

Riyue Heavy Industry Co., Ltd.

# 2025 Environmental, Social, and Governance (ESG) Report



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## About This Report

This is the 2025 Environmental, Social and Governance (ESG) Report released to the public by Riyue Heavy Industry Co., Ltd. (hereinafter referred to as "Riyue" or "the Company"). It is intended for all stakeholders of Riyue. Adhering to the principles of objectivity, standardization and transparency, this report truthfully discloses the Company's performance of responsibilities toward key stakeholders such as shareholders, customers, partners and employees in 2025, as well as its efforts in the ESG sector. It aims to respond to the expectations of stakeholders and better fulfill social responsibilities in the future.

### Reporting Period

This is an annual report. Unless otherwise specified, the reporting period covers January 1, 2025 to December 31, 2025. To improve the comparability and completeness of the report, certain data and content have been appropriately extended.

### Reporting Scope

Unless otherwise stated, the report covers ESG-related information of Riyue and its wholly-owned and controlled subsidiaries. The information scope is consistent with that used in the Company's annual report.

### Compliance Statement

This report has been prepared in accordance with the Self-Regulatory Guidelines for Listed Companies No.1—Standardized Operations and the Self-Regulatory Guidelines for Listed Companies No.14—Sustainability Report (Trial) issued by the Shanghai Stock Exchange, as well as the GRI Sustainability Reporting Standards (GRI Standards) published by the Global Sustainability Standards Board (GSSB), combined with the Company's specific practices in fulfilling social responsibilities.

### Data Sources

Unless otherwise specified, the information and data cited in this report are derived from the Company's statistical reports and relevant documents, as well as ESG information that has been compiled and audited by the Company. Unless otherwise specified, the monetary unit is Renminbi (RMB).

### Reliability Assurance

Riyue undertakes that this report contains no false records, misleading statements or material omissions, and is responsible for the completeness, accuracy, clarity, balance and comparability of its content.

### Report Access

This report is available in Chinese. You may download the electronic version of this report from the Shanghai Stock Exchange website ([www.sse.com.cn](http://www.sse.com.cn)) or the official website of Riyue ([www.riyuehi.com](http://www.riyuehi.com)), where more corporate social responsibility information is also available. For further inquiries, or if you have any questions or suggestions regarding this report or the Company's ESG initiatives, please contact us through the following channels:

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## Message from the Chairman

In 2025, against the backdrop of accelerated global energy mix adjustments and ongoing upgrades in high-end equipment manufacturing, Riyue has remained focused on its core business of heavy industrial casting, steadily advancing industrial upgrading and green transformation. We have adopted a more systematic approach to implementing Environmental, Social, and Governance (ESG) principles, continuously strengthening the foundation for the Company's high-quality development while contributing to the national "Dual Carbon" goals and the growth of the real economy.

### Green as the Cornerstone, Building a Low-Carbon Manufacturing Foundation for Future Development

Acknowledging the energy-intensive nature of the casting industry, the Company has persistently promoted the establishment of a green manufacturing system. We have enhanced environmental management across multiple dimensions, from optimizing energy mix and improving production processes to boosting resource recycling. By advancing clean production, strengthening pollution prevention and control, and improving water and energy utilization efficiency, we have consistently reduced energy consumption and emission intensity per unit of product. This has turned the concept of "Green Casting" into practice, making it a defining feature of our corporate development.

### Innovation as the Driver, Expanding the Frontiers of High-End Equipment Manufacturing

Leveraging our National-Level Enterprise Technology Center and multi-tiered R&D platforms, we have deepened our expertise in core areas such as large wind power castings and critical components for nuclear power. We have driven breakthroughs in key materials and process technologies, supporting the trend toward larger and more advanced products. Furthermore, by deepening industry-academia-research collaboration and enhancing our R&D system, we have accelerated the commercialization of technological achievements, thereby strengthening our competitiveness within the global high-end equipment industry chain.

### Industry as the Duty, Serving the Needs of the Energy Transition Era

Against the backdrop of accelerated global clean energy development, the Company actively integrates into the new energy industry chain, such as wind power, and continuously enhances its supply capacity for key components, providing solid support for the transformation of the energy mix. Leveraging its technological expertise in large ductile iron and special alloys, the Company continues to expand application scenarios, demonstrating the responsibility and commitment of a real-sector manufacturing enterprise in serving wind power, nuclear power, and various other equipment manufacturing sectors.

### Talent as the Bedrock, Strengthening the Foundation for Sustainable Development

The Company consistently regards employees as a vital cornerstone of corporate growth, continuously refining talent cultivation and incentive mechanisms, and building a multi-path career development system to foster mutual growth for both employees and the enterprise. At the same time, it adheres to the baseline of production safety and occupational health management, strengthens risk prevention and on-site management, and creates a safe, stable, and supportive working environment, thereby providing a solid talent foundation for long-term development.

### Governance as a Priority, Building a Standardized and Efficient Operational System

The Company continuously improves its modern corporate governance structure, strengthens compliance management and risk control, and enhances the quality and transparency of information disclosure. By incorporating key indicators such as quality, safety, and environmental protection into the performance evaluation system, it integrates ESG principles into the entire management process, ensuring the fulfillment of responsibilities and providing institutional safeguards for stable operations.

Looking ahead, as the green and low-carbon transition continues to deepen, the high-end equipment manufacturing industry will embrace new development opportunities. Riyue will continue to uphold its foundation as a manufacturing enterprise, focus on breakthroughs in core technologies and a green development path, and realize its own value while serving the national energy strategy and industrial upgrading. Together with all stakeholders, it will stride toward a more sustainable future.

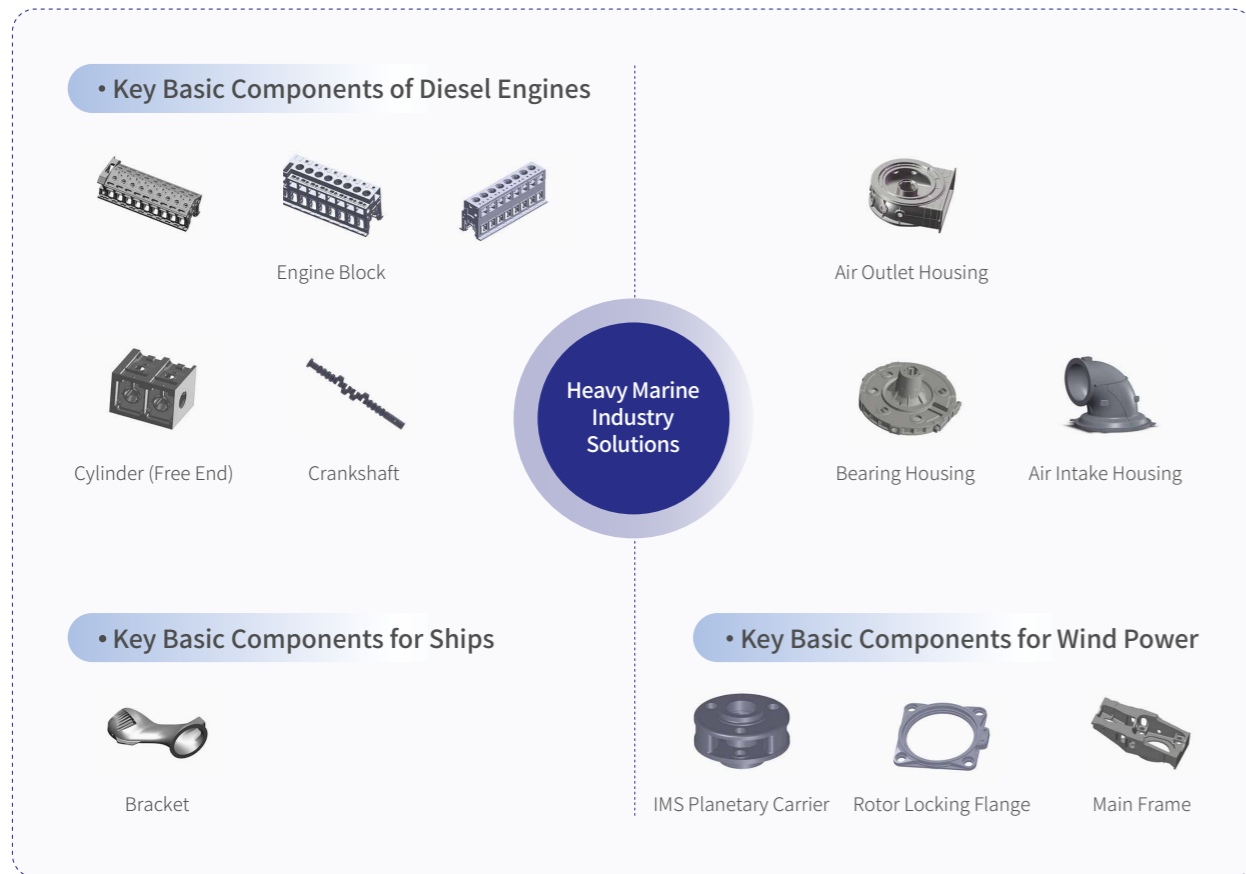
**Fu Mingkang, Chairman of Riyue Heavy Industry Co., Ltd.**

# About Riyue

## Company Profile

Riyue Heavy Industry Co., Ltd. was established in December 2007, succeeding the Malleable Iron Foundry founded in Yinzhou District, Ningbo, in 1984. Since its inception, the Company has been dedicated to the R&D, production, and sales of large-scale heavy industrial equipment castings. Its product portfolio includes wind power castings, plastic machinery castings, diesel engine castings, machining center castings, and other castings, primarily used in energy, general machinery, offshore engineering, nuclear power, and other heavy industrial equipment sectors. The Company was successfully listed on the Shanghai Stock Exchange in December 2016.

The Company is committed to becoming a high-tech heavy industry enterprise featuring "low-carbon, eco-friendly and harmonious development", as well as a leading supplier of basic material research and high-end equipment components for the global high-end equipment industry. Its products are mainly applied in new energy, general machinery and other sectors. While striving to expand and strengthen its two core product lines—wind power castings and plastic machinery castings, the Company also actively promotes multi-sector layout through the application of ductile iron thick-section technology in nuclear power equipment and the research and development (R&D) of alloy steel, thus forging unique competitive advantages in the heavy industrial equipment sector.



**• Key Basic Components for Machining Centers**

Worktable    Bed    Cross Bed    Ram    Column    Beam    Rotating Body

**• Key Basic Components for Mining**

Housing    Grinding Disc    Inlet and Outlet Ends    Grinding Roller    Flange    Locking Ring

**• Key Basic Components for Injection Molding Machines**

Clamping Plate    Moving Plate    Oil Cylinder    Injection Unit Front Plate    Injection Unit Rear Plate    Long Cylinder    Punching Cylinder

**• Key Basic Components for High-End Alloy Steel**

Nose    Drive Shaft    A-Frame    Primary Planetary Carrier    Drive Casing    Impeller    Housing Body    Bracket    Rotary Table

**General Machinery Industry Solutions**

**• Other Key Basic Components**

Housing    Engine Block    Ingot Mold    Reflux Chamber    Spherical Pressure Rod of Main Working Cylinder    Slider    Machine Casing

**• Key Basic Components for High-Speed Rail and Rail Vehicles**

PDM385 Upper Housing    PDM385 Lower Housing    PDM490 Upper Housing    PDM490 Lower Housing

**High-Speed Rail and Rolling Stock Industry Solutions**



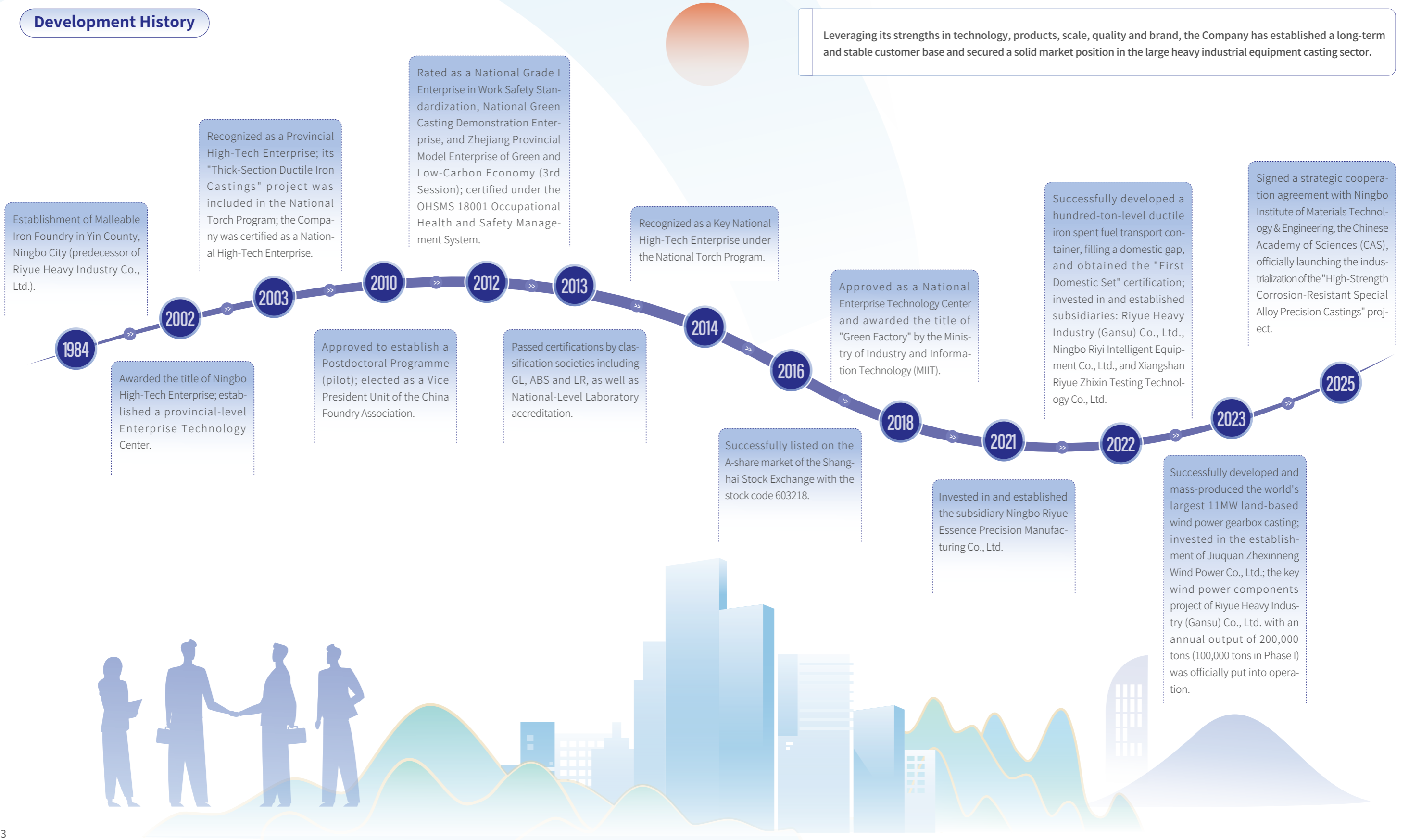
## Strategy and Culture



## Organizational Structure



## Development History



Honors for 2025



Riyue



2025 Outstanding Member Enterprise

Ningbo Yinzhou District High-Tech and Intellectual Property Association

Riyue



Strategic Partner Award

Yinchuan Weili Transmission Technology Co., Ltd.

Riyue



National Model Enterprise for Safety Culture Building

China Association of Work Safety

Riyue



Grade A Enterprise in Work Safety Credit Rating of Ningbo

Ningbo Emergency Management Bureau

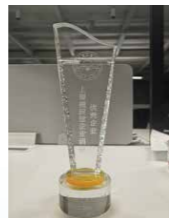
Riyue



Five-Star Primary-Level Party Organization

Organization Department of the CPC Ningbo Municipal Committee

Riyue



Excellent Enterprise in the Survey of Large-Scale Private Enterprises

Zhejiang Federation of Industry and Commerce



Riyue



2025 Ningbo Top 100 Competitive Enterprises

Ningbo Enterprise Federation, Ningbo Entrepreneurs Association, Ningbo Federation of Industrial Economy

Riyue



2025 Ningbo Top 100 Manufacturing Enterprises

Ningbo Enterprise Federation, Ningbo Entrepreneurs Association, Ningbo Federation of Industrial Economy

Riyue



2025 Ningbo Top 100 Comprehensive Enterprises

Ningbo Enterprise Federation, Ningbo Entrepreneurs Association, Ningbo Federation of Industrial Economy

Ningbo Rixiang Casting Co., Ltd.



Low-Carbon Product Supplier Certificate

China Electronics Energy Saving Technology Association

Ningbo Rixiang Casting Co., Ltd.



Zhejiang Province AA-Level Publicly Recognized Enterprise for Contract Honoring and Credit Valuing

Ningbo Municipal Administration for Market Regulation

Ningbo Mingfeng Technology Co., Ltd.



Enterprise Meeting the Requirements of the Specification Conditions for Foundry Enterprises

China Foundry Association

Riyue Heavy Industry (Gansu) Co., Ltd.



Provincial Outstanding Contributing Enterprise for Achieving "50%+ Completion on Both Key Digital Indicators" in the First Half of 2025

Office of the Leading Group for Strengthening Industrial Development of Gansu Province

Ningbo Riyue Jinghua Precision Manufacturing Co., Ltd.



Xianxiang Town Science and Technology Innovation Award

People's Government of Xianxiang Town

## ESG Management

The Company actively responds to the call for sustainable development, deeply integrates ESG principles into all aspects of its operations, and comprehensively drives high-quality growth across the organization.

### ESG Management

In alignment with the national "Dual Carbon" goals, the Company has established a clear sustainable development strategy and framework, advancing the building of an ESG management system enterprise-wide. It is committed to fostering a sustainable corporate culture and building a responsible social image, embedding ESG governance deeply into every facet of strategic planning, major decision-making, and daily operations. This has resulted in a rigorous top-down governance structure.

By setting ESG strategic objectives, accurately identifying relevant risks, standardizing information disclosure, and implementing strict performance management and evaluation, the Company continuously strengthens its core competencies in ESG dimensions. This ongoing optimization of the governance structure effectively promotes the implementation and deepening of ESG initiatives.

Furthermore, the Company incorporates ESG-related indicators—such as quality efficiency, work safety, energy conservation, environmental protection, and compliant operations—into the performance appraisal systems for both management and employees. This ensures that sustainable development principles are integrated throughout the entire process of daily operations and management.

### Material Issue Analysis

To better address the expectations and demands of our stakeholders, the Company regularly identifies, assesses, prioritizes, and confirms ESG topics through methods such as external benchmarking and internal interviews. This process evaluates the level of stakeholder attention to each topic and understands their expectations regarding the Company's ESG performance. In 2025, the process for determining material issues of the Company is as follows:



#### Topic Identification

Major trends relevant to the Company are identified through policy analysis, industry research, peer benchmarking, and stakeholder communication and surveys. Material topics are further determined in light of national policies and key concerns of the capital market.

#### Materiality Assessment

Rational analysis is conducted on the survey findings. Combined with national policies, focuses of the capital market and peer performance, a final priority ranking of stakeholder material topics is formulated.

#### Management Confirmation

The Company's management reviews the results of the materiality analysis, confirms the key disclosure items of this report, as well as the work objectives and implementation plans for future ESG management.

<b>Impact Materiality</b>	<b>(High)</b>	<ul style="list-style-type: none"> <li>• Anti-commercial bribery and anti-corruption</li> <li>• Anti-unfair competition</li> <li>• Water resources utilization</li> <li>• Prevention and control of pollution</li> <li>• Social welfare</li> <li>• Data security</li> <li>• ESG management</li> <li>• Compliant operation</li> <li>• Risk prevention and control</li> <li>• Customer service</li> </ul>	<ul style="list-style-type: none"> <li>• Energy utilization</li> <li>• Innovation-driven development</li> <li>• Product quality</li> <li>• Environmental management</li> <li>• Supply chain security</li> </ul>	
	<b>(Moderately High)</b>	<ul style="list-style-type: none"> <li>• Digital transformation</li> <li>• Corporate governance</li> <li>• Information disclosure</li> <li>• Employee development</li> <li>• Employee care</li> <li>• Investor relations management</li> <li>• Intellectual property protection</li> <li>• Internal control management</li> <li>• Circular economy</li> <li>• Stakeholder engagement</li> <li>• Biodiversity and ecosystem conservation</li> <li>• Technology ethics</li> </ul>	<ul style="list-style-type: none"> <li>• Climate change response</li> <li>• Employee health and safety</li> </ul>	
		<b>(Moderately High)</b>	<b>Financial Materiality</b>	<b>(High)</b>

Note: "Equal treatment of SMEs" and "due diligence" are disclosure topics applicable to specific entities only, and are not identified as material topics by the Company. Accordingly, no relevant information is disclosed at this stage.

## Stakeholder Engagement

The Company actively fulfills its social responsibilities and attaches great importance to the expectations and demands of stakeholders. Through diverse communication channels, the Company fully solicits opinions and suggestions from stakeholders including government and regulatory authorities, shareholders, partners, local communities and employees, so as to improve its ESG performance in a targeted manner and continuously optimize its sustainable development strategies and practices.

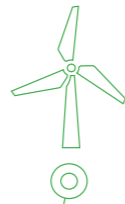
Stakeholders	Expectations and Demands	Communication and Response
 <b>Government and Regulatory Authorities</b>	<ul style="list-style-type: none"> <li>Align with national strategies</li> <li>Serve regional economy</li> <li>Ensure compliant operations</li> </ul>	<ul style="list-style-type: none"> <li>Implement national policies</li> <li>Cooperate with local authorities</li> <li>Establish and improve anti-corruption governance systems</li> <li>Abide by business ethics</li> </ul>
 <b>Shareholders and Investors</b>	<ul style="list-style-type: none"> <li>Improve corporate governance</li> <li>Protect shareholder rights</li> <li>Investor relations management</li> <li>Information disclosure</li> </ul>	<ul style="list-style-type: none"> <li>Upgrade operation and management capabilities</li> <li>Promote digital transformation</li> <li>Organize investor surveys and communications</li> <li>Issue regular reports and interim announcements</li> <li>Hold investor exchange meetings</li> <li>Distribute dividends to shareholders</li> </ul>
 <b>Employees</b>	<ul style="list-style-type: none"> <li>Protect basic rights and interests</li> <li>Support personal development</li> <li>Provide employee benefits</li> <li>Offer employee care</li> </ul>	<ul style="list-style-type: none"> <li>Establish fair promotion channels</li> <li>Conduct professional training and career development programs</li> <li>Carry out employee satisfaction surveys</li> <li>Implement workplace safety measures</li> <li>Maintain daily communication</li> </ul>
 <b>Customers</b>	<ul style="list-style-type: none"> <li>Ensure product quality and safety</li> <li>Operate with integrity and compliance</li> <li>Provide after-sales services</li> </ul>	<ul style="list-style-type: none"> <li>Optimize industrial chain layout</li> <li>Improve product quality</li> <li>Conduct special communication and Q&amp;A sessions</li> <li>Maintain daily communication</li> <li>Operate customer service hotlines</li> </ul>
 <b>Partners</b>	<ul style="list-style-type: none"> <li>Uphold fair competition</li> <li>Pursue integrity and mutual benefit</li> <li>Practice transparent procurement</li> </ul>	<ul style="list-style-type: none"> <li>Fulfill contractual obligations in good faith</li> <li>Sign cooperation agreements</li> <li>Improve supply chain management</li> <li>Abide by business ethics</li> </ul>
 <b>Environment</b>	<ul style="list-style-type: none"> <li>Promote green and low-carbon development</li> <li>Protect the ecological environment</li> </ul>	<ul style="list-style-type: none"> <li>Advance green transformation</li> <li>Innovate green technologies</li> </ul>
 <b>Community and Public</b>	<ul style="list-style-type: none"> <li>Promote community development</li> <li>Participate in community public welfare activities</li> </ul>	<ul style="list-style-type: none"> <li>Support community construction</li> <li>Engage in charitable initiatives</li> <li>Organize volunteer services</li> </ul>



# 01 Green as the Foundation, Charting the Ecological Chapter



The Company remains committed to the path of green development, establishing a systematic environmental management system built upon five key dimensions: environmental compliance, pollution prevention, resource utilization, climate change response, and biodiversity protection. Based on compliant operation, focused on pollution control, oriented toward resource recycling, guided by low-carbon transition, and extended to ecological protection, the Company continuously improves its environmental performance through ongoing green technological upgrading and cleaner production practices, driving steady progress of the enterprise on the green development track.



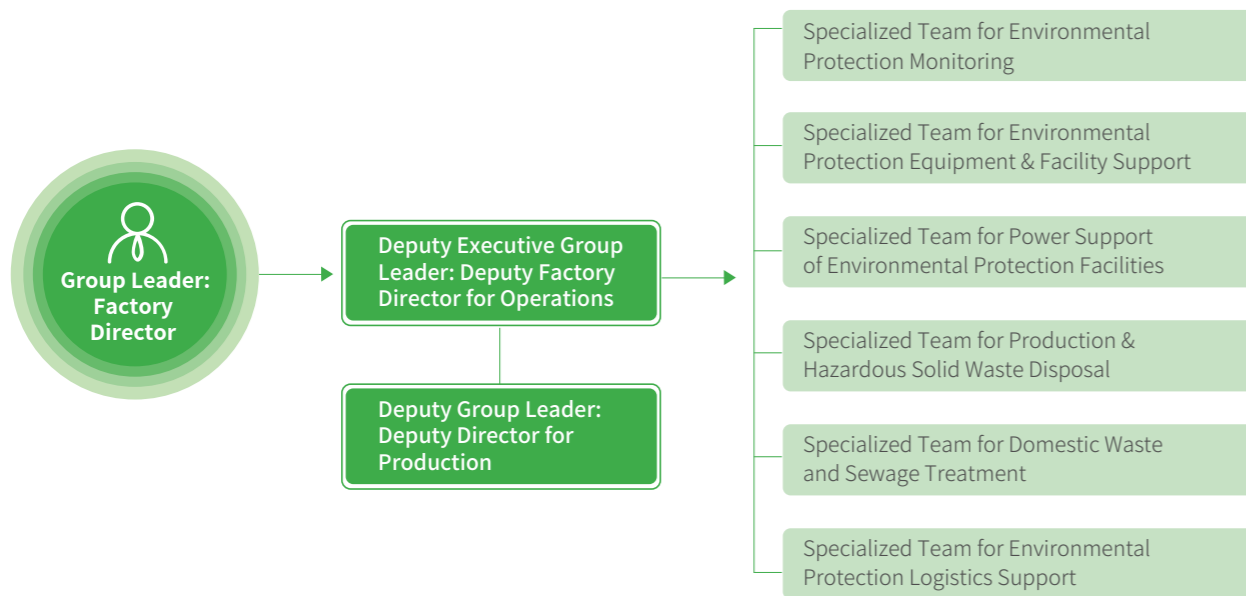
## Environmental Compliance Management

The Company continues to establish and improve its environmental management system, consolidate its environmental protection foundation, and empower high-quality development of its environmental protection initiatives.

### Environmental Management System

#### Governance

The Company attaches great importance to the environmental impacts arising from its operations and strictly complies with the Environmental Protection Law of the People's Republic of China, the Environmental Impact Assessment Law of the People's Republic of China, the Regulations on the Administration of Environmental Protection for Construction Projects, and the Management Measures for Emergency Response to Environmental Incidents. It has formulated the Environmental Protection Management System to conduct comprehensive and orderly management of environmental compliance work. The Company has continuously improved its environmental management system, clarified its management structure, and established an environmental protection leading group for environmental protection. The factory director serves as the overall person in charge of the Company's environmental protection, under whom six professional teams are responsible for specific environmental affairs.



As of the end of 2025, the Company and its three subsidiaries have obtained the GB/T 24001 / ISO 14001 Environmental Management System certification.



#### Strategy

The Company fully implements the new development philosophy of innovation, coordination, green development, openness and sharing, continuously improves its environmental management mechanism, and enhances its ability to prevent and control environmental risks. In accordance with the Management Procedures for Identification and Evaluation of Environmental Factors, the Company systematically identifies and evaluates environmental factors on an annual basis to accurately pinpoint environmental risk points. On this basis, it formulates clear and feasible governance plans and promotes their implementation in an orderly manner. Through systematic management, the Company empowers pollution prevention and control, resource conservation and efficient utilization, and greenhouse gas (GHG) emission reduction, committed to achieving high-quality development.

#### Impact, Risk, and Opportunity Management

The Company and its subsidiaries conduct environmental risk assessments annually to systematically identify and compile an environmental factor identification checklist. After approval, this checklist serves as the basis for environmental risk management, ensuring comprehensive identification and control of environmental risks. The Company has formulated the Contingency Plan for Environmental Emergencies, which clarifies the management responsibilities, content, and emergency procedures for each functional department, thereby enhancing the ability to respond to unexpected incidents and ensuring the safety of employees. Emergency drills are conducted annually to improve employees' emergency response skills and strengthen collaboration among different departments.

#### Hazardous Chemical Leak Emergency Drill Conducted by Riyue Heavy Industry (Gansu) Co., Ltd.

Case

In July 2025, Riyue Heavy Industry (Gansu) Co., Ltd., in accordance with the emergency plan, conducted an emergency drill for a hazardous liquid chemical leak, simulating a hazardous liquid chemical leak. The exercise aimed to ensure that emergency response team members could correctly utilize various protective equipment, thereby improving the timeliness and effectiveness of rescue operations.



The Company places high importance on environmental awareness and capacity building, continuously conducting training and awareness campaigns related to environmental protection. It integrates the green development concept into all aspects of daily management and operations. Through various methods such as thematic training sessions, case studies, and policy dissemination, the Company enhances employees' understanding of energy conservation, emission reduction, resource efficiency, and compliance management, while strengthening the sense of environmental responsibility across the entire workforce.

**Riyue Conducts Environmental Empowerment Training for Safety and Environmental Officers**

Case

The Company places great emphasis on enhancing safety and environmental management capabilities by conducting "Environmental Empowerment Training for Safety and Environmental Officers". This initiative aims to comprehensively strengthen the professional competence, risk identification skills, and emergency response capabilities of safety and environmental personnel.

The Company is attentive to the impact of environmental issues on surrounding communities. If environmental complaints are raised by stakeholders, the Company will promptly carry out acceptance, investigation, rectification, and review processes to continuously improve the effectiveness of environmental management.

**Indicators and Targets**



**In 2025, neither the Company nor its subsidiaries recorded any violations of environmental laws or regulations.**



**Green Office**

The Company actively promotes green office practices, encouraging employees to adopt eco-friendly behaviors both at work and in daily life. By collaborating with employees, the Company aims to advance toward a more eco-friendly and efficient future.

**Paper Conservation**

Promote paperless office practices, advocate for double-sided printing and copying of routine documents, and reuse discarded paper.



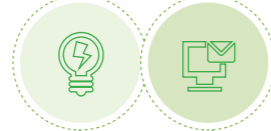
**Water Conservation**

Promote rational and recycled water usage. Encourage turning off taps tightly after use and reporting broken water pipes promptly to relevant departments for repair to prevent water leakage, dripping, running and overflow.



**Electricity Conservation**

Encourage employees to switch off electrical equipment when not in use to reduce energy waste and potential hazards.



**Resource Efficiency**

Actively advocate the principle of "Do not discard, do not abandon, and do not replace items while still functional". Encourage employees to use toner-saving printing modes, refillable water-based pens, reusable binder clips and paper clips, and recycle old file folders.

**Prevention and Control of Pollution**

The Company strictly complies with relevant national laws and regulations, including the Water Pollution Prevention and Control Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, and the Law of the People's Republic of China on the Prevention and Control of Noise Pollution. It has established the Waste Gas, Wastewater, and Noise Control Procedures and the Waste Pollution Control Procedures to ensure that pollutant discharges meet standards, thereby minimizing impacts on environmental health and safety.

The Company is committed to reducing pollutant emissions and has set emission reduction targets to contribute comprehensively to building a green eco-environment. Regular environmental monitoring is conducted to ensure compliance with discharge standards. In 2025, the Company achieved a 100% compliance rate in pollutant emissions.

**Wastewater**

In adherence to the Integrated Wastewater Discharge Standard, the Company operates industrial wastewater treatment stations and comprehensive treatment facilities. After generation, wastewater undergoes a "physicochemical + biochemical" treatment process at the industrial wastewater treatment station before being further treated at the comprehensive wastewater treatment station, ultimately achieving compliant discharge. To reduce wastewater generation at the source, the Company selects production processes and manufacturing technologies that minimize water consumption and avoid or reduce water pollution.

Indicator	Unit	2025
Wastewater Discharge	Ton	93,813.80
Industrial Wastewater Discharge	Ton	4,364.80
Domestic Wastewater Discharge	Ton	89,449.00

**Waste Gas**

The Company has equipped itself with waste gas pollution prevention facilities to ensure compliant treatment of various gaseous pollutants generated during production processes, including those from sand mixing, molding and core making, melting, pouring, shakeout, sand regeneration, and cafeteria cooking fumes. The Company maintains daily operation and management of these facilities to ensure their effective functioning and commissions third-party organizations to conduct annual waste gas emissions testing, ensuring all discharges meet standards.

**2025** the Company generated **335,412.65** kg of waste gas pollutants, all of which were discharged in compliance with regulations.

## Waste Gas Pollutant Treatment

- Volatile organic compound (VOC) collection and treatment equipment is installed to reduce fugitive emissions of waste gas.
- The maintenance of organic waste gas treatment facilities is strengthened, and activated carbon is replaced as required to ensure the normal operation of waste gas treatment equipment and reduce waste gas emissions.
- The process of "catalytic combustion + activated carbon treatment" is adopted to effectively treat organic waste gas from coating and touch-up painting, so that waste gas generated in the coating process meets emission standards and achieves compliant discharge.

## Solid Waste

The Company attaches great importance to the full lifecycle management of waste and implements standardized control over all links from generation, classification and storage to disposal. The Company has formulated the Solid Waste Pollution Control Procedures to regulate waste management, clarify waste types, treatment methods and management processes. Waste is classified, labeled and fully recorded in accordance with national and local regulations to ensure compliance and controllability in all links of waste generation, storage, transportation and disposal.

General solid waste mainly includes domestic waste, dust, smelting slag, waste molding sand, and iron scraps. Domestic waste is collected and sorted by the Company, stored in designated areas with unified identification labels, and processed by qualified recycling stations certified by the government's environmental management authorities. For general solid waste generated during production, the Company actively promotes recycling and reuse.

Hazardous waste includes waste chemical liquids, packaging of waste chemical reagents, waste paint and its packaging. In compliance with national laws and regulations, the Company has formulated the Hazardous Waste Storage Management Regulations, specifying storage requirements and maintaining hazardous waste inventory records for unified management. All hazardous waste is processed by designated agencies certified by the government's environmental management authorities.

Indicator	Unit	2025
Hazardous Waste Generation	Ton	480.93
Hazardous Waste Generation Intensity (by revenue)	Ton/RMB 1 million revenue	0.08
General Waste Generation	Ton	76,880.19
General Industrial Solid Waste Generation Intensity (by revenue)	Ton/RMB 1 million revenue	12.29

## Noise

The Company strictly complies with the Emission Standard for Industrial Enterprises Noise at Boundary (GB 12348-2008) Class III standards and actively implements noise control measures to ensure that noise at the plant boundary does not exceed limits day or night, thereby avoiding impact on the daily lives of nearby residents.

### Reducing Noise Sources

Low-noise equipment is prioritized for procurement; shockproof foundations or vibration-damping pads are installed for vibrating equipment; regular maintenance is performed on noise-generating equipment.

### Blocking Noise Transmission

Workshops are constructed with solid walls lined with sound-absorbing panels. Windows in production areas are equipped with permanently closed soundproof windows, and doors remain shut during operations to isolate noise. Silencers are installed on the exhaust ducts of dust removal equipment fans. Fans are centrally housed in fan rooms or fitted with acoustic enclosures. Green planting is utilized to aid in noise reduction and vibration damping.

## Refined Resource Utilization

The Company places high importance on the conservation of energy and resources. It has established the Energy and Resource Management Procedures to enhance resource management, strengthen the resource management system, and comprehensively drive the efficient utilization of water resources and energy, as well as promote material recycling, thereby injecting strong momentum into the Company's sustainable development.

## Water Resources Utilization

The Company focuses on the economical use of water resources, continuously working to reduce water intensity per unit of operation by optimizing water usage structures, improving equipment efficiency, and strengthening daily water management. At the same time, the Company enhances water monitoring and refined management, promotes water-saving awareness among employees, and continually improves water resource utilization efficiency while ensuring operational needs are met.



- Improve the water metering system by adding two secondary water meters to enhance the control and management of water resource utilization.
- Use smart water-saving devices to conserve domestic water.
- Utilize reclaimed water for tasks such as workshop cleaning.
- Conduct regular inspections of the water supply system to ensure equipment is free from leaks and overflows.

Indicator	Unit	2025
Total Water Consumption	10,000 tons	72.23
Freshwater Consumption	10,000 tons	37.94
Total Volume of Recycled Water	10,000 tons	34.29
Proportion of Recycled Water Consumption	%	47.48

### Energy Utilization

#### Governance

The Company has formulated energy management systems including the Regulations on Resource and Energy Management, the Measurement Management System for Energy, and the Penalty Provisions for Violations and Waste in Energy Use, clarifying the requirements of the energy management system. As of the end of 2025, the Company and two of its subsidiaries have obtained energy management system certification.

#### Energy Management System



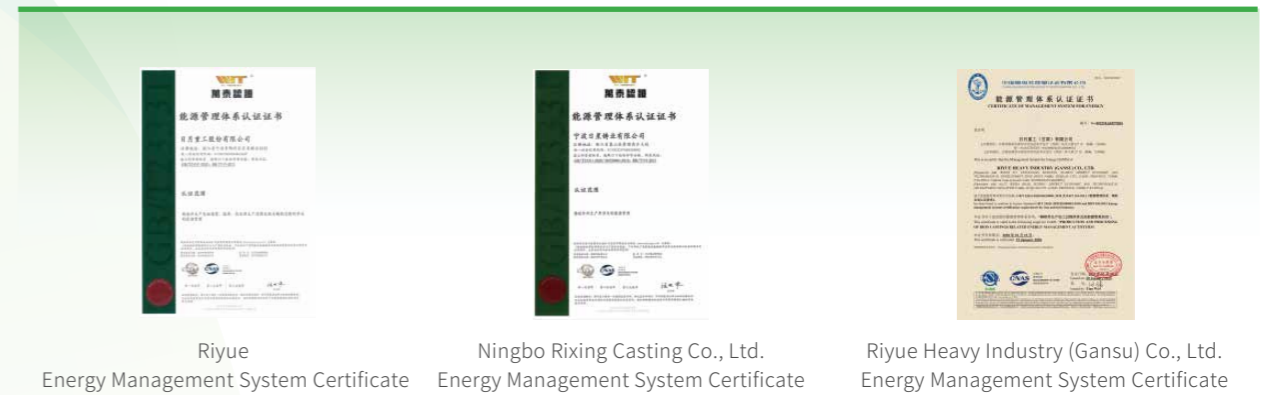
- Formulate the energy policy.
- Appoint the management representative and approve the energy management leading group.
- Provide resources required for the operation and improvement of the energy management system, define the scope and boundaries of the energy management system, and communicate the importance of energy conservation management.
- Consider energy performance in long-term planning, ensure the establishment of energy objectives and indicators, and ensure the establishment of appropriate energy performance parameters.
- Report on energy management to superiors and government authorities in accordance with regulations.
- Conduct annual management reviews.



- Establish, implement, maintain and continuously improve the energy management system in accordance with relevant standards.
- Assign relevant personnel under the authorization of the management to jointly carry out energy management activities.
- Report on energy performance and energy management system performance; and plan effective energy management activities.
- Raise awareness of the energy policy and energy objectives among all employees.
- Clearly define and communicate responsibilities and authorities related to energy management to effectively promote energy management.
- Formulate criteria and methods to ensure the effective control and operation of the energy management system.



- The major responsible department shall organize all employees to implement and maintain the energy management system. All units shall carry out relevant work of the energy management system in accordance with specific requirements.



#### Strategy

The Company adheres to the energy policy of "Low-Carbon Environmental Protection, Clean Circulation, Conservation & Efficiency Improvement, and Green Casting". By focusing on efficient energy management, it aims to minimize energy consumption, enhance energy utilization rates, and promote sustainable corporate development.

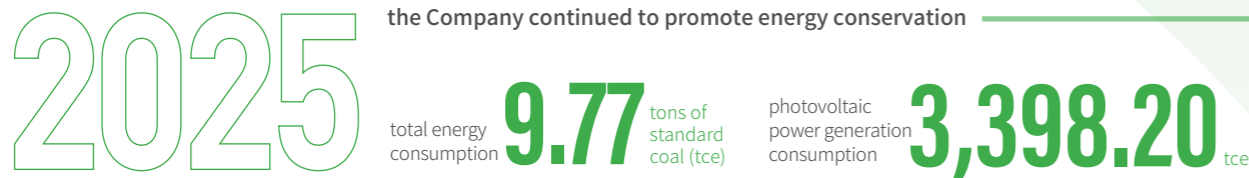
#### Impact, Risk, and Opportunity Management

The Company primarily utilizes externally purchased diesel, gasoline, electricity, coke, and coal as its main energy sources. While ensuring normal production and operations, the Company prioritizes electricity conservation, maintains the safety and cost-effectiveness of power supply equipment, identifies and analyzes causes of abnormal electricity usage, and implements improvements within set deadlines. The Company executes the transportation and usage of energy, as well as the installation, maintenance, and upkeep of energy equipment, in accordance with relevant procedures. In the event of potential energy supply difficulties, relevant departments are notified in advance.

- Routine Management** → Routine supervision and maintenance of equipment are conducted to improve operational efficiency and reduce unnecessary energy waste.
- Application of Energy-Saving Appliances** → LED energy-saving lights are installed in workshops for illumination. Intelligent temperature control switches are adopted by all equipment for cooling, heat dissipation, and heating.
- Waste Heat Recovery and Utilization** → Waste heat recovery equipment from air compressors is effectively utilized to reduce electricity consumption by improving compressor efficiency.
- Clean Energy Substitution** → Solar photovoltaic panels are installed on factory rooftops to achieve clean energy substitution.



### Indicators and Targets



### Materials and Circular Economy

The Company adheres to the philosophy of green circular development and systematically advances the establishment of an efficient resource system by focusing on key areas such as raw material utilization, material management, green logistics, and the circular economy. This approach continuously enhances resource utilization efficiency and environmental performance, achieving synergistic improvements in both economic and ecological benefits.

#### Raw Material Utilization

- The Company significantly reduces production loss and waste by optimizing product design, innovating production processes, and strengthening full-process control. It substantially improves the raw material utilization rate per unit of product and actively promotes the application of green materials.

#### Material Management

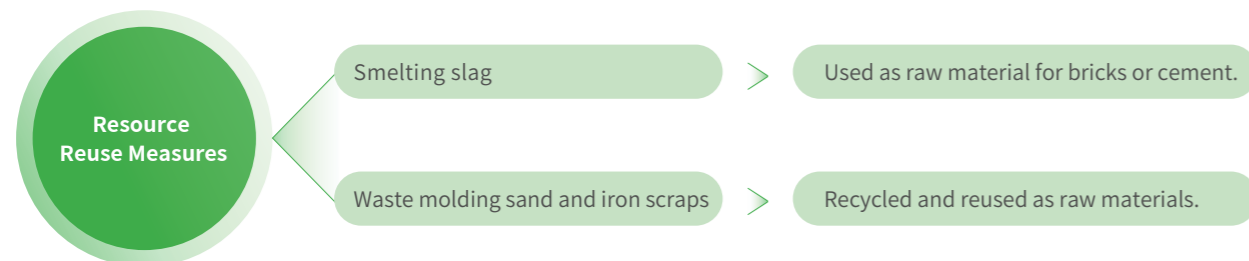
- The Company establishes rigorous management procedures to strictly standardize the transportation and storage criteria for paper and other key materials. By implementing refined protective measures such as moisture-proofing, waterproofing, and sun protection, it ensures the stable quality of materials throughout their lifecycle, thereby reducing resource waste caused by deterioration or damage at the source.

#### Green Logistics

- The Company minimizes the environmental impact of logistics activities by promoting the use of reusable packaging, optimizing warehouse and distribution networks, and improving vehicle space utilization rates.

#### Circular Economy

- The Company actively practices the development principle of "recycling, reduction, and reuse" and vigorously promotes the reuse of resources within the production process. Furthermore, it actively utilizes scrap steel and recycled furnace feedstock to enhance the utilization rate of renewable resources. In 2025, the Company procured approximately 290,000 tons of scrap steel.



## Climate Change Response

The Company pays attention to global climate change, establishes a system for identifying and assessing climate risks, strictly manages GHG emissions, actively participates in the carbon trading market, and formulates and implements effective climate change response strategies to ensure stable corporate development.

### Governance

The Company strictly complies with laws and regulations such as the Energy Conservation Law of the People's Republic of China and the Environmental Protection Law of the People's Republic of China. It promotes ecological wellbeing and a sustainable economy, actively advances the building of a green manufacturing system, and explores improvements to the governance framework and risk management system related to climate change, committing to mitigating and addressing climate change.

The Company designates indicators for energy conservation, environmental protection, and low-carbon development as mandatory targets. These are incorporated into the annual business performance assessments for both management and subsidiary enterprises, and are directly linked to annual performance-based compensation. The Company conducts irregular advocacy on energy conservation and environmental protection concepts every year, and commends and incentivizes departments and individuals with outstanding achievements in energy conservation, emission reduction, carbon reduction and efficiency improvement.

As of the end of 2025, the Company has been awarded four National-Level green factory certifications.

Riyue

Ningbo Rixing Casting Co., Ltd.

Ningbo Mingling Technology Co., Ltd.

Riyue Heavy Industry (Gansu) Co., Ltd.



## Strategy

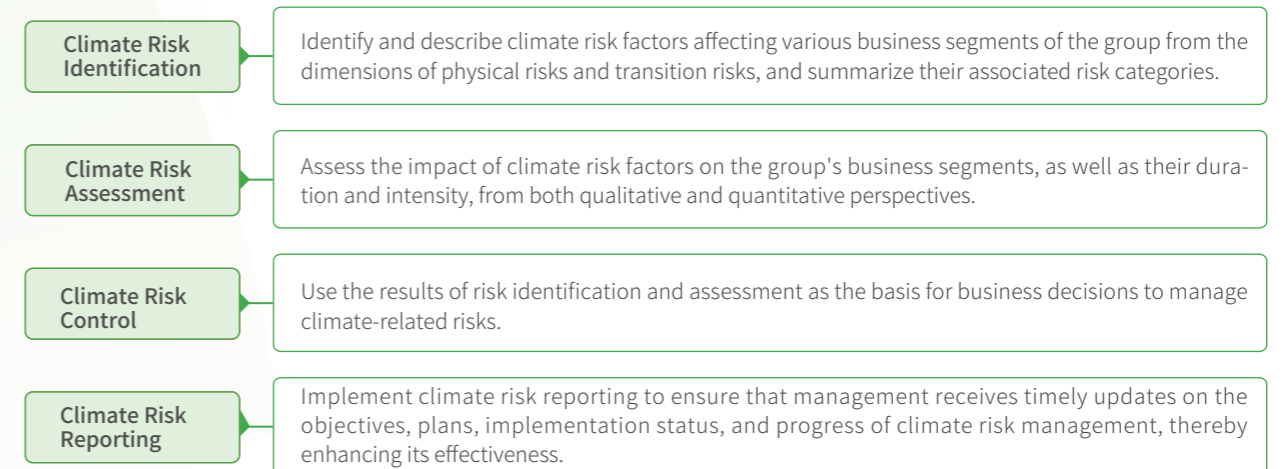
The Company attaches importance to the potential impacts of climate change on its business operations and develops response plans for possible climate-related risks. Simultaneously, the Company actively implements the national "Dual Carbon" strategy, formulates long-term strategic development plans, focuses on expanding new tracks for new energy equipment casting and global low-carbon compliance layout, and continuously increases capital investment to help achieve long-term technological leadership and product diversification goals.

The Company actively identifies potential impacts brought by climate change. The main types of climate-related risks identified and their specific descriptions are as follows:

Climate-Related Risks		Countermeasures
 <b>Physical Risks</b>	<b>Acute Risks: Extreme Weather</b> 1. Factories in coastal areas may suffer from typhoons and waterlogging in summer, which may damage buildings and equipment in factories, workshops and office buildings, causing asset losses and even potential safety incidents for employees. 2. Factories in Gansu may encounter severe weather such as heavy snowstorms and extreme low temperatures in winter. Road closures or traffic controls may lead to disruptions in raw material supply and delays in finished product delivery, increasing the risk of customer contract breaches; higher equipment failure rates in low-temperature environments will raise maintenance costs and directly affect production stability and business continuity.	1. Incorporate climate change into annual environmental factor identification and dynamically update the risk inventory; regularly inspect potential hazards in plants, drainage systems, anti-freezing facilities and other structures, carry out upgrades and renovations as needed, and improve disaster resistance standards. 2. Closely monitor early warnings of extreme weather, formulate special emergency response plans, stockpile emergency supplies for flood prevention, cold protection and other purposes, and conduct regular emergency drills to ensure rapid and effective responses. 3. Establish safety stocks of key materials to prevent delivery delays caused by logistics disruptions; strengthen anti-freezing maintenance of equipment to reduce failures and maintenance costs; communicate production progress with customers in a timely manner and negotiate plan adjustments if necessary to prevent breach risks.
	<b>Chronic Risks: Persistent high temperatures, droughts, etc.</b> Rising sea levels and increasing average temperatures raise the Company's energy costs and weaken product competitiveness.	1. Intensify R&D and application of carbon emission reduction technologies and adopt higher-efficiency cooling technologies and equipment. 2. Promote green development to mitigate relevant climate change risks.
	<b>Policy and Legal Risks</b> 1. Under China's "Dual Carbon" goals, high-energy-consuming industries such as casting may face stricter carbon emission standards and carbon tax policies, increasing compliance costs. 2. The EU CBAM (Carbon Border Adjustment Mechanism) may increase export costs and affect the Company's competitiveness in overseas markets.	1. Strengthen carbon emission management, establish a carbon accounting system to ensure data traceability, accelerate product carbon footprint certification, take the initiative to align with international low-carbon standards, and prepare for EU CBAM compliance in advance to reduce export barriers. 2. Continuously carry out energy-saving technical renovations, optimize casting processes, improve energy efficiency, reduce carbon emission intensity per unit product, and achieve carbon reduction and cost savings at the source.
 <b>Transition Risks</b>	<b>Technological Risks</b> Increasingly stringent requirements for VOCs emissions and solid waste disposal, as well as rising standards for product environmental performance, product performance and production processes, coupled with accelerated R&D and application of clean technologies amid the low-carbon transition, may result in higher costs for technological innovation.	Continuously implement energy-saving and carbon-reduction technological transformations based on current technical levels, optimize processes and equipment, install fault prevention facilities, perform regular equipment maintenance, and promote the use of clean technologies.
	<b>Market Risks</b> Shifts in upstream and downstream supply chains and customer preferences may increase focus on green and low-carbon products.	Conduct rational analysis of market conditions, continuously monitor price trends and supply-demand changes for products and raw materials, and conduct adequate preliminary research.
	<b>Reputational Risks</b> Poor performance in addressing climate change and sustainability may lead to negative feedback from stakeholders.	1. Adhere to sustainable development, actively undertake social responsibilities, strengthen green production, maintain green ecology, and enhance the Company's green image. 2. Regularly publish the Company's ESG reports, disclosing information such as the completion progress of energy-saving and emission-reduction targets.

## Impact, Risk, and Opportunity Management

The Company attaches great importance to the challenges and opportunities brought by climate change and actively establishes a systematic climate risk management system. It fully integrates climate risk into the enterprise risk management process around the four key links of identification, assessment, control, and reporting.



The Company actively monitors the strategic opportunities arising from climate change. The global carbon neutrality process and the energy transition driven by surging demand for AI computing power are fueling the continuous expansion of the wind power industry. As a core supplier of wind power castings, the Company is presented with broad market growth potential.

In response to acute physical risks, the Company actively addresses extreme weather events such as typhoons to safeguard assets and production safety, and prevent disruptions to business continuity and economic losses. In response to chronic physical risks, the Company conducts organizational and product GHG accounting in accordance with the General Principles for the Accounting and Reporting of Greenhouse Gas Emissions by Industrial Enterprises, the Requirements for the Accounting and Reporting of Greenhouse Gas Emissions and other relevant standards. It also intensifies R&D in the field of new energy equipment, committing to the achievement of the "Dual Carbon" goals. The Company's GHG emission sources mainly include direct GHG emissions such as emissions from stationary fossil fuel combustion, production process emissions, and mobile source combustion, as well as indirect GHG emissions generated from upstream production corresponding to purchased electricity and heat consumed in the Company's production, operation and office activities.

**In 2025, Ningbo Rixing Casting Co., Ltd. maintained valid authorization for the use of carbon label certification.**



Ningbo Rixing Casting Co., Ltd.  
Authorization for Use of Carbon Label

With the deepening of the Company's R&D in the new energy equipment sector, new production factors centered on "technological reserves for high-end nuclear power components" and "iterative upgrades of core wind power processes" have synergized with new production tools such as "intelligent casting production lines" and "green manufacturing technologies". This synergy has become a key driver for cultivating new quality productive forces. In the wind power field, leveraging the key component technologies accumulated through national-level technical platforms, the Company promotes digital upgrades and process optimization in production. This enhances product quality, achieves continuous energy efficiency improvements, drives collaborative upgrades across the industrial chain, and fosters the development of regional industries towards higher efficiency and lower carbon emissions. In the nuclear power field, the Company is accelerating the industrialization of core components, facilitating the practical application of key manufacturing technology achievements. This enhances the level of self-reliance in high-end equipment, reduces operation and maintenance costs, and helps fill industrial gaps in related sectors.

### Indicators and Targets

The Company continues to strive toward the "Dual Carbon" goals and contribute to climate change mitigation. Its GHG emissions in 2025 are as follows:

Indicator	Unit	2025
Total GHG Emissions	tCO <sub>2</sub> e	607,648.58
Scope 1 Emissions	tCO <sub>2</sub> e	85,138.82
Scope 2 Emissions	tCO <sub>2</sub> e	522,509.76

**Note 1:** The accounting scope covers all entities under the Company's operational control, including wholly-owned subsidiaries, branches, and independent production bases.

**Note 2:** The emission factor method is adopted uniformly for accounting. The core calculation formula is: GHG Emissions (CO<sub>2</sub> Equivalent) = Activity Data × Emission Factor × Corresponding Global Warming Potential (GWP).

**Note 3:** Activity data (including fossil fuel consumption, purchased electricity/heat consumption, and raw/auxiliary material usage) is sourced from the Company's production statistical records, energy settlement documents, and financial procurement vouchers, ensuring the data is authentic and traceable.

**Note 4:** Emission factors are prioritized based on the recommended values from the official accounting guidelines issued by the Ministry of Ecology and Environment. Specifically, emission factors for fossil fuel combustion are calculated by combining the measured lower heating value of the fuel; emission factors for purchased electricity are based on the annual average emission factor of the Zhejiang power grid during the accounting period; and emission factors for process emissions are adopted from the national industry guideline recommendations.

**Note 5:** The Global Warming Potential (GWP) values are based on the 100-year time horizon specified in the IPCC Sixth Assessment Report, which is used to convert various GHGs into carbon dioxide equivalents.

## Biodiversity Conservation

The Company fully recognizes the significance of ecosystem conservation to sustainable development. It strictly abides by laws and regulations including the Environmental Protection Law of the People's Republic of China, the Wildlife Protection Law of the People's Republic of China, the Forest Law of the People's Republic of China, the Wetland Protection Law of the People's Republic of China, and the Biosecurity Law of the People's Republic of China. In addition, it implements policy requirements such as the Measures on Further Strengthening Biodiversity Conservation and the China Biodiversity Conservation Strategy and Action Plan (2023-2030), and actively fulfills relevant obligations under international conventions including the UN Convention on Biological Diversity and the Convention on Wetlands of International Importance Especially as Waterfowl Habitat.

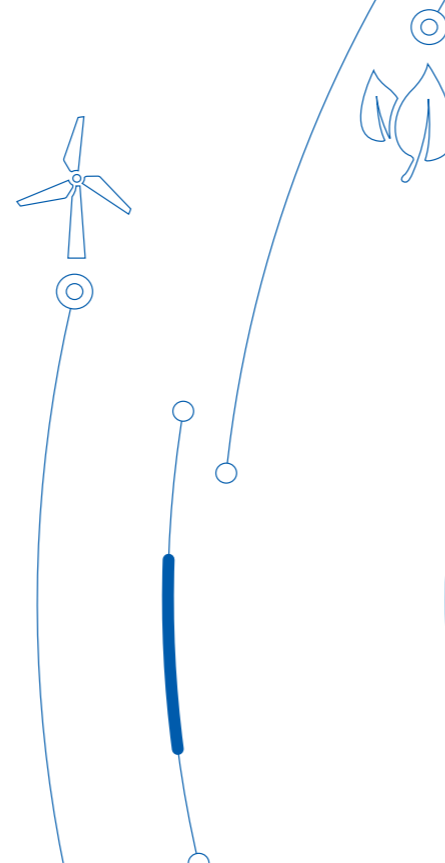
In project construction and operation, the Company strictly implements the environmental impact assessment system and fulfills management requirements of ecological protection redlines, so as to avoid disturbances to key ecological areas such as nature reserves, wetlands and forests. By establishing an environmental factor identification and risk assessment mechanism, the Company systematically identifies potential impacts of production and operation activities on ecosystems and species diversity, and develops targeted mitigation and compensation measures. At the same time, the Company is committed to raising employees' awareness of ecological protection, promoting green operations and ecological restoration, and facilitating the harmonious coexistence between humans and nature with concrete actions.



# 02 Craftsmanship as the Soul, Forging Outstanding Quality



The Company values employee development and is committed to building an equal, inclusive and supportive workplace environment. Driven by innovation, it continuously breaks through technical barriers to forge core competitiveness. It upholds its original commitment to quality and constantly upgrades its products and services. It joins hands with upstream and downstream supply chain partners to build a resilient and green industrial ecosystem, and actively gives back to the community, translating development achievements into a positive force for social harmony.



## Gathering Talent Strength

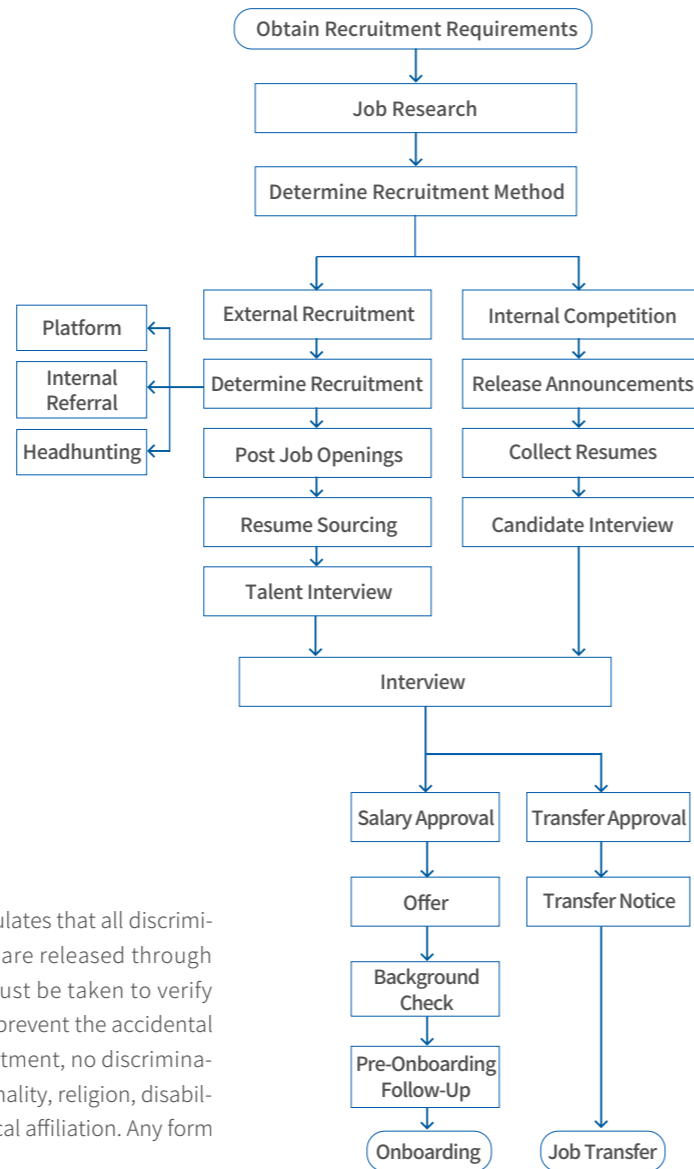
The Company upholds the core principle of "people-oriented, common development", regarding employees as its most valuable strategic resources and business partners. It is committed to establishing a sustainable development mechanism for mutual growth and shared benefits between the enterprise and its employees, so that the Company's development truly benefits every hardworking member. While requiring employees to deliver outstanding performance for the organization, the Company firmly safeguards employees' legitimate rights and dignity, achieving the integration of organizational goals and personal values.

### Employee Recruitment

The Company complies with the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China and other relevant laws and regulations, and has formulated the Recruitment Management System that clearly defines recruitment procedures and standards to ensure fairness and transparency. It adheres to the employment principle of "emphasizing both integrity and competence, ensuring job-employee suitability, dynamic optimization, and sustainable development", and implements an open, transparent and competitive recruitment mechanism. The final employment decision is made through comprehensive evaluation of applicants' skills, experience and potential.



The Company's Recruitment Management System explicitly stipulates that all discriminatory clauses shall be avoided. Recruitment advertisements are released through channels such as the labor market, and effective measures must be taken to verify identity cards and authenticate employees' actual age, so as to prevent the accidental hiring of child laborers due to falsified age documents. In recruitment, no discrimination shall be practiced on the grounds of race, social class, nationality, religion, disability, gender, sexual identity, membership in trade unions or political affiliation. Any form of discrimination against female workers is prohibited.



The Company actively expands its talent pool and continuously optimizes its talent structure through three channels: campus recruitment, social recruitment and internal recruitment.

#### Campus Recruitment

Stable long-term cooperative relationships have been established with numerous colleges and universities, and diverse campus events are held to attract outstanding graduates.

#### Social Recruitment

A wide range of talented people are recruited through various means, such as online platforms, job fairs, and cooperation with headhunting companies.

#### Internal Recruitment

The Company has improved its internal recruitment mechanism. Employees may independently view internal job openings on the internal recruitment platform and apply for positions of interest. The recruitment team of the Human Resources Center conducts initial communication and arranges follow-up interviews.



Campus Recruitment Presentations

2025 Total Number of Employees **5,004** Persons

	By gender	
Male Employees	Persons	3,993
Female Employees	Persons	1,011
	By age	
30 (inclusive) and Below	Persons	1,483
30-50 (inclusive)	Persons	2,953
Above 50	Persons	568

The Company attaches importance to the identification of human resource management risks, systematically and comprehensively monitors talent turnover, and strengthens targeted supervision over entities with high turnover rates. Based on the analysis of resignation reasons, it adopts measures such as expanding career development paths, implementing targeted incentives, and optimizing the working environment. The Company has formed a closed-loop risk management system of "identification – assessment – response – monitoring – improvement". Through institutionalized, data-driven and dynamic management, it continuously reduces employee-related risks to support organizational stability and strategic development. In the future, it will further leverage digital tools to enhance risk early warning capabilities and build a more resilient human resource management system.

For labor disputes, the Company standardizes its management procedures and handling measures in accordance with the Labor Dispute Mediation and Arbitration Law of the People's Republic of China and internal rules and regulations. Based on the principle of prioritizing employees' interests and handling matters fairly, impartially and in accordance with the law, the Company properly resolves labor disputes.

## Employees' Rights and Interests

### Compensation and Benefits

The Company has formulated the Remuneration Management System and established a comprehensive compensation system based on positions, graded by competence, leveraged by performance, and referenced against the market, so as to ensure the compliance, fairness and rationality of the distribution mechanism. Employee compensation consists of three parts: fixed salary, monthly performance salary and annual performance salary. Differentiated pay is implemented based on market levels, professional competence, job requirements and other factors. For key talent in short supply in the market, as well as senior personnel the Company prioritizes attracting and retaining, a contractual compensation structure set above market rates is implemented.

The Company pays social insurance, provident funds and enterprise annuity for employees in accordance with the law, establishing a relatively complete welfare and security system. It provides employees with meal allowances, accommodation subsidies, holiday benefits, birthday benefits, summer allowances, communication and fuel cards, free shuttle buses for commuting and other benefits, effectively enhancing employees' sense of gain. Employees are entitled to various statutory paid leave in accordance with the law, including statutory holidays, marriage leave, family visit leave, bereavement leave, maternity leave, sick leave, work-related injury leave and others. In addition to statutory annual leave and regular personal and sick leave, the Company also provides parental leave, family visit leave and other additional leave entitlements.

### Democratic Management

The Company fully respects and protects employees' democratic rights in accordance with the law, including the right to information, participation, expression, supervision and freedom of association, and actively establishes an open, transparent and democratic communication mechanism to support employees in participating in corporate management.

#### System Development

Guided by the Detailed Rules for the Work of the Staff Representative Congress, the Company standardizes and regularly implements the Staff Representative Congress system, giving full play to the role of employee representatives in democratic management and democratic supervision.

#### Diversified Communication

The Company fully guarantees employees' right to equally join the trade union and encourages employees to actively put forward proposals and conduct full interaction through channels such as trade union liaison and event participation.



the Company held a total of three workers' congresses, with 72 employee representatives at all levels participating in total; four trade union activities were carried out,

### Riyue First Session of Staff Representative Congress in 2025

Case

In April 2025, the Company held the first session of Staff Representative Congress of 2025, which focused on the review of various corporate management systems, injecting new vitality and momentum into corporate development.



### Employee Satisfaction

The Company places high importance on employee experience and management improvement, regularly conducting employee satisfaction surveys to gain in-depth understanding of employees' genuine perceptions of the organizational atmosphere. In 2025, the survey covered six dimensions such as supervisory management, team atmosphere, compensation & benefits, organizational development, and labor protection supplies. A total of **847** questionnaires were collected, with an employee participation rate of **16.9%**. The overall satisfaction score was **90** points.

## Employee Development

### Promotion and Development

To establish a comprehensive and uniformly regulated job rank management system, clarify career development paths for employees, and provide a solid foundation for human resource allocation, talent pipeline development, and process optimization, the Company has formulated and implemented systems including the Job Grade and Rank Management System, the Cadre Management System, and the Individual Performance Management System.

Based on factors such as business needs, job responsibilities, and employee capabilities/experience, the Company has established dual career progression paths: "Management" and "Professional". These paths are aligned with the job rank system, defining differentiated scopes of responsibility, competency standards, and compensation levels. They are supported by personalized career path planning that clearly outlines the skills required at each development stage, ensuring smooth transitions and effective operation between the different paths.

**In terms of dynamic management and incentive mechanisms**, the Company strictly adheres to the principle of "compensation based on labor contribution, efficiency as the priority, while considering fairness", and has established a dual-drive mechanism combining job grade/rank management and performance management. The Company regularly conducts rational adjustments to employees' job grades, positions, and compensation based on their performance, capability growth, and market salary levels, ensuring that remuneration closely corresponds to individual contribution. Furthermore, to fully stimulate employee initiative and creativity, the Company has implemented diverse incentive measures such as the President's Special Contribution Award, Project Awards, and Annual Excellence Awards. Through unimpeded promotion mechanisms and flexible job adjustment opportunities, the Company not only helps employees achieve leaps in personal value but also continuously optimizes the talent structure, enhances overall organizational performance, and realizes a win-win situation for both employee growth and corporate development.

**The Company regularly conducts individual performance management for employees through an online system.** This process is goal-oriented, combining self-assessment and supervisor evaluation to determine the final performance result. Additionally, the Company provides standardized channels for performance feedback and appeals, allowing employees to raise objections with the relevant personnel.

## Employee Training

The Company emphasizes employee growth, ensuring all staff have access to diverse career development platforms to continuously explore their potential. The Company has established the Training Management System and the Internal Trainer Management System, forming a training framework and mentorship program. Through job rotation and temporary assignments, it broadens employees' perspectives and experience, enhancing their overall competence and adaptability.



- New Employee Training
- Pre-job training for various positions.
- On-the-job skills training and relevant safety training.
- **Job Skill Training:** Employees learn work instructions, the performance and operating procedures of equipment used, environmental protection knowledge, safety precautions, and emergency response measures. Depending on the situation, written and practical assessments are conducted before employees are authorized to work independently.
- **Training for Specialized Roles:** Personnel in specialized roles must undergo training at qualified institutions and obtain a "Work Permit" before working independently.
- **Internal Auditor Training:** Training for internal auditors related to management systems such as quality, health, environment, occupational health and safety, intellectual property, energy management, and the integration of informatization and industrialization is conducted by authorized institutions.
- Each department may arrange and register for job-related training based on its actual needs and file a report for the record.

Indicator	Unit	2025
Employee Training Coverage	%	99.9
Number of Employee Training Sessions	Time	1,716
Annual Training Expenditure	RMB 10,000	61.91
Total Annual Employee Training Hours	Hour	19,117.89

### The Company's Internal Trainer Program

Case

In April 2025, the Company launched its Internal Trainer Program, aiming to transform individual expertise into organizational assets and build a replicable and transferable knowledge base. A total of 102 employees registered, with 52 participants successfully enrolled in the program.



## Employee Care

The Company always prioritizes its employees, consciously fostering a warm, harmonious, sound, and positive workplace atmosphere. It actively organizes various cultural and sports activities, striving to enhance employees' sense of belonging and well-being, thereby further strengthening corporate cohesion.



Lantern Festival Event



Spring Festival Condolence Activity



International Women's Day Celebrations



Birthday Benefit Distribution



New Employee Symposium



Management Team Building Activity

## Employee Health and Safety

### Governance

The Company places high importance on employee health and safety, having established a series of occupational health and safety management systems. These include the Full Staff Production Safety Responsibility System, the Production Safety Department Management Manual, the System for Identification and Control of Safety Hazards, the Management Procedure for Hazard Identification and Assessment, the Regulations on the Control of Work-Related Injury Accidents, the Emergency Preparedness and Response Management Procedure, and the Manual for Quality, Environment, Occupational Health and Safety Management Systems. These systems clearly define the responsibilities of top management and various functional departments, providing a solid guarantee for employee health and safety.

The Company continuously improves its safety production management system. It has established a dedicated safety team comprising one Department Manager and three dedicated safety management personnel, including one EHS Engineer. This team is responsible for formulating and revising company systems, daily safety supervision, education and training, accident investigation, and occupational health management.



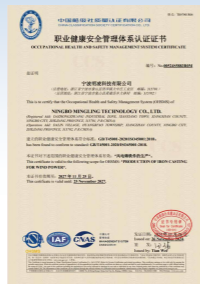
“ As of the end of 2025, the Company has obtained National Grade I Safety Enterprise Certification. Furthermore, the Company and three of its subsidiaries have been certified by the Occupational Health and Safety Management System (OHSMS). ”



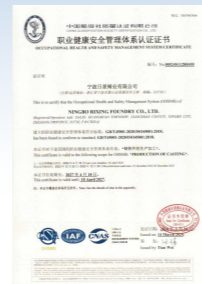
Riyue  
Occupational Health and Safety  
Management System Certification



Riyue Heavy Industry (Gansu) Co., Ltd.  
Occupational Health and Safety  
Management System Certification



Ningbo Mingling Technology Co., Ltd.  
Occupational Health and Safety  
Management System Certification



Ningbo Rixing Casting Co., Ltd.  
Occupational Health and Safety  
Management System Certification

**Strategy**

The Company adheres to the production safety policy of "Safety First, Prevention Foremost, and Comprehensive Management". In accordance with established systems, it carries out tasks such as identification of potential safety hazards and prevention of occupational diseases. It is committed to establishing a long-term mechanism for standardized production safety, based on a people-oriented approach, to comprehensively enhance safety management and safeguard employee health.

**Impact, Risk, and Opportunity Management**

The Company attaches great importance to production safety and occupational health management. It has built a systematic management mechanism focusing on areas including responsibility fulfillment, risk identification, hazard investigation, emergency support, and health protection.

**Production Safety Management**

The Company strictly implements the production safety responsibility system, requiring all employees to sign the Safety and Environmental Protection Target Commitment Agreement. Guided by the principle of "Joint Responsibility by Party and Functional Departments, Dual Responsibilities for Each Post, Collective Efforts, and Accountability for Negligence", it reinforces responsibility fulfillment. It deeply promotes the on-site "7S" visual management model and "Team Safety Building" initiatives. Regular safety and environmental production meetings and team briefings are held to dynamically monitor the production safety status, ensuring the principle "safety is everyone's responsibility" is put into practice. In addition, the Company emphasizes both rewards and penalties, strengthens education for personnel involved in "Three Types of Violations" (of safety rules), and strictly controls such behaviors to achieve all-employee participation in safety management.

**Safety Hazard Investigation**

In accordance with relevant regulations, the Company conducts annual hazard identification and risk assessment at workplaces, comprehensively inspects and rectifies potential safety hazards. It also organizes special safety inspections on special equipment, electrical facilities, hazardous chemicals, and flammable and explosive areas. For identified hazards, the Company implements hierarchical risk management and control measures, sets deadlines for rectification, and tracks the implementation progress at any time. In addition, the Company improves employees' ability to identify hazards and their awareness of self-protection, so as to eliminate potential accidents in a timely manner.

**Safety Accident and Work-Related Injury Response**

Adhering to the "Four No-Spare" (i.e., no case shall be closed until the cause is identified, responsible personnel are dealt with, relevant personnel are educated, and corrective measures are implemented) principle, the Company has implemented a quantitative assessment mechanism to strengthen the supervision duties and evaluation rigor of safety management personnel. The Company has developed emergency response plans and specialized contingency plans, including the Guidelines for Emergency Handling of Safety Incidents, the Comprehensive Emergency Plan, and the On-Site Disposal Plan. These documents clearly define the procedures for responding to work-related injuries and the responsibilities of various departments, ensuring orderly rescue operations, incident investigation, analysis, and liability determination. The Company also covers work-related injury insurance premiums for its employees.

**Occupational Health Management**

The Company attaches great importance to the health and safety of its employees, maintains employee health records, and develops full-cycle risk prevention and control measures covering the entire employment process from onboarding to separation, thereby effectively safeguarding employees' rights and interests in occupational health. In addition, the Company regularly entrusts qualified institutions to conduct testing and assessment of occupational disease hazards in the workplace, and publicizes the results on bulletin boards in work-shops.

**Onboarding**

- Provide employees with personal protective gears such as impact-resistant safety shoes, safety helmets, and work uniforms.
- Arrange unified physical examinations for employees.

**During Employment**

- Conduct annual occupational health examinations for on-the-job employees, including frontline workers and high-risk positions once a year (covering outsourced employees as well).
- Conduct physical examinations for back-office positions once every two years.
- Maintain employee health records and arrange re-examinations and diagnoses promptly for employees with abnormal results.

**Upon Separation**

- Inform employees to undergo a mandatory exit physical examination.



In terms of safety culture building, the Company has formulated the Safety Education and Training Plan, implementing a three-tier production safety education system at the Company, workshop, and team levels. Training records are maintained, and regular sessions are conducted on hazard identification, risk prevention and control skills, safety operating procedure (SOP) training, as well as certification and recertification training for special operation personnel. Leveraging initiatives like the "Production Safety Month", the Company continuously promotes safety principle education and training, enhancing employees' safety awareness and risk prevention capabilities and integrating safety culture into all daily production and operational processes.

"Production Safety Month" Campaign

case



Safety Knowledge Competition Post Skills Competition Emergency Plan Drills Fire Drills

Emergency Response Drill for Vehicle Operation Injury Accidents

case

In April 2025, the Company organized an emergency response drill for vehicle operation injury accidents to enhance employees' ability to handle sudden safety incidents, strengthen safety awareness, and consolidate a safety production defense line.



Special Training on Accident Hazards

Indicators and Targets

In 2025, the Company actively advanced its work safety and occupational health management. Its subsidiary, Ningbo Rixing Casting Co., Ltd., obtained the certification as a Grade III Enterprise in Production Safety Standardization (Machinery).

Throughout 2025, the Company experienced one minor work-related accident, which resulted in no severe injuries or significant losses. Following the incident, the Company immediately activated its accident investigation and response procedures. A thorough root-cause analysis was carried out, accountability was pursued, and targeted safety training was delivered to the personnel involved. In addition, the Company has formulated and implemented targeted corrective and preventive measures addressing weaknesses in operational procedures. All relevant corrective actions have been fully completed, further elevating the Company's safety management capabilities.



Grade III Enterprise in Production Safety Standardization (Machinery)

Annual Work Plan (2026)	
Responsibility Fulfillment	Sign the annual Work Safety Responsibility Commitment to fully implement safety responsibilities at all levels.
Hazard Rectification	Continue to carry out special rectification in key areas (fire safety, hazardous chemicals, special equipment), with a 100% hazard investigation and rectification rate.
Specialized Improvement	Conduct specialized improvements for work-at-height and hoisting operations to provide safer working conditions for employees.
Occupational Health Monitoring	Complete on-the-job occupational health examinations. Achieve 100% coverage of hazard factor monitoring points in workplaces, with a compliance rate of no less than 99%.

Medium-to-Long-Term Management Objectives (2026-2028)	
Zero Accidents	Pursue the ultimate goal of "Zero fatalities, zero serious injuries, zero occupational diseases".
System Deepening	Continuously deepen the operational quality of the GB/T 45001 Occupational Health and Safety Management System to ensure the effectiveness of the certification.
Digital Transformation	Introduce digital management tools (e.g., an intelligent safety management system) to achieve real-time monitoring of major hazards and critical operations.

Indicator	Unit	2025
Number of Major Safety Incidents	Incidents	0
Employee Social Insurance Coverage	%	100
Coverage of Occupational Injury Insurance for Employees	%	100
Work Safety Liability Insurance Coverage	%	100
Total Duration of Safety Training	Hour	1,954.92
Coverage of Work Safety Training	%	100



## Driving Development Through Innovation

The Company takes scientific and technological innovation as its driving force, tackles cutting-edge technical challenges, builds an intellectual property protection system, fully safeguards innovative achievements, advances digital transformation, restructures operational processes, and improves efficiency and decision-making capabilities, embarking on a new journey of high-quality development.

### R&D and Innovation Management

#### Governance

The Company has continuously optimized its innovation management mechanism and formulated a series of systems, including the Whole-Process Project Management System, the Resource and Fund Management System, the Innovation Incentive Mechanism, the 1+4 New Product Development Management System, the Project Approval and Incentive System, the Single Reward Management System for Innovation Projects, the 1+3+10 New Product Development Management System, the Whole-Process Management System for High-Tech Enterprise R&D Projects, and the Management Measures for Major Projects. These systems clarify the management structure and responsibilities, improve the innovation management and incentive mechanisms, and steadily advance the Company's R&D and innovation initiatives.

Leveraging its abundant existing R&D platform resources, the Company has established a lean R&D system of "production, marketing, R&D, application + services" and built a three-level R&D management system consisting of the "Technology Research Institute, Process Research Institute, and Production Factory". It has also formed a collaborative innovation framework covering "Tier-1, Tier-2, and Tier-3 R&D platforms".

R&D Management System		
R&D Center	Technology Research Institute	Oversee the development trend of industry technologies and formulate the Company's long-term R&D strategy and key projects.
	Process Research Institute	Lead the design and development of new products and the upgrading and iteration of existing products based on market demand and customer feedback.
	Production Factory	Focus on actual production conditions to continuously improve frontline operational skills and process optimization capabilities.
Innovation Management Committee	Formulate the Company's innovation strategies and policies, approve the initiation and budgets of major innovation projects. Supervise the implementation progress and achievement transformation of innovation projects, and coordinate the cross-departmental allocation of innovation resources.	

Collaborative Innovation Structure		
Tier-1 R&D Platform	Open Innovation Platform	Centered on national postdoctoral programmes, National Enterprise Technology Centers, provincial-level high-tech enterprise R&D centers and other key institutions, it continuously integrates global resources, collaborates with top universities and research institutes, and promotes product innovation and the international development strategy.
Tier-2 R&D Platform	University-Enterprise Joint Innovation Platform	Supported by Zhejiang Provincial Enterprise Technology Center, provincial-level engineering technology centers and other platforms, it builds a domestically leading R&D platform integrating "basic R&D platform, application development platform and R&D support platform", focusing on core technological breakthroughs and industrial transformation.
Tier-3 R&D Platform	Business Unit Applied Innovation Platform	Supported by municipal-level engineering technology centers, corporate research institutes, testing centers and other carriers, it undertakes R&D tasks within the scope of business unit operations, provides technical support for product development and maintenance, and conducts in-depth technical research in various business fields.



By the end of 2025, the Company and four of its subsidiaries have been recognized as high-tech enterprises.



Riyue  
High-Tech Enterprise Certificate



Ningbo Rixing Casting Co., Ltd.  
High-Tech Enterprise Certificate



Ningbo Mingling Technology Co., Ltd.  
High-Tech Enterprise Certificate



Ningbo Riyue Jinghua Precision Manufacturing Co., Ltd.  
High-Tech Enterprise Certificate



Riyue Heavy Industry (Gansu) Co., Ltd.  
High-Tech Enterprise Certificate

### Strategy

The Company adheres to its mission of "serving as a pioneer in promoting the widespread use of clean and renewable energy to make critical contributions to the green and sustainable development of humanity". With large-scale ductile iron wind power castings as its primary focus, the Company leverages its nuclear storage container technology to conduct in-depth research on the properties of low-temperature ductile iron. It continues to advance reforms in the scientific and technological system, increase investments in technology, and stimulate innovation vitality, thereby contributing to the modernization, digitalization, and intelligent development of the industry. In 2025, in accordance with its medium and long-term strategic plan, the Company actively carried out the formulation of the 2026 R&D Projects and Patent Application Plan List.

### Impact, Risk, and Opportunity Management

The Company standardizes R&D practices throughout the entire process, including R&D project approval, process control, project acceptance and post-project evaluation, laying a solid foundation for R&D and innovation.

The Company strictly implements process control and evaluation, strengthens the tracking and promotion mechanism for new materials, new products and other projects on a monthly basis, and conducts dynamic tracking and reporting on key R&D projects. In addition, it carries out research and analysis on various R&D businesses, defines the relevant dimensions and principles of the R&D organization evaluation mechanism, and submits Project Review Conclusion Forms for submission to the Company.

The Company has consolidated its equipment foundation to provide sound hardware conditions for innovation and R&D. It is equipped with more than 140 sets of large and medium-sized production facilities, including advanced resin sand casting production lines, cupolas, induction furnace melting equipment, as well as large shot blasting machines, heat treatment furnaces and other casting post-processing equipment. In addition, the Company possesses over 70 sets of advanced testing instruments and equipment, such as imported German direct-reading spectrometers, infrared carbon-sulfur analyzers, mechanical property testing machines, large horizontal microscopes, and ultrasonic flaw detectors, laying a solid equipment foundation for scientific research and production.

Large and medium-sized production facilities over **140** sets

Advanced testing instruments and equipment over **70** sets



The Company has continuously improved its innovation mechanism, clarified the review procedures for innovation projects and the innovation incentive mechanism, and standardized the whole process of R&D and innovation activities, thus stimulating innovation vitality. Incentives for innovation projects are divided into team incentives and individual incentives, and the incentive bonus distribution plan is implemented upon approval.

The Company has deepened industry-university-research cooperation and exchanges, and jointly established the R&D Center for High-Strength Corrosion-Resistant Special Alloy Precision Castings with the Ningbo Institute of Materials Technology & Engineering, the Chinese Academy of Sciences. It has expanded its R&D team and continuously transformed innovative achievements into social and economic benefits. As of the end of 2025, the Company has established three national-level R&D platforms: the National Enterprise Technology Center, the National Intelligent Casting Industry Innovation Center, and the National Postdoctoral Programme; two provincial-level R&D platforms: the Zhejiang Provincial Enterprise Technology Center and the Zhejiang Provincial High-Tech Enterprise R&D Center; and two municipal-level R&D platforms: the Ningbo Riyue Heavy Industry Casting Engineering Technology Center and the Riyue Heavy Industry Casting Research Institute. The testing center of Riyue Heavy Industry Co., Ltd. and the inspection center of Ningbo Rixing Casting Co., Ltd., both affiliated with the Company, are laboratories and inspection institutions accredited by national/international organizations.



Riyue Heavy Industry Co., Ltd. Testing Center CNAS Laboratory Accreditation Certificate

Rixing Casting Co., Ltd. Inspection Center CNAS Laboratory Accreditation Certificate

Riyue Heavy Industry Co., Ltd. Postdoctoral Programme

The Company cultivates and attracts high-level technical and skilled talent through multiple channels, employing strategies such as "bringing in experts and sending staff out", to build an efficient R&D team and enhance overall technological innovation capability. Simultaneously, the Company continuously elevates the overall standard of its research projects, strengthens the innovation awareness of its technical and skilled personnel, and fosters a positive research atmosphere.

Throughout the R&D and innovation process, the Company strictly adheres to technical ethics standards and actively fulfills its commitment to responsible innovation. It integrates technical ethics requirements throughout the entire lifecycle of R&D projects—from initiation and process control to the application of results—ensuring that technological innovation activities respect human rights, promote fairness, protect the environment, and achieve a harmonious unity of technological progress and social value.



### Indicators and Targets

In 2025, the Company continued to advance its R&D and innovation initiatives, successfully achieving its annual objectives.

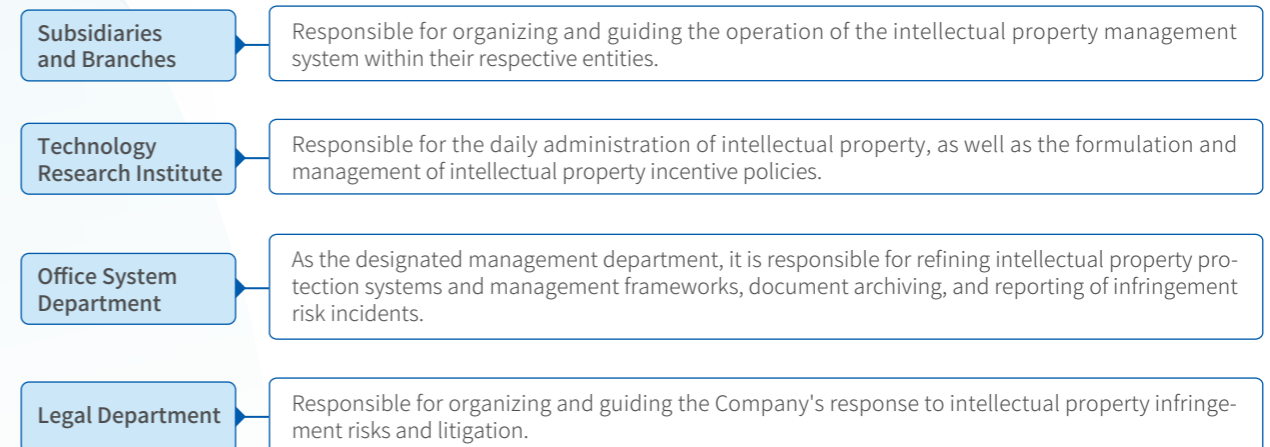
Indicator	Unit	2025
R&D Investment	RMB 100 million	2.65
R&D Investment as a Percentage of Revenue	%	4.24
Proportion of R&D Personnel	%	6.61

	Targets	Progress
2025 Goals	<ul style="list-style-type: none"> <li>Participate in two provincial/municipal-level key R&amp;D programs.</li> <li>Secure high-tech enterprise certifications for two additional subsidiaries.</li> <li>Complete patent applications for two core technologies.</li> </ul>	
Phased Goals (3-5 years)	<ul style="list-style-type: none"> <li><b>Technological Breakthroughs:</b> Establish a R&amp;D center for high-strength corrosion-resistant special alloy precision castings within three years, participate in the formulation of three national standards, and maintain the qualification of five high-tech enterprise entities on an ongoing basis.</li> <li><b>New Product Launch:</b> Successfully develop and launch 2-3 new products targeting emerging markets or high-end application scenarios, with new product sales accounting for 10%-15% of total sales.</li> <li><b>Patent Growth:</b> Apply for no less than 150 patents within five years, with the number of invention patent applications increasing annually and accounting for over 20% of the total. Strengthen the transformation and application of patents, achieving a patent implementation rate of over 60%. Maintain R&amp;D investment at approximately 4% of revenue.</li> <li><b>R&amp;D Team Building:</b> Expand the R&amp;D team to over 100 personnel, with senior technical talent accounting for 15%. Cultivate and introduce no less than three industry-leading professionals.</li> </ul>	<ul style="list-style-type: none"> <li>In 2025, two projects under the "Yongjiang Science and Innovation 2035" initiative were completed, namely "R&amp;D and Application Demonstration of Core Hot-End Precision Castings for Aero-Engines" and "Research on Erosion-Resistant Strengthening Technologies and Equipment for Transmission Systems of High-Power Offshore Wind Turbines", with core technical parameters reaching advanced industry levels.</li> <li>The certification of high-tech enterprises for Riyue and Ningbo Mingling Technology Co., Ltd. has been completed, bringing the total number of entities qualified as high-tech enterprises to five.</li> <li>In 2025, the Company led or participated in the formulation of two national standards and three industry standards.</li> <li>One patent application for core technology has been submitted.</li> <li>The Company continues to advance the achievement of phased and long-term goals.</li> </ul>
Long-term Goals (5-10 years)	<ul style="list-style-type: none"> <li><b>Technology Leadership:</b> Become a global technology leader in the field of wind power equipment and other high-end equipment manufacturing, mastering cutting-edge core technologies in the industry.</li> <li><b>Product Diversification:</b> Develop at least five new product series with independent intellectual property rights and global competitiveness.</li> <li><b>Patent Portfolio:</b> Accumulate more than 350 patent applications in total, with invention patents accounting for no less than 30%.</li> <li><b>R&amp;D Investment and Cooperation:</b> Maintain R&amp;D investment at 3%-4% of operating revenue, and establish long-term strategic partnerships with at least 10 world-class research institutions and universities.</li> </ul>	

### Intellectual Property Protection

The Company adheres to the principle of "Patents stem from projects, and patents are born in practice", and has formulated a series of systems, including the Intellectual Property Incentive Measures, the Trade Secret Protection System, the Patent Management System, the Copyright Management System, the Intellectual Property Management Measures, the Intellectual Property Risk Reserve Fund Management System, the Intellectual Property Special Fund Management System, the Procedures for the Implementation, Licensing and Transfer of Intellectual Property Rights, the Intellectual Property Risk Management Procedures, the Contract Management Procedures, and the Sales and After-Sales Management Procedures for Intellectual Properties, while continuously improving its management structure. By the end of 2025, the Company and one of its subsidiaries had obtained the Intellectual Property Management System Certification.

### Intellectual Property Management Structure



Riyue  
Intellectual Property Management System Certificate



Ningbo Rixing Casting Co., Ltd.  
Intellectual Property Compliance Management System Certificate

### Intellectual Property Protection

- Management and Maintenance:** Establish an intellectual property ledger to uniformly manage patents, trademarks, copyrights, and other intellectual property rights owned by the Company. Pay relevant fees on a regular basis to maintain the validity of intellectual property rights.
- Protection and Application:** Strengthen intellectual property protection, monitor market infringements, and take timely legal measures to safeguard the Company's rights and interests. Promote the transformation and application of intellectual property to maximize its value.

To motivate employees and effectively protect intellectual property and technical secrets, the Company has formulated the Intellectual Property Reward Measures, specifying the scope, standards and application procedures of intellectual property rewards.

By the end of 2025, the Company held a total of **178** valid patents

**2025** the Company completed applications **27** patents invention patents **5** utility model patents **22** utility model patents **13**

**Training on Novelty Retrieval of Scientific and Technical Literature Data** Case

In October 2025, Riyue organized training focusing on literature and patent retrieval, covering relevant definitions, functions, approaches, standards and methods, as well as the operation of the Ningbo Scientific and Technical Literature Sharing Service Platform and patent databases.



**Digital Transformation**

In accordance with its development strategy and business needs, driven by technological innovation and centered on business process optimization, the Company has formulated the Administrative Measures for the Standardized Operation of Digital Application Systems. The Digital Center oversees digital initiatives across all business functions, enabling an efficient management system and driving high-quality development. By the end of 2025, Riyue obtained the Information Security Management System Certification; Rixing Casting Co., Ltd. holds a valid Integration of Informatization and Industrialization Management System Certificate issued by China Classification Society (CCS).



The Company consistently adheres to the digital transformation path of "Planning First, Management Transformation, Platform as Foundation, Empowerment and Efficiency Enhancement". It drives the optimization of the business management system and the construction of information systems through a "dual-driver approach", using digital transformation to comprehensively promote the achievement of the Company's strategic objectives. In 2025, the Company steadily advanced digital transformation in management and production, achieving remarkable results.

**Light-asset MES Project Construction**

The Company launched the light-asset MES project to promote the integrated management of "orders + capacity + allocation". It focuses on realizing real-time collection of production data, full-chain quality traceability, and automatic integration of business and financial data, laying a solid foundation for unit cost accounting and production capacity optimization.



MES Project Launch Meeting

**Data Governance System Construction**

A master data management blueprint based on the "two systems, one platform" framework has been developed, establishing management policies, detailed rules, clear role responsibilities, and organizational support. In 2025, the Company released the Administrative Measures for the Standardized Operation of Digital Application Systems, implementing a regular supervision mechanism with "weekly inspections and monthly submissions" and a performance evaluation mechanism for responsible departments. This has effectively enhanced data accuracy and the timeliness of documentation.

**Two-Way Improvement of Business and Finance Systems**

The Company has continuously promoted the integration of operational and financial systems, achieving significant results in optimizing SAP month-end closing efficiency, managing single-piece flow planning, analyzing BOM cost variances, and improving VAT invoicing efficiency.

**Deepening of Supply Chain Management**

Focusing on five aspects, i.e., "strengthening training, standardizing management, clearing historical issues, implementing closed-loop supervision, and continuously optimizing", the Company furthered the application of the SRM system. It has refined the standardized operating procedures, addressed historical abnormal data, established a system operation monitoring and reporting mechanism, and initiated the construction of a data cloud warehouse. This effort aims to build an analytical reporting system covering the entire procurement process, strengthening data support for procurement decision-making, and continuously enhancing the standardization, digitalization, and refinement of supply chain management.

### Electronic Archives Management System Development

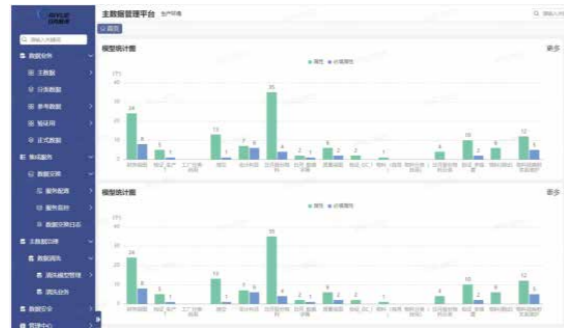
The Company is advancing the construction of an Electronic Archives Management System, establishing a closed-loop management system covering the entire process of data collection, matching, and utilization. By integrating interfaces with systems such as SAP, SRM, OA, VAT, and CBS, it has shifted archive data collection from manual to automated acquisition. Leveraging intelligent matching rules, the system automatically sorts and archives documents, achieving over 90% automation without manual intervention. The system supports online search and borrowing, enhancing archive management efficiency and freeing up human resources. Simultaneously, it empowers front-end business operations by assisting with accounts payable invoice verification and compliance management, effectively supporting both internal and external audit requirements.



### Successful Launch of Riyue MDM Project

Case

In June 2025, the Company's Master Data Management (MDM) Platform was officially fully launched. Focusing on five core master data areas—materials, human resources, customers, suppliers, and finance—the platform enhances operational efficiency and enables precise decision-making.



### Riyue AD Domain Controller Project

Case

This project has established a unified management and control platform based on Microsoft Active Directory technology. It has achieved three core breakthroughs: visualized full-lifecycle management of IT assets, remote intelligent operation and maintenance of cross-regional equipment, and a dynamic protection system for security policies. At present, the system covers all enterprise terminal devices. The Company will focus on optimizing automatic inspection and intelligent alarm functions to improve operation and maintenance efficiency, reduce terminal equipment failure rates, and build a secure and stable foundation for the enterprise's digital upgrading.



## Strengthening Product Quality

The Company regards product quality and customer service as core drivers of corporate development. It has established a sound quality management system and a refined customer feedback mechanism, continuously enhancing customer satisfaction and loyalty while consolidating its leading position in the industry.

### Quality Management

#### Governance

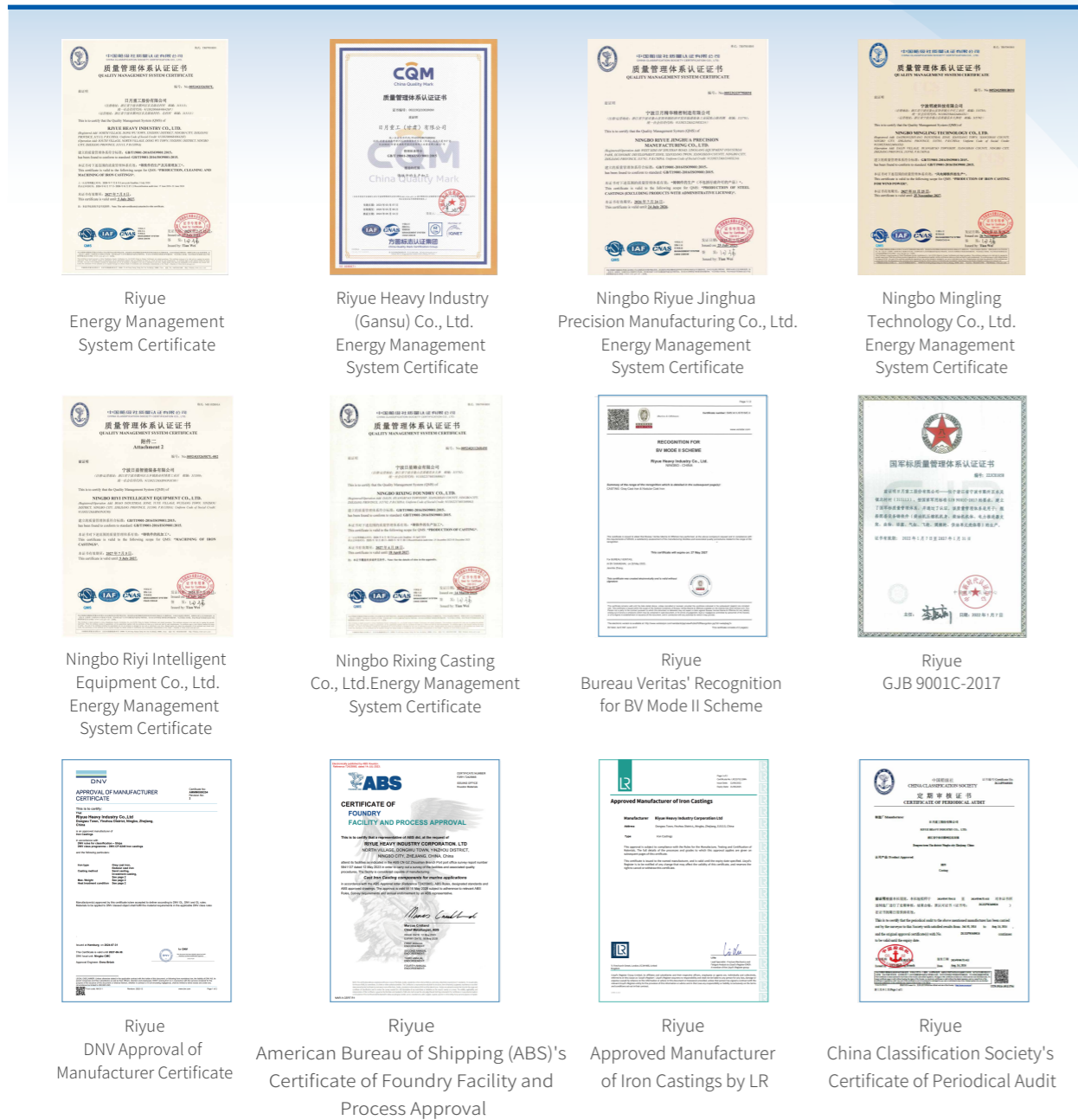
The Company strictly abides by quality-related regulations such as the Product Quality Law of the People's Republic of China. It has formulated and rigorously implemented a series of management systems, including the Manual for Quality, Environment, Occupational Health and Safety Management Systems, the Control Procedures for Production and Service Provision Processes, the Procurement Control Procedures, the Control Procedures for Nonconformity, Corrective and Preventive Actions, and the Continuous Improvement Control Procedures. By clarifying the quality management structure and responsibilities, the Company has achieved improvements in quality across processes, physical products, and management practices.

The Company has established the Headquarters Quality and Safety Center as the designated management department for quality and EHS (Environment, Health, and Safety). It consists of the Quality & EHS Management Section and the Product Assurance Section, which are responsible for coordinating the development of the internal quality and EHS systems, monitoring their operation, formulating product inspection standards, and implementing quality inspection, management, control, and improvement activities. This ensures that the Company's quality management system complies with the ISO 9001, ISO 14001, and ISO 45001 standards, guarantees that products meet customer requirements at every stage from incoming materials, in-process control, shipment, to after-sales service, and ensures that the production environment meets stakeholder standards.

#### Quality and Safety Responsibility System

Top Management	Establish the Company's quality strategy and direction.
Director of the Quality and Safety Center	Develop quality policies and quality objectives.
Quality Management Personnel	Strengthen process quality system and quality process control; organize quality analysis, correction and improvement; and implement the quality and safety responsibility system.
Quality and EHS System Personnel	Take the lead in formulating quality and EHS management system documents, product quality inspection systems and quality inspection standards; conduct regular system promotion and implementation.
Product Inspection Personnel	Operate in accordance with quality inspection standards and fulfill the quality and safety responsibility system.
Production Personnel	Operate in accordance with work instructions and fulfill the production safety responsibility system.

By the end of 2025, the Company and its five subsidiaries had obtained the ISO 9001 Quality Management System certification. The Company also holds the following certifications: Bureau Veritas' Recognition for BV Mode II Scheme, DNV Approval of Manufacturer Certificate, China Classification Society's Works Approval Certificate, American Bureau of Shipping (ABS)'s Certificate of Foundry Facility and Process Approval, and GJB 9001C-2017 Certification.



### Strategy

The Company has always upheld the quality policy of "Precise Management, Continuous Innovation, Commitment Fulfillment, Constant Improvement, Elevating the 'Riyue' Brand, and Enhancing Customer Satisfaction". It practices the quality philosophy of "Zero Defects in Quality, Aligning with International Standards", establishes a rigorous quality control system, addresses quality risks scientifically in accordance with procedures, continuously advances quality informatization, fosters quality awareness among all employees, and builds a strong quality culture. In addition, it properly handles product issues to safeguard the Company's reputation and customers' rights and interests.

### Impact, Risk, and Opportunity Management

The Company has established the Risk and Opportunity Control Procedure and updates the Risk and Opportunity Identification and Evaluation and the List of Major or Unacceptable Risks on an annual basis, forming a sound quality risk management system. This system is used to assess, communicate, control and review product quality and safety risks, so as to ensure the quality of products and services.

#### In terms of quality supervision and control

the Company has formulated the New Product Development Control Procedure and the Change Management Control Procedure. These govern the development and design of new product casting processes, as well as redesigns of existing products (implementing a "1+4" development management approach), with process reviews and trial production validations conducted at each stage. Meanwhile, effective control is exercised over the design, development, modification, and transfer processes of casting techniques to continuously optimize processes, improve efficiency, and reduce costs. The Company implements full lifecycle inspection management for products, covering all stages from raw and auxiliary materials, semi-finished and finished products, production processes, to final product shipment. Root cause analysis is performed on non-conforming products, and effective corrective actions are implemented to continuously strengthen quality control. Additionally, the Company organizes monthly quality review meetings to enhance quality oversight. It also deepens supplier quality management by conducting scheduled audits of suppliers' quality management systems and quality process audits, along with regular performance evaluations.

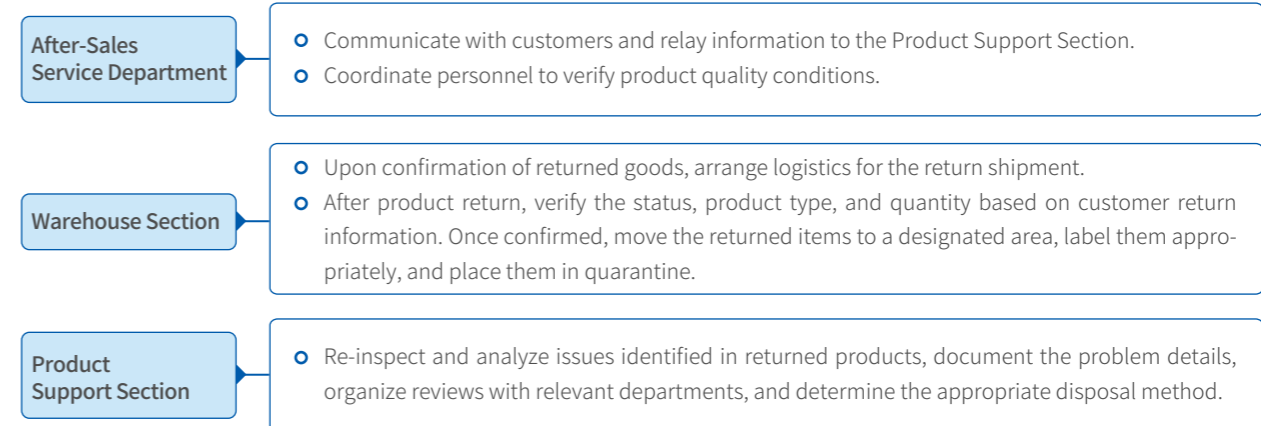
#### In the area of quality information management

the Company has established the Quality Information Control Procedure to further enhance the management of quality-related correction and prevention, and continuous improvement activities involving the collection, transmission, and processing of internal and external quality information.

#### Regarding quality culture building

the Company regularly conducts monthly quality review meetings to further improve the quality management capabilities of relevant managers. Daily pre-shift meetings are held to share quality information and raise quality awareness among all employees. Quality-related information is regularly shared online to ensure the effective implementation of quality activities.

To address potential quality incidents, the Company has established a comprehensive product recall and disposal management mechanism, clarifying the responsibilities and collaborative procedures of various departments to ensure that problematic products can be promptly identified, quickly responded to, and effectively handled.



### Indicators and Targets

In 2025, the Company did not experience any major safety or quality-related incidents involving products or services, and there were no product recalls due to quality issues. Its subsidiary, Rixing Casting Co., Ltd., received the Best Quality Award and was recognized as a 5A Grade Supplier in Quality Credit Rating.

### Customer Service

The Company places high importance on customer experience and has established the New Product Quotation Management Procedure, the Sales Business Management Procedure, the After-Sales Service Management Procedure, the Customer Service Management Procedure, the Non-Conforming (NC) Products Handling Control Process, the Customer Satisfaction Evaluation Procedure, and the Customer-Related Process Control Procedure to standardize customer service content and enhance the customer service experience.

#### Pre-Sales Services

- Conduct product promotion through methods such as product advertising and in-person introductions by staff, presenting the Company's profile, product features, performance advantages, and applicable production scope.
- Conduct customer visits to understand their needs and provide targeted services.
- Organize mutual visits and technical or quality exchange sessions with relevant departments.

#### In-Sales Services

- Prior to contract signing, explain relevant commercial terms to customers, clarifying the rights and responsibilities of both parties.
- Provide customers with qualified products, along with necessary accessories and reports, in accordance with product customization contracts and technical agreements.
- If shipping arrangements are specified in the contract, the sales subsidiary handles shipping and delivery arrangements, ensuring packaging and transportation quality while minimizing costs for the customer.

#### After-Sales Services

- Conduct follow-up visits with customers to gather feedback on product quality, usage conditions, and customer operations, enabling timely responses to issues. In case of quality problems during use, sales personnel shall promptly coordinate and arrange necessary services.

The Company has established multi-dimensional and convenient channels for customer complaints and feedback, allowing customers to directly communicate with designated after-sales personnel via phone calls, emails, instant messaging, and other means. Upon receiving a complaint, the relevant after-sales personnel will promptly verify its validity, document the details comprehensively, and gain an in-depth understanding of the issue's context and the customer's core needs. Solutions will be dynamically adjusted based on the actual situation to ensure that reasonable customer demands are met to the greatest extent possible.

The Company has implemented a tiered response mechanism based on the urgency and impact scope of complaints, ensuring that each case is allocated appropriate resources for timely, precise, and effective resolution. After a complaint is resolved, after-sales personnel proactively conduct satisfaction follow-ups to gauge customer acceptance of the solution and collect suggestions for improvement, thereby providing a basis for continuous service enhancement.

The Company values customer feedback and conducts regular satisfaction surveys covering six key dimensions: product quality, delivery, cooperation, pricing, service, and customer loyalty. These surveys enable the Company to accurately identify and focus on customer needs and expectations.



### Customer Information and Privacy Protection

The Company places a high priority on information security and customer privacy protection. In accordance with established systems such as the Information Security Management Policy and the Personal Information Protection Procedure, the Company clearly defines responsibilities at all levels and fully implements the seven basic principles: lawfulness, fairness, necessity and good faith; purpose specification and limitation; data minimization; openness and transparency; accuracy; security safeguards; and accountability. The Company has established a multi-level management system composed of the Company's management, Headquarters Office, Human Resources Center, Headquarters Digital Center and various business departments, ensuring the security and controllability of information assets throughout their lifecycle and effectively safeguarding the Company's reputation and customers' rights and interests. In 2025, the Company obtained the Information Security Management System Certification.



Riyue Information Security Management System Certification

To fully ensure data security and customer privacy, the Company has implemented specific measures covering five key dimensions: policy standards, technical safeguards, emergency response, review assessment, and employee training.

<b>Information Security Risk Assessment</b>	<ul style="list-style-type: none"> <li>• Information is classified into four categories (A, B, C, D) based on its importance, with two corresponding confidentiality levels: "Confidential" and "Secret", so as to implement differentiated management and control.</li> <li>• Strict security assessments are conducted on suppliers entrusted with personal information processing, and data processing agreements are signed to clarify the security responsibilities and obligations of external partners.</li> </ul>
<b>System Security Protection</b>	<ul style="list-style-type: none"> <li>• Strict access authority management is implemented. Access rights are reviewed every six months, and privileged user rights are reviewed every quarter.</li> <li>• Specific security requirements are stipulated for password management, Internet usage, destruction of electronic media, and other areas.</li> </ul>
<b>Emergency Response</b>	<ul style="list-style-type: none"> <li>• A standardized IT emergency response mechanism is established, covering the complete process of fault detection, notification, diagnosis, handling, and recording.</li> <li>• Specialized handling procedures are formulated for different types of incidents, including hardware failures, system failures, virus attacks, network issues, and operational errors.</li> <li>• The Company defines the criteria for information security incidents and major information security incidents, covering the emergency response to the leakage of corporate confidential, highly confidential, and top-secret information.</li> </ul>
<b>Data Backup</b>	<ul style="list-style-type: none"> <li>• Regular assessments of backup systems, sampling tests on the readability of data backup media, and recoverability tests on critical data backup media are conducted on a regular basis.</li> <li>• Dual backup (local and off-site), routine backup and backup during specific periods are adopted as backup strategies.</li> </ul>

<b>Regular Review and Assessment</b>	<ul style="list-style-type: none"> <li>• A systematic review mechanism is established to carry out routine inspections, regular technical assessments, and backup system evaluations.</li> <li>• Eighteen information security areas, including access control, physical security, and operational security, are reviewed.</li> </ul>
<b>Rewards and Penalties Mechanism</b>	<ul style="list-style-type: none"> <li>• A rewards and penalties mechanism is established to ensure the effective implementation of information security work.</li> </ul>
<b>Information Security Culture and Training</b>	<ul style="list-style-type: none"> <li>• Information security training is conducted through diverse channels such as meetings, written notices, emails, bulletin boards, and the Company website. Training content covers information security laws and regulations on information security, threats and vulnerabilities, domestic and international management developments, and the Company's inspection results; training assessments are carried out on a timely basis.</li> </ul>



## Deepening Supply Chain Management

The Company continuously optimizes supply chain management, deepens collaborative partnerships with suppliers, strengthens risk prevention and control capabilities, and enhances overall supply chain efficiency. It focuses on building a stable, efficient, and sustainable supply chain system to solidify the foundation for enterprise development.

### Governance

The Company has established policies including the Supplier Management Procedure, the Code of Conduct for Supplier Social Responsibility, the New Supplier Qualification Management Procedure, the Supplier Performance Management Procedure, the Supplier Status Classification Management Procedure, the Supplier Anomaly Management Specification, the Qualified Supplier Relationship Classification Management Specification, the Supplier Risk Management Specification, and the Supplier CSR Management Procedure. These policies refine the supplier management framework, clarify management functions, achieve more efficient and specialized division of labor and collaboration, and ensure detailed and precise handling of all tasks.

#### Headquarters Procurement Center

- It coordinates the whole lifecycle management of suppliers, and is responsible for access review, evaluation system establishment, performance management, supplier development, and supply chain optimization.

#### Procurement Sections of All Factories

- They are responsible for supplier access, performance evaluation and improvement, as well as the implementation of development plans.

#### Headquarters Process/Technology Research Institute

- They are responsible for new material testing and quality capability demonstration, and collaborate in the access process of relevant suppliers.

#### Headquarters Quality and Safety Center

- It is responsible for access and system audits, and manages testing and calibration suppliers; the Equipment Service Workshop is responsible for qualification review, application verification and performance evaluation of equipment suppliers.

### Strategy

The Company adheres to a closed-loop management system for suppliers, continuously optimizes the robust layout of its supply chain, establishes and improves its institutional system and management structure, and promotes the sustainable development of the entire supply chain. In the whole lifecycle management of suppliers, the Company focuses on strengthening dynamic assessments of their environmental and social performance, striving to enhance supply chain resilience and capacity for sustainable development.

### Impact, Risk, and Opportunity Management

In terms of supplier management, the Company has clearly defined supplier management mechanisms, actively advanced the informatization of supplier management, facilitated the development of supplier interaction platforms, and strengthened the effectiveness of supplier management.

<b>Supplier Sourcing</b>	<ul style="list-style-type: none"> <li>Establish a dual sourcing mechanism covering global and regional sources to expand green, low-carbon, and localized supply resources.</li> <li>Build a supplier information database, integrating data on qualification, production capacity, GHG emissions, etc., to realize digital management throughout the lifecycle.</li> </ul>
<b>Supplier Qualification</b>	<ul style="list-style-type: none"> <li>Formulate supplier access standards, conduct qualification reviews and on-site assessments focusing on qualification level, development capability, technical capacity, and quality management capability, with ESG one-vote veto indicators included (environmental certification, social responsibility, business ethics, etc.).</li> <li>Implement cross-departmental joint access reviews to ensure compliance at the source.</li> </ul>
<b>Supplier Evaluation</b>	<ul style="list-style-type: none"> <li>Conduct quarterly performance evaluations covering five dimensions: quality, delivery, cost, service, and sustainable development, with quantitative scoring.</li> <li>Introduce special indicators such as carbon footprint, green packaging, and working hours of labor.</li> </ul>
<b>Supplier Audit</b>	<ul style="list-style-type: none"> <li>Carry out annual routine audits combined with unannounced inspections, covering quality systems, process control, and ESG compliance.</li> <li>Launch special due diligence for high-risk suppliers, issue audit reports, and track and close non-conformities.</li> </ul>
<b>Hierarchical and Classified Supplier Management</b>	<ul style="list-style-type: none"> <li>Classify suppliers into four levels in accordance with evaluation results: strategic, collaborative, contractual, and general transactional.</li> <li>Categorize suppliers into strategic, collaborative, contractual, and general transactional types based on the importance of strategic materials and supplier dependence, with annual adjustment of supplier classification. Formulate supplier development strategies based on comprehensive supplier performance.</li> </ul>

In terms of responsible supply chain management, the Company fully integrates sustainability requirements into procurement processes and the supplier management system, with a focused emphasis on suppliers' performance in social responsibility, energy conservation and emission reduction, and integrity compliance. Through strengthened publicity on social responsibility, ESG training for suppliers, and low-carbon technology exchange forums, the Company promotes upstream carbon emission reduction commitments and disclosure. It has also launched a supply chain collaboration platform to enable visibility of order, inventory and carbon emission data, thereby improving response efficiency and supply chain resilience. In addition, the Company requires suppliers to sign the Supplier Code of Conduct Agreement and the Supplier Social Responsibility Checklist, among other measures, to continuously advance the supply chain toward a green, transparent and responsible direction.

In terms of supply chain risk identification, the Company systematically assesses potential risks of suppliers, covering legal, operational, financial, technical, quality, delivery and other dimensions. On the basis of identifying risk items, the Company conducts quantitative assessment from three dimensions: severity, occurrence frequency and detectability, and formulates preventive measures and solutions to provide strong safeguards for the stable operation of the supply chain.

Supply Chain Risk Response Mechanisms and Measures	
<b>Risk Avoidance</b>	<ul style="list-style-type: none"> <li>For risks with high occurrence probability and severe impact, such as supply risks caused by geopolitical issues, the Company may consider replacing suppliers and refraining from procuring from the relevant region.</li> </ul>
<b>Risk Mitigation</b>	<ul style="list-style-type: none"> <li>For risks that are difficult to avoid completely, measures shall be taken to reduce their impact.</li> <li>Long-term contracts can be signed with suppliers to lock in raw material prices and mitigate risks arising from price fluctuations.</li> <li>Safety stocks can be established to address short-term supply disruptions.</li> </ul>
<b>Risk Transfer</b>	<ul style="list-style-type: none"> <li>The Company can transfer part of the risks to insurance companies by purchasing insurance; for example, transportation insurance can compensate for losses incurred during cargo transit. Risk liabilities may also be clearly stipulated in contracts to transfer part of the risks to partners.</li> </ul>
<b>Risk Acceptance</b>	<ul style="list-style-type: none"> <li>For risks with low occurrence probability and minor impact, such as occasional small-scale logistics delays, the Company shall conduct continuous risk monitoring.</li> </ul>

The Company actively promotes cooperation with suppliers and is committed to building a more resilient supply chain. As a leading entity in the casting industry chain, the Company partners with domestic casting riser R&D and manufacturing enterprises to conduct joint research and tackle key challenges related to the casting processes of critical wind power core components. This effort has led to breakthroughs in the localization of casting risers, which were previously partially reliant on imports, thereby enhancing the core competitiveness of the industry chain and strengthening supply chain security.

### Indicators and Targets

The Company is committed to building a supply chain ecosystem, actively leveraging its platform advantages to encourage suppliers with positive values and a strong will for innovation and development to grow together with the Company.

**“ In 2025, the Company identified zero instances of zero-tolerance issues, such as child labor or forced labor, among its suppliers. The signing coverage rate of the Integrity Commitment by suppliers reached 100%. ”**

Targets	Progress
<p><b>Long-Term Goals:</b></p> <ul style="list-style-type: none"> <li>Build a world-leading responsible, highly resilient, and green supply chain system, achieving 100% certification of core suppliers to ISO 14000/45001 or ISO 9000 standards.</li> <li>Achieve in-depth collaboration with strategic suppliers, jointly developing new materials to form a sustainable competitive advantage.</li> </ul>	<p><b>Continuous advancement of long-term and phased goals</b></p> <ul style="list-style-type: none"> <li>159 suppliers have obtained ISO 9000 certification.</li> <li>129 suppliers have obtained ISO 14000 certification.</li> <li>114 suppliers have obtained ISO 45001 certification.</li> </ul>
<p><b>Phased Goals:</b></p> <ul style="list-style-type: none"> <li>Complete full ESG risk assessment coverage for major suppliers and eliminate those falling below the admission threshold.</li> <li>Establish a categorized and tiered management system to increase the share of strategic suppliers and strengthen cooperation.</li> </ul>	
<p><b>Annual Goals:</b></p> <ul style="list-style-type: none"> <li>Keep the number of supply chain risk incidents below 1.</li> <li>Control the total number of suppliers to below 1,000.</li> </ul>	<p><b>Annual goals achieved</b></p> <ul style="list-style-type: none"> <li>No supply chain risk incidents occurred.</li> <li>The total number of suppliers is 969.</li> </ul>

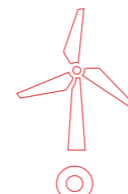
## Contributing to Social Development

The Company places high importance on fulfilling its social responsibilities. It has established the External Donation Management Policy and the Volunteer and Public Welfare Activities Management Policy to strengthen the management of donation affairs and encourage employees to actively participate in social welfare activities, thereby putting the Company's social responsibility into practice. In 2025, the Company actively engaged in social welfare initiatives, organizing donations totaling RMB 1,036,200. Concurrently, the Company actively promotes public science education, bringing technology into campuses. This not only infuses campuses with the vitality of technological innovation but also sows the seeds of science for future talent development.

# 03 Governance as the Guarantee Reinforcing the Foundation for Steady and Sustainable Development



The Company fulfills its responsibilities in managing Party affairs, advances strict Party discipline comprehensively, and promotes compliant and ethical business practices. It continuously improves the corporate governance structure, strengthens internal control and risk management, standardizes related-party transactions and information disclosure, and safeguards the legitimate rights and interests of shareholders, creditors, employees, customers, suppliers, and other stakeholders. The Company also enhances integrity building by conducting integrity education, signing integrity agreements, regulating commercial conduct, eradicating corruption, and fostering an upright and transparent corporate culture.



## Optimizing Governance Structure

Guided by the Party's advanced principles, the Company deeply integrates Party building into all aspects of corporate governance. It strengthens strategic guidance and direction control, continuously optimizes the governance framework, and provides a solid foundation for steady and sustainable high-quality development, thereby better fulfilling its social responsibilities.

### Party Building Leadership

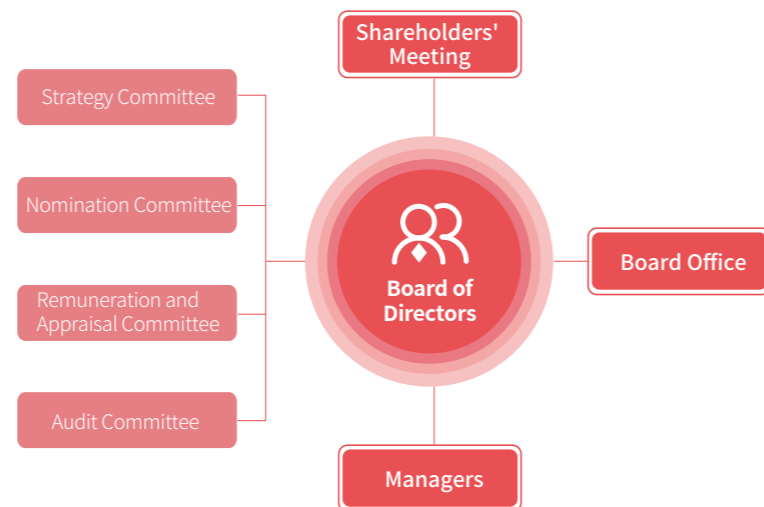
The Company adheres to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, thoroughly implements the guiding principles of the 20th CPC National Congress and the Second and Third Plenary Sessions of its 20th Central Committee, and puts into practice the strategic plans of the Party Central Committee for improving the modern enterprise system with Chinese characteristics. Grounded in Zhejiang Province's non-public enterprises Party building orientation of "Strong Party Building Enables Strong Development", the Company fully integrates Party leadership into all links and the entire process of corporate governance, giving full play to the Company's Party Committee leadership role of "providing strategic guidance, overseeing overall priorities, and ensuring implementation", so as to drive high-quality development of its business operations.

Party organizations at all levels within the Company fully implement the principle of the "Two Consistent Adherences" (adhering to the Party's leadership over state-owned enterprises and the establishment of a modern enterprise system), abide by the work requirements of "promoting development through institutional development, and pursuing coordinated progress with targeted guidance", and take proactive steps in political, strategic, innovative, and responsibility-oriented leadership. By giving full play to their role as the core leadership and political core, the Company promotes the coordinated development of economic, environmental, and social benefits.

The Company strives to strengthen the development of Party branches, and actively carries out the "Three Meetings and One Lecture" system, themed Party Day activities, and initiatives to upgrade its Party building brand, which has gradually taken root among Party members and the general staff. By strengthening the education and management of Party members, and organizing activities such as themed Party Days, special training sessions, and revolutionary tradition education, the Company improves the overall competence of Party members and gives full play to their exemplary vanguard role in production and operation, technological innovation, workplace safety, voluntary services, and other fields. It has built a contingent of Party members with strong political integrity, professional expertise, and fine work conduct, providing solid organizational guarantee and talent support for the development of the enterprise.

### Governance Structure

The Company has established and continuously improved its governance structure with the Shareholders' Meeting as the organ of power, the Board of Directors (the Board) as the decision-making body, the specialized committees of the Board as decision support bodies, and the management team as the executive body. An Audit Committee has been set up under the Board of Directors to exercise the functions and powers of the Board of Supervisors as stipulated in the Company Law of the People's Republic of China. The Shareholders' Meeting, Board of Directors and management team have clearly defined rights and obligations, perform their respective duties, cooperate with and check and balance each other.



### The Board of Directors

The Board of Directors is the permanent decision-making body of the Company and is accountable to the Shareholders' Meeting. The Company attaches importance to the diversity of the Board of Directors, and has formulated systems including the Rules for the Selection and Appointment of Employee Directors and the Rules for Special Meetings of Independent Directors, so as to improve the level of standardized operation and form a diversified Board structure composed of shareholder representative directors, employee directors and independent directors. The Board of Directors consists of nine directors, including six non-independent directors and three independent directors, with one Chairman.

Under the Board of Directors, there are an Audit Committee, a Nomination Committee, a Remuneration and Appraisal Committee, and a Strategy Committee. Each committee conducts research on professional matters and provides professional advice for the decision-making of the Board of Directors, with all members being directors of the Board. Starting from 2025, the Audit Committee exercises the functions and powers of the Board of Supervisors as stipulated in the Company Law of the People's Republic of China.



Directors shall be elected or replaced by the Shareholders' Meeting. The term of office for directors is three years. Upon expiration, directors may be re-elected and serve consecutive terms. Directors may concurrently serve as the general manager or other senior executives; provided that the total number of directors who concurrently serve as the general manager or other senior executives, plus directors appointed by employee representatives, shall not exceed one-half of the total number of directors of the Company. The Shareholders' Meeting may adopt the cumulative voting system when electing directors.

### Management

The Company has one general manager, appointed or removed by the Board of Directors. All senior management personnel of the Company shall implement resolutions of the Board meetings in strict accordance with applicable national laws, regulations and corporate governance provisions, and perform their duties faithfully and diligently.

### Compensation of Directors and Senior Management

The Remuneration and Appraisal Committee is responsible for formulating and implementing performance appraisal standards for directors and senior management, as well as developing and reviewing remuneration policies and plans, including the remuneration decision-making mechanism, decision-making procedures, payment, clawback provisions for directors and senior management. The remuneration of the Company's management consists of fixed remuneration and variable remuneration, in which variable remuneration is linked to the overall performance of the Company. Performance evaluation combines organizational performance and individual performance, and performance-based remuneration is paid based on appraisal results.



## Investor Relations Management

The Company is committed to building close, harmonious and win-win relationships with investors to gather strength for its long-term development.

### High-Quality Information Disclosure

Adhering to the principles of transparency, consistency, accountability and integrity in information disclosure, the Company has formulated systems including the Information Disclosure Management Policy. It regularly updates financial reports, company announcements and other relevant information and materials through the Company's official website, the official website of the Shanghai Stock Exchange and designated media, fulfills all information disclosure obligations in accordance with laws and regulations, and ensures that investors have equal access to corporate information. In 2025, the Company continued to strengthen the management of information disclosure affairs, duly fulfilled its information disclosure obligations in accordance with the law, and effectively ensured full disclosure of all required information.



### Investor Relations Management

The Company has formulated the Investor Relations Management Policy to improve the investor protection mechanism, further strengthen information communication with investors and potential investors, and promote the establishment of a long-term, stable and sound relationship. The Board Office is the competent department in charge of investor relations management, with dedicated personnel responsible for daily administration. Additionally, the Company has developed a comprehensive internal information management mechanism and built a unified information platform, with all departments coordinating to provide strong support for investor relations management.

The Company continuously expands diversified communication channels. It timely releases corporate updates through platforms such as the official website and official WeChat accounts, and actively strengthens communication with investors via multiple channels including the SSE E-interactive Platform, investor hotline, investor email, on-site research visits and earnings presentation, while earnestly listening to investors' opinions on the Company.



Earnings Presentation at the SSE Roadshow Center



### Protection of Shareholders' Rights and Interests

The Company convenes and holds Shareholders' Meetings in strict accordance with applicable national laws and regulations as well as the Rules of Procedure for Shareholders' Meetings, ensuring that shareholders exercise their voting rights in accordance with the law. In 2025, the Company held a total of three Shareholders' Meetings, with a **100%** attendance rate of directors.

- Meetings are held in an on-site form, while online voting or other methods are provided to facilitate shareholders' participation in Shareholders' Meetings.
- When deliberating on each agenda item, shareholders present at the meeting shall have the right to speak. Directors and senior management shall explain and clarify inquiries raised by shareholders at the meeting, except for matters involving the Company's trade secrets that cannot be disclosed at the Shareholders' Meeting.
- When deliberating major matters affecting the interests of small and medium-sized investors, separate vote counting shall be conducted for voting by small and medium-sized investors, and the results of separate vote counting shall be publicly disclosed in a timely manner.
- When deliberating related-party transaction matters, related shareholders shall be required to recuse themselves voluntarily.
- When voting on the election of directors, cumulative voting shall be adopted if the Shareholders' Meeting intends to elect two or more directors.
- Voting shall be conducted item by item on all proposals included in the agenda; where there are different proposals on the same matter, voting shall be conducted in the order of submission.

The Company pays close attention to developments in the capital market, upholds the philosophy of creating sustained value for shareholders, and continuously improves its shareholder return mechanism. By optimizing the corporate governance structure, improving the efficiency of rational decision-making, and enhancing the transparency and standardization of information disclosure, the Company effectively safeguards the legitimate rights and interests of shareholders. The Company continuously improves its profit distribution policy, maintains the stability and predictability of its dividend mechanism, promotes sound coordination between capital returns and the long-term development of the enterprise, and achieves win-win results for multiple stakeholders. In addition, the Company strengthens the management and control of debt risks, improves its debt management system, and maintains sound solvency and a reasonable capital structure. It has established a standardized and transparent communication mechanism to regularly disclose its operating and financial conditions to creditors, strengthening the foundation of mutual trust. On this basis, the Company takes into full account the demands of all types of stakeholders, emphasizes the balance of rights and interests and win-win cooperation, and continuously consolidates long-term and stable cooperative relationships.

### Nationwide Investor Protection Awareness Day Event

Riyue organized the May 15 Nationwide Investor Protection Awareness Day event. Based on serving the high-quality development of the capital market, the Company is committed to investor protection with concrete actions to enhance investors' sense of gain, security, and satisfaction.



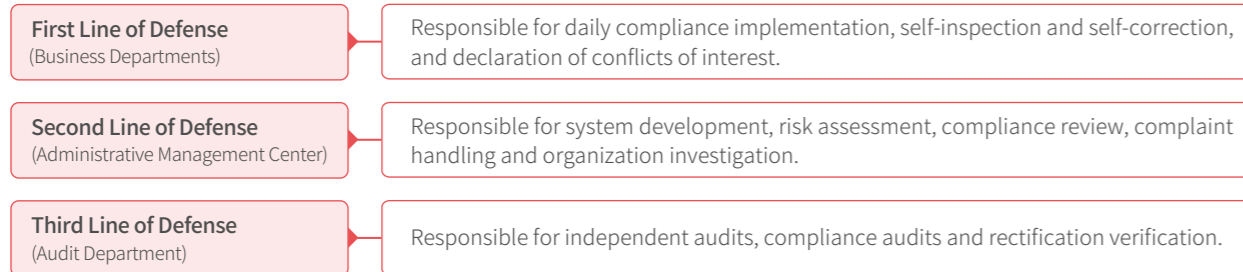
## Strengthening Risk Management and Internal Control

The Company is committed to building a systematic and regularized risk and internal control mechanism, and continuously optimizes its internal control system. It establishes dedicated posts, clarifies division of responsibilities, and improves risk management processes to ensure the compliant and orderly operation of all businesses, providing a solid guarantee for sustainable development.

### Internal Control

The Company strictly complies with the Company Law of the People's Republic of China and other laws, regulations and regulatory requirements. Focusing on the five core elements of the internal environment, risk assessment, control activities, information and communication, and internal supervision, it continuously improves an internal control management system featuring full coverage, highlighted priorities and effective control. The Company actively promotes the revision of the Articles of Association and relevant internal control management systems to steadily elevate its internal control capabilities. It further clarifies the roles and responsibilities of the Board of Directors, the Audit Committee and the management in the internal control mechanism, and establishes and continuously improves the internal control system.

#### Internal Control Management System



The Company has formulated the Internal Audit Management System, the Internal Audit Operating Procedures, the Annual Audit Plan and the Internal Audit Manual, and carries out special audits, ad hoc audits, and off-office audits of the Company and its subsidiaries in an orderly manner. It regularly accepts annual internal control audits conducted by external independent accounting firms, while strengthening the training and professional education of internal audit personnel to continuously enhance professional capabilities in internal control. In 2025, the Company engaged a third-party institution to conduct an audit on the effectiveness of its internal controls, which issued a standard unqualified internal control audit report.

### Risk Management

The Company attaches great importance to risk management and always gives prominent priority to the prevention of major risks. The Audit Committee under the Board of Directors assesses operational risks and supports and urges the management team to improve the Company's risk management. Meanwhile, the Company clarifies the roles and responsibilities of the Board of Directors, the Audit Committee and the management in risk management, establishes and continuously improves the risk management system, actively conducts risk management and control training, and strengthens risk management through multiple measures. In accordance with the Risk and Opportunity Control Procedure, all departments and subsidiaries conduct annual risk identification and evaluation in such fields as finance, operations, and compliance, formulate the Risk and Opportunity Assessment Form, and develop corresponding response measures.



In 2025, the Company did not experience any major risk incidents.



### Compliant Operation

The Company attaches great importance to lawful and compliant operation, and has formulated the Compliance Inspection and Management System, the Internal Control and Compliance Management Procedures and a compliance inspection plan. It includes compliance audits in the annual audit plan, realizes information sharing and joint verification with compliance supervision, conducts monthly compliance inspections, compiles the Follow-Up Form for Non-Conformities Identified in Compliance Inspections, follows up on rectification on a regular basis, and conducts random inspections on compliance in key focus areas at intervals. In addition, the Company requires employees to sign the Employee Compliance Practice Commitment on an annual basis, conducts irregular compliance training, fosters a compliance culture, and enhances compliance management capabilities.



## Observing Business Ethics

The Company actively establishes a rigorous prevention and control system, integrates anti-corruption and anti-bribery into all aspects of corporate operations, spares no effort to foster a sound ethical environment, and demonstrates its sense of responsibility with concrete actions.

### Anti-Commercial Bribery and Anti-Corruption

The Company has continuously improved its institutional system against commercial bribery and corruption, and kept revising and refining documents including the Integrity Supervision and Implementation Management System, the Whistleblowing Management System, the Code of Practice for Procurement Personnel on Integrity and Professional Conduct, the Control Procedures of Anti-Corruption and Anti-Bribery, the Integrity Supervision and Implementation Management System, the Code of Practice for Key Business Personnel, the Conflict of Interest Investigation System, the Whistleblower Management System, and the Accountability Management System. This has formed a closed-loop management mechanism of "prevention – supervision – investigation – accountability – improvement" to standardize the implementation of relevant work. The Company has strengthened supervision and management over personnel in key links and positions where corruption is prone to occur, ensured the implementation of the commitment system against commercial bribery, and consciously resisted negative and corrupt practices such as sacrificing justice for profit, harming corporate interests for private gain, dishonesty, fraud and deception. It has continuously strengthened its integrity defense line and established a sound corporate image.

The Company has formulated the Control Procedures of Anti-Corruption and Anti-Bribery, which explicitly stipulate that:

- A commitment system for preventing commercial bribery shall be applied to personnel in key links and key positions. Individuals in important posts shall sign the Integrity Commitment for Procurement Personnel with the Company.
- All customers, suppliers, service providers and contractors having business relations with the Company must sign the Supplier Anti-Bribery Commitment.
- An integrity reporting platform shall be established internally.
- Training and publicity on integrity-related policies shall be carried out.

The Company standardizes the procedures for accepting and investigating whistleblowing reports, and sets up diversified reporting channels including An integrity reporting platform, reporting email, reporting box and in-person reporting, while keeping the information of whistleblowers strictly confidential.

### Whistleblower Acceptance and Investigation Process

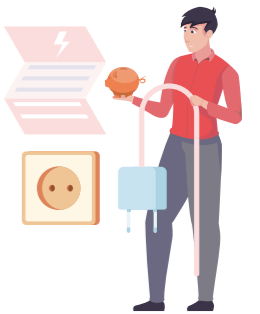
- Unified acceptance, registration, and preliminary assessment.
- Establishment of an independent investigation team (comprising compliance, audit, legal affairs, and other personnel).
- Preparation of investigation reports, formulation of handling proposals and submission to the President for approval in accordance with rules.
- Serious handling of verified violations in accordance with the Accountability Management System, including warning, demotion, termination of labor contract, and transfer to judicial authorities.

### Phased Goals

- Complete the declaration and review of conflicts of interest for all employees on a regular annual basis.
- Conduct at least one company-wide integrity risk screening and assessment each year.
- Update the List of Key Integrity Risk Positions annually and implement differentiated management and control.
- Organize integrity training and commitment signing for key position personnel each year.
- Conduct compliance audits annually to evaluate the effectiveness of the system.

### Long-Term Goals

- Establish a long-term integrity governance mechanism of "daring not to corrupt, being unable to corrupt and having no desire to corrupt".
- Achieve full coverage of compliance management across the group, all businesses, and entire processes.
- Become a benchmark enterprise for integrity and compliance in the industry.



### Anti-Unfair Competition

The Company attaches great importance to business ethics and is committed to fostering an honest and fair business environment. In strict compliance with rules of fair competition, the Company has formulated the Integrity Management System to guide employees, customers, suppliers and other stakeholders to act in accordance with laws and regulations and uphold honesty and trustworthiness. The Company has guided its subsidiary, Rixing Casting Co., Ltd., to formulate the Business Ethics Code Control Procedures, which specify requirements on conflict of interest, gift acceptance, protection and use of corporate assets and intellectual property rights, whistleblower protection, and other matters.



## Key Performance Indicators (KPI) Table

**Note:** Due to changes in the statistical methodology, some indicators show significant year-on-year fluctuations, which are considered normal variations.

### Environmental

		Indicator	Unit	2025	2024
Resource Consumption	Water Resources	Total Water Consumption	Tons	72.23	135.26
		Freshwater Consumption	Tons	37.94	113.60
		Total Recycled Water Usage	Tons	34.29	21.66
		Proportion of Recycled Water Consumption	%	47.48	16.01
		Water Consumption Intensity	Ton/RMB 1 million	115.46	806.89
	Energy	Total Energy Consumption	10 <sup>4</sup> tce	9.77	37.51
		Bituminous Coal Consumption	tce	0	15,235.74
		Anthracite Coal Consumption	tce	0	43,533.23
		Coke Consumption	tce	639.42	229,379.63
		Gasoline Consumption	tce	4.97	348.30
		Diesel Consumption	tce	847.78	1,000.47
		Natural Gas Consumption	tce	384.41	3,296.20
		LPG Consumption	tce	181.47	163.68
		PV Power Consumption	tce	3,398.20	1,607.38
		Purchased Electricity	tce	90,504.16	79,861.04
		Purchased Heat	tce	888.00	1,005.71
		Fossil Energy Consumption	tce	6,286.58	292,624.53
		Non-Fossil Energy Consumption	tce	2,541.42	1,607.38
		Purchased Energy Consumption	tce	91,392.16	80,866.75
		Energy Consumption Intensity	tce/RMB 1 Million Revenue	15.62	48.49
		Clean Energy Consumption	tce	3,782.61	3,296.20
		Renewable Energy Consumption	tce	3,398.20	1,607.38
		Proportion of Non-Fossil Energy Consumption	%	0.87	0.43
		Proportion of Clean Energy Consumption	%	1.17	0.88
		Proportion of Renewable Energy Consumption	%	1.17	0.43
	Materials	Total Materials Consumption	Tons	698,651.69	/
		Recyclable Material Consumption	Tons	0	/
		Non-Recyclable Material Consumption	Tons	698,651.69	/
		Material Consumption Intensity	Tons/RMB 1 million	111.68	/

		Indicator	Unit	2025	2024	
Pollution Emissions	Wastewater	Wastewater Discharge	Tons	93,813.80	83,877.50	
		Industrial Wastewater Discharge	Tons	4,364.80	980.00	
		Domestic Wastewater Discharge	Tons	89,449.00	82,897.50	
		Category II Pollutant Discharge Volume	Tons	20.23	15.50	
		COD	Tons	11.62	7.80	
		Suspended Solids (SS)	Tons	9.44	4.00	
		Other Category II Waste Water Pollutants	Tons	6.86	3.70	
		Number of Wastewater Treatment Facilities	Tons	4	4	
		Treatment Capacity of Wastewater Treatment Facilities	10,000 m <sup>3</sup> /year	3.66	1.50	
	Waste Gas	Total Waste Gas Volume	100 million m <sup>3</sup>	277.95	165.50	
		Waste Gas Pollutant Discharge Volume	kg	335,412.65	329,703.30	
		NO <sub>x</sub>	kg	265.88	3,219.20	
		SO <sub>2</sub>	kg	260.95	375.80	
		Volatile Organic Compounds (VOCs)	kg	27,656.22	28,252.80	
		Particulate Matter (PM)	kg	307,004.60	294,373.10	
		Other Waste Gas Pollutants	kg	315.00	3,482.00	
		Number of Waste Gas Treatment Facilities	sets	187	104	
		Treatment Capacity of Waste Gas Treatment Facilities	100 million m <sup>3</sup> /year	98,153.25	793.96	
	Solid Waste	Total Solid Waste Generation	Tons	77,363.88	43,633.90	
		General Industrial Solid Waste (Non-Hazardous Waste) Generation	Tons	76,880.19	43,305.90	
		Hazardous Waste Generation	Tons	480.93	327.90	
		Total Solid Waste Disposal Volume	Tons	77,030.40	42,527.20	
		General Industrial Solid Waste (Non-Hazardous Waste) Disposal Volume	Tons	76,568.83	43,447.50	
		Hazardous Waste Disposal Volume	Tons	470.27	308.20	
		Waste Recycling Volume	Tons	0	/	
		Proportion of Recycled Waste	%	0	/	
		Climate Change	GHG Emissions	Total GHG Emissions	tCO <sub>2</sub> e	607,648.58
	Scope 1 Emissions			tCO <sub>2</sub> e	85,138.82	1,077,408.22
	Scope 2 Emissions			tCO <sub>2</sub> e	522,509.76	351,927.72
	GHG Emission Intensity(Scope 1)			tCO <sub>2</sub> e/RMB 1 Million Revenue	13.61	139.88
GHG Emission Intensity(Scope 2)	tCO <sub>2</sub> e/RMB 1 Million Revenue			83.53	45.69	
Environmental management	Environmental Investment	Amount of Major Administrative Penalties Imposed by Eco-Environmental Authorities for Environmental Incidents During the Reporting Period	RMB 10,000	0	0	
		Total Environmental Protection Investment	RMB 10,000	2,366.39	1,927.43	
		Environmental Protection Tax	RMB 10,000	24.14	22.41	

Social

		Indicator	Unit	2025	2024
<b>Employees' Rights and Interests</b>	<b>Employee Structure</b>	Total Number of Employees	Persons	5,004	4,747
		By Gender:			
		Male Employees	Persons	3,993	3,729
		Female Employees	Persons	1,011	1,018
		By Age:			
		30 (inclusive) and Below	Persons	1,483	1,233
		30-50 (inclusive)	Persons	2,953	2,756
		Above 50	Persons	568	758
		By Education:			
		Number of Employees with Doctoral Degrees	Persons	2	3
		Employees with Master's Degrees	Persons	27	19
		Employees with Bachelor's Degrees	Persons	476	385
		Employees with Associate Degrees	Persons	798	728
		Employees with Education Below Associate Degree	Persons	3,701	3,612
		Disabled Employees	Persons	16	18
		Ethnic Minority Employees	Persons	514	603
		By Professional Category:			
		Production Personnel	Persons	3,550	3,522
		Sales Personnel	Persons	57	54
		Technical Personnel	Persons	793	699
	Finance Personnel	Persons	25	22	
	Administrative Personnel	Persons	579	450	
	New Employees	Persons	3,942	2,673	
	By Recruitment Channel:				
	Fresh Graduates	Persons	51	85	
	Number of Employees Recruited from Social Channels	Persons	3,891	2,588	
	<b>Compensation and Benefits</b>	Coverage Rate of Employee Social Insurance Contributions	%	100	100
		Employee Gender Pay Ratio	%	525	/
Average Paid Leave Days per Employee		Days	5	/	

		Indicator	Unit	2025	2024
<b>Employees' Rights and Interests</b>	<b>Occupational Health and Safety Management</b>	Total Number of Safety Training Sessions	Times	568	480
		Total Duration of Safety Training	Hours	1,954.92	1,542.45
		Average Safety Training Hours per Capita	Hours	10.98	/
		Total Person-Times of Safety Training Participation	Person-Times	21,479	18,082
		Coverage of Work Safety Training	%	100	100
		Amount of Investment in Employment Injury Insurance	RMB 10,000	286.78	/
		Employee Social Insurance Coverage	%	100	100
		Amount of Investment in Occupational Injury Insurance for Employees	RMB 10,000	9.18	5.12
		Number of Employees Covered by Occupational Injury Insurance	Persons	51	/
		Coverage of Occupational Injury Insurance for Employees	%	100	100
		Investment in Work Safety Liability Insurance	RMB 10,000	32.8	31.3
		Coverage of Work Safety Liability Insurance	%	76.2	59.31
		Number of Major Safety Incidents	Incidents	0	0
		Number of Employee Safety Incidents in the Workplace	Cases	110	/
		Work Injury Rate	%	2.26	/
		Number of Work-Related Fatalities	Persons	0	/
		Work-Related Fatality Rate	%	0	/
		Number of Occupational Disease Cases	Items	2	2
	Incidence Rate of Occupational Diseases	%	0.04	0.04	
	<b>Care and Assistance</b>	Amount of Investment in Employee Assistance	RMB 10,000	0	11
		Medical Examination & Health Record Coverage Rate	%	100	100
	<b>Development and Training</b>	Number of Employee Training Sessions	Times	1,716	1,604
		Employee Training Expenditure	RMB 10,000	61.91	51.59
		Total Employee Training Hours	Hours	19,117.89	16,918.49
		Average Training Hours per Employee	Hours	3.82	3.56
		Total Person-Times of Employee Training Participation	Person-Times	149,522	130,019
		Employee Training Coverage	%	99.9	100
		By Gender:			
Male Employee Training Rate		%	99.9	100	

		Indicator	Unit	2025	2024	
<b>Employees' Rights and Interests</b>	<b>Development and Training</b>	Average Training Hours per Male Employee	Hours	3.96	3.83	
		Female Employee Training Rate	%	100	100	
		Average Training Hours per Female Employee	Hours	3.29	2.59	
		By Employee Type				
		Number of Trained Senior Management Employees	Persons	32	6	
		Training Participation Rate of Senior Management	%	100	100	
		Average Training Hours per Senior Management Employee	Hours	4.11	3.77	
		Number of Trained Middle Management Employees	Persons	72	26	
		Training Participation Rate of Middle Management	%	100	100	
		Average Training Hours per Middle Management Employee	Hours	27.64	25.13	
		Number of Trained Frontline Employees	Persons	4,894	4,715	
		Training Participation Rate of Frontline Employees	%	99.9	100	
	Average Training Hours per Frontline Employee	Hours	4.13	3.44		
	<b>Employee Satisfaction</b>	Number of Employees Participating in Employee Satisfaction Survey	Persons	847	743	
		Employee Satisfaction Score	Score	90	86	
<b>Product and Service Management</b>	<b>Product Safety and Quality</b>	Amount of Damages Involved in Major Liability Accidents Related to Product and Service Safety and Quality During the Reporting Period	RMB 10,000	0	0	
		Number of Products to Be Withdrawn and Recalled Due to Health and Safety Reasons	Cases	0	0	
	<b>Customer Service and Rights and Interests</b>	Number of Customer Satisfaction Surveys Conducted	Times	37	41	
		Customer Satisfaction Survey Coverage Rate	%	100	100	
		Customer Satisfaction Score	Score/%	92.89	91.27	
		Number of Customer Complaints	Cases	1,416	1,353	
		Completion Rate of Customer Complaint Resolution	%	100	100	
		Amount Involved in Data Security Incidents	RMB 10,000	0	0	
		Number of Customer Privacy Breach Incidents	Cases	0	0	
	<b>Innovation-Driven Development</b>	Proportion of R&D Personnel	%	6.61	6.48	
		<b>Intellectual Property Protection</b>	Number of Patent Applications	Items	27	18
	Number of Invention Patent Applications		Items	5	6	
	Number of Utility Model Patent Applications		Items	22	12	
	Number of Patents Granted		Items	13	21	

		Indicator	Unit	2025	2024
<b>Intellectual Property Protection</b>		Number of Invention Patents Granted	Items	0	5
		Number of Utility Model Patents Granted	Items	13	16
		Number of Design Patents Granted	Items	0	0
		Number of Valid Patents	Items	178	174
		Number of Trademarks	Items	11	9
		Number of Copyrights	Items	0	0
		Number of Software Copyrights	Items	7	7
		<b>Supply Chain Security and Management</b>	<b>Supplier Management</b>	Number of Suppliers	Entities
Number of Suppliers in Chinese Mainland	Entities			963	868
Number of Suppliers from Hong Kong, Macao and Taiwan	Entities			1	1
Number of Overseas Suppliers	Entities			5	5
Supplier Localization Ratio	%			46.40	46.34
Local Procurement Ratio	%			27.37	26.08
Number of Suppliers Audited	Entities			91	28
Number of Suppliers Suspended for Non-Compliance	Entities			0	0
Number of Potential Suppliers Rejected for Non-Compliance	Entities			0	1
Number of Suppliers with ISO 9000 Certification	Entities			159	129
Number of Suppliers with ISO 14000 Certification	Entities			129	100
Number of Suppliers with ISO 45001 Certification	Entities			114	100
Number of Suppliers Signing Integrity Commitment	Entities		963	868	
<b>Supply Chain Management</b>	Number of Significant Supply Chain Risks and Impact Incidents		Cases	0	0
<b>Equal Treatment of SMEs</b>	Balance of Accounts Payable (including notes payable) at the End of the Reporting Period		RMB 10,000	196,432.7	/
	Proportion of Accounts Payable (including notes payable) Balance in Total Assets at the End of the Reporting Period	%	14.49	/	
	Amount of Overdue Payments to SMEs at the End of the Reporting Period	RMB 10,000	0	/	
	Amount of Overdue Payables at the End of the Reporting Period	RMB 10,000	0	/	
<b>Social Contribution</b>	<b>Public Welfare Activities</b>	Amount of Investment in Public Welfare Activities	RMB 10,000	103.62	/
		Total Number of Public Welfare Activities	Times	6	/
		Number of Volunteers Participating in Public Welfare Activities	Persons	5,384.00	4,756
		Hours Invested in Community Initiatives	Hours	3,923.00	3,736

**Governance**

		Indicator	Unit	2025	2024
<b>Governance Strategy and Organizational Structure</b>	<b>Organization Structure and Functions</b>	Number of Board Members	Persons	9	9
		Number of Board Members with Doctoral Degree	Persons	1	1
		Number of Board Members with Master's Degree	Persons	2	1
		Number of Board Members with Bachelor's Degree or Below	Persons	6	7
		Number of Male Board Members	Persons	7	7
		Number of Female Board Members	Persons	2	2
		Number of Independent Directors	Persons	3	3
		Number of Non-Independent Directors	Persons	6	6
		Number of Directors Aged 30 (Inclusive) and Below	Persons	1	0
		Number of Directors Aged 30 to 50 (Inclusive)	Persons	3	3
		Number of Directors Aged Over 50	Persons	5	6
		Number of Board Meetings Held	Times	7	7
		Number of Senior Executives	Persons	6	6
		Number of Senior Executives with Master's Degree	Persons	2	1
		Number of Senior Executives with Bachelor's Degree or Below	Persons	4	5
Number of Male Senior Executives	Persons	6	/		
Number of Female Senior Executives	Persons	0	/		
<b>Business Ethics</b>	<b>Anti-Commercial Bribery and Anti-Corruption</b>	Number of Anti-Commercial Bribery and Anti-Corruption Training Sessions	Times	2	2
		Number of Participants Trained in Anti-Commercial Bribery and Anti-Corruption	Persons	356	227
		Number of Directors Trained in Anti-Commercial Bribery and Anti-Corruption	Persons	9	9
		Number of Management Personnel Trained in Anti-Commercial Bribery and Anti-Corruption	Persons	7	6
		Number of Employees Trained in Anti-Commercial Bribery and Anti-Corruption	Persons	340	218
		Proportion of Total Participants Trained in Anti-Commercial Bribery and Anti-Corruption	%	100	100
		Number of Corruption Lawsuits	Cases	0	0
<b>Investor Relations and Shareholders' Rights Management</b>	<b>Investor Relations Management</b>	Earnings Presentation	Times	3	3
		Number of Investor Exchange Meetings	Times	26	19
		Number of Investors Received	Person-Times	254	439
		Number of Platform Replies	Times	29	27
		Number of Investor Calls Answered	Times	263	399

		Indicator	Unit	2025	2024
	<b>Shareholders' Rights and Interests</b>	Number of Shareholders' Meetings Held	Times	3	3
		Attendance Rate of Directors at Shareholders' Meetings	%	100	100
	<b>Information Disclosure</b>	Number of Periodic Reports Disclosed	Items	4	4
Number of Interim Announcements Issued		Pieces	62	80	
Number of Other Documents Issued		Items	81	51	
<b>Compliant Operations and Risk Management</b>	<b>Risk Management</b>	Amount Involved in Lawsuits or Major Administrative Penalties Caused by the Company's Unfair Competition Practices During the Reporting Period	RMB 10,000	0	0
		Number of Law-Abiding and Compliance Training Sessions	Times	2	2
		Duration of Law-Abiding and Compliance Training	Hours	1,344	940
		Number of Participants in Law-Abiding and Compliance Training	Person-times	672	470

**Company Names and Abbreviations Comparison Table**

Abbreviation	Full Company Name
Riyue	Riyue Heavy Industry Co., Ltd.
Rixing Casting	Ningbo Rixing Casting Co., Ltd.
Essence Metal	Ningbo Essence Metal Machinery Co., Ltd.
Yuxing Metal	Ningbo Yuxing Metal Machinery Co., Ltd.
Riyue Nuclear Equipment	Ningbo Riyue Nuclear Equipment Manufacturing Co., Ltd.
Precision Manufacturing	Ningbo Riyue Essence Precision Manufacturing Co., Ltd.
Mingling Technology	Ningbo Mingling Technology Co., Ltd.
Riyi Intelligent	Ningbo Riyi Intelligent Equipment Co., Ltd.
Gansu Riyue	Riyue Heavy Industry (Gansu) Co., Ltd.
Zhixin Testing	Xiangshan Riyue Zhixin Testing Technology Co., Ltd.
Riyue New Energy	Ningbo Riyue Rixing New Energy Technology Co., Ltd.
Subei Zhexinneng	Subei Zhexinneng Wind Power Co., Ltd.

## Indicator Index

Report Sections		Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No.14—Sustainability Report (Trial)
	<b>ESG Management</b>	<b>Stakeholder Engagement</b>
Green as the Foundation: Charting the Ecological Chapter	Environmental Compliance Management	Environmental Compliance Management
	Prevention and Control of Pollution	Pollutant Emissions, Waste Disposal
	Refined Resource Utilization	Energy Utilization, Water Resource Utilization, Circular Economy
	Climate Change Response	Climate Change Response
	Biodiversity Conservation	Ecosystem and Biodiversity Conservation
Craftsmanship as the Soul, Forging Outstanding Quality	Gathering Talent Strength	Employees
	Driving Development Through Innovation	Innovation-Driven Development, Technology Ethics
	Strengthening Product Quality	Product and Service Safety & Quality, Data Security and Customer Privacy Protection
	Deepening Supply Chain Management	Supply chain security
Governance as the Guarantee, Reinforcing the Foundation for Steady and Sustainable Development	Contributing to Social Development	Social Contribution, Rural Revitalization
	Optimizing Governance Structure	/
	Investor Relations Management	Stakeholder Engagement
	Strengthening Risk Management and Internal Control	/
	Observing Business Ethics	Anti-Commercial Bribery, Anti-Corruption, and Anti-Unfair Competition



## Feedback Form

### Dear Readers,

To better provide you and other stakeholders with effective information, continuously improve the quality of the report, and enhance our sustainable development capabilities, we sincerely invite you to evaluate this report and offer your valuable comments and suggestions.

You may provide your feedback through the following channels:

**Address:** 20F, Riyue Constellation Building, No. 7 Tianzhi Alley, Shouan Subdistrict, Yinzhou District, Ningbo City, Zhejiang Province Board Office, Riyue Heavy Industry Co., Ltd.

**Postal Code:** 315100 **Tel.:** 0574-55007043 **Email:** stock@riyuehi.com

### Feedback Questionnaire

1.Your identity in relation to Riyue

- Government  
  Investor  
  Employee  
  Customer  
  Supplier/Contractor  
  Partner  
 Peer  
 Community & Public  
 Media  
 Non-Governmental Organization  
 Others (Please specify)\_\_\_\_\_

2.Your overall evaluation of this report

- Excellent  
 Good  
 Average  
 Below Average  
 Poor

3.Do you think the report structure is reasonable?

- Very Reasonable  
 Reasonable  
 Average  
 Somewhat Unreasonable  
 Unreasonable

4.To what extent is the information you are concerned about disclosed in the report?

- Highly Comprehensive  
 Comprehensive  
 Partially Covered  
 Seldom Covered  
 Not Covered

5. What other information of concern do you think is not included in the report?

\_\_\_\_\_

\_\_\_\_\_

6. Your suggestions on this report

\_\_\_\_\_

\_\_\_\_\_

Thank you for your feedback!