



2025

Environmental, Social and Governance Report

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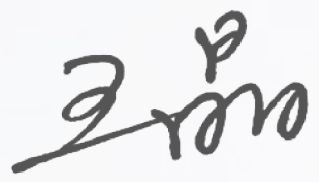
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Chairperson's Message

Dear partners, investors, and respected members of the community, Newland upholds its mission of "Technological Innovation for the Benefit of Humanity", and deeply integrates sustainability into the core of its strategy. Aligning with the United Nations Sustainable Development Goals (UN SDGs) and mainstream ESG standards, we have built a sustainability framework around four key strategies, fulfilling our broad responsibilities toward the environment, employees, and society.

We use frontier technologies such as artificial intelligence (AI) to drive innovation in products and services, and continuously deploy innovative solutions to advance the digital upgrading of industries. We are building an ecosystem that attracts, nurtures, and incentivises outstanding talent, and creating a safe, healthy, and inclusive workplace. Furthermore, we integrate environmental management into the entire operational process, implement a series of measures for energy saving, water conservation, waste reduction, and resource recycling, and enhance resource utilisation efficiency in our operations. Through our technological capabilities, we empower industrial and community development, actively giving back to society and creating shared value.

Looking ahead, Newland will proactively elevate its strategic approach to drive long-term ESG development and strengthen the foundation for sustainable growth. We will further enhance ESG's strategic role by embedding its principles throughout our overall development plan, with the Board of Directors' oversight and guidance reinforced and core ESG objectives and performance indicators included in our evaluation system to drive a practical integration of sustainable practices across all operations. By partnering with diverse stakeholders, we aim to cultivate a mutually beneficial ecosystem and exemplify our role as a technology company in meeting the responsibilities of the times.



About Newland

Newland Digital Technology Co., Ltd. (hereinafter referred to as "Newland", "the Company" or "we") was established in Fuzhou, Fujian Province, in 1994. It was listed on the main board of the Shenzhen Stock Exchange in 2000. The Company is a digital service provider integrating intelligent terminals, big data processing capacity, and data scenario operation capabilities. The Company takes serving the national "Digital China" strategy as its mission and is committed to empowering the development of the digital economy industry through technological innovation. Relying on years of accumulated customer resources and industry experience in segmented fields, the Company leverages core technological advantages such as AI, edge computing, and big data to continuously consolidate its cornerstone industries, actively cultivate innovative tracks, and deepen its global layout. The Company's business covers more than 130 countries and regions worldwide, continuously delivering China's digital transformation solutions to countries along the "Belt and Road" initiative. Facing the vast opportunities of the digital economy, the Company leverages central initiatives such as e-CNY and trusted digital identities to continuously refine its industry ecosystem. Fully engaging in China's twin waves of digital industrialisation and industrial digitisation, we strive to position ourselves as a pioneering enterprise for "Digital China".

Key Performance Highlights



Total revenue was RMB **8.758** billion, up **13.08%** year on year.



Net profit attributable to parent company, excluding non-recurring items, was RMB **1.049** billion, up **6.19%** year on year.



Taxes paid were RMB **353** million, with an **A** rating in tax payment for 9 consecutive years.



Approx. RMB **250** million of cash dividend (RMB **2.50** per 10 shares, tax-inclusive) for 2025, alongside a share repurchase of RMB **380** million.



Total cash dividend (including share repurchases) at **62.29%** of net profit attributable to shareholders.

Honours and Awards

Top-tier Qualifications & National Recognition

- National level Manufacturing Single Product Champion
- National Intellectual Property Demonstration Enterprise
- Industrial Technology Foundation Public Service Platform

Industry Influence & Brand Awards

- Golden Pine Award: Brand Influence Enterprise
- 2025 Industry Influential Brand
- Outstanding "Agriculture, Rural Areas and Farmers" and SME Financial Service Award
- "Turning Points into Value" Financial Data Governance Award
- 2025 Outstanding Product Innovation Leadership Award

Authoritative Recognition & Provincial and Municipal-level Platforms

- Industrial Leading Enterprise in Fujian Province
- "Gazelle" Enterprise in the Core Industries of Digital Economy in Fujian Province
- Leading Software Enterprise in Fuzhou City
- Key Laboratory of IoT Intelligent Perception and Cognitive Technology in Fujian Province
- Collaborative Innovation Platform in Fuzhou-Xiamen-Quanzhou National Independent Innovation Demonstration Zone
- Industry Technology Innovation Centre in Fuzhou City

Technological Strengths & Innovation Achievements

- East China Region Gold Award at Kunpeng Innovation Competition
- East China Region Silver Award at Ascend AI Innovation Competition
- AI service platform selected as a dual-database model case
- First AI enterprise in Fujian Province to achieve Level 1 Capability Certification
- Included in the AI Agent Industry Landscape 1.0 of China Academy of Information and Communications Technology
- Listed in the Large Model Application & Delivery Supplier Directory
- Contributed to DataOps Practice Guide (3.0)
- AI-based Image Recognition Technology awarded Excellence Award for High-value Patent Portfolio Project in Fuzhou City
- Face Recognition Method and System recognised as an excellent patent in Fuzhou City

Newland's Globalisation Development Strategy

Actively integrate into China's new "Dual Circulation" development strategy
Establish localised teams in multiple locations worldwide
Set up branch companies and business development service centres
Continuously improve localised service capabilities

Newland's Business Footprint Across 130+ Countries and Regions Worldwide

Globalisation 1.0

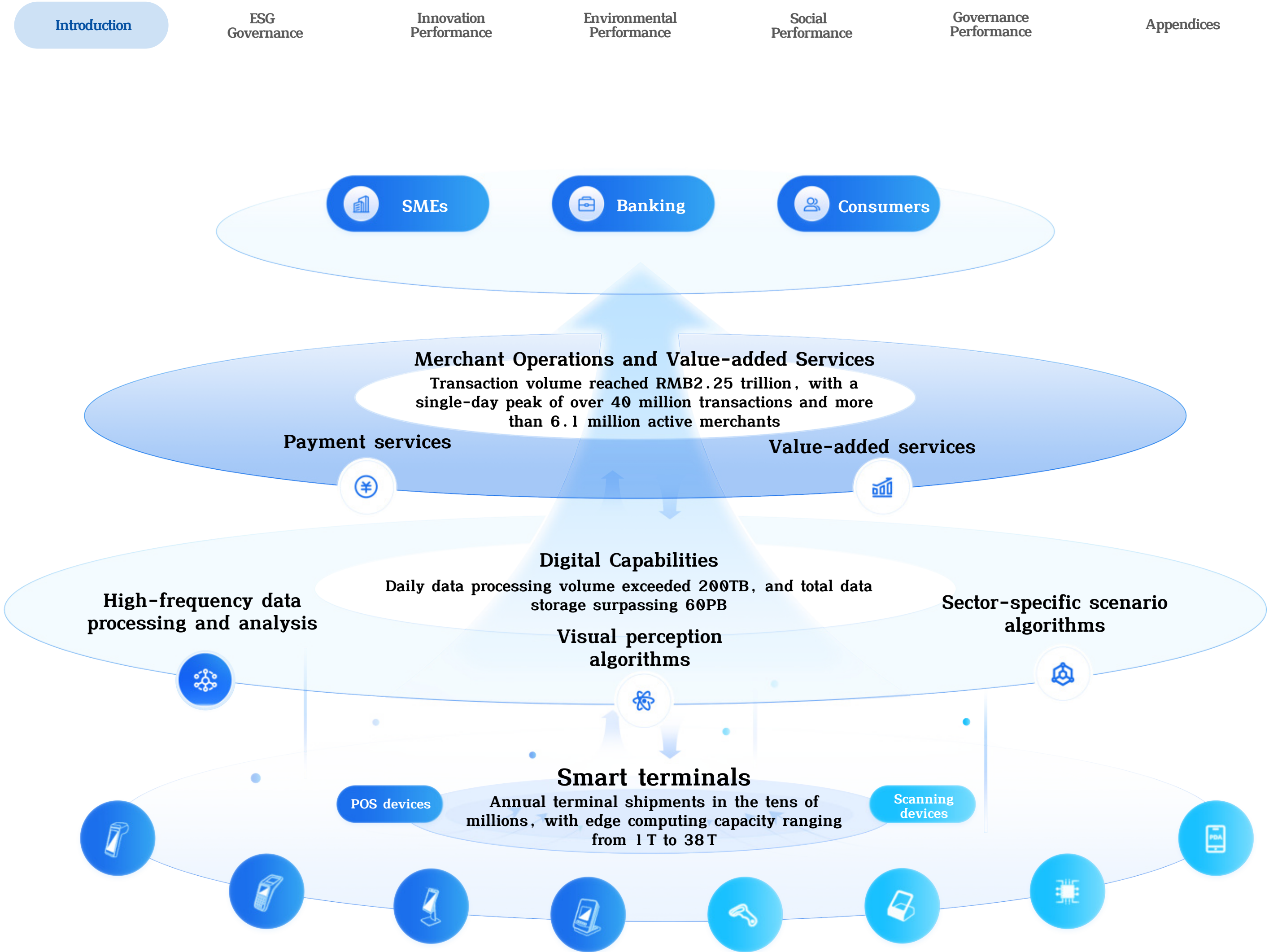
Business
globalisation

Globalisation 2.0

Full-spectrum
localisation of
technology, services,
and organisations



Business Architecture



2025 ESG Highlights

Innovation

Conducted **161** technical training sessions

Awarded **17** honours in technology invention, innovation, and related categories

R&D investment reached RMB **651** million, accounting for **7.43%** of revenue

Total R&D personnel numbered **3,594**, representing **57.73%** of all employees

Led or participated in the formulation of over **60** national, industry, local, and group standards

Within the R&D team, **92.32%** held a bachelor's degree or higher

Society

Customer satisfaction reached **95.88** points

Conducted **66** supplier training sessions, with over **1600** participants

Assisted in returning funds nearly RMB **1.36** million for **23** cases

Conducted **142** quality training sessions, with **3,297** participants

Annual fire drill involved **1,530** participants, a year-on-year increase of **48.69%**

Established **11** "Employee Hub" facilities, providing ongoing services to **19,344** people

Total invention patent applications:

93

Total valid invention patents:

238

Total investment in employee training:

RMB208.78

Training coverage:

22,818 participants

Average training hours per employee:

21.75 hours

Environment

Online approval requests increased by **44.18%** year on year

20 shuttle bus routes promoted low-carbon commuting for **887** employees

Completed over **6,500** personnel certification and labour contract signings

Conducted **28** specialised environmental training sessions, covering **458** participants

Recycled **55,546** units of obsolete equipment, a year-on-year increase of **24.70%**

Discharged **28,320** tonnes of domestic wastewater, down **8.28%** year on year

Total park electricity consumption was **8,389,853** kWh, a **9.29%** decrease year on year

Governance

Held **1** annual results briefing

Hosted **30** investor research sessions

Responded to **125** investor inquiries on [irm.cninfo.com.cn](#)

In 2025, distributed RMB **221** million in dividends and repurchased RMB **380** million in shares

Efficiently disclosed **4** annual reports and **70** interim reports

Organised **2** general meetings of shareholders, **10** Board of Directors' meetings, **3** Board of Supervisors meetings, and **4** Audit Committee meetings

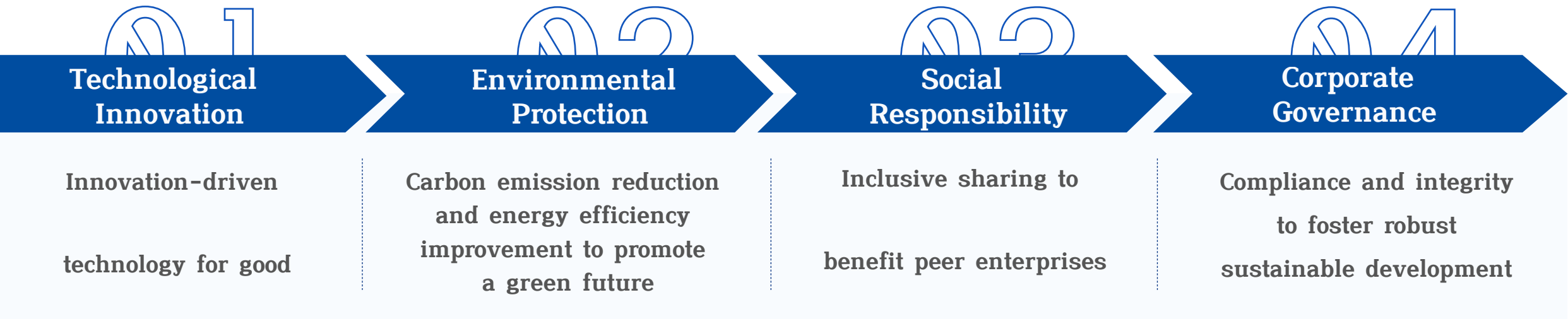
Conducted **52** compliance training sessions, covering **4,358** participants with a cumulative duration of **44.6** hours



ESG Governance

Carbon Path to the Future, Shared Responsibility
through Data Governance

ESG Management Framework



To implement the strategy, the Company continues to improve a four-in-one sustainability framework, namely, **innovation-driven** focus on technology for good, leveraging cutting-edge technologies to cultivate sustainable competitiveness; **carbon emission reduction and energy efficiency** improvement throughout the production and operation cycle to create closed-loop environmental management, **inclusive sharing** to eliminate the digital divide and encourage equal participation among diverse entities in the digital ecosystem, **compliance and integrity** to solidify the governance foundation and ensure data security and business ethics. Under the overall coordination of the Board of Directors, the ESG governance system has been fully integrated across R&D, supply chain, and service processes. Leveraging digital tools, a dynamic "strategy-execution-evaluation" mechanism has been established, forming a mutually reinforcing loop between disclosure quality and management effectiveness. This approach continuously enhances business resilience and social value, fostering a smart and sustainable ecosystem.

The Company actively aligns with the United Nations 2030 Agenda for Sustainable Development and further integrates all 17 SDGs into its daily operations and long-term planning. Multiple key initiatives have been launched across technology greening, responsible supply chain management, and social empowerment, driving a deep integration of the digital and green economies and contributing lasting value to the global community through the power of responsible business. Progress and specific actions are detailed in the corresponding sections of this Report.

Vision

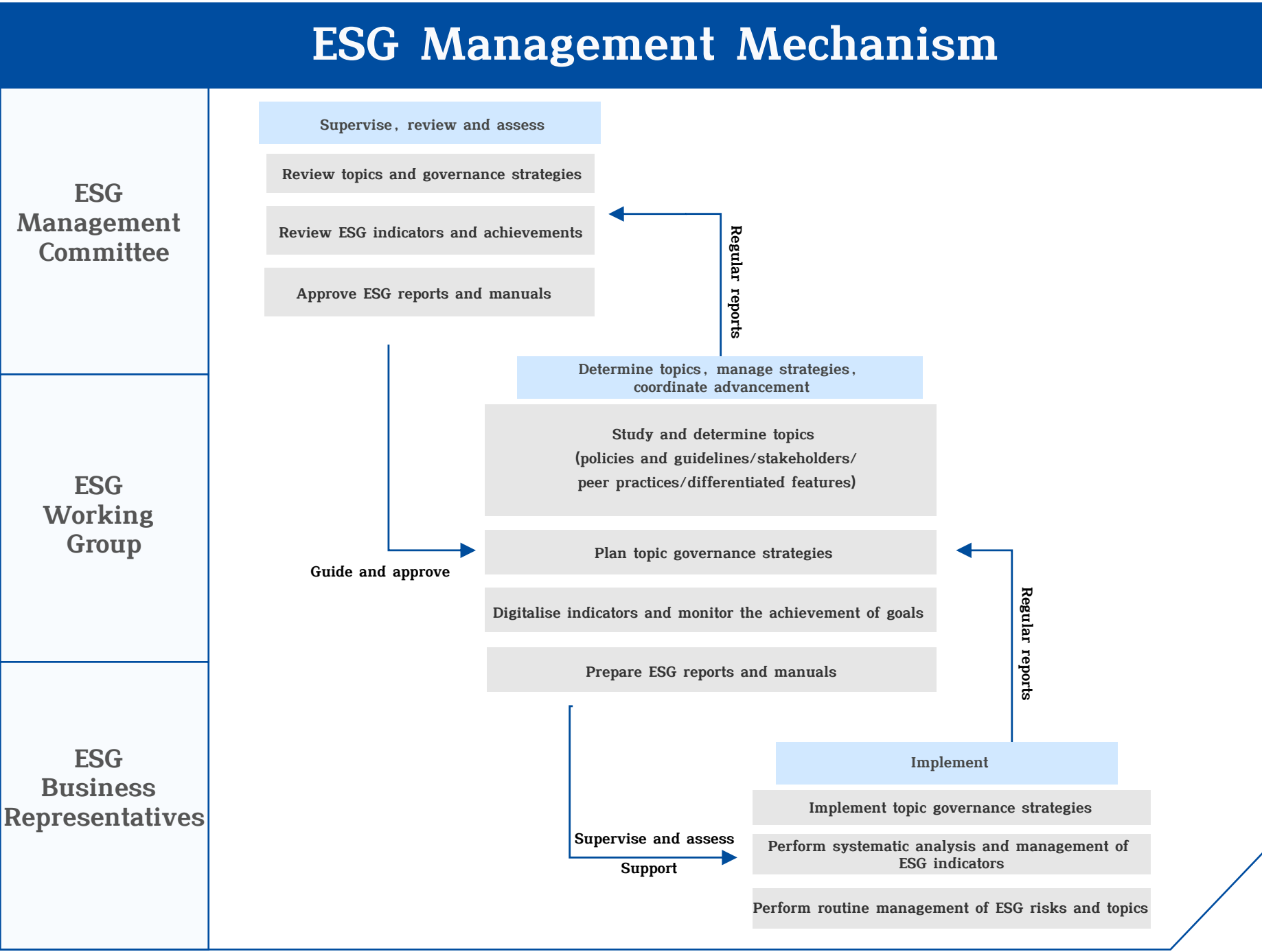
Become a pioneering enterprise for "Digital China"

Mission

Technological innovation for the benefit of humanity

Strategy

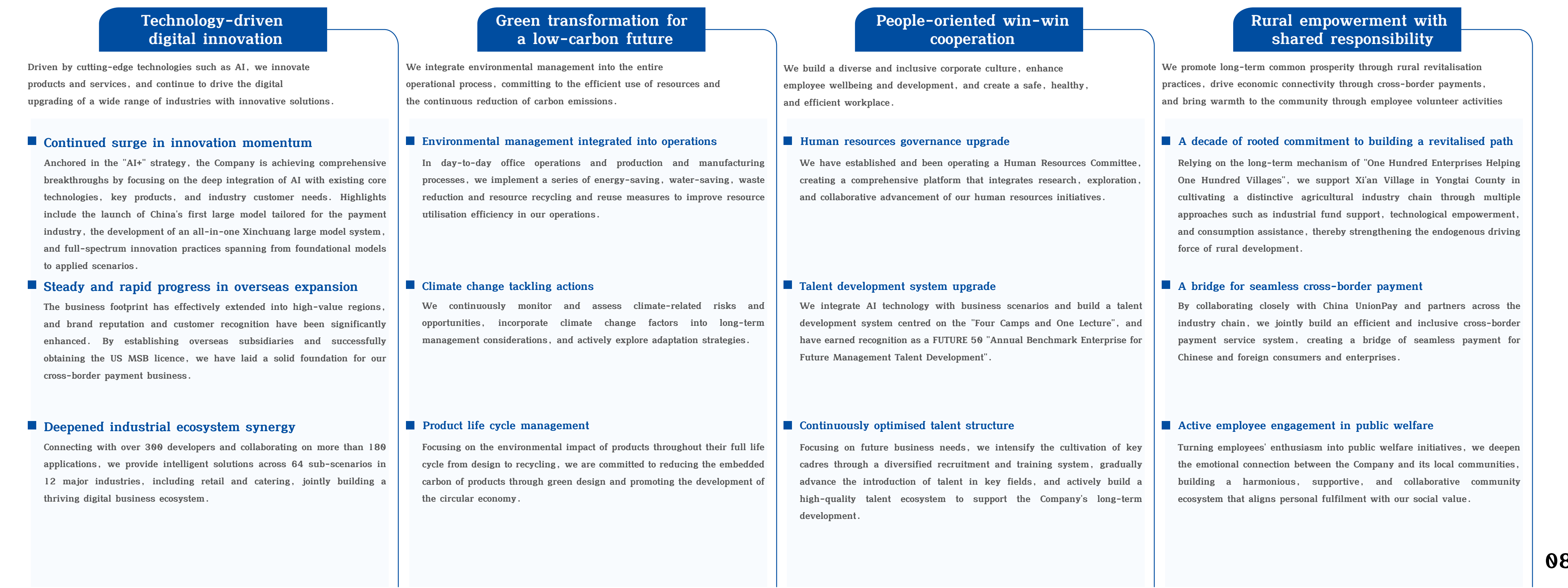
Technology-driven digital innovation
Green transformation for a low-carbon future
Community engagement to fulfil responsibilities
People-oriented win-win cooperation



ESG Strategy and Risk Management

Policies, Strategies and Achievements of Sustainability Management

Newland always upholds the core mission of "Technological Innovation for the Benefit of Humanity", and has deeply integrated sustainability into its corporate strategy and day-to-day operations. We have established and continuously improved a sustainability framework underpinned by four key strategies. Overseen and guided by the Board of Directors, the framework is systematically aligned with the UN SDGs and leading ESG standards, ensuring that the Company fulfils its broader responsibilities to the environment, employees, and society while pursuing commercial success.



Management of Sustainability-Related Risks and Opportunities

Against the backdrop of technological innovation driving profound changes in the digital economy, Newland has continuously incorporated the management of sustainability-related risks and opportunities into the core aspects of corporate strategy and operations, viewing it as a key enabler for maintaining robust business performance and driving long-term value creation. In response to an increasingly complex macro environment and industry evolution, we have established and continuously improved mechanisms covering risk identification, assessment, prioritisation and management, under the full oversight of the Board of Directors. This ensures that all sustainability topics receive adequate attention and are effectively managed, supporting the Company in maintaining resilience and seizing future opportunities in the market.

Identification: Proactively identify sustainability-related risks and opportunities



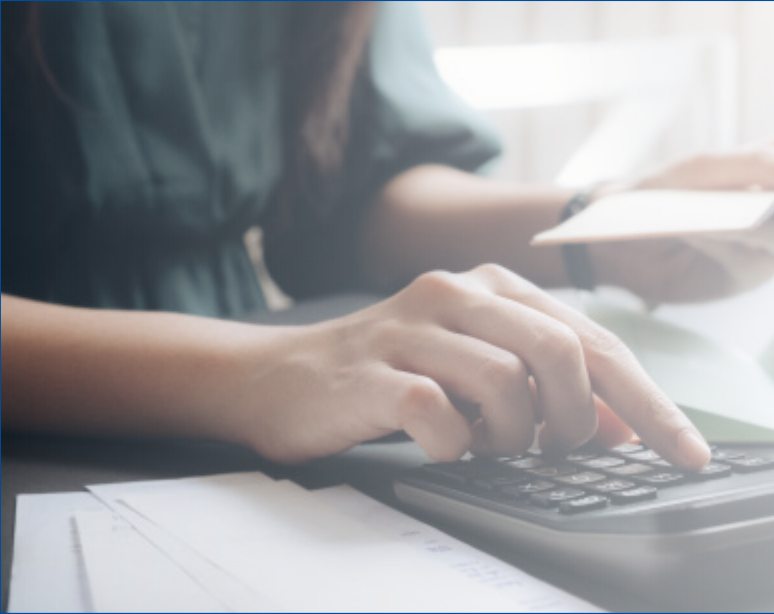
We regularly identify ESG-related risks and opportunities involved in business operations, including but not limited to climate-related risks (such as changes in carbon emissions regulations and the impact of extreme weather), supply chain-related risks (such as raw material sustainability and supplier compliance), and technology and market opportunities (such as green smart terminals and digital payment applications). By continuously tracking industry trends and investor concerns, we ensure the timeliness of the mechanism and incorporate key topics into ESG disclosure.

Assessment: Quantify the impact of risks and the value of opportunities



A multidimensional assessment system is adopted to conduct a quantitative analysis of the identified ESG factors by combining the likelihood of risk occurrence with potential impacts, covering dimensions of financial performance, business operations, and market competitiveness. For example, the potential financial impacts of climate change under different scenarios, as well as the market growth potential brought by low-carbon technologies, are assessed to provide a basis for decision-making.

Prioritisation: Anchor key sustainability topics by level



Based on the assessment results, the Company prioritises sustainability topics and screens them in accordance with the principle of dual materiality, and then establishes corresponding standalone disclosure mechanisms for the selected topics. Among them, high-priority risks refer to topics that may have a significant impact on the Company's operations and financial performance, such as the increasingly prominent issue of data security; important opportunities refer to areas that can significantly enhance the Company's competitive advantages, such as the R&D of green intelligent terminal products.

Management: Continuously optimise risk control mechanisms



Entrusted by the Board of Directors, the Company's senior management formulates and implements risk response and opportunity transformation strategies, with a core focus on strengthening reviews of environmental and social standards across the supply chain, promoting green procurement and low-carbon logistics, increasing investment in the development of low-energy smart terminals, data security and circular economy technologies, improving information disclosure in accordance with the principle of dual materiality, and responding to investor and public concerns through regular reports and multi-channel communication. Committees under the Board of Directors regularly review progress, promote strategy iteration and resource optimisation, and continuously enhance the Company's sustainability resilience.

Materiality Assessment and Management

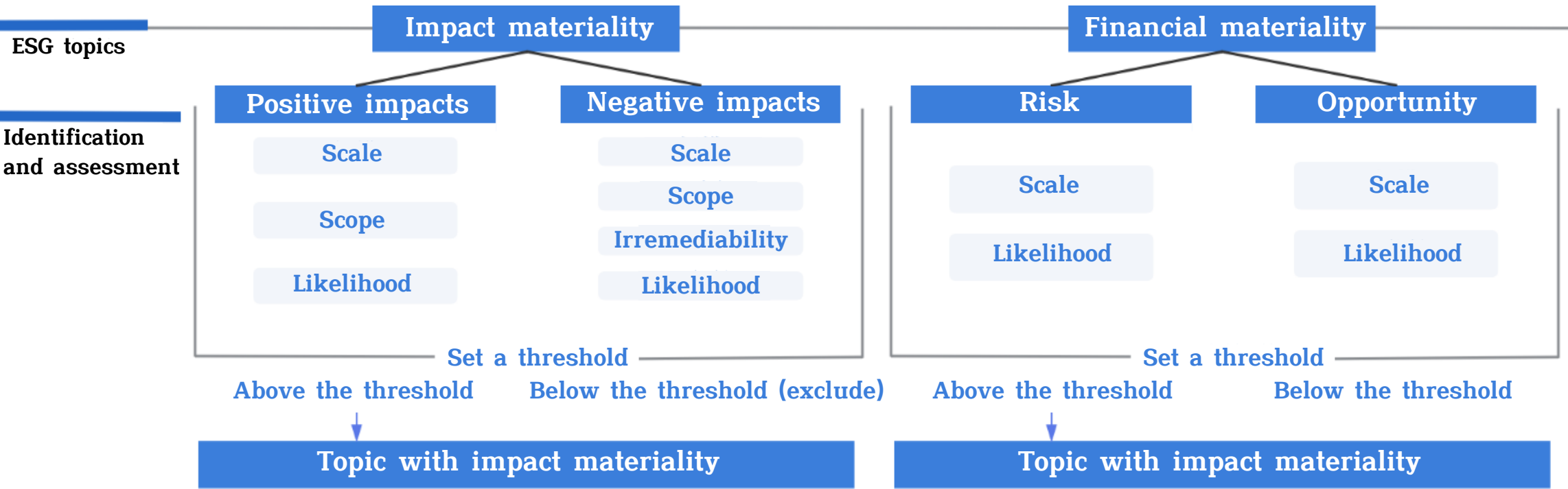
To effectively identify the key topics in ESG management, the Company referred to domestic and international standards and launched dual materiality identification and analysis. The core of this work was to assess from two dimensions: first, to analyse the financial materiality of each topic for the Company across different time horizons; and second, to assess the impact materiality of the Company's performance to the economy, society, and environment. To ensure that the assessment is comprehensive and objective, the Company attached great importance to and extensively collected the views of internal and external stakeholders. By integrating industry characteristics with operational realities, we systematically assessed, confirmed, and approved 23 materiality topics, thereby precisely anchoring the focus of our ESG strategy and actions.

Understand the Company's background and stakeholders

Based on an in-depth analysis of China's industrial development, industry characteristics, and policies and regulations, the Company systematically identified internal and external stakeholders, as well as the impacts, opportunities, and risks they brought, in conjunction with our own business strategy and business relationships, and continued to monitor and actively respond to the expectations and demands of these groups.

Prepare a list of topics

Based on the results of the 2024 ESG topic assessment, the Company conducted a comprehensive analysis in conjunction with multiple dimensions, including policy standards, market requirements, and peer benchmarking, and ultimately prepared a list of 23 core ESG topics.



Topic materiality assessment



Impact materiality to the economy, society and environment

First, the Company identified and sorted out key sustainability topics through interviews and questionnaires. Secondly, we extensively invited internal and external stakeholders to answer questionnaires, comprehensively analysed the potential positive and negative impacts of the Company's performance on various topics, and conducted a quantitative assessment from the degree and likelihood of impact. Finally, we combined evaluations from all parties with expert opinions to form the results of the impact materiality assessment.



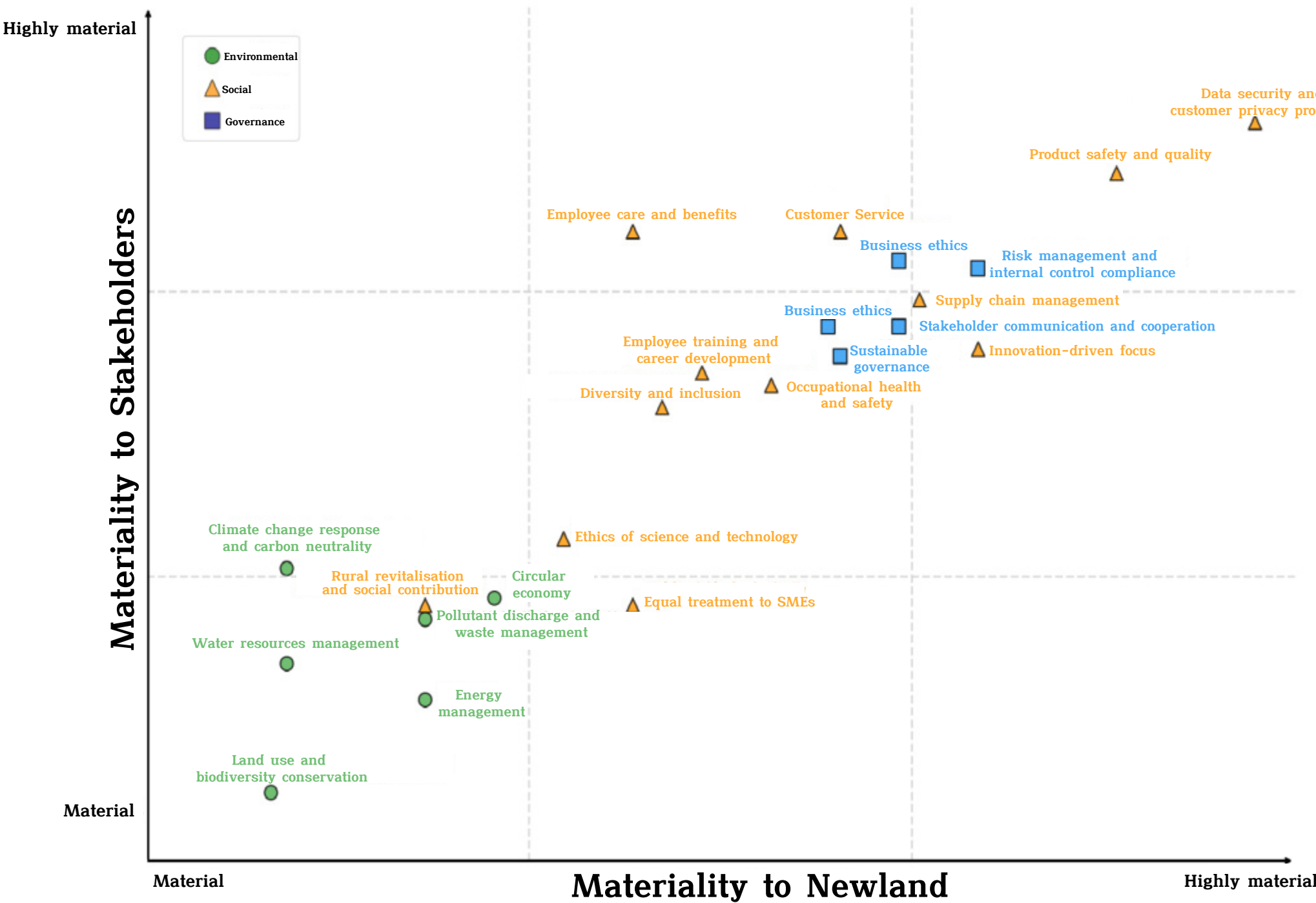
Financial materiality to the Company

Through interviews and other methods, we preliminarily identified the potential financial impacts of various topics, and selectively invited the Company's management, internal financial experts, and external shareholders to participate in questionnaire surveys, with a focus on assessing the degree of impact and likelihood of occurrence of their risks and opportunities on financial position, thereby combining professional opinions from multiple parties to form the results of the financial materiality assessment.

Stakeholders	 Employees Employees' congresses, employee surveys, meetings, interviews, hotline and email	 Shareholders or potential investors General meetings, results briefings and roadshows, regular reports and announcements	 Governments and regulatory authorities Periodic reports/interim announcements, correspondence, compliance monitoring	 Customers or consumers Service hotline, customer satisfaction surveys, product launch events/exhibitions	 Suppliers and partners Suppliers and partners Tendering/bidding/procurement activities, business exchanges and cooperation, commercial negotiations	 The public and media Regular reports/announcements/circulars, email and fax, public welfare activities, media interviews
Topics of concern	· Diversity and inclusion · Career development and promotion · Remuneration and benefits · Rights protection · Safety and health · Talent attraction and retention	· Economic performance · Investment return · Robust operations · Information disclosure · Sustainability governance · Risk management	· Compliance with laws and regulations · Tax payment in accordance with the law · Adherence to business ethics · Alignment with national policies · Compliant operations · Environmental protection · Active employment promotion	· Product innovation and R&D · Privacy and data security · Product safety and quality	· Supply chain management · Procurement policy · Fairness, impartiality and openness · Integrity and mutual benefit · Communication and cooperation · Win-win development	· Information disclosure · Public image enhancement · Positive contributions to society · Public engagement
The Company's responses	· Improving training and promotion mechanisms to support growth · Optimising remuneration and benefits · Safeguarding employee rights, safety and health · Organising wellbeing activities to enrich life	· Maintaining robust operations to create returns · Integrating business resources to build a robust business ecosystem · Performing timely, legal and compliant information disclosures · Continuously improving corporate governance to enhance value	· Proactively pay taxes in accordance with the law · Actively aligning with policies · Complying with laws and regulations · Providing job opportunities · Contributing to "Digital China"	· Strengthening product and service innovation to enhance satisfaction · Ensuring product safety and quality through a well-developed quality management system · Reinforcing cybersecurity to protect privacy and information	· Implementing sustainability principles to co-build a responsible supply chain · Adhering to fair procurement and ethical business practices · Broadening exchanges and cooperation to promote mutual benefit and win-win outcomes	· Sharing updates and news on products and services via media and the official website · Actively engaging in social public welfare to enhance the Company's public image · Enhancing interaction and communication with the public and the media

Results of Topic Materiality Assessment

Based on the dual materiality principle and the materiality scores from stakeholders, the ESG materiality matrix was drawn as follows:



Newland's 2025 Materiality Matrix

Topic Confirmation and Approval

Upon review and confirmation by the Board of Directors, the Company has identified three core topics with dual materiality, i.e., data security and customer privacy protection, product safety and quality, and risk management and internal control compliance. We will further focus on these material topics, comprehensively summarise their impacts, risks, and opportunities, and highlight the corresponding management measures and progress in this Report.

Material topics	Impact	Risk	Opportunity
Data security and customer privacy protection	Establish rigorous data security and privacy protection mechanisms, prevent the risk of data breaches, safeguard the information security of customers and related parties, and enhance customer trust.	Data leaks or non-compliance with privacy protection may result in severe penalties and user claims, leading to financial losses; data security incidents may seriously damage brand image and customer trust.	Establishing a robust data security and privacy protection system can enhance customer trust, meet regulatory requirements, and reduce compliance costs; the export of relevant technologies can open up new business scenarios.
Product safety and quality	Strictly control product safety and quality standards, provide consumers with reliable digital products and services, and enhance brand reputation and market competitiveness.	Security vulnerabilities or quality issues in products may lead to user complaints, product returns, and litigation, resulting in revenue losses and fines; damage to brand reputation may lead to customer attrition and affect long-term revenue.	Strictly controlling the safety and quality of digital products (such as software systems and hardware devices) can enhance brand reputation, strengthen market competitiveness, and reduce after-sales maintenance and compensation costs.
Risk management and internal control compliance	Establish a comprehensive risk management and internal control compliance system to effectively prevent various operational, financial, legal, and other risks, and safeguard the steady operation of the Company.	Failure of internal control and compliance may lead to irregular operations, financial fraud and other issues, resulting in regulatory penalties and financial losses; inadequate risk anticipation may lead to an untimely response, triggering major operational crises.	A sound risk management and internal control compliance system can effectively prevent financial, legal, and operational risks, reduce losses, and safeguard the Company's steady operations.

Innovation Performance

Innovation-Driven Technology for Good

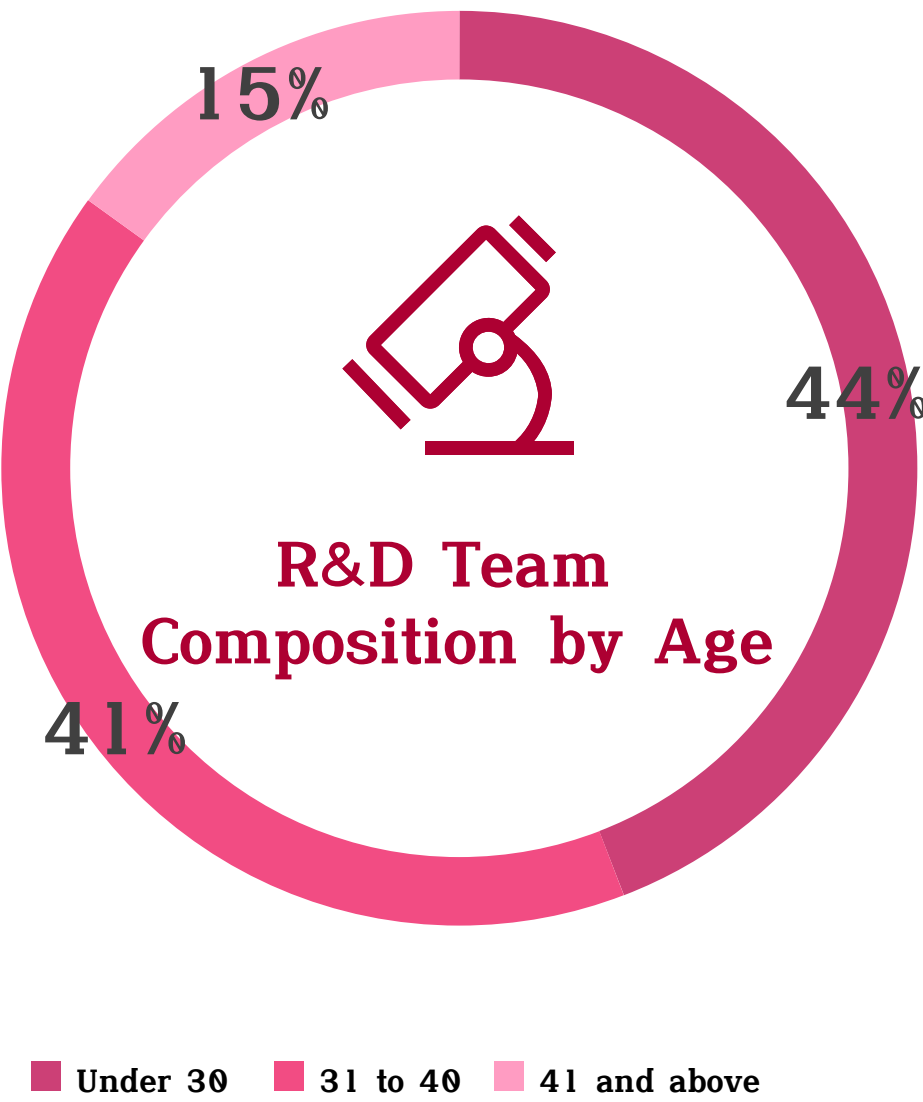
Topics responded to

- Innovation-driven focus
- Ethics of science and technology

Alignment with UN SDGs



Innovation Investment and Technological Achievements



01

The Company attaches great importance to R&D innovation and talent investment, and is committed to building a technical team with a sound structure and solid expertise. As at the end of 2025, the total number of R&D personnel reached **3,594**, accounting for **57.73%** of the total workforce.

03

In terms of age, our team demonstrates a well-structured, youthful composition: 1,583 employees are aged 30 or below, accounting for **44.05%**; 1,463 employees are between 31 and 40, accounting for **40.71%**; and 548 employees are aged 41 or above. This structure, centred on young core talent and supported by mid- to senior-level professionals, ensures both innovation vitality and the transfer of experience within the team.

02

The R&D team possesses a strong professional foundation and diverse knowledge backgrounds. Among them, **92.32%** hold a bachelor's degree or higher, including 3,091 bachelor's degree holders and 227 master's degree holders; 276 team members have a secondary school education or below, forming a knowledge structure dominated by highly educated talent with complementary multi-level backgrounds.

04

To continuously enhance team capabilities, the Company conducted a total of **161** technical training sessions throughout the year, systematically strengthening the professional competence and comprehensive capabilities of R&D personnel. Through robust R&D investment and a systematic talent development mechanism, we continuously strengthen our capacity for independent innovation, drive breakthroughs in key technologies and product upgrades, and build a solid foundation of technology and talent to support the achievement of our sustainability goals.



Driving AI capability and leadership development through an innovative training system

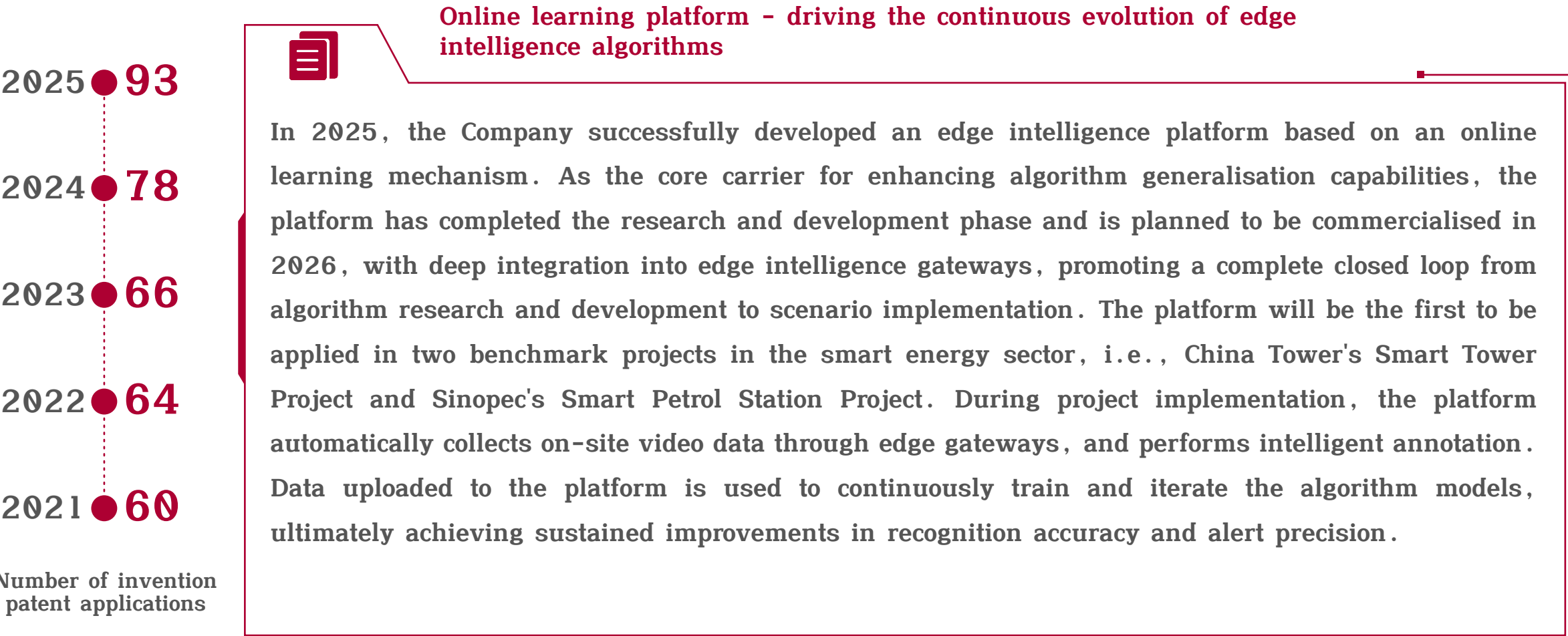
In 2025, the Company systematically built an innovative talent development system featuring the parallel tracks of "AI empowerment for all employees" and "management pipeline development", comprehensively strengthening its digital capabilities and leadership foundations. In terms of AI empowerment, we followed the "awareness-practice-risk control" pathway and conducted systematic training programmes throughout the year. Through theoretical seminars such as AI Cognitive Breakthrough and hands-on workshops including AI Reshaping the Workplace, the Company promoted the practical integration of AI technologies into workplace scenarios, effectively enhancing overall digital intelligence capabilities and operational efficiency. We also initiated the innovative "Technical Managers Training Camp", adopting a three-dimensional approach of online, offline, and workshop formats to cover 202 managers. With high satisfaction scores (both content and organisation exceeding 9.5) and collaborative "knowledge-to-practice" workshops, the program effectively translated management methods into actionable outcomes. Through the systematic deployment of the above innovative initiatives, we formed a dual-wheel-driven pattern of technological empowerment and management support, injecting strong talent momentum into sustainable development and digital transformation.

Innovation Investment and Technological Achievements

Demonstrating Technological Influence through Innovative Achievements and Standards Leadership

In 2025, the Company achieved fruitful innovation results. It submitted a total of **93** invention patent applications, continuing a year-on-year growth trend, secured 10 patent grants, and maintained a total of **238** valid patents, alongside obtaining **10** related certifications.

In terms of standards development, in 2025, the Company actively contributed to eight industry and national standards. Notably, it led the release of China's first industry standard for mobile device barcode recognition, **SJ/T 11958-2025 Information technology-Reading and Display of Barcode by Mobile Devices**, filling a domestic gap in this field. At the same time, the Company actively participated in the development and implementation of national standards under the China Communications Standards Association in the areas of biometric recognition (3 standards), the Internet of Things (3 standards), and AI (1 standard). Cumulatively, we have chaired and participated in over **60** national, industry, local, and group standards, significantly enhancing our industry influence and authority in key technological areas.



Ethics of Science and Technology

Newland has always regarded the ethics of science and technology as the cornerstone of sustainable corporate development, and responsible governance as the guiding principle, security as the bottom line, inclusiveness as the direction, and privacy as the boundary, and translates the ethics of science and technology from conceptual advocacy into organisational systems and product practices.

Responsible governance as the guiding principle

We embed the principles of responsible governance throughout the entire process of artificial intelligence technology research and development, application implementation, and industrial development, bridge gaps between ethical standards and technological innovation, and ensure that AI development and ethical governance advance in harmony.

Safety as the bottom line

We actively participate in the formulation of PCI international standards, with both terminals and management systems achieving security certification and meeting global compliance requirements. Through end-to-end protection, we safeguard every transaction with trusted products, strengthening the security foundation of payment infrastructure.

Inclusiveness as the direction

We have launched accessible POS terminals featuring voice prompts and large-front displays, lowering the barriers for elderly and visually impaired users. Designed with inclusivity in mind, these products ensure that users of varying cognitive abilities can equally enjoy the convenience of digital payments, extending the benefits of technology to a broader population.

Privacy as the boundary

We strictly adhere to the principle of data minimisation, implement chip-level local encryption and end-to-end protection for sensitive information, and continuously improve classification, categorisation, and impact assessment mechanisms to strengthen the security and privacy protection line for users through systematic management.

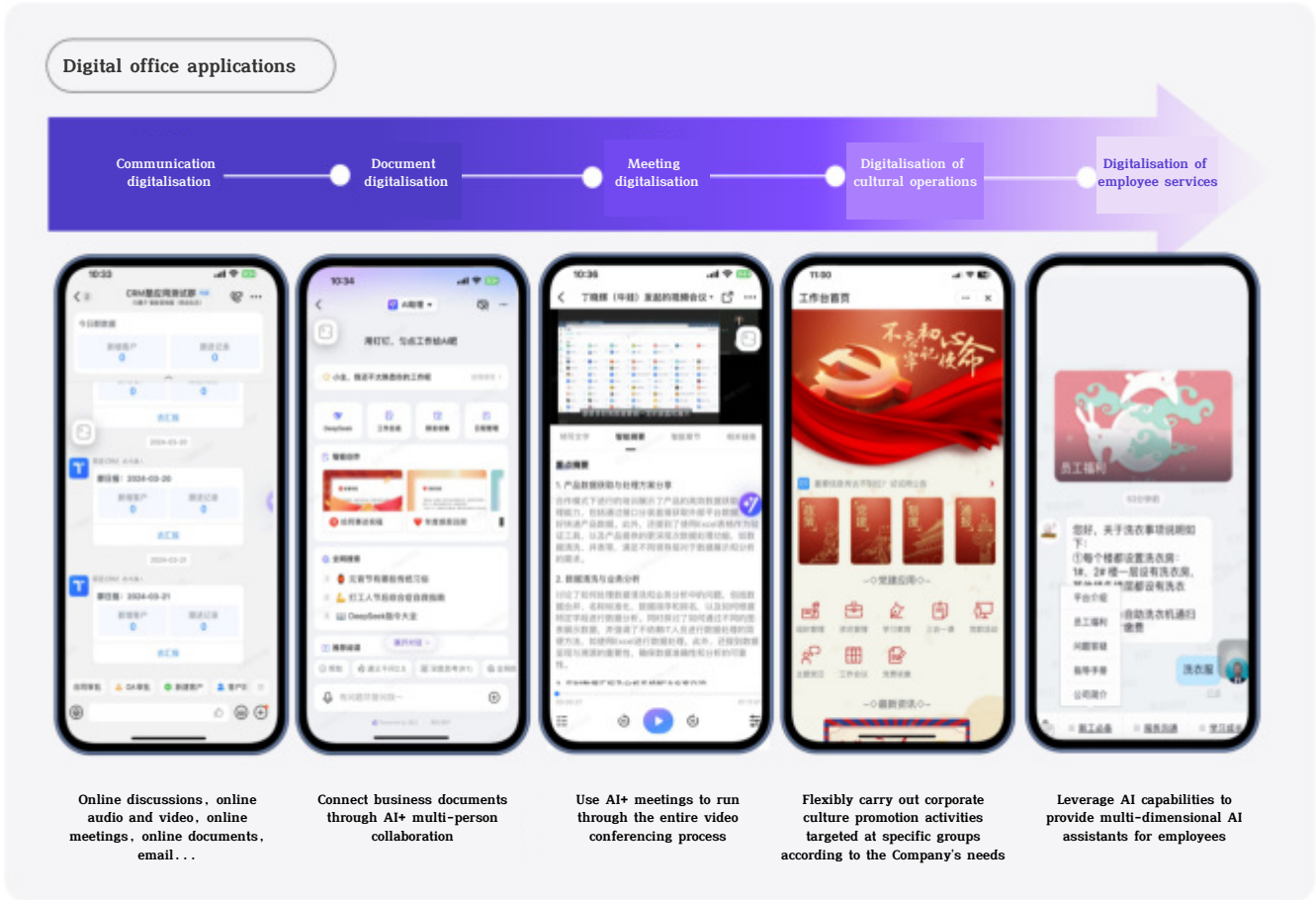
AI-driven System Empowerment

The Company uses AI to drive upgrades to internal and external systems. Internally, we have built a global intelligent office platform and AI assistants to enhance collaboration efficiency; externally, we have developed an AI-powered payment business matrix to fully empower operations and service delivery.



Reconstructing the global integrated intelligent office foundation

In 2025, the Company completed the comprehensive reconstruction and launch of the "Newland" platform, building it into an integrated intelligent office portal that supports global business collaboration. The new platform integrates zero-trust security and international acceleration channels, and is equipped with dedicated storage in China and overseas, with more than 6,300 activated users. It has significantly improved collaboration efficiency and knowledge management capabilities, cumulatively supporting 12,600 meetings and archiving 55,000 documents, including 5,198 real-time collaborative documents. Intelligent applications have also been further embedded, with AI spreadsheets accounting for 10%, while the AI transcription function has efficiently processed 661 meetings and transcribed 6.87 million Chinese characters. At present, the platform has completed the integrated migration of 64 core applications, basically achieving the goal of "one platform aggregating all applications of the Company".



Connecting internal and external intelligent practices through AI applications

The Company has built an AI-centred intelligent empowerment system that connects the internal and external value chains. In terms of external business support, we have independently developed and launched the business-driven intelligent application, the Mira platform. It possesses four core capabilities, including integrated Q&A, intelligence analysis, competitor tracking, and product certification enquiry, efficiently supporting business scenarios such as brand messaging development, product feature extraction, and compliance checks, and significantly improving customer response speed and communication consistency. In terms of improving internal operational efficiency, the Company has developed the intelligent assistant "IT Turing Vision" on Lark, providing employees with real-time and accurate technical and business support, and effectively advancing the deep implementation of intelligent office operations. The coordinated advancement of these two AI applications has not only strengthened service capabilities at the business front end but also systematically enhanced internal operational efficiency, forming a complete closed loop from external business innovation to internal organisational efficiency improvement.



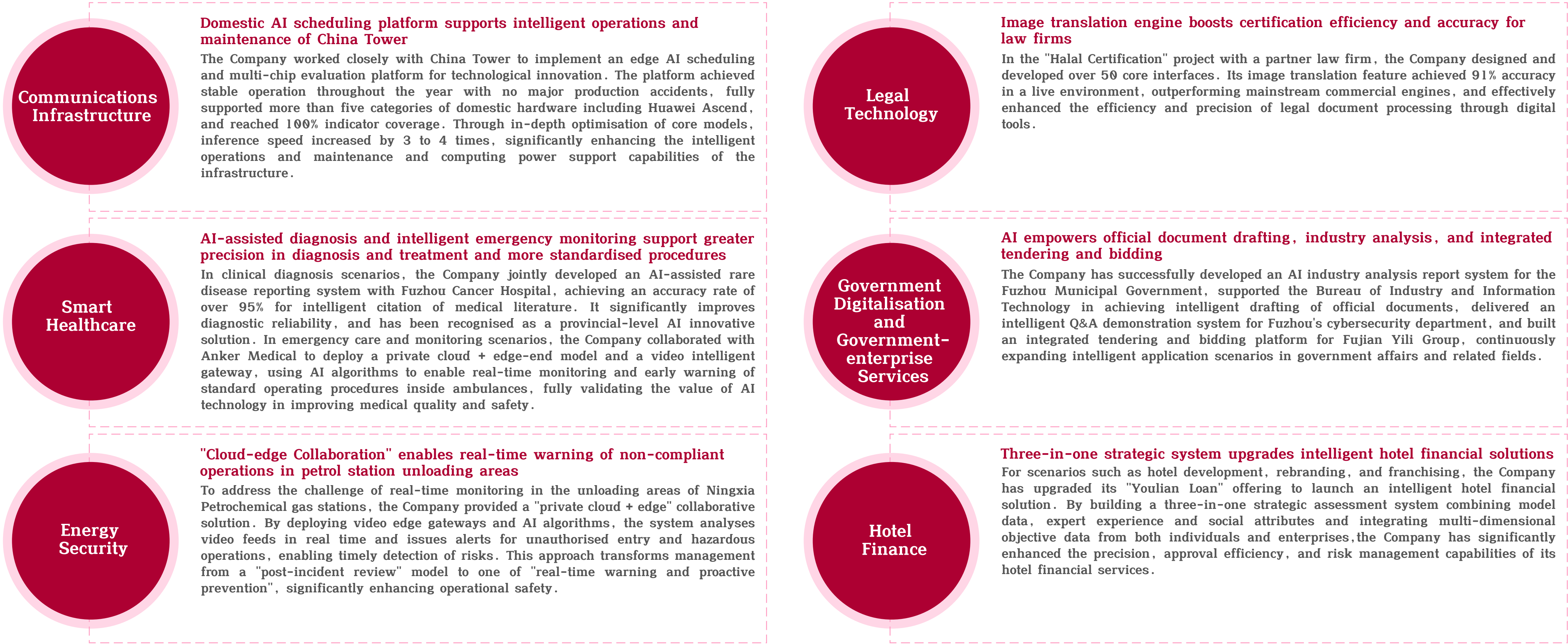
Using the AI matrix to drive the end-to-end upgrade of payment business processes

The Company has also built an AI-centred intelligent application matrix covering the entire payment business process, effectively driving upgrades in service efficiency and user experience. To address bottlenecks in merchant review efficiency, an AI merchant review assistant has been introduced to support the parallel review of tens of thousands of merchants, improving the review efficiency per merchant by seven times, and resolving the challenge of verifying materials from different locations through dual AI recognition technology, with an accuracy rate of 98%. To optimise the service experience, the Company has developed "Xiaoyi Miaoda", an intelligent customer service system based on RAG technology, enabling second-level response times and precise answers. In operational control and management, the Company has established a dual-dimensional intelligent inspection system featuring both images and videos based on convolutional neural networks, enhancing the objectivity and accuracy of online inspections. In addition, at the 2025 Apsara Conference, Xingyi and Alibaba Cloud jointly launched a large model tailored for the payment industry and debuted intelligent agents such as AI Business Insights and AI Marketing Assistant, continuously expanding the application boundaries of AI within the payment ecosystem.



Supporting the Digital Transformation of the Real Economy

The Company anchors its efforts in industry-specific scenarios and systematically advances the deep integration of AI technologies such as large models with the real economy. By creating benchmark practices in key fields such as finance, healthcare, government affairs, and energy, we continue to inject vitality into the digital transformation of various industries.



Environmental Performance

Carbon Emission Reduction and Energy Efficiency Improvement to Promote a Green Future

Topics responded to

- Climate change response and carbon neutrality
- Energy management
- Circular economy
- Pollutant discharge and waste management
- Water resources management
- Resource recycling and pollution control
- Land use and biodiversity conservation

Alignment with UN SDGs



Climate Change Response and Carbon Neutrality

Carbon Neutrality

Greenhouse Gas (GHG) Emissions and Emission Reduction Measures

In 2025, the Company fully integrated GHG emissions management into its sustainability strategy, and established a scientific, standardised, and future-oriented carbon management system around capacity building, third-party certification, and transparent disclosure. Upon verification, the Company's total GHG emissions in 2025 amounted to 272,834.23 tonnes of carbon dioxide equivalent (CO₂e). Taking the results of this verification as the starting point, the Company will further advance the optimisation of the verification boundary and the scientific setting of the base year, gradually improve the emissions reduction pathway and control mechanism covering medium- and long-term targets, deepen value chain collaboration, steadily enhance the effectiveness of emissions reduction, and contribute to the achievement of China's "Dual Carbon" goals.

Photosynthesis of Books

On the occasion of the convergence of the 56th Earth Day and the 30th World Book Day, the Company's Youzhai Book Bar launched the public welfare campaign themed "Photosynthesis of Books", encouraging employees to donate idle books from their homes to the book bar in exchange for green plants. This initiative not only gives a second life to idle books and promotes resource recycling but also uses books as a medium to advocate low-carbon lifestyles, extending green practices from the workplace into daily home life and subtly embedding the concept of sustainability into the underlying structure of the Company.

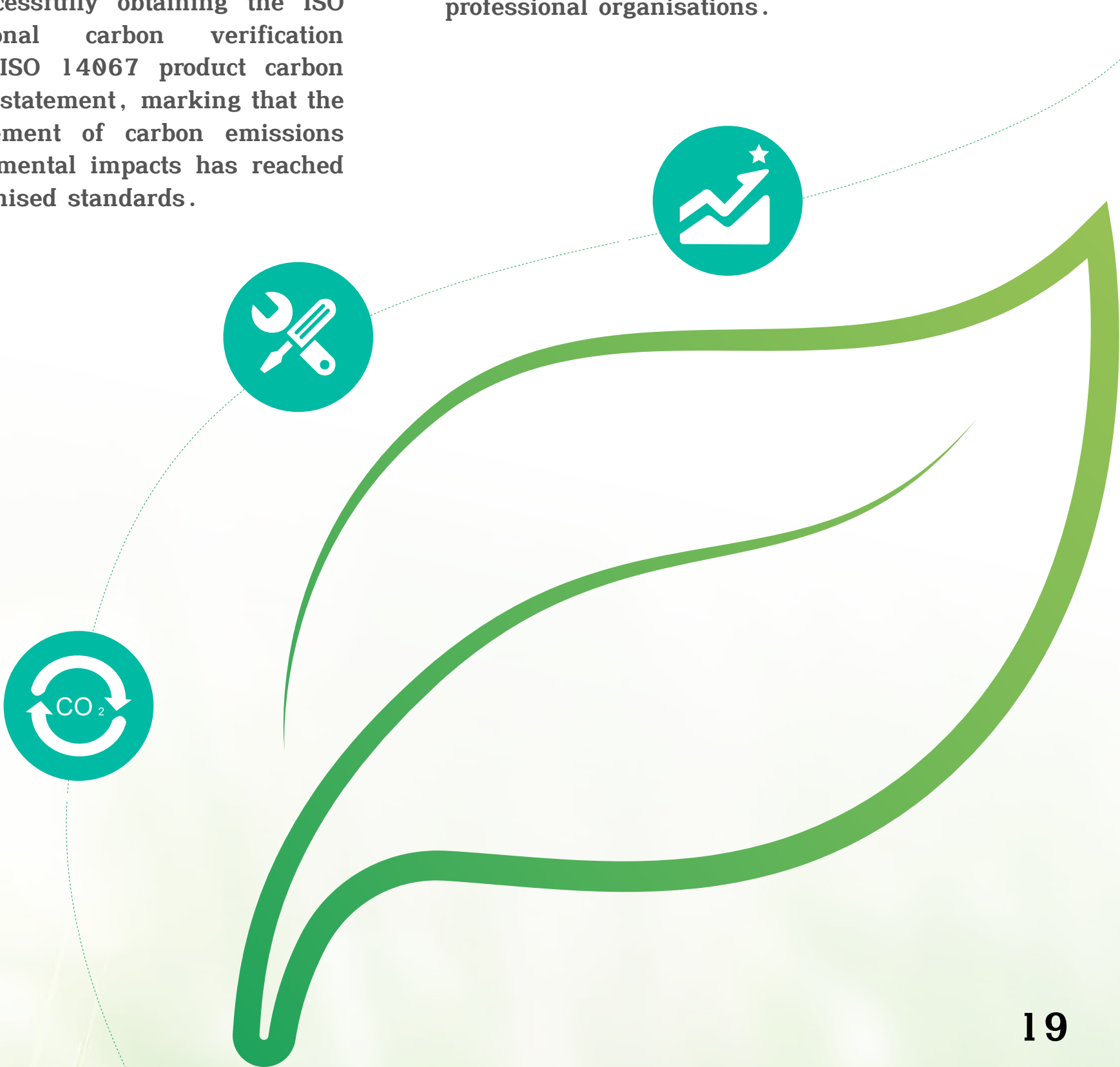


Carbon management capacity building

For the first time, the Company systematically conducted specialised carbon inventory training across the listed entity system, successfully cultivating 25 professionally qualified internal auditors, and preliminarily establishing a carbon emissions monitoring, accounting, and internal audit capability system covering all business units, thereby laying a solid talent and institutional foundation for the continued advancement of carbon management.

ESG disclosure and rating improvement

To support its global development, the Company released its first ESG report in English for international stakeholders, systematically disclosing environmental and social performance. In major domestic ESG ratings, the Company received an A-level or above from institutions such as CSI and CNI, and was awarded the "Best ESG Practices among Listed Companies" award, demonstrating strong recognition from both the capital market and professional organisations.



Carbon Neutrality

Driving Green Business Development through Digital Innovation

The Company consistently integrates the concept of green development throughout the entire process of technology R&D and business operations. By advancing digital payment adoption, promoting green commuting, expanding paperless service systems, and implementing green product design, we actively develop green businesses and continuously practice sustainability, striving to achieve an organic integration of commercial value with social and environmental benefits.

Digital emissions reduction: Promoting a cashless society and low-carbon transition

The Company vigorously promotes digital payment and cashless transaction solutions, including the practical application of e-CNY, thereby reducing society's reliance on resources such as paper currency and physical cards at the source. By deploying intelligent payment terminals globally, we actively help the consumer end reduce cash usage, thus indirectly lowering carbon emissions throughout the entire process of currency printing, transportation, and handling, and providing infrastructure support for building a low-carbon society.

Green operations: Environmentally friendly design throughout the terminal lifecycle

On the product side, the Company implements green design principles, with payment terminals made from recyclable materials and using minimalist packaging, while fully adopting electronic manuals to reduce plastic and paper consumption. On the service side, we provide core merchants with a fully paperless solution covering the entire process from acquiring and reconciliation to settlement, eliminating traditional paper sales slips, statements, and invoices, and significantly reducing paper use and the carbon footprint associated with printing and logistics.

Digital services: Reducing physical material and energy consumption

Through digital channels such as the App, mini-programmes, and official accounts, the Company promotes electronic membership cards, electronic coupons, and electronic bills, effectively reducing the production and disposal of physical cards and paper-based promotional materials. At the same time, leveraging the intelligent customer service system, we optimise user service experience, reduce the energy and material consumption of offline service outlets, and form a green service closed loop featuring online-offline collaboration.

Digital emissions reduction: Promoting a cashless society and low-carbon transition

The Company has built a green travel system by optimising shuttle bus routes (operating 20 routes covering the main urban area in 2025) and implementing intelligent scheduling for company vehicles (with 2,980 annual scheduling instances, a year-on-year increase of 29%), efficiently supporting 887 employees in low-carbon travel throughout the year. Meanwhile, the Company strictly limits the scale of parking within the park and simultaneously adds multiple charging points, guiding employees to shift towards green travel modes and effectively reducing transport carbon emissions.

Carbon Neutrality

Promoting Green Office Practices and Building a Sustainable Future Together

The Company upholds the concept of sustainability and incorporates green office practices into its daily operational system. From digital process transformation and resource recycling management to eco-friendly behaviour promotion, we have established a systematic and closed-loop environmental practice mechanism.

- 01
Digital process transformation
- 02
Resource recycling management
- 03
Eco-friendly behaviour promotion

The Company comprehensively implements a full-process digital office system, covering contract signing, item requisition, expense reimbursement, and meeting management. In 2025, more than 6,500 personnel certificates were issued and employment contracts were signed via the electronic seal system, and the number of online approval forms increased by 44.18% year on year. By enabling document and collaboration workflows to run through the cloud platform with real-time multi-location coordination, the system not only significantly reduces paper consumption but also enhances organisational efficiency and transparency.

The Company has established a resource sorting, recycling, and circular system covering all office scenarios. By implementing a "double-sided printing + shared printing" approach and controlling paper usage at the source, total paper consumption in 2025 decreased by 7.4% year on year. Classified recycling bins are placed in office areas and near printers, with dedicated staff regularly sorting materials and coordinating with recycling organisations.

The Company prioritises the use of refillable pens, eco-friendly consumables, and other sustainable products to reduce reliance on single-use office supplies. Shared facilities such as microwaves and water dispensers have been added to encourage employees to bring their own meals, reducing the use of disposable tableware at the source. Remote collaboration is also promoted, with the usage rate of the remote meeting system increasing by 40% in 2025, effectively cutting carbon emissions associated with commuting and business travel.

Improving Energy Management to Drive Efficient Operations

The Company has built an energy management system covering equipment, spaces, and behaviours, focusing on systematic energy-saving upgrades, intelligent controls, and institutional safeguards, achieving continuous reductions in both total energy consumption and energy intensity.

Energy-saving equipment upgrade

The Company has fully upgraded its lighting systems by replacing all office-area fixtures with energy-efficient LED lights and installing infrared sensor lighting in public areas such as corridors and stairwells, and ensures lights turn off when not in use. Air conditioning systems are standardised with top-tier energy-efficient equipment, set to a standard temperature of 26° C.

Intelligent control and monitoring

An intelligent energy monitoring platform has been deployed to collect electricity consumption data in real time across various areas, and identify abnormal energy consumption and issue timely warnings. Lighting systems are equipped with light-sensing modules that automatically adjust brightness based on natural light, while air conditioning systems implement zoned and scheduled controls to prevent unnecessary operation. In 2025, system optimisation and strategy adjustments reduced energy waste from idling and standby modes.

Institutional safeguards and continuous optimisation

The Company has formulated the Energy-Saving Electricity Management Measures, clarifying the energy-saving responsibilities of each department and position, and incorporating energy-saving performance into daily management assessments. A dedicated inspection mechanism has been established, and energy use in the office area is inspected twice daily to ensure that unused equipment is switched off promptly. In 2025, the total electricity consumption of the Company's campus was **8,389,853 kWh**, representing a year-on-year decrease of **9.29%**, demonstrating the significant effectiveness of systematic energy-saving measures.

Carbon Neutrality

Climate Risk Management: Systematic Assessment and Business Resilience Building

The Company attaches great importance to the physical and transition risks posed by climate change, incorporates them into our business continuity management framework, systematically carries out climate risk identification, assessment and response, and continuously strengthens our sustainability defence line.

System identification and assessment of climate-related risks
In August 2025, the Company organised a special cross-departmental business continuity management initiative involving information technology, procurement, manufacturing, and R&D departments. Following the ISO 22301 international standard methodology and under the guidance of external experts, we systematically identified and assessed potential business disruption scenarios caused by extreme weather, geological hazards, and geopolitical factors. The assessment was closely aligned with the outcomes of the Business Impact Analysis (BIA), accurately identifying a number of high-priority business activities and critical resources, and clarifying the potential impact pathways and severity of climate risks on core operational processes.
Development of differentiated contingency plans and organisation of practical drills
Based on the risk assessment results, the Company formulates tiered response plans for different climate risk scenarios, clearly defining early warning mechanisms, emergency response procedures, and resource deployment arrangements. To verify the effectiveness and operability of the plans, the Company organises dedicated emergency drills, simulating scenarios such as disruptions to office collaboration and obstruction to core business operations under extreme circumstances, with a focus on testing remote collaboration capabilities, decision-making response speed, and cross-departmental coordination efficiency. The drills effectively enhance the team's emergency response capabilities in relation to climate emergencies, further consolidating the practical foundation for business continuity.

Through the above systematic and regular climate risk management practices, the Company has continuously enhanced our organisational resilience and response capabilities in addressing the uncertainties of climate change, providing solid support for ensuring the stability of customer services, safeguarding supply chain security, and achieving long-term sustainability.



Scientific typhoon prevention to strengthen business resilience

The Company is located in Fujian and falls within a typical monsoon climate zone, with frequent typhoons and concentrated rainfall. To effectively respond to business interruptions and safety risks arising from extreme weather, the Company has systematically established a typhoon and flood prevention system covering the entire chain of early warning, drills, emergency response, and recovery. In 2025, we conducted **three typhoon early warning drills** and **one fire evacuation drill**, issued **six climate safety notices**, dynamically updated emergency response plans, and ensured that response mechanisms are clear and feasible. Before the typhoon arrives, the Company issues safety reminders in advance, suspends outdoor operations, and arranges for employees to work from home. The emergency rescue team prepares sufficient supplies in advance, such as sandbags and reinforcement brackets, and completes preventive measures including reinforcing outdoor facilities, transferring materials, elevating warehouse goods, clearing the drainage system, and installing flood-control barriers in the underground garage. After the typhoon passes, the Company immediately organises obstacle clearance, emergency repairs, and inspections for potential electrical hazards, swiftly restoring the normal operation of the campus. At the same time, the Company annually insures campus facilities, production materials, and other assets with comprehensive property insurance, establishing a multi-layered risk protection mechanism that emphasises prevention, ensures efficient emergency response, and provides insurance as a safety net. This approach continuously enhances organisational resilience and the ability to maintain business continuity during extreme weather events.

In July 2025, Typhoon No. 4, Danas, brought sustained heavy rainfall, causing waterlogging in many areas of Fuzhou. The Company promptly activated its flood prevention contingency plan, implemented a 24-hour duty system at the earliest opportunity, and completed the installation of basement flood barriers, inspection and maintenance of drainage pumps, stockpiling of sandbags, and clearance of the campus's drainage system, achieving zero property loss and zero casualties. In the same year, when super typhoon "Hagasa" made landfall in Guangdong, the Company's Fuzhou headquarters assigned personnel for overnight monitoring, while Shenzhen branch strictly followed the government's "five suspensions" directive, ensuring synchronised and coordinated responses across both locations.

Resource Recycling and Pollution Control

Circular Economy

Green Production: Building a Low-carbon Manufacturing System across the Entire Value Chain

With green manufacturing as its core, the Company has systematically built a resource-efficient, environmentally friendly green production system through a comprehensive low-carbon transformation spanning source procurement, production processes, and the operations of outsourced factories.

Green procurement: Source control and low-carbon selection

The Company has established a stringent green supply chain management mechanism. In the quality agreements signed with suppliers, we clearly stipulate that all materials must comply with the requirements of the RoHS Directive. For special environmental standards such as halogen-free requirements, suppliers are required to submit third-party testing and compliance reports annually or when the standards are updated.

In terms of material selection, the Company prioritises the use of degradable and recyclable environmental materials. For example, we have replaced some blister packs with pulp-based materials to accelerate resource circulation, and we have gradually replaced oil-based paint with water-based paint for products requiring coating, to reduce volatile organic compound emissions at the source. In addition, the Company gives priority to suppliers located near assembly plants, effectively shortening transport distances and reducing carbon emissions from logistics.

Green processes: Lean design and circular reuse

In our production processes, we focus on improving material durability and turnover efficiency. Pallets and turnover boxes are made of high-strength anti-static ABS material, and standardised specifications and dimensions enable universal use across processes. Replaceable wear-resistant partitions are installed in the lining slots and can be flexibly adjusted according to product size, significantly extending service life and reducing material waste. In terms of packaging materials, we fully implement foldable designs to reduce storage occupancy and empty-return costs. We have established a ledger-based traceability management system for turnover materials, supported by designated collection, classified cleaning, and circular handover mechanisms, to achieve the closed-loop circulation of packaging materials, substantially reducing the use of single-use packaging and the generation of solid waste.



Resource Recycling and Pollution Control

Circular Economy

Green Production: Building a Low-carbon Manufacturing System across the Entire Value Chain

Newland's outsourced manufacturing factories strictly follow green manufacturing requirements, and advance a comprehensive green transformation from management systems and auxiliary material procurement to production processes and energy-saving and carbon-reduction systems. While ensuring production capacity and quality, these measures effectively reduce resource consumption and environmental impact, serving as a benchmark for the Company's supply chain green transformation.

Green Factories: Low-carbon Practices at Outsourced Manufacturing Bases

01

Environmental management system

Our OEM factories have established and effectively operated the ISO 14001 environmental management system, prepared the Environmental Impact Report and obtained approval from the local ecological environmental authority. The factories are equipped with solder fume purifiers, wastewater treatment facilities, and noise isolation measures to ensure that exhaust gas, wastewater, and noise are discharged in compliance with applicable standards. They are also equipped with RoHS testing equipment, enabling independent screening of the environmental compliance of materials and safeguarding the green attributes of products at the source.

02

Auxiliary materials procurement

The factories implement a green approval process for production auxiliaries such as solder paste, solder wire, flux, and adhesives. All materials comply with RoHS and REACH regulations, with priority given to eco-friendly options that are halogen-free, low in VOCs, and use recyclable packaging. Suppliers are required to provide compliance statements and annual third-party test reports, while incoming material inspection reports include batch numbers and test report references, ensuring full traceability throughout the process.

03

Production process

The entire process adopts lead-free soldering, with both SMT and post-soldering operations using halogen-free materials that meet IEC 61249-2-21 standards. The factories actively integrate automated equipment such as automatic screw-locking machines and automatic dispensing machines to improve energy efficiency, reduce human error, and minimise material waste. By optimising workshop layouts and introducing overhead production lines, handling losses are reduced and production efficiency is enhanced. At the same time, environmental awareness among personnel is strengthened, with all new employees receiving environmental and safety training. In 2025, 28 specialised environmental training sessions were conducted, covering 458 participants.

04

Energy conservation and carbon reduction

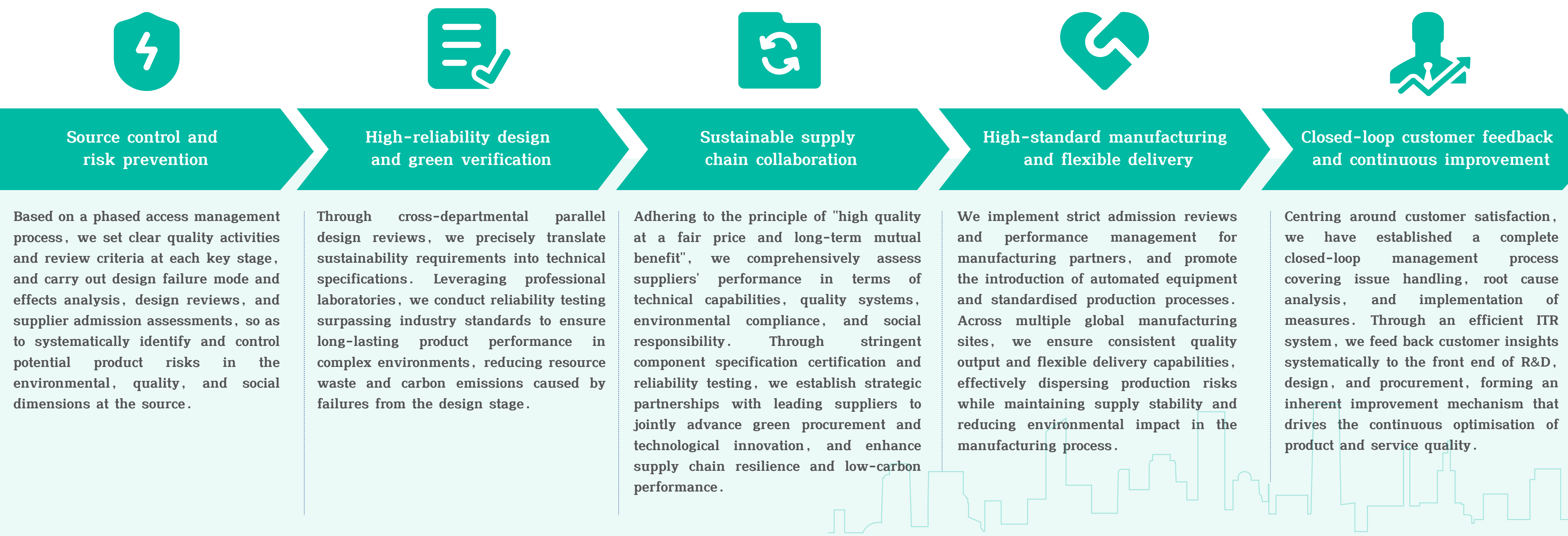
In 2025, the factories invested RMB1,731,500 in green technological upgrades, continuously advancing the optimisation of the energy efficiency of production equipment. The lighting system was fully replaced with LED lighting fixtures, variable frequency devices were installed on high-energy-consuming equipment such as air compressors, and an energy monitoring system was deployed to collect and optimise workshop energy consumption in real time. Solar photovoltaic panels were installed on the rooftops of factory buildings, and the clean energy generated was used to supplement infrastructure and production energy consumption, thereby promoting the continued decline in carbon emission intensity per unit of output value through multiple measures.

Resource Recycling and Pollution Control

Circular Economy

Product Life Cycle Management Practices

The Company has established a full life cycle management mechanism covering demand planning, design and development, production and manufacturing, and end-of-life assessment, systematically integrating quality, environmental, and social responsibility requirements to continuously enhance product resilience and sustainable value.



Resource Recycling and Pollution Control Pollutant Discharge and Waste Management

The Company continues to promote outsourced OEM factories to establish and effectively operate a full-process control system covering waste classification, compliant disposal, and institutional safeguards, ensuring that environmental impacts throughout the entire product manufacturing process are minimised.



01

Waste classification and standardised disposal

Our OEM factories implement strict classified management of all types of waste generated during the production process. General waste, such as cartons, plastic bags, and packaging materials, is collected in a unified manner and handed over to qualified third-party organisations for recycling and reuse; hazardous waste, such as waste tin slag, waste flux, and PCB offcuts, is handled in accordance with the Hazardous Waste Management Plan by setting up dedicated temporary storage areas and regularly transferring it to licensed entities for standardised disposal, thereby achieving full-process traceability.

03

Policy development and process control

Our OEM factories have formulated and implemented a series of internal documents, including the Waste Management Regulations, Chemical Management Regulations, Preventive Measures and Emergency Plan for Hazardous Waste Incidents, and REACH SVHC Management Procedures, among others. In 2025, the Company cooperated with China Telecom Tianyi Vision Technology to successfully implement the "Vision Network + Intelligent Algorithm" project at the Ningdong solid waste treatment site in Ningxia, significantly improving operational standardisation and safety response efficiency at the site. This project addresses management challenges in the solid waste site, such as frequent operations of soil trucks and blind spots in traditional manual inspections. By deploying an intelligent video analysis system, it enables real-time detection and alerts for operations including soil truck unloading compliance, driving routes, and illegal dumping, while also dynamically monitoring and proactively alerting for unauthorised entry by nearby pedestrians and vehicles. The system effectively advances the solid waste site from a "post-incident review" model to an "in-process warning" intelligent management approach.

02

Environmental compliance and system certification

Our OEM factories have obtained the Fixed Pollution Source Discharge Registration Form and completed the annual hazardous waste declaration, ensuring that pollutant discharge activities are lawful and compliant. In terms of management systems, the factories continue to operate the ISO 14001 environmental management system, the SEDEX SMETA 7.0 social responsibility audit, and the hazardous substances process management system, regulating environmental performance management in accordance with international standards.

Resource Recycling and Pollution Control Pollutant Discharge and Waste Management

Policy Improvement and Standards Development

The Company has revised and improved the Management Measures for the Recycling and Disposal of Waste and Obsolete Equipment and the Operating Specifications for Disposal of Discarded Electronic Products, further clarifying recycling standards, classification processes, and division of responsibilities, and adding a technical inspection step before equipment recycling, thereby achieving the dual objectives of asset control and green operations and providing policy support for recycling work throughout the year.

Closed-loop recycling process and compliance control

We strictly implement full-process management covering application, inspection, registration, and disposal, conduct technical condition assessments and information registration for each recovered unit, and distinguish between repair and reuse, component disassembly, and environmentally compliant disposal. At the same time, data security controls are strengthened to ensure all business information and customer data on the devices are completely erased, making the recycling process compliant, safe, and fully traceable.

Recycling scale and asset efficiency improvement

In 2025, the Company coordinated the recycling of obsolete equipment in line with business upgrades and device iteration needs, collecting a total of **63,133** units—a **41.72%** year-on-year increase—covering smart terminals, back-end equipment, and supporting facilities across headquarters and regional branches. Through centralised recycling and phased disposal, we effectively revitalised idle assets and improved resource utilisation efficiency.

Resource circulation and value regeneration

For equipment that, upon inspection, is found to have potential for further use, we organise a professional technical team to carry out repairs and commissioning, and some of the restored equipment is reallocated to frontline business scenarios for continued use. For equipment that cannot be reused as a complete unit, we dismantle it and extract usable parts as spare parts for maintenance, thus reducing the need to procure new components. For the remaining equipment with no residual value, we entrust qualified professional institutions to carry out environmentally compliant disposal, forming a resource circulation chain of "repair - dismantling - recycling - regeneration" and continuously advancing the implementation of our green operations objectives.



Resource Recycling and Pollution Control Water Resources Management

The Company attaches great importance to the efficient use of water resources and compliant discharge. By focusing on water quality monitoring, drainage system optimisation, and maintenance of water facilities, we continuously improve the water resource management system to minimise the impact of our operations on the water environment.

Water quality monitoring and pretreatment

The Company strictly complies with wastewater discharge standards and regularly monitors and assesses the quality of discharged water. A three-stage septic tank has been installed on the campus to uniformly collect and pre-treat domestic and office wastewater. Through processes such as sedimentation and degradation, pollutant concentrations are effectively reduced, ensuring that subsequent discharge meets environmental standards. Domestic wastewater discharge continued to decline, totalling **28,320 tonnes** in 2025, a year-on-year decrease of **8.28%**.



Drainage system and compliant discharge

The campus fully adopts a separate rainwater and sewage drainage system for separate collection and classified disposal of rainwater and sewage. After pre-treatment, sewage is discharged in strict compliance with the emission standards set out in Fujian Province's Limits for Water Pollutant Discharge, and a pollutant discharge permit will be granted in accordance with the law. Regular compliance self-inspections and reporting are conducted to ensure ongoing adherence to local environmental management requirements.



Maintenance of water facilities and leakage control

The Company strengthens the routine inspection and maintenance of daily water-use facilities and has established a rapid response mechanism for water leakage. Upon discovering pipe leaks, we immediately shut off valves and organise repairs to eliminate water waste. In the new office building, sensor-activated faucets have been installed throughout, achieving 100% coverage. At the same time, we continue to carry out water-saving awareness initiatives to enhance employees' awareness of water conservation and reduce unnecessary water consumption at the source.



Land Use and Ecological Conservation Environmental Management Policies

The Company fully integrates environmental risk management into strategic decision-making and daily operations, taking compliance as the baseline and sustainability as the goal, establishing a systematic and normalised environmental management policy framework, and continuously driving the implementation of green compliance and carbon reduction targets.

Environmental risk assessment and early warning

We have established a normalised environmental risk assessment mechanism, and set up a supporting early warning response system to implement dynamic monitoring and analysis of key environmental indicators such as resource consumption, waste emissions, and energy use, promptly identify anomalies and initiate response strategies, and effectively reduce environmental risks in operations.

Environmental management system

We have established and operate an environmental management system in accordance with the ISO 14001 international standard, covering the entire process of target setting, implementation planning and performance evaluation, ensuring that environmental responsibility is embedded at all levels and across all positions, thereby achieving a closed-loop system and continuous improvement.



Environmental training and awareness raising

We regularly organise and conduct special training on environmental protection to strengthen all employees' environmental awareness and compliance consciousness. For key departments such as data centres and facility management, we focus on carrying out specialised training on energy conservation and emission reduction, waste disposal, and other areas, so as to enhance practical on-the-job capabilities and the level of green operations.

Continuous improvement and transparent disclosure

We continuously optimise the environmental management system framework, promote the iterative upgrading of management processes and technical means, regularly prepare and publish reports related to environmental protection progress, proactively disclose environmental performance, enhance information transparency and social credibility, and fulfil corporate environmental responsibility through practical actions.

Land Use and Ecological Protection Land Use and Biodiversity Conservation

Green campus: Building an ecologically integrated innovation space

The Company upholds the philosophy of "ecology first, green development", integrating biodiversity conservation into campus planning and operations. The campus spans 150 mu, with 15,000 square meters of green space, achieving a greening coverage of 15%. It features carefully planted, mixed communities of trees and shrubs that attract birds and squirrels, creating a multi-layered and multifunctional green ecological environment. In recognition of its outstanding ecological development achievements, the campus has been named a "Model Park-style Demonstration Enterprise in Fuzhou City", setting an example of harmonious coexistence between the innovation industry and natural ecology, while providing employees with a healthy, comfortable, and high-quality green office environment.

Green building: Reshaping environmentally friendly carriers through low-carbon design

The Newland Yiyue Industry-Education Integration Building project implements the green construction concept throughout its full life cycle, minimising its impact on land and ecology through technology integration and scenario optimisation.

In terms of building energy efficiency, the north and south façades feature triple-silver insulated glass curtain walls, balancing thermal insulation and natural lighting; the east and west façades include solid-wall shading to effectively reduce heat load; the nightscape lighting adopts LED light sources and the DMX512 intelligent control system to achieve precise lighting projection and time-based regulation, reducing light pollution.

In terms of landscape ecology, high-green-volume plants are used to replace single-species lawns, reducing maintenance energy consumption.

In terms of equipment intelligence, the air-conditioning system employs variable-frequency multi-split units to achieve intelligent regulation and control by zones; the lighting system fully adopts LED fixtures with motion-sensor switches in stairwells, achieving energy savings exceeding 50%. These measures ensure user comfort while significantly reducing operational energy consumption and environmental impact, creating a low-carbon, efficient, and intelligent green workspace.

Social Performance

Inclusive Sharing to Benefit Peer Enterprises

Topics responded to

- Rural revitalisation and social contribution
- Diversity and inclusion
- Employee care and benefits
- Employee training and career development
- Product safety and quality
- Data security and customer privacy protection
- Customer service
- Supply chain management
- Supply chain management
- Equal treatment to SMEs

Alignment with UN SDGs



Rural Revitalisation and Social Contribution

Newland deeply integrates the fulfilment of corporate social responsibiility into the national strategy of rural revitalisation and, by establishing and implementing a long-term assistance mechanism, continues to inject momentum into rural development. We not only effectively assist supported regions in **improving livelihoods and fostering industries**, but also explore in practice a sustainability model of **mutual benefit and win-win outcomes**, contributing solid efforts to rural revitalisation.

Deepening paired assistance and conveying the warmth of the enterprise

The Company actively responded to the call of "One Hundred Enterprises Helping One Hundred Villages", establishing a 10-year paired assistance relationship with key areas such as Xi'an Village, Yongtai County. During the Spring Festival, we proactively carried out heartfelt care activities, delivering New Year gift packages and festive greetings to some underprivileged residents in Xi'an Village. Through friendly conversations, we gained insight into their actual needs, bringing warmth from the Company directly to the rural community.

Deepening paired assistance and conveying the warmth of the enterprise

The Company actively responded to the call of "One Hundred Enterprises Helping One Hundred Villages", establishing a 10-year paired assistance relationship with key areas such as Xi'an Village, Yongtai County. During the Spring Festival, we proactively carried out heartfelt care activities, delivering New Year gift packages and festive greetings to some underprivileged residents in Xi'an Village. Through friendly conversations, we gained insight into their actual needs, bringing warmth from the Company directly to the rural community.

Innovating the win-win mechanism to bring together the combined force for development

The Company innovated its assistance model by mobilising employees to subscribe to ecological New Year gift packages and other products in the form of "consumption-based assistance", directly expanding sales channels for agricultural products from assisted villages. This initiative not only enabled employees' families to enjoy healthy ingredients, but also helped villagers increase their income, building a warm, mutually beneficial connection between urban and rural communities and fostering a positive interaction between social impact and the Company's internal culture development.

Bridging distances with care: Rural revitalisation visit to Xiji County

On 22 December 2025, Newland, together with the Guyuan Branch of the People's Bank of China, visited Yaopo Village, Wangmin Township, Xiji County, Ningxia, to carry out the "Bridging Distances with Care" rural outreach and support initiative. The team visited 11 monitored households and three veteran Party members, delivering essential supplies such as rice, flour, and cooking oil. They engaged villagers in warm conversations about children's education, healthcare, and housing security, while also providing on-the-spot guidance on practical financial knowledge and agricultural payment policies. The visit strengthened Fujian-Ningxia collaboration, reinforcing communication and trust between the Company, regulatory authorities, and local communities.



32

Rural Revitalisation and Social Contribution

Newland continues to uphold the principle of "Payments for the People", integrating the protection of public assets, the enhancement of public safety awareness, and compliant corporate operations. In 2025, the Company deepened public education by strengthening police-enterprise collaboration and innovating promotional approaches, and **organised two themed public welfare campaigns** that attracted **410** participants, systematically advancing both the financial security ecosystem and social welfare initiatives.

Police-enterprise collaboration and protection of funds:

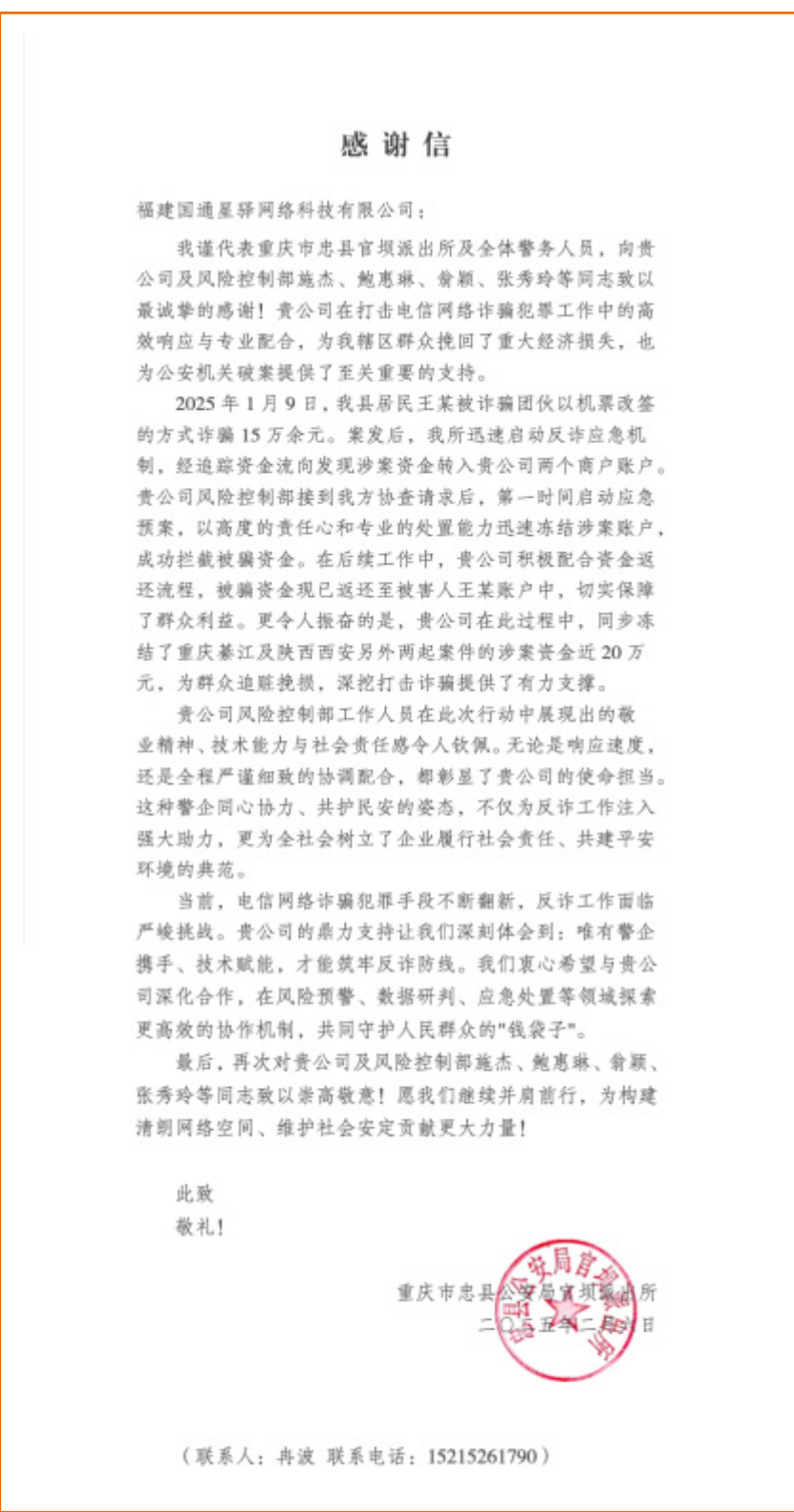
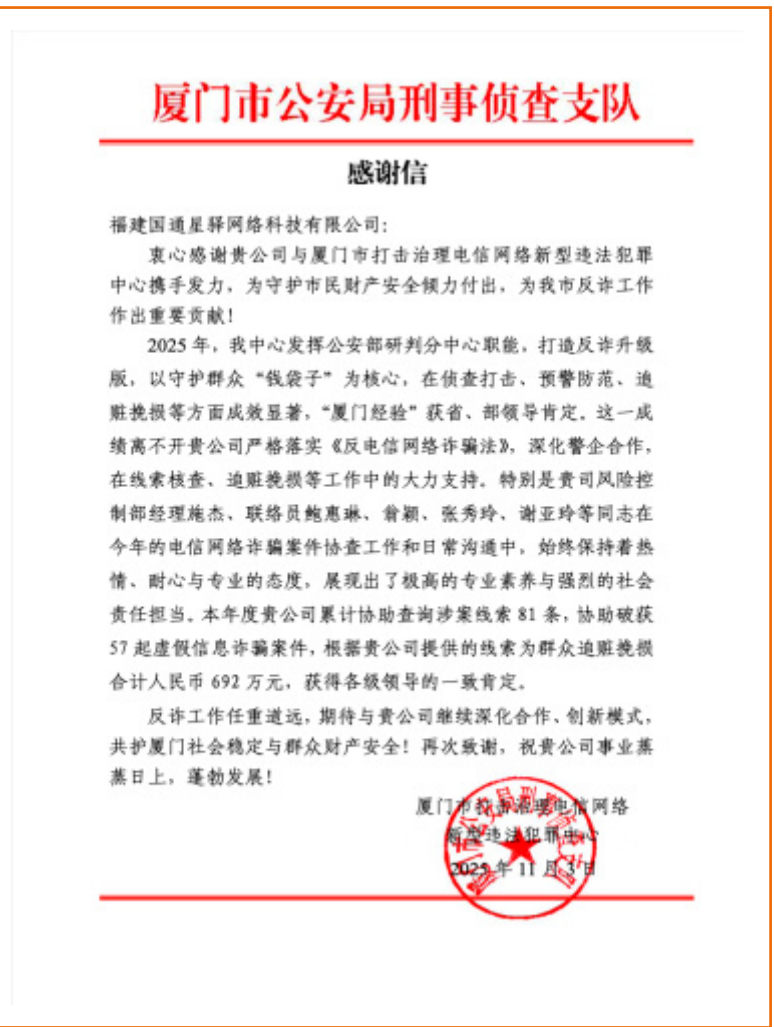
The Company actively cooperates with the public security authorities in carrying out the control, investigation, and return of funds related to anti-fraud efforts, achieving remarkable results.

August 2025

The Company, in partnership with the Mawei Public Security Sub-bureau, launched the **"Combat Infringement, Police and Enterprise in Action"** campaign at the Newland Technology Park. By leveraging technology for identification, rapid response, and evidence preservation, the initiative established a dual-layer defence of "brand protection plus nationwide anti-fraud measures", demonstrating the strong commitment of police and enterprise working together to uphold market order.

As at December 2025

Newland Xingyi Pay had received two letters of appreciation and one honorary banner from public security authorities. Over the year, it assisted in returning nearly **RMB1.36 million** to victims in **23** cases, effectively safeguarding the property of the public.



Rural Revitalisation and Social Contribution

Social Contribution

Innovation outreach and public education:

The Company is committed to building an anti-fraud awareness system that is both innovative and empathetic, using diversified and scenario-based approaches to promote widespread public understanding of financial security.



01

Scenario-based outreach



In July 2025, the Company collaborated with the Fuzhou municipal and district-level public security authorities to produce the anti-fraud awareness video Life Trailer. By vividly portraying typical cases such as "NFC fraud" and "fake order scams", the video highlighted the dangers of fraud and effectively enhanced the public's ability to recognise and prevent scams.

02

Multi-department coordination



The Company, together with multiple departments, organised the themed event "Anti-Fraud: A Mandatory Course". Through case analyses, interactive Q&A sessions, and handbook distribution, the initiative helped transform anti-fraud knowledge from mere awareness to practical application, effectively enhancing the public's fraud prevention awareness and response capabilities. The event was recognised by the Fuzhou Anti-Fraud Office with an on-site letter of commendation and an honorary certificate.

03

Ongoing awareness campaigns



The Company continuously carries out risk education through multiple channels, including its WeChat official account, official website, and app. In 2025, it published 44 posts on topics such as telemarketing fraud, reaching nearly 10,000 views. We also organise dedicated events, including Investor Protection Day on May 15 and Consumer Rights Week on March 15, and collaborate with relevant Zhongguancun organisations on anti-fraud campaigns, effectively enhancing financial literacy and risk awareness across diverse audiences.

Rural Revitalisation and Social Contribution

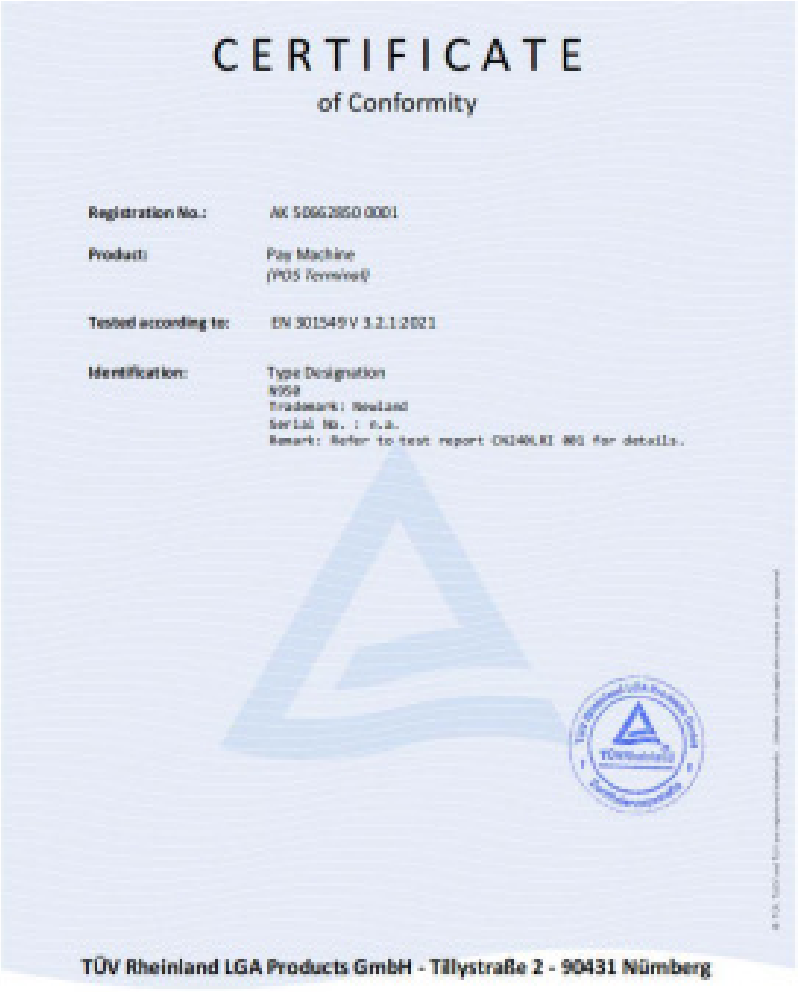
AI-integrated drug rehabilitation practices

On 25 April, Newland Grand Academy launched the second stop of its 2025 Industry Empowerment Programme with a training session at the Drug Rehabilitation Bureau of the Fujian Provincial Department of Justice. Lin Feng, an internal lecturer from Newland and Deputy Chief Engineer of the IoT Research Institute, served as the instructor for the first 2025 Education and Rehabilitation Lecture. Focusing on The Application of AI Technology in Drug Rehabilitation, he delivered a video-based lecture to over 660 law enforcement officers across the provincial judicial drug rehabilitation system, exploring innovative ways to leverage AI technology in supporting rehabilitation work.



Practising an inclusive commitment to technology for good through accessible design

The Company has consistently integrated social responsibility into product innovation and is committed to eliminating the digital divide through technology. In 2025, our N950 product successfully obtained EN301549 certification, namely the European Accessibility Act (EAA) certificate of conformity. This certification signifies that the product fully complies with EU accessibility standards in both design philosophy and functional implementation, providing an equal and convenient technological experience for all users, including people with disabilities. This achievement not only demonstrates the Company's strong commitment to inclusive design but also highlights its responsibility to leverage technology to serve diverse communities and promote social equity.



Employee Empowerment and Care Diversity and Inclusion

The Company consistently strives to foster a diverse, equitable, and inclusive workplace. In accordance with policies such as the Employee Code of Professional Conduct, the Company firmly opposes and eliminates all forms of discrimination and harassment, and is committed to creating a work environment that respects diversity. We protect employees from unfair treatment on the basis of any legally protected characteristic, including race, colour, gender, age, religious belief, physical ability, and marital status.

Human rights protection

Newland strictly complies with the Labour Law of the People's Republic of China, the Law of the People's Republic of China on Work Safety, and the labour laws and regulations of the countries and regions where it operates, and follows the human rights and labour standards stipulated by the United Nations Global Compact (UNGC), the International Labour Organisation (ILO), and the Responsible Business Alliance (RBA). The Company solemnly commits to prohibiting all forms of child labour and forced labour, safeguarding employees' equal legal rights to obtain labour remuneration, rest and leave, join labour unions and participate in labour union activities, and implementing measures to protect human rights and labour rights and interests.

Establishing lawful and voluntary employment relationships

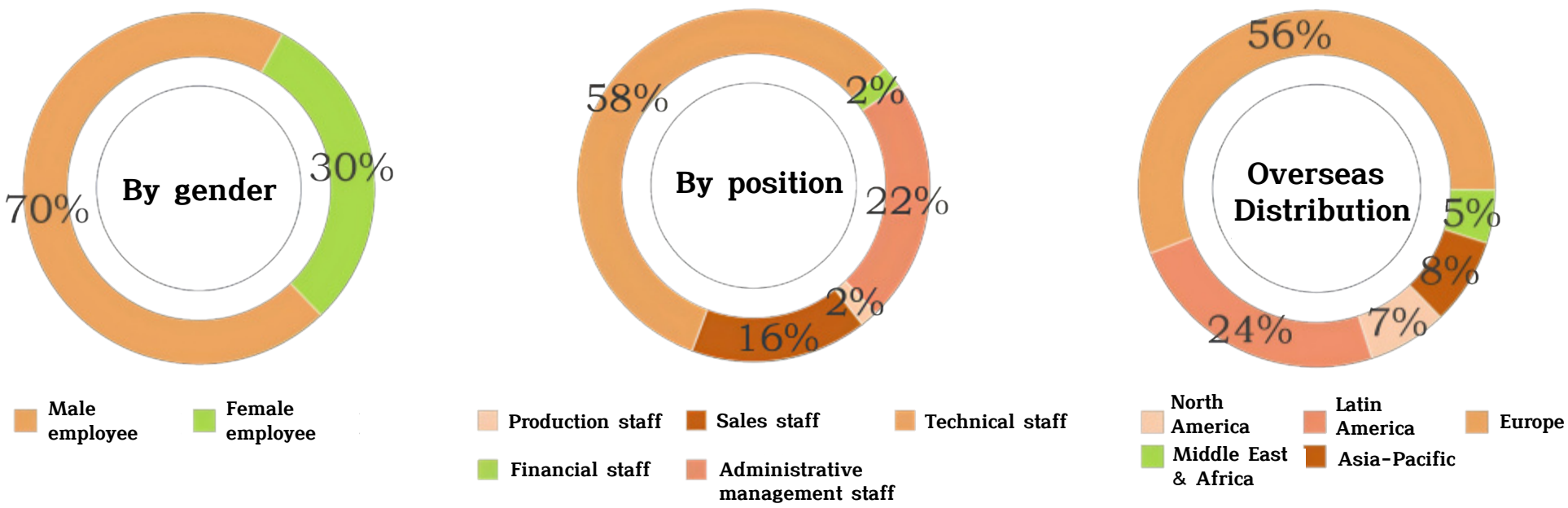
The Company explicitly prohibits any form of forced labour, debt bondage labour or child labour, and all employment relationships are established on the basis of employees' free will. We commit never to illegally withhold employees' personal identification documents such as identity cards and passports. During the recruitment process, we strictly verify applicants' identity information in accordance with the Employee Handbook and the Recruitment Management Policy, with key data recorded and centrally managed in the human resources system. At the resignation stage, employees may freely resign in accordance with the Employee Resignation Management Measures and other regulations, after completing the required notice procedures, fully safeguarding their professional autonomy.

Safeguarding employees' rights to remuneration and rest

Through policies such as the Remuneration Management Measures, the Company ensures the provision of fair, lawful, and reasonable remuneration and benefits to employees, and all remuneration payments comply with the legal requirements for minimum wage, overtime pay, and various statutory benefits. At the same time, in accordance with policies and regulations such as the Employee Handbook and the Attendance Management Measures, we regulate employees' working hours, safeguard their entitlement to adequate rest and leave, and, for overtime required under special circumstances, give priority to time off in lieu, thereby effectively protecting employees' health and work-life balance.

0 Human rights incidents involving the employment of child labour and forced labour in violation (2025)

Composition of employees



- 01 In terms of talent structure, female employees account for 30% of the Company's total workforce, among whom women in the management of the listed company account for 28.57%, injecting female strength into the team and strongly promoting diversity and inclusion.
- 02 The Company's workforce allocation is closely aligned with its strategic priorities, with 58% in technical R&D, 16% in sales, 22% in administrative roles, and 2% each in finance and production, creating a talent structure that supports business growth.
- 03 The Company values cultural diversity and inclusion, with employees representing ten ethnic groups, including Han, Hui, and Manchu. It also actively broadens its international talent pool, with foreign employees accounting for 3% of the workforce and widely distributed across North America, Latin America, Europe, the Middle East and Africa, and the Asia-Pacific region, continuously promoting cross-cultural communication and collaborative innovation.

Employee communication

- Regular communication: We have established a regular communication mechanism covering all stages of employment—from onboarding to active service and offboarding. Through multiple channels, including probationary interviews, exit interviews, and an internal Q&A platform, we consistently collect employee feedback and respond promptly, systematically enhancing employee engagement and overall satisfaction.
- Face-to-face conversation: We continue to implement the "General Manager Friday Breakfast Meeting" initiative, regularly inviting employee representatives to have breakfast together. Through relaxed and pleasant face-to-face conversations, we listen closely to the concerns and constructive suggestions of frontline staff. A dedicated follow-up register is maintained after each session to ensure timely action and effective resolution of employee feedback.

Employee Empowerment and Care Diversity and Inclusion

Women's Career Development

Human rights protection

To support the career development and work-life balance of female employees, the Company actively promotes practical measures such as flexible working arrangements and childcare support, striving to foster a workplace environment that respects, includes, and supports the development of women. In terms of policy safeguards, the Company fully implements statutory rights and entitlements such as maternity leave and breastfeeding leave; in terms of facilities, the Company continuously optimises dedicated spaces such as Mothers' Room, providing comfortable and convenient spaces for women during pregnancy and breastfeeding; at the level of cultural activities, the Company organises annual activities tailored to female staff, such as themed film screenings for International Women's Day, strengthening their sense of belonging and team cohesion. Through these multi-level and systematic initiatives, the Company is committed to building a more supportive working ecosystem for female employees, helping them grow in both their careers and personal lives.



Empowering women in innovation: Newland inspires female growth through role models

In 2025, the Fujian Association of Women Entrepreneurs held its annual gala in Fuzhou under the theme "Empowering Women in Innovation", bringing together over 300 female entrepreneurs from across the province to discuss development. At the event, Wang Jing, Chairperson of the Company, was awarded the title of Honorary President of the Fujian Association of Women Entrepreneurs. As a National Committee member of the Chinese People's Political Consultative Conference and an accomplished entrepreneur in the technology sector, Wang Jing's outstanding achievements in technological innovation and social responsibility have made her a role model for women entrepreneurs. Newland always respects the power of women, and has been actively fostering a diverse and inclusive workplace ecosystem.



Employee Empowerment and Care Employee Health, Safety and Benefits

Occupational health and safety



Policies, regulations and certifications

- We obtained ISO 45001:2018 Occupational Health and Safety Management System certification, marking the internationalisation and standardisation of our occupational health and safety management.
- We signed annual work safety responsibility statements and fire safety commitment letters with subsidiaries and branch companies, and revised four safety management policies in 2025, including the Fire-Fighting Facilities and Equipment Maintenance Management Policy.



Health management safeguards

- Health check-ups: We cooperated with four medical examination institutions, including FN.Health and iKang, to provide customised packages and medical examination subsidies, offering convenience to employees and their family members. In 2025, a total of 2,971 occupational health check-ups were conducted, achieving 100% subsidy coverage.
- Physical and mental well-being: We provided employees with personal accident insurance and, over the year, conducted seven safety and health training sessions covering 360 participants, totalling 2,700 training hours. In addition, it promoted holistic physical and mental health through employee sports clubs, expert medical consultations, and psychological counselling courses.



Fire safety management

- Facility maintenance and upgrades: Throughout the year, we conducted 24 tests and inspections of the fire control system, replaced 180 fire extinguishers and 460 emergency exit signs, and upgraded the campus's fire water network and monitoring systems, ensuring that all hardware facilities remain effective and reliable.
- Emergency drills: We conducted practical exercises, including high-level evacuation, typhoon, and flood preparedness drills, as well as the annual fire drill, involving 1,530 participants, a 49% year-on-year increase. Over the year, we also carried out ten safety awareness and educational activities covering fire safety, reduction safety, and related topics, effectively enhancing employees' self-rescue skills and emergency response capabilities.

Employee Empowerment and Care Employee Health, Safety and Benefits

Occupational health and safety

Drug awareness campaign to enhance employees' prevention awareness

In July 2025, Newland invited the Drug Rehabilitation Bureau of the Fujian Provincial Department of Justice and the Fuzhou Compulsory Isolation Drug Rehabilitation Centre to host the joint awareness event "Decoding the Secrets of Drugs, Safeguarding a Digital Life" at its campus, with over 120 employees from various subsidiaries participating. The campaign systematically educated staff on the harms of drugs and prevention measures and strengthened their ability to recognise, resist, and avoid drugs, representing an important practice in Newland's efforts to promote employee health and create a safe workplace environment.



Building a life-saving safety net: AED equipment and first aid training

In May 2025, Newland's labour union, together with the Safety Committee, organised a special training session on AED equipment and first-aid knowledge. The training provided a systematic introduction to AED locations across the campus, key techniques for cardiopulmonary resuscitation (CPR), and the correct use of automated external defibrillators, followed by hands-on practical exercises. Engaging more than 80 first-aid coordinators and employee representatives from subsidiaries and branches, the training effectively strengthened employees' self-rescue and mutual rescue capabilities, put employee life safety and health management into practice, and fostered a workplace safety culture in which everyone understands first aid and safety is always present.



Collaborating with medical institutions to safeguard employee health

In September 2025, Newland, through its labour union and in partnership with the labour union of the Second Affiliated Hospital of Fujian University of Traditional Chinese Medicine, organised a "Health Consultation on Constitution Assessment" event at the campus. The event featured eight specialist departments, including traditional Chinese internal medicine and acupuncture and Tuina, as well as two specialised service counters, with a total of 123 employees registering to participate. Employees received personalised health guidance based on a constitution assessment and engaged directly with doctors to discuss common occupational diseases and sub-health issues. By introducing professional medical resources, the event extended health services from passive physical examinations to proactive health conditioning, helping employees understand their own constitutions, acquire daily healthcare knowledge, and enhance self-care awareness.



Employee Empowerment and Care Employee Health, Safety and Benefits

Employee Care

The Company follows the principles of "Care, Motivation, and Growth" to systematically advance employee well-being. Through day-to-day care and human-centred interaction, we continuously enhance employees' sense of belonging and well-being; by providing robust welfare and health protection, we safeguard physical and mental well-being; and by offering diverse activity platforms, we stimulate team vitality, fostering the shared growth of employees and the Company.

01

Workplace culture development

● Integration of Party building

● Annual planning

● Team-building activities

We actively develop Party members by regularly carrying out Party-building activities and effectively enhancing Party members' engagement.

We coordinate cultural activities around key points throughout the year, and organise events such as Spring Festival awards, Dragon Boat and Mid-Autumn Festival celebrations, and Christmas-themed activities, using these occasions to enrich employees' leisure time.

We establish special funds to support intra-departmental and cross-departmental team-building activities, deepening internal communication, promoting team collaboration and cultural integration, and continuously enhancing organisational cohesion.

02

Employee wellbeing

● Holiday benefits

● Health safeguards

We provide regular holiday benefits, including birthday cake vouchers, Spring Festival gift packages, and New Year lucky bags, conveying organisational warmth and fostering a friendly and harmonious work environment.

We carry out annual employee health check-up promotions and reimbursements and actively implement heat-relief initiatives to effectively safeguard employees' health and safety. In 2025, we distributed 68 cooling supplies.



Employee Empowerment and Care Diversity and Inclusion

Employee Care

Tech Open Day: Connecting families and the Company

On 10 May 2025, Newland held the second OpenDay Family Day, welcoming 19 employee families, nearly 60 participants, to the campus. Through immersive tours, technology exhibition experiences, and robot dog programming classes, family members personally experienced the Company's innovative environment and cultural warmth. The event further strengthened family recognition and sense of belonging, providing a tangible contribution to employer branding and talent cohesion.



Future Lab: Shaping the path of growth together.

On 28 August 2025, Newland successfully held the third N-Cube Future Lab. Centred on the topic of globalisation and talent development, the Company's management engaged in an open dialogue with more than 40 employees from different departments. Through relaxed and thought-provoking discussions, employees deepened their understanding of the Company's strategy, clarified their personal development paths, and strengthened their sense of belonging under the principle of "Growing Together with the Company".



Summer childcare programme: Supporting employees and their families

Newland organised a four-week summer childcare programme for employees, which comprised four primary school classes and one kindergarten class, serving 122 primary school pupils and 20 young children. In addition to providing all-day care and academic tutoring, the programme incorporated interest-based courses and life education, effectively alleviating the difficulty faced by employees' families in arranging childcare during the summer holiday, conveying the Company's genuine care for employees' families, and receiving widespread praise. It has become a strong practice in fostering harmonious employee relations.



Employee Empowerment and
Care

Diversity and Inclusion

Employee Development

In 2025, the Company attached great importance to talent development and knowledge empowerment.

- Total training investment: **RMB2,087,800**
- Training coverage: **22,818 participants**
- Average training duration per employee: **21.75 hours**
- Visits to the Company's online learning platform: **22,296**

These ensured broad coverage and efficient use of resources.

Digital learning platform

Based on Lark's ecosystem, the Company has built a one-stop employee development platform, the NPT Learning Hub, realising the online standardised management of the entire training process, and clearly presenting learning dynamics through data dashboards, thereby enabling large-scale learning and reuse of knowledge and providing a convenient, efficient, and easy-to-operate foundation for organisation-wide learning and knowledge accumulation.

AI-empowered talent development

The Company deeply integrates AI into the talent development system. In 2025, by introducing AI-based course development tools, we shortened the course creation cycle from two weeks to two to three days, doubling efficiency. Leveraging this, we independently developed 282 AIGC courses, accumulating a total of 12,115 learning hours and covering 2,410 participants. For core management and functional teams, we launched specialised courses such as Newland AI Leadership and AI-Empowered Human Resource Management, extracted more than 150 AI business application scenarios, and precisely empowered 300 management cadres and more than 90 HR professionals, achieving agile iteration of the talent development system.

Specialised training for new employees and on leadership development

The new employee development system has been transformed from a one-off training approach into a three-in-one model combining agile online bootcamp, offline integrated intensive training, and professional advanced bootcamp. In 2025, more than 120 new employees were trained by the system, achieving a 100% completion rate. The "Xingtu Programme" leadership project, centred on learning methods online, practising in real-world scenarios offline, and using tools to facilitate implementation, focuses on enhancing the practical capabilities of newly appointed managers in leading teams and solving difficult problems. All 40 participants successfully completed the programme, achieving a 100% pass rate.

Employee Empowerment and Care Diversity and Inclusion

Employee Development

International English programme

Lanbridge, as the Company's English programme designed for global business, operates under the concept of "Language + Bridge". It develops standardised English courses and assessment systems based on business scenarios and transforms language learning into practical problem-solving skills. The programme establishes the Company's international talent standards, connects a closed loop of "competency standards-assessment-incentives-application", and injects long-term momentum into global development.



Talent development Received Authoritative Recognition

Newland Grand Academy, the Company's organisational learning platform, systematically enhances employee capabilities by deeply integrating AI with business scenarios through the "Four Camps and One Lecture" training system. In 2025, by virtue of this innovative practice, Newland was named the "Annual Benchmark Enterprise for Future Management Talent Development" in the FUTURE 50 selection. Its experience was featured across four pages in the annual curated case collection, serving as an important reference model for the industry.



Internal lecturer operations: Digital intelligence fosters growth

In 2025, our internal lecturer courses were closely integrated with business scenarios and AI tools, with operations centred on honour certification, mechanism optimisation, and humanistic care. Teacher's Day events were organised, and a standardised remuneration system was established, cumulatively recognising 28 internal lecturers. Through a mentorship model, over 20 lecturers collaborated to pass on expertise and support capability development. In national competitions, three nominated lecturers were awarded the title of "Gold Medal Internal Lecturer", earning industry recognition.



Employee Empowerment and Care Diversity and Inclusion

Employee Development

Comprehensive employee promotion and development system

To support the Company's strategy and employees' diverse growth needs, Newland has established a dual-track career development system featuring "vertical professional deepening + horizontal functional expansion", scientifically dividing positions into the management sequence and the professional sequence, with the professional sequence further subdivided into marketing, technical, and functional sub-sequences. Employees can progress along the management track, advancing through Supervisor → Department Manager → Director → Executive to become well-rounded managers, or develop along the professional track, moving through Junior → Intermediate → Senior → Principal → Chief Expert to become recognised authorities in their fields. The two tracks are equipped with an interchange mechanism, supporting employees in flexibly choosing their development direction based on their individual characteristics. The Company conducts annual job grade assessments to enable every dedicated employee to be recognised and rewarded through a fair and transparent mechanism, thereby realising continuous enhancement of career value.

Youth empowerment and fair selection

The Company has established a "1+1" dual-mentor system (business mentor + human resources mentor) and five major development systems, namely the promotion system, communication system, performance recognition system, mentorship system, and training system, to provide comprehensive growth support for young employees. The Company also leverages programmes such as the Emerging Talent Programme and the Intelligent Vanguard Team to provide young employees with extensive international exposure and diversified incentive opportunities, supporting them in broadening their horizons and achieving career advancement. In selecting managers, the Company follows the Officer Management Measures, evaluates candidates comprehensively based on alignment with corporate values, work style, and performance contributions. Priority is given to selecting capable managers from key business areas and successful teams, ensuring that the talent pipeline evolves in sync with business development.



"Grow Workshop" mid- and senior-level manager development programme

To enhance mid- and senior-level managers' strategic vision and ability to solve complex operational issues, the Company has initiated the "Grow Workshop" mid- and senior-level manager development programme. Leveraging the expertise of external specialists, the workshop guides management teams to systematically analyse business challenges through cross-departmental collaboration, jointly developing an actionable "portfolio of initiatives". This not only effectively enhances managers' management awareness, but also transforms real practical problems into organisational capabilities, making the manager development and training mechanism effective.

Employee Empowerment and Care

Employee Health, Safety and Benefits

03

Vitality in bloom

- Employees hub

We have established model shared "Employee Hub" spaces, including 11 facilities such as a book bar, basketball court, gym, and band rehearsal room, providing regular services to 19,344 participants.
- Recreational activities

Nine cultural and sports clubs within the Company regularly organise interest-based activities such as yoga, basketball, and badminton, and actively host competitions. In 2025, six major cultural and sports events were held, while health and wellbeing facilities, including additional AED devices and the upgraded Mothers' Room, were enhanced, allowing employees to enjoy work in a vibrant and supportive environment.

Marathon Festival: Writing a new chapter.

The 6th Newland Marathon Festival in 2025, themed "Coding the World, Running Without Pause", featured diverse events including 20KM and 10KM individual challenges, team relays, and a 5KM fun run, attracting enthusiastic participation from 232 employees and their families. The event included specially designed annual commemorative medals, seasonal fruit and energy drink stations along the route, and full medical and security support. By deeply integrating the Company's vibrant culture, the marathon promoted a healthy lifestyle and highlighted an organisational atmosphere of employee solidarity, ambition, and family togetherness.

Energised competitions to strengthen team spirit

In November 2025, Newland's labour union meticulously organised the annual employee sports tournament, featuring events such as a five-a-side football invitational, table tennis, fun basketball challenges, a basketball league, and badminton competitions, attracting 422 employees from various subsidiaries. On and off the field, employees showcased their skills, built friendships through competition, and strengthened teamwork, fully demonstrating the spirited, united, and striving ethos of Newland employees.

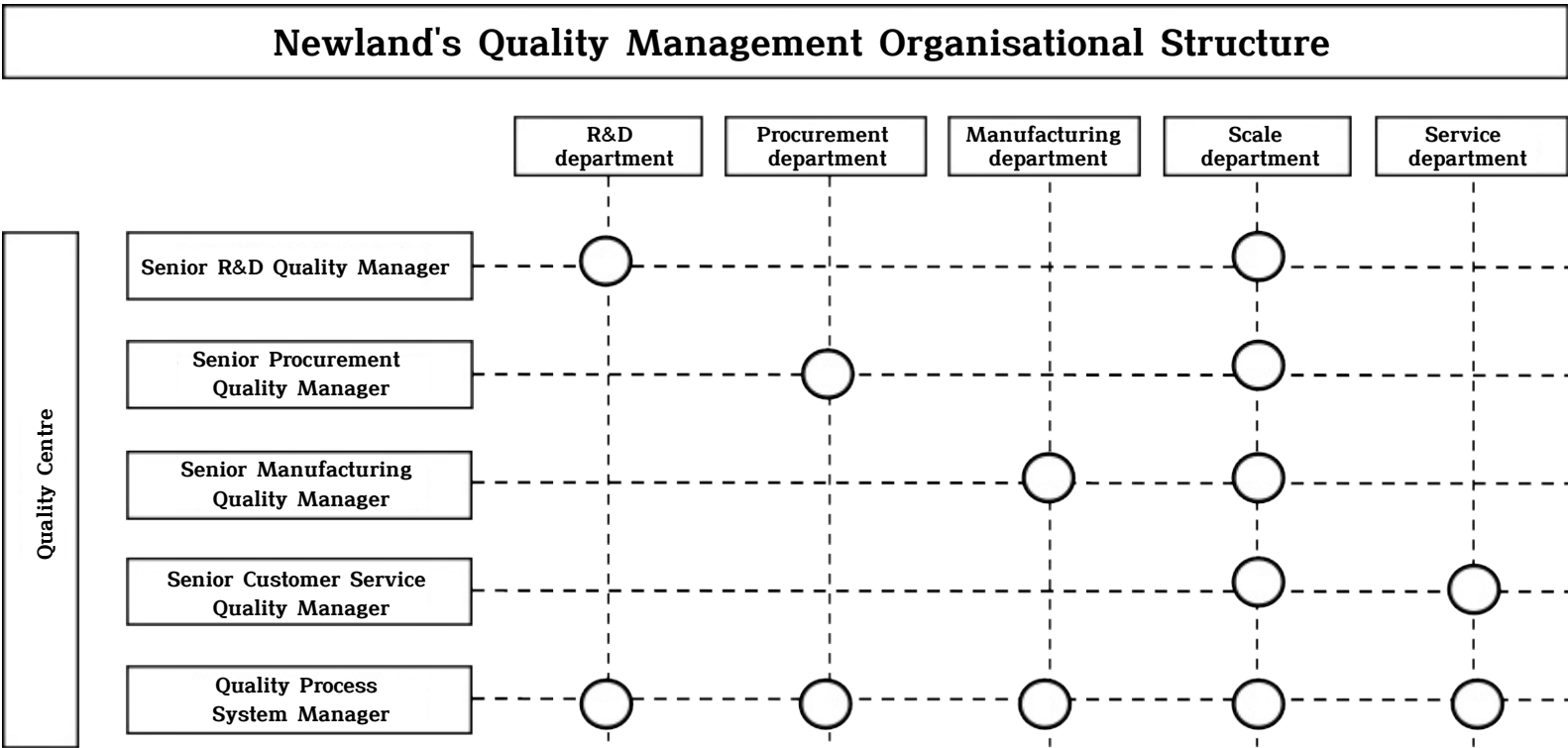


Quality Management and Product Safety

Governance

The Company always sees quality management and product safety as the foundation of business operations. Through a sound governance structure and full-process implementation mechanisms, it ensures high-quality delivery of products and services.

The Company has established a cross-departmental Quality Centre to coordinate and supervise the step-by-step implementation of quality management responsibilities. Under it, quality managers assist each business organisation through a quality BP model, forming a two-way assessment and collaboration mechanism. Based on key quality improvement items, we continuously optimise our products, and have achieved matrix-based quality governance that gives equal weight to professional coordination and business integration. At the operational level, systematic quality control is implemented across the entire chain covering sales order review, design and development, parts procurement and inspection, production process quality control, shipment inspection, warehouse management, and after-sales customer complaints. Management responsibilities at all levels have been clearly defined, with well-established authority and accountability, forming a coordinated and efficient working mechanism that responds promptly to the product quality requirements of internal and external stakeholders.



Strategy

Risk/opportunity type		Risk/opportunity description	Financial impact	Impact timeframe	Response measures
Risk	Market and reputational risks	Quality and even product safety issues arising during the after-sales stage of products may trigger a crisis of customer trust and damage brand reputation, thereby affecting market competitiveness.	Increase in cost	Short- and medium-term	Strengthen quality control throughout the entire process: Systematically embed quality requirements into all business links from development to after-sales, and ensure the stability and reliability of product quality through standardised processes and systems. Improve customer feedback and response mechanisms: Establish an efficient closed-loop complaint handling process to ensure that quality issues can be quickly identified and addressed in a timely manner, and be used to drive continuous internal improvement, so as to safeguard customer relationships and brand image.
Opportunity	Opportunities in digital payment ecosystem	The market trend towards the deep integration of intelligent hardware and digital services has created conditions for the Company to expand new markets and generate value-added revenue by providing highly reliable, highly secure products and solutions.	Increase in revenue	Medium- and long-term	Promote integrated innovation in products and services: Based on high-quality, intelligent hardware, actively expand supporting digital services, create integrated solutions, and enhance customer loyalty and value per customer. Build an open and collaborative industry ecosystem: Proactively cooperate with industry partners and technology developers to transform the Company's quality strengths into core ecosystem competitiveness and jointly expand new application scenarios and market space.

Quality Management and Product Safety

Quality and Product Safety Certifications

End-to-end security certification for the payment industry

As a global leader in the POS industry, the Company has been deeply involved in the formulation of international payment security standards and has officially become a member of PCIPPO (PCI Principal Participating Organisation), contributing professional insights to the development of the latest PCI specifications. In the hardware sector, the Company has conducted in-depth research into the PCIPTS hardware security standards and successfully launched new products such as S30, S90, U200, and P70 that comply with PCI 7 certification, building a robust security defence from the underlying hardware layer. In the software and system sector, Newland's TOMS terminal management system has obtained PCI DSS certification, establishing multiple data security mechanisms such as tamper detection and rapid response to comprehensively safeguard the payment data security of merchants and users. For production and R&D, the Company's factories across multiple locations and its R&D headquarters have obtained PCIPIN and PCIP2PE certifications, achieving full-chain security and controllability from manufacturing to deployment.

Global and domestic payment industry compliance certifications

The Company proactively responds to the compliance requirements of different markets, and has successfully obtained numerous regional security certifications, including China UnionPay UPTS, Australian APN, Brazilian ABECs, and European Common SECC, demonstrating a profound understanding of and comprehensive adaptability to diverse global security standards. In the payment industry, our terminal devices all comply with the China UnionPay Payment Terminal Device Security Certification, and have successively passed the Payment Card Industry Data Security Standard (PCI DSS) assessment, UnionPay Payment Data Security (UPDSS) Testing, technical testing and certification for payment business facilities of non-bank payment institutions, and FinTech product certification, thereby ensuring the security and compliance of the entire payment business process.

Quality Management Process: A Full-cycle, Holistic, Digitalised Control System

The Company has established a quality management process covering the entire product life cycle, ensuring the high-quality delivery of products and services through organisational assurance, technological empowerment, and digital collaboration.

Whole-process quality control mechanism

The Company has established the Quality Management Department, an Engineering Quality Department, and a Quality Committee to coordinate quality control across the entire chain, including sales order review, design and development, component procurement, production processes, shipment inspection, warehouse management, and after-sales service. In payment system development, we strictly implement a three-stage control approach of strict control beforehand, stringent management during the process, and rigorous inspection afterwards: During the demand and design stage, compliance, security, and architecture reviews are conducted, with mandatory code reviews and automated testing; during the launch stage, approval by the Change Committee is required, and graded canary releases and one-click rollback plans are implemented; after launch, 7×24-hour monitoring is carried out, with issues incorporated into a closed-loop review process to continuously drive process and technological improvements, ensuring that quality is controllable, measurable, and traceable.

Product reliability design and validation system

The Company implements a product development process that combines IPD with agility, and has established a comprehensive material selection and certification management system, safeguarding supply chain resilience through a preferred material database, tiered management, and a multi-supplier backup mechanism. With more than 20 years of DFMEA experience, we have developed an analysis database covering more than 200 failure modes, and established a standardised CBB database to promote platform-based and modular circuit design. At the same time, we equip ourselves with comprehensive reliability design guidelines, test cases, and laboratory equipment, and extensively carry out hardware simulation analyses such as antenna and PCB design simulation and structural finite element simulation, comprehensively ensuring the reliability and robustness of product design.

Digital quality collaboration and continuous improvement

Based on Lark, we have established an efficient collaborative mechanism covering the full closed loop from issue feedback to resolution, enabling horizontal inspection coordination, case accumulation and sharing, and visual analysis of key indicators. We have also established digital management throughout the full process of key components selection, use, and control, and systematically built a quality assurance system through matrix-based role definitions and standardised operation templates. In addition, we operate the "Tree Hollow" suggestion platform to collect quality proposals to encourage all employees to participate in improvement, transform issue insights and improvement outcomes into organisational knowledge assets, and promote the continuous optimisation of quality management.

Quality Management and Product Safety

Certifications			
Technological innovation	· CMMI Level 5 Capability Maturity Model Integration Certification · Testing maturity certification companies, and revised four safety management policies in 2025, including the Fire-Fighting Facilities and Equipment Maintenance Management Policy. · Intelligent self-service platform U200 awarded PCI 7.x certification · Payment technology N950 awarded German Girocard certification · Fintech product certification · First AI enterprise in Fujian Province to achieve Level 1 Capability Certification	Data security and privacy protection	· ISO/IEC 27001:2022 Information Security Management System Certificate · ISO/IEC 20000-1:2018 Information Technology Service Management System Certification
		Business continuity and others	· ISO 22301:2019 Business Continuity Management Certification · ISO 50001:2018 Energy Management System Certification · ISO 9001:2015 Quality Management System Certification · ISO 45001:2018 Occupational Health and Safety Management System Certification · Five-star After-sales Service Certification · AEO Certification
Environmental protection	· ISO 14064 GHG Verification Statement · ISO 14067 Product Carbon Footprint Certificate · ISO 14001:2015 Environmental Management System Certification	Financial compliance	· PCI DSS Certification · UPDSS Testing · Technical Certification for Payment Business Facilities of Non-bank Payment Institutions · China UnionPay Payment Terminal Equipment Security Certification · TMMI5 Testing Maturity Certification

Quality Management and Product Safety

Building a Quality Culture Ecosystem

Through four key pathways, namely multi-dimensional advocacy, capability building, policy constraints, and closed-loop improvement, the Company has systematically built a quality culture ecosystem characterised by full employee participation and continuous deepening.

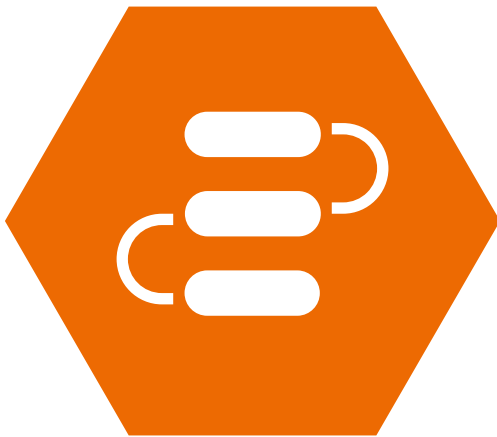


Multi-dimensional advocacy promoting a deep-rooted quality-conscious culture

Throughout the year, a total of 15 quality-themed activities were organised, including six large-scale events, covering diverse formats such as training, salons, and campus fairs, attracting extensive employee participation. A total of 32 quality-themed posts were published simultaneously, each averaging over 1,000 views. Through high-frequency, multidimensional cultural initiatives, we effectively promoted the transition of quality awareness from mere recognition to genuine endorsement.

Internal and external coordination consolidating professional capabilities and the foundation of trust

We organised six internal quality compliance examinations, covering 1,621 participants, with an overall pass rate exceeding 94%, continuously strengthening job competence. Externally, we actively expanded industry exchanges by organising participation in Huawei study visits and customer quality seminars. Through learning from advanced practices and engaging in open dialogue, we not only enhanced our internal professional depth but also reinforced external partners' trust in quality.



Policy constraints strengthening quality red lines and a sense of reverence

We have formulated and strictly implemented quality red-line documents such as the Regulations on Quality Rewards and Penalties, clarifying behavioural boundaries and reward and penalty standards. During the reporting period, we issued three centre-level commendations and one penalty, combining positive incentives with strict constraints to continuously strengthen all employees' respect for quality and sense of responsibility.

Company-wide suggestion programme building an intrinsic closed loop for continuous improvement

Leveraging the "Tree Hollow" suggestion platform, we have established a long-term mechanism for collecting quality suggestions. In 2025, we collected a total of 47 suggestions, of which 21 were resolved and eight valuable ones have been implemented. By encouraging employees to identify issues, put forward suggestions, and participate in improvements, we have formed an improvement closed loop in which everyone acts as a steward of quality, injecting sustained momentum into quality management.



Quality Management and Product Safety



Strengthening the foundation of product safety through technical seminars

The Company consistently sees product quality as the core hallmark of globalised development. It actively advocates the 16-character quality management policy of "speed first, customer orientation, effective execution, and continuous improvement", and promotes the internalisation of quality awareness in mind and its externalisation in action. Centring on the topic of "quality improvement", the Product Technology Centre successively held the 15th session of Power Supply and Component Reliability Design Sharing and the 16th session of Signal Integrity Design Sharing. At these sessions, technical backbones systematically reviewed the fundamental theories of reliability design using real company cases and provided in-depth analyses of key application points, including power management, component selection, and signal integrity. Senior experts participated on-site to answer questions, using case reviews and interactive discussions to help R&D teams gain a more intuitive understanding of the profound impact of design on product reliability. The sessions, marked by lively exchanges, reinforced employees' commitment to quality management and further consolidated Newland's culture of driving quality through technology and winning the market through quality.



Championing quality together: Embedding excellence from strategy into culture

In 2025, under the main theme of "Championing Quality Together", the Company systematically promoted the implementation of a quality management culture by combining strategic discussions of senior management with interactive experiences for all employees. In June, the first N-cube event brought together the management team to focus on core quality competitiveness and jointly discuss the strategic transformation path of the quality management system from "industry follower" to "industry leader", making it clear that quality premium would be used to build a new competitive advantage. In December, the Company held the Quality Month and innovatively set up four interactive checkpoints for a "Quality Carnival". Among them, the "Quality Fault-Finding Game" transformed typical problems in daily operations into immersive scenario cases by enabling employees to act as "quality detectives" to proactively identify omissions and analyse root causes in real situations, internalising lessons from others into their own experience through immersive thinking. The activity attracted more than 400 employees, received 32 likes and 138 interactions, and promoted the shift of quality awareness from passive acceptance to proactive internalisation through an entertaining and educational approach, achieving resonance between strategic consensus and organisation-wide practice.



Quality Management and Product Safety



Empowering every employee: Building expertise in secure software development and performance testing

From August to September 2025, the Company focused on enhancing core software quality and security capabilities, and organised a special training programme on Software Performance Development and Testing. A total of 81 developers from the R&D centres in Fuzhou, Nanjing, and Beijing participated throughout the programme and all passed the assessment. Meanwhile, in order to strengthen secure development lifecycle management, we also conducted special training on secure development, covering 65 key R&D personnel, with the pass rate of both training programmes reaching 100%.

For the specific business scenarios of the Product Department in the big data industry, the training was specially customised to include a secure development course for the department's 13 employees, providing targeted empowerment around practical pain points such as data flow risks and privacy protection. The post-training evaluation showed that the overall score for performance development and testing training reached 9.92, and the overall score for secure development training reached 9.95 (out of 10). Participants generally reported that the course content closely addressed frontline R&D pain points, was highly practical, and effectively enhanced their teams' engineering capabilities in software performance optimisation and secure coding.



Indicators and performance

Key indicators	Progress in 2025
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Number of participants in quality training	3,297
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Number of quality training sessions	142
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Data Security and Customer Privacy Protection

Governance

The Company has always regarded data security and customer privacy protection as important cornerstones of sustainable corporate development, strictly complied with the laws and regulations of the places where we operate, and remained committed to building a reliable security system and governance capability covering the entire business chain, working with all parties to deliver security value and jointly build a trust-based digital future.

We have established a dedicated working mechanism directly led by management. By combining top-level leadership with position-based commitments, we ensure the effective integration of data protection efforts from strategy to execution, and continuously strengthen awareness of data security responsibilities within the organisation. Under this framework, the Company actively responds to increasingly complex global data compliance requirements, continuously addresses regulatory changes in China and overseas, and systematically advances the development of personal information protection and data security management systems through policy improvement, technology upgrades, full-coverage training, and targeted rectification, thereby building a compliance assurance system covering the entire business chain.

GDPR-specific training

In 2025, the Company launched a dedicated compliance project in response to international compliance requirements such as the EU General Data Protection Regulation (GDPR).

Internalisation of regulations and alignment of understanding: We conducted GDPR-specific training covering the headquarters and European branches, with cumulative employee attendances exceeding 400. The management participated throughout the learning process, aligning the compliance awareness baseline of all staff.

Business process and system rectification: We implemented Cookie compliance upgrades for the official website and internal business systems, deployed a user consent management mechanism, promoted the completion across multiple systems of privacy agreement pop-up windows, data display controls, permission optimisation, and compliance adaptation for cross-border storage, and established a compliance review mechanism prior to system launch, strengthening risk control at the source.

Policy and document development: We formulated and issued policy documents such as the Data Security Management Measures and Data Classification and Grading Protection Strategy, and established a cross-border management regulatory system covering the entire data lifecycle, providing policy assurance for compliant business operations.



Data Security and Customer Privacy Protection

Strategy

Risk/opportunity type		Risk/opportunity description	Financial impact	Impact timeframe	Response measures
Risk	Risk/opportunity type Risk Compliance and legal risks	As regulatory oversight under the GDPR, the Personal Information Protection Law of the People's Republic of China, and other regulations continues to intensify, incidents involving data and customer privacy breaches will trigger risks of legal proceedings, regulatory penalties, and business interruption.	Fines	Short- and medium-term	Conduct regular compliance self-inspections: Ensure that all of the Company's data processing activities continuously comply with core laws, regulations, and regulatory requirements such as the Cybersecurity Law and the Data Security Law, and establish a routine review mechanism. Engage third-party institutions to conduct annual information security audits: Introduce independent and authoritative external audit institutions to carry out comprehensive assessments and certification of the Company's information security management system, ensuring that the effectiveness of internal controls is objectively verified.
Opportunity	Reputational and trust risks	Data security has become a forefront focus of public concern, and data breach incidents will seriously damage brand reputation, leading to customer loss.	Decrease in revenue	Short- and medium-term	Establish an efficient security incident emergency response and closed-loop management mechanism: Clarify the classification standards and response procedures for security incidents, and ensure that the entire process from identification, analysis, and handling to review is traceable and accountable. Communicate with customers in a timely and transparent manner: When potential or actual data security impacts occur, proactively and clearly disclose information to customers and the public, maintain trust, and reduce reputational damage.
Opportunity	Opportunities in market competition	Outstanding data security protection capabilities can become a core competitive advantage that enhances customer confidence and helps expand markets with higher security requirements.	Increase in revenue	Medium- and long-term	Deeply integrate security and privacy protection requirements into the product research, development and design process: Systematically embed privacy compliance reviews and security requirements at the product planning and design stage to ensure that new products are inherently secure by design. Proactively communicate security value to the market through SOC reports and other forms: Regularly publish transparency reports and other disclosures, elaborating in detail on the Company's data protection philosophy, technologies and practices, and transforming security capabilities into market trust and brand premium.

Data Security and Customer Privacy Protection

The Company continuously strengthens its data security and privacy protection capabilities, comprehensively safeguarding the integrity, availability and confidentiality of customer information through technological upgrades, closed-loop processes and awareness empowerment.

Certification systems and policy implementation

The Company has obtained a number of authoritative international and domestic certifications, including ISO/IEC 20000-1 Information Technology Service Management, ISO 27001 Information Security Management, PCI DSS Standard and UPDSS Testing certifications. In accordance with internal policies such as the Information Security and Information Technology Service Management Manual and Data Classification and Grading Protection Strategy, we have integrated graded data management and control into daily operations. Data are used in a compliant, permission-based manner to ensure that security and compliance requirements are effectively implemented.

Technical protection and in-depth defence

We continuously strengthen multi-layered technical protection across networks, hosts, applications, data, and other areas by deploying zero-trust solutions and multi-factor authentication (MFA), implementing least-privilege access control, mandating the installation of EDR and host security protection tools, and conducting regular virus and Trojan horse scans. Antivirus software coverage increased by 49% year on year in 2025, and the number of installed endpoints increased by 110%. At the data level, we have established an enterprise data map and asset inventory, identifying core and important data and implementing secondary backup, and adopted encrypted storage for cross-border data and deployed it in a compliant cloud environment, ensuring transmission and storage security.

Process control and emergency response

A closed-loop management mechanism for new security incidents has been introduced, which leverages DingTalk's automated workflows to automatically assign security incidents to responsible persons and track their handling. A new automated log analysis workflow has been established to assess attack behaviours in real time and automatically blacklist malicious IP addresses and domain names. Systems such as traffic analysis, host intrusion detection, and Web application protection are deployed, and attack-and-defence drills and phishing email tests are conducted regularly to continuously enhance proactive defence and emergency response capabilities. Meanwhile, security threat messages are routinely shared via email and group chats to strengthen security awareness among all employees.

Indicators and performance

Key indicators	Progress in 2025
Number of information security training sessions	4
Authoritative information security certifications	4
Customer personal information leakages	0

Annual forum on "Gaining Insight into Data Security Risks and Strengthening Information Security Defences"

In 2025, the Company successfully held its annual data security forum to provide all employees with a systematic interpretation of the latest developments in domestic and international data protection regulations, and conduct in-depth analysis based on typical industry risk cases. The forum featured a dedicated session for department heads and technical leaders from R&D, operations, and product teams to sign key-position security responsibility agreements on-site to ensure that data security responsibilities are clearly defined, cascaded, and assigned to specific individuals. By combining regulatory interpretation, case warnings and responsibility commitments, we effectively enhanced all employees' compliance awareness and risk prevention consciousness, and promoted the transformation of data security requirements from policy documents into shared understanding across positions.

Customer Service

Protection of customer and consumer rights

The Company consistently adheres to a "customer-centric" service philosophy. Through a systematic service framework, diversified feedback channels, and regular satisfaction monitoring, it transforms customer feedback into actionable improvements, effectively safeguarding consumer rights and continuously enhancing the customer experience.

Organisational assurance and service network

The Company holds an after-sales service certificate and has established 15 sales and service centres and four maintenance service hubs in key cities and regions, ensuring a rapid response to after-sales service and training needs. At the same time, leveraging dedicated repair hotlines, the "Hi Xiaoshi" mini-programme, and our WeCom account, customers can easily submit inquiries and service requests. Our system receives and processes submissions in real time and allows users to track progress at any time, ensuring full transparency and traceability throughout the service process.

Convenient feedback and closed-loop handling

The Company provides multiple service channels, including hotline support, online chat, and App feedback. All submissions are centrally managed through an intelligent customer service system for routing, tracking, and follow-up. We have established a standard closed-loop process of "acceptance-processing-follow-up" to ensure that every enquiry or complaint receives a timely response and substantive resolution, and to transform frequently asked questions into a basis for improving products and services.

Regular satisfaction monitoring and improvement

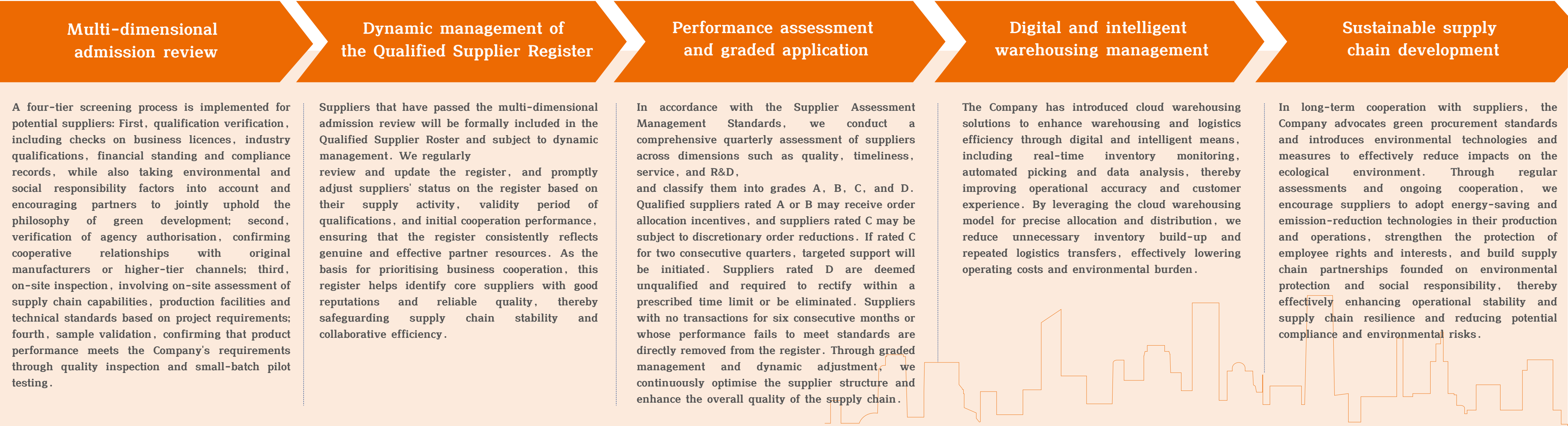
The Company proactively initiates satisfaction surveys at key service touchpoints, and customers can make real-time online evaluations through the "Hi Xiaoshi" mini-programme and our official website. The system automatically compiles core indicators such as CSAT and dynamically presents analysis results through data dashboards. Satisfaction data are linked to team performance to continuously drive the ongoing optimisation of service processes, personnel training, and system functions. At the same time, the cross-departmental Product Service Management Platform is deeply integrated with the production and manufacturing system, providing underlying support for precise and efficient service response. In 2025, the Company's customer satisfaction score reached 95.88 points.

Sustainable Supply Chain

Supplier Management and Review System

The Company has established a systematic and digitalised supplier management and review system, and has formulated and strictly implemented policy documents such as the Supplier Management Procedures, Supplier Development Management Standards, Supplier Assessment Management Standards, Security Management Measures for Trading with Import and Export Partners, ensuring that the entire supply chain process is standardised and controllable. By building digital systems such as a supplier collaboration platform, we have achieved real-time sharing and synchronisation of data covering purchase orders, warehousing and logistics, and capital flows. At present, hundreds of suppliers have been included, effectively empowering partners in their digital and intelligent transformation and upgrading, and enhancing the overall collaborative efficiency and risk resilience of the supply chain.

On this basis, the Company has established a supplier review mechanism covering the full cycle of admission, assessment, application, and exit, ensuring that all partners possess lawful qualifications, a sound reputation, and stable supply capabilities.



Sustainable Supply Chain

Supplier Management and Review System

In 2025, the Company continued to deepen capacity building in supply chain management. Focusing on the goals of "efficiency, compliance, and collaboration", we improved the internal employee development system and empowered external supply chain partners, thereby driving quality improvement and efficiency enhancement across the overall value chain in both directions.

Internal employee training: Equal emphasis on systematisation and practical application

A total of two centralised procurement thematic training sessions were organised throughout the year, covering employees in relevant positions at all subsidiaries and branches. The "Four-Week Comprehensive Training" for new employees was upgraded into modular courses, incorporating a supply chain risk simulation component. With the online platform providing continuous learning resources, we facilitated over **420** instances of online learning and assessment throughout the year. Additionally, approximately **76** specialised training sessions were conducted for internal and contract factory quality personnel, with **1,697** participants, continuously strengthening job skills and compliance awareness.

Supplier empowerment training: Combining diversity and regularity

- **Regular collaborative communication:** We engage suppliers through a combination of weekly online meetings and on-site production line audits, focusing on themes such as technological innovation, quality improvement, and health, safety, and environmental protection. This approach fosters regular, multi-dimensional interactions with suppliers, consistently enhancing day-to-day collaboration and the efficiency of issue resolution.
- **Integrating online platforms and offline conferences for empowerment:** We leverage the "Supplier Collaboration Platform - Learning Centre" to continuously expand online course offerings by adding specialised modules on topics such as Green Supply Chain and Data Security Compliance. The platform supports course replay and online assessments. In parallel, we host an annual supplier conference, inviting partners to participate and using executive-level dialogue to further align objectives and deepen mutual understanding.
- **Specialised quality training:** We provide suppliers with specialised quality training on PCN management, process control, 5-why analysis, and 8D reports through conference calls, the SRM platform, and on-site evaluations. A total of 66 sessions were conducted throughout the year, covering more than 1,600 supplier personnel, effectively enhancing supply chain quality control capabilities and problem traceability.



"Fuyao Plan" deepening practical implementation

To build a healthy and win-win supply chain ecosystem, the Digital Commerce Centre officially launched the "Fuyao Plan" in 2024, providing systematic support to ecosystem partners across multiple dimensions, including policies, business opportunities, training, and traffic, to help them enhance their core competitiveness. In 2025, the programme was upgraded into a regular empowerment model. Building on the original support framework, it introduced the "Supplier Growth Certification" system, incorporating training participation and compliance performance into the partnership assessment mechanism, encouraging suppliers to shift from passive cooperation to proactive development. At the same time, we held the inaugural "Annual Outstanding Model Partner" selection and sharing event. By showcasing benchmarks and facilitating experience exchange, this initiative fosters a learning-oriented, symbiotic supply chain ecosystem, enabling collaborative growth in capability building and value sharing for both parties.

Equal Treatment to SMEs

The Company has always adhered to the principles of fair and transparent cooperation, providing equal development opportunities and resource support to all partners and customers, regardless of their size. By building an open and inclusive cooperation ecosystem and a precise and pragmatic service system, the Company has continued to empower small and medium-sized enterprises (SMEs) and micro- and small-sized merchants, helping them enhance their core competitiveness amid the wave of digital commerce and share in the achievements of development.



Productising AI capabilities and opening up the ecosystem to promote equality in business decision-making and technology use

Leveraging our self-developed "Xingyi Pay Exclusive Large Model", the Company packages complex AI capabilities, such as data analysis, compliance review, intelligent customer service, and marketing innovation, into AI Business Insights, AI Merchant Review Assistant, Xiaoyi Miaoda, AI Marketing Assistant and other lightweight intelligent agents, enabling small- and micro-sized merchants to obtain enterprise-level operational decision-making support and service response without the need for professional teams. Additionally, we open our large model capabilities to SaaS providers, banks, and ecosystem partners through the Xingyi Agent Development Platform (LLMOps) and the Payment Industry MCP Hub, significantly lowering the barriers to AI technology development and application. This practice has effectively eliminated the capability gap faced by small- and medium-sized merchants in digital transformation, ensuring that they enjoy the same technological empowerment as large merchants in core areas such as business analysis, compliance access, customer service, and brand marketing, and is a direct manifestation of the concepts of digital inclusion and social inclusiveness at the level of corporate social responsibility.



Transparent strategic information and ecological synergy to safeguard partners' right to be informed and participation

The Company regards small- and medium-sized channel partners and scenario service providers as an ecosystem community. Every year, we hold an Ecosystem Partner Conference to systematically share our strategic direction and product plans, and arrange special seminar sessions for candid exchanges on issues arising in cooperation and development opportunities. The 2025 AI Co-creating Digital Business Ecosystem Partner Conference attracted representatives from hundreds of SMEs across the country. Through senior management dialogues and policy interpretation, it helped partners keep abreast of market developments and industry trends in a timely manner. This mechanism ensures that SME partners enjoy equal status with large partners in access to information and strategic coordination, avoiding delayed decision-making or resource misallocation caused by information asymmetry, and constitutes an institutionalised practice of equal business partnerships at the corporate governance level.



Inclusive access to cross-border payment infrastructure to safeguard equal opportunities for participation in global markets

The Company takes the lead in responding to the People's Bank of China's initiative to build a unified gateway for cross-border QR codes, and works with WeChat Pay to enable the "zero-modification" acceptance of overseas wallets by domestic merchants. Leveraging a merchant base of over one million across 12 major industries and 64 segmented scenarios, all kinds of small- and micro-sized merchants, including community shops and scenic area stalls, can seamlessly serve the QR code payment needs of overseas visitors to China without incurring additional hardware costs or bearing the burden of system development. This initiative breaks down the natural barriers that large commercial entities often have over inbound consumption benefits, allowing every diligently managed SME to equally share the opportunities brought by visa-free policies and cross-border trade. It enables every small shop in China to participate in and benefit from globalised consumption, reflecting our social commitment to safeguarding grassroots commercial vitality and empowering SMEs to integrate into the dual-circulation economic framework.



Deepening presence in vertical industry scenarios to respond to the differentiated needs of SMEs with customised financial services

In 2025, the Company focused on small- and micro-sized merchants in the chain hotel sector, gaining in-depth insights into their core operational scenarios, such as new store openings, brand transitions, and renovation projects, and identifying their key funding challenges. Through the "Youlian Loan" product under the "Youqi Loan" series, we provided tailor-made financial solutions to address these challenges. The solution precisely matches the capital turnover cycle and demand characteristics of the hotel industry, effectively addressing the difficulties of access and slow connection caused by traditional financing channels' lack of industry understanding. This practice reflects Newland's commitment to ensuring that SMEs are not overlooked by standardised services, prioritising deep industry insight over size-based service standards to meet the differentiated needs of niche sectors, and ensuring that every SME within each field receives financial support that is both considerate and effective.

Equal Treatment to SMEs



Asia-Pacific Partnership Conference: Building a regional ecosystem together

In September 2025, Newland NPT successfully held its Asia-Pacific Partnership Conference in Sanya, Hainan, attracting nearly 100 key customers and partners from 14 countries and regions across the Asia-Pacific. Centred on cutting-edge trends such as payment cyber security, AI and biometric applications, the conference brought together industry representatives from VISA, HDFC, Qualcomm and others to engage in in-depth dialogue on regional collaboration and business model innovation. Multiple partners used real cases to showcase the results of their cooperation, fully demonstrating the Company's equal respect for SME partners in the region and its sincerity in jointly building the ecosystem.



Digital empowerment of national subsidies: Enabling SMEs to equally share policy benefits

In 2025, the Company used a digital platform to support the implementation of the national consumer goods trade-in subsidy policy. Whether a small home retail shop or a dedicated appliance store, merchants could easily register and manage products through the platform, launching subsidy activities within days. We used technology to remove procedural barriers, ensuring that roadside shops and large shopping centres enjoyed equal access to policy participation and resource support. This approach allowed substantial policy benefits to be fairly shared by every diligently managed business, supporting enterprises across all industries to progress steadily in a complex market, while making payments more valuable and store operations simpler.



Governance Performance

Compliance and Integrity to Foster Robust sustainable Development

Topics responded to

- Corporate governance
- Stakeholder communication and cooperation
- Business ethics
- Risk management and internal control compliance

Alignment with UN SDGs



Corporate Governance

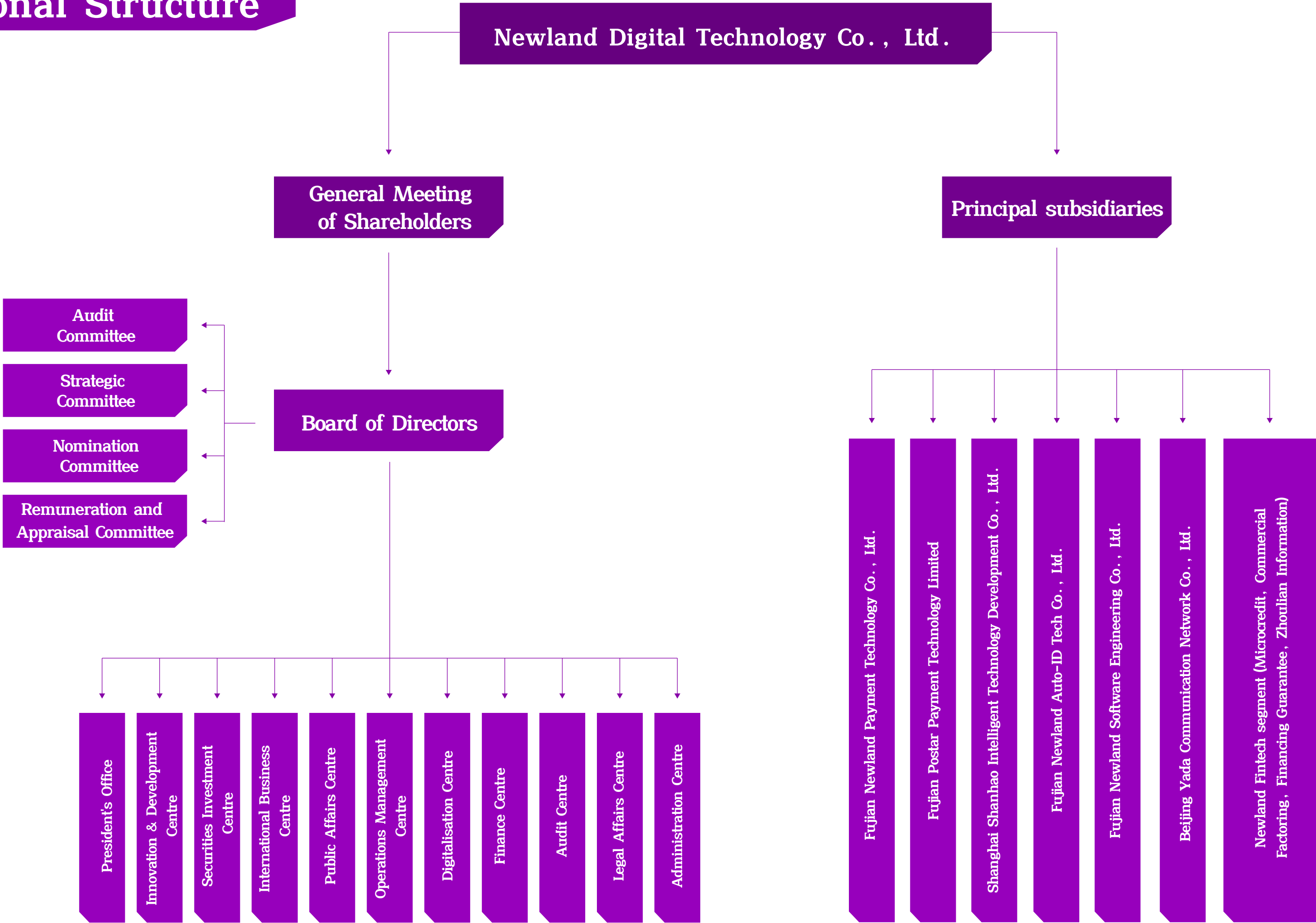
Organisational Structure

The Company's Board of Directors consists of five members, of whom independent directors account for 40%. Under the Board of Directors, four committees have been established, including the Audit Committee, the Strategic Committee, the Nomination Committee, and the Remuneration and Appraisal Committee.

To effectively implement governance decisions, the Company established 11 functional departments to safeguard shareholders' rights and interests through a clear system of powers and responsibilities, achieving the alignment of standardised governance and operational efficiency.

Directors' and Senior Management Remuneration Governance System

The Board of Directors has established a Remuneration and Appraisal Committee and, in accordance with the relevant requirements of the Code of Corporate Governance for Listed Companies revised in 2025, has formulated the Remuneration Management Policy for Directors and Senior Management. Through organisational arrangements and policy refinement, we have systematically optimised the remuneration structure, approval process, and incentive and restraint mechanisms, clarified that remuneration shall reasonably comprise basic remuneration, performance-based remuneration, and medium- to long-term incentives, further strengthened the linkage between remuneration and operating performance, individual contribution, and sustainability, and effectively enhanced the Company's governance standards.

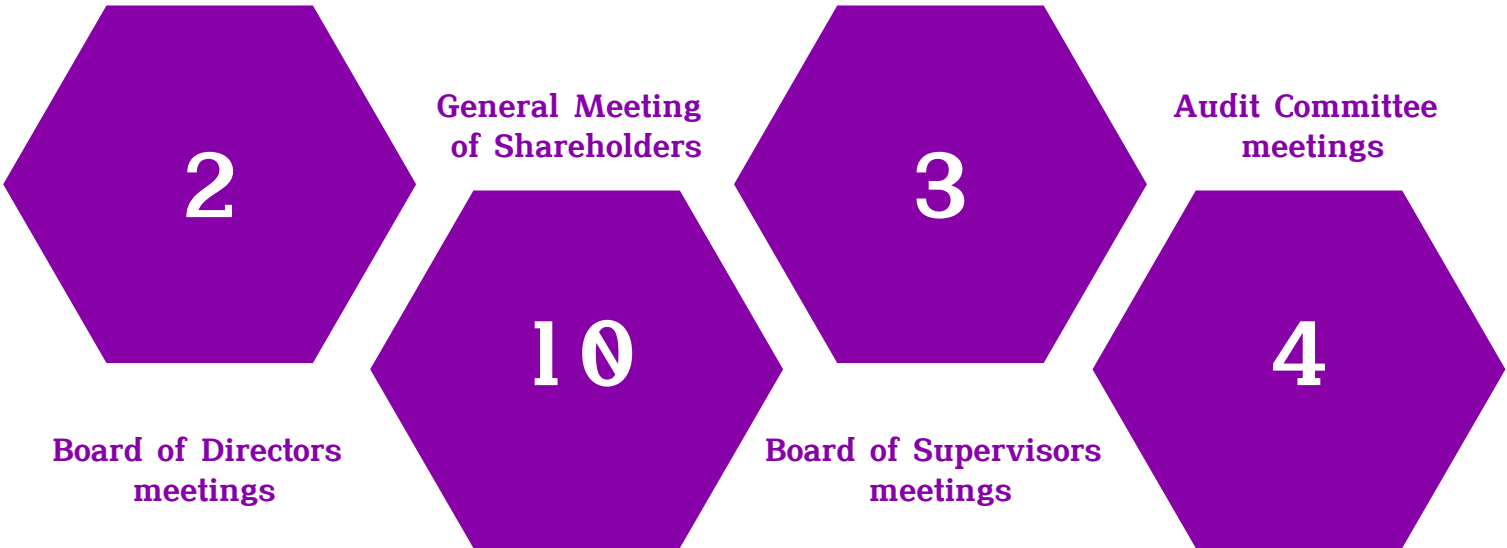


Corporate Governance

Governance Structure and Organisational Assurance

Operation of the General Meeting of Shareholders, Board of Directors, and Board of Supervisors and Stable Transition of the Governance Structure

The Company ensures the standardised and efficient operation of the General Meeting of Shareholders, Board of Directors, and Board of Supervisors, as well as the smooth transition of the governance structure, providing a solid guarantee for strategic decision-making and sustainability.



All meeting procedures are rigorous, and information disclosure is accurate. Meanwhile, the Company successfully completes related work such as the cancellation of the Board of Supervisors, revises Articles of Association and Rules of Procedure for the General Meeting of Shareholders, and other core policies, and lawfully advances the procedures for commercial registration changes and announcements, thereby achieving a lawful, compliant, and smooth transition of the governance structure.

Party Building Leadership and Organisational Development

Newland's Party Committee adheres to standardised management and the development of organisational vitality as the foundation, and continues to consolidate the basis of Party building work. Internally, strengthens Party members' sense of honour and organisational cohesion through initiatives such as themed activities for female Party members and awarding the "50 Years of Honour in the Party" commemorative medal to senior members; externally, we actively expand the mechanism for joint learning and co-construction, empowering strategic collaboration and business development through high-quality Party building.



Launching "Party-building Co-creation" to promote exchanges in digital business

In July and December 2025, Newland's Party Committee, together with the Party Branch of the Digital Intelligence Office of Fujian Branch of China Mobile Group Online Marketing Service Centre, conducted two "Party-building Co-creation" learning activities. Both parties carried out in-depth exchanges on topics such as digital transformation and intelligent upgrading, explored opportunities for business cooperation under the guidance of Party building, and promoted the deep integration of Party building with cutting-edge business.



Organising finance-themed joint Party-building to support regional development strategies

Through a Party-building joint activity held in December 2025 with the Financial Affairs Office of the Fujian Provincial Party Committee and the Fujian Digital Finance Association, the Company focused on digital finance and regional economic development, strengthened strategic communication with local regulators and industry organisations, serving as an important example of how party-building can guide strategic implementation and support regional development.

Stakeholder Communication and Cooperation Protection of Minority Shareholders' Rights

The Company always places the protection of minority shareholders' rights at the core of its governance system. On the one hand, through diversified communication channels such as regular reports, ad hoc announcements, and performance briefings, we ensure that minority shareholders can obtain timely and equal access to operational updates and the progress of major matters, thereby fully safeguarding their right to know. On the other hand, we strictly safeguard the procedural fairness and transparent operation of the General Meeting of Shareholders, have fully opened online voting channels, and encourage minority shareholders to fully exercise their rights to speak and vote either in person or online, effectively realising their decision-making participation and ensuring that the governance process is both fair and transparent.

In terms of investment returns, we implement a clear and stable profit distribution policy that takes a long-term approach into account, while maintaining sustainability and actively rewarding shareholders. In 2025, we distributed dividends of RMB221 million and repurchased shares of RMB380 million, taking practical action to safeguard shareholders' expected investment returns. On this basis, the Company will continue to optimise the shareholder return mechanism, further enhance the continuity and predictability of the dividend policy, and effectively strengthen the sense of gain and long-term trust of minority shareholders.



Code of Conduct for Controlling Shareholders

The Company imposes clear constraints on the conduct of controlling shareholders and major shareholders in order to safeguard the overall interests of the Company and the effective operation of its governance system. Through policies, regulations and procedural design, the Company ensures that controlling shareholders exercise their rights in accordance with the law, avoids any negative impact of their conduct on the governance structure, and, through an open and transparent decision-making platform, promotes the equal participation of all shareholders in the deliberation of major matters. In key areas such as strategic planning, investment decision-making and profit distribution, the Company consistently takes shareholders' interests and rights as the starting point, ensuring the transparency of the decision-making process and the fairness of outcomes. By continuously improving internal oversight mechanisms and refining guidance on powers and responsibilities, we effectively prevent controlling shareholders from harming the legitimate rights and interests of minority shareholders, thereby building a shareholder relationship framework featuring shared interests and coordinated governance.

Stakeholder Communication and Cooperation Information Disclosure and Investor Relations Management



Information disclosure

With rigorous compliance as a foundation , the Company efficiently completed the disclosure of 4 periodic reports and 70 ad hoc reports during the year , and actively innovated disclosure formats by integrating investor enquiries with periodic reports and designing and producing a "one-page overview" , significantly enhancing the clarity and readability of information disclosure .

With our professional, transparent, and robust performance in the capital market, we have continued to earn recognition from all stakeholders and received a number of authoritative honours .



Investor relations management

In terms of investor relations management, we rely on a systematic and diversified communication strategy to maintain transparent, efficient, and positive interactions with the capital market. Throughout the year, we promptly responded to 125 investor questions on irm.cninfo.com.cn , organised 30 external exchange activities, and held 1 annual results briefing, effectively safeguarding investors' right to know and right to participate .



Business Ethics and Compliance Business Ethics

The Company adheres to integrity as its foundation , treating anti-commercial bribery , anti-unfair competition , and the regulation of related-party transactions as the core elements of business ethics development , while continuously improving the relevant management mechanisms .



Anti-commercial bribery

The Company upholds the principle of professional integrity, setting out workplace conduct standards for all employees in the Employee Professional Conduct Management Measures and issuing the Regulations on Strengthening Integrity Management for Managers and Designated Positions for key roles. Through these measures, it systematically establishes a risk prevention and control framework for integrity, fostering a transparent and upright business environment.

Fair competition

The Company adheres to the philosophy of fair competition, proactively benchmarks against high international standards, and has successfully obtained AEO certification, demonstrating with authoritative credentials our achievements in integrity in the areas of trade security and compliance, internal control, and commercial credit, and continuously consolidating our image as a trustworthy market entity.

Related-party transactions and horizontal competition

The Company is guided by the principles of honest operation, and strictly regulates related-party transactions and horizontal competition. We sign a Non-Compete Agreement with our controlling shareholders, clearly defining independent business divisions and operational areas to minimise potential conflicts of interest. The Company maintains efforts to reduce related-party transactions wherever possible, and for those that are necessary and unavoidable, it strictly follows market-based principles and fair pricing to ensure transparency and fairness, effectively safeguarding the legitimate rights and interests of all shareholders.

Business Ethics and Compliance

Risk Management and Internal Control Compliance

Governance

The Company regards a comprehensive and prudent risk management and internal control compliance system as the core safeguard for achieving strategic objectives and ensuring sustainable and healthy development. We are committed to building a risk governance structure with clear hierarchy and agile response, and, by deeply embedding risk management and internal control into business processes, proactively identifying, assessing, and responding to various internal and external risks, thereby maintaining business resilience in a complex and rapidly changing business environment, safeguarding shareholders' rights and interests, and earning the long-term trust of customers and regulators. The Company has established a three-tier risk governance structure, with the Board of Directors responsible for top-level design and oversight, the management directly leading, and all business units and functional departments jointly implementing it, and has clearly defined the responsibilities of the "three lines of defence" to ensure the independence, professionalism, and effectiveness of risk management.

Strategy

Risk/opportunity type		Risk/opportunity description	Financial impact	Impact timeframe	Response measures
Risk	Risk of failure of internal control mechanisms	If the Company fails to effectively implement stringent internal compliance control mechanisms, it may be unable to promptly identify and rectify violations, and directly expose itself to regulatory penalties, legal action, and the risk of business licence revocation.	Fines, compensation	Short- and medium-term	Continuously optimise internal control systems and processes: Establish a dynamic mechanism for updating systems to ensure that core internal control policies such as the Employee Code of Professional Conduct remain closely aligned with the latest regulatory requirements and business practices, and provide clear, actionable compliance guidance for all employees. Strengthen internal supervision and review mechanisms: Rigorously implement the annual internal audit plan, conduct special inspections in high-risk areas such as anti-money laundering and data security, and verify the effectiveness of control measures through systematic testing.
Risk	Business continuity risk	If the internal control system for the business continuity of key businesses such as payment acquiring is absent or contingency plans fail, once incidents such as system failures occur, the inability to respond and recover swiftly will lead to prolonged service interruption, triggering customer claims and attrition.	Decrease in revenue	Short-term	Deeply embed business continuity management into the internal control system: Formulate and issue relevant dedicated policies, clarify the objectives, responsibilities, and processes of each business line, and ensure that management requirements are structured and institutionalised. Ensure the effectiveness of systems through clear contingency plans and regular drills: Develop detailed emergency response plans based on business impact analysis, and regularly organise end-to-end emergency switch-over drills to verify the feasibility of the plans and the response capabilities of the team.
Opportunity	Brand and trust opportunities	An open, transparent, and verifiable internal control and compliance system is the strongest proof of the Company's sound operations, and can be transformed into strong brand credibility and become a differentiated competitive advantage in attracting high-end customers and business partners.	Increase in revenue	Medium- and long-term	Transform internal control and compliance capabilities into brand assets: Proactively disclose the achievements of internal control development and compliance practices through channels such as annual reports and the official website, and shape "robust compliance" into one of the core brand labels. Win market trust through proactive communication and disclosure: Actively communicate the Company's risk management philosophy and specific measures to investors, customers, and regulatory authorities, and translate rigorous internal control practices into communication capital that strengthens external confidence.

Business Ethics and Compliance Risk Management and Internal Control Compliance

Compliance risk internal control mechanism

To ensure our sustainable and robust development, we have established a systematic, multi-dimensional internal control mechanism for compliance risks, comprehensively covering all aspects of business operations through the four core modules of **policies, regulations, organisational assurance, supervisory procedures, and specialised risk control**.

Organisational assurance

The Company has established a dedicated internal control team responsible for coordinating the development, evaluation, and optimisation of the internal control system, and for verifying the effectiveness of the system through annual internal audits and risk investigations. In 2025, we completed our internal audit, and no non-compliance issues were identified in anti-money laundering or counter-terrorist financing, demonstrating the practical effectiveness of the internal control mechanism.

Supervision process

The Company has established diverse online and offline reporting channels, including public opinion mailboxes, OA system, dedicated telephone lines and email addresses, supporting both named and anonymous reporting. It also strictly implements a "every case must be verified, verified cases must be addressed" process, achieving zero incidents of employee misconduct or violations in 2025.

Policies and regulations

The Company, based on core policies such as the Employee Code of Professional Conduct and Employee Disciplinary Policy, has clearly defined the behavioural boundaries for all employees in relation to business ethics, laws and regulations, and internal rules, and imposes higher-standard integrity management requirements on management personnel and personnel in key positions. Relevant policies remain aligned with external regulatory requirements through a dynamic update mechanism, ensuring the timeliness and pertinence of compliance control.

Specialised risk control

Guided by regulatory requirements, the Company systematically optimises its anti-money laundering internal control policies, processes, and role responsibilities, integrating business systems with the anti-money laundering platform to establish a closed-loop data quality management mechanism. By establishing a risk-based hierarchical control system, we achieve differentiated governance over customers, products and channels, and embed compliance requirements into every stage of the front, middle and back offices through regular training, significantly enhancing all employees' compliance execution capability.



Business Ethics and Compliance

Risk Management and Internal Control Compliance

Innovative anti-fraud campaign recognised as "Anti-Fraud Action Pioneer"

In active response to the national call for nationwide anti-fraud, the Company established a multidimensional publicity framework combining online communication with offline awareness sessions. Online, we innovatively produced the anti-fraud short film Life Trailer, which was shared by authoritative institutions such as the National Anti-Fraud Centre and the Criminal Investigation Bureau of the Ministry of Public Security, achieving widespread national reach. Offline, simultaneous educational sessions were conducted to effectively raise public awareness of fraud prevention. These efforts were highly recognised by the Fuzhou Anti-Fraud Coordination Office, with the Company receiving a letter of commendation and being awarded the honorary title of "Anti-Fraud Action Pioneer".



"Know the Rules, Act with Confidence": Data compliance project strengthens global compliance foundation

In 2025, the Company systematically launched the global data compliance project "Know the Rules, Act with Confidence", focusing on international standards such as the GDPR. Collaborating across multiple departments, it enhanced policies, optimised processes, and upgraded information security measures, while simultaneously implementing specialised compliance training. A series of GDPR-focused training sessions was held in Europe and domestically, covering over 300 employees in total, laying a solid compliance foundation for the stable development of the Company's global operations.



Indicators and performance

Key indicators	Progress in 2025
Employee violations of laws or discipline	0
Internal risk training sessions	52
Total attendance at internal risk control training	4,358
Total duration of internal risk control training	44.6 hours

Business Ethics and Compliance Risk Management and Internal Control Compliance

Business continuity

Building a full life-cycle management system

We have established a business continuity management framework covering the closed loop of "prevention-response-recovery-learning", driven by coordinated planning across operation, IT, supply chain, and human resources departments to conduct risk assessments across the entire business chain, systematically identify potential threats such as natural disasters, cybersecurity, and supply chain disruptions, and formulate graded response strategies to ensure that risk prevention and control are advanced and systematic.

Deepening risk scenario planning and dynamic contingency plans

In accordance with policies such as the Management Measures for Emergency Drills for System Acquiring Business, we regularly conduct Business Impact Analysis (BIA) across the entire business chain to accurately define critical business functions, Recovery Time Objective (PTO), Recovery Point Objective (PRO), and associated resource dependencies. Based on the assessment results, we dynamically formulate and iteratively update emergency response plans, strengthening their scenario adaptability and practical response capability.

Promoting capability certification and standards empowerment

The Company has formally obtained the Business Continuity Management System certification and, by holding specialised training sessions on ISO 22301 and other standards, systematically enhances the organisation's depth of understanding of international standards and implementation capabilities, providing sustained momentum for addressing global compliance challenges and strengthening business resilience.



Conducting practical training on multiple ISO management systems

To systematically enhance our ability to address international audit and compliance challenges, the Company specially invited senior experts from the China Association for Quality Quality Assurance Centre in August 2025 and successfully held the Practical Training on Multiple ISO Management Systems. This training focused on three major international standards: ISO 22301 (Business Continuity), ISO 27001 (Information Security), and ISO 20000 (IT Service Management). Senior management and key personnel from core departments participated through a combination of on-site engagement and online live streaming, undertaking in-depth study of standard implementation, risk control, and process coordination.



Full-chain emergency drill for the acquiring system

In November 2025, the Company successfully organised a full-chain emergency switch-over drill for the primary and backup computer rooms of the acquiring system. This drill simulated a scenario in which the primary computer room became unavailable due to a major fault, and, in strict accordance with the contingency plan, switched core business operations to the backup computer room. It effectively verified the feasibility of the disaster recovery plan, the redundancy of the technical systems, and the efficiency of the team's emergency response, thereby providing solid assurance for the continuity of core business operations.



Scope of the Report

The reporting period of this Report is from 1 January 2025 to 31 December 2025. Where certain textual information falls outside this period, it is indicated in the relevant sections. Newland Digital Technology Co., Ltd. and its subsidiaries (hereinafter referred to as "Newland", "the Company", or "we") are consistent with the scope of the consolidated financial statements of Newland (000997.SZ).

Principles of Preparation

- Materiality:** In accordance with administrative regulations and relevant standards, this Report focuses on and discloses ESG topics that have a significant impact on the Company's sustainability and stakeholders, effectively conveying the Company's key actions and performance in sustainability.
- Quantitative:** ESG performance is translated into specific, measurable data and indicators wherever possible to provide a solid evidence base for internal management improvements and external communication, thereby enhancing the objectivity and credibility of this Report.
- Balance:** This Report takes into account the concerns of all stakeholders, and comprehensively and objectively discloses the Company's practices and achievements in environmental, social, and governance areas to ensure fairness and transparency.
- Consistency:** Data collection, indicator definitions, calculation methods, and disclosure scope are maintained consistently and coherently, and follow industry-recognised standards and frameworks to ensure comparability and reference value over time.

Data Explanation

The textual information and quantitative data contained in this Report are sourced from the Company's internal records, with certain financial figures drawn from the Company's 2025 Annual Financial Statement. Unless otherwise specified, the amounts in this Report are denominated in Renminbi (RMB). All content and data disclosed in this Report have been reviewed and approved by the Board of Directors.

Basis for Preparation

This Report has been prepared in accordance with the Self-Regulatory Guidelines No.3 for Listed Companies - Preparation of Sustainability Report, Self-Regulatory Guidelines No.17 for Companies Listed on Shenzhen Stock Exchange - Sustainable Development Report (Trial), and the Corporate Sustainability Disclosure Standards - Basic Principles (Trial) jointly issued by the National Development and Reform Commission, Ministry of Industry and Information Technology, Ministry of Finance, Ministry of Housing and Urban-Rural Development, Ministry of Transport, Ministry of Railways, Ministry of Water Resources, National Radio and Television Administration and Civil Aviation Administration of China, while drawing key references from the United Nations Sustainable Development Goals (SDGs), the Global Sustainability Standards Board (GSSB), the Global Reporting Initiative (GRI) Standards, and the European Sustainability Reporting Standards (ESRS).

Key ESG Performance Indicator Table

● Economic

Performance indicators	Unit	2023	2024	2025
Total assets	RMB 100 million	132.00	127.04	146.00
Total revenue	RMB 100 million	82.50	77.45	87.58
Net profit attributable to parent company	RMB 100 million	10.04	10.10	10.10
Net cash flow from operating activities	RMB 100 million	22.27	8.63	4.93
Total cash dividends (including share repurchases)	RMB 100 million	5.07	5.56	6.30
Basic earnings per share	RMB/share	0.9906	0.9965	1.0054
Taxes paid	RMB 100 million	2.48	3.30	3.53

● Innovation

Key performance indicators	Unit	2023	2024	2025
R&D investment	RMB 100 million	6.32	6.64	6.51
R&D investment as a percentage of total revenue	%	7.66	8.58	7.43
Number of R&D personnel	Person	3,765	3,804	3,594
Number of R&D personnel with a master's degree	Person	207	230	227
Number of invention patents granted	/	54	19	10
Number of Patent Applications	/	66	19	93
Number of valid invention patents	/	284	19	238

● Governance

Key performance indicators	Unit	2023	2024	2025
Number of meetings of the Board of Directors held	/	9	8	10
Number of meetings of the Board of Supervisors held	/	3	6	3
Number of general meetings of shareholders held	/	2	2	2
Number of meetings of the Board of Directors' Strategic Committee held	/	1	1	1
Number of meetings of the Board of Directors' Nomination Committee held	/	1	1	1
Number of meetings of the Board of Directors' Remuneration and Appraisal Committee held	/	1	1	1
Number of meetings of the Board of Directors' Audit Committee held	/	3	4	4
Number of directors	Person	5	5	5
Number of independent directors	Person	2	2	2
Number of female Board members	Person	1	1	1
Number of results briefings held	/	2	1	1
Number of investor visits held	/	5	2	30
Disclosure announcements and supporting materials	/	78	99	106

Key ESG Performance Indicator Table

• Social

Performance indicators	Unit	2023	2024	2025
Occupational health and safety				
Safety education coverage	%	100	100	100
Number of occupational disease cases	/	0	0	0
Training and education				
Total training investment	RMB 100 million	-	194.56	208.78
Total number of employees trained	Person	13,668	20,900	22,818
Total training duration	Hour	61,252.50	109,723.62	135,401.00
Number of users of the Company's online learning platform	Person	99,964	22,455	22,296
Average training duration per employee	Hour/person	5.98	19.37	10.37
Supply chain management				
New suppliers included based on environmental criteria	%	100	100	100
New suppliers included based on social criteria	%	100	100	100
Supplier training	Session	-	12	66
Employment				
Global workforce	Person	6,561	6,703	6,226
Percentage of female executives	%	20	20	20
Percentage of employees with a bachelor's degree or higher	%	77.79	79.90	81.72

• Environmental

Performance indicators	Unit	2023	2024	2025
GHG emission3-4				
Total emissions	Tonnes of CO2 equivalent (tCO2e)	-	15,485.28	272,834.23
Scope 1	tCO2e	-	775.30	294.12
Scope 2	tCO2e	-	3,425.84	4004.91

Performance indicators	Unit	2023	2024	2025
Scope 3 ⁵	tCO2e	-	11,284.14	268,535.20
Emissions intensity ⁶	tCO2e/RMB million	-	2.00	31.15
Energy				
Purchased electricity	kWh	8,493,190	9,248,901	8,389,853
Data centre electricity consumption	kWh	631,852	676,837	761,294
Water resources				
Total domestic wastewater discharge	Tonne	31,805	30,875	28,320
Office water consumption	Tonne	47,707	46,313	51,129
Waste management				
Total hazardous waste generated	Tonne	0	0	0
Total non-hazardous waste generated	Tonne	28	23	29
Company vehicle scheduling	/	2,024	2,306	2,980

Notes:

1. Basis of accounting: Since 2024, the Company has conducted GHG emissions accounting in accordance with ISO 14064-1:2018. Emissions under Scope 1, Scope 2 and Scope 3 have all been verified by an independent third-party institution.

2. Organisational boundary: In accordance with the operational control approach, the Company defined the organisational boundary of this GHG inventory to include all production areas, office areas and employee dormitories of the Company headquarters and seven major subsidiaries.

3. Reporting boundary: In accordance with the requirements of the standard, the Company classified GHG emissions related to its operations into the following six categories for identification and assessment: Category 1 (direct emissions), Category 2 (indirect emissions from purchased energy), Category 3 (indirect emissions from transportation), Category 4 (indirect emissions from products and services used by the organisation), Category 5 (indirect emissions from the use of the organisation's products), and Category 6 (other indirect emissions not included in the above categories).

4. Definition of GHG: GHG refers to natural and anthropogenic gaseous constituents of the atmosphere that absorb and emit radiation at specific wavelengths within the spectrum of infrared radiation emitted by the Earth's surface, the atmosphere and clouds. The GHG inventoried by the Company includes carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), nitrogen trifluoride (NF₃), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulphur hexafluoride (SF₆).

5. Explanation of the expansion of accounting boundaries: In 2025, the Company systematically expanded the accounting boundary for Scope 3 (other indirect GHG emissions). In 2024, the emissions sources covered by the accounting included purchased goods and services, business travel, employee commuting, fuel- and energy-related activities, waste treatment, and upstream and downstream leased assets. On this basis, in 2025, three additional categories, i.e., upstream and downstream transportation and distribution, use of sold products, and end-of-life treatment of sold products, were added. Among them, the newly added Category 4 (emissions from purchased goods or services) and Category 5 (indirect emissions related to product use) accounted for relatively high proportions, which was the main reason for the significant increase in the verification results compared with the previous year.

6. Emission intensity: Calculated by dividing total GHG emissions by revenue for the year (measured in million RMB).

GRI Index

GRI Standards	Disclosure Item	Corresponding Section in This Report	Corresponding Page in This Report
GRI 2: General Disclosures			
The organisation and its reporting practices			
2-1	Organisation details	About Newland	02
2-2	Entities included in the organisation's sustainability reporting	About This Report	70
2-3	Reporting period, frequency and contact point	About This Report	70
2-4	Restatements of information	Key ESG Performance Indicator Table	71
Activities and workers			
2-6	Activities, value chain and other business relationships	Stakeholder Communication and Cooperation	63
		Sustainable Supply Chain	56
2-7	Employees	Employee Empowerment and Care	36
		Key Social Performance Indicator Table	72
Governance			
2-9	Governance structure and composition	Corporate Governance	61
2-10	Nomination and selection of the highest governance body	Corporate Governance	61
2-14	Role of the highest governance body in sustainability reporting	Chairperson's Message	01
Strategy, policies and practices			
2-22	Statement on sustainability strategy	Chairperson's Message	01
		ESG Strategy and Risk Management	08

GRI Standards	Disclosure Item	Corresponding Section in This Report	Corresponding Page in This Report
2-23	Policy commitments	Climate Change Response and Carbon Neutrality	19
		Resource Recycling and Pollution Control	23
		Employee Empowerment and Care	36
		Data Security and Customer Privacy Protection	52
		Sustainable Supply Chain	56
		Risk Management and Internal Control Compliance	66
2-27	Compliance with laws and regulations	About This Report	70
Stakeholder engagement			
2-29	Approach to stakeholder engagement	Stakeholder Communication and Cooperation	63
GRI 3: Material Topics			
3-1	Approach to stakeholder engagement	Materiality Assessment and Management	10
3-2	List of material topics	Materiality Assessment and Management	10
GRI 201: Economic Performance			
201-1	Direct economic value generated and distributed	Key Economic Performance Indicator Table	71
201-2	Financial implications and other risks and opportunities due to climate change	Management of Sustainability-Related Risks and Opportunities	09
201-3	Defined benefit plan obligations and other retirement plans	Employee Empowerment and Care	36
GRI 203: Indirect Economic Impacts			
203-1	Infrastructure investments and services supported	Rural Revitalisation and Social Contribution	32
GRI 205: Anti-corruption			
205-2	Communication and training about anti-corruption policies and procedures	Party Building Leadership and Organisational Development	62

GRI Index

GRI Standards	Disclosure Item	Corresponding Section in This Report	Corresponding Page in This Report
GRI 302: Energy			
302-1	Energy consumption within the organisation	Key Environmental Performance Indicator Table	72
GRI 303: Water and Effluents			
303-1	Interactions with water as a shared resource	Resource Recycling and Pollution Control	23
303-5	Water consumption	Key Environmental Performance Indicator Table	72
		Resource Recycling and Pollution Control	23
GRI 304: Biodiversity			
304-2	Significant impacts of activities, products and services on biodiversity	Key Environmental Performance Indicator Table	29
GRI 305: Emissions			
305-1	Direct (Scope 1) GHG emissions	Key Environmental Performance Indicator Table	72
305-2	Energy indirect (Scope 2) GHG emissions	Key Environmental Performance Indicator Table	72
305-3	Other indirect (Scope 3) GHG emissions	Key Environmental Performance Indicator Table	72
305-4	GHG emissions intensity	Key Environmental Performance Indicator Table	72
GRI 306: Waste			
306-2	Management of significant waste-related impacts	Resource Recycling and Pollution Control	23
306-5	Waste directed to disposal	Resource Recycling and Pollution Control	23
GRI 308: Supplier Environmental Assessment			
308-1	New suppliers included based on environmental criteria	Sustainable Supply Chain	56

GRI Standards	Disclosure Item	Corresponding Section in This Report	Corresponding Page in This Report
GRI 401: Employment			
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Empowerment and Care	36
GRI 403: Occupational Health and Safety			
403-1	Occupational health and safety management system	Employee Empowerment and Care	36
403-3	Occupational health services	Employee Empowerment and Care	36
403-5	Worker training on occupational health and safety	Employee Empowerment and Care	36
403-6	Promotion of worker health	Employee Empowerment and Care	36
		Key Social Performance Indicator Table	72
403-8	Workers covered by an occupational health and safety management system	Employee Empowerment and Care	36
403-10	Work-related ill health	Key Social Performance Indicator Table	72
GRI 404: Training and Education			
404-1	Average hours of training per year per employee	Employee Empowerment and Care	36
		Key Social Performance Indicator Table	72
404-2	Programs for upgrading employee skills and transition assistance programs	Employee Empowerment and Care	36
GRI 405: Diversity and Equal Opportunity			
405-1	Diversity of governance bodies and employees	Corporate Governance	61
		Employee Empowerment and Care	36
GRI 414: Supplier Social Assessment			
412-1	New suppliers that were screened using social criteria	Sustainable Supply Chain	56
GRI 416: Customer Health and Safety			
416-1	Assessment of the health and safety impacts of product and service categories	Quality Management and Product Safety	46

Index for Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange - Sustainable Development Report (Trial)

SZSE Topics	Clause	Corresponding Section in This Report	Corresponding Page in This Report
General disclosure	Article 11	Materiality Assessment and Management	10
	Article 12	ESG Management Framework	07
		Management of Sustainability-Related Risks and Opportunities	09
		Management of Sustainability-Related Risks and Opportunities	09
	Article 15	Materiality Assessment and Management	10
	Article 18	Materiality Assessment and Management	10
Environmental			
Climate response	Articles 21-28	Climate Change Response and Carbon Neutrality	19
		Key Environmental Performance Indicator Table	72
Pollutant discharge	Article 30	Pollutant Discharge and Waste Management	26
		Key Environmental Performance Indicator Table	72
Waste disposal	Article 31	Pollutant Discharge and Waste Management	26
		Key Environmental Performance Indicator Table	72
Ecosystem and biodiversity protection	Article 32	Land Use and Ecological Conservation	29
Environmental compliance management	Article 33	Environmental Management Policies	29
Energy utilisation	Article 35	Climate Change Response and Carbon Neutrality	19
		Key Environmental Performance Indicator Table	72
Water resources utilisation	Article 36	Water Resources Management	28
Circular economy	Article 37	Circular Economy	23

SZSE Topics	Clause	Corresponding Section in This Report	Corresponding Page in This Report
Social			
Rural revitalisation	Article 39	Rural Revitalisation and Social Contribution	32
Social contributions	Article 40	Rural Revitalisation and Social Contribution	32
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		Supporting the Digital Transformation of the Real Economy	17
Ethics of Science and Technology	Article 43	Ethics of Science and Technology	15
Supply chain security	Article 45	Sustainable Supply Chain	56
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Data security and customer privacy	Article 48	Data Security and Customer Privacy Protection	52
Employees	Article 50	Employee Empowerment and Care	36
		Key Social Performance Indicator Table	72
Sustainability-related governance			
Stakeholder engagement	Article 53	Stakeholder Communication and Cooperation	63
Anti-commercial bribery and anti-corruption	Article 55	Business Ethics and Compliance	65
Fair competition	Article 56	Business Ethics and Compliance	65

Appendix: GHG Verification Statement

Statement of Conformity CN26/00001956

Greenhouse Gas Verification Statement

The inventory of Greenhouse Gas emissions in 01 Jan. 2025 to 31 Dec. 2025 of

Newland Digital Technology Co., Ltd.

Business address: No. 1 Rujiang West Road, Mawei District, Fuzhou City, Fujian Province, China

Organization boundary: Detail organization boundary information has been listed in Annex, for multi-site statement

has been verified in accordance with ISO 14064-3:2019 as meeting the requirements of

ISO 14064-1:2018

Direct Emissions
294.12 tonnes of CO₂e

Indirect Emissions
272,540.11 (Location-based) 273,136.39 (Market-based) tonnes of CO₂e

Total Emissions Quantified
272,834.23 (Location-based) 273,430.51 (Market-based) tonnes of CO₂e

The specific categories of indirect greenhouse gas emissions are detailed in the appendix of this statement, which is an integral part of this statement



Authorised by
David Xin
Sr. Director - Business Assurance
DATE: 17 Mar. 2026

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Several statements have been issued for this scope, this is main statement

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SGS has been contracted by Newland Digital Technology Co., Ltd. (hereinafter referred to as "CLIENT"), for the verification of direct and indirect Greenhouse Gas emissions in accordance with

ISO 14064-3:2019

as provided by Newland Digital Technology Co., Ltd. (hereinafter referred to as "RESPONSIBLE PARTY"), in the Greenhouse Gas (GHG) Assertion in the form of GHG Report covering GHG emissions of the period 01 Jan. 2025 to 31 Dec. 2025 (hereinafter referred to as "REPORT PERIOD").

Roles and responsibilities

The management of the RESPONSIBLE PARTY is responsible for the organization's GHG information system, the development and maintenance of records and reporting procedures in accordance with that system, including the calculation and determination of GHG emissions information and the reported GHG emissions.

It is SGS's responsibility to express an independent GHG verification opinion on the GHG statement as provided by the RESPONSIBLE PARTY for the REPORT PERIOD.

According to ISO 14064-3:2019, SGS has conducted a third-party verification of the provided GHG statement by RESPONSIBLE PARTY against the requirements of ISO 14064-1:2018 in the period 16-17 Mar. 2026. The verification is based on the verification scope, objectives and criteria as agreed between the CLIENT and SGS on 16 Mar. 2026.

Level of Assurance

The level of assurance agreed is that of Reasonable assurance.

Scope

The CLIENT has commissioned an independent verification by SGS in according to ISO 14064-3:2019 to assure the reported GHG emissions of RESPONSIBLE PARTY, in conformance with ISO 14064-1:2018 requirements within the scope of the verification as outlined below. The data and information supporting the GHG statement is historical in nature.

This engagement covers verification of emission from anthropogenic sources of greenhouse gases included within the organization's boundary:

- The organizational boundary is established following Operational control approach
- Location/boundary of the activities: detail boundary information has been listed in Annex
- Physical infrastructure, activities, technologies and processes: The following management activities related to the provision of products and services:
 - Design, development and sales of financial POS terminal equipment;
 - Design, development and sales of sensing recognition and machine vision products;
 - Based on aggregated payment, relying on the company's all-scenario intelligent payment collection devices, provide digital services such as aggregated payment and inventory management for merchants;
 - Provide enterprise-level big data, cloud computing, artificial intelligence and other platforms, products and services, as well as industry overall solutions in terms of business operation and network support for operators.
- GHG sources, sinks and/or reservoirs included: GHG sources as presented in the GHG inventory and report of the RESPONSIBLE PARTY
- Types of GHGs included: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃
- GHG information for the following period was verified: 01 Jan. 2025 to 31 Dec. 2025
- GWP adopted: IPCC 6 Assessment Report.
- Intended user of the verification statement: Private user.

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Objective

The purposes of this verification exercise are, by review of objective evidence, to independently review:

- Whether the GHG emissions are as declared by the organization's GHG statement
- The data reported are accurate, complete, consistent, transparent and free of material error or omission.

Criteria

Criteria against which the verification assessment is undertaken are the requirements of ISO 14064-3:2019.

Materiality

The materiality required of the verification is considered by SGS to 5%, based on the needs of the intended user of the GHG statement.

Verification approach

SGS's approach is risk-based, drawing on an understanding of the risks associated with reporting GHG emissions information and the controls in place to mitigate these. Our examination includes assessment of evidence relevant to the amounts and disclosures in relation to the organization's reported GHG emissions

We plan and perform our work to obtain the information, explanations and evidence that we considered necessary to provide a reasonable level of assurance that the GHG emissions for the REPORT PERIOD are fairly stated.

We conduct our verification with regard to the GHG statement of GHG Report of the RESPONSIBLE PARTY which includes assessment of GHG information system and reporting plan/protocol. This assessment includes the collection of evidence supporting the reported data, and checking whether the provisions of the protocol reference, are consistently and appropriately applied.

Verification opinion conclusion

The RESPONSIBLE PARTY provided the GHG statement based on the requirements of ISO 14064-1:2018 that total emission 272,834.23 (Location-based) 273,430.51 (Market-based) tonnes of CO₂e in the organization boundary for the REPORT PERIOD.

The verification opinion as below is issued by SGS after an independent verification for RESPONSIBLE PARTY's GHG statement base on agreed Reasonable assurance:

☒ **Unmodified**

The GHG statement submitted by RESPONSIBLE PARTY is prepared in accordance with ISO 14064-1:2018 on GHG quantification and reporting, is a fair representation materially, the GHG data and information in statement are explicit and supported by adequacy and appropriate evidence.

☐ **Modified**

The GHG statement submitted by RESPONSIBLE PARTY has no material misstatement, however has some deficiencies which will prevent the issuance of unmodified verification opinion.

☐ **Adverse opinion**

The GHG statement submitted by RESPONSIBLE PARTY:

- has no material misstatement or
- there is insufficient or inappropriate evidence to support an unmodified or modified opinion.

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Report Release and Contact Information

As an independent environmental, social and governance report, this Report is provided in both Chinese and English versions for readers' reference. To view or download this Report online, please visit the official website of Newland Digital Technology Co., Ltd.: <https://dt.newland.com.cn/>

We value the voices of all stakeholders and sincerely invite you to share your feedback via the provided channels or by scanning the QR code. Your suggestions will directly help us improve this Report and enhance our ESG performance. Securities Investment Centre, Newland Digital Technology Co., Ltd.

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