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Listed on the Shenzhen Stock Exchange and
London Stock Exchange

2025 | ENVIRONMENTAL, SOCIAL, AND GOVERNANCE REPORT



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ZHEJIANG YONGTAI TECHNOLOGY CO., LTD.

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About This Report

Report Overview

This report is the second Environmental, Social, and Governance (ESG) Report released by Zhejiang Yongtai Technology Co., Ltd. In line with the principles of objectivity, standardization, transparency, and comprehensiveness, this report provides a detailed disclosure of Yongtai Technology's practices and performance in environmental, social, and governance.

Reporting Period

This report is an annual report covering the period from January 1, 2025 to December 31, 2025. To improve the comparability and perspectiveness of the report, some sections of this report may be beyond the period.

Reporting Scope

This report is centered on "Yongtai Technology". Unless otherwise specified, the scope of reporting organization of this report covers Zhejiang Yongtai Technology Co., Ltd. and its subsidiaries (refer to the *2025 Annual Report of Zhejiang Yongtai Technology Co., Ltd.* for details).

Preparation Basis

- ◎Shenzhen Stock Exchange *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange - Sustainability Report (For Trial Implementation)*
- ◎Shenzhen Stock Exchange *Self-Regulatory Guidelines No. 3 for Companies Listed on Shenzhen Stock Exchange - Sustainability Report Compilation*
- ◎China Enterprise Reform and Development Society Other Institutions, *General Framework of China Enterprise Sustainable Development Report Guidelines (CASS-ESG 6.0)*
- ◎The United Nations 2030 Sustainable Development Goals (SDGs)
- ◎Global Reporting Initiative *Sustainability Reporting Standards (GRI Standards)*

Data Sources and Reliability Assurance

All information and data referred by this report are from the official documents, statistical reports, and financial statements of Yongtai Technology, including internal data and public information from various departments and business units of the Company, and have been statistically compiled, summarized, and reviewed by the Company. To ensure completeness and continuity of explanations, the Company has included historical reviews and extended analysis of certain content under specific topics. Unless otherwise indicated, all monetary amounts are denominated in RMB. In case of any discrepancy between financial data herein and that in the annual report, the financial data in the annual report shall prevail.

Appellation Description

Term	Interpretation
The Company, Yongtai Technology, We, or Enterprise	Zhejiang Yongtai Technology Co., Ltd.
Yongtai Pharma	Zhejiang Yongtai Pharmaceutical Co., Ltd.
Shanghai E-Tong	Shanghai E-tong Chemical Co., Ltd.
Yongtai New Energy	Zhejiang Yongtai New Energy Material Co., Ltd.
Yongtai Chiral	Zhejiang Yongtai Chiral Medicine Technology Co., Ltd.
Zhejiang Chiral	Zhejiang Chiral Medicine Chemicals Co., Ltd.
Foshan Soin	Foshan Soin Chiralpharma Co., Ltd.
Inner Mongolia Yongtai	Inner Mongolia Yongtai Chemical Co., Ltd.
Yongtai Hi-tech	Shaowu Yongtai Hi-tech Material Co., Ltd.
Yongtai Fule	Zhejiang Yongtai Fule Technology Co., Ltd.

Access to This Report

To practice the philosophy of low-carbon environmental protection and sustainable development, the electronic version of this report is available for reading and downloading at the official website of the Shenzhen Stock Exchange (<http://www.szse.cn>). If you would like to learn more about other information beyond this report, you can refer to the annual financial statements or browse the website of the Company.



If you have any feedback or advice on this report, please feel free to contact us by the following means:
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Message from Chairwoman

Distinguished shareholders, partners, and friends from all walks of life:

Greetings!

Amidst the global wave of sustainable development, ESG has become a key metric for measuring a company's core competitiveness and long-term value. As a manufacturing enterprise centered on fluorine-containing technology, Yongtai Technology has always firmly believed that only by deeply integrating environmental responsibility, social responsibility, and corporate governance can we achieve symbiosis and common prosperity among the enterprise, society, and nature. On behalf of the Company's Board of Directors, I would like to extend our sincerest gratitude to all friends who have long followed and supported us!

The year 2024 marked a milestone in the Company's ESG development—we compiled and released our first ESG report, formally presenting our practical achievements in the environmental, social, and governance fields to the public while establishing a systematic framework for sustainable development efforts. In 2025, despite a complex and ever-changing market environment, we upheld firm convictions and took pragmatic actions to reach a dynamic balance and collaborative progress between economic benefits and social responsibility, striving to shape a corporate image that combines value-creation capabilities with a strong sense of responsibility.



Painting the background of ecological development with the brush of green technology

As a manufacturing enterprise, we seize the opportunities presented by the global "Dual Carbon" strategy, placing ecological responsibility at the core of our operations: On the one hand, we focus on green technology R&D and eco-friendly product innovation, accelerating the commercialization process of fluorinated liquids and novel organic lithium supplement additives; on the other hand, we dynamically upgrade our environmental management measures, continuously improving the waste classification, recovery, and resource recycling system. We are committed to promoting the synchronous progress of corporate development and ecological protection, fulfilling our green development commitment with concrete actions.

Long and difficult as the journey may be, sustained actions will take us to the destination. Following the pace of the times, the Company will continue to leverage fluorine-containing technology innovation as the driving force and deepen full-process ESG management. We will advance steadily on the path of green production, responsible symbiosis, and standardized governance, striving to achieve coordinated growth in commercial and social value and contributing Yongtai's strength to sustainable development!

Expanding the boundaries of social value with the yardstick of responsibility

Based on social practices, we further expand the boundaries of our responsibility. For our employees, we build professional growth platforms, improve the occupational health and safety management system, and assist employees in realizing their professional value through skill training and clear promotion channels. For our supply chain, we set strict compliance and responsibility standards, helping upstream and downstream enterprises to collaboratively fulfill environmental and social responsibilities, thereby building a stable and reliable industrial ecosystem. For society, we focus on rural revitalization and educational assistance and carry out public welfare initiatives, interpreting corporate responsibility through concrete actions.

Building a solid barrier for steady development on the foundation of standardized governance

We continuously optimize our corporate governance structure, establishing a decision-making and supervision system with clear rights and responsibilities and effective checks and balances, promoting transparent and professional governance operations. In terms of investor relations management, we strictly adhere to compliant information disclosure standards, build diversified communication bridges with investors, and respond to their concerns in a timely and precise manner, effectively safeguarding the right to information and supervision of shareholders and the public. Meanwhile, we continuously strengthen the construction of the internal control system and the effectiveness of audit supervision, improving the full-process risk identification, assessment, and response mechanisms to build a solid barrier for the Company's high-quality development.



About Yongtai Technology



Company Profile

Zhejiang Yongtai Technology Co., Ltd. was established in October 1999 and listed on the Shenzhen Stock Exchange on December 22, 2009 (stock code: 002326). On July 11, 2023 (London time), the Company successfully issued Global Depository Receipts (GDRs) and was officially listed on the London Stock Exchange (stock code: YTT), becoming the first Shenzhen Stock Exchange-listed company to achieve dual listing in "Shenzhen + London", providing a significant boost to its global strategic layout and capital operations.

The Company is a fluorinated pharmaceutical, crop science, and new energy materials manufacturer with fluorine-containing technology as the core, technological innovation as the impetus, and intelligent manufacturing as the driving force, with its vertically integrated industrial chain, a flexible and comprehensive production platform, and specialized R&D innovation teams. The Company not only provides customized R&D, production, and technical services to domestic and overseas customers, but also relies on the trading platform of its subsidiary, Shanghai E-Tong, to conduct global sales of crop science products, achieving coordinated development of R&D, production, and trade.

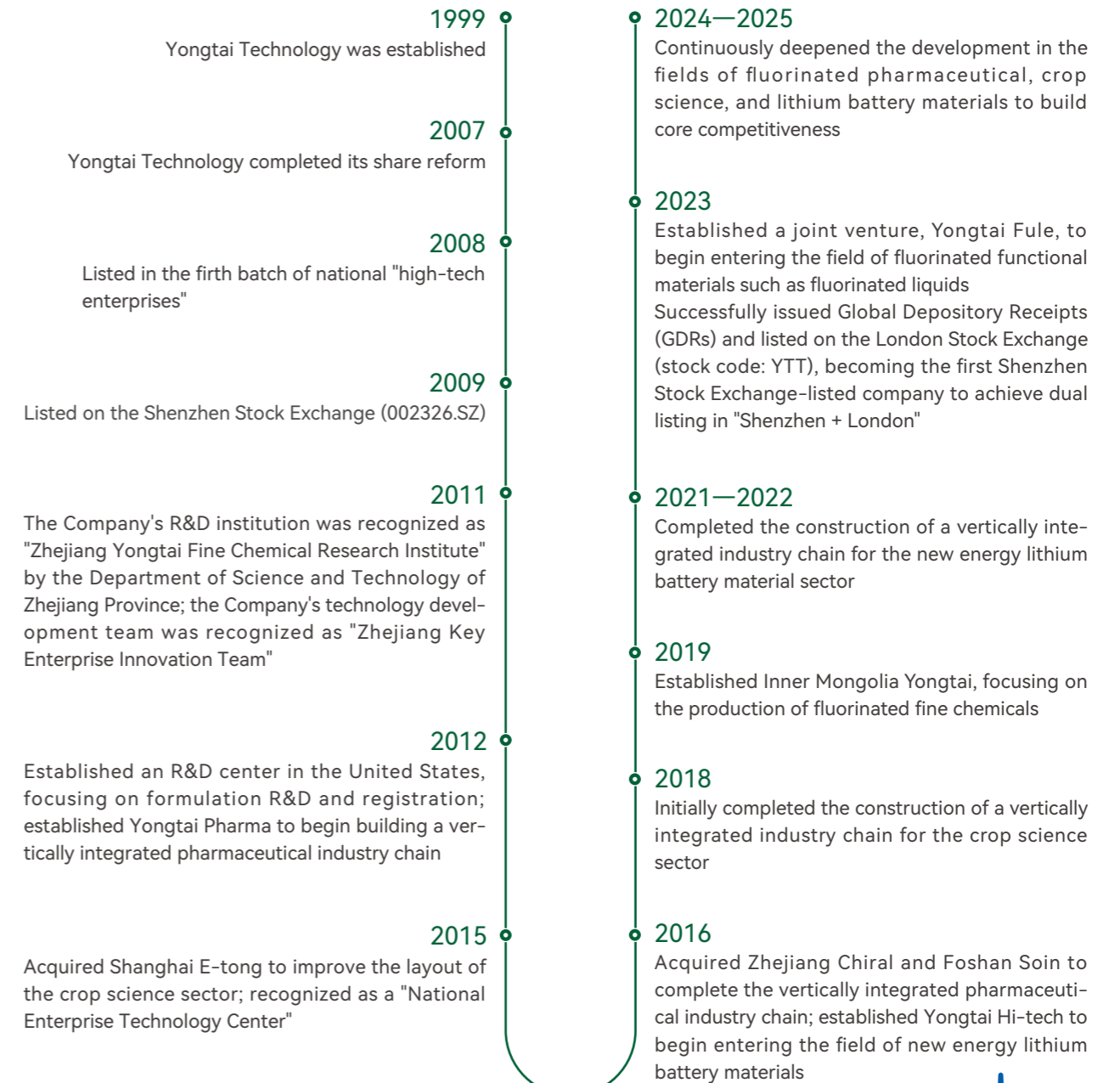
Business Overview

Yongtai Technology has established a global operational network and a diversified business layout. The Company's technological innovation is supported by three major R&D centers located in Taizhou, Hangzhou, and Shanghai. Its production bases are strategically concentrated in core regions including Zhejiang, Inner Mongolia, Fujian, and Guangdong, while its overseas subsidiaries and offices cover more than 60 countries and regions.

The main products of the Company are divided into three categories based on their terminal application fields, including pharmaceutical product business, crop science product business, lithium battery materials and other materials. The Company offers a rich portfolio of fluorinated fine chemicals, which are primarily applied in different downstream end markets such as pharmaceuticals, crop science, new energy, and electronic materials, serving as diversified and essential raw materials for products of customers both domestically and internationally. Among them, pharmaceutical products include key fluorinated intermediates, pharmaceutical APIs and finished dosages in the fields of cardiovascular diseases, diabetes, central nervous system, anti-infection and anti-virus; crop science products mainly include intermediates in the fields of fluorine-containing herbicides, fungicides, and insecticides, as well as crop science AIs and crop science formulations; lithium battery and other materials products mainly include lithium battery materials, fluoro liquid-crystal intermediates, and fluorinated liquid. Additionally, the main products of the Company's trading business are herbicides, fungicides, insecticides, and other pesticide active ingredients and formulations. The Company also engages in the trade of chemical products such as lithium carbonate.



Development Course



Corporate Culture



Mission
To create ceaselessly for a high-quality life



Vision
To become a global leader in fluorine chemical products



Values
Integrity, Contribution, Integration, Transcendence

Major Honors and Qualifications

As one of the first batch of national "high-tech enterprises" and "patent demonstration enterprises in Zhejiang Province", the Company has achieved remarkable achievements in terms of technological innovation and intellectual property protection. It has ever won the China Patent Gold Award, the China Patent Excellence Award, the Scientific and Technological Progress Award of China Petroleum and Chemical Industry Federation, and other provincial and municipal scientific and technical awards.

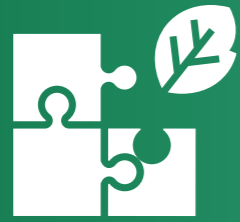
The Company has demonstrated excellence in the field of fluorinated fine chemicals and was honored as a "2024 Industrial Leading Enterprise" by the Taizhou Bay Economic and Technological Development Zone. Its lithium battery material business maintained steady growth in 2024, enabling the Company to enter the top 10 domestic suppliers in electrolyte shipments for the first time. Building on this momentum, it rose to 7th place in 2025.

In 2025, Yongtai Technology was awarded the "Golden Dawn" New Quality Productivity Award for Market Value Management by Securities Market Weekly, recognizing its fluorine-containing technology innovation and future industrial layout. Additionally, for its outstanding performance in the fields of ESG and carbon neutrality, the Company was honored with the "3rd Guoxin Cup • ESG Carbon Neutrality Golden Bull Award". These two honors not only represent a high recognition of the Company's long-term commitment to sustainable development and active participation in carbon neutrality actions but also highlight its exemplary and leading role within the industry.



ESG Key Performance in 2025

Governance performance	Operating income RMB 5,213.5813 million	Net profit RMB -46.1006 million	Total taxes RMB 84.7069 million
	Number of General Meetings of Shareholders held 3	Number of Board meetings held 8	
	Percentage of female members in the Board of Directors 44.44%	Percentage of independent directors in the Board of Directors 33.33%	
Environmental performance	Total environmental investment RMB 91.5575 million	Total GHG emissions 278,203.99 tCO _{2e}	
	Greenhouse gas emission intensity 53.36 tCO _{2e} /RMB 1 million of revenue	Total energy consumption 82,688.23 tce	
	Energy consumption intensity 15.86 tce/RMB 1 million of revenue		
Industry value performance	R&D investment RMB 148.9918 million	Percentage of R&D investment in operating income 2.86%	
	Total number of R&D team members 506 persons	Product qualification rate 100%	Customer satisfaction 95.82 points out of 100
Human resources performance	Total number of employees 3,437 persons	Labor contract signing rate 100%	
	Social insurance coverage rate 96.77%	Total investment in employee training RMB 0.3281 million	
	Investment in safety production RMB 30.3752 million		



Sustainable Development Governance



Sustainable Development Goals and Vision

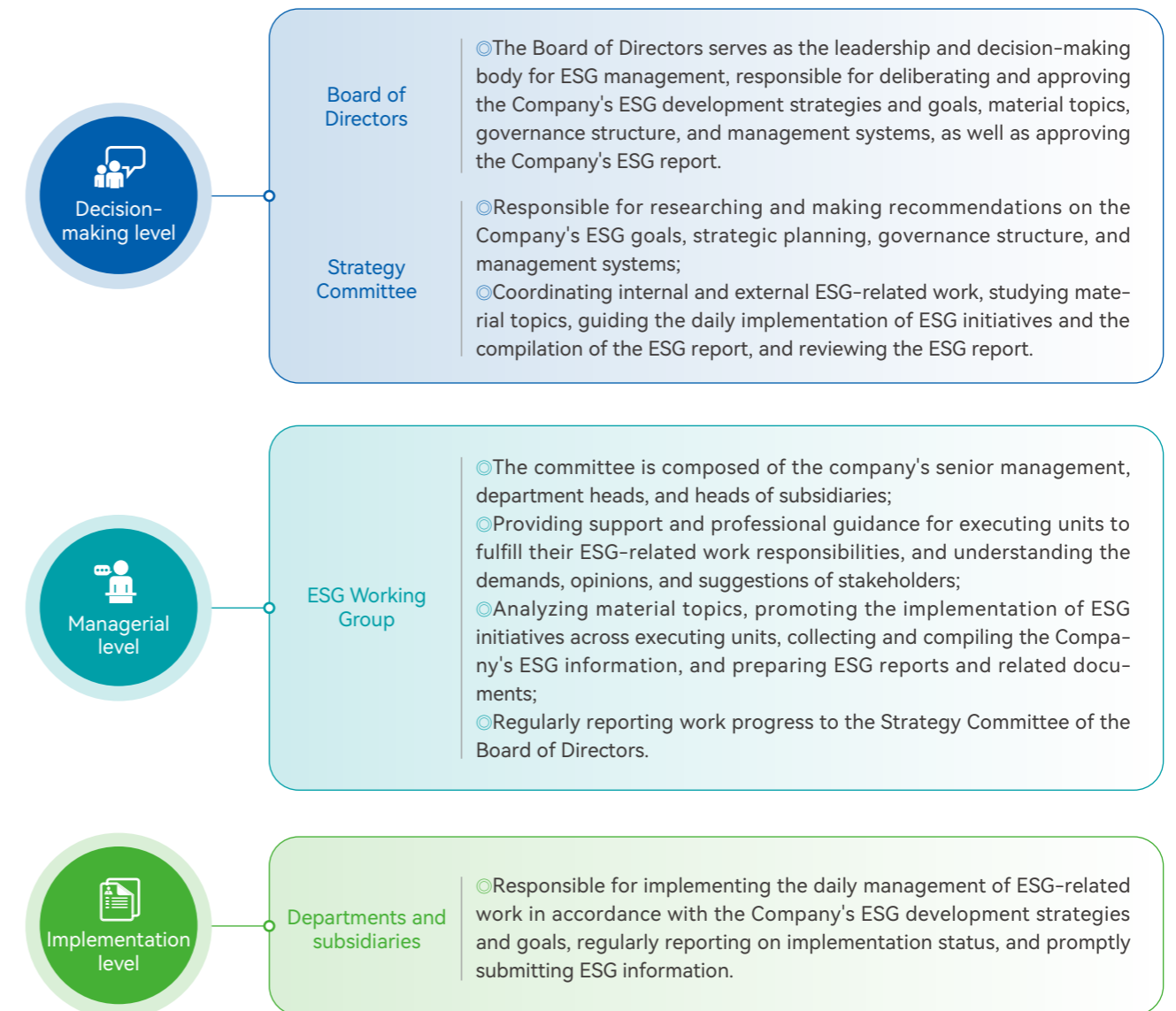
Yongtai Technology supports the United Nations Global Compact and other international standards and initiatives. It adheres to strategic guidance, integrates the ESG concept into its strategic planning and daily operational management, and pursues the coordinated development of the economy, society, and environment. It promotes its sustainable development by actively fulfilling its social responsibilities and environmental protection obligations.

Based on the characteristics of the industry, the Company actively responds to the United Nations Sustainable Development Goals (SDGs) and promotes comprehensive sustainable development practices.

Management dimension	SDGs	Our response
Corporate governance	 	Continuously optimize the corporate governance structure, improve internal control and compliance management, resolutely eliminate corruption, commercial bribery, and other misconduct, and maintain a fair market competition order; resolutely safeguard the rights and interests of investors, and standardize information disclosure.
Environmental protection	   	Establish and improve an environmental management system, actively respond to climate change, implement green and low-carbon processes to reduce operational emissions, develop a circular economy, and enhance resource utilization efficiency.
Industry value	  	Construct high-level scientific and technological innovation platforms to promote the implementation and transformation of innovation achievements; deepen customer communication mechanisms, and enhance service levels through multiple measures; ensure the timely supply of high-quality products, and strengthen ESG management in the supply chain.
Human resources	     	Strictly abide by laws and regulations, standardize labor and employment management, provide diversified employee benefits, establish comprehensive career development channels and training mechanisms, and effectively safeguard employees' legal rights and interests.

Sustainable Development Governance Structure

Yongtai Technology strictly complies with relevant regulations such as the *Self-Regulatory Guidelines No. 3 for Companies Listed on Shenzhen Stock Exchange - Sustainability Report Compilation*. It has formulated the *ESG Management System*, and established and refined a three-level sustainable development governance structure consisting of "decision-making level - managerial level - implementation level". By clearly defining the responsibilities of each level, it ensures the orderly advancement and implementation of the Company's various sustainable development efforts.



Sustainable Development Practice

In September 2025, Yongtai Technology invited an external professional institution to conduct special training on the 2025 Environmental, Social, and Governance (ESG) Report. The training focused on core content such as cutting-edge ESG trends, report compilation requirements, and work processes, aiming to comprehensively enhance the ESG professional knowledge and practical capabilities of relevant personnel and strengthen the quality and level of the Company's sustainable development information disclosure.



ESG Report Project Kick-off Meeting

Sustainable Development Risk and Opportunity Management

In key decision-making processes such as major project investments, the Company considers social benefit assessment as an important basis for the Board of Directors and management. By systematically identifying and sorting out ESG-related risks and opportunities, the Company continuously deepens communication with stakeholders while strengthening compliance management across the entire chain to comprehensively improve risk anticipation and response capabilities. Additionally, the Company leverages technological innovation, responsibility fulfillment, and governance optimization to coordinate and balance economic benefits, environmental impacts, and social value, actively shaping a sustainable development ecosystem characterized by environmental friendliness, employee well-being, efficient governance, and customer recognition.

Due diligence

The Company comprehensively conducts due diligence on the Company's operations, supply chain, joint venture partners, and other stakeholders throughout the entire business process. Through qualification reviews, on-site audits, and risk assessments, the Company identifies actual and potential negative impacts in areas such as environmental protection, production safety, labor and human rights, and conflict minerals. In the employee recruitment process, the Company implements compliance background checks, effectively reducing employment risks and continuously improving ESG governance effectiveness.

Communications with Stakeholders

Yongtai Technology values the opinions and demands of its stakeholders. It broadens communication channels around the concerns of stakeholders, and listens and responds through diverse forms. It also conducts material topic management and disclosure, continuously improves its sustainable development management level, and builds a mutually beneficial and win-win development pattern with all stakeholders.

Stakeholder category	Demands and expectations	Communication and response
Government and regulatory authorities	Response to national strategies Legal and compliant operation Anti-corruption and business ethics Environmental pollution prevention and control Combating climate change	Policy implementation Legal and compliant operation Information disclosure Official website and social media Optimizing environmental management system
Investors and shareholders	Protection of shareholders' rights and interests Corporate governance Transparent information disclosure Internal control and risk management Investor relations management	General Meeting of Shareholders Investor communication activities Performance briefings Compliant information disclosure Risk assessment
Customers	Product quality management R&D innovation Customer service	Improving product quality Increasing R&D investment Customer satisfaction survey After sales service
Suppliers and partners	Anti-corruption and business ethics Supply chain management	Exchange research Integrity-based procurement Due diligence
Employees	Employee rights and benefits Work-life balance Skill training and career development Employee health and safety	Employee remuneration and benefits system Employee activities Employee training Employee appraisal and promotion Occupational health and safety production measures Employee congress and labor union
Community and public	Public welfare and charity Caring for vulnerable groups Ecological environment protection	Public benefit activities Environmental compliance management
Media	Transparent information disclosure Media interviews and communication	Information disclosure Interview communication

Management of Material Topics

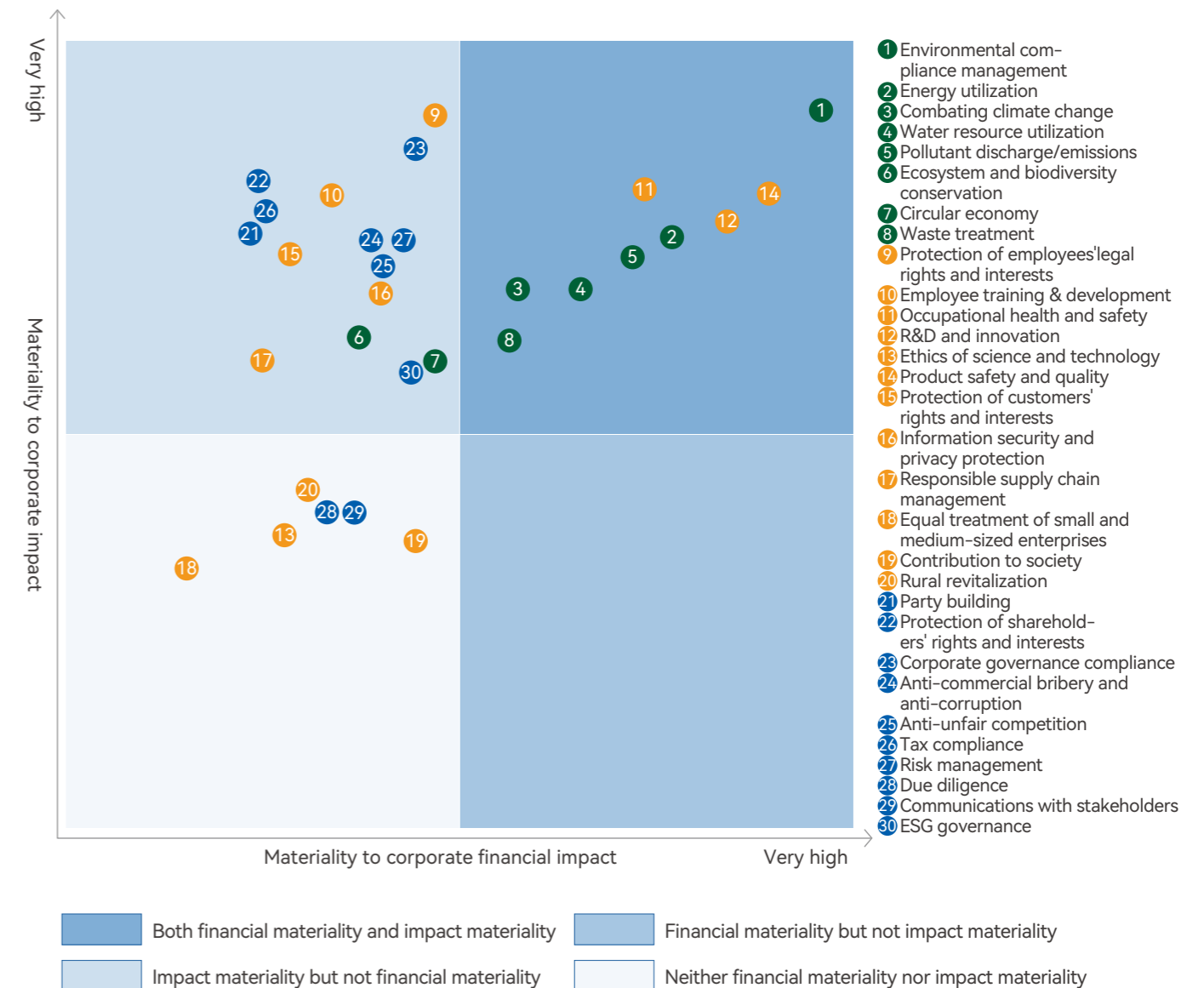
In accordance with the requirements of the *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange - Sustainability Report (For Trial Implementation)*, Yongtai Technology has conducted a systematic materiality assessment of sustainable development topics based on its industry characteristics, corporate nature, and business model.

The Company has analyzed topics from both financial materiality (the impact of the topic on the Company's financial performance) and impact materiality (the impact of the Company's activities on the environment and society) perspectives. This forms a matrix of material topics, providing foundational support for the Company to identify key sustainable development management priorities and formulate a sustainable development strategy.

Analysis process of material topics



Yongtai Technology's ESG material topic assessment results





Upholding Compliance and Integrity, Building a Governance Defense Line

Our actions

- ① Scientific and standardized governance
- ② Optimizing internal control and compliance
- ③ Strengthening investor relations management
- ④ Upholding business ethics
- ⑤ Maintaining information security

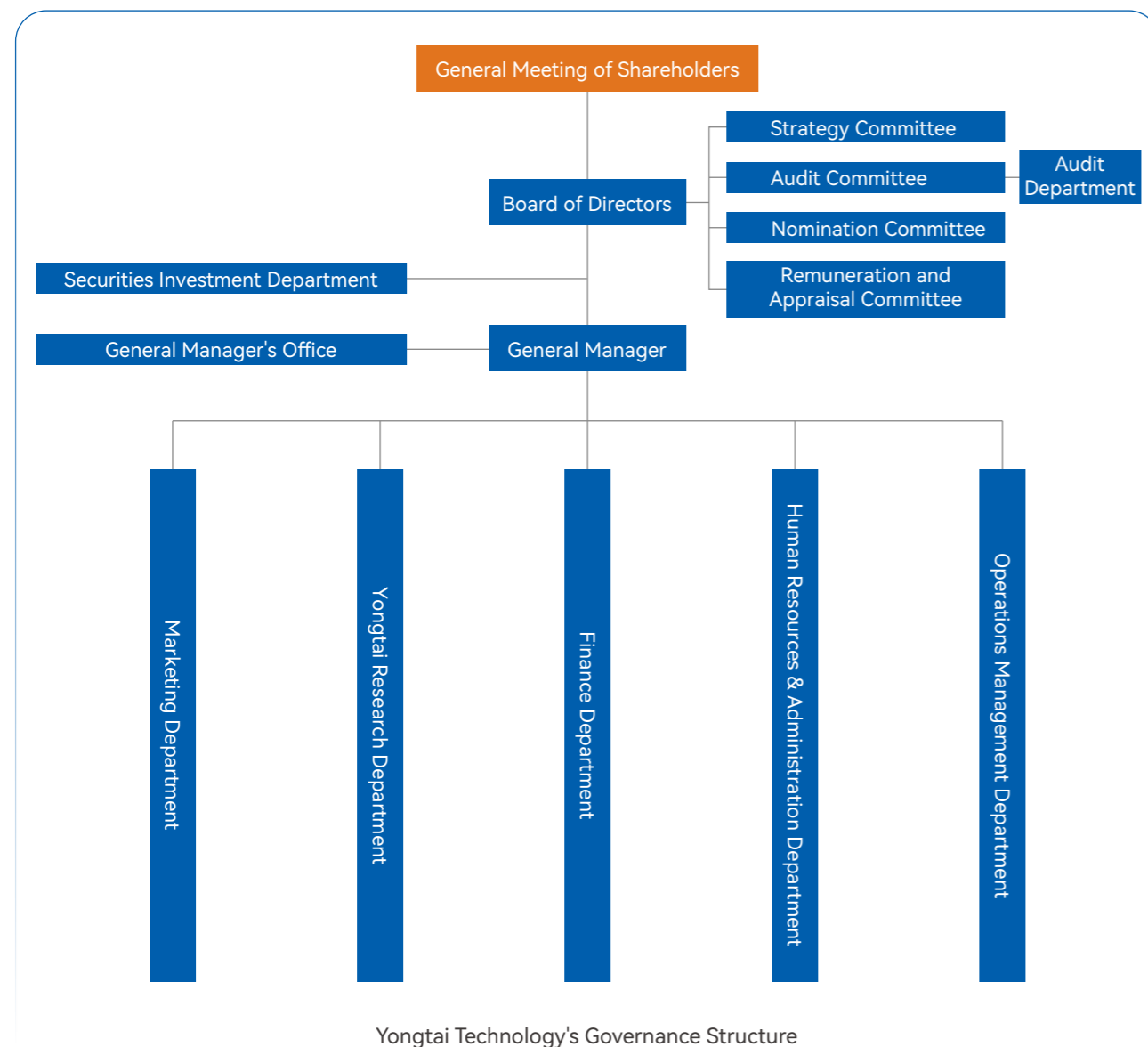
SDGs



Scientific and Standardized Governance

Corporate Governance Structure

Yongtai Technology strictly complies with national and local applicable laws and regulations such as the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, and the *Code of Corporate Governance for Listed Companies in China*. It has formulated its *Articles of Association* and established a governance structure consisting of the General Meeting of Shareholders, the Board of Directors, and the management, ensuring clear rights and responsibilities, respective duties, checks and balances, and coordination among the Company's governance bodies, thereby continuously enhancing the fairness and transparency of corporate governance.



General Meeting of Shareholders

The General Meeting of Shareholders is the highest authority of the Company, responsible for electing and replacing directors and determining their remuneration, approving profit distribution plans, and deciding on material matters including capital increase or reduction, bond issuance, merger, division, dissolution, liquidation, change of the Company form and amendment of the *Articles of Association*.

To regulate the Company's behavior and ensure that the General Meeting of Shareholders exercises its powers in accordance with the law, the Company has formulated the *Rules of Procedure for the General Meeting of Shareholders* in accordance with the *Rules for Shareholders' Meetings of Listed Companies*, the *Guidelines on the Bylaws of Listed Companies*, and its *Articles of Association*. It also strictly convenes and holds the General Meeting of Shareholders in accordance with laws and regulations, ensuring that all shareholders, especially minority shareholders, fully exercise their rights.

During the reporting period, all the General Meetings of Shareholders of the Company were convened and held by the Board of Directors in accordance with regulations, and lawyers were engaged to witness the meetings on site. In accordance with the requirements of the *Articles of Association* and relevant laws and regulations, all matters requiring to be submitted to the General Meeting of Shareholders for deliberation were submitted to the meeting for deliberation after undergoing approval procedures according to prescribed authority. There were no cases of unauthorized approval or implementation before deliberation.

Key performance indicators

During the reporting period, the Company held a total of **3** General Meetings of Shareholders, including **1** annual general meeting and **2** extraordinary general meetings, and deliberated and approved **15** proposals.

Board of Directors

The Company's Board of Directors strictly follows the *Articles of Association*, the *Rules of Procedure for the Board of Directors* and other relevant regulations, and is responsible for convening the General Meeting of Shareholders, executing resolutions, determining business plans, formulating profit distribution plans, deciding on organizational structure and senior executive appointments, and other important matters.

The Board of Directors has four special committees: the Strategy Committee, Audit Committee, Nomination Committee, and Remuneration and Appraisal Committee. Each special committee strictly adheres to relevant regulations and fulfills its respective responsibilities, effectively strengthening the standardized operation of the Company's Board of Directors.

Board Diversity

The Company has established a policy on the diversity of the Board of Directors, considering diversity of board members from multiple aspects, including but not limited to gender, age, culture, educational background, professional experience, skills, knowledge, and years of service. The Board members consist of talents from various fields such as accountants, economists, and engineers, possessing a comprehensive professional background; their age distribution covers individuals born in the 1960s, 1970s, and 1980s, forming a reasonable hierarchical structure.

As of the end of the reporting period, the Company had a total of 9 directors, including 4 female directors and 3 independent directors, accounting for 44.44% and 33.33% of the total number of directors respectively, with both the chairman and vice chairman being female.

Board Independence

The Company's independent directors strictly abide by the *Articles of Association*, the *Rules of Procedure for the Board of Directors*, the *Working System for Independent Directors*, and other regulations, actively participate in the Company's decision-making, and fully fulfill their functions as independent directors. The independent directors constitute a majority and serve as conveners in the Audit Committee, Nomination Committee, and Remuneration and Appraisal Committee. All members of the Audit Committee are directors who do not hold senior executive positions in the Company.

Special committee	Number of members (person)	Number of independent directors (person)	Percentage of independent directors (%)	Does any independent director serve as a convener
Strategy Committee	5	3	60.00	No
Audit Committee	5	3	60.00	Yes
Nomination Committee	3	2	66.67	Yes
Remuneration and Appraisal Committee	3	2	66.67	Yes

Key performance indicators

During the reporting period, the Company's Board of Directors held a total of **8** board meetings, and deliberated and approved **42** proposals;

The Company held **4** meetings of the Strategy Committee, and deliberated and approved **6** proposals;

The Company held **5** meetings of the Audit Committee, and deliberated and approved **19** proposals;

The Company held **2** meetings of the Nomination Committee, and deliberated and approved **5** proposals;

The Company held **2** meetings of the Remuneration and Appraisal Committee, and deliberated and approved **5** proposals.

Management

The Company's management consists of 1 General Manager and 6 Deputy General Managers. Their professional fields cover engineering technology, financial accounting, economic management, tax compliance, etc., and they form a complementary and synergistic professional matrix, providing solid professional support for the development of the Company's core business, multi-dimensional decision-making, and full-chain operations.

The responsibilities and authorities of each management position are clearly defined. The management strictly carries out its work in accordance with the *Articles of Association*, the *Rules of Procedure for the General Manager*, and other internal governance systems, ensuring the compliance of decision-making and execution. At the same time, the management adheres to a diligent and responsible work attitude, efficiently implements various resolutions of the Board of Directors, actively addresses the needs of business departments, tracks the progress of task implementation, and effectively promotes the transformation of the Company's strategic goals into tangible operating results.

Remuneration Management for Directors and Senior Executives

Yongtai Technology continuously improves its remuneration and incentive system in accordance with its *Articles of Association*, the *Remuneration Management System for Directors and Senior Executives*, and other relevant regulations. It fully mobilizes the enthusiasm and creativity of directors and senior executives, and comprehensively enhances the Company's overall management level.

The Company has established and continuously optimized performance-based evaluation criteria and incentive and constraint mechanisms, clarifying the decision-making procedures: The remuneration of directors is deliberated and decided by the General Meeting of Shareholders, while that of senior executives is deliberated and determined by the Board of Directors; independent directors are subject to a fixed allowance system.

Optimizing Internal Control and Compliance

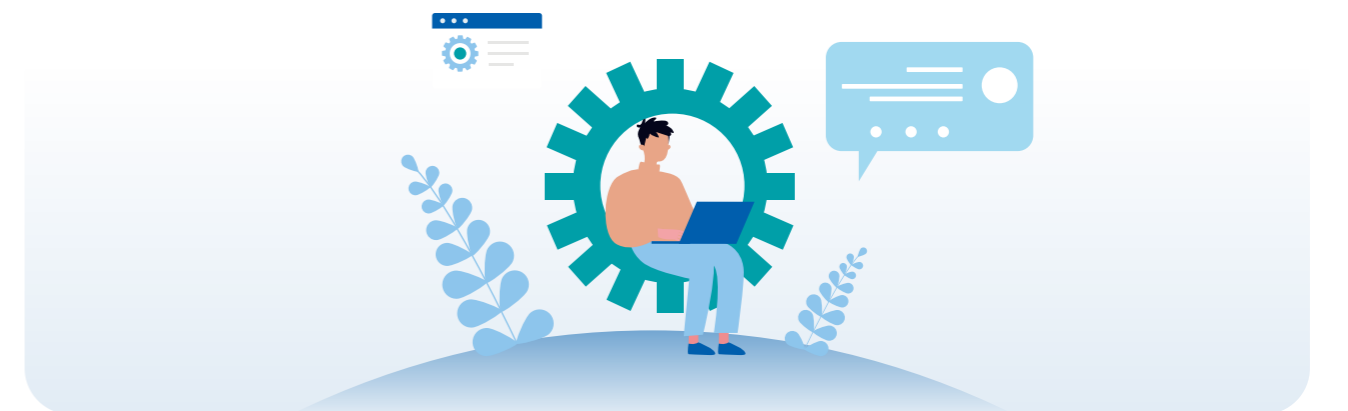
Compliant Operation

Yongtai Technology adheres to the principle of compliance operation, strictly abiding by national laws and regulations, industry norms, and various internal rules and regulations established by the Company. The Company upholds fair competition and resolutely resists any form of unfair competition practices. In 2025, the Company did not commit any major violations.

The Company continues to deepen its compliance management construction, aiming to establish a scientifically standardized and comprehensive compliance management system with a complete organizational structure, comprehensive coverage of mechanisms, reasonable management and control processes, and clearly defined job responsibilities. This system will effectively prevent and control significant compliance risks, providing a solid guarantee for the Company's stable operations.

Risk Management

Yongtai Technology regards risk management as a critical element in ensuring stable corporate operations, achieving sustainable development goals, and safeguarding the core rights and interests of stakeholders. The Company has constructed a comprehensive, multi-tiered, and dynamic risk management system to accurately identify, scientifically assess, and effectively respond to complex internal and external risks.



Internal Control

The Company continuously strengthens its internal control. Based on relevant laws and regulations and its actual operation conditions, it explores and optimizes its internal control management model, establishing, improving, and effectively implementing an internal control system.

The Company adopts a combined internal and external audit model to comprehensively conduct financial and engineering audits. It hires professional institutions annually to conduct internal control audits and issue special audit reports. Meanwhile, the Company conducts irregular audits and supervision over the implementation of internal control systems to promptly identify potential issues, propose improvement suggestions, promote rectification, and track and assess results. This continuously ensures the integrity, reasonableness, compliance, and effectiveness of the internal control system, guarantees its effective implementation, and effectively strengthens the Company's management defenses to achieve legal and compliant operations.

During the reporting period, the Company had no significant or material internal control deficiencies in financial reporting or non-financial reporting.

Tax Management

The Company continuously improves its tax management system by establishing dedicated tax positions with clearly defined responsibilities. It regularly conducts tax self-examinations, standardizes the process of invoice issuance and acquisition, and implements online control of the financial review and payment processes through the OA system.

The Company has established a good communication and cooperation mechanism with tax authorities, promptly follows up on tax policy updates, proactively cooperates in tax inspections and audits, and actively participates in the sharing of tax collection and management information. Additionally, the Company strengthens the professional capacity building of its tax team by conducting regular special training for personnel and hiring compliant tax agencies to assist with self-export declaration business.

Furthermore, the Company has established and improved its tax risk management system and compliance supervision mechanism. It accurately identifies and prevents potential tax risks through regular internal reviews and tax risk assessments. It promptly rectifies identified issues and fully ensures legal and compliant tax operations, avoiding tax-related economic losses to the Company.

Related-party Transaction Management

In accordance with the relevant provisions of relevant laws and regulations such as the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, and the *Stock Listing Rules of the Shenzhen Stock Exchange*, as well as the *Articles of Association*, the Company has formulated the *Related Party Transaction Decision-making System* in light of its actual situation. This system clarifies the specific matters of related-party transactions and the scope of identification of related parties, and stipulates the review and disclosure procedures, pricing principles, etc. for related-party transactions. The Company strictly implements the related-party avoidance mechanism, requiring related directors and shareholders to avoid voting in accordance with regulations when reviewing related-party transaction matters.

Strengthening Investor Relations Management

Compliant Information Disclosure

Yongtai Technology has formulated systems such as the *Information Disclosure Management System* and the *Accountability System for Major Errors in Annual Report Information Disclosure*, which set forth clear provisions regarding periodic reports, interim reports, information disclosure management responsibilities, information disclosure procedures, etc., with a key focus on serving investor relations and conveying the Company's value. The Company has designated *Securities Times*, *China Securities Journal*, *Shanghai Securities News*, *Securities Daily*, and *CNINFO* (www.cninfo.com.cn) as the newspapers and websites for the Company's information disclosure. It discloses information in a timely, fair, and comprehensive manner, ensuring the authenticity, accuracy, and completeness of the disclosed information, and enhancing the transparency and quality of information disclosure.

Key performance indicators

During the reporting period, the Company disclosed a total of **145** announcements, including **5** periodic and special reports (**4** periodic reports + **1** ESG report) and **140** temporary announcements. It did not receive any penalties for violations related to information disclosure.

Investor Relations Management

To enhance communication with investors and improve corporate governance compliance, the Company has formulated the *Investor Relations Management System* to standardize the principles, functional departments and specific procedures of investor relations management. It has established and continuously improved communication channels such as regular reports and temporary announcements, an investor relation section on the Company's official website, a consultation hotline, an email address and the "irm.cninfo.com.cn" platform, to strengthen communication with investors and potential investors, enhance their understanding and recognition of the Company, and protect their legal rights and interests.

During the reporting period, the Company actively carried out various forms of investor communication activities. It held online performance briefings for its annual and quarterly reports, where core management team members responded to investor questions online. The Company also hosted multiple on-site research visits from institutional investors, including those from securities firms, fund management companies, and investment firms. These activities effectively enhanced the market's understanding of the Company's strategic value and operating performance, demonstrating the Company's open and transparent governance image.

Key performance indicators

2025	Number of investor reception activities	Number of on-site investor research visits received	Person-times of investors paying on-site research visits
	11 Times	8 Times	25 Person-times
	Total number of investor questions on "irm.cninfo.com.cn"	Number of investor questions answered on "irm.cninfo.com.cn"	Response rate to investors on "irm.cninfo.com.cn"
	69 Times	69 Times	100%

Shareholder Returns

In terms of profit distribution and shareholder returns, the Company has formulated a clear, stable and continuous profit distribution system and a shareholder return planning scheme for the next three years. By comprehensively considering the Company's development stage, profitability, cash flow status and future strategic development capital needs, the Company is committed to achieving long-term and stable shareholder returns.

The Company rewards shareholders through various methods such as cash dividends and share repurchases, and specifies the specific conditions and ratios for cash dividends in the *Articles of Association*, actively implementing various guiding opinions on dividend distribution. By formulating periodic shareholder return plans, the Company conveys to the market its firm commitment to valuing shareholder returns and sharing development achievements, strives to build and establish an image of a responsible listed company, enhances investors' confidence in long-term shareholding, and achieves win-win development for the Company and all shareholders.

Protection of Creditors' Rights and Interests

The Company has always prioritized the protection of creditors' rights and interests. During the making of major operation decisions, it comprehensively considers and safeguards the legal rights and interests of creditors, while maintaining transparency in information disclosure. Major matters involving creditors' rights and interests are promptly and accurately communicated through formal letters, announcements and other channels.

In terms of financial and capital management, the Company adheres to the concept of prudent operation, continuously optimizes its debt structure, and formulates and strictly implements scientific capital utilization and debt repayment plans, effectively ensuring the safety of assets and funds, and earnestly safeguarding creditors' rights and interests.

As of the end of the reporting period, the Company's credit status was excellent, fully demonstrating its standardized financial management level and robust risk control capabilities.

Upholding Business Ethics

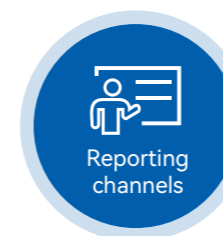
Anti-commercial Bribery and Anti-corruption

The Company has established a systematic and complete anti-corruption management system, clearly defining the full-chain responsibilities covering from the Chairman to frontline employees. It has formed an institutional framework with the *Integrity Management System* as the core, supported by multiple special systems, while ensuring the implementation of the system through multiple mechanisms such as avoidance, handover, penalties and reporting. The Company will closely monitor changes in the internal and external environment, continuously optimize the management system, deepen the construction of a clean culture, and promote the Company's stable and sustainable development through higher standards of compliance operations.

Reporting and Complaint Management

The Company has established an open complaint channel and carries out diversified clean culture activities to create a good honest corporate atmosphere, guiding employees to self-examination and self-discipline, and strictly adhere to the bottom line on integrity.

At the same time, the Company further clarifies the relevant provisions for informer protection. For materials such as petition letters with real names of informers and related work ledgers shall be confidential and kept properly. They shall not be available, extracted, copied, destroyed or taken away without authorization. It is strictly forbidden to disclose the identities of the informers and the content of the reports to the reported persons and departments. Where the informers suffer from any unfair treatment or the personal safety of the informers is threatened due to report, such treatment shall be corrected and protection measures adopted effectively.



Reporting hotline
0576-85588961

Reporting email
hr@yongtaitech.com

Anti-unfair Competition and Anti-monopoly

Yongtai Technology always strives to create a fair, transparent and orderly commercial environment, strictly complies with the *Anti-monopoly Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China* and other laws and regulations, and formulates systems such as the *Company's System of Code of Professional Ethics* to ensure that all commercial activities are conducted within the legal framework, and resolutely opposes any form of unfair competition. On the basis of integrity, the Company ensures that all commercial activities conform to the moral codes and laws.

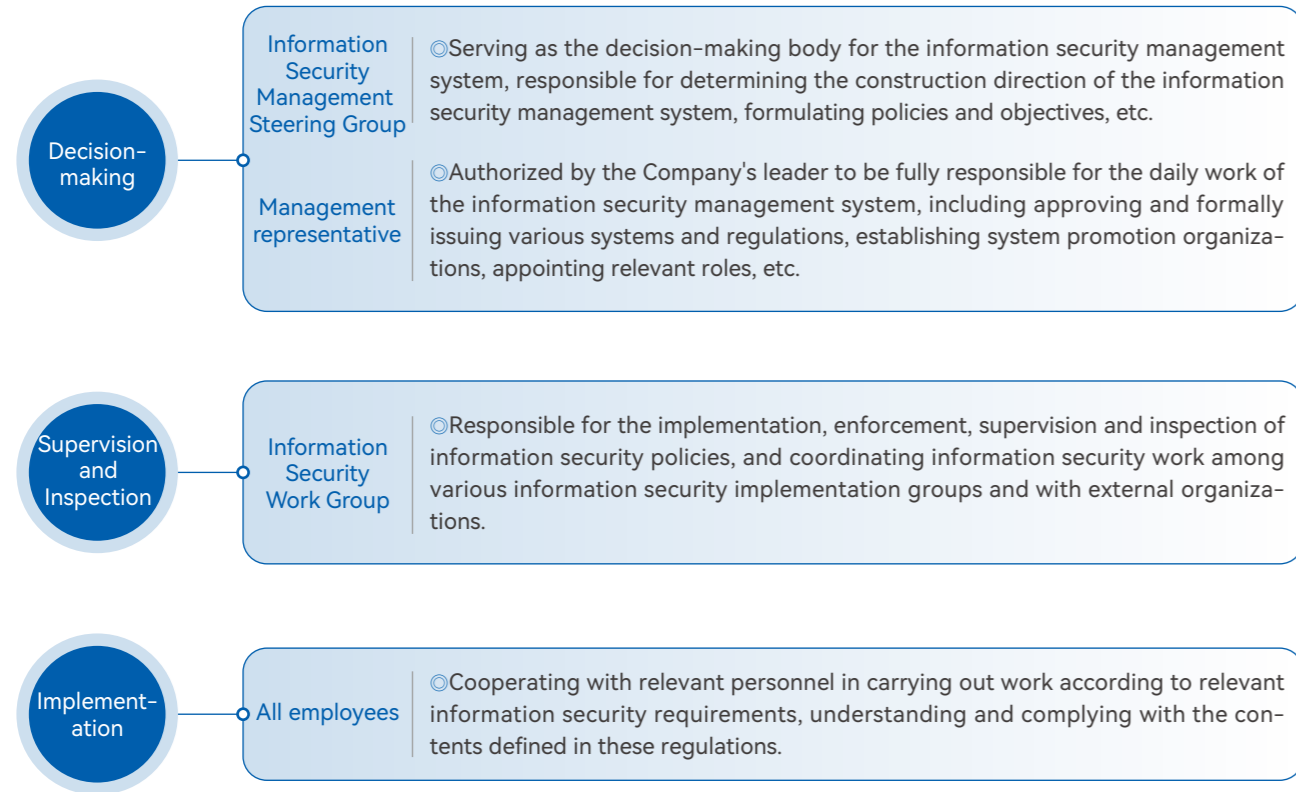
The Company and its employees shall not use any improper means to hinder or exclude the fair competition and legitimate business activities of competitors, shall not fabricate or disseminate false information to damage the goodwill of competitors, and shall not infringe upon the trade secrets of competitors in any illegal way.

Maintaining Information Security

Information Security System

The Company complies with the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China* and other laws and regulations, adheres to the information security policy of "remaining customer-centric, integrating security awareness into daily work, strictly reviewing various control measures, timely eliminating potential security risks, and ensuring business continuity", and formulates systems such as the *Information Security Management Manual* to strictly regulate information security management and ensure the safe and stable operation of the Company's information systems.

The Company has established a three-tier information security organizational structure consisting of management decision-making, supervision and inspection, and implementation, focusing on implementing information security management responsibilities, thus building an all-round information security protection system.



Professional Capability Enhancement

The Company regularly organizes information security awareness training for employees, covering core points such as data confidentiality specifications, security operation procedures, and phishing email identification. Through a combination of theoretical explanation and case analysis, it enhances the information security awareness and risk prevention capabilities of employees at all levels.



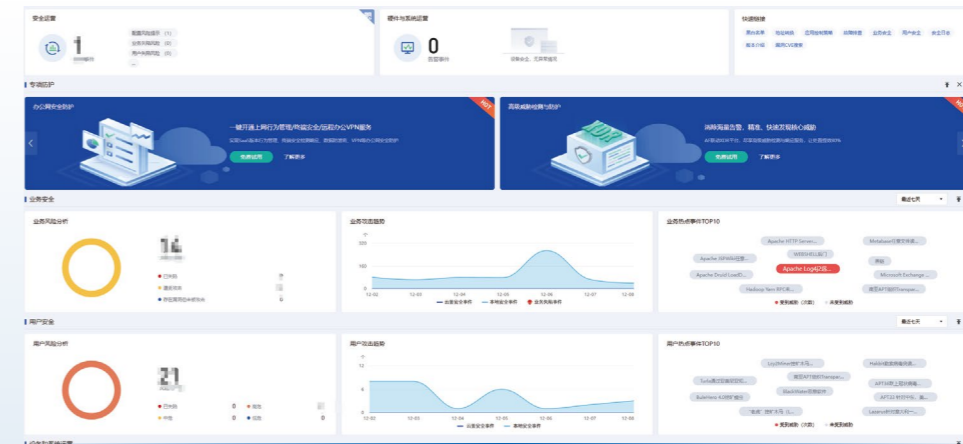
Information Security Training for Employees

Supervision and Appraisal

The Company conducts internal audits and management reviews from time to time to understand the operation of the information security management system, and has established a mechanism for the monitoring & inspection of daily work and the comprehensive and systematic monitoring & review of the information security management system. At the same time, the leaders of departments conduct quantitative appraisal of job objectives of the employees in their respective departments based on daily work performance and quantitative indicators of job performance, and assess the information security capabilities of personnel in important positions. If any deficiency in information security capabilities is found, the leaders of relevant departments shall promptly report it to the Human Resources Management Department.

Information Security Management Measures

To strengthen data security management and enhance overall security protection capabilities, the Company maintains its data asset security and builds a robust data security defense line through measures such as network situation awareness, firewall linkage and data backup.



Information Protection






Yongtai New Energy Information Security Management System Certificate

Information Security Risk Management

The Company adopts the PDCA process method to identify, assess and treat information security risks. It carries out full-process management of information security risks in accordance with the *Risk Assessment Control System*, covering risk point identification, graded assessment, and corresponding response measures such as avoidance, mitigation and transfer, to achieve controllable risk implementation.

The Company assesses information security issues found in monthly safety work meetings and conducts risk treatment. In addition, the Company carries out information security risk assessment activities annually, and formulates corresponding rectification plans for medium and high risks found through the activities based on the information security risk acceptance level.

Phase	Main content
 Risk identification	<ul style="list-style-type: none"> Identify assets within the scope of the information security management system and their responsible persons Identify threats faced by the assets Identify vulnerabilities that may be exploited by threats Identify the impacts that loss of confidentiality, integrity and availability may have on the assets
 Risk assessment	<ul style="list-style-type: none"> Assign values to the confidentiality (C), integrity (I), availability (A) and business impact (BI) of assets to judge the consequences caused by the loss of CIA (BI) of the Company's assets Obtain the risk levels by calculating the relevant values assigned to the CIA (BI), major threats and vulnerabilities concerning the assets
 Risk response	<ul style="list-style-type: none"> Based on the risk assessment results, the Company has adopted the following control measures for risks: risk acceptance, risk reduction, risk transfer and risk avoidance Formulate risk treatment plans and implement corresponding rectification measures

Indicators and Targets

To build a robust data security barrier, the Company strictly follows the information security policy, constructs an operable and measurable indicator and target system, and transforms information security requirements into practical actions, effectively ensuring business continuity.

During the reporting period, no major data security or customer privacy leakage incidents occurred in the Company.

Information security targets for 2025	Achievement status
No major information security incidents and operational safety accidents above level II throughout the year	In 2025, the Company effectively maintained a stable information security posture, with no major information security incidents or operational safety accidents above level II throughout the year, and the information security defense line was continuously consolidated
No safety incidents above level III during important assurance periods	In 2025, the Company's information security targets were successfully achieved, with no safety incidents above level III during all important guarantee periods, and the safety protection system continued to operate effectively

Information Security Emergency Management

The Company has formulated the *IT Emergency Plan*, clarifying the graded response mechanism, disposal process and responsibility division for information security incidents. At the same time, it regularly conducts surprise emergency drills to ensure rapid response and effective loss prevention when security incidents occur.

In 2025, Yongtai New Energy organized and carried out an emergency drill for new energy core switch failure. This drill simulated a scenario of sudden failure and shutdown of the new energy core switch, reproducing chain problems caused by the failure such as employees being unable to work normally and abnormal release of production work orders. The emergency drill tested the feasibility and effectiveness of the measures. A total of 12 people participated in this drill.





"Dual Carbon" Goals Guiding for Green Development

Our actions

- Combating climate change
- Environmental compliance management
- Resource utilization and circular economy

SDGs



Combating Climate Change

Governance

Yongtai Technology actively responds to the national "carbon peaking and carbon neutrality" goals, formulates the *Energy Consumption and Greenhouse Gas Emission Reduction Management System*, and integrates combating climate change into the Company's core strategy and operation system. The Board of Directors of the Company, as the highest governance body, is responsible for reviewing and approving climate change-related strategies and major decisions; the Strategy Committee is responsible for identifying, assessing and managing climate-related risks, and supervising the identification of climate-related risks and opportunities; various departments and subsidiaries are responsible for specifically promoting energy-saving and emission-reduction efforts.

Strategy

Yongtai Technology attaches importance to efforts in combating climate change, systematically identifies and assesses the possible impacts brought by climate change by examining the two dimensions of risks and opportunities, considering climate policies, macro environment and industry trends, and based on the Company's business characteristics. The Company conducts analysis on three time scales: short-term (1-3 years), medium-term (3-10 years), and long-term (over 10 years) ones, deeply integrates the assessment results into strategic planning, dynamically optimizes business development directions and resource allocation, and continuously enhances the enterprise's adaptability and resilience in combating climate change.

Risk type		Risk description	Financial impact description	Impact timeframe	Impacted valuechain segment	Coping measures	
Physical risks	Urgent risks	Extreme high-temperature	1. The demand for the refrigeration plants increases, and the operational costs and expenditures increase; 2. Sunstroke of employees leads to poor work status, which decreases the operational efficiency of the Company, and meanwhile increases the health maintenance costs of employees; 3. Temperature-sensitive equipment, chemical reagent, the explosion, fire hazard and other safe risks in the warehousing link increase.	Increased operational cost and employee maintenance cost, and reduced financial income	Short-term	Operation	1. Reasonably allocate refrigeration plants, and prefer to adopt energy-saving and environmental equipment categories; 2. Stipulate and implement the anti-heatstroke measures for employees, and carry out anti-heatstroke and cooling caring activities; 3. Enhance safe management, strictly control the conditions in the warehousing link, and regularly carry out fire control inspection and drills, to enhance the fire control awareness of employees.
		Natural disasters	1. Typhoon, storm tide, flood and other natural disasters caused by climate change, may bring direct damage to the assets and production and operations of the Company; 2. Natural disasters may cause the interruption of supply chains, and bring indirect impacts on the Company	Fixed asset losses	Short-term	Upstream Operation Downstream	1. Enhance the communication and interconnection with the local government, weather and emergency departments of business, and timely release early warning; 2. Constantly improve the emergency plans of natural disasters, enhance the emergency capacity construction, regularly carry out emergency drills, and carry out emergency disposal of natural disasters, to reduce the impact on the production and operations of the Company; 3. Enhance the supply chain management, and establish a more flexible supply chain.

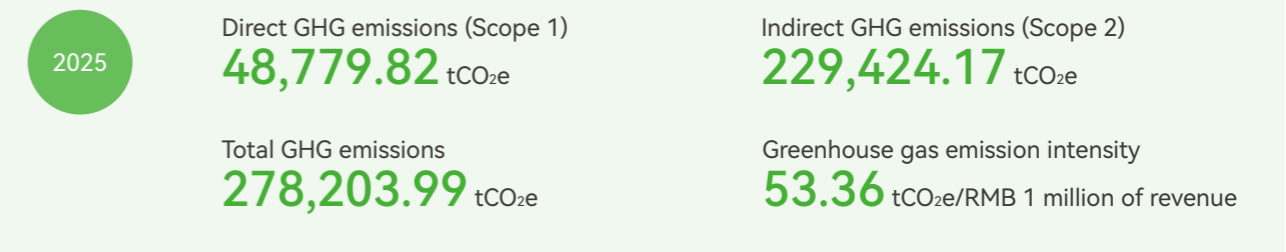
Risk type		Risk description	Financial impact description	Impact timeframe	Impacted valuechain segment	Coping measures	
Physical risks	Chronic risks	Temperature increase	The average temperature increases, which may cause increase in the cooling water of equipment, refrigeration and heating demand increase in the operation site, etc., causing increase in the operational costs.	Fixed asset losses, increased costs, and reduced income	Long-term	Operation	1. Identify climate risks in the regions, and include combating climate risks into the infrastructure construction; 2. Stably improve energy-saving and carbon emission reduction efforts, improve the service efficiency of water, waste and other resources, and gradually reduce the dependence on natural resources; 3. Carry out climate change-related science popularization, advocate and practice the low-carbon environmental concept.
		Water resources shortage	The water resource shortage at the main production base may cause the increase in the municipal water supply prices.	Increased water costs	Short-term	Operation	Take water-saving actions and implement water-saving upgrades.
Transformation risks	Policy and regulation risks	Stricter environmental regulations	The local government of business will implement stricter environmental regulations in future, and set up strict limitation and emission quota for the greenhouse gas emission. The compliance with these new regulations and standards will increase the compliance costs of the Company.	Increased operating costs, and decreased financial income	Long-term	Operation	1. Pay close attention to and strictly comply with the carbon emission and carbon transaction-related laws and regulations, actively adopt measures to reduce carbon emission, strictly comply with the local national or regional carbon emission regulations of business, enhance the storage and management of the carbon assets, and guarantee the agreement performance; 2. Improve the low-carbon development and climate risk control level of the Company.
	Market risks	Market demand change	The focus on the climate change may make the market prefer to select low-carbon products and service. Where the Company fails to follow up the low-carbon trend, it may fall behind in terms of market competition and customer recognition, and affect the market shares and profitability.	Decreased financial income	Long-term	Operation	Include the climate factor into the investment decision-making, and increase the green product development and production.
	Reputational risks	Company image	If the low-carbon development routes and measures of the Company are lower than the expectations, it may affect the reputation and image of the Company.	Decreased financial income	Medium-term	Operation	Refine the green low-carbon specific deployment and measures, and enhance the supervision; expand the all-around communication and exchange, and improve the climate change-related information disclosure level and transparency.
		Stakeholder expectations	Where the relevant climate indicators of the Company do not reach the low-carbon expectations of stakeholders, it may cause decrease in the value of the Company, and increase in the capital cost.	Increased compliance costs, and reduced financial impacts	Short-term	Operation	Enhance the communication with stakeholders, adopt suitable measures to actively respond to the expectations of stakeholders.

Opportunity type	Opportunity description	Financial impact description	Impact timeframe	Impacted value chain segment	Coping measures
Climate opportunities Technical progress	The carbon emission reduction goal promotes the Company to enhance the technical innovation, reduce the carbon emission, improve the energy utilization, reduce the production cost and enhance the competition.	Reduced production cost and increased financial income	Medium and long-term	Operation	Enhance the low-carbon technical research and development, vigorously promote the energy conservation, carbon emission reduction, pollution reduction synergistic interaction by scientific and technological means.
Market opportunities New energy lithium battery	Under the leadership of the "carbon peaking and carbon neutrality" goals, the government policy support and consumer concept change make the new energy, green economy and other emerging markets adhering to the environmental concept step on the rapid development road.	Improved the product sales income	Short-term	Downstream	It forms relatively improved product matrix in the new energy lithium battery material sector, and meanwhile will promote the green product and green technology development.
Resource efficiency opportunities Circular economy	Recycle the materials by circulative technology, reduce the dependence on raw materials, to reduce the carbon emission in the production link, while reducing the purchase cost of raw materials.	Reduced purchase cost of raw materials	Short and medium-term	Upstream	Through constantly upgrading the production technology and constructing the resource circular production system, realize efficient resource utilization and carbon emission reduction goals.
Energy efficiency opportunities Adoption of renewable energy sources	Reduce the dependence on the fossil energy and traditional energy.	Reduced operating costs	Medium-term	Operation	1. Promote and optimize the energy management system, and realize energy saving through intelligent manufacturing; 2. Promote the production technology optimization and energy conservation and carbon emission reduction upgrades; 3. Optimize energy mix, and increase the usage of photovoltaic and other clean energies.

Indicators and Targets

Based on its actual production and operation conditions, Yongtai Technology continuously promotes greenhouse gas accounting efforts, identifies high-emission sources and formulates targeted emission reduction measures, while eliminating inefficient and outdated energy-consuming equipment to continuously reduce carbon emissions at the Company's operational level.

Key indicator



Notes:

- The statistical scope includes the Company and its subsidiaries.
- The Company's greenhouse gas accounting is based on the following standards: *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004)*, *Guidelines for Accounting and Reporting of Greenhouse Gas Emissions from Fluorochemical Enterprises (Trial)*, and *ISO 14064-1:2018 Greenhouse gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals*. For stationary and mobile sources, the emission factor method is used for accounting.
- Scope 1 GHG emissions include emissions from fossil fuel combustion (natural gas, gasoline, diesel, and LPG) and emissions from industrial processes.
- Scope 2 GHG emissions include emissions from electricity and heat consumption.
- Low calorific values of energy sources refer to *GB/T 2589-2020 General rules for calculation of comprehensive energy consumption*. Emission factors refer to the National Greenhouse Gas Emission Factor Database.

Carbon Management Actions

The Company actively participates in greenhouse gas emission reduction actions, vigorously promotes energy conservation and emission reduction measures, and optimizes operational processes in all aspects, continuously reducing carbon emission levels, and steadily advancing green and low-carbon development.

Product Carbon Emission Accounting

The Company conducts carbon emission accounting for its products annually and prepares carbon emission reports. Based on carbon emission data from the links such as raw materials, production technologies and energy consumption, it divides the entire production process into units, identifies high-energy-consumption and high-emission links, and implements targeted carbon reduction measures such as technology optimization and energy-saving upgrades, continuously promoting the low-carbon transformation of the production process.

Management of Impacts, Risks and Opportunities

To effectively address the potential risks and opportunities brought by climate change, the Company incorporates addressing climate-related risks and opportunities into its overall risk management system, and has formulated the *Control Procedures for Risks and Opportunities* to establish a systematic process for climate change risk identification, assessment and response. The Company continuously improves its climate risk management capabilities by analyzing specific risk factors and formulating corresponding control measures, striving to reduce the potential impacts of climate risks on its business.

Link	Specific measures
Risk identification	◎Construct a multi-dimensional identification system focusing on the entire chain of the corporate operations, and considering industry characteristics, regional environment and policy orientation, to ensure comprehensive coverage of risks and opportunities.
Risk assessment	◎Establish multi-dimensional assessment standards of "impact degree + likelihood of occurrence + time dimension" to scientifically determine the significance levels of risks and opportunities, providing basis for subsequent decision-making.
Risk response	◎Establish a response mechanism featuring "graded response and closed responsibility loop" based on the assessment results, to ensure scientific implementation and continuous optimization of response measures.

Environmental Compliance Management

Governance

Management System

Yongtai Technology strictly complies with the *Environmental Protection Law of the People's Republic of China* and other laws and regulations, and has formulated systems such as the *Management System of Operation of Environmentally Protective Facilities*, the *Management Procedures for Identification of Environmental Factors*, the *Environmental Protection Award and Appraisal System*, and the *Environmental and Occupational Health and Safety Management Manual* to standardize the Company's efforts in environmental protection management.

The Company has established and improved its environmental management organization structure, setting up an EHS Management Committee composed of the General Manager, the Management Representative, and the heads of various plants. The General Manager serves as the highest EHS manager, responsible for the overall planning and supervision of environmental protection efforts. The heads of various plants are the first responsible persons and managers for EHS in their respective plants, ensuring the implementation of various requirements of the management system so that all environmental protection measures are effectively implemented. During the reporting period, the Company's environmental protection investment was RMB 91.5575 million, accounting for 1.76% of its operating income.

As of the end of the reporting period, Yongtai Technology and some of its subsidiaries had obtained the GB/T 24001-2016/ISO 14001:2015 Environmental Management System Certification.



Professional Skills Training

To strengthen the environmental compliance awareness of all employees and consolidate the foundation of the Company's environmental management, the Company continuously carries out environmental compliance training.

Yongtai Chiral Environmental Management Training

In May 2025, the subsidiary Yongtai Chiral carried out special training on environmental laws and regulations. The content focused on core points such as regulatory policies, supervision and management of air pollution prevention and control, and response to heavily polluted weather, clarifying the enterprise's responsibility for pollution prevention and control, and effectively enhancing employees' environmental compliance awareness.



Environmental Information Disclosure

Yongtai Technology strictly complies with the relevant provisions of the *Measures for the Administration of the Law-based Disclosure of Environmental Information by Enterprises*. The Company and its six subsidiaries are among the enterprises required to disclose environmental information in accordance with the law as published by the ecological and environmental authorities. The Company discloses environmental information to the society in a timely and accurate manner through forms such as annual corporate environmental reports, actively accepting government supervision and public oversight.


Strategy


The Company comprehensively identifies environmental risk factors and hazard sources, analyzes the severity of environmental risks, ensures that environmental hazard factors are effectively controlled during production and operation activities, and prevents the occurrence of possible pollution accidents.


Risk type	Risk description	Financial impact description	Likelihood	Impact magnitude	Impact timeframe	Impacted value chain segment	Coping measures
Policy risk	The government may issue stricter pollutant discharge standards in the future, requiring the Company to invest more funds in upgrading treatment facilities and improving treatment technologies.	Increased costs	High	High	Short-term	Operation	<ol style="list-style-type: none"> 1. Strengthen environmental protection investment, adopt advanced equipment to improve technological processes to control pollutant generation, and reduce pollutant discharge levels; 2. Pay timely attention to industry-related environmental laws and regulations, and improve treatment facilities and technologies according to the trends of environmental regulations.
End-of-pipe discharge failure risk	Operational failure of waste gas treatment devices during the collection and purification of organic waste gas leads to ineffective treatment of waste gas, which may be detected by online monitoring equipment, potentially resulting in government penalties and causing air pollution.	Increased costs	Low	High	Short-term	Operation	<ol style="list-style-type: none"> 1. Strictly comply with the Company's environmental management system and strengthen the operation and management of environmentally protective facilities; 2. Strictly operate and record tailing gas treatment devices in accordance with operating procedures.
Leakage risk	Leakage from pipelines during wastewater transmission and discharge, or overflow from water collection wells may lead to environmental pollution if improperly handled, and causing complaints from surrounding communities.	Increased costs Adverse impacts on corporate image	Low	High	Short-term	Operation	<ol style="list-style-type: none"> 1. Strictly comply with the Company's environmental management system; 2. Activate environmental protection devices in workshops during production; 3. Conduct daily inspections and promptly address any issues found.


Management of Impacts, Risks and Opportunities

The Company has formulated the *Management Procedures for Identification of Environmental Factors*, clearly defining that the Safe Environment Management Section coordinates the management of environmental factors, and establishing risk identification and assessment processes to ensure effective control of environmental risks and guarantee the effective operation of the environmental management system.

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Each department conducts investigations based on policies, regulations, equipment, facilities, services, operational activities, etc. that may generate environmental factors;
The Safe Environment Management Section organizes the identification and evaluation of environmental factors and significant factors, forming the *List of Significant Environmental Factors*.
- 

The Company adopts the direct evaluation method and the environmental factor evaluation method to assess risk levels based on the type and the significance of the impact.
- 

The Company formulates targeted response measures based on the identified environmental factors.
- 

The Company updates environmental factors annually, especially when changes occur in external policies and regulations, internal operational activities, stakeholder feedback, etc., and re-evaluates significant environmental factors.

Emergency Management

Yongtai Technology strictly complies with the *Emergency Response Law of the People's Republic of China* and other relevant laws and regulations, and has formulated the *Emergency Response Plan for Environmental Emergencies*. It has established and improved the emergency rescue system and set up an emergency command headquarters. The Company implements graded management for environmental emergencies based on their severity, urgency and scopes of impacts, effectively preventing various emergencies and reducing their potential impacts on the Company's operations and the environment.

Yongtai New Energy Emergency Drill for Liquid Caustic Soda Leakage at "Three Wastes" Station

In January 2025, Yongtai New Energy organized and carried out an emergency drill, simulating a scenario where a sudden leak was found at the outlet valve of the liquid caustic soda pump due to gasket extrusion rupture during inspection, training employees' emergency response capabilities during sudden accidents and standardizing the handling procedures.



Potential Risk Identification

The Company has formulated the *Environmental Inspection and Potential Risk Rectification and Governance System*, regularly organizes environmental inspections, and continuously improves the potential environmental risk rectification and governance mechanism. Workshops implement daily inspections by teams and weekly inspections by workshops, while the EHS Department conducts monthly inspections and quarterly special inspections. For identified potential risks, those within a workshop are rectified by the workshop itself; for those found during inspections organized by the EHS Department, rectification notices are issued according to the "Five-fixed Principle" (fixed rectification plan, fixed rectification funds, fixed responsible person, fixed rectification period, and fixed rectification measures), with follow-up verification and inclusion in the governance ledger.

During the reporting period, the Company's completion rate for potential environmental risk identification and rectification was 100%.

Environmental Monitoring

The Company has formulated the *Environmental Monitoring Management System* to standardize the management of environmental pollutant monitoring work, and is equipped with online wastewater and waste gas monitoring systems. The Company strictly follows the established monitoring plan, entrusting qualified testing agencies to regularly test indicators of wastewater, waste gas, noise and other factors, and issue third-party testing reports. During the reporting period, there was no discharge of any pollutants not meeting the standard.



Indicators and Targets

Environmental targets for 2025	Achievement status
Environmental accidents ≤ total annual accident indicators	Achieved
No discharge of three wastes not meeting the standards	Achieved

Pollutant Discharge Management

Yongtai Technology attaches importance to the management of environmental pollutants such as waste gas, wastewater, solid waste and noise, and has formulated systems including the *Waste Gas Management Regulations*, the *Soil and Groundwater Pollution Prevention and Control Management System*, and the *Waste Management Regulations*. Through standardized treatment processes and monitoring and assessment systems, it enhances pollution control capabilities and ensures the effectiveness and sustainability of environmental protection measures.

Wastewater Management

To standardize the operation and management of the wastewater treatment system, the Company has formulated systems such as the *Safe Operation Procedures for the Wastewater Treatment System* and the *Safety Operating Procedures for the Wastewater Treatment System*, regulating the operation and management of the wastewater treatment system to ensure the normal, continuous and stable operation of each unit of the system.

The Company's wastewater mainly consists of production wastewater, domestic sewage and rainwater. The Company and its subsidiaries have established wastewater treatment stations, treating wastewater through a rainwater and sewage diversion system to ensure that various types of wastewater are effectively treated and meet discharge standards.



Wastewater Treatment Facilities

Yongtai Hi-tech Application of Segregated Treatment and Resin Adsorption-based Advanced Purification Technology

The Company's production wastewater contains characteristic pollutants such as fluorides and chlorides, with complex composition and high salinity, making it difficult for their traditional treatment processes to achieve efficient purification. By adopting the combined technology of "segregated treatment + resin adsorption", the Company has significantly improved the removal efficiency of characteristic pollutants such as fluorides and chlorides, achieving a chloride removal rate of 99.5% and a total salt removal rate of 92.2%. At the same time, it effectively reduces chemical consumption and sludge generation, improving the operational stability and economic efficiency of the treatment system.

Key indicator

2025	Wastewater discharge	545,296.51 Tons	Five-day Biochemical Oxygen Demand (BOD ₅)	17.78 Tons	Suspended solids	4.50 Tons
	Wastewater discharge intensity	104.59 tons/RMB 1 million of revenue	Ammonia nitrogen (NH ₃ -N)	5.17 Tons	Total Phosphorus (Calculated as P)	0.23 Tons
	Chemical Oxygen Demand (COD)	88.86 Tons				

Waste Gas Management

Yongtai Technology attaches importance to waste gas management, formulating special systems such as the RTO (*Regenerative Thermal Oxidizer*) Operating Procedures, and ensuring the collection, treatment and standard-compliant emission of various production waste gases by optimizing production technologies and installing advanced air pollution control equipment.

The production workshops are equipped with closed compartments and waste gas collection facilities. The waste gas enters the RTO for treatment after in-workshop spraying pretreatment. The second plant area is equipped with two RTO units in a standby mode to ensure the continuous and stable operation of the waste gas treatment system.

Meanwhile, the subsidiary Yongtai Chiral was rated as a "Grade B Enterprise for Air Pollution Prevention and Control Performance Rating in Key Industries of Zhejiang Province", fully confirming that the Company's waste gas treatment capacity and environmental management have reached good industry standards.



Waste Gas Treatment Facilities

Key indicator

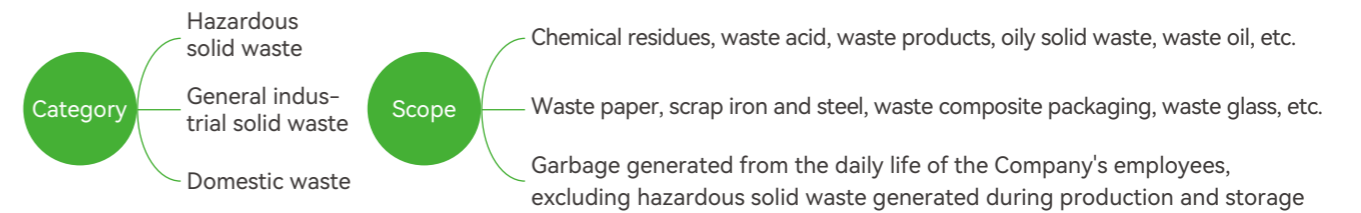
2025	Nitrogen oxides (NO _x) emissions	14.40 Tons	Sulfur oxides (SO _x) emissions	1.41 Tons
	Volatile organic compounds (VOC) emissions	33.91 Tons	Particulate matter (PM) emissions	0.62 Tons



Waste Management

Yongtai Technology strictly complies with the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, and has formulated the *Solid Waste Management System*, and stores, transports and disposes various wastes in accordance with laws and regulations, reducing the impacts of waste discharge on the environment, and promoting the sustainable development of the Company. The Company actively responds to the "zero waste city" initiative in the whole territory of Taizhou City, and has been awarded the Taizhou municipal-level "zero waste factory title".

The Company has established a comprehensive solid waste management system, formulated and strictly implemented hazardous waste management plans. Through the digital system, it optimizes the solid waste manifest management, realizes paperless electronic manifests and hazardous waste traceability code management, and carries out full-process control over the generation, packaging, transfer and storage of hazardous wastes. The Company classifies and standardizes the storage of hazardous wastes, and all hazardous wastes are entrusted to qualified third-party disposal entities for compliant treatment.



Key indicator

2025	Total waste generated	23,039.09 Tons	Waste generation intensity	4.42 tons/RMB 1 million of revenue
	Hazardous waste generation amount	20,356.08 Tons	Hazardous waste generation intensity	3.90 tons/RMB 1 million of revenue
	Non-hazardous wastegeneration amount	2,683.01 Tons	Non-hazardous wastegeneration intensity	0.51 tons/RMB 1 million of revenue
	Waste disposal amount	23,053.70 Tons	Waste disposal compliance rate	100%
	Total wastes recycled	6,318.58 Tons	Waste recycling rate	27.42%


Note:Waste disposal volume includes inventory from previous years.

Noise Management

Yongtai Technology strictly complies with the relevant requirements of the *Law of the People's Republic of China on the Prevention and Control of Noise Pollution*, formulates and implements the *Management Stipulations on Noise Pollution Prevention and Control* to systematically control the noise generated during the Company's industrial production processes. To ensure the personal safety and health of employees during operations, the Company issues articles for labor protection, and entrusts third-party agencies to regularly carry out monitoring activities to further improve noise pollution prevention and control.

Product Environmental Impact Management

Yongtai Technology integrates the concept of green and low-carbon into the entire production and operation process, focusing on the green transformation of production processes, completing multiple technological iterations, and reducing pollutant generation during product production.

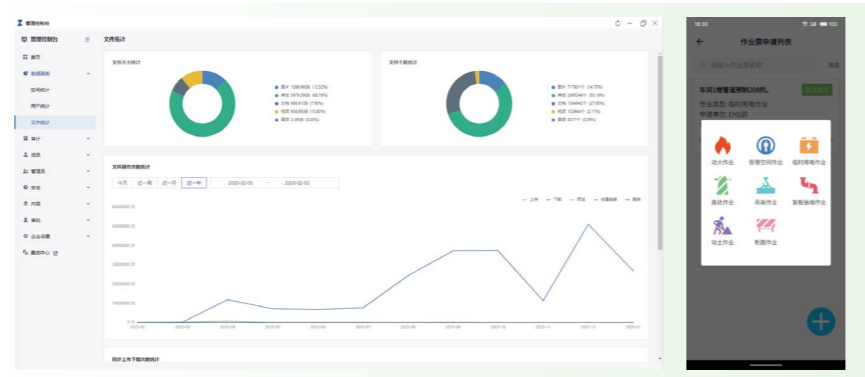


- Process optimization**
Optimize production procedures; upgrade solvents for key intermediates and specific products to reduce pollutant generation.
- Material reduction**
Optimize production formulas and material feeding plans to improve raw material utilization efficiency.
- Wastewater reduction**
Upgrade wastewater treatment facilities and optimize processes to reduce water consumption.
- Waste gas reduction**
Optimize RTO waste gas treatment facilities and use solvent substitutions to reduce volatile pollutant generation.
- Solid waste reduction**
Improve reaction yields through process optimization to reduce by-product solid waste.
- Environmental compliance**
Continuously improve pollution prevention and control systems and risk emergency response mechanisms.

Green Operations

Green Office

Yongtai Technology adheres to green office practices, reducing paper usage by utilizing electronic document management, submitting work permits and signatures online, and adopting electronic office systems such as Kingdee ERP and OA. The Company is committed to minimizing environmental impact and promoting green development.



Clean Production

Yongtai Technology actively promotes clean production, strictly complying with laws and regulations such as the *Law of the People's Republic of China on the Promotion of Clean Production* and the *Measures for Clean Production Audit*. The Company has established a Clean Production Audit Steering Group to guide and coordinate clean production efforts, continuously advancing equipment updates, process optimization, and comprehensive resource utilization. During the reporting period, the Company completed its fourth round of clean production audit assessments, effectively improving resource utilization efficiency, reducing pollutant discharge/emissions, and promoting clean and more efficient production.

Ecological Environmental Protection

Ecosystem and Biodiversity

Inner Mongolia Yongtai has strengthened regional ecological environmental governance by considering the natural conditions of the northwest region. The Company has assigned full-time personnel responsible for greening maintenance, laid out a refined greening sprinkler network, adopted water-saving technologies such as micro-sprinkler irrigation, and deployed sprinkler trucks for regular road dust suppression operations. As of the end of the reporting period, the greening area had reached 40,000 square meters, improving the regional ecological environment and providing initial protection for biodiversity, achieving coordinated advancement of production operations and ecological conservation.

Soil and Groundwater Monitoring

Yongtai Technology has established a robust soil and groundwater pollution management system, formulated regulations such as the *Soil Potential Risk Identification System* and the *Soil and Groundwater Pollution Prevention and Control Management System*, and regularly monitored soil and groundwater samples through third-party monitoring agencies. The Company issues *Soil and Groundwater Self-monitoring Reports* to ensure compliance with relevant standards within its operational scope. As of the end of the reporting period, the Company and its subsidiaries Yongtai Chiral and Yongtai Pharma had conducted soil and groundwater monitoring and compiled monitoring reports.



Resource Utilization and Circular Economy

Resource Management System

Energy Management

The Company adheres to the *Energy Conservation Law of the People's Republic of China* and related laws and regulations, formulating institutional norms such as the *Energy Management System* and *Resource Management Procedures* based on its actual conditions. It designates the plant managers as the primary energy management responsible persons, with production departments collaborating to advance energy management and conservation planning implementation, avoiding energy waste. Additionally, the Company conducts energy conservation publicity and education through lectures and bulletin boards to motivate employees to conserve energy, continuously improving energy management levels and laying a solid foundation for sustainable development.

Water Resource Management

In strict accordance with the *Water Law of the People's Republic of China* and other relevant laws and regulations, Yongtai Technology has stipulated relevant water conservation management system, and attaches importance to the reasonable usage of water resources. It actively advocates water conservation, and firmly puts an end to the leakage and venting, to avoid wasting water resources from the source.

The Company has established a steam condensate recovery system to replace tap water, significantly improving water resource utilization efficiency. The subsidiary, Yongtai Chiral, implements lean water management, establishes annual water performance assessment mechanism, and scientifically stipulates water datum line and implements daily and monthly water monitoring. The Company also uses low-temperature ethylene glycol instead of circulating water to cool reaction kettles, reducing tap water usage and achieving efficient water utilization during production.

Resource Conservation Training

In November 2025, the subsidiary Yongtai Hi-tech conducted training on the themes of "energy conservation, water conservation, and material conservation" in accordance with national laws, regulations, and policies on energy conservation, emission reduction, and circular economy. The training analyzed the Company's current resource usage, promoted various energy and water-saving measures and material conservation initiatives, and enhanced employees' professional skills and resource conservation awareness.



Strategy

Resource guarantee is one of the cornerstones of sustainable development, and developing a circular economy is an inevitable choice for enterprises to achieve sustainability. Yongtai Technology deeply recognizes this core trend, actively identifies potential risks in resource usage, and continuously advances the identification and assessment of resource risks and opportunities. Based on its production and operation realities, the Company formulates scientific and reasonable response strategies to achieve green development goals.

Risk type	Risk description	Time-frame	Impacted value chain scope	Financial impact	Coping measures
Physical risk	The Company is located in a typhoon-prone region where heavy rainfall or typhoons may damage energy equipment such as transmission lines, causing energy supply interruptions and affecting production schedules.	Short-term	Operation	Increased operational costs	Develop corresponding typhoon and flood prevention emergency plans, conduct emergency drills, and reinforce and maintain energy equipment.
Market risk	1. Power rationing may occur during peak electricity usage periods, affecting production schedules and potentially leading to delayed order deliveries and damaging the Company's reputation; 2. Drought may lead to water shortages, increasing tap water prices and raising the Company's operational costs.	Medium-term	Operation	Increased operational costs	1. Establish a comprehensive and refined energy management system to achieve precise measurement and dynamic monitoring of energy consumption; 2. Utilize steam systems to recover waste heat and reduce energy consumption; 3. Continuously improve the steam condensate circulation system to recover and reuse condensate, saving tap water; 4. Develop a power outage emergency plan, and arrange production schedules reasonably.

Management of Impacts, Risks and Opportunities

Based on the *Risk and Opportunity Management Procedures*, the Company has established a systematic management mechanism for the resource sector, conducting identification, analysis, and assessment of risks and opportunities.

Risk identification

Comprehensively consider the organization's internal and external environments, the needs and expectations of other relevant parties, various environmental factors, compliance obligations to be followed, and other relevant issues.

Risk assessment

Evaluate the severity and frequency of identified risks and determine risk coefficients based on these factors.

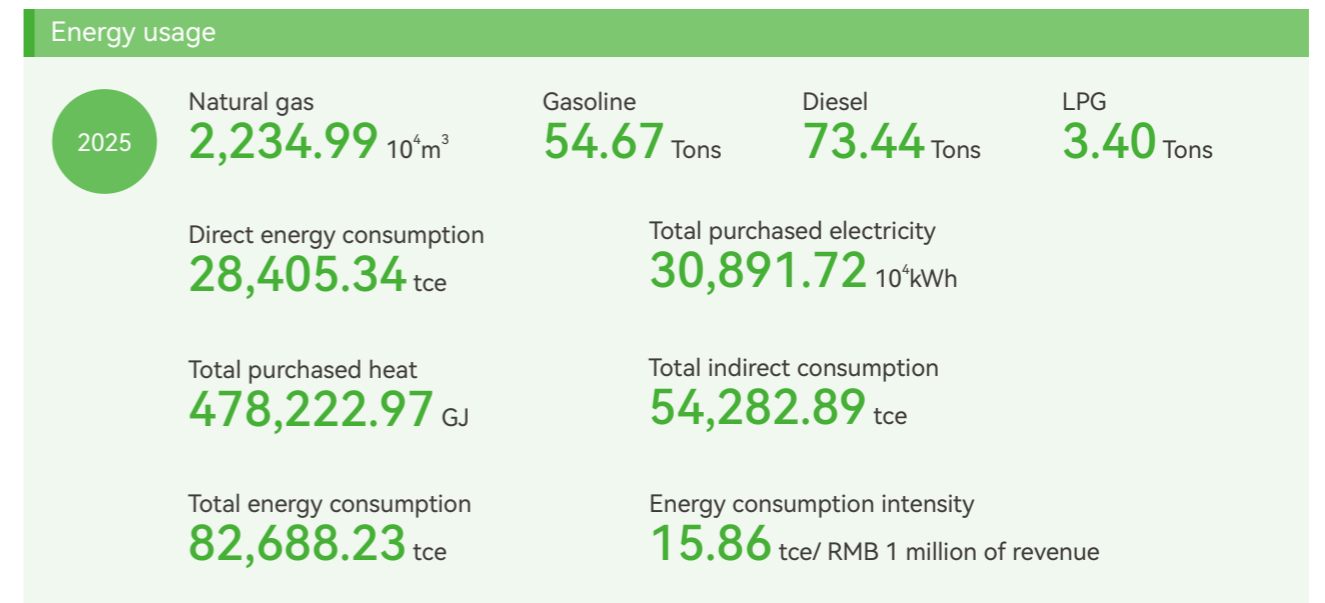
Risk response

Assess identified risks and take measures based on assessment results to reduce or eliminate risks.

Indicators and Targets

Energy Indicators and Targets

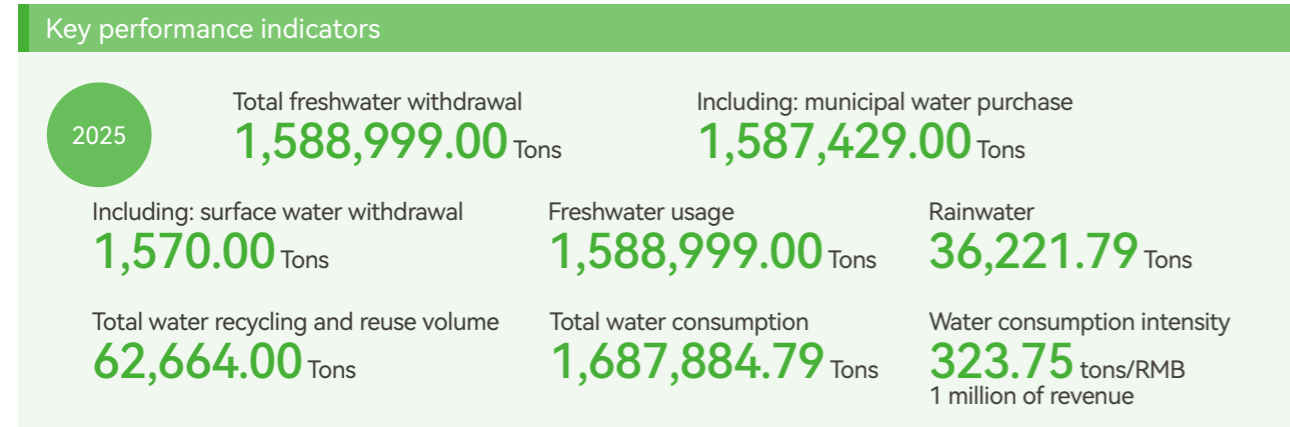
Yongtai Technology actively practices the concept of green development, comprehensively advancing energy-saving and emission-reduction efforts, and is committed to reducing energy consumption.



Notes:
1.The statistical scope includes the Company and its subsidiaries.
2.Energy consumption accounting is based on GB/T 2589-2020 *General rules for calculation of the comprehensive energy consumption*.

Water Resource Indicators and Targets

As a water-saving enterprise, Yongtai Technology continuously standardizes water resource management, focusing on water-saving measures such as cooling water reuse, to further improve water resource utilization efficiency.



Notes:
1.The statistical scope includes the Company and its subsidiaries.
2.Total water consumption = Freshwater usage + Rainwater + Total water recycling and reuse volume.

Efficient Resource Utilization

Water Resource Management Initiatives

High-salt Wastewater Resource Recovery Project

The Company's wastewater treatment has added a "coagulation sedimentation + high-density sedimentation tank + ozone oxidation + biological filter" advanced treatment system to achieve purification and reuse of high-salt wastewater. Among them, 146,000 tons are reused for production workshop water replenishment, saving 146,000 tons of freshwater annually, with a wastewater reuse rate of 80%.

Production Equipment Water-saving Upgrade Project

By replacing 12 high-efficiency energy-saving water pumps with frequency conversion speed control devices and optimizing the cooling system, the water pump operation efficiency has increased by 15% year-on-year, and the cooling system flushing water volume has decreased by 35%, saving 32,000 tons of freshwater annually.

Differentiated Wastewater Treatment Optimization Project

The Company has reconstructed the drainage system to achieve separate treatment of production wastewater and domestic sewage. A sedimentation pretreatment unit has been added at the front end to reduce water resource loss during wastewater treatment, improve treatment efficiency, and indirectly save 18,000 tons of water annually.

Circulating Cooling Water System Optimization Project

By adding high-efficiency scale inhibitors and optimizing water quality monitoring and side filtration systems, the water circulation cycle has been extended, and the circulating water utilization rate has increased from 92% to 98.6%, reducing the circulating water makeup volume by 24,000 tons annually.

Steam Condensate Recovery

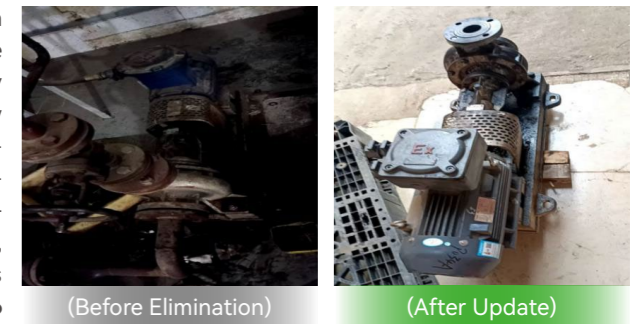
Steam condensate collection tanks are set up around the workshops to centrally collect steam condensate generated during production, enabling automatic return of the condensate to the circulating water pool. Approximately 55,000 tons of steam condensate are recovered and reused annually, replacing tap water with circulating water and saving freshwater.

Energy Management Initiatives

To promote energy conservation, consumption reduction, and efficiency enhancement, the Company continuously eliminates low-efficiency equipment, implements equipment upgrades and optimization, strengthens energy management, and improves energy utilization efficiency.

Elimination of Low-efficiency Energy-consuming Equipment

Due to the low efficiency and high energy consumption of some energy-using equipment in the plant areas, the Company has eliminated 1,100 sets of low-efficiency equipment, purchased and installed 1,125 sets of new equipment, and completed upgrades of 30 sets of energy-using equipment such as distillation towers, refrigerator systems, and circulating water systems. After project completion, the energy efficiency of transformers, pumps, motors, refrigerators, and other equipment has reached Level II energy efficiency standards, saving 7.76 million kWh of electricity.



Waste Heat Recovery

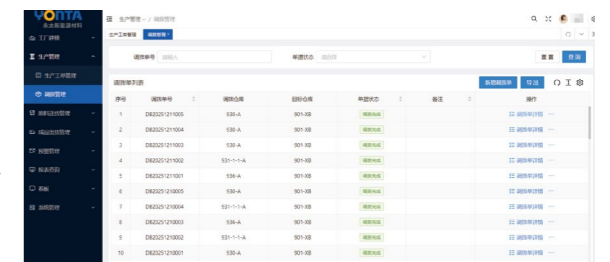
The Company recovers and recycles steam condensate and waste heat, achieving dual recovery of water resources and heat energy, effectively reducing freshwater consumption and fuel usage, improving energy utilization efficiency, and reducing the Company's carbon emissions.

Materials Management

Yongtai Technology continuously optimizes its material management system, formulating regulations such as the *Material Storage Management Procedures*, clarifying material classification storage standards and identification norms, and implementing "zoned, categorized, and graded" management. A regular safety inspection mechanism of "daily inspections, weekly special checks, and monthly comprehensive checks" has been established to prevent material deterioration, leakage, and safety accidents. Additionally, the Company relies on material barcode control to standardize warehouse management, continuously optimizes by-product recovery technologies, and improves material recycling rates.

Yongtai New Energy implements digital control over the warehousing department

The Company continuously upgrades its industrial internet platform and implements an intelligent manufacturing platform for electrolyte materials in the lithium battery industry. Relying on mistake-proofing mechanisms, MES production control systems, and constant temperature and pressure technologies, the Company achieves digital management of the warehousing process, enhancing the intelligence and refinement levels of production operations.





Innovating for Break-throughs, Strengthening Competitive Foundations

Our actions

- R&D and innovation
- Sustainable supply chain
- Product quality management
- Protection of customers' rights and interests
- Digital and intelligent transformation

SDGs



R&D and Innovation

Governance

Yongtai Technology adheres to innovation-driven development and has established a full-chain governance system from technological innovation to industrial application. The Company has established a research and development decision-making mechanism led by the General Manager and reviewed by an expert committee, strengthening the alignment of technological innovation with global market demands. It has also formulated regulations such as the *Intellectual Property Compliance Management Work Manual*, *Product Design and Development Process*, and *New Product Design and Development Management System* to standardize the full lifecycle management of research and development projects. During the reporting period, the Company had 47 new product development projects, with a total R&D investment of RMB 148.9918 million, accounting for 2.86% of operating income.

Research and Development Innovation Platform

The Company actively builds high-level scientific research innovation platforms, having established innovation institutions such as a national enterprise technology center, a key enterprise research institute of Zhejiang province, a provincial engineering of Zhejiang province, and a postdoctoral research workstation, forming an innovation system centered around its Zhejiang headquarters. Simultaneously, the Company focuses on key development directions and research fields, strengthening the cultivation of innovative talents, and is committed to overcoming industry common, key, and cutting-edge technological challenges to promote high-quality industrial development.



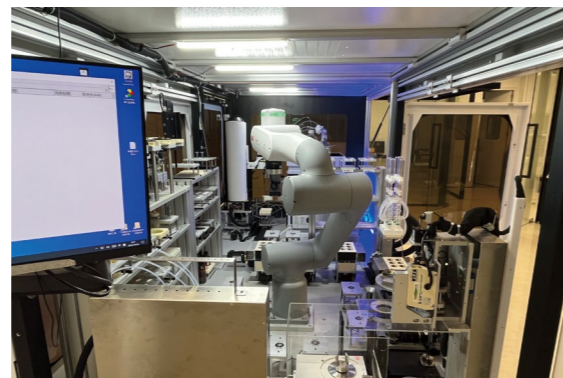
Taizhou R&D Center

The Yongtai Technology R&D building covers an area of 4,224 square meters and includes a testing center, microbiology laboratories, R&D laboratories, and process safety assessment laboratories, with complete infrastructure and advanced equipment.

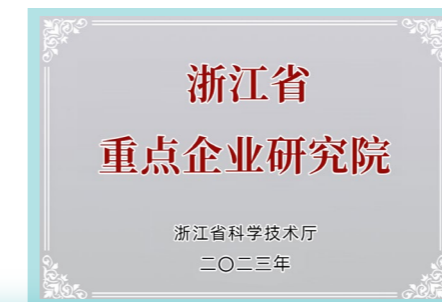


Hangzhou R&D Center

The Company has established an AI-intelligent drug R&D platform in Hangzhou, successfully empowering multiple synthetic process developments through high-throughput automated synthesis, AI algorithm calculations, and R&D management system matrices, significantly improving R&D efficiency and production conversion capabilities.



National Enterprise Technology Center



Key Enterprise Research Institute of Zhejiang Province



Postdoctoral Research Workstation

Research and Development Team

The Company actively introduces high-level scientific and technological talents, formulating regulations such as the *Excellent Talent Introduction System* and *Technician Training Management*. It implements a humanized and scientific management model for the technicians, continuously building a high-quality R&D team to provide solid support for the realization of the Company's strategic development goals. All R&D personnel hold at least a bachelor's degree in chemistry or related fields. Currently, the Company has a total of 506 R&D personnel.

Key indicator

2025
By gender
Male **348** Persons Female **158** Persons

R&D Achievements

In 2025, Yongtai Technology was awarded the Golden Dawn "New Quality Productivity Award" for Market Value Management by *Securities Market Weekly* for its outstanding performance in fluorine-containing technological innovation and continuous conversion of R&D achievements, demonstrating its benchmark strength in innovation-driven and high-quality development.

The Company's subsidiary Foshan Soin's R&D product "Domperidone Tablets" received the title of "Guangdong Famous and High-quality High-tech Product".



Strategy

Guided by national strategies, the Company adheres to innovation-driven development, closely monitors technological frontiers, industry green transformation trends, and related policy orientations. Based on its R&D strength and business layout, the Company continuously strengthens the construction of a high-level talent team, optimizes its R&D management system and processes, and provides solid innovation support for the technological iteration and market expansion of its core businesses.

Risk type	Description	Financial impact description	Like-lihood	Impact magnitude	Impact timeframe	Impacted valuechain segmen	Coping measures
Policy risk	The national regulatory oversight on the environmental protection and safety of fluorine-containing compounds continues to strengthen, with new substances and processes potentially facing stricter approvals or restrictions, increasing R&D compliance costs.	Increased costs	High	High	Long-term	Upstream Operation	1. Timely grasp policy changes and adjust R&D directions; 2. Promote green processes and clean production technologies to overcome poor environmental protection and safety performance and reduce environmental pressure.
Technology risks	1. The R&D of fluorine-containing materials and fine chemicals usually requires long experimental cycles and continuous capital investment, with uncertainty in the conversion of R&D achievements; 2. The R&D process routes are complex, with extremely high requirements for equipment, safety control, and process optimization, leading to a high risk of R&D failure.	Increased costs	Medium	High	Medium-term	Upstream Operation	1. Increase R&D investment and continuously deepen the construction of high-quality R&D platforms to strengthen the R&D team; 2. Collaborate with universities and research institutions to advance cutting-edge technology development and industrialization; 3. Rely on digital and intelligent systems to improve experimental data accuracy and R&D efficiency.
Market risk	The rapid technological iteration in downstream application fields such as new energy and pharmaceuticals may result in a mismatch between R&D directions and future market demands, increasing the difficulty of commercializing R&D achievements.	Decreased income Reduced market share	High	High	Medium-term	Upstream	Regularly communicate with downstream customers to understand market product demands, use market orientation as the primary guide, adjust R&D directions based on market demands, and cooperate with customers in product design and development.

Opportunity type	Description	Financial impact description	Like-lihood	Impact magnitude	Impact timeframe	Impacted valuechain segmen	Coping measures
Market opportunity	Driven by environmental policy pressures and technological advancements, new technologies and products in the fluorine chemical industry are continuously being applied. Additionally, the rigid demand for high-performance fluoropolymers and fluorinated fine chemicals in automotive, electronic, new energy, and environmental protection sectors provides broad development prospects for the fluorine chemical industry in the future.	Increased income Increased market share	Medium	High	Long-term	Operation Downstream	1. Participate in industry technical exchange meetings and product exhibitions to understand industry development trends and learn the latest cutting-edge technologies; 2. Participate in industry forums and lay out R&D directions and conduct technological reserves in advance based on new industry standards; 3. Monitor policies in the new energy battery, green technology, and resource circulation fields at the national and local government levels to ensure that innovative technologies always align with national strategic orientations.


Management of Risks, Opportunities and Impacts

The Company has established a complete risk management system to conduct systematic identification, analysis, assessment, and control of risks and opportunities in the R&D and intellectual property sectors, formulating corresponding procedural norms. The Company incorporates relevant risks into a unified management scope and implements dynamic monitoring, requiring each department to sort out risk lists within its functional scope, analyze and assess the likelihood, frequency, influencing factors, and potential consequences of risks, conduct risk grading, and formulate targeted control measures. Simultaneously, relevant risk and opportunity management plans are incorporated into the *Risk and Opportunity Identification and Analysis Form* for unified management.

Indicators and Targets

Based on its overall development strategy and considering the resource advantages and business characteristics of each subsidiary, Yongtai Technology sets R&D innovation goals, incorporating key innovation indicators such as the process development of new products, energy-saving and consumption-reducing improvements of products, and the economic benefits of industrialization projects into the annual appraisal plans of each department. Appraisal results serve as important performance evaluation criteria and are linked to the compensation of department leaders to ensure the implementation of innovation goals.

Key indicator

<p>2025</p> <p>Total number of authorized patents (within the validity period)</p> <p>285</p> <p>By patent type</p> <p>Cumulative number of authorized invention patents</p> <p>186</p> <p>Cumulative number of authorized design patents</p> <p>4</p> <p>Other intellectual property</p> <p>Cumulative number of software copyrights</p> <p>3</p> <p>Number of software copyrights per RMB 1 million of revenue</p> <p>0.00058</p> <p>Enterprise innovation capability certifications</p> <p>New professional special elite enterprises</p> <p>4 Entity</p> <p>National recognized enterprise technology center</p> <p>1 Entity</p>	<p>Number of patent applications</p> <p>17</p> <p>Cumulative number of authorized utility model patents</p> <p>95</p> <p>Number of valid patents per RMB 1 million of revenue</p> <p>0.055</p> <p>Cumulative number of trademarks</p> <p>161</p> <p>Cumulative number of published papers</p> <p>3</p> <p>National high-tech enterprises</p> <p>3 Entity</p>	
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Research and Development Initiatives

Incentive Mechanisms

To fully mobilize employees' enthusiasm for innovative R&D and stimulate innovation vitality across the board, the Company has established an R&D incentive mechanism covering honorary rewards and bonuses, providing rewards to employees who obtain patent authorizations, publish scientific papers, and achieve the practical application of research results.

Industry-university-research Cooperation

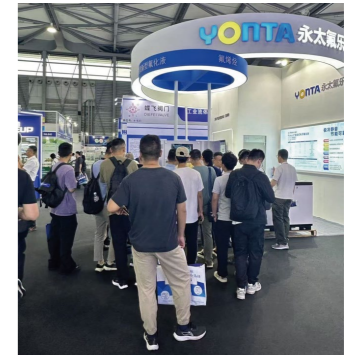
Yongtai Technology continuously deepens industry-university-research integration, collaborating with Zhejiang University, Fudan University, and other universities to jointly establish innovation platforms such as laboratories. Among them, the Company collaborates with Fudan University to tackle medium- to long-duration lithium battery technologies, accelerating their industrialization to provide efficient and environmentally friendly active lithium loss supplementation solutions for new energy vehicles and energy storage systems. Through cutting-edge technology development and industrialization practices, the Company actively builds a two-way empowerment bridge between technological innovation and industrial transformation, laying a solid technological foundation for sustainable development.

Industry Collaboration

To accurately grasp market trends and clarify R&D directions, the Company regularly communicates with customers, dynamically adjusting R&D directions based on their core needs. Simultaneously, the Company actively participates in industry technical exchange meetings, product exhibitions, and other activities to track industry development trends and learn cutting-edge technologies, ensuring that R&D work always aligns with market demands and technological trends.

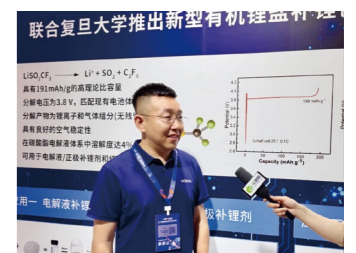
Yongtai Fule Technology Cooling Liquid Exhibition

In June 2025, the subsidiary Yongtai Fule showcased its independently developed Fluquid series immersion electronic fluorinated liquid products LC-50 (two-phase) and LC-100 (single-phase) at the International Data Center Industry Expo, setting up a dynamic demonstration platform on-site to display key data such as temperature control stability, power consumption, and heat dissipation efficiency. The exhibition presented the application scenarios of immersion cooling in improving energy efficiency and extending equipment lifespan, highlighting the potential value of electronic fluorinated liquid solutions in reducing carbon emissions and controlling operational costs.



Yongtai New Energy Novel Organic Lithium Lithiation Innovation Technology Symposium

In May 2025, the subsidiary Yongtai New Energy held a symposium on novel organic lithium salt lithiation innovation technology, focusing on the latest progress of lithium trifluoromethylsulfonate lithiation agents. Compared to traditional lithiation technologies, this product has a high theoretical specific capacity of 191mAh/g and a low decomposition voltage of 3.8V, fully decomposing during battery formation and suitable for multiple scenarios such as electrolyte lithiation, positive electrode lithiation, and battery repair.



Protection of Intellectual Property Rights

To standardize patent management and protect innovation achievements, the Company has formulated regulations such as the *Intellectual Property Management System*, *Patent Management System*, *Patent Management Implementation Measures*, and *Intellectual Property Maintenance Control Procedures*, continuously iterating patent risk monitoring information, conducting patent risk analysis, and effectively controlling risks.

Simultaneously, the Company fully integrates its intellectual property strategy into its overall development planning and continuously promotes the standardization and compliance of its management system. The Company first passed the intellectual property management system certification in 2018 and completed subsequent re-certifications. In 2025, it further passed the enterprise intellectual property compliance management system certification, focusing on building a standardized intellectual property management system.



The Company regularly organizes internal and external patent-related training, significantly enhancing employees' intellectual property awareness and professional capabilities by systematically learning key content such as patent applications, layout, and risk prevention. Thereby strengthening the Company's intellectual property management effectiveness, providing solid support for the effective protection and continuous optimization of technological innovation achievements.

Intellectual Property Compliance Management Training

In 2025, the Company conducted multiple special training sessions internally on topics such as the intellectual property compliance management system, enterprise intellectual property risk prevention and response, patent search database introductions, patent search methods, and patent information analysis, strengthening the operation of the intellectual property management system, consolidating employees' professional skills, and stimulating and enhancing employees' technological innovation capabilities and risk prevention awareness.



Additionally, in response to current international situation challenges and considering the company's actual conditions, the Company participated in training sessions organized by provincial, municipal, and county functional departments, authoritative institutions, and industry associations on topics such as *Intellectual Property Compliance Risks and Responses for Enterprises Going Overseas under the New Situation*, *How Overseas Enterprises Can Build a Resilient Intellectual Property Risk Control System*, and *Overseas Trademark 'Explicit Mines' and 'Hidden Reefs': Risk Dissection and Solutions*, studying and assimilating the content to improve the construction of its intellectual property risk prevention and control system.



Ethics of science and technology

The Company strictly adheres to international norms and industry standards throughout the Company's R&D and innovation processes, and consistently maintains a high level of attention to the compliance, environmental, and social impacts that may be involved in the application of new technologies, ensuring that all business activities meet the responsible requirements of sustainable development. Currently, the Company's core business does not involve scientific research, technology development, or other activities in sensitive fields such as life sciences or AI ethics. During the reporting period, no violations of the ethics of science and technology occurred in the Company.

Sustainable Supply Chain

Supplier Management

To standardize supplier management and ensure supply chain stability, the Company has formulated and implemented the *Supplier Standard Management Procedures* and the *New Supplier Admission Management System*, clarifying that the Procurement Department leads supplier screening and questionnaire surveys for qualification assessments, with production, quality, and other relevant departments collaborating to achieve standardized management of the full supplier lifecycle, including admission, grading, assessment, and elimination. Simultaneously, the Company continuously improves supply chain stability and resilience through strategies such as developing diversified supplier resources and signing long-term supply agreements.

Supplier Admission and Assessment

Yongtai Technology implements refined management during the supplier admission stage, with the Procurement Department conducting initial assessments across dimensions such as qualification compliance, supply capacity, quality certification, and user evaluations. After passing the assessment, suppliers are included in the *List of Qualified Suppliers*. The Company continuously conducts comprehensive assessments of suppliers based on daily inspection monitoring, delivery evaluations, and other information to determine whether to retain their qualifications. Additionally, the Company conducts re-assessments of suppliers at least every five years and updates relevant qualification information simultaneously.

Supplier Grading Management and Elimination

Yongtai Technology has established a scientific supplier assessment system. Each year, the QA Department collaborates with the Production Technology Department, Procurement Department, and other departments to assess suppliers based on indicators such as quality complaints, material usage and inspection results, audit results, and supply timeliness, and grades suppliers from I to IV based on the assessment results. Among them, Grade I and Grade II suppliers are considered qualified; Grade III suppliers are notified to make corrections, and their qualifications are assessed based on the improvement situation; Grade IV suppliers will be considered for disqualification. For suppliers with quality issues for three consecutive times, the Company will disqualify them and require them to complete corrections within a specified period. After completion, the Company will decide whether to restore their supplier qualifications based on the correction effects and relevant assessment results.

Supplier Due Diligence

To reduce supply chain risks, the Procurement Department conducts qualification reviews of suppliers through the *Supplier Questionnaire*, focusing on verifying whether suppliers have relevant system certifications such as quality management, environmental management, occupational health and safety, and GMP, and signs the *Supplier Quality Assurance Agreement* with suppliers to clarify mutual quality responsibilities. The Company conducts on-site audits of key materials, packaging materials, and high-risk suppliers to ensure supply chain quality controllability.

Supplier Empowerment

Yongtai Technology actively participates in industry supply chain exhibitions. During the reporting period, the Company attended the Shanghai CPHI exhibition and supplier conferences, exploring more supply chain cooperation opportunities by learning about cutting-edge technology displays, understanding new supply chain management models, and conducting efficient resource matchmaking. The Company establishes strategic cooperative relationships with suppliers based on a win-win cooperation philosophy, continuously enhancing supply chain resilience.



Supplier Risk Assessment Management

To systematically manage supply chain risks and seize development opportunities, the Company has established a supply chain risk monitoring and dynamic management mechanism, regularly sorting out potential risks such as market fluctuations and technological iteration, and actively exploring policy-related opportunities. For high-risk links, the Company actively plans and expands diversified supply resources. Simultaneously, to seize technological opportunities, the Company collaborates with innovative partners and introduces low-carbon and intelligent solutions. Additionally, the Company ensures the implementation of measures by formulating emergency plans and establishing opportunity response channels. Furthermore, the Company reviews the actual impact of risks and opportunities quarterly and iterates management strategies to build a resilient supply chain system.

Supply Chain Management Initiatives

Supplier ESG Management

To establish a sustainable supply chain, the Company integrates sustainability requirements into supply chain management, requiring suppliers to sign the *Supplier Environmental Compliance Declaration* and the *Non-use of Conflict Minerals Guarantee*, and submit relevant documents such as the *Supplier Raw and Auxiliary Material Environmental Management Substance Composition Survey Form* and the *Supplier Environmental Management Substance Survey Form*. Simultaneously, during supplier admission and appraisal processes, in addition to material supply capacity, the Company also incorporates indicators such as production safety, environmental protection, labor and human rights into key consideration categories, strengthening supply chain environmental and social risk control and promoting sustainable supply chain development.

Integrity-based Procurement

Yongtai Technology attaches great importance to the construction of an integrity-based and compliant supply chain, informing suppliers of relevant behavioral codes and the company's integrity-based and anti-corruption policies by signing *Integrity Agreements* with suppliers during the procurement process. Simultaneously, the Company conducts professional ethics training for procurement personnel to enhance employees' integrity awareness.

Responsible Mineral Sourcing

To prevent potential labor, human rights, environmental, and conflict risks in the mineral supply chain, Yongtai Technology has formulated and implemented the *Responsible Mineral Sourcing Policy*, incorporating it into supplier contracts. The Company explicitly requires suppliers to ensure that they are not involved in controversial sourcing while requiring them to communicate the principles of responsible mineral sourcing to their upstream suppliers, providing guidance for controversial sourcing at all links of the mineral supply chain and promoting compliant management of the entire supply chain.

The Company continuously establishes and improves a conflict mineral management mechanism, requiring suppliers to sign the *Non-use of Conflict Minerals Guarantee* during the supplier admission process. The Company solemnly commits to implementing responsible mineral sourcing and does not support or use conflict minerals or mineral raw materials such as tin, tantalum, tungsten, and gold of uncertain origin.

Green Transportation

The Company continuously promotes green transportation management, reducing detour transportation and empty mileage through intelligent dispatching systems to improve the load efficiency of individual vehicles. The Company strictly enforces vehicle emission standards, requiring vehicles with China V or higher emission standards to deliver goods to the plant and prohibiting vehicles below China V emission standards from entering the plant area. Additionally, the Company conducts carbon footprint accounting for key raw materials to further promote low-carbon and sustainable development in the transportation.

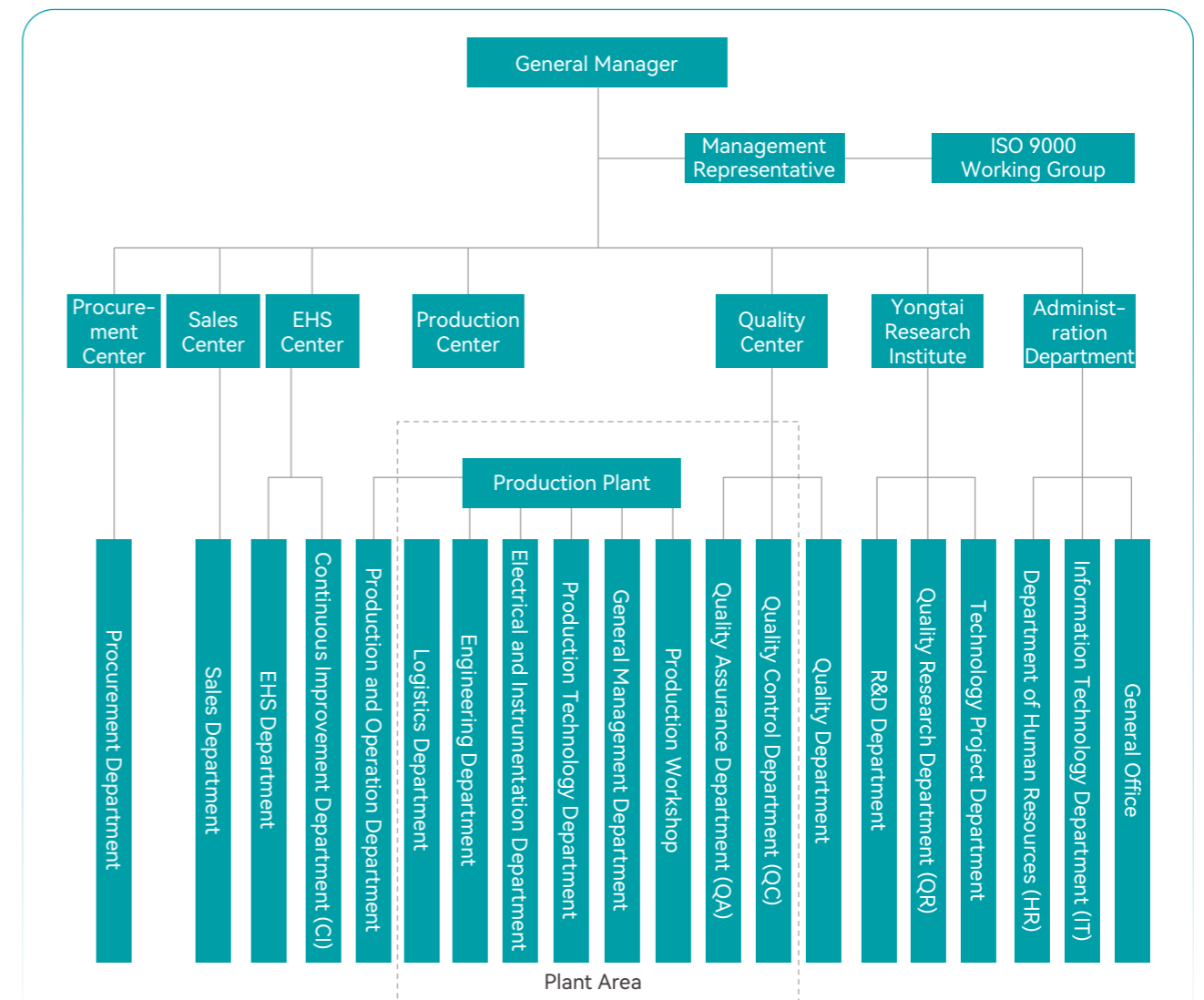
Equal Treatment of Small and Medium-sized Enterprises

The Company adheres to the principle of equal treatment of small and medium-sized enterprises, making timely and full payments in strict accordance with the contracted payment cycles to avoid overdue payments. The Company regularly reviews the accounts payable to SME suppliers to ensure there is no behavior such as arrears, withholding, or other actions that infringe upon their legal rights and interests, thereby earnestly maintaining a fair and just cooperation environment.

Product Quality Management

Governance

To ensure the effective operation of its quality system, the Company has formulated a series of policies and procedures, including the *Quality Management System*, *Quality Policy and Objective Management*, and *Internal Audit Standard Management Procedures*. It has established an ISO 9000 Working Group, led by the management representative, as the highest decision-making body responsible for approving the quality policy, objectives, and major quality-related matters. Under this structure, the Quality Center serves as the execution body, responsible for routine quality management, supervision, and improvement. Each subsidiary has also established a quality department to implement management responsibilities at all levels, ensure the effective execution of quality control and inspection, continuously improve product quality, and provide customers with safe and reliable products and services.



Organizational Structure of the Quality Management System

Quality System Management Certification

Yongtai Technology actively advances quality management system certification and ensures that its products meet customer expectations and international standards through the implementation of stringent quality control processes. During the reporting period, the Company and certain subsidiaries had obtained ISO 9001 quality management system certification, while its subsidiaries Yongtai Hi-tech and Yongtai New Energy had obtained IATF 16949:2016 quality management system certification. Meanwhile, the Company actively responded to FDA Good Manufacturing Practice inspections and continuously improved its internal quality control system based on the *Establishment Inspection Report (EIR)*.



ISO 9001 Quality Management System Certification



IATF 16949 Quality Management System Certification

Quality Culture Development

Yongtai Technology continued to advance quality culture development by building an integrated internal and external training system. Training topics covered the product quality system, handling of non-conforming products, material management, and other areas. The Company also organized "Quality Month" activities to continuously enhance its quality management capabilities and practical results.



Quality Management Training

Strategy

The Company strictly complies with laws, regulations, and standards related to product quality. Taking into account its own operating characteristics, it systematically identifies and analyzes various factors affecting product quality from multiple dimensions, including potential impacts, risks and challenges, and development opportunities. By strengthening quality control throughout the entire process, the Company ensures that its products consistently meet high standards, while continuously enhancing its market competitiveness and industry impact.

Risk type	Description	Financial impact description	Like-lihood	Impact magnitude	Impact timeframe	Impacted valuechain segmen	Coping measures
Product quality risk	Inadequate safety considerations during the product R&D stage, deviations in production technology parameters, or loopholes in process control may result in substandard product performance or potential safety risks, leading to complaints or product recalls, increasing the Company's costs and affecting its corporate image.	Decreased revenue Damage to market reputation	Medium	High	Medium-term	Operation	1. Conduct regular comprehensive self-inspections of the GMP system to ensure the stability of the Company's internal quality system; 2. Conduct a product quality review each year to promptly identify defects and correct them; 3. Prevent cross-contamination through temporal segregation or spatial segregation to ensure product quality; 4. Strictly implement product release standards and provide training to relevant personnel to ensure that products pass inspection.
Supply chain transmission risk	Unstable quality of raw materials from upstream suppliers, substandard production environments, or insufficient quality control capabilities may result in defective raw materials entering the production process, thereby affecting the quality and safety of final products.	Increased costs	Medium	High	Medium-term	Upstream Operation	1. Inspect raw and auxiliary materials in accordance with the raw and auxiliary material warehousing procedures to ensure that their quality meets the required standards; 2. Review the qualifications of suppliers and conduct pilot tests on key raw and auxiliary materials.


Opportunity type	Description	Financial impact description	Like-lihood	Impact magnitude	Impact timeframe	Impacted valuechain segmen	Coping measures
High-quality product opportunity	As consumer markets continue to place greater emphasis on product safety and quality, high-quality and compliant products can create differentiated competitive advantages, secure premium pricing, and enhance customer loyalty.	Increased profit Expanded market share	Medium	High	Medium-term	Operation Downstream	1. Continuously optimize product quality management and improve management across all stages of the product life cycle; 2. Promote the optimization of product quality management through internal and external audits and via multiple channels.


Management of Risks, Opportunities and Impacts


To effectively manage product quality risks and seize development opportunities, the Company has formulated policies and procedures such as the *Quality Risk Management Procedures*, *Risk and Opportunity Management Procedures*, and *Management Procedures for Product Co-line Risk Assessment*. It has established risk assessment criteria and management procedures to continuously identify, assess, and update factors affecting product quality.

In addition, each year, through cross-departmental meetings, customer feedback, and analyses of the market and regulatory environment, the Company systematically identifies product-related risks and opportunities, prepares the *Risk and Opportunity Identification, Assessment and Analysis Form*, carries out comprehensive GMP system self-inspections and product quality reviews, and develops CAPA plans to rectify identified defects, thereby reducing product quality risks.


Quality risk management procedures

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⦿ Potential defects in production, materials, quality, and other systems are identified each year through internal audits. For example, identify issues such as non-conforming materials or process deviations by reviewing production and other records, as well as customer feedback.
- 

⦿ Using the risk matrix method, and taking into account the likelihood of occurrence (e.g., high, medium, or low) and the severity of impact (e.g., impact on product quality), classify risks into different levels. At the same time, using the SWOT analysis method, assess the Company's strengths, weaknesses, opportunities, and threats in the internal and external environment.
- 

Adopt differentiated strategies for risks of different levels:

 - ⦿ Preventive controls: For high risks, implement source control measures, such as optimizing design or strengthening raw material quality control.
 - ⦿ Emergency response plans: Formulate emergency plans to address sudden risks, such as recall procedures.
 - ⦿ A culture of continuous improvement: Enhance risk awareness of employees through training, and reinforce quality awareness among personnel.
- 

⦿ At the end of each year, review the quality risk assessments, including their corrective, preventive, or continuous improvement measures. If a risk cannot be further mitigated and exceeds the acceptable level, the risk escalation process will be initiated.

Indicators and Targets

To continuously improve product quality, the Company and its subsidiaries set annual quality targets and break them down into monthly targets, actively implement accountability mechanisms, continuously strengthen quality management, and consistently provide customers with high-quality and reliable products and services.

Quality targets

Quality targets	Achievement status in 2025
Implement and constantly improve ISO 9001:2015 quality management system and GMP system	Achieved
Product percent of pass of 100%	Achieved
Product internal control rate of ≥99%	Achieved
First-pass yield of a batch of intermediate and products (semifinished products) of ≥99%	Achieved
Qualification rate of raw ingredients entering the factory of ≥99%	Achieved
Qualification rate of product market spot check of 100%	Achieved
The complaints due to quality ≤6 times	Achieved
The sales returns due to quality ≤6 times	Achieved
Customer survey satisfaction rate ≥99%	Achieved
Passing rate of customer quality audit of 100%	Achieved

Note: The above quality targets are the headquarters objectives of Yongtai Technology.

Management Measures

Full Life Cycle Product Quality Management

Yongtai Technology has established a quality management system covering the entire life cycle of product. It has formulated procedures and specifications such as the *Standard Management Procedures for Tested Material Inspection*, *Standard Management Procedures for the Acceptance, Storage, Issuance and Return of Raw Ingredients*, *Standard Management Procedures for the Acceptance, Storage, Issuance and Return of Intermediates*, and *Standard Management Procedures for the Acceptance, Storage and Issuance of Finished Products*. Through these procedures, the Company exercises strict control over the entire process from raw ingredients and intermediates to finished products, and is supported by advanced testing and analytical equipment as well as a professional talent team, providing comprehensive support for product quality management.

Quality control process

Raw material receiving	Production process	Finished product release	After-sales follow-up
<p>⦿ Supplier assessment: A rigorous supplier audit system is in place, under which supplier qualifications and quality performance are regularly assessed to ensure that raw materials meet the required standards.</p> <p>⦿ Batch inspection: Each batch of raw materials is subject to sampling inspection, and non-conforming products are isolated to prevent them from entering the production process.</p>	<p>⦿ Process control: Key control points and process parameters are identified to reduce process deviations and ensure product consistency.</p> <p>⦿ Employee training: Training on standard operating procedures is strengthened to improve the ability to handle abnormalities and reduce the risk of human error.</p> <p>⦿ Preventive maintenance: Equipment maintenance plans are developed to reduce unexpected failures and ensure production continuity.</p>	<p>⦿ Finished product inspection: Finished product testing and release review are carried out to ensure that products leaving the factory meet specified quality standards.</p> <p>⦿ Traceability mechanism: A product batch traceability mechanism is established to enable the rapid identification of the source of problems.</p>	<p>⦿ Market feedback is collected to identify quality issues and promote process optimization and procedural improvement.</p>

Non-conforming Product Management

The Company has formulated the *Standard Management Procedures for the Handling of Non-conforming Products*, under which the QA department takes the lead in the determination, handling and follow-up of non-conforming products. The Company isolates raw ingredients, packaging and labeling materials, intermediates and finished products that fail inspection, and conducts investigation and analysis. Depending on the severity of the defects, measures such as return, rework or destruction are adopted. After the handling is completed, follow-up inspections are conducted, and the relevant information is consolidated into the *Non-conforming Material Ledger* for regular review, so as to continuously reduce the non-conformance rate and ensure that product quality remains stable and controllable.

Product Recalling

To regulate product recall procedures and ensure the timely recall of products with potential safety risks, the Company has formulated policies and procedures such as the *Product Recalling Standard Management Procedures*. The Company has specified corresponding time limit requirements for different recall levels, conducts investigations and assessments of recalled products, and develops corrective and preventive measures based on the root causes of the issues identified. In addition, its subsidiary Foshan Soin has formulated the *Drug Traceability Management Procedures* to standardize the management of traceability identification for packaging materials, ensuring that the public can effectively trace the Company's drug products.

The Company organizes one mock recall drill every two years to ensure a rapid response in the event of product quality risks, while also enhancing emergency response and cross-departmental collaboration capabilities, clarifying responsibilities and division of work, and minimizing the impact of the recall process on customers and the Company's reputation. In 2025, the Company conducted one mock recall, and the entire process was carried out according to the established plan. During the reporting period, the Company did not experience any product recall incidents.

Product Safety and Consumer Health

To ensure that its products comply with relevant national standards and customer requirements, the Company has established sound standard procedures for end-of-manufacturing inspection and formulated policies and procedures including the *Management System for Hazardous Substances* and the *Management Procedures for Compensation for Drug Quality and Safety Issues*. The Company regularly commissions third-party testing agencies to conduct tests on products for RoHS, REACH, halogens and other items, so as to ensure compliance and safety with respect to restrictions on chemical substances. At the same time, it requires key material suppliers to provide MSDS to support the safety traceability of raw materials.

The Company continues to improve its product labeling system and clearly and accurately communicates product information and safety warnings through product qualification certificates, internal cargo labels, customer labels, safety labels and RoHS labels.



Protection of Customers' Rights and Interests

Customer Service System

The Company has established the *Pre-sales, In-sales and After-sales System* to standardize the entire marketing process, ensuring that customer needs are accurately identified at every stage and that professional solutions and technical support are provided. Meanwhile, the Company leverages its CRM system to integrate customer data, further deepen insights into customer needs, and provide personalized services to customers. Through standardized service process management, it continuously enhances the professionalism of its service team and the overall service quality.

In addition, the Company has established a tiered response mechanism for handling issues and set up a 24-hour service hotline to provide graded responses based on urgency, thereby continuously improving service professionalism and customer satisfaction.

Customer Service Training

Adhering to a customer-oriented principle, the Company has formulated the *Customer Service Training System* and provides systematic training for marketing and on-site service personnel in areas such as professional knowledge, communication skills and complaint handling, continuously enhancing their service awareness and problem-solving capabilities.



Customer Complaint Management

The Company has formulated the *Standard Management Procedures for Handling of Quality Complaints*, clearly defining the responsibilities of the QA department, the Sales Department and other departments. For complaint cases, the Company strictly implements procedures such as record filing, investigation and analysis, assesses their impact on product quality, and adopts corresponding handling measures as well as corrective and preventive actions to ensure that quality complaints are resolved promptly and effectively.

Customer Satisfaction Survey

To promptly understand customer demands and feedback, the Company has formulated the *Customer Satisfaction System and the Customer Service and Feedback Management Procedures*. It regularly distributes the *Customer Satisfaction Survey Form* to customers through on-site visits, fax, telephone and email, and conducts surveys covering product quality, delivery lead time, packaging and labeling, service response and other dimensions. The Company promptly feeds customer opinions back to the production and service ends, formulates improvement measures based on survey results, and, together with digital tools, delivers personalized services to continuously improve customer satisfaction. During the reporting period, the Company's customer satisfaction score was 95.82.

Customer Privacy Protection

The Company strictly complies with relevant laws and regulations, including the *Personal Information Protection Law of the People's Republic of China* and the *Data Security Law of the People's Republic of China*. It has formulated the *Customer Privacy Protection System*, established and improved its customer privacy protection management system, and incorporated customer privacy protection into the performance appraisal system for all departments and employees, thereby effectively safeguarding information security and legal rights and interests of customers. In addition, through technical and management measures such as firewalls, intrusion detection, data encryption and antivirus protection, the Company continuously guards against risks such as information leakage, tampering and loss.

Its subsidiary Inner Mongolia Yongtai has formulated the *Emergency Response Plan for Customer Privacy Leakage*, established a steering group for customer privacy protection, and regularly organizes drills to safeguard customer information and privacy security.

During the reporting period, the Company did not experience any internal or customer information leakage incidents, or any related disputes or lawsuits.

Responsible Marketing

The Company always regards responsible marketing as a core business principle. It has formulated the *Responsible Marketing System and Measures* and established a full-process, multi-level review mechanism covering "content drafting, preliminary departmental review, legal and compliance review, and authorized final review" to strictly examine the technical parameters, product performance and market claims in all external publicity materials.

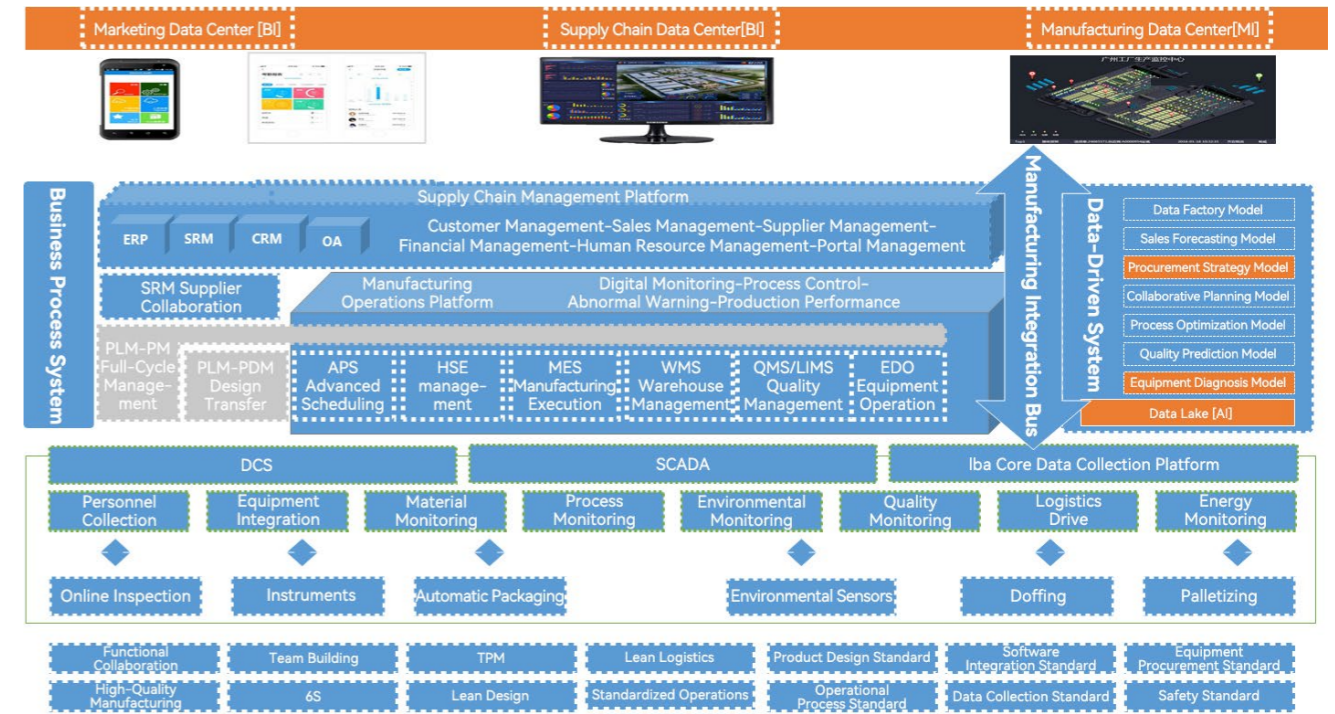
At the same time, the Company regularly carries out special training based on laws and regulations such as the *Advertising Law of the People's Republic of China* and the *Anti-unfair Competition Law of the People's Republic of China*, as well as typical industry cases, continuously enhancing employees' ability to identify and prevent legal risks. Through the implementation of these measures, the Company ensures that all commercial communications are truthful, accurate and compliant, fundamentally eliminating any form of false or misleading publicity, and is committed to maintaining a fair market environment and protecting consumer rights and interests.

Digital and Intelligent Transformation

Construction of Industrial Internet Platform

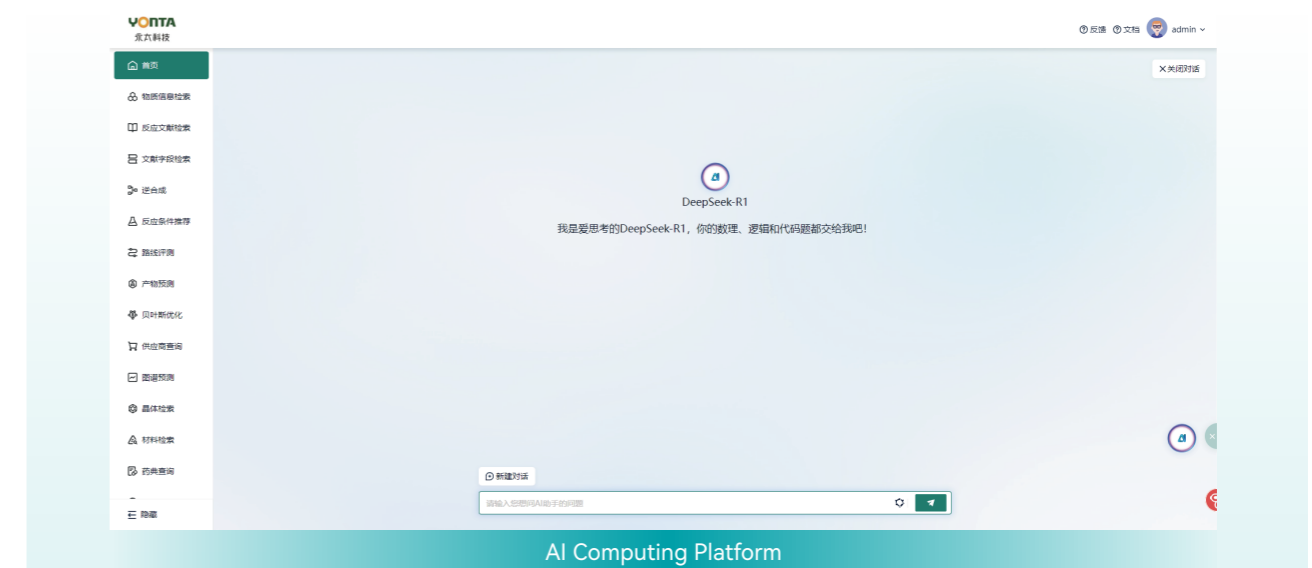
The Company continues to advance its digital transformation by building an industrial Internet platform centered on data and enabling collaboration across the entire value chain. On the business side, by deploying digital systems such as ERP, SRM, CRM and OA, the Company has connected key links involving customers, suppliers, finance and human resources, thereby realizing integrated management of the supply chain, procurement, sales, inventory, and finance-business operations. On the production side, by deploying systems such as MES, DCS, SCADA and the Yundu Platform, the Company has achieved visualization and traceability throughout the entire production process.

By leveraging cross-platform collaboration, the Company has established three major data centers—for marketing, supply chain, and manufacturing—to support collaboration across the entire product life cycle, full-process management of industrial chain equipment, and intelligent management of production process, thereby advancing the development of Industry 4.0. Its subsidiary Yongtai New Energy was recognized as a "Provincial Smart Factory" and a "Provincial Industrial Internet Platform" in recognition of its achievements in this area.



Innovative AI Applications

By introducing cutting-edge technologies, Yongtai Technology has built an intelligent R&D platform integrating automated HPLC testing, AI computing platform and electronic R&D management system. The Company has fully integrated AI technologies into the entire drug R&D cycle, covering multiple key stages from literature retrieval and project assessment to process development and quality control. This has effectively empowered process development and optimization, improved R&D efficiency and the commercialization of R&D results, and provided solid support for the industrial application of technological achievements.



YONTA 永太



Working Together as One to Uphold Our Commitment to Public Welfare

Our actions

- Protection of employees' rights and interests
- Democratic development for employees
- Promoting employee development
- Work Safety and Occupational Health Management
- Paying back the society through actions

SDGs



Protection of Employees' Rights and Interests

Diverse and Equal Employment

Talent Management Philosophy

The Company strictly complies with relevant laws and regulations of the nation and upholds a people-oriented philosophy, regarding the protection of employee human rights and legal rights and interests as the cornerstone of its talent management, so as to achieve mutual benefits in compliant employment and employee development. The Company signs written labor contracts with employees in accordance with the law, clearly defining the core rights and obligations of both parties. It has established employee file management regulations to ensure that every stage of the employment process is lawful and compliant, thereby eliminating the risk of labor disputes and mitigating such risks at the source.

Key indicator	
2025	Total number of employees 3,437
	Number of disabled employees 14
	Number of veteran employees 18
	Number of employees from national minority 116
	Number of outsourcing labor 31

Talent Recruitment Management

Yongtai Technology attaches great importance to talent recruitment and appointment. In strict compliance with laws and regulations such as the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*, the Company has formulated policies and procedures including the *Standard Management Procedures for Personnel Recruitment* and the *Human Resources Management System*. Guided by the principles of fairness, impartiality, openness, equal employment, actual performance appraisal and merit-based hiring, the Company standardizes its recruitment process, promotes standardized, institutionalized and unified personnel management, and enhances employees' sense of responsibility and belonging. In employee recruitment and appointment, the Company advocates the principle of recommending the worthy while avoiding favoritism toward relatives, and requires the recusal of relatives or close friends, so as to create a fair competitive environment for talent. For employees with existing kinship relationships, the Company will make position adjustments to avoid business-related connections.

The Company has established strict recruitment standards and standardized hiring procedures, and built diversified recruitment channels combining internal referrals, online recruitment, on-site recruitment, campus recruitment and headhunting. Closely aligned with the Company's business development strategy, the Department of Human Resources has established a recruitment system featuring "position-based differentiation + channel precision": For production positions, it adopts a four-pronged model of "internal referral + on-site recruitment + online recruitment + government-coordinated recruitment" to efficiently meet basic staffing needs; for core and functional positions in R&D, quality, administration and other areas, it integrates online talent platforms, high-end on-site job fairs, internal referrals and third-party headhunters to achieve precise sourcing and merit-based selection, thereby fully supporting workforce allocation goals at different stages.

During the reporting period, the Company hired 655 new employees, and the labor contract signing rate was 100%.

Diversity, Equality and Inclusion

Equality and Diversity

Yongtai Technology ensures that all employees work in a respectful and inclusive workplace environment. The Company adopts a zero-tolerance approach toward any form of discrimination or harassment and safeguards employees' legal rights and interests as well as personal dignity.

Upholding an equal and diverse philosophy in recruitment and employment, the Company has formulated and implemented policies and procedures including the *Standard Management Procedures for Labor Human Rights Guarantee* and the *Protection Management Procedures for Child Labor, Underage Labor and Female Workers*. These policies explicitly prohibit all forms of discrimination based on race, social class, nationality, religion, disability, gender, labor union membership and political affiliation, safeguard employees' freedom of belief and voting rights, and eliminate all forms of coercive, threatening, insulting and exploitative words and actions, thereby creating a safe and equal workplace environment for employees.

Through clear policies and practical measures, the Company firmly prohibits the use of child labor, forced labor and any conduct related to human trafficking, and strictly upholds the bottom line of lawful employment. During recruitment, the Company strictly verifies applicants' identity documents and confirms age information through multiple verification methods to prevent the mistaken recruitment of child labor due to false information. It also regularly reviews employment practices to ensure that no child labor is employed.

During the reporting period, the Company recorded 0 cases of labor discrimination, 0 cases of mistaken use of child labor, and 0 cases of forced labor or harassment.

Protection of Women's Rights and Interests

Focusing on the workplace rights and interests as well as physical and mental well-being of female employees, the Company fully implements special protection policies for female employees in accordance with the *Standard Management Procedures for Labor Human Rights Guarantee*. It explicitly prohibits assigning female employees to Grade IV physical labor or positions prohibited during menstruation, pregnancy and lactation, and ensures that female employees who are more than seven months pregnant are exempt from extended working hours and night shifts. Through institutional safeguards and dedicated initiatives, the Company protects the legal rights and interests of female employees in areas such as employment and health care, and fosters a gender-equal workplace atmosphere.

In addition, the labor union, together with Linhai Maternal and Child Health Hospital, carried out a special screening program on "two cancers", providing female employees with professional cervical cancer and breast cancer screening services to comprehensively safeguard women's health.

Key indicator	
2025	Number of women in management personnel 89
	Number of employees who took parental leave 31
	Total number of employees entitled to parental leave 33
	Return-to-work rate of employees who took parental leave 100%

Employee Remuneration and Benefits

Remuneration System

The Company has formulated policies and procedures including the *Remuneration Management System* and the *Internal and External Communication Management System*, providing institutional support for its sustained, rapid and healthy development. Its remuneration management adheres to the principles of strategy-guided, external competitiveness, internal equity, incentives and restraints, and remuneration confidentiality, thereby fully supporting talent motivation and the enhancement of organizational effectiveness.

The Company adopts a package salary system, under which employee remuneration consists of basic salary, performance-based salary, overtime pay, bonuses and various allowances. Based on job attributes and employee characteristics, the Company reasonably determines the proportion of each remuneration component, giving full play to the incentive effect of different remuneration elements and effectively mobilizing the enthusiasm of employees in different positions.

Remuneration adjustments follow a dynamic adaptation mechanism. Taking into account macro factors such as national policies and price levels, as well as industry competition, regional salary levels and the Company's operating performance, the Company coordinates dual adjustments to both remuneration levels and remuneration structure. The extent of such adjustments is determined by the General Manager based on the Company's actual operating conditions, so as to ensure the scientificity, fairness and market competitiveness of the remuneration system.

Performance Appraisal and Management

The Company has formulated policies and procedures including the *Standard Management Procedures for Employee Performance Appraisal* and the *Individual Performance Management System*, and has established a company-wide performance appraisal system to support employees' career development and drive improvements in organizational effectiveness. The Company has established a three-tier appraisal management mechanism covering the Company, departments and employees, and has set up multi-level appraisal cycles on a monthly, quarterly, semi-annual and annual basis for all employees. Work performance evaluations are conducted in strict accordance with the principles of fairness, impartiality and openness. Performance appraisal results are closely linked to the distribution of performance bonuses, job promotion and employee training, thereby enabling effective integration between performance management and talent development.

If employees have objections to the performance appraisal results, they may fill out a *Performance Appraisal Appeal Form* and submit a written appeal to the Human Resources and Administration Department. The Human Resources and Administration Department is responsible for investigation and verification, and will submit the results to the Performance Appraisal Working Group for review and approval. If the appeal is found to be justified, the Company will make corresponding adjustments to the performance results and promptly provide feedback to the employee.

Employee Benefits

In strict compliance with national policies and requirements, the Company contributes social insurance, housing provident fund and supplementary medical insurance for all employees, and provides physical examination benefits covering the entire employment cycle, including pre-employment, on-the-job, and post-employment periods. The cost of the pre-employment physical examination is reimbursable after one full month of employment, while the cost of on-the-job and post-employment examinations is borne by the Company. In addition, the Company provides employees with paid annual leave, birthday gifts, holiday benefits for festivals such as the Dragon Boat Festival and Mid-Autumn Festival, and grants marriage leave, maternity leave and various statutory holidays in accordance with the law.

Key performance indicators

During the reporting period, the Company's social insurance coverage rate was **96.77%**.

Note: A small number of employees are rehired retirees and are exempt from social insurance contributions.

Equity Incentives

To further improve corporate governance structure, establish long-term incentive and constraint mechanisms, and attract and retain key personnel, the Company implemented a restricted equity incentive plan in July 2024. The incentive recipients include directors, senior executives, middle executives, and core technical (business) personnel serving in the Company (including its subsidiaries). Under this equity incentive plan, a total of 11.64 million restricted shares were granted to 302 incentive recipients.

Caring for Employees' Lives

Enriching Employee Activities

The Company places great importance on fostering team cohesion and centripetal force among employees. Centering on traditional festivals and team-building needs, it regularly organizes a variety of activities such as team-building trips, knowledge competitions and birthday celebrations, fully conveying the Company's humanistic care and creating a positive and uplifting corporate culture.



"Welcoming the Spring Festival and Moving Forward Together" Spring Festival Gala



"Fragrant Zongzi in Early Summer, Healthy Dragon Boat Festival" Dragon Boat Festival Event

Assistance for Employees in Need

To thoroughly implement the "Warmth for Those Staying in Linhai" initiative and effectively provide care and support for employees in need who stayed in Linhai during the Spring Festival, the Company organized a program in 2025 to accept applications from such employees. Following procedures including individual application and Company review, the Company identified eligible employees in need who stayed in Linhai during the holiday and submitted them to the Linhai Federation of Labor Unions for record. This work effectively helped employees alleviate practical difficulties and reflected the Company's genuine care and support for its employees.

Attention to Employees' Psychological Health

The Company attaches great importance to employees' psychological health and provides psychological support for all employees through systematic measures. To effectively safeguard employees' psychological well-being, in May 2025, the Zhejiang Chiral Labor Union invited psychology experts from Hangzhou Xiaoshan District First People's Hospital to deliver a special lecture on "Emotions and Psychological Stress". Through a combination of theory and case studies, they popularized psychological health knowledge, taught stress relief and adjustment techniques, and guided employees in coping with work and life pressures calmly.

In addition, the Company pays special attention to the psychological well-being of groups such as overseas stationed employees. Through various forms, including engaging external experts and organizing themed exchange activities, it continues to foster an inclusive and supportive development environment and promote the physical and psychological well-being of employees.



Zhejiang Chiral Psychological Health Lecture

Democratic Development for Employees

Democratic Management

The Company has established a sound democratic management mechanism, broadening channels for employee participation in corporate governance and strengthening two-way communication through mechanisms such as collective negotiation and the Employee Congress. In July 2025, the Company successfully convened the First Session of the Seventh Employee Congress, at which a new Labor Union Committee, Fund Review Committee and Women Workers' Committee were elected by secret ballot, thereby safeguarding employees' democratic rights.

The Company implements a collective negotiation system and has signed the *Collective Contract*, the *Special Collective Contract on Labor Safety and Health*, the *Collective Agreement on Competency-based Wages*, and the *Special Collective Contract on the Protection of Women Employees' Rights and Interests* with employee representatives, so as to comprehensively protect employees' legal rights and interests. At the same time, for major corporate decisions and the issuance of institutional policies, the Company enables employees to participate in decision-making through the Employee Congress, Democratic Consultation Meetings and opinion solicitation, thereby effectively enhancing employees' sense of belonging and participation.

Diverse Communication Channels

Through various institutionalized channels such as the Employee Congress, Democratic Consultation Meetings, regular meetings, team meetings and symposiums, the Company has established platforms for employees to participate in decision-making, institutional co-construction and management improvement. The Labor Union regularly organizes department-level and company-level meetings to centrally collect and promote the resolution of management-related issues. At the same time, the Company has established multiple feedback channels, including the General Manager's mailbox, suggestion boxes, anonymous reporting and email appeals, to ensure smooth communication. It has also established communication, feedback and implementation mechanisms to ensure that employees' concerns receive effective responses.

Employee Satisfaction

To improve employee satisfaction and loyalty, the Company has formulated and implemented the *Employee Satisfaction Management System*, and systematically carries out employee satisfaction surveys as well as analysis and improvement work. The system clearly requires that at least one employee satisfaction questionnaire survey be conducted each year to listen to employees' views and understand their expectations, focusing on key dimensions such as job fitness, benefits protection, working environment and logistical support.

The employee satisfaction survey is organized by the Department of Human Resources, which prepares the survey notice and implementation procedures and formally issues them upon review and approval by management. After the survey is completed, the Department of Human Resources is responsible for systematically categorizing and statistically analyzing the returned questionnaires, preparing the *Employee Satisfaction Survey Report*, and tracking the implementation of improvement measures.

During the reporting period, a total of 2,039 employees participated in the satisfaction survey, and the employee satisfaction rate was 93.21%.

Promoting Employee Development

Employee Training

Employee Training System

The Company attaches great importance to the construction of a talent training system. It has established systems such as the *Training Management System* to create an employee training system characterized by "institutional safeguards + platform support + diversified training". The Company offers various training programs, including pre-job training, on-the-job training, training for special types of work, and job transfer training. These programs are precisely tailored to meet the growth needs of employees in different positions and at various stages, continuously enhancing their professional capabilities and overall competence.

The Company has established a standardized training needs application mechanism, requiring all departments to align with business development needs, collect the latest industry trends through multiple channels, and conduct needs research focusing on professional fields such as regulations related to production and operation, the ISO management system, ICH, and GMP. After conducting thorough research, each department fills out the *Annual Training Needs Survey Form* and submits it to the Department of Human Resources. The Department then conducts a professional review of the submitted content and coordinates the overall training plan to ensure that training initiatives align with the Company's development strategy.

Targeted training plans for employees at different levels

Senior management

Based on the Company's business strategy, determine the required skills of senior management of the Company. The plant management and the Department of Human Resources analyze and determine the corresponding training needs.

Middle management

Based on the development plans established by the Company and the results of performance evaluations, the plant management and the Department of Human Resources analyze and determine the direction of further training and development needs.



Frontline management and ordinary employees

The middle management analyzes and determines training needs based on employees' performance evaluation results. Similarly, employees may also submit their own training requests, subject to approval by their supervisors and the Department of Human Resources.

Training Platform Construction

The Company has established "Yongtai School" and engaged professional trainers to develop training courses focused on areas such as professional expertise and business knowledge, providing employees with systematic and convenient learning channels.

The Company's subsidiary, Shanghai E-Tong, has built a "proprietary learning domain" digital platform that integrates functions such as course learning and a knowledge base, offering employees a personalized 7×24 hours learning experience. It has also established a formal "mentorship program" to facilitate the transfer of internal experience and skills. Additionally, key talents are provided with external professional coaches for in-depth, specialized guidance. The Company allocates a dedicated training budget each year based on a certain percentage of the total payroll and commits to providing employees with at least 72 hours of training per year on average.

Employee Training Programs

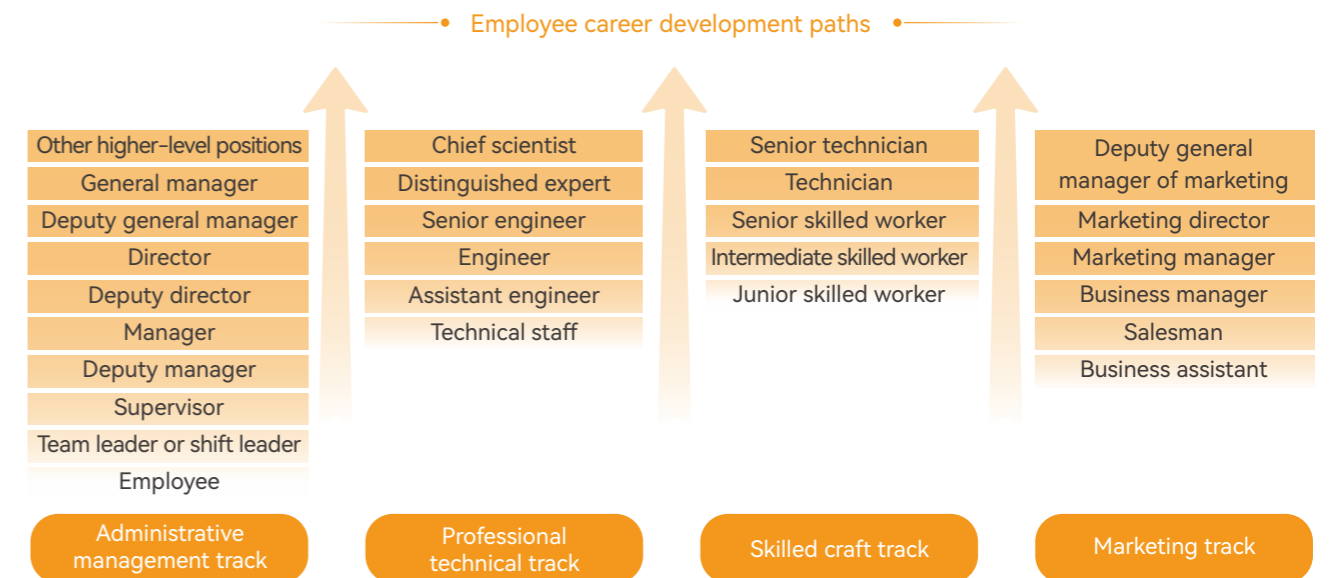
The Company systematically conducts a diverse range of training programs covering professional skills, safety production, environmental protection, occupational health, and quality management. These are complemented by new employee orientation training and team-building exercises. Through this comprehensive talent development approach, the Company continuously enhances employees' overall competence and professional capabilities, steadily strengthening its core competitiveness and driving rapid corporate growth.



Employee Development

Career Development and Promotion

To actively respond to the national strategy on "developing a quality workforce", Yongtai Technology has formulated the *Employee Promotion Management System* to create multiple channels for career promotion. The Company clearly classifies the management authorities of the headquarters and subsidiaries in respects of personnel appointment and cadre promotion, fully mobilizes and gives play to the management function of the headquarters and subsidiaries, systematizes and standardizes the appointment and removal of management, thereby establishing a talent development mechanism step by step.



Internal Transfer

The Company has established a standardized employee transfer management mechanism, clearly defining three forms of transfer: lateral transfer within the same department, skip-level transfer within the same department, and cross-departmental transfer. All types of transfers strictly follow approval and filing procedures. Lateral transfers within the same department shall take effect upon approval by the department manager and shall be simultaneously reported to the Department of Human Resources and the Administration Department for record-keeping. For skip-level transfers within the same department and cross-departmental transfers, the Company encourages orderly and rational transfer while strictly prohibiting internal poaching. The relevant personnel shall complete the "Transfer Application Form" and undergo training for the new position, and shall follow the prescribed approval process. Approval by the General Manager is required when necessary.

Talent Incentives

The Company has established five categories of rewards, combining both moral encouragement and material incentives. As for employees having made significant contributions, the Company will reward significantly, including awards or bonus.

In addition, in accordance with the *Management System of Post Classification and Technical Subsidy of Workers at the Production Line*, the Company encourages employees to constantly improve their job skills and study other job skills, and sets up product research and development award, technological progress award, excellent individual awards and excellent team awards, to fully motivate the employees' positivity, creativity and initiative.

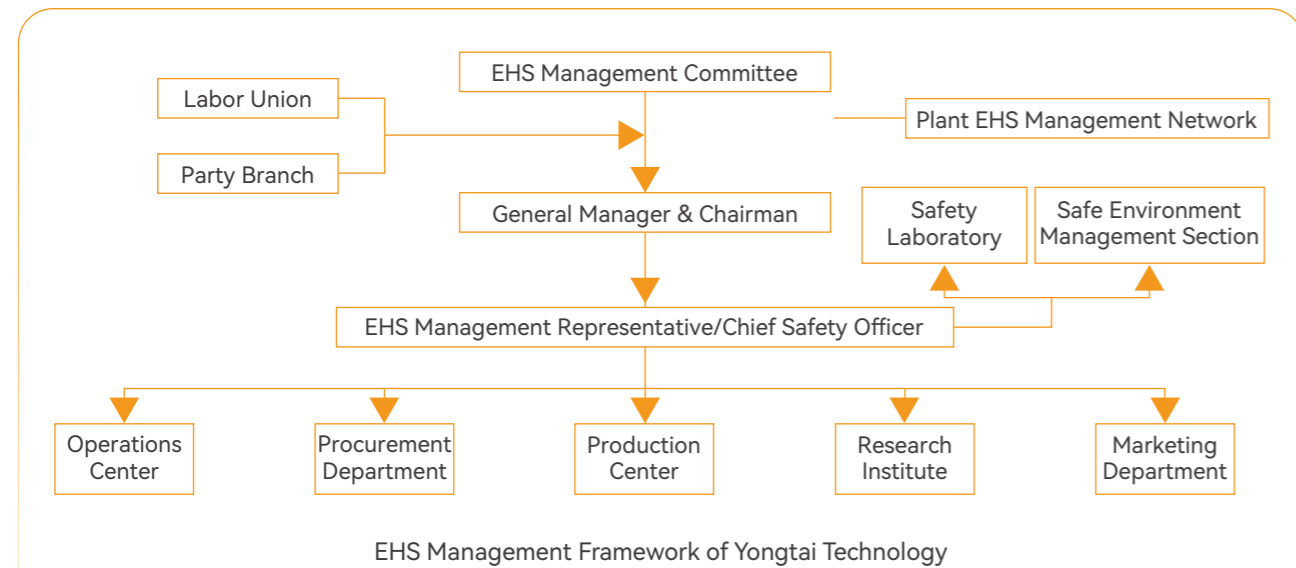
Work Safety and Occupational Health Management

Governance

Safety Management System

Yongtai Technology adheres to the management policy of "Safety First, Prevention First, Comprehensive Governance" and has established regulations such as the *Safety Production Responsibility System*, the *Occupational Health Management System*, and the *Safety Management System*. The Company has set up an EHS Management Committee, which designates the General Manager as the primary person responsible for safety production, taking overall accountability for the Company's safety production. Reporting to the General Manager is the Chief Safety Officer, who is responsible for coordinating safety production and occupational disease prevention. All departments are required to strictly fulfill their respective responsibilities regarding safety production and occupational disease prevention.

To implement safety responsibilities at all levels, the Company has established a tiered appraisal mechanism, conducting quarterly safety performance assessments for the responsible personnel to ensure that responsibilities are fully fulfilled. During the reporting period, the Company did not experience any major safety incidents. The coverage rate for signing the *Safety Production Responsibility System* with employees and contractors reached 100%.



During the reporting period, the Company obtained certification for the GB/T 45001-2020/ISO 45001:2018 Occupational Health and Safety Management System and was awarded the Safety Production Standardization Level III Certificate.



Safety Awareness Construction

To enhance employees' awareness of safety production and occupational health protection, the Company has established the *Safety Training and Education System*, which stipulates that training related to occupational health and safety shall be conducted annually. The training content covers identification of EHS factors, safety performance appraisals, proper use of personal protective equipment, management of occupational disease protective equipment, and labeling of hazardous waste. The goal is to continuously strengthen awareness and skills, thereby reinforcing the Company's safety production defenses and ensuring stable operations. During the reporting period, the Company conducted a total of 170 safety training sessions, with 21,577 participants and a total training duration of 120,283.5 hours.



Occupational Health and Safety Production Training

Strategy

Yongtai Technology places great importance on the life and health of its employees. By considering applicable laws and regulations, industry characteristics, and its own production and operations, the Company systematically identifies potential risks and opportunities in its production activities. Through the development of targeted prevention and control measures, it mitigates risk-related losses and capitalizes on the value of opportunities, thereby effectively safeguarding employee health and ensuring the Company's sustainable operations.

Risk/opportunity type	Risk/opportunity description	Financial impact description	Like-lihood	Impact magnitude	Impact timeframe	Impacted value chain segment	Coping measures
Legal risk	If the company lacks a deep understanding of safety production regulations and fails to implement relevant measures effectively, it may face severe penalties such as significant fines or being ordered to rectify within a specified period, which can hinder its daily operations.	Decreased revenue	Medium	Medium	Medium-term	Operation	<ol style="list-style-type: none"> 1. Regularly organize training sessions for employees on occupational health and safety production; 2. Organize and conduct safety production promotion activities and emergency drills to enhance employees' emergency response capabilities.
Reputational risks	Neglecting safety production management can lead to major safety incidents, which will damage the Company's brand image and undermine the Company's ability to attract financing and expand its business.	Decreased income	Medium	Medium	Medium-term	Operation	<ol style="list-style-type: none"> 1. Continuously optimize the occupational health and safety management system, and strictly implement the safety production responsibility system; 2. Develop emergency plans, and regularly organize and conduct emergency drills.
Operational risks	In the event of a mass occupational health incident or a major safety production accident, regulatory authorities may order the Company to suspend operations, resulting in compensation for breach of contract. At the same time, employee medical expenses and compensation for work-related injuries will significantly increase the Company's operating costs.	Increased operating costs Facing fines	Medium	Medium	Short-term	Operation	<ol style="list-style-type: none"> 1. Strengthen employee safety education and training; 2. Set up a bulletin board to publish relevant management procedures such as those for occupational disease prevention and control; 3. Provide information on occupational disease hazards and conduct occupational health examinations; 4. Conduct testing for occupational disease hazard factors.
Management opportunities	Optimize the financial budget and management processes for occupational health and safety to improve operational efficiency and reduce the risk of accidents, thereby avoiding the high financial costs caused by accidents.	Reduced costs	Medium	Medium	Medium-term	Operation	Leverage the Company's industrial internet platform to improve safety management efficiency and ensure employee safety.

Management of Risks, Opportunities and Impacts

To ensure the effective operation of the occupational health and safety management system and mitigate risks, the Company has established policies and procedures such as the *Risk and Opportunity Management Procedures* and the *Risk Grading Control System*. The Company regularly identifies potential risks and opportunities related to occupational health and safety production each year, including updates to laws and regulations, changes in the external environment, safety hazards, and the impact of accidents; based on the results of this identification, it assesses the severity and frequency of risks, calculates risk factors, and analyzes their impact on the Company. In response to different types and levels of risks and opportunities, the Company takes corresponding response measures to effectively control their impact on production, operation and employee safety.

Potential Risk Identification

To improve the long-term mechanism for potential risk identification and control, the Company has established the *Management System for Safety Inspection and Potential Risk Rectification* to standardize the procedures for potential risk identification and corrective actions. The EHS Department is responsible for tracking and verifying the completion of rectifications. Through routine inspections, comprehensive inspections, and special inspections, the Company defines the frequency and responsible parties for each type of inspection, promoting the normalization of potential risk identification and control efforts, thereby effectively strengthening the Company's safety production defense line. During the reporting period, the Company achieved a 99.37% rectification rate for identified potential safety production risks.

Emergency Management

The Company has established policies such as the *Emergency Response Plans for Production Safety Accidents* and the *Accident Management System*, which specify the implementation of a plant director responsibility system, under which the plant director is responsible for accident emergency command duties. The Company develops an annual emergency response drill plan and organizes multi-level practical drills at departmental and workshop levels in accordance with the plan. This continuously strengthens employees' emergency response capabilities and risk prevention awareness, ensuring rapid response in the event of an emergency.



Fire Emergency Drills

On June 30, 2025, the Company prepared an emergency drill plan and script, and organized an emergency drill for a fire accident caused by material ejection in the hydrogenation workshop. Nearly 60 employees participated, including the commander-in-chief, command team members, emergency response team personnel, and employees from adjacent workshops. The drill effectively enhanced the emergency response capabilities of the emergency teams.



Indicators and Targets

Yongtai Technology has established the *EHS Targets and Indicators of the Company in 2025* and plans to add a new target for the following year: achieving a 100% utilization rate of the safety management platform.



EHS targets for 2025	Achievement status
Incidence of occupational diseases: 0%	Achieved
Implementation rate of safety education and training: 100%	Achieved
Implementation rate of EHS inspection: 100%	Achieved
Rectification rate of potential risks: 100%	Achieved
Implementation rate of emergency drill plans: 100%	Achieved
Rate of occupational health examination: 100%	Achieved
Treatment rate of occupational contraindications: 100%	Achieved

Safety Production Management Measures

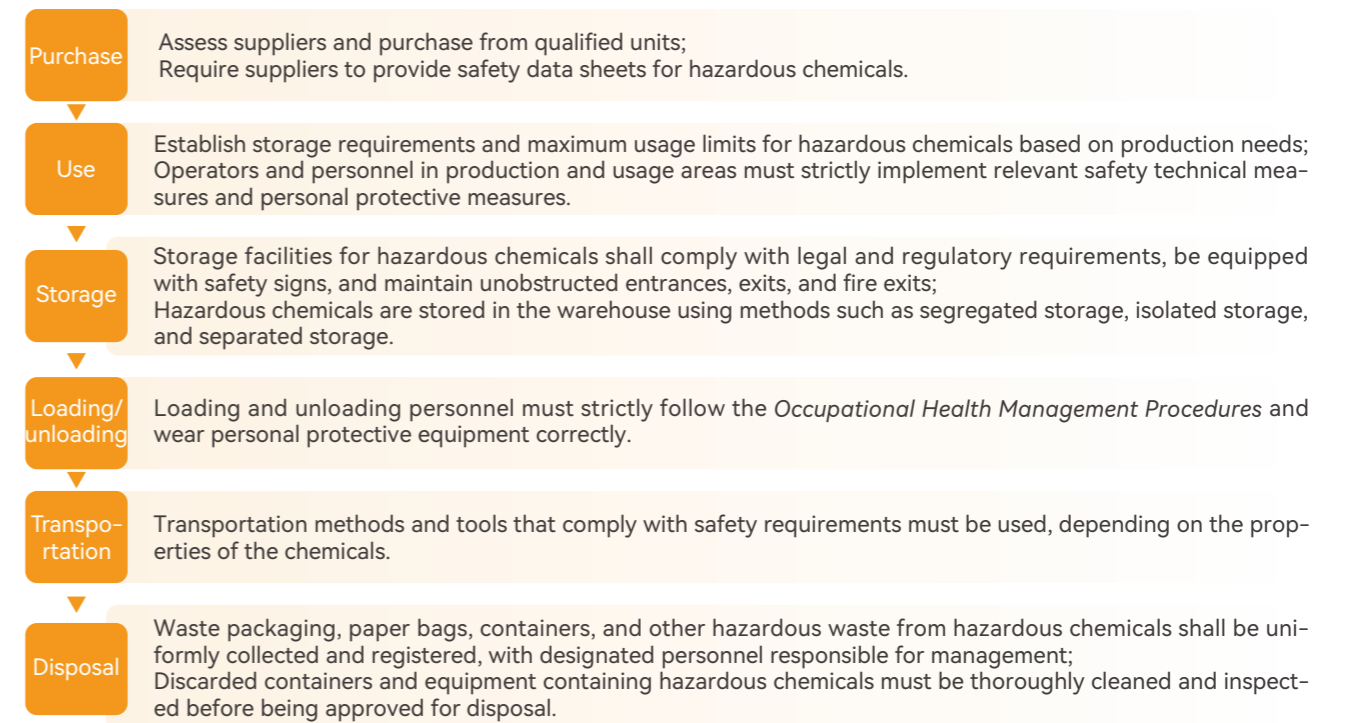
Chemical Management

Safety in the Use of Hazardous Chemicals

To standardize chemical management and ensure employee health and safety, the Company has established the *Hazardous Chemicals Management Procedures*, the *Material Storage Management Procedures*, and the *Safety Management System for the Transportation and Loading/Unloading of Hazardous Chemicals*. These documents define the management requirements for chemicals throughout the stages of production, use, procurement, transportation, loading/unloading, storage, and disposal. The Company strictly implements safety technical measures and personal protective measures to prevent chemical leakage or escape, and conducts regular safety inspections of warehouses, tank farms, and areas where chemicals are used. In the chemical storage tank areas and production workshops, the Company has installed a DCS automation control system to remotely control material feeding and discharge, thereby minimizing the risk of exposure for on-site personnel.



Full lifecycle management process for hazardous chemicals



Chemical Information Platform

Leveraging the dual-prevention mechanism information platform, the online monitoring platform for major hazard sources, the real-time personnel tracking platform, and the online monitoring platform for the "Three Wastes" Center, the Company has established an integrated safety management platform system that combines dual-prevention, monitoring of key targets, management of special operations, and personnel tracking. Through digital means, the Company continuously improves its chemical control capabilities and enhances the intelligence level of safety management.

Contractor Safety Management

To ensure construction and production safety, the Company has revised the *Contractor Management System*, specifying that the responsible department shall conduct a preliminary review of the contractor's legal qualifications, safety management system, safety performance, and personnel qualifications. Before contractors enter the site, the Company signs a *Safety Production Management Agreement* with them and provides entry safety training and on-site safety briefings to their personnel. The Company conducts weekly safety inspections of contractors' construction sites and maintains records of these inspections. It also conducts annual performance evaluations of contractors, which serve as a key basis for deciding whether to renew their contracts.



Contractor Training

Occupational Health Protection

To effectively prevent, control, and eliminate occupational hazards, the Company has established procedures such as the *Occupational Health Management Procedures* and the *Occupational Health Operating Procedures for Noise-Generating Positions*, specifying that the EHS Department is responsible for guiding, supervising, and coordinating occupational health efforts. The Company provides "three-level" occupational health training for new employees and conducts regular occupational health education to continuously enhance employees' awareness of protection. At the same time, it establishes and improves occupational health records, building a solid defense line for employee health. During the reporting period, the Company achieved a 95.11% coverage rate of physical examinations for employees.

Measures	Specific operations
Hazard notification and warning	Before employees start a new position or after being transferred, they are informed of occupational disease hazards, associated consequences, and protective measures; Post warning signs and occupational health notices at the workplace, and clearly specify occupational health measures, personal protective measures, and emergency measures.
Prevention and control publicity Education and training	Conduct occupational health training at the plant, workshop, and team levels, covering occupational health systems, policies and guidelines, and emergency rescue plans and preventive measures for occupational diseases, to continuously enhance employees' awareness of safety protection.
Provision of protective equipment	Provide employees with personal protective equipment such as overalls, safety helmets, safety shoes and gas masks, and instruct them on proper wearing and usage methods; Establish emergency plans for accidents, equip first aid equipment and medications, and install flushing facilities such as eyewash stations, emergency showers, or clean water tanks.
Occupational health examination	New employees must undergo pre-employment medical examinations, and those with occupational contraindications shall be appropriately assigned; For workers exposed to occupational hazards, in-service occupational health examinations are arranged annually, and post-employment occupational health examinations are conducted upon leaving the position; Pregnant and breastfeeding women are prohibited from being assigned to positions listed in the catalog of occupational hazards.
Occupational hazard factor detection	The Company commissions a third-party agency to conduct an annual occupational hazard factor detection at workplaces where hazards may be present; It also conducts an evaluation of the effectiveness of occupational hazard control measures every three years to ensure employee safety.

Paying Back the Society through Actions

Social Welfare

The Company actively engages in social welfare initiatives, making targeted donations to support the development of education in Linhai City. It also participates in the "Renewal·Home" charity program to care for children, continuously providing assistance to vulnerable groups in society.

The subsidiary Zhejiang Chiral upholds the public welfare philosophy of "Hand in Hand, Heart to Heart". It actively participates in community development and various public welfare projects, donating RMB 0.3 million annually to Nanyang Sub-district to assist individuals and groups in need, conveying the Company's warmth through concrete actions.

The subsidiary Shanghai E-Tong, in collaboration with HelmCropSolutions, jointly launched a public benefit activity to clean up garbage at East and West Sheshan in Songjiang. Guided by the principle of "Green Development and Giving Back to Society", both parties responded to the national call for environmental protection and worked together to preserve the ecological environment of Sheshan. Through this public welfare collaboration, they also strengthened corporate exchanges and encouraged more social forces to pay attention to the ecological protection of scenic areas. During the reporting period, the Company recorded 16 hours of volunteer service.



Public Benefit Activity for Garbage Cleaning

Rural Revitalization

The Company actively responds to the national rural revitalization strategy and continues to promote consumption poverty alleviation efforts. The Company fully leverages the role of its labor union and its corporate cohesion, carrying out consumption poverty alleviation activities multiple times each year in designated target areas.

In 2025, the subsidiary Shanghai E-Tong invested RMB 0.02 million in assistance funds to purchase local agricultural products such as yellow millet and Hami melons. Through these concrete actions, it supported industrial development and increased farmers' incomes in the assisted regions, effectively fulfilling its corporate social responsibility.

Annex

Key Performance Form

Corporate Governance			
Topic	Indicator	Unit	2025
Corporate operating performance	Operating income	RMB 10,000	521,358.13
	Net profit	RMB 10,000	-4,610.06
	Total taxes	RMB 10,000	8,470.69
Corporate governance	General Meeting of Shareholders		
	Total number of meetings held	Times	3
	Number of resolutions approved	Item	15
	Board of Directors		
	Number of Board members	Person	9
	Number of male directors	Person	5
	Number of female directors	Person	4
	Number of independent directors	Person	3
	Number of non-independent directors	Person	6
	Number of Board meetings held	Times	8
Number of resolutions approved	Item	42	
Business ethics	Anti-commercial bribery and anti-corruption training for directors, management, and employees		
	Percentage of employees who participated in anti-commercial bribery and anti-corruption training	%	100
	Percentage of directors and senior management who have participated in anti-commercial bribery and anti-corruption training	%	100
Investor relations management	Communication with investors		
	Number of investor reception activities	Times	11
	Number of on-site investor research visits received	Times	8
	Person-times of investors paying on-site research visits	Person-times	25
	Total number of investor questions on "irm.cninfo.com.cn"	Times	69
	Number of investor questions answered on "irm.cninfo.com.cn"	Times	69
	Response rate to investors on "irm.cninfo.com.cn"	%	100

Topic	Indicator	Unit	2025
Investor relations management	Information disclosure		
	Total number of announcements disclosed externally	Copy	145
	Including: number of periodic and special reports	Copy	5
	Including: number of temporary announcements	Copy	140
	Number of penalties for violations in information disclosure	Times	0
	Data security management		
	Number of customer information leakage incidents	Case	0
Substantiated complaints concerning breaches of customer privacy and losses of customer data	Case	0	
Total number of confirmed data breaches, thefts, or losses of customer data	Case	0	

Environmental Management			
Topic	Indicator	Unit	2025
Combating climate change	Total GHG emissions	tCO ₂ e	278,203.99
	Greenhouse gas emission intensity	tCO ₂ e/RMB 1 million of revenue	53.36
	Direct GHG emissions(Scope 1)	tCO ₂ e	48,779.82
	Indirect GHG emissions(Scope 2)	tCO ₂ e	229,424.17
Environmental management	Total environmental investment	RMB 10,000	9,155.75
	Environmental incidents	Case	0
Energy management	Natural gas	10 ⁴ m ³	2,234.99
	Gasoline	Ton	54.67
	Diesel	Ton	73.44
	LPG	Ton	3.40
	Total purchased electricity	10 ⁴ kWh	30,891.72
	Total purchased heat	GJ	478,222.97
	Total direct energy consumption	tce	28,405.34
	Total indirect energy consumption	tce	54,282.89
Total energy consumption	tce	82,688.23	
Energy consumption intensity	tce/RMB 1 million of revenue	15.86	
Water resource utilization	Total freshwater withdrawal	Ton	1,588,999.00

Topic	Indicator	Unit	2025
Water resource utilization	Including: municipal water purchase	Ton	1,587,429.00
	Including: surface water withdrawal	Ton	1,570.00
	Freshwater usage	Ton	1,588,999.00
	Rainwater	Ton	36,221.79
	Total water recycling and reuse volume	Ton	62,664.00
	Total water consumption	Ton	1,687,884.79
	Water consumption intensity	tons/RMB 1 million of revenue	323.75
Pollution and waste management	Wastewater discharge situation		
	Wastewater discharge	Ton	545,296.51
	Wastewater discharge intensity	tons/RMB 1 million of revenue	104.59
	Total phosphorus (calculated as P)	Ton	0.23
	Chemical oxygen demand (COD)	Ton	88.86
	Suspended solids	Ton	4.50
	Ammonia nitrogen (NH ₃ -N)	Ton	5.17
	Five-day biochemical oxygen demand (BOD ₅)	Ton	17.78
	Waste gas discharge situation		
	Nitrogen oxides (NO _x)	Ton	14.40
	Sulfur oxides (SO _x)	Ton	1.41
	Volatile organic compounds (VOC)	Ton	33.91
	Particulate matter	Ton	0.62
	Waste discharge situation		
	Total waste generated	Ton	23,039.09
	Waste generation intensity	tons/RMB 1 million of revenue	4.42
	Non-hazardous waste generation amount	Ton	2,683.01
	Non-hazardous waste generation intensity	tons/RMB 1 million of revenue	0.51
	Hazardous waste generation amount	Ton	20,356.08
	Hazardous waste generation intensity	tons/RMB 1 million of revenue	3.90
	Waste disposal amount	Ton	23,053.70
	Waste disposal compliance rate	%	100

Topic	Indicator	Unit	2025
Pollution and waste management	Total wastes recycled	Ton	6,318.58
	Waste recycling rate	%	27.42

Industry Value			
Topic	Indicator	Unit	2025
R&D and innovation	R&D investment	RMB 10,000	14,899.18
	Percentage of R&D investment in operating income	%	2.86
	Number of new product development projects	Pcs	47
	R&D team		
	Total number of R&D team members	Person	506
	Percentage of R&D personnel to total employees	%	14.72
	By gender		
	Male	Person	348
	Female	Person	158
	Innovation results		
	Total number of authorized patents (within the validity period)	Item	285
	Number of patent applications	Item	17
	By patent type		
	Cumulative number of authorized invention patents	Item	186
	Cumulative number of authorized utility model patents	Item	95
	Cumulative number of authorized design patents	Item	4
	Number of valid patents per RMB 1 million of revenue	Items/RMB 1 million of revenue	0.055
	Other intellectual property		
	Cumulative number of software copyrights	Item	3
	Cumulative number of trademarks	Item	161
	Number of software copyrights per RMB 1 million of revenue	Items/RMB 1 million of revenue	0.00058
	Cumulative number of published papers	Paper	3
	Enterprise innovation capability certifications		
	National high-tech enterprises	Entity	3

Topic	Indicator	Unit	2025	
R&D and innovation	National recognized enterprise technology center	Entity	1	
	New professional special elite enterprises	Entity	4	
Product and service quality	Product safety and quality			
	Product qualification rate	%	100	
	Number of products that are required to be withdrawn	Pcs	0	
	Customer service			
	Number of customer complaints	Times	26	
	Number of customer complaints resolved	Case	26	
	Number of customers who participated in the survey	Person	52	
	Customer satisfaction ¹	Points/100Points	95.82	
	Customer service appraisal			
	Number of customer complaint response appraisals	Times	12	
	Pass rate of customer complaint response appraisals	%	100	
	Supply chain management	Total number of suppliers	Entity	2,511
		Number of domestic suppliers	Entity	2,465
		Number of suppliers from Hong Kong, Macau, Taiwan, and overseas	Entity	46
Supplier review				
Number of suppliers certified under quality management systems		Entity	946	
Number of suppliers certified under environmental management systems		Entity	798	
Number of suppliers certified under occupational health and safety management systems		Entity	685	
Number of suppliers suspended due to non-compliance		Entity	10	
Number of prospective suppliers rejected due to non-compliance		Entity	8	
Supplier risk management				
Number of incidents with significant risks and impacts on the supply chain		Case	0	
Number of persons involved		Person	0	
Number of suppliers involved		Entity	0	

Notes:¹Customer satisfaction is calculated as the arithmetic mean of customer satisfaction scores of the Company and its subsidiaries.

Human Resources			
Topic	Indicator	Unit	2025
Labor relations management	Employee recruitment and employment		
	Labor contract signing rate	%	100
	Diversity and equal opportunity		
	Number of labor discrimination incidents	Case	0
	Number of child labor misuse incidents	Person-times	0
	Number of forced labor and harassment incidents	Case	0
	Total number of employees	Person	3,437
	Number of employees from national minority	Person	116
	Number of disabled employees	Person	14
	Number of veteran employees	Person	18
	Outsourcing labor	Person	31
	New employees		
	Number of new employees	Person	655
	New employees by gender		
	Female	Person	111
	Male	Person	544
	Protection of women's rights and interests		
	Number of women in management personnel	Person	89
	Total number of employees entitled to parental leave	Person	33
	Number of employees who took parental leave	Person	31
	Return-to-work rate of employees who took parental leave	%	100
	Benefits and remuneration		
	Social insurance coverage rate	%	96.77
	Number of employees in need who received assistance	Person	15
	Amount of financial assistance for employees in need	RMB 10,000	3.94
	Employee satisfaction		
	Employee satisfaction ²	%	93.21
	Number of employees participating in the satisfaction survey	Person	2,039

Notes:²Employee satisfaction is calculated as the arithmetic mean of employee satisfaction scores of the Company and its subsidiaries.

Topic	Indicator	Unit	2025
Development and training	Employee training		
	Investment in employee training	RMB 10,000	32.81
	Number of employee training sessions	Session	1,310
	Total number of persons trained	Person	2,761
	Total number of persons trained	Person-times	34,527
	Employee training coverage rate		
	Employee training coverage rate	%	80.33
	Training hours		
	Total training hours	Hour	68,612
	Average training hours per employee per year	Hours/person	19.96
Occupational health and safety	Safety production		
	Number of safety production accidents	Case	10
	Potential risk identification and rectification rate	%	99.37
	Number of safety emergency drills	Session	283
	Investment in safety production	RMB 10,000	3,037.52
	Safety training		
	Number of safety training sessions	Sessions	170
	Number of participants in safety training	Person-times	21,577
	Total hours of safety training	Hour	120,283.5
	Average safety training duration per employee	Hours/person	35.00
	Coverage rate of safety training for employees	%	100
	Occupational health		
	Coverage rate of work-related injury insurance for employees ³	%	100
	Coverage rate of production safety liability insurance for employees	%	100
Coverage rate of physical examinations for employees	%	95.11	
Number of occupational disease cases	Case	0	

Notes:³As the coverage of work-related injury insurance includes regular employees, rehired retirees, and Outsourcing labor, its coverage rate is higher than that of social insurance.

Topic	Indicator	Unit	2025
Contribution to society	Investment in public welfare and charity	RMB 10,000	149.88
	Total hours of volunteer activities	Hour	16

Indexes

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Feedback Form

Dear readers,

Greetings! Thank you for taking your time to read our *2025 Environmental, Social and Governance Report of Yongtai Technology*. In order to constantly improve our report preparation, and our capacity and level to bear responsibilities, we earnestly hope to receive your valuable opinions and suggestions on this report, helping us make progress continuously.

Address:

E-mail:

1. Your overall assessment of our implementation of ESG:

Excellent Good Average Below Average Poor

2. Your overall assessment of this report:

Excellent Good Average Below Average Poor

3. How do you think we have performed in terms of communications with stakeholders?

Excellent Good Average Below Average Poor

4. How do you think we have performed in terms of product liability?

Excellent Good Average Below Average Poor

5. How do you think we have performed in terms of environment, safety, and occupational health?

Excellent Good Average Below Average Poor

6. How do you think we have performed in terms of employee accountability?

Excellent Good Average Below Average Poor

7. How do you think we have performed in terms of ESG?

Excellent Good Average Below Average Poor

8. What are your opinions and suggestions on our implementation of ESG and this report?

Disclaimer

The information contained in this report does not constitute any investment advice. Investors should not replace their independent judgment or make decisions solely based on such information. The Company does not assume any responsibility for losses that arise or may arise from the use of information in this report. The information published by the Company is true and accurate. In the event of any inconsistency with statutory disclosure documents, the statutory disclosure documents shall prevail.

If this report contains forward-looking statements, it does not constitute a constraint on the Company's future actions, and the Company is not obligated and does not undertake to revise forward-looking statements (if any) contained in this document.

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