineral resources. It is a critical force in China's achievements in the transformation and industrial development of precious metals. The Group has formed a product portfolio of over 400 varieties and more than 4,000 specifications, offering customers one-stop, full-industry-chain services. It currently ranks first in China and fifth globally in the precious metals field. In 2025, it ranked 264th among China's Top 500 Manufacturing Enterprises, 36th among Top 50 Nonferrous Metals Enterprises, and 1st among Yunnan's Top 100 High-Tech Enterprises.

The Group has cultivated one national-level Manufacturing Single Champion Enterprise, three national-level Key "Little Giant" Enterprises specializing in new technologies, one national-level "Little Giant" Enterprise, one National Technology Innovation Demonstration Enterprise, and 12 National High-Tech Enterprises. With a focus on expanding green initiatives, energy conservation, carbon reduction, pollution control, and emission reduction, the Group is building zero-carbon parks, zero-carbon factories, and green factories. It currently operates one zero-carbon park, three national-level "Green Factories," and three zero-carbon factories. The Group is accelerating its layout in key business areas such as photovoltaics, new green chemicals, and hydrogen energy storage to achieve green, low-carbon, and sustainable development in the rare and precious metals industry.

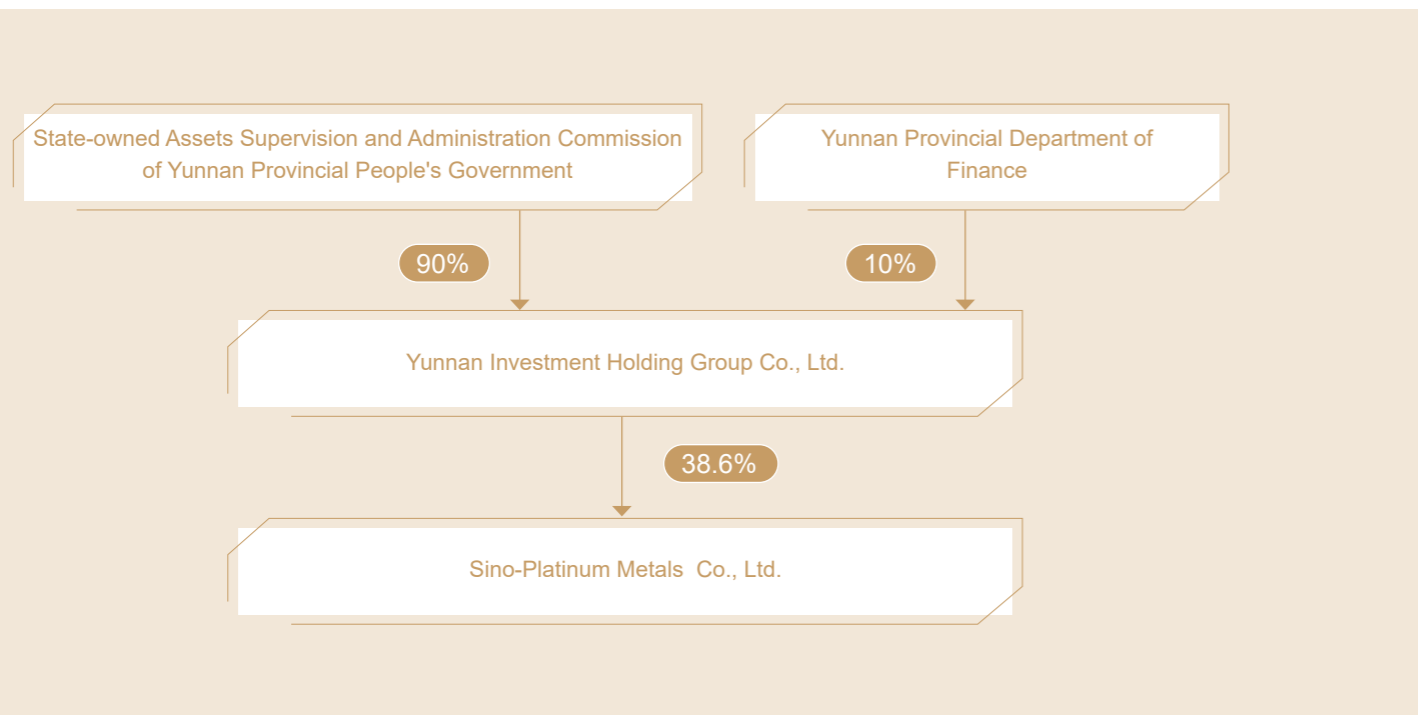
The Group strives to build a hundred-billion-level industrial cluster, radiating and driving the rapid growth of a group of upstream and downstream new materials enterprises, with the goal of creating a trillion-level industrial cluster. It aims to become the national leader in the precious metals new materials industry and a guardian of strategic resource security.



## Corporate Culture



## Control Relationship Chart



## 2025 Review Highlight Performance

### Economic Performance

- Operating Revenue: RMB **55.675** Billion, up **17.20%** year-on-year
- Total Profit: RMB **804** Million, up **12.46%** year-on-year
- Total Profit and Taxes: RMB **1.098** Billion, up **3.41%** year-on-year
- Output value: RMB **48.623** Billion yuan, YoY **25.55%**
- Economic Value Added (EVA): RMB **651** Million, up **2.44%** year-on-year
- Net Assets: RMB **8.073** Billion, up **9.60%** year-on-year
- Asset-Liability Ratio: **59.38%**
- Return on Equity (ROE): **8.73%**

### Environmental Performance

- Environmental Protection Expenditure: RMB **1148** Million
- 7** Newly Added Product Carbon Footprint Certifications

### Social Performance

- New Jobs Created **311** persons
- Total Social Contribution Investment: RMB **156** Million
- Safety Expenditure: RMB **649** Million

### Governance Performance

- R&D Investment: RMB **1.231** billion, R&D investment **2.21%**
- Received support for **2** National 2030 Major Projects, including **1** project as the lead and **1** project as a participant.
- 6** projects supported by National Fund, **40** newly added SCI/EI indexed papers
- 51** authorized invention patents, **13** national or industry standards formulated/revised
- 12** National-level high-tech enterprises, **4** national-level specialized and sophisticated "Little Giant" enterprises, and **1** national-level manufacturing single champion enterprise.
- 4** provincial-level specialized and sophisticated "Little Giant" SMEs, and **6** provincial-level manufacturing single champion demonstration enterprises.

## 2025 Major Events

January	The Group was approved as the main entity for the construction of Yunnan Provincial Industry-Level Big Data Center
January	The Group held its 2025 Work Conference and the First Session of the Second Employee Representative Congress
March	SPM Resources' "Modern Industrial Base Project for Enrichment and Regeneration of Precious Metals Secondary Resources" (Phase I) was fully completed and put into operation
April	The Group held the Third Science and Technology Conference
April	The First Meeting of the First Academic Committee of the "National Key Laboratory of Precious Metal Functional Materials" (led by the Group) was held in Kunming
May	The Tokyo Branch Center of Yunnan Precious Metals Laboratory Co., Ltd. was inaugurated
September	Yongxing Resources' "Green Recycling Project for Rare and Precious Metals" completed equipment installation and officially entered the equipment commissioning phase
September	The "Yunnan Rare and Precious Metals Industry High-Quality Dataset Construction and Application Project" was approved for establishment by the National Development and Reform Commission (NDRC)
October	Yunnan Provincial Precious Metals Pharmaceutical Technology Innovation Center was approved for construction
October	The Group participated in the 2025 Tengchong Scientists Forum – Special Event on Innovation-Driven Development of New Materials and Industrial Finance, and the 2025 Precious Metals Forum
October	The Shanghai Rare and Precious Metals Innovation Platform and the Shanghai Sheshan Precious Metals New Materials Industrial Base broke ground
November	The Group participated in the first-day trading of platinum and palladium futures and successfully completed its first transaction
December	The Group participated in the 2025 Tengchong Scientists Forum · Rare and Precious Metals Industry Innovation and Development Forum

## Annual Honors

January	SPM Catalysis was rated as a national-level "Green Factory"	September	The Group was ranked 9th on the "2025 Top 100 Yunnan Enterprises" list, 5th on the "2025 Top 100 Yunnan Manufacturing Enterprises" list, and 1st on the "2025 Top 100 Yunnan High-Tech Enterprises" list
January	The Group was listed on the 2025 China Top 500 Manufacturing Enterprises, ranking 264th (up 9 places from last year), and 3rd among the 8 listed enterprises in Yunnan	September	The Group was listed among the first batch of national-level industrial intellectual property operation centers released by the China National Intellectual Property Administration (CNIPA), ranking 61st
April	The Group's Chief Scientist, Wen Ming, received the "National Model Worker" title	October	SPM Zhongxi passed the certification as a national-level Specialized and Sophisticated "Little Giant" Enterprise
May	Yongxing Testing passed the certification as a Hunan Provincial Specialized and Sophisticated SME	October	Yunnan Provincial Precious Metals New Materials Industrial Park was rated as an enterprise-level "Three-Star Zero-Carbon Park"
July	Catalysis Dongying was shortlisted as a Shandong Provincial Intelligent Factory	November	SPM Catalysis passed the certification as one of the first batch of "Zero-Carbon Factories" in Yunnan Province
July	Group's "2024 ESG Report" received a "Five-Star" rating from the China Enterprise Social Responsibility Report Rating Expert Committee	November	The Group was selected for the "China ESG Listed Companies State-owned Enterprise Pioneer 100 (2025)" list, won the "ESG Jingniu Award · ESG Dual Carbon Pioneer", and three ESG best practice cases were included in the "Yunnan Provincial State-owned Enterprises Social Responsibility (Sustainable Development) Blue Book (2025)"
July	Guizhou Catalyst has been certified as one of the first "zero-carbon factories" in Yunnan Province	December	The group has been ranked 9th in the "2025 Top 100 Yunnan Enterprises", specific in the "2025 Top 100 Yunnan Manufacturing Enterprises", and 1st in the "2025 Top 100 Yunnan High-tech Enterprises"
August	The Group's reform practice was again selected for the Case Collection of the State-owned Assets Supervision and Administration Commission (SASAC) of the State Council	December	SPM Resources passed the certification as a "Zero-Carbon Factory" in Yunnan Province
September	SPM Chemicals was selected as a Yunnan Provincial Advanced-Level Intelligent Factory		
September	SPM Zhongxi passed the dual certifications of Shanghai Municipal Single Champion Enterprise and Enterprise Technology Center		



# ESG Management

## Materiality Assessment

In accordance with the latest domestic and international disclosure standards, including the Shanghai Stock Exchange Listed Company Self-Regulatory Guidelines No. 14 – Sustainability Reporting (for Trial Implementation) and the Shanghai Stock Exchange Listed Company Self-Regulatory Guidelines No. 4 – Sustainability Report Preparation, the Company conducts a double materiality assessment. By integrating its own development strategies and plans, the Company has established a comprehensive system for identifying and managing sustainability topics, and carries out the identification, assessment, and prioritization of sustainability topics. The perspectives of multiple departments and stakeholders are fully incorporated to provide directional guidance for each business segment. The Company also discloses the progress of key topics in the report, responds to stakeholder concerns, and demonstrates its sense of responsibility and pragmatic actions on the journey toward sustainable development.

## Double Materiality Assessment Approach

The first step

Background Analysis and Initial Identification of Topics. A professional team was established. Based on policy requirements, industry characteristics, market dynamics, and sustainability trends, the team conducted in-depth analysis and interpretation of macro policies and industry hotspots, understood the key ESG concerns of capital markets and institutional investors, and combined these with the Company's business development strategy and its unique characteristics to initially identify 18 topics that have a significant impact on the Company.

Step two

Impact and Financial Materiality Assessment. For impact materiality assessment, a dedicated questionnaire on topic impact materiality was developed and distributed to a wide range of stakeholders, including government officials, shareholders and investors, industry association representatives, strategic partners, directors, senior management, employees, customers, suppliers, communities, and the public, to rate the materiality of each ESG topic. A total of 352 questionnaires were collected. For financial materiality assessment, a financial materiality assessment form for ESG topics was developed. Relevant department heads and the Finance Department jointly evaluated the financial materiality of each topic based on dimensions such as identification of risks and opportunities, likelihood of occurrence, and degree of financial impact.

Step three

Topic Confirmation and Approval. Based on the questionnaire results, material topics under two dimensions—"importance of impact on the economy, environment, and society" and "importance of financial impact"—were identified. Combined with expert opinions in the sustainability field, the 2025 materiality matrix was developed, and the material topics for the year were determined.



# ESG Governance System

## ESG Governance Structure

The Group has established a social responsibility (ESG) management system to provide unified leadership, decision-making, and organizational implementation for related work, forming a social responsibility framework characterized by coordinated planning, vertical linkage, and holistic advancement. A Social Responsibility Leadership Working Group has been established as the leading body for the Group's social responsibility (ESG) work. The Group's Party Committee Secretary and Chairman serves as the Group Leader, the Deputy Party Committee Secretary, Vice Chairman, General Manager, and responsible leaders serve as Deputy Group Leaders, and other members of the Group's leadership team serve as members, taking comprehensive responsibility for the Group's social responsibility (ESG) work. The Social Responsibility Leadership Working Group has an office as its daily management department, which is hosted within the Group's Party Committee Work Department. Each department is responsible for social responsibility (ESG) management within its business scope according to its functional division.

Governance Structure	Responsible Body	Responsibilities
Leadership and Decision-Making Body	Corporate Social Responsibility Leadership Working Group	·Research and provide guidance on the development of the Group's social responsibility (ESG) work system, institutional development, strategic planning, annual plans, major project implementation, annual report preparation, and other significant matters.
Daily Work and Coordination Body	Corporate Social Responsibility Leadership Working Group Office	·Regularly report to the Group's Social Responsibility Leadership Working Group and implement its resolutions. ·Promote the clarification of social responsibility (ESG) responsibilities among the Group's departments and subsidiaries. ·Draft social responsibility (ESG) management systems and promote the standardized implementation of social responsibility work. ·Conduct social responsibility (ESG) exchanges, communication, and dissemination. ·Organize the preparation of the Group's social responsibility (ESG) report. ·Conduct social responsibility (ESG) evaluations and awards. ·Uniformly manage other matters related to the Group's social responsibility (ESG) work.
Implementing Bodies	Functional Departments	·Be responsible for organizing the implementation of social responsibility (ESG) tasks assigned by the Group. ·Promote the deep integration of social responsibility (ESG) work with departmental operations, carrying out work in a more responsible manner. ·Be responsible for the collection, organization, and reporting of social responsibility (ESG) information within the department. ·Participate in the preparation of the corporate social responsibility (ESG) report. ·Participate in internal and external social responsibility capacity-building and stakeholder communication activities.
	Subsidiaries	·Accept the Group's guidance, coordination, and evaluation; implement the Group's decisions and arrangements regarding social responsibility (ESG) work; proactively promote the development of social responsibility (ESG) work; properly collect, organize, and consolidate social responsibility (ESG) information of the subsidiary and report such information to the Group; participate in the preparation of the Group's annual social responsibility report, etc.

## ESG Policies

Pursuant to the "Social Responsibility (ESG) Management Measures of Sino-Platinum Metals New Materials Holding Group Co., Ltd. (Trial)", the Group has defined its social responsibility (ESG) concepts and principles, management bodies and responsibilities, implementation management, communication management, performance management, and funding guarantees. The Group actively fulfills its social responsibility (ESG) obligations to accelerate the development of a world-class enterprise and achieve high-quality and sustainable development.

## ESG Report Management

The Group has published its annual social responsibility/ESG report for twelve consecutive years, disclosing the Company's ESG governance and practices. During the report preparation process, the Party Committee Work Department is responsible for the organization, planning, liaison, and communication of ESG work. Other departments and subsidiaries participate jointly, assisting in the collection of ESG-related materials and cooperating in the report writing to ensure the report's authenticity and completeness. Each department has clear divisions of responsibility, effectively advancing the preparation process.

## ESG Supervision and Assessment

The Group strengthens the organic integration of the social responsibility (ESG) indicator system with the existing performance management system, incorporating social responsibility (ESG) work into the annual performance assessment of each department and unit. A mechanism linking executive compensation to core ESG topics has been established, incorporating technological innovation, green and low-carbon practices, and workplace safety into the assessment system with quantitative management. A rigid "one-vote veto" constraint has been established: executives involved in extremely serious or major workplace safety accidents, or major or above ecological and environmental incidents, will have their assessment ratings downgraded, promoting a direct link between executive compensation and sustainable development performance.

## ESG Responsibility Capacity

The Group places emphasis on cultivating ESG capacity, deeply integrating ESG with corporate development planning and daily operations. An ESG indicator system covering five areas—report preface, environment, society, governance, and report postscript—has been established. Using the indicator system as an entry point, ESG concepts, methods, and strategies are integrated into the Group's strategic planning and business operations, continuously enhancing core functions and promoting the Group's high-quality and sustainable development.

The Group actively participated in the Yunnan Provincial State-owned Enterprises 2025 Series of Press Conferences on Fulfilling Social Responsibility and Promoting Sustainable Development, the Yunnan State-owned Assets and State-owned Enterprises 2025 Social Responsibility (Sustainable Development) Special Training, and ESG China · The 8th Beijing Responsibility Expo, and received multiple honors. The Group's 2024 ESG Report was selected as a case study in the "Blue Book of Social Responsibility of State-owned Assets and State-owned Enterprises (2025)" for local state-owned enterprise social responsibility reports, receiving a "Five-Star" rating from the China Enterprise Social Responsibility Report Rating Expert Committee. The Group was selected for the "China ESG Listed Companies State-owned Enterprise Pioneer 100 (2025)" list, ranking 35th. Leveraging its technological innovation and practical achievements in the green and low-carbon field, it won the "ESG Jingniu Award · ESG Dual Carbon Pioneer." Three ESG best practice cases were selected for the "Yunnan Provincial State-owned Enterprises Social Responsibility (Sustainable Development) Blue Book (2025)." The Group's Wind ESG rating was upgraded to A.



## Stakeholder Communication

The Group places emphasis on stakeholder communication and engagement. Based on factors such as the Group's daily operations and management, and the scope and impact of various topics, it identifies and selects internal and external stakeholders that have a significant impact on the Group's development. A regular communication and supervision mechanism has been established. Social responsibility (ESG) information is published through the official website, official WeChat public account, and video channel to disseminate the Group's philosophy and performance dynamics. While responding to the concerns of key stakeholders, the Group also takes into account reasonable opinions and suggestions from internal and external stakeholders, continuously improving its corporate management practices and building consensus on sustainable development.

Stakeholders	Expectations and Concerns	Communication and Response
 Government	Comply with laws and regulations Pay taxes in accordance with the law Provide employment opportunities	Maintain law-based corporate governance Pay taxes in strict accordance with the law Provide job opportunities
 Shareholders	Improve corporate governance Strengthen risk management and control	Maintain prudent operations Improve information disclosure Strengthen compliance management
 Employees	Protect employee rights and interests Support employee growth Balance work and life Health and safety	Improve compensation and benefits Promote career development Strengthen talent development Care for and support employees Ensure workplace safety
 Customers	Protect customer rights and interests Enhance customer satisfaction Product and service innovation	Maintain integrity in business operations Optimize product quality Ensure service quality Protect customer privacy Emphasize R&D and innovation
 Partners	Implement responsible procurement Drive industry development Achieve win-win cooperation with partners	Maintain transparent procurement practices Strengthen supplier management Deepen strategic cooperation
 Communities	Actively integrate into the community Carry out volunteer activities Support disadvantaged individuals	Support rural revitalization Participate in public welfare activities Care for disadvantaged groups
 Environment	Protect the ecological environment Utilize resources rationally Promote energy conservation and emission reduction Address climate change	Develop clean energy Restore the ecological environment Promote environmental protection concepts Strengthen energy management

## Environment

# Symbiosis for a Green Future

The Precious Metal Group has deeply studied and implemented Xi Jinping's Thought on Ecological Civilization, implemented the requirements of Beautiful China and the Yunnan Provincial Government for the construction of Beautiful Yunnan, took the construction of "Green, Beautiful and Precious Research" as an important measure to promote the green, harmonious and sustainable development of enterprises, actively implemented the national "dual carbon" goal, and comprehensively improved the Group's green and low-carbon high-quality development ability.

### In 2025, the Group

- Environmental protection investment: RMB

**11.48** million

- Majinpu Industrial Park obtained Zero-Carbon Park certification, making the Group the first enterprise in Southwest China to establish a corporate-level zero-carbon park.
- SPM Chemical obtained Type I Three-Star Zero-Carbon Factory certification; SPM Catalyst and SPM Resources obtained Type I Four-Star Zero-Carbon Factory certification; Catalyst Dongying passed municipal-level Green Factory certification.
- 7** new products obtained carbon footprint certification

### Responding to the Sustainable Development Goals (SDGs)



# Climate Action







The Sino-platinum Metals Group actively addresses climate change by improving its climate response governance system, establishing a climate change strategy, advancing the management of climate-related impacts, risks, and opportunities, and setting indicators and targets for climate change. Multiple measures are being taken to promote carbon emission reduction.

## Governance

A climate change governance mechanism has been established, led by the Group's Ecological Environment Protection Committee. Climate issues are given priority in the Group's strategy and fully integrated into corporate governance and core decision-making processes. A "dual carbon" management structure covering decision-making, management, execution, supervision, and evaluation has been established, forming a complete closed loop from strategy formulation to execution and evaluation, effectively advancing the achievement of "dual carbon" goals.

### Management Structure

 <b>Decision-making</b>	Responsible for formulating "dual carbon" goals and policies, providing directional guidance for "dual carbon" work.
 <b>Management</b>	Coordinates "dual carbon" work, formulates specific implementation plans and action plans, supervises execution.
 <b>Execution</b>	Responsible for implementing specific "dual carbon" projects, such as energy-saving retrofits and new energy projects.
 <b>Supervision &amp; Evaluation</b>	Monitors energy consumption and carbon emissions using energy management systems and carbon emission verification; regularly evaluates goal completion and adjusts strategies when issues are identified.

## Strategy

Climate change impacts are deeply integrated into long-term strategic planning and annual business plans, ensuring forward-looking and systematic consideration in strategy formulation, business layout, and operational control. The Group systematically assesses the potential impacts of climate change on existing business models, operating costs, technology roadmaps, market competitiveness, and financing channels, while proactively positioning for transition opportunities in low-carbon technologies, green products, and the circular economy. Based on climate assessments, a climate strategy centered on "leading the industry's green transformation" has been formulated and substantively integrated into strategic decision-making and daily operations.

## Environment (Climate)-Related Risks

### Physical Risks

Risk Category	Risk Description	Time Horizon	Value Chain Link	Potential Impact / Financial Impact	Response Strategy
Acute Risk	Extreme Weather	Short to Medium <sup>1</sup>	Upstream, Operations <sup>2</sup>	Production stoppage losses, supply chain disruption risk, increased emergency response costs	<ul style="list-style-type: none"> <li>Establish a full-chain climate risk assessment system</li> <li>Systematically enhance supply chain resilience</li> <li>Establish a climate disaster emergency plan covering early warning, response, and recovery</li> </ul>
	Flooding	Short to Medium	Operations	Equipment damage losses, material losses, increased production interruption costs	Strengthen drainage system retrofits at production bases; develop flood emergency plans
Chronic Risk	Average Temperature Rise	Medium to Long	Operations	Increased energy costs over the long term; increased material storage losses	<ul style="list-style-type: none"> <li>Optimize chiller system operation strategies to reduce energy consumption; improve system energy efficiency</li> <li>Enhance ventilation and insulation control in production and warehousing areas</li> </ul>
	Changing Precipitation Patterns	Medium to Long	Upstream, Operations	Production water shortage risk; increased logistics scheduling costs	<ul style="list-style-type: none"> <li>Build water recycling systems; reserve emergency water</li> <li>Sign multi-route transportation agreements with logistics providers; strengthen assessment of climate trends' impact on supply chains</li> </ul>

1. Time horizon: Short term - within 1 year after the reporting period; Medium term - 1 to 5 years after the reporting period; Long term - more than 5 years after the reporting period.

2. Value chain links: Upstream - supplier collaboration (raw materials, equipment), procurement, logistics; Operations - R&D, production, manufacturing, internal process control; Downstream = distribution, sales, customer service.

## Environment (Climate)-Related Risks

### Transition Risks

Risk Category	Risk Description	Time Horizon	Value Chain Link	Potential Impact / Financial Impact	Response Strategy
<b>Policy &amp; Regulatory Risk</b>	Increasingly stringent carbon emission regulations	Short to Medium	Operations	Increased compliance costs for carbon emissions	<ul style="list-style-type: none"> <li>Establish an internal carbon accounting system to dynamically track compliance gaps</li> <li>Establish a low-carbon access and assessment mechanism for suppliers and proactively reserve carbon emission reduction credits</li> </ul>
	Enhanced environmental information disclosure requirements	Short to Medium	Operations	Increased compliance costs for information disclosure; risk of customer loss and supply chain cooperation disruption due to non-compliant disclosure	<ul style="list-style-type: none"> <li>Improve ESG information disclosure in line with authoritative disclosure standards</li> <li>Establish a carbon footprint data traceability mechanism to meet customers' low-carbon traceability requirements</li> </ul>
<b>Technology Risk</b>	Premature phase-out of existing assets	Medium to Long	Operations	Asset impairment losses; increased capital expenditure on equipment upgrades	<ul style="list-style-type: none"> <li>Optimize asset allocation planning and phase out high-energy-consumption equipment in an orderly manner</li> <li>Increase investment in energy-efficient production equipment and improve asset utilization efficiency</li> </ul>
	Shift in preferences for low-carbon products and services	Medium to Long	Operations, Downstream	Risk of customer loss; reduced product pricing power	<ul style="list-style-type: none"> <li>Develop a low-carbon product system, carry out product carbon footprint accounting and labeling, and conduct targeted R&amp;D of material products that meet downstream low-carbon demand</li> </ul>
<b>Reputation Risk</b>	Scrutiny over inadequate climate action	Short to Medium	Operations	Damaged brand image; reduced investor confidence; risk of customer loss	<ul style="list-style-type: none"> <li>Regularly communicate climate action progress and actively respond to stakeholder concerns</li> </ul>

## Environment (Climate)-Related Opportunities

### Transition Opportunities

Opportunity Category	Opportunity Description	Time Horizon	Value Chain Link	Potential Impact / Financial Impact	Capture Strategy
<b>Resource Efficiency Improvement</b>	Deepened resource recycling	Short to Medium Term	Upstream, Operations	Raw material cost savings; reduced carbon footprint	<ul style="list-style-type: none"> <li>Establish a used precious metals recycling network, optimize recycling and purification processes, and strengthen recycling cooperation mechanisms with downstream customers</li> </ul>
	Clean energy application	Short to Medium	Operations	Reduced carbon emissions; stabilized energy costs; compliance with green production policies	<ul style="list-style-type: none"> <li>Invest in R&amp;D of renewable energy, hydrogen storage, etc., and promote carbon emission reduction</li> </ul>
<b>Energy Structure Transformation</b>	Green product and service market	Short to Long	Operations, Downstream	Increased product pricing power; enhanced customer loyalty; improved brand reputation	<ul style="list-style-type: none"> <li>Increase R&amp;D investment to develop products with low-carbon and environmentally friendly characteristics</li> <li>Strengthen marketing efforts to promote green products and services, and enhance brand awareness</li> </ul>
	Technological Innovation	Medium to long term	Operations	Strengthened core technology barriers; reduced production energy consumption	<ul style="list-style-type: none"> <li>Directly reduce operating costs and carbon emissions through energy-saving technology transformation and intelligent management</li> <li>Establish innovation centers in collaboration with universities/research institutes, set up special R&amp;D funds for low-carbon technologies, and accelerate the translation of pilot-scale results</li> </ul>
<b>Product &amp; Service Innovation</b>	Green Finance Support	Short to medium	Operations	Expanded financing channels; reduced financing costs; optimized capital structure	<ul style="list-style-type: none"> <li>Strong ESG performance can attract substantial sustainable finance funds and reduce the cost of capital</li> </ul>
	Brand Reputation	Medium to long	Operations	Increased brand pricing power; enhanced customer collaboration loyalty	<ul style="list-style-type: none"> <li>Leverage industry leadership position, low-carbon production technology advantages, and international brand certifications to strengthen ESG information disclosure and climate action communication, establishing a sustainability benchmark in the precious metals industry</li> </ul>
<b>Market Opportunities</b>	Supply Chain Optimization	Medium to long	Operations, Downstream	Reduced overall supply chain carbon footprint; deepened partnerships	<ul style="list-style-type: none"> <li>Help suppliers reduce emissions and build a more resilient and sustainable supply chain</li> </ul>
	Industry Opportunity & Collaboration	Medium to long	Operations, Downstream	Reduced overall supply chain carbon footprint; deepened partnerships	<ul style="list-style-type: none"> <li>Help suppliers reduce emissions and build a more resilient and sustainable supply chain</li> </ul>

## Risk, Impact and Opportunity Management

### Risk Management Process

Through an institutionalized governance structure, data-driven monitoring platforms, business-integrated mechanisms, and a transparent disclosure system, the Group has established a climate change management process that covers the entire cycle of "identification – assessment – monitoring – management – improvement." This ensures strategic alignment and operational implementation in addressing climate change, enables systematic responses to climate risks, and captures green opportunities, providing a mechanism to continuously enhance the climate resilience of the industrial chain and lead the industry's low-carbon transition.



### Climate Adaptation

Assess the potential impact of climate change on the company's strategy and business model, systematically analyze the full range of impacts of climate change on its business, and enhance its ability to adapt to climate change and adjust its strategy and business model in the short, medium, and long term.

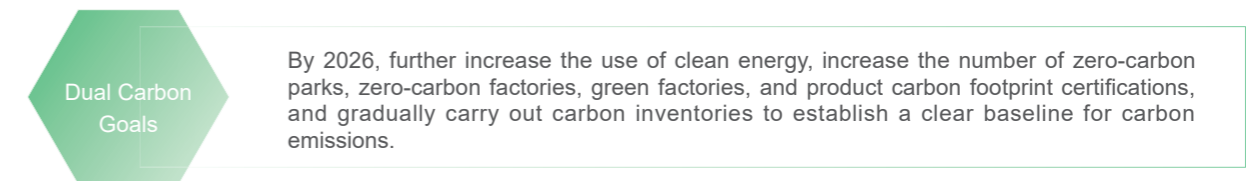
### Carbon Emission Reduction Initiatives

The Group continues to advance national and provincial green factory certifications and green electricity certifications, and is building high-quality zero-carbon parks. The Majinpu Park successfully obtained zero-carbon park certification, making the Group the first entity in Southwest China to establish a corporate-level zero-carbon park. SPM Chemicals obtained Type I Three-Star Zero-Carbon Factory certification, SPM Catalysis and SPM Resources obtained Type I Four-Star Zero-Carbon Factory certification, and Catalysis Dongying passed municipal-level green factory certification. The Group is strategically deploying forward-looking green technology products such as automotive exhaust catalysts, VOCs purification catalysts, and hydrogen-electric catalytic materials to build a strong technology supply capability and promote the application and industrialization of advanced and applicable technologies. A carbon management platform is being developed in line with actual conditions to enhance precise carbon emission control and optimization capabilities. The Group continues to advance "carbon footprint" certification for its precious metal products, strengthening their "low-carbon" advantage. In 2025, 7 new products obtained carbon footprint certification, bringing the total number of certified products to 22.

## Indicators and Targets

### "Dual Carbon" Goals and Progress

The Group has established its "dual carbon" goals, which are aligned with the long-term goal of the Paris Agreement to limit global temperature rise to within 1.5°C and China's Nationally Determined Contribution (NDC) commitments of achieving carbon peak by 2030 and carbon neutrality by 2060. This demonstrates the Group's responsibility and commitment to actively integrating into global climate governance and supporting China's green and low-carbon transition.



### Greenhouse Gas Emissions Data of Sino-Platinum Metals Group

Indicator	Unit	2025 Actual Value
Total GHG emissions	tCO <sub>2</sub> e	13036.28
Scope 1 GHG emissions		3826
Scope 2 GHG emissions		9210.28

Note: During the reporting period, Scope 1 and Scope 2 GHG emissions were calculated using the emission factor method in accordance with the "Guidelines for Greenhouse Gas Emission Accounting and Reporting for Enterprises in Other Industrial Sectors" and ISO 14064-1, among other standards.

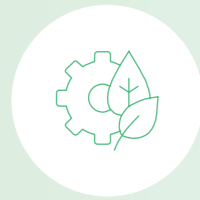
### Carbon Offset Initiatives

SPM Chemicals, SPM Resources, and SPM Catalysis offset part of their direct and indirect emissions for the corresponding years by purchasing Green Electricity Certificates (GECs), carbon credits, and Certified Emission Reductions (CERs), respectively. To create the Majinpu Zero-Carbon Park, SPM Chemicals, SPM Electronics, and SPM Semiconductor jointly purchased Certified Emission Reductions (CERs) and obtained corresponding carbon offset certificates.

### Carbon Verification

In 2025, SPM Chemicals, SPM Resources, SPM Catalysis, SPM Semiconductor, and SPM Electronics engaged third-party organizations to conduct greenhouse gas verification for the 2024 fiscal year in accordance with the ISO 14064-3:2019 standard. The accuracy and standardization of the verification were ensured through measures such as sampling and testing source data, verifying the correctness of calculations, on-site inspection of instruments and reported GHG emissions, interviews and discussions with relevant personnel, and observation and review of relevant documents. During the reporting period, the Group and its subsidiaries were not included in the quota management of the national carbon emissions trading market, nor did they participate in the registration and trading of domestic or international emission reduction mechanisms such as the China Certified Emission Reduction (CCER) program, the Clean Development Mechanism (CDM), or the Verified Carbon Standard (VCS).

## Energy and Environmental Management System



Sino-Platinum Metals Group has integrated a "green" culture into its development DNA, established a sound energy and environmental management system, improved its environmental early warning mechanism, and enhanced its environmental risk prevention and control capabilities. In 2025, the Group experienced no major sudden environmental incidents, environmental violations, or environmental crimes leading to criminal penalties.

## Environmental Compliance Management

### Management System

The Group has incorporated its green strategy into the formulation of its "15th Five-Year Plan" development plan, and through multi-pathway synergies, is comprehensively enhancing its capacity for green, low-carbon, and high-quality development. The Group complies with environmental laws and regulations, has established an Ecological and Environmental Protection Management Committee with an office under it, and has set up environmental protection management institutions or specialist positions with dedicated personnel responsible for the Company's ecological and environmental protection management. The Group has also formulated the "Work Plan for the Development of a 'Green and Beautiful SPM'", which deploys 11 specific tasks across three areas.

### Environmental Management Targets and Achievement Status

Target	2025 Achievement Status
No major or above environmental pollution accidents for the year	Achieved
100% compliance rate for pollutant discharge	Achieved
100% compliance rate for solid waste disposal	Achieved
100% implementation rate of the "Three Simultaneities" for project environmental protection	Achieved
No major environmental penalties	Achieved



## Environmental Risk Prevention and Control

Through qualitative and quantitative methods, the Group analyzes the substances used and pollutants emitted in its production operations, assesses possible sudden environmental incidents and their impact on sensitive environmental receptors in surrounding areas, and determines risk levels. Based on relevant laws and regulations and the actual circumstances of each unit, the Group has prepared emergency response plans for sudden environmental incidents and filed them with competent local authorities. During the reporting period, all plans were valid.

## Environmental Management of Construction Projects

The Group complies with the requirements of the "Classification Management List for Environmental Impact Assessment of Construction Projects," entrusts qualified entities to conduct detailed on-site surveys of new project sites and their surroundings, investigates environmental sensitive targets of new projects and their peripheries, monitors the current environmental status of project areas, and prepares environmental impact assessment (EIA) reports in a standardized manner. In accordance with the public participation measures for environmental impact assessment, the Group publicly discloses the content of EIA documents for construction projects and submits them for review. The Group strictly implements the "Three Simultaneities" management requirements for environmental protection in construction projects, regularly evaluates, upgrades, and maintains environmental protection facilities to ensure their normal operation, and effectively prevents and controls environmental pollution and ecological damage.

## Promotion of Environmental Protection Culture

The Group has integrated green culture into the cultural construction of SPM enterprise. The theoretical learning center group of the Party Committee incorporates Xi Jinping's Thought on Ecological Civilization into key topics to carry out expanded learning, and invites experts to interpret relevant policy requirements and promote the transformation of theory into green development practice. Grassroots party organizations learn through "Three Meetings and One Lesson", thematic party days and other ways to study Xi Jinping's Ecological Civilization Thought. Open the column "Green and Beautiful SPM" to show the experience of the achievements of grass-roots greening construction and give full play to the role of advanced typical demonstration. The article SPM Resource Company: "Green Business Card" of Polishing the Secondary Resource Recycling Industry of Platinum Metals was reported by Xinhua.com, Yunnan Daily and other media.

### Launching the "SPM · Platinum Love Together" Volunteer Service Activity

On August 15, 2025, Sino-Platinum Metals Group, together with Xinyu Community, launched the "SPM · Platinum Love Together" volunteer service activity to promote and explain the concept that "lucid waters and lush mountains are invaluable assets." At the event, more than 30 volunteers distributed brochures to passing citizens, introduced the "August 15 National Ecology Day" and the 20th anniversary of the "Two Mountains" concept, and encouraged the public to strengthen their environmental awareness, start with small daily actions, and adopt a green and low-carbon lifestyle.



CASE

## Promoting Green Office Practices

The Group continues to promote green and low-carbon office measures such as video conferencing and paperless office work to reduce resource consumption. It promotes green lighting using solar-powered street lamps in plant areas to save energy and resources. It continues to advance the development of smoke-free office areas and smoke-free plant areas to create a healthy working environment. The Group persistently carries out the "Clean Plate Campaign," resolutely refusing "food waste," and deeply implements the "7S" management system—to create a clean, tidy, pleasant, and comfortable office environment in all respects. The Group also promotes green commuting, scrapping old vehicles and adding three new energy vehicles.

### "7S" management

- Sort
- Set in order
- Shine
- Standardize
- Safety
- Self-discipline
- Save

## Energy Management

### Management System

The Group strictly complies with national and local energy management laws, regulations, and standards, and has developed its energy management system. SPM Resources has obtained energy management system certification. Each unit has established a dedicated energy management organization or full-time positions responsible for overseeing system operation, formulating and revising internal energy management systems, and systematically integrating system requirements into daily production scheduling. The Group's primary energy sources include electricity, diesel, and natural gas.

To achieve the goals of improving energy efficiency and reducing both energy consumption and costs, the Group has set quantitative targets covering technological energy efficiency improvement, total energy consumption control, management optimization, and green energy application, ensuring the standardized and normalized operation of energy management.

### Energy Conservation

The Group implements the "Energy Conservation Management Measures," integrating energy-saving and consumption-reducing measures into all aspects of production and operations. It continuously optimizes the energy mix, reduces energy consumption, and improves energy utilization efficiency. In strict accordance with the catalog of eliminated equipment and processes, the Group conducts assessments and gradually phases out high-energy-consumption facilities and equipment.

### Clean Energy Use

The Group deepens its industrial layout around renewable energy and green technologies, continuously promoting energy conservation and consumption reduction. It is accelerating the construction of distributed photovoltaic power generation projects at the Group's headquarters and the Majinpu Industrial Park, while extending such projects to other subsidiaries based on their actual conditions. The photovoltaic power generation project at the Yimen Circular Economy Industrial Park has been put into operation. The Group is also exploring hydrogen energy storage technology to promote a green and low-carbon energy transition.

## Resource Conservation and Circular Economy



Sino-Platinum Metals Group places emphasis on resource protection and rational use, continuously improving resource management efficiency in its own operations. It develops the circular economy, vigorously promotes the development of the precious metals resource recycling industry, uses sustainable raw materials, innovates resource recycling technologies, and promotes the use of recyclable packaging materials, contributing to society's transition toward a more resilient economic system.

## Water Resource Management

### Management System

The Group strictly complies with relevant national and local laws, regulations, and standards, has established dedicated water resource management organizations or full-time positions, systematically integrates water resource management into daily production scheduling, and continuously formulates and revises internal management systems to eliminate water waste.



#### Water Resource Management Targets

Through enhanced control of circulating water reuse, intelligent and refined management, and organizational and institutional safeguards, the Group systematically promotes water intensity control, efficiency improvement, and emission reduction. It aims to achieve a year-on-year reduction in water consumption intensity and increase the water recycling and reuse rate to over 90%.

### Water Conservation Measures

Through measures such as adopting advanced water-saving production processes like circulating washing technology, establishing water consumption quotas with regular assessments, promoting water-saving fixtures, and improving pipeline network monitoring and leak repair, the Group improves water resource recycling efficiency. It strengthens water resource recovery and reuse, returning partially treated wastewater (reclaimed water) that meets standards for flushing toilets and green irrigation in strict accordance with environmental impact assessment requirements. Saline wastewater generated from the deionized water system is used to prepare exhaust gas absorption liquid and for floor washing, increasing the wastewater reuse rate and reducing fresh water consumption.

## Circular Economy

### Resource Recovery

The Group focuses on building a green closed-loop system of "resources – manufacturing – products – recycling," strengthening green technology innovation, and leading the industry's green transformation and circular economy development. It improves the waste precious metal recycling system, strengthens cooperation with downstream customers and social recycling organizations, expands its recycling network, and enhances recovery rates. The Group develops or introduces advanced resource recycling technologies and equipment to improve recycling efficiency and quality. It collects, sorts, and processes general waste with recycling value generated from operations or consumption, such as waste paper, waste plastic, and scrap metal, to restore or enhance their use value.

### Green Packaging

The Group has standardized packaging specifications to prevent the use of oversized boxes for small items. It collaborates with logistics companies to promote the integration of product and transport packaging, reducing secondary packaging and achieving packaging reduction. Based on material characteristics, the Group actively promotes and applies standardized pallets, recyclable and foldable packaging, and reusable packaging boxes, maximizing the recycling and reuse of metal product packaging materials.

## Green Industry

### Precious Metals Resource Recycling Industry



Domestic market share of platinum group metals (PGMs) recycling maintained at over

**30** %

#### Accelerating Industrialization Development

The Group is building a national strategic base for the recycling and utilization of platinum group metal resources, maintaining a domestic market share of over 30% for PGM recycling, ranking first in China and far exceeding domestic mineral resource supply. The Precious Metals Secondary Resources (Phase II – Warehouse and Environmental Protection) and Precious Metals Secondary Resources Green Recycling (Dongying) projects have completed completion acceptance and officially entered a new stage of production operations, with core production capacity accelerating. The Precious Metals Secondary Resources (Phase II – Electric Arc Furnace) project has commenced full construction, injecting new momentum into high-quality industrial development. The Precious Metals Secondary Resources (Phase II – Inorganic Workshop) and Rare and Precious Metals New Materials Manufacturing and Green Recycling Demonstration Project are advancing as planned, with sustained momentum for industrial development. During the "14th Five-Year Plan" period, the Group cumulatively recovered 62 tons of PGMs, 7,094 tons of silver, and 45 tons of gold, representing year-on-year increases of 89.72%, 131.35%, and 1,119.73%, respectively.

#### Deploying Innovation Chains Around the Industrial Chain

The Group has achieved breakthroughs in core technologies for the clean recycling of secondary PGM resources. In areas such as material preparation and pyrometallurgical smelting, hydrometallurgical and refining dissolution, hydrometallurgical concentration, and production wastewater treatment, it has realized the recycling and utilization of dust, waste acid, valuable metals, and wastewater, as well as the co-processing of waste residues, achieving comprehensive utilization of production by-products. For example, refining waste residue is used to produce building materials, maximizing resource value.

#### Advancing Industrial Layout

The official commissioning of Catalysis Dongying Line 2 is an important step in the phased construction of a 12 million liters/year automotive exhaust purification catalyst production base. The production line is flexible, primarily manufacturing products for gasoline engines while also accommodating diesel engines, with product specifications covering mainstream market product types. During the "14th Five-Year Plan" period, the Group cumulatively produced 30.18 million liters of automotive catalysts, a year-on-year increase of 64.74%.

#### Advancing Core Product R&D

The Group has cultivated "SPM Premium" products such as "China VI Low-Precious-Metal Gasoline Engine Catalysts" and "Gasoline Vehicle Catalysts for Different Foreign Regions," achieving breakthroughs in both technology and market for gasoline engine catalysts. China VI gasoline engine technology continues to evolve, with three-way catalysts overcoming the challenge of low light-off temperature, forming a full product series. The Group pioneered MC high PN capture technology, achieving differentiated and flexible control with outstanding competitive advantages. For diesel engines, it has finalized highly stable low-precious-metal DOC technology, taking the lead in implementing coating batch production processes and low-ammonia slip technology, significantly enhancing product competitiveness. For China VI gasoline engines, the Group achieved the first mass production of the 33g solution, while the 15g low-precious-metal solution improved oxygen storage performance by 16%, outperforming competitors. For China VII standards, the Group has broken through challenges in low-temperature, ammonia, and nitrous oxide emission control, finalizing first-generation China VII reserve technology and seizing first-mover advantages in the industry.

### Automotive Exhaust Purification Catalysts



During the "14th Five-Year Plan" period, the Group cumulatively produced

**30.18** million liters of automotive catalysts, a year-on-year increase of **64.74**%

## Pollution Prevention and Ecological Protection



Sino-Platinum Metals Group actively carries out emissions management to reduce the discharge of the "three wastes" (wastewater, waste gas, and solid waste), minimizing the environmental impact of its emissions. It promotes ecosystem protection, strengthens biodiversity conservation, and is committed to achieving harmonious coexistence between the enterprise and the environment.

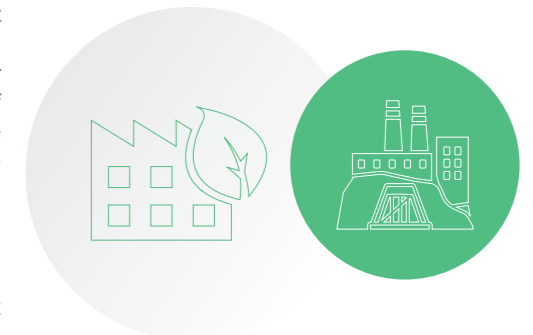
## Waste and Emissions Management

### Management System

The Group continuously manages and improves its environmental performance, striving to achieve closed-loop management of waste gas, wastewater, and solid waste throughout the entire process, from source prevention and process control to end-of-pipe treatment. It has established an environmental protection organizational structure with clear responsibilities and hierarchical accountability, and has set up dedicated environmental protection management organizations or full-time positions responsible for comprehensively overseeing the operation and implementation of the system. The Group promptly formulates and revises internal management systems for waste gas, wastewater, and solid waste, and systematically integrates system requirements into daily production scheduling and job operating procedures. It ensures long-term stable pollutant emissions that meet and exceed the latest national and local regulations and standards. In strict accordance with environmental impact assessment (EIA) approvals and pollutant discharge permit requirements, the Group ensures 100% compliance in the concentration, rate, and total volume of various waste gas and wastewater pollutant emissions. During the reporting period, major pollutants, characteristic pollutants, and controlled substances under international environmental conventions were all treated as required, achieving stable compliance with no exceedances. The Group strengthened pollutant emission monitoring, and no environmental issues occurred that affected the health of employees or local community residents, or led to air quality deterioration or water source pollution. An environmental monitoring plan was developed and self-monitoring was carried out accordingly. Upon assessment, no major deficiencies were identified in the environmental monitoring plan or risk management measures.

### Emission Reduction Actions

The Group strictly implements pollutant discharge permit requirements, controls pollutant emissions, strengthens emission monitoring, promotes stable compliance of waste gas and wastewater emissions, and ensures the standardized storage and transfer of hazardous waste. Pollution prevention and control facilities are designed, constructed, and put into operation simultaneously with the main projects in strict accordance with EIA requirements, maintaining the normal operation of environmental protection facilities during production and operations. The Group adopts pollution prevention and control technologies appropriate to its production and operation scale, such as three-effect evaporation, physicochemical treatment technologies, and biological treatment technologies. Some units have installed online monitoring equipment as required to conduct real-time monitoring of pollutant emissions.



### Waste Gas and Wastewater Emission Reduction Measures

The Group regularly assesses the operational efficiency of waste gas and wastewater treatment facilities, deeply carries out upgrades and renovations of treatment facilities, adopts high-efficiency treatment technologies, assigns dedicated personnel for management, and strengthens facility inspection, maintenance, and upkeep to ensure normal operation. By using low-pollution raw materials, improving production processes, and enhancing reclaimed water reuse, the Group reduces waste gas and wastewater emissions at the source. It inspects the drainage of rainwater and sewage pipelines in the Group's parks, and promptly cleans septic tanks and rainwater/sewage manholes to ensure smooth drainage during flood seasons. SPM Catalysis carried out special treatment for noise issues from the waste gas treatment system, air compressor room, and waste gas fan room.

### Waste Treatment and Disposal

In strict accordance with EIA approvals and pollutant discharge permit requirements, the Group classifies, collects, and stores various types of waste, standardizes the hazardous waste transfer process, and ensures that all hazardous waste and general industrial solid waste are properly and effectively disposed of.

#### Hazardous Waste Treatment and Disposal

The Group strengthens the management of non-hazardous waste such as construction waste and domestic waste, prohibits indiscriminate dumping, ensures their classified collection and centralized storage at designated locations, and entrusts environmental sanitation departments with their regular removal, utilization, or compliant disposal.

#### Heavy Metal Pollution Prevention

For precious metal materials involved in the production process, such as gold and silver, the Group has established strict systems to control precious metal losses, adopts advanced and mainstream pollution prevention technologies, and ensures that all waste containing precious metals is properly recovered and treated without causing environmental pollution.

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### Reduction of Hazardous Substance Use

In the preliminary planning stage, the Group prioritizes the selection of new technologies, processes, materials, and equipment that are non-toxic (harmless) or low-toxicity (low-harm) to reduce the use of hazardous substances. It conducts safety assessments and toxicity tests on raw and auxiliary materials, selecting products that meet environmental and safety standards to ensure the non-toxic or low-toxicity characteristics of the materials used. In production processes, the Group requires suppliers to provide Chinese manuals and implements process controls to reduce potential risks to worker health and the environment.

### Noise Pollution Control

The Group actively promotes noise pollution prevention and control throughout its production and operation processes. It strictly approves sporadic construction within plant areas, especially in noise-sensitive areas, regularly inspects noise pollution situations, and takes measures such as installing vibration-damping and noise-reducing facilities and replacing equipment with quieter alternatives to reduce and eliminate noise complaints. It strengthens the control of construction noise from construction projects, strictly controls construction hours, and rigorously prevents construction noise from disturbing nearby residents.

## Ecological Protection

### Biodiversity Conservation

The Group firmly establishes awareness of ecological red lines, integrating ecological and environmental protection concepts into its production and operation activities such as project site selection and construction. Its production activities, services, and products have not impacted the ecological balance or biodiversity of the localities where it operates. In 2025, the Group's production and operation activities did not involve key terrestrial or marine ecological function zones, ecological protection red lines, nature reserves, or other areas with important ecological functions or sensitive/vulnerable ecological environments, and did not impact ecosystems, biological species and their habitats, or biological genetic resources.

### Soil Pollution Prevention

The Group complies with the "Soil Pollution Prevention and Control Law of the People's Republic of China" and other relevant laws and regulations. To address potential soil pollution from production activities, it conducts regular monitoring of plant sites and surrounding land to ensure the safety and compliance of land use and prevent soil pollution. At industrial park construction sites, the Group conducts real-time environmental monitoring and takes measures to reduce dust and construction noise, avoiding adverse impacts on surrounding areas.



# Society

# Sharing for a Better Future

Sino-Platinum Metals Group bears in mind the responsibility of the "greaters of the nation," deeply integrating its corporate development into the process of social progress. It implements practical measures for people's livelihoods, grows together with its employees, achieves win-win cooperation with its partners, shares its achievements with society, and builds an open, inclusive, and sustainable responsibility ecosystem. The Group continuously gathers positive forces, infusing the vitality and warmth of the precious metals industry into high-quality social development, jointly painting a bright future of mutual benefit and win-win outcomes.



## In 2025, the Group

- 1 newly selected national-level talent
- 3 provincially certified talents
- Selected as one of the first batch of talent demonstration projects in Yunnan Province, and selected as one of the second batch of employer autonomy pilot units by the Yunnan Provincial Party Committee
- 311 new jobs created
- Total social contribution investment of RMB 1.56 million

## Responses to Sustainable Development Goals (SDGs)



# Employee Development

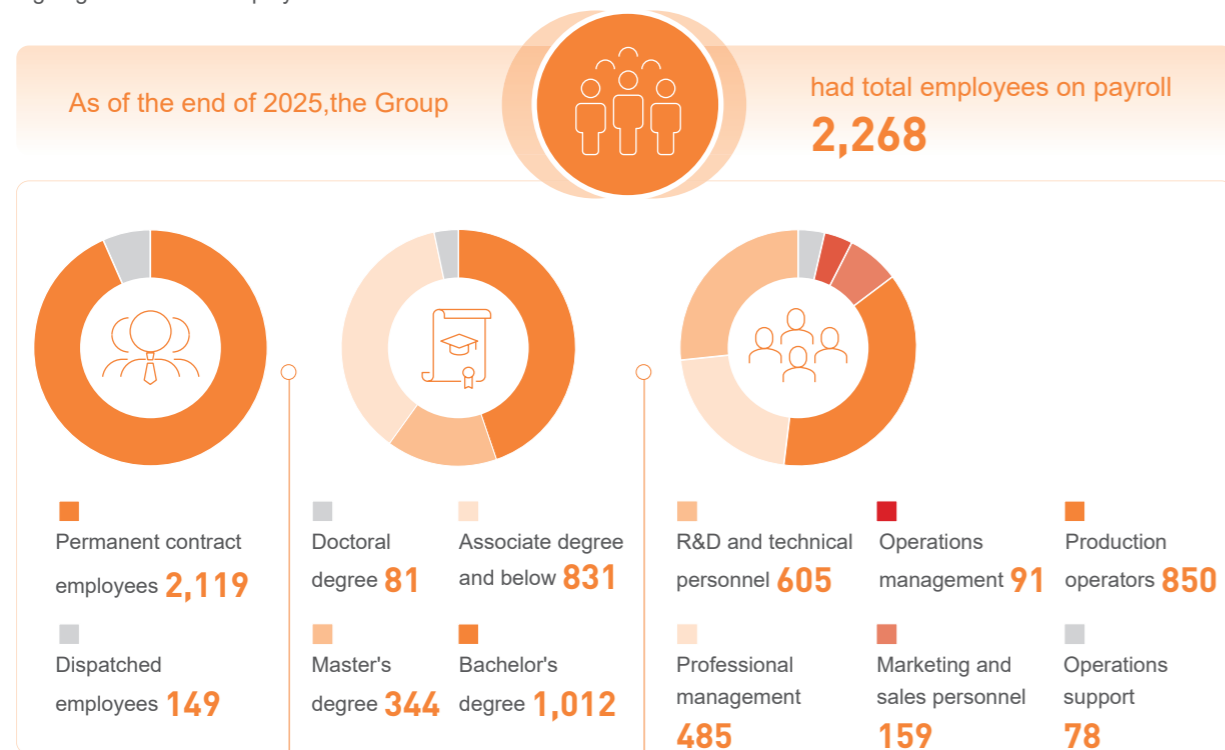


Sino-Platinum Metals Group adheres to the philosophy that "talent is the primary resource," safeguards the legitimate rights and interests of employees, implements the "Talent Strengthening Enterprise" strategy, supports employee development, builds diverse growth pathways, and achieves mutual growth between the enterprise and its employees.

## Safeguarding Employee Rights and Interests

### Commitment to Equal Employment

The Group implements its "Labor Relationship Management Measures (Trial)," "Recruitment Management Measures," "Labor Dispatch Management Measures" and other requirements, adhering to the principles of "openness, fairness, competition, and merit selection." It ensures information disclosure, transparent processes, and publicized results in recruitment and talent acquisition, eliminating any discriminatory restrictions based on race, gender, religious belief, or nationality. The Group has established four recruitment channels: campus recruitment, social recruitment, targeted talent recruitment, and flexible talent recruitment. It strictly implements a family avoidance system, standardizes recruitment file management, and improves the accountability mechanism for irregular recruitment, ensuring legal compliance, hierarchical responsibility, merit-based selection, and job-person fit. In accordance with the Group's actual circumstances, it adopts diversified employment forms in compliance with the law, strictly signs labor dispatch agreements, provides flexible employees with state-mandated annual leave, social insurance and housing fund ("five insurances and one fund"), and year-end performance bonuses. At the same time, it requires employees to join trade unions in accordance with the law and organizes the conversion of dispatch employees to regular status according to prescribed ratios. The Group adheres to equal pay for equal work, prohibits child labor and any form of forced labor, and effectively safeguards the legitimate rights and interests of all employees. In 2025, 311 new employees were recruited, and the labor contract signing rate for new employees was 100%.



## Improving Compensation and Benefits

The Group has formulated and revised six policies and measures including the "Compensation Management Measures" and the "Overseas Work Allowance Management Measures," paying employee salaries on time and in full. Centered around the requirements for full-tier compensation transparency management, the Group has advanced the preliminary demonstration and project establishment of the compensation transparency system, organized and conducted research, and laid the foundation for system development. It has guided subsidiaries in the preliminary realization of the 2025 total salary budget, advanced the annual total salary filing and the advance payment of compensation for mid-level managers, establishing a more standardized, transparent, and efficient compensation distribution system. The Group has implemented a restricted stock incentive plan for senior executives and core talent, setting strict performance assessment indicators to ensure alignment of incentive measures with the Group's strategic goals. It continuously improves the welfare management system, implements basic benefits in accordance with laws and regulations, promotes regular benefits such as health checkups, work meals, birthday and holiday benefits, and establishes medium- to long-term welfare mechanisms through enterprise annuities and supplementary medical insurance, providing comprehensive and stable security for employees.

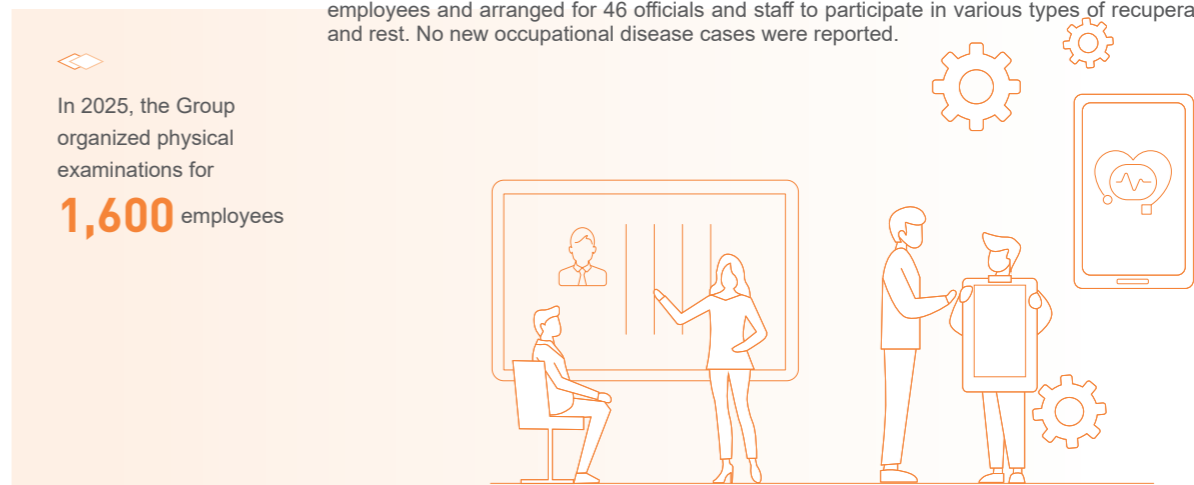
The Group strictly implements the work deployment of the State-owned Assets Supervision and Administration Commission (SASAC), focusing on the issue of wage arrears for migrant workers by conducting in-depth special rectification to effectively safeguard the legitimate rights and interests of migrant workers. In 2025, the Group organized seven comprehensive surveys and inspections, and no wage arrears were found.

## Implementing Democratic Management

The Group has improved its democratic management mechanism, convened the First Session of the Second Employee Representative Congress, adjusted the trade union setup of two departments based on organizational restructuring, and fully staffed trade union committee members. It has revised the Group's trade union fund management measures and undergone special audits of trade union funds by higher-level authorities. The Group has established and improved employee grievance mechanisms in areas such as employee assessment and professional title evaluation, established a performance appraisal grievance channel, defined the scope and time limit for accepting grievances, and ensured the confidentiality of grievance information. Employees who disagree with performance appraisal results may file a written grievance with their respective units within the prescribed period. Professional title evaluations are publicly announced in strict accordance with regulations, with grievances and complaints accepted throughout the process and timely responses provided in coordination with relevant departments.

## Caring for Employee Health

The Group follows the "Occupational Health Management Measures" and optimizes its occupational health and safety management processes. It promotes the adjustment and optimization of the supplementary medical insurance plan toward a "short-term + long-term" combination. The Group conducts occupational safety risk identification and assessment in areas such as production process and equipment layout, emergency rescue facilities, occupational disease protection facilities, personal protective equipment, occupational health management organizational structures and systems, training, and monitoring, ensuring compliance with national occupational health regulations and standards. Each production and operation unit has completed its annual occupational health examination and annual declaration of occupational disease hazard projects, actively accepting government supervision and social oversight. The Group cares for the physical and mental health of its employees by holding mental health lectures. In 2025, the Group organized physical examinations for 1,600 employees and arranged for 46 officials and staff to participate in various types of recuperation and rest. No new occupational disease cases were reported.



## Supporting Employee Development

### Implementing the "Talent Strengthening Enterprise" Strategy

High-Level Talent Recruitment and Cultivation

The Group participated in major talent recruitment events such as the "International Talent Exchange Conference" and the "Three-Year Action Special Recruitment for Doctoral Students" organized by the Provincial Party Committee Organization Department and the Provincial SASAC, and conducted targeted outreach at key universities including Central South University, Nanjing University, and Chongqing University. Focusing on solving critical key and core technologies in high-end advanced materials and key core technologies in green industries, the Group recruited 18 doctoral students and 10 master's students for joint research initiatives.

#### In 2025, Sino-Platinum Metals Group

Recruited **19** young doctoral and market-oriented talents

Recruited **35** master's degree holders and "Double First-Class" bachelor's degree holders

Recruited **24** doctoral talents

**1** newly selected national-level talent

**3** provincially certified talents

Recommended **1** candidate for the 2025 Chinese Academy of Engineering academician election, and **1** operations management talent for the "Xingdian Talent Award" recommendation process of the Provincial SASAC

16% Recommended **55** candidates for national and provincial key talent projects, a year-on-year increase of 16%

Including **1** newly selected for the National Special Talent Support Program **22** selected for talent programs such as the Provincial Xingdian Talent Support Program

Talent Platform Development

As one of the first batch of pilot units for "enterprise talent recruitment and cultivation" in Yunnan Province, the Group recruited 3 outstanding graduates for training and development in its subsidiaries. It continues to carry out the selection and appointment of "deputy chief scientists and engineers," appointing 3 such individuals. The Group has built a platform integrating "discipline + scientific research + industry," improved its independent professional title evaluation system, and established a "Modern Apprenticeship Teaching Pilot Base" and a Modern Industrial College for Rare and Precious Metals. In 2025, the Group was recognized as a Leading High-Tech Enterprise in Yunnan Province. It was successfully selected as one of the first batch of talent demonstration projects in Yunnan Province, receiving an excellent rating and RMB 700,000 in project funding support. It was also shortlisted for the provincial-level project establishment list for new doctoral degree-granting units in Yunnan Province.

Talent Service Support

The Group has established a "talent service steward" mechanism to provide full-process service support for talents at all levels of the Group. In 2025, talent project funding and living subsidies totaling RMB 8.29 million were secured, and 20 talent apartments were applied for young recruited talents, with RMB 250,000 in subsidies obtained.

### Deepening the Reform of the Industrial Worker Workforce Development

The Group conducts skills competitions for analysis and testing positions to effectively enhance the technical capabilities of personnel involved in analysis and testing, and deepens the reform of industrial worker workforce development. It carries out "Seven Small" employee initiatives, building a platform for industrial workers to excel and contribute. Over 137 "Seven Small" suggestions and 合理化建议 were collected annually, promoting green technological transformation. The Group has established a new mechanism for cultivating versatile young officials, launching the first batch of young doctoral training and development work, and selecting 7 young doctoral candidates to be stationed at subsidiaries for practical experience.



In September 2025, 37 trade union officials and frontline industrial workers from Precious Metal Group participated in training on the reform of industrial worker workforce development and trade union work.

### Strengthening Employee Training



Over **1,000** online training participations annually

Leveraging its role as the "chain master" of the precious metals industry, the Group continuously expands high-quality internal and external training resources, improves its training system, and builds a talent cultivation chain for the industry. Focusing on diversified course development in management, skills, and technology, the Group has set up targeted key class training and personalized empowerment training programs. Following industry trends, the Group carries out special training programs. Through university-corporate cooperation models, it has organized "Innovation Management and Strategic Leadership Enhancement Seminars" for officials, and hosted the "Yunnan Provincial Industrial Leading Talent Advanced Seminar" and the "Advanced Seminar on the Transformation, Upgrading, and Digitalization of the Rare and Precious Metals New Materials Industry" commissioned by the Provincial Department of Human Resources and Social Security, strengthening talent cultivation in the precious metals industry. The Group continues to carry out regular training for professional and technical personnel and promotes on-the-job education advancement programs. In line with digital construction, the Group continues to develop the "SPM Classroom" online learning platform, independently developing 14 specialized courses on topics such as professional ethics and craftsmanship spirit, with over 1,000 online training participations annually, broadening on-the-job continuing learning channels. In 2025, the Group selected 9 outstanding scientific and technological leading talents and innovation teams for cultivation, and recommended more than 30 core talents to pursue engineering master's and doctoral degrees.



From November 16 to 28, 2025, Precious Metal Group hosted the "Yunnan Provincial Industrial Leading Talent Advanced Seminar" and the "Advanced Seminar on the Transformation, Upgrading, and Digitalization of the Rare and Precious Metals New Materials Industry," building a platform for learning and exchange for industrial talents and senior professional and technical talents in the province.



### Clearing Development Pathways



The Group received **1** "National Model Worker" and "Yunling Model"

**2** provincial "May Day Labor Medals"

**1** first prize in the Provincial Youth Science and Technology Innovation Commando Competition

The Group has improved and perfected a job rank development channel with six horizontal sequences and 16 vertical levels, establishing a career development path that simultaneously advances management, technical, and skills tracks, enabling employees to develop both vertically and horizontally. In accordance with the "Measures for the Separation of Rank-Based Compensation and Position Performance," each unit sets positions based on its actual circumstances. The professional and technical rank is divided into four sub-sequences: professional management, production technology, research and development, and marketing. The skilled operations rank is divided into two sub-sequences: production processing and production support. There are a total of 16 levels in the position and rank sequences, from highest to lowest. The Group actively promotes the effective integration of professional titles with vocational qualifications and skill level certification systems, supports highly skilled talents in participating in professional title evaluations and vocational qualification examinations, encourages professional and technical talents to participate in vocational skill assessments, builds an "overpass" for the growth of both professional/technical and skilled operational talents, breaks down the barriers between professional title evaluation and vocational skill assessment, and broadens the upward channels for technical and skilled talents. The Group strengthens the value orientation of talent evaluation, deeply linking the results of excellence selections and talent project evaluations with the actual interests and career development of talents, thereby broadening career development spaces. In 2025, the Group received one "National Model Worker" and "Yunling Model", two Provincial "May Day Labor Medals", and one first prize in the Provincial Youth Science and Technology Innovation Commando Competition.

## Caring for Employees

The Group deepens the construction of "Employee Homes" and implements the "Three Hearts" Employee Care Program to warm, ease and soothe employees' hearts.

### "Heart-warming" Initiative

The Group has deeply advanced the "I Do Practical Things for the People" initiative, addressing urgent issues such as the compensation and benefits of dispatched employees and the schooling of employees' children, solving a total of 58 practical problems. Upholding the original aspiration of "serving veteran colleagues and harnessing the power of the silver generation," the Group has established a dynamic information database with "one file per person" for veteran colleagues, providing them with convenient services such as policy consultation and benefits application, and promptly responding to and resolving their concerns.

### "Heart-easing" Initiative

The Group strengthens care and daily support for sick and financially struggling employees, regularly visiting them. It coordinates high-quality educational resources to address the school enrollment of employees' children. The Group has run two sessions of childcare classes, effectively solving the problem of unattended children of employees. In 2025, the Group visited and cared 210 employee households, spending RMB 179,800 on care funds.

### "heart-soothing" Initiative

The Group understands employees' living conditions and ideological states, provides various guarantees for those working in different locations, and maintains the stability of the employee workforce. It has built the "Charming SPM" series brand and organized mass cultural and sports activities such as employee sports meets, Spring Festival long-distance runs, basketball games, employee spring and autumn outings, "Scholarly March 8th" reading shares, parent-child reading, and "Our Festivals" traditional cultural activities. The Group has also organized employees to participate in Yunnan Provincial workplace exercises (Baduanjin) competitions, weekend volleyball leagues, and the "Red Land Song" speech contests, creating a green, healthy, and uplifting atmosphere.



In November 2025, Precious Metal Group organized its 2025 Employee Sports Meet.

## Promoting Workplace Safety

### Improving the Governance System

The Group has established safety and health as priorities in its corporate strategy, fully integrating them into corporate governance and core decision-making processes. It has established and improved occupational health and workplace safety management mechanisms under the unified leadership of the Group's Committees for Workplace Safety, Ecological and Environmental Protection, Fire Safety, and Occupational Disease Prevention. The Group continuously carries out standardization work for workplace safety and occupational health management, promptly revising and improving relevant management measures to further optimize management processes and improve work efficiency and management standards. It continuously enhances its own safety management level and promotes the implementation of responsibility for occupational health and safety management, with 7 units that have established occupational health and safety management systems operating continuously and effectively. The Group strictly implements the workplace safety responsibility system, completes the signing and assessment of annual safety and environmental responsibility agreements on time, and forms closed-loop management. It has officially launched an EHS information system, completed domestic environment adaptation testing and submitted a Qualified report, and successfully passed project acceptance. In 2025, the Group experienced no major or above workplace safety accidents, received no safety-related administrative penalties, and achieved the workplace safety targets set at the beginning of the year.

### Strengthening Specialized Governance

The Group strengthens safety control of hazardous chemical warehouses and fully implements the Group's full-process supervision mechanism for hazardous chemicals. It organizes thematic exchange meetings on hazardous chemicals, mechanical injuries, chlorine use, and internal reporting of potential hazards to enhance management capabilities in specialized areas. It guides subsidiaries in iteratively optimizing the dual prevention mechanism and standardizing the "Three Simultaneities" management for project safety and environmental protection. It promotes the annual certification and review of principal responsible persons and safety management personnel. It ensures full coverage of three-level safety education for new hires, transferred employees, dispatched employees, and interns, and establishes corresponding files.

### Safety Management of Metal Products

**Transport Safety Management:** Based on the shape and weight of metal products, the Group selects appropriate vehicles and protective securing equipment, accurately calculates loads, and strictly prohibits overloading. It provides special training for drivers and escorts. During transport, it monitors vehicle status in real time and develops comprehensive emergency plans to ensure transport safety.

**Metal Surface Safety Management:** In metal surface chemical treatment processes, the Group adopts measures such as enclosure, exhaust purification, acid mist suppression, and spraying. It supervises and guides workers to correctly wear and use labor protective equipment in accordance with usage rules to ensure operational safety.

### Hazardous Chemical Safety Management

The Group continuously promotes full-process safety governance of hazardous chemicals, improving systems and operating procedures in all links including warehousing, storage, use, transport, and disposal, strengthening training and regular inspections, and building a comprehensive and efficient hazardous chemical safety management system.

### Vehicle Safety Management

The Group strengthens special inspections of vehicles and drivers, continuously conducts driver safety training and new energy vehicle skills training, and performs random alcohol testing. In 2025, the Group conducted 4 spot checks on the vehicle management of subsidiaries and 2 spot checks on the Suspended of official vehicles at headquarters and subsidiaries during major holidays.

## Improving Safety Emergency Response

In accordance with relevant laws and regulations and based on its actual circumstances, the Group has prepared corresponding emergency response plans for workplace safety incidents and filed them with competent local authorities. All plans are valid. Centered around activities such as "Workplace Safety Month," "Fire Safety Publicity Month," and the "Safe Production Cup" competition, the Group has conducted emergency drills covering earthquakes, mechanical injuries, fires, and hazardous chemical leaks, strengthening its emergency response capabilities. In 2025, the Group conducted a total of 51 emergency drills.

### Conducting a Series of Fire Emergency Evacuation Drills

In June 2025, subsidiaries and departments of Sino-Platinum Metals Group organized a series of fire emergency evacuation drills, simulating various major safety accident scenarios. Through these drills, the Group further improved its emergency response plans and enhanced the safety awareness and emergency response capabilities of its employees and officials.



Group Headquarters, SPM Metals, SPM Electronics, SPM Semiconductor, SPM Gold, and SPM Industrial Catalyst conducted fire evacuation emergency drills



SPM Resource conducted a fire emergency drill for rhodium pac (Rh-PAC) leakage.

CASE

## Deepening Hidden Hazard Identification

The Group has woven a dense network for hidden hazard identification. Relying on its EHS information system and integrating various means such as pre-holiday inspections, post-work-resumption inspections, daily inspections, and special tackle tough challenges actions, it maintains a high-pressure situation for the identification and treatment of hazards in key areas, ensuring safe enterprise operations. In 2025, the Group rectified a total of 953 hidden hazards, with all hazards either rectified immediately or addressed through a checklist-based closure system.

## Cultivating a Safety Culture

The Group has solidly advanced the development of a safety culture by compiling a safety culture manual, formulating a safety culture plan, developing safety culture training courseware, and producing safety culture promotional videos. It has organized special seminars, "Everyone Talks About Workplace Safety" activities, and centralized viewings of safety warning education films, achieving full coverage of learning and publicity. The Group has organized interactive activities such as "Take a Photo of Hidden Hazards," effectively stimulating the enthusiasm of all employees to participate in safety management. It has conducted safety skills competitions, and through measures such as hanging safety slogans, pushing knowledge through online platforms, and displaying information on offline bulletin boards, has built a favorable public opinion environment where all employees pay attention to and actively participate in safety development. In 2025, the Group conducted a total of 217 various types of safety training sessions.

## Customer Service



Sino-Platinum Metals Group, with its mission of "developing the new materials industry and serving high-quality human life," actively expands the application of precious metals and representative new strategic fields. It continuously strengthens product quality control, improves its customer service system, and is committed to providing customers with high-quality products across the entire industrial chain and full-lifecycle services.

## Focusing on Core Responsibilities and Main Businesses

### Promoting Industrial Upgrading

The Group has planned an industrial layout of "One Headquarters, Multiple Parks, Two Platforms, and 1+N Centers," resolutely implementing the provincial Party committee and government's requirements to strengthen and expand the rare and precious metals industry, and fully advancing the implementation of industrialization projects. In terms of innovation platform construction projects, the provincial laboratory construction project has completed preliminary site preparation and production guarantee renovation work. Regarding the construction of precious metals new materials manufacturing bases, the main structure construction of the Majinpu Industrial Park (Phase II) workshop is progressing smoothly, the first phase of the Gold Electronic New Materials Production Line project in the Dianzhong New Area has been completed, and the "12 million liters/year Automotive Exhaust High-Efficiency Catalytic Conversion Technology Industrialization Construction Project" in Dongying, Shandong is advancing in an orderly manner. Regarding the construction of a national strategic platinum group metal resource recycling industrial base, the first phase of the Precious Metals Secondary Resources Enrichment and Regeneration Modern Industrial Base project has achieved trial production.



### Further Reading

"One Headquarters, Multiple Parks, Two Platforms, 1+N Centers"

With Kunming as the headquarters, the Group has laid out multiple industrial parks including Kunming Headquarters, Majinpu, Dianzhong New Area, Shanghai Sheshan, and Dongying, Shandong. It is building two major innovation platforms, forming a "1+N" multi-location coordinated industrial development pattern.

## Building an Excellent Brand



2025

SPM Premium products achieved sales revenue of RMB **29.4** billion, a year-on-year increase of **31%**

The "SPM" brand is a significant achievement of Precious Metal Group's brand building. The Group vigorously implements the "SPM Premium" project, providing support for the development of its series of identified "flagship products" to further improve product quality. It continues to advance the three-year action plan for the SPM Premium project, revising the "Implementation Plan for Building SPM Premium" and the "Management Measures for SPM Premium." The Group organized the second batch of 14 SPM Premium product evaluations and signed three-year assessment indicators with each production and operation unit. It has established a regular promotion mechanism, requiring 2 units to report on their progress in building SPM Premium products each month. Leveraging the Group's official WeChat public account, it has promoted 34 SPM Premium products in phases, effectively enhancing the brand's industry influence and building consensus on the development of SPM Premium products. The Group is the only enterprise in China to have simultaneously obtained three qualifications from the Guangzhou Futures Exchange: platinum and palladium delivery brand, delivery warehouse, and designated inspection agency. In 2025, SPM Premium products achieved sales revenue of RMB 29.4 billion, a year-on-year increase of 31%.

National Defense Industry



Metal Layered Composite Strip



Silver-Copper Alloy Powder



Precious Metal Conductive Ring Materials for High-End Equipment

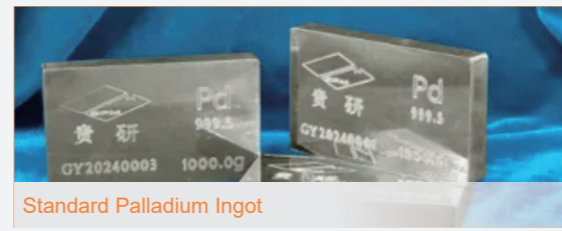


Iridium Electrodes for Aircraft Engine Ignition

Environmental Protection



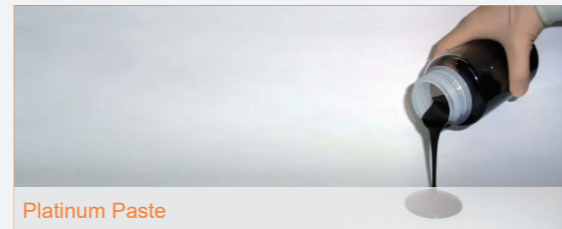
Plug-in Hybrid Electric Vehicle (PHEV) Exhaust Purification Catalyst



Standard Palladium Ingot



Standard Platinum Ingot



Platinum Paste

New Energy Chemicals



Cyclohexane Dehydrogenation Catalyst

Life and Health

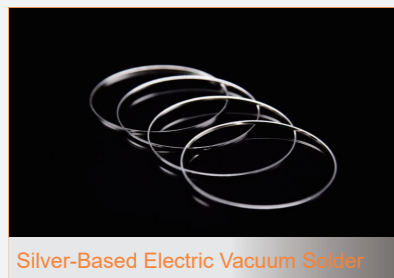


Medical Head Electrode

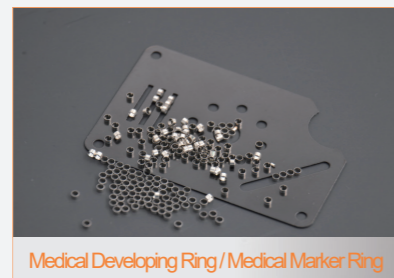
Next-Generation Information Technology



Low-Temperature Silver Paste



Silver-Based Electric Vacuum Solder



Medical Developing Ring / Medical Marker Ring



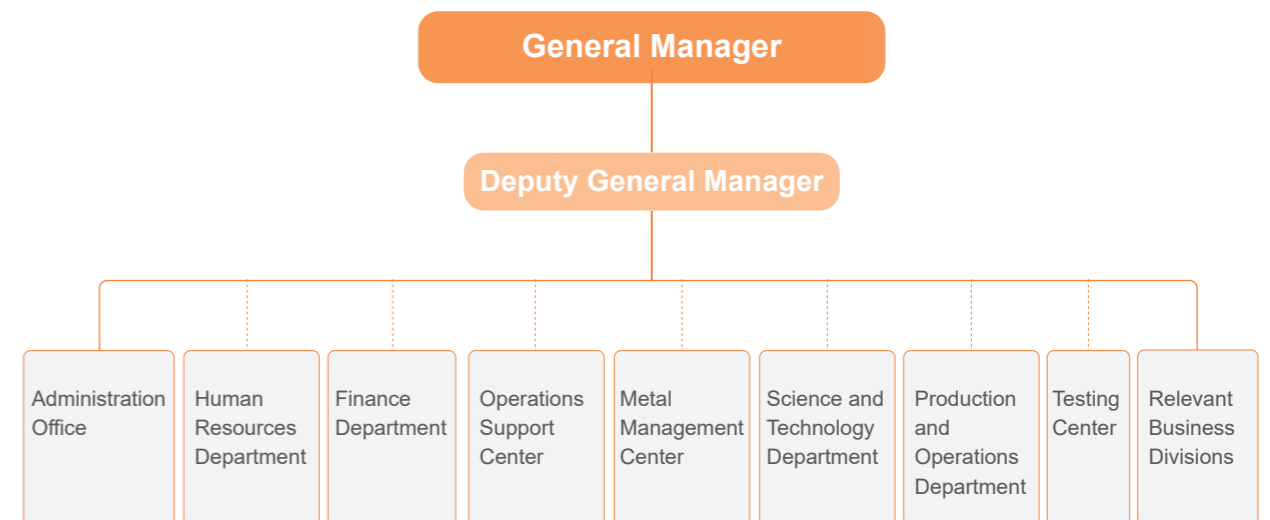
Tetraamminepalladium(II) Sulfate

## Product Quality Management

### Governance

Based on industry characteristics, market demands, and its own needs, and in accordance with advanced domestic and international standards such as GB/T 19001 and IATF 16949, the Group has established and continuously improves its quality management system. For each process, necessary management systems have been established to ensure process operation through process control, thereby meeting customer requirements. Clear quality policies and objectives have been established to ensure understanding and implementation by all employees. Business processes are optimized, quality standards are strictly adhered to, and errors and waste are reduced. Human, financial, and material resources are scientifically allocated, quality training is conducted, and the quality awareness and skills of all employees are enhanced. Relying on audit assessments and customer feedback, the Group promotes continuous improvement of the system.

### Quality Management System Organizational Structure



In 2025, SPM Bio obtained ISO 13485 certification, continuously improving its quality system to meet the requirements of the high-end medical industry. SPM New Energy Technology (Shanghai) Co., Ltd. and SPM Powder Materials (Shanghai) Co., Ltd. obtained ISO 9001 quality system certification.

## Strategy

### Product and Service Quality Risks

Risk Category	Risk Description	Impact Timeframe	Value Chain Segment	Potential Impact / Financial Impact	Response Strategy
Compliance & Legal Risk	Violation of quality standards	Short to medium	Operations, Downstream	Product recall costs, production suspension losses, business stagnation risk	<ul style="list-style-type: none"> <li>Establish a compliance standards library covering all product lines, dynamically track updates to national/industry mandatory standards, and ensure full-process compliance in production and testing</li> <li>Establish a special compliance audit process; new products must pass compliance verification before market launch</li> </ul>
	Lack of service compliance	Short to medium	Operations, Downstream	Increased litigation costs, brand reputation risk	<ul style="list-style-type: none"> <li>Strengthen legal training for customer service teams, focusing on clauses related to product quality liability in the Consumer Rights Protection Law and the Civil Code</li> <li>Establish a pre-dispute mediation mechanism; upon receiving customer complaints, prioritize resolution through negotiation to avoid litigation escalation</li> </ul>
	Liability recovery risk	Short to medium	Operations, Downstream	Exposure to administrative penalties, risk of customer loss	<ul style="list-style-type: none"> <li>Strengthen full-process quality control, implementing multi-dimensional checks from raw material procurement and production processes to finished product testing, controlling product defect rates</li> <li>Establish a major quality accident emergency response mechanism; upon receiving customer reports of losses, promptly conduct loss assessment, cause investigation, and emergency response</li> </ul>
Reputation & Market Risk	Reputation risk	Short to long	Operations, Downstream	Risk of customer loss, increased brand restoration costs, market exit	<ul style="list-style-type: none"> <li>Establish a quality public opinion monitoring mechanism, tracking relevant reports on social media and industry media in real time, and responding quickly to negative public opinion</li> <li>In the event of quality issues, communicate openly and transparently at the first opportunity, proactively disclose corrective measures, and seek understanding from customers and the public</li> </ul>
Customer loss and substitution risk	Risk of customer loss	Medium to long	Operations, Downstream	Declining revenue, declining profitability	<ul style="list-style-type: none"> <li>Improve after-sales response efficiency, reduce average response time, and further increase the problem resolution rate</li> <li>Regularly conduct customer satisfaction surveys, and optimize product quality and services in a targeted manner</li> </ul>

### Product and Service Quality Opportunities

Risk Category	Risk Description	Impact Timeframe	Value Chain Segment	Potential Impact / Financial Impact	Response Strategy
Brand Premium & Market Competitiveness Opportunity	High-quality products and services are the most direct differentiating advantage, enabling enterprises to achieve brand premiums above the industry average	Medium to long	Operations	Build differentiated competitive advantage; enhance brand influence	<ul style="list-style-type: none"> <li>Focus on the high-end market and establish a quality label of "high precision, high stability, high reliability"</li> <li>Launch high-end customized product series and establish a clear quality premium pricing strategy</li> </ul>
Market Access & Expansion Advantage	Products that meet stringent quality standards find it easier to enter high-end markets, government procurement, and large enterprise supply chains; a strong service reputation helps enterprises quickly expand into new regions and customer segments	Short to medium	Operations, Downstream	Reduce market expansion costs	<ul style="list-style-type: none"> <li>Benchmark against quality standards for government procurement and large enterprise supply chains, completing access certifications in advance</li> <li>Establish a dedicated market expansion team, leveraging existing high-quality customer referrals for introductions, reducing customer acquisition costs</li> </ul>
Efficiency Optimization & Cost Saving Opportunity	Improving quality through methods such as lean production, Total Quality Management (TQM), and Six Sigma can reduce the "cost of poor quality," including rework, scrap, and after-sales repairs	Short to long	Operations	Reduced non-conforming product scrap rate; lower total operating costs	<ul style="list-style-type: none"> <li>Promote Total Quality Management (TQM) with full employee participation in quality improvement, establishing a quality cost accounting system</li> <li>Introduce Six Sigma management methods, carrying out quality improvement projects focused on core production processes to reduce key defect rates</li> <li>Optimize production processes, reduce redundant steps, and improve production efficiency and quality stability</li> </ul>
Supply Chain Synergy Upgrade	Selecting suppliers based on quality, promoting upstream enterprises to improve quality standards, forming a stable supply chain quality system, reducing raw material defect rates, and improving production efficiency	Medium term	Upstream	Reduced risk of production interruptions; deepened partnerships	<ul style="list-style-type: none"> <li>Establish a supplier quality rating system, using quality performance as a core cooperation indicator, and phase out low-quality suppliers</li> <li>Sign quality collaboration agreements with core suppliers, jointly carry out R&amp;D for raw material quality improvement, and share quality inspection data</li> </ul>
Digital Quality Control	Using AI, big data and other technologies to achieve real-time quality monitoring, improve quality control efficiency, and reduce human error	Short to medium	Operations	Improved quality monitoring efficiency; enhanced quality control precision	<ul style="list-style-type: none"> <li>Build a digital quality control platform, integrating production, inspection, and after-sales data to achieve full-process traceability</li> <li>Deploy AI vision inspection equipment and IoT sensors in core production processes to monitor product quality parameters in real time and automatically alert anomalies</li> <li>Use big data to analyze quality fluctuation patterns, anticipate potential quality risks in advance, and achieve preventive control</li> <li>Digitize after-sales service, enabling customers to query product warranty and repair records in real time through the system, improving service experience</li> </ul>

## Risk, Impact and Opportunity Management

### Quality Risk Identification and Assessment

The Group carries out product quality risk identification and assessment, establishes a systematic and comprehensive product quality identification mechanism, and applies scientific and effective quality risk assessment methods to enhance its ability to anticipate and prevent quality risks. It implements full-process, full-lifecycle risk control over design, procurement, production, and sales, ensuring product consistency and safety, and preventing the circulation of non-conforming products. It provides consumers with safety education and warnings, instruction manuals, warning labels, etc., to reduce the risk of improper operation and misuse.

### Quality Risk Classification and Control

The Group has established a tiered emergency response mechanism for major liability accidents, clarifying division of labor, ensuring smooth information communication, and ensuring timely and updated information release to avoid information distortion. It maintains a "zero tolerance" policy for major quality and safety accidents, establishes a transparent and efficient prevention and response mechanism, and promotes continuous closed-loop improvement of the management system.

### Quality Hazard Identification and Treatment

The Group carries out product quality hazard identification to promptly discover and eliminate quality hazards. It has formulated the "Quality Information Management Standards," "Rapid Response Management Standards," and "Customer Communication Service Management Procedures," establishing a closed-loop mechanism covering proactive recall of defective products, standardized complaint handling, and two-way after-sales communication. For defective products, the Group executes recalls, proactively discloses information, promptly contacts customers, and assumes corresponding responsibilities, effectively safeguarding consumers' right to know and right to compensation. It has established a dual-track after-sales system covering remote support and on-site service, continuously enhancing team professional capabilities through regular technical training and service awareness improvement. In 2025, the Group achieved a 100% recall rate for problematic products.

## Indicators and Targets

In 2025, the Group

- Product qualification rate **99.07%** ● Quality target achievement rate **100%**
- No incidents of production or operation activities endangering customer health and safety



## Improving the Service System

### Responsible Marketing

The Group implements the "Corporate Integrity Management Control Procedure," committing that all products sold are free from infringement, counterfeiting, inferior quality, and prohibited sales, and resolutely avoids false information and misleading content, building an image of an enterprise operating with integrity. It improves information communication mechanisms, promptly publishes and updates information, and ensures information timeliness. It continuously strengthens the protection of consumer safety rights and interests, carries out product quality risk identification and assessment, establishes a systematic and comprehensive product quality identification mechanism, applies scientific and effective quality risk assessment methods, and provides safety education and warnings, instruction manuals, warning labels, etc., to prevent risks arising from improper operation or use.

### After-Sales Service

The Group has built a rapid response system and implements the "Quality Information Management Standards" and "Rapid Response Management Standards." Through a remote + on-site model, it promptly receives, processes, and transmits customer information and provides after-sales service. Leveraging its core business of precious metals new materials manufacturing, it provides supporting precious metals resource recycling and supply services, offering customers one-stop comprehensive services, improving resource utilization rates, and reducing environmental impact. The Group discloses service information such as warranty policies, service channels, and response times, strengthens technical and service awareness training for after-sales service teams, and enhances professional service capabilities. It regularly conducts customer satisfaction surveys covering after-sales service to continuously improve service levels.

### Handling Customer Complaints

The Group has established standardized response procedures for quality incidents, customer complaints, and grievances to prevent the escalation of impacts and losses. It collects, analyzes, improves, tracks, and verifies relevant information, strictly implements the "Customer Communication Service Management Procedure" to maintain communication with customers. Compensation matters are resolved through negotiation based on the severity of the incident and in accordance with contracts, agreements, or laws and regulations, and through judicial channels when necessary. In 2025, the customer complaint resolution rate was 100%.

## Data Security and Customer Privacy Protection

The Group implements system standards such as the "Information Management Measures" and "Network and Information Security Management Standards," as well as work detailed rules including the "Network Security Work List" and "Network Security Emergency Support Plan," establishing a network and data security management system. It carries out information infrastructure construction in accordance with the national "Classified Protection 2.0" requirements. It has deployed software and hardware security platforms such as network firewalls, threat situational awareness, internet behavior management, vulnerability scanning, log auditing, and endpoint security management. The Group conducts regular and irregular network and data security inspections, actively participates in the "Yunling Network Security 2025" network protection activities and the "Data Security Shield" emergency drills, comprehensively strengthening data security and personal information protection mechanisms. In 2025, the Group experienced no network paralysis or data leakage incidents. Three systems passed the national Classified Protection Level 2 certification, and five systems or platforms obtained national computer software copyright registrations.

Data Security



Customer Privacy Protection



The Group effectively safeguards customer privacy rights and interests, strictly maintains information confidentiality throughout the entire service process, and prevents customer information leakage. It has built a multi-layered customer information security protection system with role-based refined access control, ensuring that data is only accessible to necessary positions, defining the scope and boundaries of various data collections, and prohibiting the acquisition of unnecessary information through default authorization or bundling. It promotes data localization storage and transmission mechanisms to physically reduce the risk of leakage. The Group requires all suppliers to sign binding data confidentiality agreements, clarifying their privacy protection obligations and liability for breach of contract, and regulating their data processing behaviors through contract terms. For connected third-party systems, it conducts special security assessments to ensure they meet corporate privacy protection standards. In 2025, no customer privacy leakage incidents occurred.

# Partner Responsibility



Sino-Platinum Metals Group adheres to integrity in business operations, implements transparent procurement, builds a responsible supply chain, and strengthens supplier ESG management. It expands the scope of cooperation, works with partners for mutual benefit and win-win outcomes, and promotes industry development.

## Building a Sustainable Supply Chain

Focusing on the procurement supply chain, the Group continuously deepens management reforms. By precisely optimizing procurement strategies, strengthening digital platform support, and improving management systems and mechanisms, it comprehensively enhances procurement operational efficiency and supply chain risk control capabilities. Through refined management as a foundation, standardized processes to improve quality, and digital empowerment to increase efficiency, the Group promotes the development of its supply chain system toward greater standardization, efficiency, and sustainability.

### Implementing Transparent Procurement

The Group has formulated and revised the "Bidding and Procurement Compliance Guide" and the "Bidding and Procurement Management Measures," comprehensively regulating the entire chain of bidding and procurement activities and establishing a full-cycle closed-loop management mechanism. It has deeply carried out special compliance training on "Bidding and Procurement Management of State-Owned Enterprises in the Context of New Situations," comprehensively enhancing the risk prevention capabilities of all employees in bidding and procurement, and promoting quality improvement and efficiency enhancement in bidding and procurement work through standardization and compliance. It conducts risk investigations in the bidding and procurement field, identifying risk points, prevention and control measures, and responsible entities.

Leveraging two digital platforms—the "Transparent Procurement Platform" and the "JD Catalog Mall"—the Group deeply integrates multiple procurement models, fully achieving standardized procurement processes, maximum efficiency, and optimal costs. It has promoted the large-scale expansion of user licenses for the "Transparent Procurement Platform" and its integration with the ERP system, as well as the expansion of the "JD Catalog Mall," building a one-stop procurement matrix covering high-frequency essential categories such as office supplies, hardware tools, equipment consumables, and labor protection products, meeting diverse procurement needs. Relying on the deep synergy and data empowerment of the two platforms, the procurement approval cycle has been compressed by 15.00% year-on-year, and supplier response efficiency has increased by 20.00%. When suppliers register on the "Transparent Procurement Platform," they are required to sign the "Transparent Procurement Platform Supplier Registration Service Agreement," which explicitly requires that suppliers must not use the platform for illegal or criminal activities such as money laundering, theft of trade secrets, or theft of personal information; must not infringe upon others' copyrights, trademark rights, or other intellectual property rights in any form; and must not violate the privacy security of individuals or the public.

### Strengthening Supplier Management

The Group explores the establishment of a group-level strategic alliance of core suppliers, guides subsidiaries in establishing and improving their supplier systems, and simultaneously advances the development of backup suppliers to enhance supply chain resilience. It continuously increases the reverse and expansion of supplier resources, forming a supplier ecosystem network covering multiple areas such as raw material procurement, equipment supply, engineering construction, and social services, laying a solid resource foundation for the stable operation of the supply chain.



Over **1,400** Newly Registered Suppliers Through the "Transparent Procurement Platform"

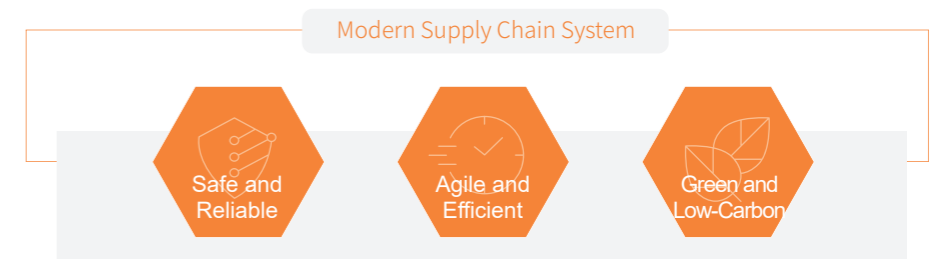
Total number of suppliers exceeded **8,000**

**1,129** newly approved suppliers

The Group has formulated the "Supplier Management Measures," adhering to the principles of "registration review, access approval, evaluation and assessment," and strengthening supplier management from multiple dimensions. Based on full lifecycle supply chain management, it continuously improves the dynamic management system covering the entire process of supplier access, assessment, grading, and exit. Assessment dimensions have expanded from single qualification review to comprehensive evaluations of business reputation, performance capability, product quality, and service level, optimizing the supplier structure through survival of the fittest and steadily achieving the transformation and upgrade from "traditional decentralized procurement" to "supply chain management." In 2025, the Group joined as a founding initiator of the China Supplier ESG Rating Platform, demonstrating its pioneering and exemplary role in the field of supplier ESG practices. Through the "Transparent Procurement Platform," over 1,400 new suppliers were registered, and the total number of suppliers exceeded 8,000. There were 1,129 newly approved suppliers, 28 qualified equipment suppliers screened, and 11 qualified construction contractors assessed and certified.

## Ensuring Supply Chain Security

Driven by the dual drivers of "business + technology," the Group focuses on solving the problem of single-source procurement, promoting cost reduction and efficiency improvement in procurement. At the procurement business level, under the leadership of the Property Rights Department of the Yunnan Provincial SASAC, it actively connects with the provincial property rights exchange centralized procurement platform, gradually achieving data integration between the Group's Transparent Procurement Platform and the provincial centralized procurement platform, reducing costs through the expansion of supplier channels, the establishment of long-term cooperative relationships, and healthy price competition. At the technology development level, addressing the pain points of single-source procurement within the Group, the Group makes unified plans and requires the technology and R&D teams of each operating entity to accelerate the development of B and C point suppliers for raw materials, auxiliary materials, and equipment, breaking single-source dependencies, and incorporating development results into the team's annual assessment. The Group continuously improves the digital collaboration capability and data interoperability level of the procurement platform, strengthens the transparency and response efficiency of all links in the supply chain, systematically identifies and assesses potential risks in each link, formulates targeted response strategies, and deeply integrates ESG management requirements into the entire process of procurement, production, and logistics. It builds a modern supply chain system that is "safe and reliable, agile and efficient, and green and low-carbon," significantly enhancing its ability to withstand external risks, and through technology sharing and capacity output, empowers the coordinated development of the upstream and downstream industrial chain.



## Conflict Minerals Management

For the mineral supply chain in conflict-affected and high-risk areas, the Group strictly follows the internationally recognized "Responsible Mineral Supply Chain" framework, applying a due diligence management system to identify, prevent, and mitigate various risks in mineral procurement, including potential armed conflict, human rights violations, and corruption. It clearly commits not to participate in mineral trade that fuels conflict, violates human rights, or involves corruption, and strictly adheres to international guidelines such as the OECD "Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas" and the UN "Guiding Principles on Business and Human Rights."



The procurement approval cycle has been compressed by **15.00%** year-on-year

Supplier response efficiency has increased by **20.00%**

## Deepening Cooperation and

### Strengthening Strategic Cooperation

The Group consistently adheres to the development philosophy of open collaboration and value sharing, actively building an efficient cooperation network with partners across the upstream and downstream of the industrial chain. It strengthens industry exchanges and mutual learning, promotes resource connectivity and experience sharing, innovates cooperation mechanisms, and expands collaboration models. It continuously deepens government-enterprise coordination, bank-enterprise interaction, strategic cooperation between enterprises, and the integration of industry, academia, and research, leveraging the strengths of all parties to work together and build an open, inclusive, and mutually beneficial industrial ecosystem.

#### Showcasing a Series of Innovative Products and Cutting-Edge Technologies at the 9th China-South Asia Expo

In June 2025, as a leading enterprise in the domestic rare and precious metals field, Sino-Platinum Metals Group showcased a series of innovative products and cutting-edge technologies at the 9th China-South Asia Expo, and deeply participated in several forums and activities, demonstrating its responsibility as the "chain master" of the precious metals industry. The Group's exhibition booth focused on the innovative applications of rare and precious metals in strategic emerging industries such as national defense, environmental protection, new energy chemicals, electronic information, and life and health, prominently displaying a variety of precious metals new material products including high-purity precious metal materials, precious metal sputtering targets, and precious metal electronic pastes. At the same time, it actively participated in the "Invest in Yunnan" Investment Promotion Conference and the "Green Energy + Advanced Manufacturing" special investment matchmaking activities at the 9th China-South Asia Expo, exchanging ideas with representatives from industries such as green energy and advanced manufacturing.



Image Source: Palm Spring City

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## International Development

### Advancing Overseas Compliance Development

The Singapore subsidiary takes full account of the local multicultural context. While satisfying the domestic regulatory system, it has revised and improved its internal control system covering nine core areas—corporate governance, strategic operations, internal supervision, financial control, human resources, administration, and marketing management—integrating Singapore's unique legal environment and business practices. It has basically established a system that meets both state-owned asset compliance requirements and local national conditions and laws. The Group has issued a plan to deepen compliance development, comprehensively advancing the construction of its compliance system. It has established a General Counsel (also serving as Chief Compliance Officer) and designated the lead department for compliance management to be responsible for specific compliance work. It incorporates the latest developments in domestic and country(ies)-specific laws, regulations, regulatory requirements, and international rules into its system considerations, proactively identifies and assesses compliance risks related to the Group's overseas operations, and has established and improved a three-in-one compliance system based on the original internal control system. In 2025, 9 policies were newly established or revised.



2025

9 new and revised policies in 2025

### Building a Global Supply Chain Network

The Group advances the construction of international platinum group metal network channels, strengthens communication and exchanges with mining enterprises, refineries, etc., to ensure raw material supply. It integrates resources from foreign mines, domestic and foreign refineries, foreign banks and traders, and the Shanghai Gold Exchange to enhance resource integration capabilities. It actively disperses a geographically strategic layout and category diverse supplier system, establishes cooperation with international mining companies, with counterparties covering Southeast Asia, Europe, the United States, the Middle East, and other regions, ensuring the security and stability of precious metal resources. Through tolling processing and cooperation with LBMA refineries, it deeply enters the Southeast Asian gold market.

### Continuously Increasing "Going Global" Efforts

The Group advances the construction of international platinum group metal and Southeast Asian gold supply and sales channels, expands gold tolling processing and re-export business, as well as the international operations of electron beam welding materials and electric vacuum welding materials. Brand internationalization is accelerating, with LBMA silver delivery brand entering the review and certification stage, and LPPM platinum and palladium product certification progressing in an orderly manner. In 2025, overseas sales and export value reached RMB 5.832 billion, a year-on-year increase of 24.71%.



2025

Overseas sales and export value reached RMB **5.832** billion, a year-on-year increase of **24.71%**

### Strengthening International Exchange and Cooperation

The Group continuously explores international cooperation and development opportunities, participating in industry events such as the South African Mining Indaba, the South African Platinum Group Metals Industry Conference, the LPPM London Platinum Week, the SBMA Indonesia Visit Group, the SBMA Asia-Pacific Precious Metals Annual Conference, and the LBMA Precious Metals Conference. It conducts research on overseas precious metal mineral resource development projects and seeks cooperation opportunities.

# Giving Back to Society



While focusing on its own development, Sino-Platinum Metals Group has always actively fulfilled its social responsibilities, supported rural revitalization, organized public welfare activities, and carried out volunteer services, demonstrating its corporate responsibility through concrete actions and striving to achieve a harmonious integration of economic benefits and social value.

## Supporting Rural Revitalization

The Group carefully studied and implemented the spirit of General Secretary Xi Jinping's important discourse on the work of "agriculture, rural areas and farmers" and the important speech of Yunnan. Centered around the work of "maintaining bottom line, promoting development, and advancing revitalization," the Group resolutely fulfills its political and social responsibilities as a state-owned enterprise, solidly advancing the implementation of various work in its assistance target, Shangjiang Township, Shangri-La City, Diqing Prefecture.



In January 2025, the Group's resident village work team carried out a Spring Festival visit and care activity for 33 households in need in Shangjiang Township, inquiring about the health and living conditions of villagers in difficulty and presenting care package such as rice and cooking oil.

## Strengthening Organizational Leadership

**Solidifying Coordinated Deployment:** Established a Rural Revitalization Leadership Working Group; formulated the Group's 2025 Rural Revitalization Work Plan and project fund arrangements, clarifying key work tasks; organized 2 Group Rural Revitalization Leadership Working Group meetings and held 3 work coordination meetings with the Shangjiang Township Party Committee and Government to conduct coordinated research on annual assistance priorities.

**In-Depth Research and Investigation:** Key Group leaders conducted 2 field research visits focusing on the "three bottom lines" and promoting farmer income increase; responsible leaders made 3 visits to the assistance target to research, supervise, and promote task implementation; Group leaders participated in the fixed-point assistance work symposium (joint meeting) of the Provincial United Front Work Department and Diqing Prefecture, reporting and exchanging information on assistance work.

**Building a Strong Resident Village Team:** Selected 7 resident village work team members during the year, including 3 serving as First Secretary (Team Leader), ensuring smooth work transition through mentoring; implemented treatment guarantees, purchasing personal accident insurance for all team members, arranging for 2 outstanding members to participate in provincial-level recuperation and rest programs, and organizing 8 various training sessions covering 47 participants.

## Improving the Quality and Effectiveness of Assistance

### Industrial Revitalization

2025

Conducted **11** training sessions for grassroots cadres and the public, covering **690** participants

Centered around Shangjiang Township's "one core, two poles, three belts" industrial layout, the Group invested RMB 450,000 to implement a preliminary processing project for Chinese medicinal herbs, constructing a new factory and purchasing drying equipment, operating under a "government + cooperative + farmer" model, effectively increasing the added value of local medicinal herbs. It continues to support the development of characteristic industries such as beef cattle breeding, promoting industrial quality and efficiency improvement. It has cultivated 9 wealth-driving leaders, conducted 11 training sessions for grassroots cadres and the public covering 690 participants, and implemented 13 income-increasing practical activities benefiting 921 participants. It invested RMB 50,000 to conduct 2 e-commerce skills training sessions covering 60 participants.

### Ecological Revitalization

2025

Invested RMB **880,000** in infrastructure, benefiting over **3,400** people

The Group studied and applied the experience of the "Thousand Villages Demonstration Project" to improve the living environment. It installed 220 solar streetlights in the central area of Mugao Village and the Haibian Group of Gelan Village, achieving full lighting coverage of main roads and public areas. It deepened the operation of the "Civilization Points Supermarket," carrying out activities such as environmental hygiene improvement and volunteer service evaluations, stimulating the endogenous motivation of the masses for rural governance through evaluation commendations and point exchanges. It assisted in carrying out activities and services such as major environmental hygiene inspections and improvement actions, earthquake-resistant housing project acceptance, and river cleaning, helping to build a beautiful and harmonious countryside. In 2025, it invested RMB 880,000 in infrastructure, benefiting over 3,400 people.

### Organizational Revitalization

2025

Invest in party building assistance funds **150,000** yuan

The Group supported the construction of Party branch positions in 5 administrative villages of Shangjiang Township and the organization of Party member activities, cooperated with the village "two committees" elections, and enhanced the organizational and combat effectiveness of grassroots Party organizations. It guided the SPM Chemicals Party Branch to jointly carry out a co-construction activity with the Shangjiang Township Party Committee on the theme of "Inheriting the Red Gene · Cultivating Excellent Work Style," promoting the deep integration of Party building and assistance work. In 2025, it invested RMB 150,000 in Party building assistance funds.

### Talent and Cultural Revitalization

2025

Invested RMB **30,000** in education assistance funds

The Group implemented the "Technology into Campus" project, purchasing 20 teaching drones for Shangjiang Primary School and assisting in the set up of related courses, filling the gap in science and technology education. It continues to build the "SPM Book Corner," adding 270 new books. It continued to hold the "SPM Ling Tong Yan" summer interest class, with activities promoted on the Learning Powerhouse Yunnan platform and the Xinhuanet client, fully demonstrating the Group's corporate social responsibility and effectively enhancing its brand image and social influence. It established the "Chongxue Lizhi Fund" to reward outstanding students. It continues to promote the inheritance of the intangible cultural heritage "Leiba Dance," carrying out the "Leiba Dance into Campus" activity. It assists in carrying out culture go to the countryside, enriching the spiritual and cultural life of the masses and promoting the construction of civilized rural customs. In 2025, it invested RMB 30,000 in education assistance funds; it assisted 81 students in applying for the "Rain Plan," securing subsidies of RMB 193,500.

### Holding the 2025 Rural Summer Training Program

From July to August 2025, Sino-Platinum Metals Group launched the fourth session of the "SPM Ling Tong Yan" Summer Training Program in three villages: Shiwang, Mugao, and Liangmei. Since its launch in 2022, the "SPM Ling Tong Yan" Summer Training Program has entered its fourth year, benefiting over 300 rural children in total.



Shiwang village "Optical Microscope Learning and Use" class



Mugao village The program featured the theme "Building Dreams in Resident Villages, A Colorful Summer," integrating intangible cultural heritage transmission with modern education

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### Consumption Assistance

Through methods such as "purchasing instead of donating" and "buying to assist," the Group promotes the sustainable development of characteristic industries in areas lifted out of poverty and stimulates endogenous motivation.

2025

Directly purchased agricultural and sideline products from assistance areas, totaling RMB **606,300**

Purchased specialty agricultural products through the Diqing Prefecture Supply and Marketing Cooperative, the "832" Platform, etc., totaling RMB **510,300**

### Health Assistance

The Group implements the "Four Nos" requirements, assisting in dynamic monitoring and assistance for poverty relapse prevention. It assists in the implementation of medical security, achieving a 100% medical insurance participation rate for households lifted out of poverty and monitored targets in assistance villages. In collaboration with Taikang Pension Insurance, it has provided accidental disability and death liability insurance for all households lifted out of poverty and monitored targets in three villages for four consecutive years, covering over 5,000 people. It uses resident village work funds to provide temporary assistance to people in difficulty with high out-of-pocket medical expenses.

2025

The Group visited **374** households that have been lifted out of poverty and monitored targets

Conducted **2,268** visits to general farming households

extended care and support to **231** farming households

Distributed condolence gifts valued at approximately RMB **40,000**

## Engaging in Public Welfare and Charity

Actively responding to social needs, the Group continuously engages in public welfare areas such as helping those in need and providing educational support. Leveraging volunteer service brands such as "SPM · Platinum Love Together" and "Silver Generation Golden Glow," it has formed volunteer service teams. Adhering to the path of sharing development result and promoting resource connectivity, the Group promotes deep integration between the enterprise and the community, building a virtuous ecosystem of coordinated development and mutual promotion. Through concrete actions, it contributes to social harmony and continuous progress. In 2025, it conducted 2 "Morning Glow Honors Evening Sunset" volunteer activities and over 60 volunteer services including ceremonial teams and guides.

### Conducting the "Morning Glow Honors Evening Sunset" Volunteer Service Activity



On March 28, 2025, Sino-Platinum Metals Group organized representatives of young League members to visit and extend care to retired experts and employees. From the three dimensions of companionship, elderly assistance, and heritage transmission, they practiced the spirit of Lei Feng in the new era, building a spiritual heritage bond of "old-young pairing and intergenerational integration."



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# Governance

## Co-governance

for a Sustainable Future

Sino-Platinum Metals Group adheres to leading high-quality development through high-quality governance. It continuously improves its governance structure, clarifies the rights and responsibilities of each entity, and ensures that decision-making is scientific, compliant, open, and transparent. It carries out the integrated construction of "risk, internal control, and compliance" to ensure the stable operation of the enterprise. It deeply advances the reform of state-owned enterprises, focuses on strengthening and supplementing the industrial chain in its core businesses, and stimulates the enterprise's endogenous motivation and development vitality. It deepens innovation-driven development, strengthens innovation platforms, focuses on core technology breakthroughs, and promotes the deep integration of technological and industrial innovation, injecting momentum into high-quality industrial development.

### In 2025, the Group

○ Proportion of independent directors:

**37.5%**

Proportion of female directors

**37.5%**

○ R&D investment: RMB

**1.242** billion

R&D intensity

**2.20%**

○ Formulated or revised **13** national or industry standards (including **10** national standards and **3** industry standards)

○ **1** Newly added national-level manufacturing single champion enterprise

**3** National-level key specialized and sophisticated "Little Giant" enterprises

**1** National-level specialized and sophisticated "Little Giant" enterprises

**1** Provincial-level manufacturing single champion

**1** Provincial-level specialized and sophisticated SM

### Responses to Sustainable Development Goals (SDGs)



# Corporate Governance



Sino-Platinum Metals Group focuses on building a solid foundation for stable operations, standardizing its corporate governance structure, strengthening full-process risk management, optimizing information disclosure and investor relations management, deepening the reform of state-owned enterprises, and consolidating the Group's foundation for sustainable development through sound governance.

## Standardizing Corporate Governance

In strict accordance with relevant laws, regulations, and regulatory requirements, the Group has improved its decision-making system and introduced the systems of external directors and independent directors. It deeply explores a collaborative governance path that meets both state-owned asset supervision and listed company regulatory requirements, strictly implements democratic centralism, and revises the "Implementation Measures for the 'Three Major and One Major' Decision-Making System" as well as the rules of procedure for the Party Committee, the Board of Directors, and the General Manager's Office, ensuring scientific, democratic, and lawful decision-making. The Group has separated the positions of Chairman and General Manager to separate decision-making and supervision. It has advanced the abolition of supervisory boards at the Group and its subsidiaries and undertaken the undertake of supervisory board functions. The rights and responsibilities among the Company's power body, decision-making body, supervisory body, and management team are clearly defined. The Company's corporate governance structure complies with the requirements of the modern enterprise system and the "Corporate Governance Code for Listed Companies." In 2025, 42 Party Committee meetings were held, with 135 items reviewed in advance; 72 General Manager's Office meetings (including communications by vote) were held, with 369 items deliberated and approved. Three subsidiaries abolished their internal supervisory boards, and 24 subsidiaries abolished their internal supervisors.

### Shareholders and Shareholders' Meeting

The Group standardizes and implements the convening, holding, and deliberation procedures of the Shareholders' Meeting, ensuring that all shareholders, especially small and medium-sized shareholders, enjoy equal status and exercise their legitimate rights, and guaranteeing equal information access for all shareholders. In 2025, 4 Shareholders' Meetings were held, at which 26 proposals were deliberated and approved.

### Directors and the Board of Directors

Directors are elected in strict accordance with the selection and appointment procedures stipulated by relevant regulations. Independent directors perform their duties in accordance with the "Independent Director Management Measures," providing strong support for the feasibility and efficiency of Board decisions. The Board of Directors has four special committees: the Strategy and Investment Development Committee, the Remuneration and Assessment Committee, the Audit Committee, and the Nomination Committee. Each committee performs its own functions and operates effectively, playing an important role in providing advice and recommendations for major Board decisions, forming a support system for scientific Board decision-making. The Group has studied and formulated work plans for improving the board construction of the Group and its subsidiaries, refining board construction work into all aspects of standardized governance, enhancing the overall efficiency and level of board construction. The Group strives to promote diversity on the Board of Directors in terms of gender, professional skills, professional background, and industry experience to promote diversified development. In 2025, the Board of Directors consisted of 8 directors, including 3 independent directors and 1 employee representative director. Nine Board meetings were held, at which 64 proposals were deliberated and approved. Twenty-one special committee meetings were held, with 63 proposals reviewed in advance. When decisions involved related party transactions, all related directors recused themselves from voting, and the procedures were legal and compliant.

### Management

The Group appoints its new-term operations and management team in strict accordance with relevant regulations, strictly implements the resolutions of the Shareholders' Meeting and the Board of Directors, and has no acts of exceeding authority. Matters beyond the authority of the management team are submitted to the Board of Directors and the Shareholders' Meeting for deliberation. There is no tendency toward "insider control," and there are no circumstances of failure to faithfully perform duties or breach of good faith obligations.

## Strengthening Risk Management

The Group has improved its risk system and established the "three lines of defense" for risk management. It has refined its risk database with over 700 items covering strategic risk, market risk, financial risk, operational risk, and legal compliance risk. The Group has formulated the "Risk Control and Compliance Manual," embedding risk and compliance requirements into internal control processes, and has built a scientific and efficient risk prevention and control system encompassing "pre-event prevention, in-event control, and post-event disposal."

## Information Disclosure and Investor Relations

### Standardizing Information Disclosure

The Group has established a specialized institution staffed with full-time personnel to fulfill information disclosure obligations in accordance with the law. Adhering to the principles of fairness, openness, and clarity, it discloses the Company's periodic reports and interim announcements in a truthful, accurate, timely, and complete manner. The Group uses China Securities Journal, Shanghai Securities News, and the Shanghai Stock Exchange website as its designated newspapers and website for information disclosure, ensuring that all shareholders have equal access to information. In 2025, the Group made over 115 information disclosures, with no omissions, errors, or corrected disclosures, achieving zero errors, zero inquiries, and zero regulatory actions. It has received a "Good" rating in the exchange's annual information disclosure assessment for many consecutive years.

### Safeguarding Investor Rights and Interests

#### Investor Relations Management

The Group fully respects and safeguards the legitimate rights and interests of stakeholders including shareholders, suppliers, customers, creditors, and employees. It strengthens communication and cooperation with relevant parties to jointly promote the healthy, sustained, stable, and high-quality development of the Company. The Group optimizes its investor relations methods and continuously improves the effectiveness of its corporate value communication. In 2025, it organized nearly 20 various types of performance briefings and on-site investment exchange meetings.

#### Investor Communication

- Organized special performance briefings for periodic reports
- Participated in major events such as the Cloud Association Collective Investor Reception Day and Exchange's "Walk into Listed Companies" activities
- Built a multi-dimensional online + offline investor interaction platform through Shareholders' Meetings, investor hotlines, the Shanghai Stock Exchange e-Interaction Platform, and WeChat public platform

#### Investor Return

The Group has formulated the "Dividend Management System" and the "Shareholder Return Plan for the Next Three Years (2024-2026)," establishing a scientific, sustained, and stable dividend mechanism to protect the legitimate rights and interests of investors, especially small and medium-sized investors. It continuously standardizes the profit distribution decision-making process: the Board of Directors formulates the profit distribution plan and submits it to the Shareholders' Meeting for deliberation and decision. During the deliberation process, importance is attached to communication and exchange with small and medium-sized shareholders. Separate vote counting is implemented for proposals related to the interests of small and medium-sized investors, effectively safeguarding the rights of public shareholders to participate in Shareholders' Meetings. As of the end of 2025, the Group has maintained cash dividends exceeding 30% of distributable profits for more than ten consecutive years.

#### Strengthening Insider Information Management

The Group strengthens the confidentiality awareness of management personnel at all levels, especially directors, supervisors, and senior executives. During the preparation of periodic and quarterly reports, as well as the planning and implementation of major matters, it strictly follows relevant regulations to register, manage, and report insiders who have access to inside information. While ensuring the truthfulness, accuracy, and completeness of insider information, it further strengthens the security and confidentiality management of inside information during its occurrence, reporting, and transmission. The Group resolutely prevents insiders and those who illegally obtain inside information from using such information for securities trading activities, and strictly prohibits any form of insider trading.

## Strengthening Market Value Management

The Group strengthens market value management and enhancement efforts, introduces professional market value management teams, and systematically advances the preparation of market value management plans, the establishment of corporate market value management systems and mechanisms, and the deployment of market value management work teams. It gradually refines and implements specific measures for market value management.

## Deepening the Reform of State-Owned Enterprises



The completion rate of the 96 key tasks was **100%**, and 3 reform practices were selected for the case collections of the State-owned Assets Supervision and Administration Commission (SASAC) of the State Council and the Provincial Government.

The Group deeply advances the reform of state-owned enterprises, solidly implementing special SOE reform initiatives such as the Group's three-year reform and development action and the "Double Hundred Action." The completion rate for 96 key tasks is 100%, and three reform practices have been selected for the case collections of the State-owned Assets Supervision and Administration Commission (SASAC) of the State Council and the Provincial Government. The Group spares no efforts in building world-class leading enterprises, completing the national cultivation database application, defense, and on-site research for the National Development and Reform Commission's world-class enterprise construction initiative. It has prepared for the SASAC's assessment of world-class specialized leading cultivation enterprises and recommended 4 subsidiaries for provincial cultivation database entry for internationally and domestically first-class enterprises.

## Increasing Capital Operations

The Group coordinates the implementation of its mixed-ownership reform rectification and the special governance of "holding without controlling power," completing ongoing penetration inspections and on-site cross-inspections by provincial state-owned enterprises. It promotes the introduction of investment and strategic partners for SPM Electronics' mixed-ownership reform and the equity acquisition of SPM Industrial Catalyst, using equity cooperation as a link to advance proposed acquisitions in industrial catalysts, chemicals, and other fields. It advances capital market financing, with its fundraising plan accepted by the Shanghai Stock Exchange. It increases support and resource investment for start-up company projects, and SPM Bio has achieved market-oriented operational capabilities.

## Deepening the "Three Systems" Reform

The Group fully implements competitive selection for positions, adopts a separation management of rank and position, achieving flexible selection and appointment with the ability to move up or down. It carries out a special rectification of "compensation irregularities," formulating special rectification plans, organizing stratified and categorized learning, conducting on-site supervision and inspections, and guiding subsidiaries to complete self-inspections and self-corrections. It has achieved the release of the lock-up period for the third-phase of the listed company's restricted stock incentive plan, marking the successful achievement of the performance targets of the equity incentive plan that the Group launched in 2021. In line with the overall requirements of "steady growth of one profit indicator and continuous optimization of five ratios," the Group optimizes its operational performance assessment system. It implements a "one-enterprise, one-policy" assessment for subsidiaries, break down production and operation units by development cycle, and differentiates the setting of assessment indicators and weights. It refines the details of bonus points and deduction for operational performance assessment, incorporating stable growth, expansion into new products and new areas, industrial coordination, and policy advocacy into bonus items, guiding subsidiaries to focus on their core responsibilities and main businesses, and to strengthen and excel in their advantageous areas.

## Advancing Lean Management

The Group deeply explores the potential for cost reduction and efficiency enhancement, establishing a treasury system and a multi-currency cross-border capital pool, and optimizing the full lifecycle management and turnover efficiency of precious metals. It advances cost reduction and efficiency enhancement through accounts receivable risk management, the "three reductions and two guarantees," and lean production. The Group has issued lean management improvement implementation and evaluation plans as well as an evaluation indicator system, completed annual self-assessments, and promoted the improvement of management efficiency, effectiveness, and value creation capabilities.

# Compliance Management



Sino-Platinum Metals Group has always adhered to the bottom line of compliant operations, deeply advanced the construction of its compliance system and the implementation of legal publicity, deepened internal control and internal audit management and supervision, strictly adhered to business ethics and fair competition standards, solidly advanced anti-commercial bribery and anti-unfair competition work, and comprehensively built a solid foundation for lawful, compliant, honest, and stable operations.

## Compliance Management

### Improving the System

The Group issued the "Work Plan for Deepening the Construction of the Compliance System," extending the requirements for compliance management system construction to all secondary enterprises. It promoted 3 subsidiaries to pilot the establishment of legal and compliance management institutions, 15 secondary enterprises to establish General Counsel (also serving as Chief Compliance Officer), and facilitated the basic establishment of compliance management systems and operating mechanisms in 12 secondary enterprises. The Group implemented the "1+3" working model, deeply advanced the integrated construction of "risk, internal control, and compliance," and promoted the establishment of collaborative operation mechanisms between compliance management, internal control, and risk management, achieving the organic integration of organizational functions, working mechanisms, management systems, evaluation systems, and supervision mechanisms. The Group continuously improved its management system, consolidating the foundation of compliance management. Throughout the year, it formulated or revised 57 systems and optimized 77 approval processes, balancing compliance with management efficiency. It conducted front-loaded compliance reviews and regularly advanced legal reviews of important systems, economic contracts, and major decisions. During the year, it reviewed over 1,200 contracts, issued 27 legal opinions, conducted legal compliance reviews of 42 systems, and reviewed 60 bidding and procurement documents. Through practices such as legal dispute resolution and trademark protection and management, the Group strengthened compliance safeguards, prompting one infringing entity to complete its company name change. During the year, it obtained 10 trademark registration certificates, and 4 trademark applications were officially accepted by the China National Intellectual Property Administration.

### Solidifying Publicity and Implementation

The Group strengthened legal publicity for the "key minority," incorporating legal studies into the key content of the Party Committee Theoretical Study Center Group, continuously improving the leadership team's ability to make decisions in accordance with the law. It continuously implemented the "explaining the law through cases" system, using the corporate WeChat public account to push 4 typical litigation cases. Using a combination of online and offline methods, and in coordination with important occasions such as "April 15 National Security Education Day," "Constitution Publicity Week," and "Civil Code Publicity Month," the Group organized 2 special lectures. It ensured the promotion and implementation of relevant laws, regulations, and policies by posting themed legal publicity posters and slogans, and mobilized all employees to participate in various online quizzes, promoting the deep embedding of a legal culture in the hearts and minds of employees.

## Internal Control Management

In accordance with the "Basic Standards for Enterprise Internal Control" and related implementation guidelines, and focusing on elements such as internal environment, risk assessment, control activities, information and communication, and internal supervision, the Group conducted a comprehensive evaluation of the rationality of internal control design and the effectiveness of operation for 21 legal entities of the Group and its subsidiaries for 2025. It identified internal control deficiencies and analyzed their causes, provided timely communication and feedback to the evaluated units, formed internal control evaluation reports, proposed rectification suggestions, and urged the implementation of rectifications, promoting the continuous optimization and effective implementation of the Company's internal control system.

## Internal Audit Management

The Group improved its internal supervision work system and deepened the coordinated collaboration mechanism of "discipline inspection, inspection, and audit." It advanced the economic responsibility audits of the principal responsible persons of 4 subsidiaries, promoting the implementation of problem rectifications. It completed post-evaluations of 7 investment projects, providing a basis for improving the scientific nature of investment decisions and optimizing project management. It conducted special inspections of the Singapore subsidiary, special audits of Party fee management, and internal verification of research projects, carrying out compliance inspections of major matters and fund transactions to prevent operational risks. It established categorized responsibility investigation work ledgers, verified leads on violation issues and loss matters, and fully performed the functions of internal audit supervision, evaluation, control, and service.

## Adhering to Business Ethics and Fair Competition

### Adhering to Business Ethics

The Group has consistently implemented the "Yunnan Provincial Anti-Commercial Bribery Supervision Measures for State-Owned Enterprises," strictly implemented the "Rules of the Discipline Inspection and Supervision Organs for Handling Reports and Complaints" and the "Regulations on Letters and Visits Work," and systematically revised the Group's "Measures for Letters, Visits, and Reporting Work" in light of practical development needs, safeguarding the supervisory rights of informants and complainants and protecting the legitimate rights and interests of Party members and officials. It specially invited lawyers from law firms to give special lectures on the theme of risk prevention of duty-related crimes in state-owned enterprises. Through in-depth analysis of typical cases and detailed interpretation of relevant laws and regulations, the Group further solidified officials' bottom-line legal thinking, guiding them to establish correct views of power and interests, and enhancing their awareness of integrity and self-discipline and their ability to prevent risks.

### Anti-Unfair Competition

The Group implements systems such as the "Measures for the Prevention and Control of Integrity Risks in Marketing" and the "Measures for the Management of the 'Blacklist' of Dishonest Conduct," establishing codes of conduct for marketing personnel and strengthening the integrity management of business processes. It signs "Compliance and Integrity Self-Discipline Commitment Letters" with business partners, clearly stipulating that neither party shall demand or accept rebates, gifts, marketable securities, or other improper benefits in any form, nor engage in any other acts that violate integrity requirements. The Group has established a blacklist inquiry system, carrying out anti-fraud, anti-commercial bribery, anti-monopoly, and anti-unfair competition work, building a new type of clean and cordial business partnership, and creating a fair competitive trading environment. It continuously advances trademark infringement cases, resolutely cracking down on acts that mislead the market by riding on the reputation of others' famous brands or improperly using "SPM" as a corporate name. In 2025, the Group experienced no incidents of unfair competition.

## Innovation-Driven Development



Sino-Platinum Metals Group takes technological innovation as its core driving force, continuously improving platform construction, deepening the integration of industry, academia, and research, strengthening project management, optimizing intellectual property arrangement, and expanding external cooperation. It has built a full-chain innovation ecosystem connecting basic research, technology development, and industrial application, injecting strong momentum into sustainable development.

### Governance

#### Improving the Innovation System

Following systems such as the "Science and Technology Plan Project Management Measures" and the "Science and Technology Plan Project Fund Management Measures," the Group strengthens the application of the "six mechanisms" for scientific and technological innovation, and researches and constructs a new mechanism for the deep integration of technological innovation and industrial development. It has built a complete transformation of scientific and technological system covering "basic theoretical research – applied development – industrial generic key technology development – industrial incubation – market launch." It has also formulated management standards for intelligent manufacturing and related automation equipment.

#### Cultivating Innovation Teams

The Group pilots a co-investment mechanism for innovation projects, focusing on high-growth, high-risk new material R&D projects, creating a new innovation and entrepreneurship ecosystem of "risk sharing, benefit sharing, and shared endeavor," promoting the deep integration of talent, technology, and capital. It has established specialized and industrial research laboratories in segmented fields areas, formed professional R&D teams, innovated the "four categories, three levels" assessment and evaluation mechanism, implemented the secondment of research laboratories to corresponding units, and integrated the advancement of the Group's scientific research innovation and achievements incubation and transformation. In 2025, using a "one-case-by-one-case" mechanism, the Group supported SPM Technology and SPM Semiconductor to recruit two mature technical teams on a full-time basis. As of the end of 2025, four project co-investment pilots have been completed, with more than 50 core talents participating and over RMB 7 million in paid-in co-investment funds.

#### Science and Technology Ethics

The Group integrates science and technology ethics requirements into the entire process of various scientific and technological activities such as scientific research and technology development. In the process of innovation and R&D, it strictly adheres to science and technology ethics norms, respects the spirit of science, values humanistic care, avoids technology abuse, carefully evaluates the application of achievements, strives to be beneficial to society and the environment, and promotes technological innovation with a responsible attitude. In 2025, the Group had no violations of science and technology ethics.

## Strategy

The Group strengthens the top-level design of its scientific research strategy, closely aligns with the Group's "15th Five-Year Plan" industrial arrangement, systematically summarizes the achievements of scientific and technological innovation during the "14th Five-Year Plan" period, and compiles the "Group's '15th Five-Year Plan' Special Plan for Science and Technology."

### R&D and Innovation Risk Matrix

Risk Category	Risk Description	Impact Timeframe	Value Chain Segment	Potential Impact / Financial Impact	Response Strategy
R&D Risk	High failure rate for cutting-edge material R&D; huge investments difficult to recover; cash flow under pressure; uncertainty in R&D return on investment	Short to medium term	Operations	Loss of R&D investment; tight cash flow; significant profit fluctuations	<ul style="list-style-type: none"> <li>Establish a multi-dimensional review mechanism for R&amp;D projects, with phased investment and set stop-loss points</li> <li>Introduce diversified funding channels, collaborate with research institutions to share R&amp;D costs</li> <li>Establish a risk reserve system for the transformation of R&amp;D results</li> </ul>
Industrialization Transformation Risk	Laboratory technology is difficult to scale up for mass production, and the cost of industrialization transformation far exceeds expectations. The cycle of technology transformation and industrialization is long, leading to missed policy dividends and missed golden opportunities to seize the market.	Medium to Long Term	Operations	Loss of control over technology transformation costs, missed policy dividends and market opportunities, and insufficient capacity utilization	<ul style="list-style-type: none"> <li>Establish a pilot incubation platform, conduct small-batch verification, and then gradually increase production capacity</li> <li>Collaborate with downstream customers to conduct process adaptation, reducing the cost of trial and error during mass production</li> <li>Conduct advance policy and market research to shorten the transformation cycle</li> </ul>
Resource & Market Substitution	Global precious metal resources are scarce and highly concentrated in supply; sharp price fluctuations can directly erode profits; substitution technologies such as ceramic matrix composites are continuously upgrading, compressing the market share of traditional precious metal materials	Long term	Operations	Sharp fluctuations in raw material costs; narrowing profit margins; declining market share of traditional products	<ul style="list-style-type: none"> <li>Conduct precious metals hedging to lock in raw material costs</li> <li>Increase R&amp;D of recycling technologies to improve resource self-sufficiency</li> <li>Develop low-precious-metal technologies to reduce resource dependence</li> </ul>

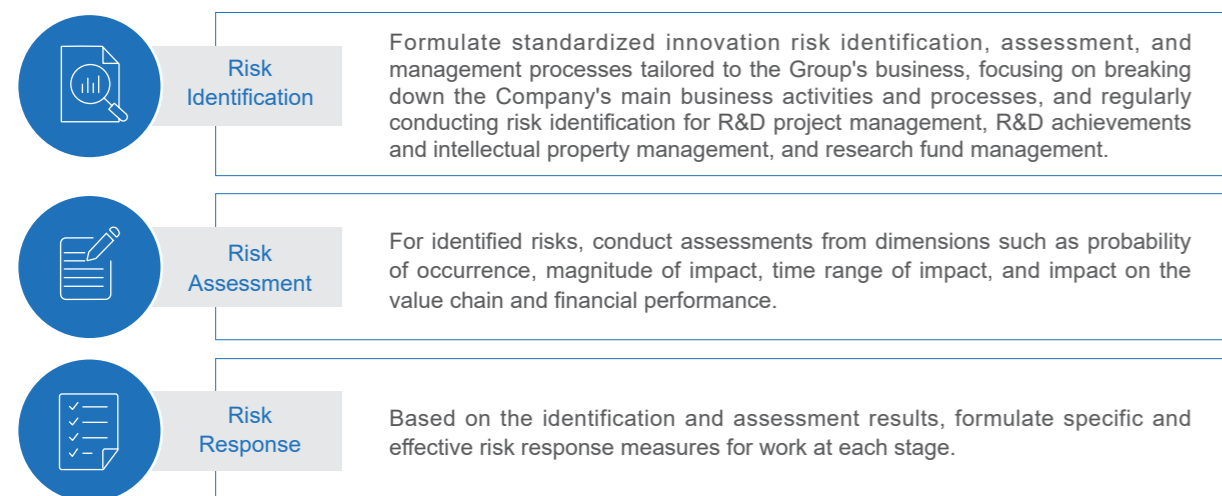
### R&D and Innovation Opportunity Matrix

Opportunity Category	Opportunity Description	Impact Timeframe	Value Chain Segment	Potential Impact / Financial Impact	Capture Strategy
Technological Breakthrough & Import Substitution	Achieve breakthroughs in key material technologies such as sputtering targets for semiconductors and fuel cell catalysts for new energy vehicles, realizing import substitution and capture the domestic high-end market	Medium to long term	Operations, Downstream	Occupy the domestic high-end market; increase product added value; enhance voice in the industrial chain	<ul style="list-style-type: none"> <li>Increase R&amp;D investment in core technologies, continuously tackling technological weakness in key areas</li> <li>Conduct targeted R&amp;D in collaboration with leading downstream customers to rapidly achieve technology implementation</li> <li>Apply for special policy subsidies and tax incentives to reduce R&amp;D costs</li> </ul>
Industry-Academia-Research Collaborative Innovation	Jointly establish a national key laboratory with Tianjin University, carry out integrated industry-academia-research-application cooperation with universities, enterprises, and research institutes within the industry, achieving collaborative innovation across the industrial chain	Long term	Operations	Improve the transformation rate of technological achievements; shorten R&D cycles; share innovation benefits and technology barriers	<ul style="list-style-type: none"> <li>Improve the transformation rate of technological achievements, develop core technologies in key areas, and share transformation benefits and intellectual property</li> <li>Deepen industry-academia-research cooperation mechanisms, establishing innovation consortia with shared benefits and risks</li> <li>Promote rapid transformation of laboratory technologies to industrialization, prioritizing implementation within the Group's production lines</li> </ul>
Policy & Green Transformation Dividend	Policy dividends from domestic substitution under the national supply chain security strategy, as well as green transformation opportunities brought by recycling and low-precious-metal technologies, helping the enterprise build core technology barriers and expand into high-value-added markets	Long term	Operations	Enjoy policy subsidies and tax incentives; expand green and low-carbon markets; build a sustainable development model	<ul style="list-style-type: none"> <li>Actively align with the national supply chain security strategy to secure special policy support</li> <li>Increase the promotion of recycling and low-precious-metal technologies, building a green production system</li> <li>Apply for green manufacturing demonstration projects to enhance brand influence and market recognition</li> </ul>

## Impact, Risk and Opportunity Management

### Risk Management Process

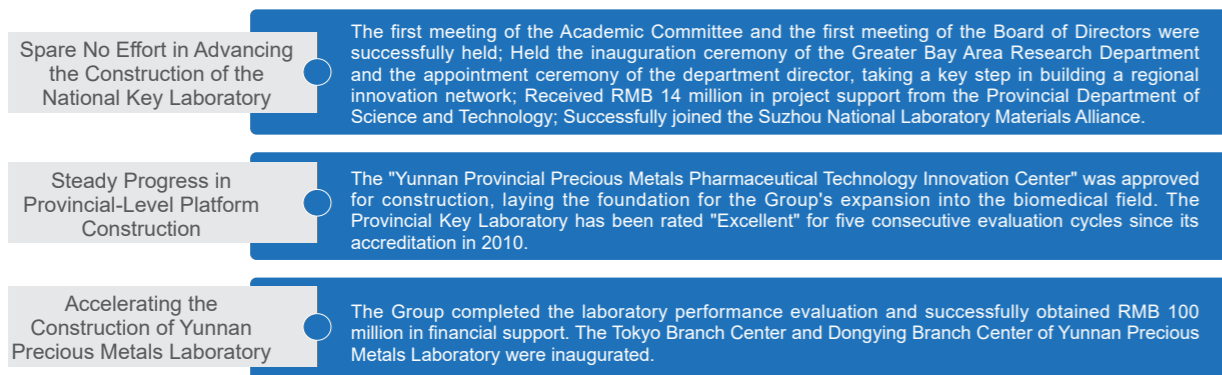
Focusing on core business scenarios such as core business operations, tackling core technologies, and industry-academia-research collaboration, the Group has established and improved systematic and scientific processes and methods for managing innovation risks and opportunities. It actively identifies risks and opportunities brought by technological innovation to the Company, ensuring that the Company's strategy and operations can adjust and respond in a timely manner. A closed-loop management process of risk identification – risk assessment – risk response has been established to systematically manage innovation-related risks.



While actively responding to innovation-related risks, the Group simultaneously focuses on identifying and capturing potential opportunities in the innovation field. It strengthens research on innovation trends, accurately assesses their impact on business operations and the market environment, identifies opportunities from multiple dimensions such as resource utilization and market development, and correspondingly introduces corresponding implementation measures.

### Improving Innovation Platforms

The Group continuously advances the construction of innovation platforms. The National Intellectual Property Operation Center was accredited, making Sino-Platinum Metals Group the only enterprise in the province to obtain approval for a national-level industrial intellectual property operation center. One new national platform was added, bringing the Group's total number of national-level platforms to 10. One new academician workstation and three new expert workstations were added.



### Deepen industry-academia-research collaboration

Focusing on strategic areas such as the National New Materials 2030 Major Project, new hydrogen energy storage, and biomedicine, the Group successfully achieved breakthroughs in 4 core industrial technologies and transferred 13 preparation technologies for platinum group metal chemicals, among other accomplishments. It continuously promotes the deep integration of R&D and industry, establishing a "specialized research laboratory + industrial company" secondment mechanism. Eight research laboratory groups have achieved seamless integration of research and industry with their corresponding companies, creating a full-chain innovation ecosystem from basic research to industrialization. The Metallurgy Research Laboratory, in collaboration with SPM Resources, completed a technological upgrade, successfully reducing the annual consumption of gold from approximately 150 kg to about 6 kg, while reducing impurities such as silver, titanium, and carbon to below 1 ppm, comprehensively solving the cleanliness issue of high-purity gold. The Chemistry and Pharmaceutical Research Laboratory successfully transferred 13 preparation technologies for platinum group metal chemicals to the industrial side, supporting SPM Chemicals' expansion into new products. The Medical Materials Research Laboratory developed new feedthrough products that generated an additional RMB 2 million in output value at SPM Bio. The Hydrogen Energy and Environmental Governance Research Laboratory achieved technological breakthroughs in multiple catalyst areas and completed long-term validation, laying the foundation for large-scale product production and market promotion. The Electronic Ceramics Research Laboratory, in response to the needs of SPM Electronics, prepared and optimized gold powder using chemical reduction methods, successfully developing gold powder products that meet market requirements and achieving batch application. The Group organized industrial companies and seconded research laboratories to jointly apply for projects and share scientific research results. The project "Key Technologies and Engineering Demonstration for Efficient Recovery of Platinum Group Metals from Spent Homogeneous Catalysts," jointly applied for by SPM Resources and the Metallurgy Research Laboratory, received support from the National Key R&D Program of China. The "Yunnan Provincial Rare and Precious Metals Conductive Ring Materials Innovation Team," formed by SPM Technology and the Chemical Vapor Deposition Research Laboratory, was officially recognized. The project "Key Technologies and Applications for the Development of New Composite Wires for Medical Implants," jointly applied for by the Medical Materials Research Laboratory and SPM Bio, received support from a Yunnan Provincial Major Science and Technology Special Project.

### Jointly Promoting Industry Development

The Group strengthens external exchanges and cooperation, actively hosting and participating in high-level academic and industrial forums to support industry development. It successfully held its third Science and Technology Conference, which featured the largest gathering of academicians and experts in three years. At the conference, the Group announced 7 major projects for 2025, presented science and technology awards, and recognized innovative talents and teams, contributing scientific and technological strength to writing a new chapter for the precious metals industry under the Chinese path to modernization. The Group participated in the 2025 Tengchong Scientists Forum – Special Event on Innovation-Driven Development of New Materials and Industrial Finance and the 2025 Precious Metals Forum, where the 2025 "Precious Metals Blue Book" was released, providing the latest and most comprehensive information for the precious metals industry and promoting its high-quality development. The Group also participated in the 2025 Tengchong Scientists Forum · Rare and Precious Metals Industry Innovation and Development Forum, inviting nearly 180 participants including government leaders, academicians and experts, representatives from universities, research institutes, and enterprises. It organized the selection and successful signing of two batches of 6 representative key cooperation projects and announced 3 "open competition" projects, building a high-end platform for deep linkage between industry, academia, research, and application.



On October 30, 2025, Sino-Platinum Metals Group participated in the 2025 Tengchong Scientists Forum – Special Event on Innovation-Driven Development of New Materials and Industrial Finance and the 2025 Precious Metals Forum, injecting new momentum into the Group's efforts to deepen industry-academia-research collaborative innovation and promote the high-quality development of the precious metals new materials industry.

## Strengthening Intellectual Property Management

The Group systematically advances the use and protection of intellectual property, unlocking the value of innovation achievements. It implemented a pilot program for open patent licensing for the first time, completing 9 patent licenses and achieving licensing fees of RMB 400,000. It completed evaluations of 6 scientific and technological achievements, of which 5 reached internationally leading levels and 1 reached an internationally advanced level. Yunnan Precious Metals Laboratory obtained ISO 56005 Level 2 certification for innovation and intellectual property management. The Group received 5 provincial/ministerial-level science and technology awards, including 3 first prizes and 2 second prizes.



In September 2025, Sino-Platinum Metals Group was selected for the first batch of national-level industrial intellectual property operation centers released by the China National Intellectual Property Administration (CNIPA), ranking 61st and becoming the only unit in Yunnan Province to be included.

## Accelerating "Digital Intelligence" Integration

With a focus on digital infrastructure construction and AI empowerment, the Group advanced 32 digitalization projects, promoted the design of the Precious Metals Big Data Center and the storage of some data. The applied "Yunnan Rare and Precious Metals Industry High-Quality Dataset Construction and Application Project" was approved for establishment by the National Development and Reform Commission (NDRC) and included in the National Major Project Database, making it one of the country's first batch of pilot construction projects for high-quality dataset new type of information infrastructure. The Group built an AI public service platform and developed an independently controllable digital factory. SPM Resources established the Group's first remote control and digital twin centralized control center, and the Continuous Flow Research Laboratory developed automated control devices and systems. The Group piloted the development of a platinum precious metals industry large language model and AI application scenarios, advancing the construction of AI laboratories. Most subsidiaries, relying on industrialization project construction, deployed automated equipment and production lines, achieving production automation and intelligence. Focusing on the four key elements of digital factories – "automation transformation, digital twin, production operations, and centralized control center" – SPM Chemicals and SPM Zhongxi launched MES systems. Centered around the Majinpu Digital Park, the Group steadily advanced the construction of disaster recovery computer room, a digital control center, and a digital park, with all construction plans fully implemented. The Group received a national-level digitalization major project for the first time. SPM Chemicals was established as a Yunnan Provincial "Advanced-Level Intelligent Factory" and a Kunming Municipal Digital "Little Lighthouse." Catalysis Dongying was established as a Shandong Provincial "Advanced-Level Intelligent Factory." The genetic engineering special project reached new heights, adding 4 new databases and independently developing 5 types of high-throughput experimental data intelligent processing algorithms, improving efficiency by 100 times. On the management side, based on existing systems such as ERP, collaborative office, transparent procurement, hedging, and SPM Gold, the Group added 11 specialized systems including financial shared services, technology management, and safety and environmental protection. It has now achieved integrated business and finance across more than 40 information systems, with most business processes and supervision online and visualized, effectively optimizing internal resource allocation and achieving coordinated production and supply chain operations.

### Jointly Building a Precious Metal Materials Intelligent Design Platform

In September 2025, Yunnan Precious Metals Laboratory, in collaboration with Kunming University of Science and Technology, Yunnan University, and other institutions, carried out project research and successfully built a Precious Metal Materials Intelligent Design Platform. The platform integrates developed precious metal materials science models, based on a unified platform architecture and task flow engine for collaborative optimization, solving the problems of fragmentation and integration difficulties arising from different sources and different models. It possesses automated modeling functions such as feature engineering, model selection, intelligent parameter optimization, and model evaluation, covering the complete machine learning process. The platform optimizes the experience for non-professional users through guided operation processes and the encapsulation of complex steps, helping "zero-experience" users get started quickly and use the platform efficiently, empowering the R&D and innovation of new precious metal materials and new products.



CASE

## Indicators and Targets

In 2025, a total of 68 projects were applied for, and 55 new projects were approved. Additionally, the organization once again received support from two national 2030 major special projects, leading one and participating in another. Six projects were approved for national fund support, including two joint fund projects, breaking the ten-year blank of national fund joint fund projects.

Guizhou Precious Metals Catalysis has been selected as a national-level single-item champion enterprise in the manufacturing industry. Guizhou Precious Metals Resources, Guizhou Precious Metals Chemistry, and Guizhou Precious Metals Industrial Catalysis have been selected as national key "little giant" enterprises specializing in precision, fine, unique, and innovative products. Guizhou Precious Metals Sino-Greek has been selected as a national "little giant" enterprise specializing in precision, fine, unique, and innovative products. Yongxing Resources has been awarded the title of single-item champion enterprise in the manufacturing industry in Hunan Province, and Yongxing Testing has been awarded the title of small and medium-sized enterprise specializing in precision, fine, unique, and innovative products in Hunan Province.



### Further Reading

#### Manufacturing Single Champion

Refers to enterprises that have long focused on segmented markets in the manufacturing industry, with production technology or processes that are internationally leading, and whose market share for a single product ranks among the top globally. The number and quality of such enterprises are important indicators for measuring the development level of a region's manufacturing industry.

### Science and Technology Innovation Indicators and Targets

No.	Indicator	Target	Actual	Completion Rate
1	Signed research contract value	RMB 250 million	RMB 251.35 million	100.5%
2	Research funds received	RMB 200 million	RMB 214.40 million	107.2%
3	R&D investment	RMB 1.17 billion	RMB 1.242 billion	106.2%
4-1	Invention patent applications filed	100 Pieces	102 Items	102%
4-2	Invention patents granted	40 Pieces	51 Items	127.5%
5-1	Papers published (quality & quantity)	100 Articles	121 Articles	121%
5-2	SCI/EI indexed papers	38 Articles	40 Articles	105.3%
6	National or industry standards formulated/revised	11 Items	13 Items	118.2%
7	Provincial/ministerial-level awards applied for	3 Items	12 Items	400%

# Future Outlook

With a favorable wind on our long journey, we set sail again under a heavy responsibility. Sino-Platinum Metals Group will adhere to the guidance of Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, deeply study and implement the spirit of the Fourth Plenary Session of the 20th Central Committee of the Communist Party of China, inspect the spirit of General Secretary Xi Jinping's important speech in Yunnan, anchor itself to the development goals of becoming a "century-old, hundred-billion, world-class" enterprise and achieving the "15th Five-Year Plan." It will advance the independent controllability and high-end transformation of the precious metals new materials industry chain, continuously deepen its green transformation, actively fulfill its social responsibilities, steadily improve its governance effectiveness, and inject strong momentum into the global sustainable development cause!

# Appendix

## Index Reference

Shanghai Stock Exchange Listed Company Self-Regulatory Guidelines No. 14 – Sustainability Reporting (for Trial Implementation)

No.	Serial Number	Topic	Corresponding Chapter
Environment	1	Addressing climate change	Addressing Climate Change
	2	Pollutant emissions	Pollution Prevention and Ecological Protection
	3	Waste treatment	Pollution Prevention and Ecological Protection
	4	Ecosystem and biodiversity protection	Pollution Prevention and Ecological Protection
	5	Environmental compliance management	Energy and Environmental Management System
	6	Energy utilization	Energy and Environmental Management System
	7	Water resource utilization	Resource Conservation and Circular Economy
	8	Circular economy	Resource Conservation and Circular Economy
Society	9	Rural revitalization	Giving Back to Society
	10	Social contribution	Giving Back to Society
	11	Innovation-driven	Innovation-Driven Development
	12	Science and technology ethics	Innovation-Driven Development
	13	Supply chain security	Partner Responsibility
	14	Equal treatment of small and medium-sized enterprises	Materiality Assessment
	15	Product and service safety and quality	Customer Service
	16	Data security and customer privacy protection	Customer Service
Governance Related to Sustainable Development	17	Employees	Employee Development
	18	Due diligence	Partner Responsibility
	19	Stakeholder communication	Stakeholder Communication
	20	Anti-commercial bribery and anti-corruption	Compliance Management
	21	Anti-unfair competition	Compliance Management

## Feedback

Dear Reader,

Thank you very much for taking the time to read the "Sino-Platinum Metals New Materials Holding Group Co., Ltd. 2025 ESG Report." To continuously improve our ESG report management and enhance our responsibility performance and capabilities, we particularly value your opinions and suggestions. We kindly invite you to complete the relevant questions in the feedback form and provide your feedback to us through the following channels.

### Sino-Platinum Metals Group Co., Ltd.

Address: No. 988 Keji Road, High-tech Industrial Development Zone, Kunming, Yunnan, China

Postal Code: 650106

Group Website: <http://www.sino-precious.com/>

### Your Information

Name: \_\_\_\_\_ Telephone: \_\_\_\_\_

Organization: \_\_\_\_\_ Email: \_\_\_\_\_

### Selective Questions (Please tick "√" in the appropriate box)

Please rate the extent to which this report reflects the Group's significant impacts on the economy, society, and the environment.

Excellent  Good  Fair  Poor  Very Poor

Please rate this report's response and disclosure regarding issues of concern to stakeholders.

Excellent  Good  Fair  Poor  Very Poor

Please rate the clarity, accuracy, and completeness of the information, indicators, and data disclosed in this report.

Excellent  Good  Fair  Poor  Very Poor

Please rate the readability of this report.

Excellent  Good  Fair  Poor  Very Poor

Please provide an overall rating for this report.

Excellent  Good  Fair  Poor  Very Poor

### Open-Ended Questions

1. What suggestions do you have for the Group's ESG work?
2. What shortcomings do you find in this report?
3. What valuable ESG information do you think this report has provided for you?
4. What additional ESG information do you think this report needs to disclose?

# Rating Report

## A Quick Guide to the "Sino-Platinum Metals Co., Ltd. 2025 ESG Report"

### I. Rating Report

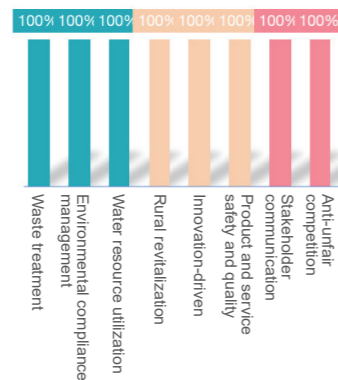


The 2025 ESG Report of Yunnan Precious Metal New Material Holding Group Co., Ltd. (hereinafter referred to as the "Report") The Report is rated as Five-Star, an excellent corporate sustainability report.

Rating Result	Rating Icon	Development Level
Five-Star Plus	★★★★★+	Exemplary
Five-Star	★★★★★	Excellent
Four-and-a-Half-Star	★★★★☆	Leading
Four-Star	★★★★	Outstanding
Three-Star	★★★	Good
Two-star	★★	Developing
One-Star	★	Initial

### II. Highlight Achievements

Process	★★★★★
Materiality	★★★★★
Completeness	★★★★☆
Balance	★★★★★
Comparability	★★★★★
Readability	★★★★★
Innovation	★★★★★



The Report achieved Five-Star ratings in Process, Materiality, Balance, Comparability, Readability, and Innovation, and a Four-and-a-Half-Star rating in Completeness.

The Report systematically disclosed 87.95% of the core indicators for the metal products industry. Among them, the core indicator coverage rates for topics such as waste treatment, environmental compliance management, and water resource utilization under the environmental dimension; rural revitalization, innovation-driven development, and product and service safety and quality under the social dimension; and stakeholder communication and anti-unfair competition under the governance dimension were the highest, all reaching 100%.

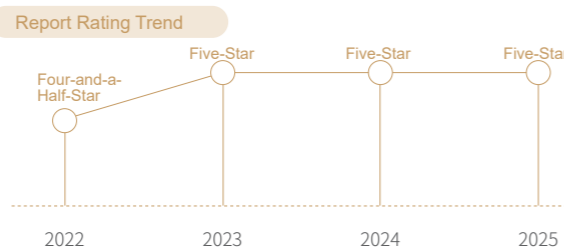
The Report disclosed three-year comparative data for 112 key indicators in detail. Among them, the three-year comparable data disclosure for pollutant emissions under the environmental dimension, employee rights protection, occupational health and work safety under the social dimension, and anti-commercial bribery and anti-corruption under the governance dimension was the most comprehensive.

### III. Recommendations for Improvement

Increase the disclosure of core indicators under topics such as circular economy and sustainable supply chain to further enhance the completeness of the Report.

### IV. Rating Medal

Sino-Platinum Metals Co., Ltd. has participated in the report rating for four consecutive years and has received a Five-Star rating for three consecutive years, earning a Bronze Medal.



## Rating Report for the "Sino-Platinum Metals Co., Ltd. 2025 ESG Report"

The "Sino-Platinum Metals Co., Ltd. 2025 ESG Report" (hereinafter referred to as "the Report") received a Five-Star rating, making it an excellent corporate sustainability report. Commissioned by Sino-Platinum Metals Co., Ltd. for the fourth consecutive year, the "China Enterprise Social Responsibility Report Rating Expert Committee" selected experts to form a rating panel to evaluate the Report.

### I. Rating Basis

1. Corporate Sustainability Disclosure Standards – Basic Standards (Trial)
2. Shanghai Stock Exchange Listed Company Self-Regulatory Guidelines No. 14 – Sustainability Reporting (for Trial Implementation)
3. China Corporate Sustainability Reporting Guide (CASS-ESG 6.0) – Metal Products Industry
4. China Corporate Sustainability Report Rating Standards (2026)

### II. Rating Analysis

**Process (★★★★★)**  
The Company established a Social Responsibility Leadership Working Group, with the Group's Party Committee Secretary and Chairman serving as the Group Leader, responsible for researching and guiding report preparation, while the Board of Directors is responsible for final review. Preliminary research was conducted around report preparation, and an ESG indicator system covering five aspects—report preface, environment, society, governance, and report postscript—was established to further improve the report preparation level. Before the commencement of report preparation, special training was provided to ESG work leaders at all levels to clarify key report work priorities. The Company actively participated in ESG-themed activities such as the Yunnan Provincial State-owned Enterprises 2025 Series of Press Conferences on Fulfilling Social Responsibility and Promoting Sustainable Development and the Yunnan State-owned Assets and State-owned Enterprises 2025 Social Responsibility (Sustainable Development) Special Training, continuously improving its ESG work level. The report is planned to be presented in electronic and print formats, demonstrating excellent process performance.

**Materiality (★★★★★)**  
The Report systematically disclosed key issues for the metal products industry, including addressing climate change, pollutant emissions, waste treatment, energy and resource conservation, R&D and application of environmental products or technologies, sustainable supply chain, product and service safety and quality, occupational health and work safety, sustainable governance mechanisms, and anti-commercial bribery and anti-corruption, with detailed and comprehensive descriptions. Among them, the three topics with the most extensive coverage were product and service safety and quality (7 pages), addressing climate change (6 pages), and sustainable governance mechanisms (4 pages), demonstrating excellent materiality performance.

**Completeness (★★★★☆)**  
The main content of the Report systematically disclosed 87.95% of the core indicators for the metal products industry from the perspectives of "Symbiotic Guardianship for a Green Future," "Sharing for a Better Future," and "Co-governance for a Sustainable Future." Among them, the core indicator coverage rates for topics such as waste treatment, environmental compliance management, and water resource utilization under the environmental dimension; rural revitalization, innovation-driven development, product and service safety and quality, data security and customer privacy protection, employee rights protection, occupational health and work safety, and career development and training under the social dimension; and stakeholder communication and anti-unfair competition under the governance dimension were the highest, all reaching 100%, demonstrating leading completeness performance.

**Balance (★★★★★)**  
The Report disclosed negative data information such as "labor disputes," "employee turnover rate," "new occupational disease cases," "number of work safety accidents," and "work days lost due to work-related injuries," and briefly described situations such as "no major sudden environmental incidents or environmental violations leading to criminal penalties," demonstrating excellent balance performance.

**Comparability (★★★★★)**  
The Report disclosed three-year comparative data for 112 key indicators in detail, including "total profit," "total tax paid," "environmental protection expenditure," "greenhouse gas emission intensity," "average paid annual leave days per person," and "ESG training participants," and explained the statistical scope of greenhouse gas emissions. Among them, the three-year comparable data disclosure for pollutant emissions under the environmental dimension (11 groups), employee rights protection and occupational health and work safety under the social dimension (14 groups each), and anti-commercial bribery and anti-corruption under the governance dimension (4 groups) was the most comprehensive. Horizontal comparisons such as "ranking first in China and fifth globally in the precious metals field" were also provided, demonstrating excellent comparability performance.

**Readability (★★★★★)**  
The Report comprehensively elaborated on the Company's annual responsibility practices and achievements from three major chapters—Environment, Society, and Governance—with a clear framework structure and prominent key topics. The cover design incorporates precious metal elements (such as chemical symbols like Pt, Pd), echoing the Company's core business, with a distinctive style. The inclusion of "Further Reading" sections interpreting industry-specific terminology enhanced the report's readability. The internal layout is simple and fresh, with flexible and varied use of graphics and text, demonstrating excellent readability performance.

**Innovation (★★★★★)**  
The Report features a special section on "Deepening Party Building to Lead New Development," highlighting the Company's state-owned enterprise character of leading high-quality development with high-quality Party building. The "Looking Back at 2025" section focus presents the Company's highlight performance, major events, and annual honors, demonstrating the leading nature of the Company's responsibility fulfillment. Actively responding to international standards and regulatory requirements, the Report discloses multiple topics such as addressing climate change and product and service safety and quality with reference to the four-pillar framework of "Governance," "Strategy," "Impact, Risk and Opportunity Management," and "Indicators and Targets," enhancing the standardization of information disclosure and demonstrating excellent innovation performance.

### III. Comprehensive Rating (★★★★★)

After evaluation by the rating panel, the "Sino-Platinum Metals Co., Ltd. 2025 ESG Report" received a Five-Star rating, making it an excellent corporate sustainability report.

Rating Result	Rating Icon	Development Level
Five-Star Plus	★★★★★+	Exemplary
Five-Star	★★★★★	Excellent
Four-and-a-Half-Star	★★★★☆	Leading
Four-Star	★★★★	Outstanding
Three-Star	★★★	Good
Two-Star	★★	Developing
One-Star	★	Initial

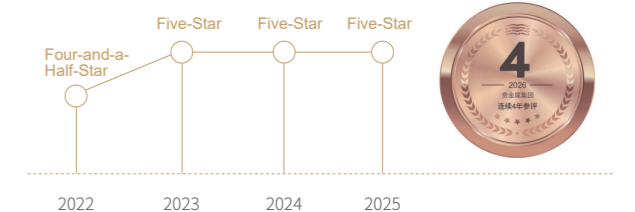
### IV. Recommendations for Improvement

Increase the disclosure of core indicators under topics such as circular economy and sustainable supply chain to further enhance the completeness of the Report.

### V. Rating Medal

Sino-Platinum Metals Co., Ltd. has participated in the report rating for four consecutive years and has received a Five-Star rating for three consecutive years, earning a Bronze Medal.

### Report Rating Trend



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Issuing Date: March 31, 2026

Vice Chairman of the Rating Expert Committee

Rating Panel Leader

Rating Panel Expert



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