

**2024**

**Environmental Social and  
Governance  
Report**



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# About This Report

This report provides a comprehensive disclosure of Hymson's practices and performance in economic, environmental, social, and corporate governance areas in 2024, with the objective of facilitating effective communication with stakeholders and systematically responding to their expectations and requirements.

## Reporting Cycle

This report covers the period from January 1, 2024 to December 31, 2024, and constitutes the annual reporting cycle.

## Reporting Scope

This report discloses information on Hymson's fulfillment of responsibilities in economic, social, environmental, and corporate governance aspects, with typical cases sourced from its affiliated companies.

## Reporting Period

This report covers the period from January 1, 2024 to December 31, 2024. To enhance the comparability and forward-looking nature of the report, certain content may be extended to prior or subsequent periods where deemed appropriate.

## Basis of Preparation

- *Guidelines No. 14 of the Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)*
- *GRI Sustainability Reporting Standards* (GRI Standards) issued by the Global Sustainability Standards Board (GSSB)
- *Guidelines on Sustainability Reporting for Chinese Enterprises* (CASS-ESG 6.0) issued by the Chinese Academy of Social Sciences (CASS)
- Sustainable Development Goals (SDGs) of the United Nations in 2030
- *ISO 26000: Guidance on Social Responsibility (2010)* issued by the International Organization for Standardization (ISO)
- The Ten Principles of the UN Global Compact (UNGC)

## Data Sources

The data used in this report comes from our official documents, statistical reports, and public information.

## Abbreviations

For ease of expression and reading, "Hymson Laser Technology Group Co., Ltd." is sometimes referred to as "Hymson", "the Company", or "we" in this report.

## Reliability Assurance

We guarantee that the content of this report is true, accurate, and complete, with no false record, misleading statements, or material omission.

## Report Accessibility

This report is available in electronic format. You may log into our website ([www.hymson.com](http://www.hymson.com)) or the website of the Shanghai Stock Exchange ([www.sse.com.cn](http://www.sse.com.cn)) to download the electronic version. You may also contact us by sending an email to [ir@hymson.com](mailto:ir@hymson.com) or calling us at 0755-23325470 to obtain a copy.

## Message from the Chairman



Hymson Laser Technology Group Co., Ltd.  
Chairman

**Zhao Shengyu**



2024 marks a pivotal year for Hymson as we accelerate our global footprint, continuously enhance our independent R&D capabilities, and drive innovation across diversified business segments.

Over the past year, we deepened our focus on core businesses, strengthened market expansion, and ventured into emerging sectors. By continuously iterating our core business solutions for lithium batteries, photovoltaics, and 3C products, we solidified our position in traditional competitive industries. At the same time, we proactively advanced our globalization strategy and established a second growth curve overseas, with a record-high scale of overseas orders. In addition, we successfully developed the world's first high-power tunable mid-infrared femtosecond laser, opening up a new avenue for medical lasers and empowering innovative development in the healthcare industry with technology.

In this era full of challenges and opportunities, we remain committed to our mission of 'reshaping the global equipment landscape and advancing intelligent manufacturing for humanity'. With a focus on the integrated innovation of "laser + automation" technologies, we have built resilient core competitiveness that weathers economic cycles by continuously enhancing organizational effectiveness, strengthening technological barriers, and optimizing our global operations system.

### Environmental Responsibility

We place a great emphasis on green and sustainable development. We have built a comprehensive environmental management system and lean resource mechanisms to promote lean energy management and full-process control over wastewater, waste gas, and solid waste. Moreover, we have continuously optimized processes in key emission steps, adopted energy-saving equipment, and applied low-carbon technologies. We have also conducted carbon inventories and evaluated decarbonization pathways to actively support China's carbon peaking and carbon neutrality goals. On the product side, we have accelerated the industrialization of eco-friendly laser technologies such as laser doping and laser removal to help our customers in the photovoltaic and battery industries achieve greener transitions. Meanwhile, we have promoted green office practices and improved resource efficiency by continuously optimizing the ways we use energy, striving to build a resource-efficient and environmentally friendly sustainability system.

### Social Responsibility

We firmly believe that "quality and reliability are fundamental to our survival". To this end, we have continued to drive innovation in both products and technologies by focusing on breakthroughs in key processes such as laser ablation and automated assembly, helping our customers reduce costs and increase efficiency. We have also been committed to the growth and development of our people. With over 30% of our workforce in R&D roles, we have established a multi-tiered training system to strengthen our technical talent pipeline. At the same time, we have continued to improve employee compensation and benefits and organized various activities such as holiday care and health check-ups, constantly enhancing employees' sense of fulfillment and belonging. At the societal level, we have actively engaged in philanthropic contributions and rural revitalization efforts, fulfilling our corporate responsibilities through concrete actions.

### Governance Responsibility

We have continued to refine our modern corporate governance system by establishing a well-structured framework—led by the Board of Directors and encompassing the Shareholders' Meeting, the Board of Supervisors, and the management team—while standardizing governance policies and strengthening our ESG management system. In 2024, we revised and released several key policies to reinforce risk identification and compliant operations. On information disclosure, we have leveraged digital systems such as the Business Intelligence System (BI) and Financial Shared Service Center (FSSC) to improve the transparency of our operations and investor communication efficiency. We have also hosted multiple investor briefings to protect their rights to information and participation. Moreover, we have introduced a company-wide integrity commitment mechanism and established a supervisory system that balances whistleblowing and protection, thereby fostering sound business ethics, a level playing field, and a clean, well-regulated, and efficient governance ecosystem.

# About Hymson

## Company Overview

### Company Profile

Founded in 2008 and headquartered in Shenzhen, Hymson specializes in the research, development, design, production, and sales of high-end, non-standard intelligent equipment and is committed to becoming a global leader in laser and automation technology innovation. Since its establishment, Hymson has consistently focused on the cutting-edge needs of laser technology and automation applications. Over the past 16 years, we have successively developed laser and automation equipment for various sectors, including consumer electronics, power and energy storage batteries, photovoltaic cells, sheet metal processing, and medical applications, while providing integrated intelligent manufacturing equipment solutions to leading customers and research institutions in these fields.

### Core Competitiveness



#### Cutting-edge integrated technology

We have significant technological advantages in optics, machinery, electronics, and software, which are covered by laser, automation, and intelligent manufacturing solutions. Our laser research and development capabilities are among the best in the domestic market. Years of R&D efforts have solidified our intelligent laser equipment's superior performance and stability. Our deep integration of laser and automation technologies enable to tap into multiple emerging markets. Throughout our years of research and development, we have secured a multitude of core technologies in laser optics and automation.



#### Professional research and development team

We highly value talent and recruit specialized professionals for specific purposes based on market development dynamics. Our team consists of talented individuals from around the world, including senior executives with years of experience in developing laser and mechanical automation equipment. We collaborate with universities and scientific research institutions to jointly cultivate professional talent as a key strategy to drive our business development.



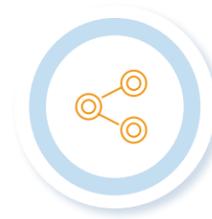
#### A large pool of clients

We can offer a diverse range of products and solutions for various industries and clients. With strong capabilities in research, development, and technological innovation, we have established solid partnerships with leading and well-known enterprises in consumer electronics, new energy, and other sectors.



#### Tailored and personalized services

Leveraging our core technological advantages to accurately grasp market demands, we provide one-stop solutions including core laser components, intelligent laser-based automation equipment, and complete intelligent and automatic production lines. We also offer customized services tailored to meet our client's unique needs and respond swiftly to their requests during research and development, production, and sales stages. We have established a three-tier professional service system and an efficient collaborative mechanism to provide on-site support, troubleshooting, technical training, and quality testing and assessment services. We maintain regular communication with our clients to beef up our competitive advantages through comprehensive services.



#### Foresighted strategic management

We seize market opportunities by managing our strategies. With our core technologies and qualified talent team, we have become a reliable supplier to leading companies in the industry. We maintain close communication with industry leaders to stay abreast of global R&D trends and the latest market dynamics. This allows us to seize opportunities, formulate targeted market strategies, integrate resources, make early moves, and secure a first-mover advantage. Additionally, we have established an advanced strategic management and internal control system. We actively foster an environment that brings together skilled individuals who share our values and contribute to an inclusive culture. Moreover, we have implemented a matrix operational structure combining business divisions and projects with research, development, and quality control as the center. To enhance our ability to implement effective strategies, we have established systems for scientific development, standardization, quality control, and financial management.

### Corporate Culture

#### Mission

To reshape the global equipment landscape and advance intelligent manufacturing for humanity

#### Vision

To become a world-leading brand in industrial laser and intelligent automation manufacturing

#### Values

Better: Customer orientation, commitment to excellence  
Higher: Solidarity and mutual trust, courage to take responsibilities  
Stauncher: Never say no and mission-driven



## Services and Solutions

Building on our expertise in laser light sources, optical paths, mechanical design, and laser control technologies, we continuously expand our reach across industries and strive to apply laser technology to new sectors. Our products are categorized into five main segments based on their applications and are widely used across industries such as lithium batteries, consumer electronics, photovoltaics, new display technologies, and sheet metal. We offer our clients efficient and reliable solutions for "laser + intelligent manufacturing".

### Business Sector

### Primary Products

### Development Situations

#### Power batteries industry

- Coating, calendaring, and slitting solution
- High-speed laser cutting solution
- High-speed laser Surface treatment solution
- High-speed winding solution
- High-speed stacking solution
- Prismatic cell assembly solution
- High-speed turret solution for large cylindrical batteries
- Fully automated vacuum drying solution
- Module/PACK assembly solution

We continuously upgrade and maintain our full portfolio of lithium batteries, covering the core production processes of electrodes, battery cells, and module packs. During the reporting period, we developed a range of innovative products, including the 1,600 double-deck & multi-lane high-speed coating machine, prismatic cell and cylindrical notching & winding integrated machines with high efficiency and precision, as well as the cross-cutting & stacking integrated machine at 0.167 s/pcs. These products have positioned us as a leading player in the industry's development.

#### Consumer electronic industry

- Fully automated PCB laser marking machine
- Fully automated PCB laser cutting machine
- Dual-station glass cutting & forming machine
- Laser welding machine for battery modules
- Integrated laser cutting & welding machine for material strips
- Automatic test equipment (ATE)
- Battery PACK airtightness test equipment
- Battery module PACK end-of-line comprehensive test equipment
- Fully automated assembly line for steel shell battery cells and PACK
- SMA OIS automatic assembly line of motor
- Square aluminum case battery module PACK line
- Fully automated assembly line for top covers of prismatic battery
- Automatic assembly line for transformers
- Battery micrometer

We continuously refine our laser welding, cutting, and surface treatment technologies. Our product range includes the fully automated PCB laser marking machine, the fully automated PCB laser cutting machine, the dual-station glass cutting & forming machine, the integrated laser cutting & welding machine for material strips, the fully automated assembly line for steel shell battery cells and PACK, the square aluminum case battery module PACK line, and the fully automated assembly line for prismatic battery top covers. Our goal is to assist our clients in reducing costs and increasing efficiency through these advanced solutions.

### Business Sector

### Primary Products

### Development Situations

#### Photovoltaics industry

- Fully automated TOPCon primary doping machine of laser
- Large spot laser scribing machine
- Fully automated laser welding machine

Our solutions encompass all key processes in the production of photovoltaic cells and components. From pioneering TOPCon primary boron doping technology of laser to being the first to mass-produce equipment with laser-welded photovoltaic modules and launching laser sintering related equipment, Hymson has increased the photovoltaic conversion efficiency of cells by more than 0.3%. We are actively seeking cooperation opportunities and working with industrial partners to expand the global market for green energy.

#### New display technologies industry

- Micro LED mass transfer machine
- Micro LED mass soldering equipment
- Mini LED mass soldering equipment
- Micro LED fully automated removal equipment
- Mini LED fully automated laser removal equipment
- Composite film laser cutting equipment
- Fragile material cutting equipment

We are continuously overcoming key challenges in chips, display modules, and display integration. At present, the chip size of Hymson's Micro LED/Mini LED laser mass transfer machine is reduced from 50 μm to 15 μm and is expected to go below 10 μm. Furthermore, we can provide a solution for mass bonding and rework of Mini LED display modules with a yield rate of 99.999%. Moving forward, we will continue to make key technological breakthroughs, driving the mass production and commercialization of Mini/Micro LED chips.

#### Sheet metal industry

- HF-G high-speed laser cutting machine
- HF-B ultra-high-power laser cutting machine
- HF-C medium-low-power laser cutting machine
- HF-A single-station laser cutting machine
- TP triple/quad heavy-duty laser pipe cutting machine
- G-series high-speed laser pipe cutting machine
- S-series standard laser pipe cutting machine
- MP fully automatic laser pipe cutting machine
- HP H-beam laser cutting machine
- Automation systems and production lines

Our meticulously developed high-speed laser cutting machine, featuring high/low-pass filtering, high acceleration, and long-term stable high-dynamic cutting, ensures significant improvements in users' overall production efficiency and benefits. After several years of internal R&D and reliability validation, this series, thanks to its multiple advantages, quickly gained the favor of numerous industry clients upon its market launch, with sales increasing by over 200% year-on-year. Despite the downturn in the laser cutting industry, we defied the trend, taking the lead in achieving breakthroughs in product quality and efficiency. Through successful partnerships with both upstream and downstream players, we have set a benchmark for developing new quality productive forces.

## Our Milestones

### 2008

- Hymson was established.
- The first portable laser marking machine was launched.

### 2011

- Hymson fully entered the automation field.

### 2012

- Hymson assembled a team of researchers to develop the first 5W air-cooled ultraviolet nanosecond laser.
- Hymson was awarded the second prize in the China Innovation and Entrepreneurship Competition (first place in Shenzhen).

### 2013

- Hymson was recognized as a national high-tech enterprise.
- Green laser products were sold on a massive scale.

### 2014

- Hymson officially became a qualified supplier for Client A.
- Hymson's PCB laser marking equipment was delivered to a major customer in the 3C industry in batches.

### 2015

- Hymson became the first in China to mass-produce laser tab cutting equipment and successfully verified it through a leading customer in the lithium battery industry.
- Hymson's first batch of automated production line of power transformer assembly and testing received a bulk order from a major customer in the 3C industry.

### 2017

- Hymson Jiangmen and Hymson Jiangsu were established.
- Laser tab cutting machines were delivered in batches with a cutting speed exceeding 30 m/min.

### 2018

- Infrared picosecond lasers were developed and produced.

### 2019

- Hymson Italy and Hymson USA were established.
- Ultraviolet and green light picosecond lasers were developed and produced.
- Our self-developed ultraviolet picosecond lasers were delivered to a major customer in the 3C industry in batches.
- The Jiangmen and Jiangsu bases were officially launched into production.

### 2020

- Hymson was listed on the Sci-Tech Innovation Board of the Shanghai Stock Exchange.
- Equipment for large cylindrical batteries was mass-manufactured.

### 2021

- Hymson expanded its business into the photovoltaic and new display industries.
- High-power ultraviolet and green light picosecond/nanosecond lasers were developed.
- The fully automated assembly line for battery packs was delivered to a major customer in the 3C industry in batches.
- Hymson was rated as the Guangdong Provincial Industrial Design Center and the Municipal Postdoctoral Innovation Practice Base.

### 2022

- Low-power femtosecond lasers were developed.
- The contract for the Chengdu base project was signed.
- Hymson pioneered the TOPCon primary laser boron doping process in the photovoltaic industry.
- Micro LED 50  $\mu\text{m}$  chip mass transfer machines were delivered.
- The cutting speed of laser tab cutting machines exceeded 120 m/min.
- The 3C battery laser ablation equipment received orders from a leading South Korean customer in the battery industry.
- Hymson was honored as a leader in hardcore technologies on the 2022 Sci-Tech Innovation Board.
- Hymson won the Excellent Chinese Patent Award.
- Hymson published two group standards.

### 2023

- Hymson launched the major technological breakthrough program of Shenzhen.
- Hymson developed the sub-nanosecond laser and the i-series customized picosecond integrated machine.
- Newly designed 30 ppm power battery assembly lines were produced and delivered.
- Hymson accelerated its globalization process by establishing new subsidiaries in the Netherlands, South Korea, Singapore, and Hong Kong, China.

### 2024

- The first phase of the Chengdu base was successfully topped out.
- The preliminary layout in Europe took shape, with subsidiaries established in Germany and Switzerland.

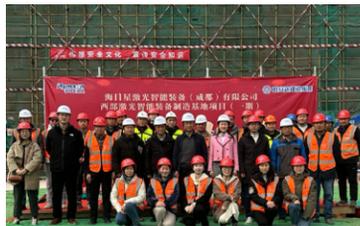
# Highlights of 2024

## January

The first 60 ppm linear cylindrical battery assembly line was delivered and successfully put into mass production.



The first phase of the Chengdu base was successfully topped out.



## March

A high-speed, online CT inspection system was launched.



## April

With our flagship product, the laser die-cutting machine, Hymson was listed among the eighth batch of national single-product champion enterprises in the manufacturing industry.



## May

Our laser scribing machines were delivered to a leading customer in the consumer electronics battery industry in batches.



Our scientific and technological achievement in medical laser was recognized as "internationally advanced" by an authoritative expert panel.



Our Medical Laser Global Launch Event was successfully held.



## July

Hymson signed a strategic cooperation agreement with INX.



Hymson signed strategic cooperation agreements with Fuzhou University, Fujian Science & Technology Innovation Laboratory for Optoelectronic Information of China, and Jiixin Chuanghui.



The first Micro LED pilot line, covering mass transfer, mass welding, and repair equipment, was successfully delivered.



## August

The Shenhai Building (Headquarters Building) project officially commenced.



Hymson successfully won the bid for a project from a leading overseas automotive manufacturer, supplying laser and automation equipment for power batteries.



Hymson signed an RMB 400 million solid-state battery equipment procurement agreement with INX.



Hymson successfully issued A-shares to specific investors.

## September

Hymson secured new module PACK orders from a leading North American customer in the energy storage sector.

Hymson achieved a technological breakthrough in laser ablation in motion.



Hymson ranked among the Top 500 Enterprises in both Guangdong Province and Shenzhen in 2024.



## October

The high-speed laser cutting machine was rolled out.



## November

Hymson signed a strategic cooperation agreement with Bochu Electronic.



The fully automated PCB laser marking machine passed the first batch of electronic manufacturing informatization product verification by the China Academy of Information and Communications Technology (CAICT).



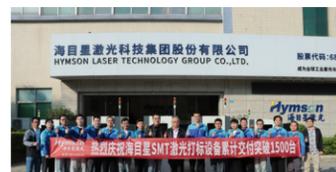
The 120 ppm high-speed turret assembly line was delivered and successfully put into mass production.

## December

The laser processing equipment was successfully delivered to a leading South Korean customer in batches.



The cumulative delivery of SMT laser marking equipment exceeded 1,500 units.



## Awards and Honors

Issuing Date	Title of Honor	Issuing Organization
January 2024	Excellent Project Award	Fuding Contemporary Amperex Technology Limited
January 2024	Gold Supplier	Ruipu Saik Power Battery Co., Ltd.
March 2024	Glorious Laser Award	Organizing Committee of Glorious Laser Award
March 2024	2024 Glorious Laser Award – Silver Award	Laser Processing Committee of Chinese Optical Society (COS)
March 2024	Single-Product Champion Enterprise in the Manufacturing Industry in Guangdong Province	Department of Industry and Information Technology of Guangdong Province
April 2024	National Single-Product Champion Enterprise in the Manufacturing Industry	Ministry of Industry and Information Technology
April 2024	Top 100 Industrial Enterprises of Longhua District in 2022	Longhua District, Shenzhen
April 2024	Top 100 Industrial Enterprises	The People's Government of Longhua District, Shenzhen
June 2024	Innovation Award in Laser Industrial Equipment (Secret Light Awards/SLA)	Organizing Committee of Laser Industry Innovation Awards (Secret Light Awards/SLA) Guangdong Laser Industry Association Shenzhen Intelligent Manufacturing Laser Technology Research Institute Guangdong XZQ Laser Technology Co., Ltd.
July 2024	Shenzhen Municipal Employment Support Base	Human Resources and Social Security Bureau of Shenzhen Municipality
September 2024	Top 500 Enterprises in Guangdong Province	Guangdong Provincial Federation of Enterprises
September 2024	Top 500 Enterprises in Shenzhen	Shenzhen Enterprise Confederation and Shenzhen Entrepreneur Association
November 2024	Helios Award – 2024 Excellent Equipment Enterprise	Organizing Committee of the China International PV and Energy Storage Industry Conference
November 2024	2024 Pioneer in Solid-State Battery Equipment Innovation	Gaogong Consulting
December 2024	Advanced Equipment Enterprise	Guangdong Battery Industry Association
December 2024	AAAAA Credit Enterprise	Guangdong Battery Industry Association
December 2024	Advanced Manufacturing Innovation Achievement Award + Application of Optical Path Shaping Technology in SMT Laser Equipment	SMT Committee of the Guangdong Institute of Electronics

## ESG Governance

At Hymson, we consistently prioritize the management of responsibilities related to Environmental, Social and Governance (ESG) matters and integrate ESG principles deeply into the daily operations of all departments. In 2024, we conducted a materiality assessment of ESG topics and proactively promoted the optimization and enhancement of our responsibility management practices. These efforts aim to ensure sustainable development across environmental protection, social responsibility fulfillment, and corporate governance. Moving forward, Hymson will continue to refine its ESG management system and improve ESG performance, laying a solid foundation for the Company's long-term sustainable growth.

## ESG Principles and Management Framework

We have established an ESG management framework that encompasses governance, management, and execution. The Board of Directors is responsible for developing ESG strategic goals as well as reviewing and making decisions on significant ESG-related matters. The Chairman serves as the chair of the ESG Committee, composed of heads from key business units and departments integral to ESG efforts. The ESG Committee is responsible for researching, analyzing, and evaluating the implementation of ESG initiatives, and proposing recommendations for ESG development.

The Committee regularly updates the Board of Directors on our ESG endeavors and assesses annual ESG reports before their submission for the board's review. The ESG Working Group, operating under the Committee, manages the day-to-day ESG matters and executes the Committee's decisions. Responsibilities include but are not limited to organizing committee meetings, executing specific ESG initiatives in the Company, and preparing ESG reports.



ESG Management Framework

## Materiality Assessment

We identify and analyze material topics based on strategic planning, industry trends, stakeholder demands, international standards, and best practices among peers. Through stakeholder research, we identify and finalize the annual list of material topics, and develop our management objectives and strategies for these key areas. These efforts are detailed in the annual report, underscoring our commitment to sustainable development.

### Establishment of a material topic database

- We identify a list of ESG topics relevant to the Company by considering our ESG background (geographical location, business activities, business relationships), standard policies, industry practices, and expert opinions.
- These topics are categorized into environmental, social, and corporate governance areas.

### Stakeholder research

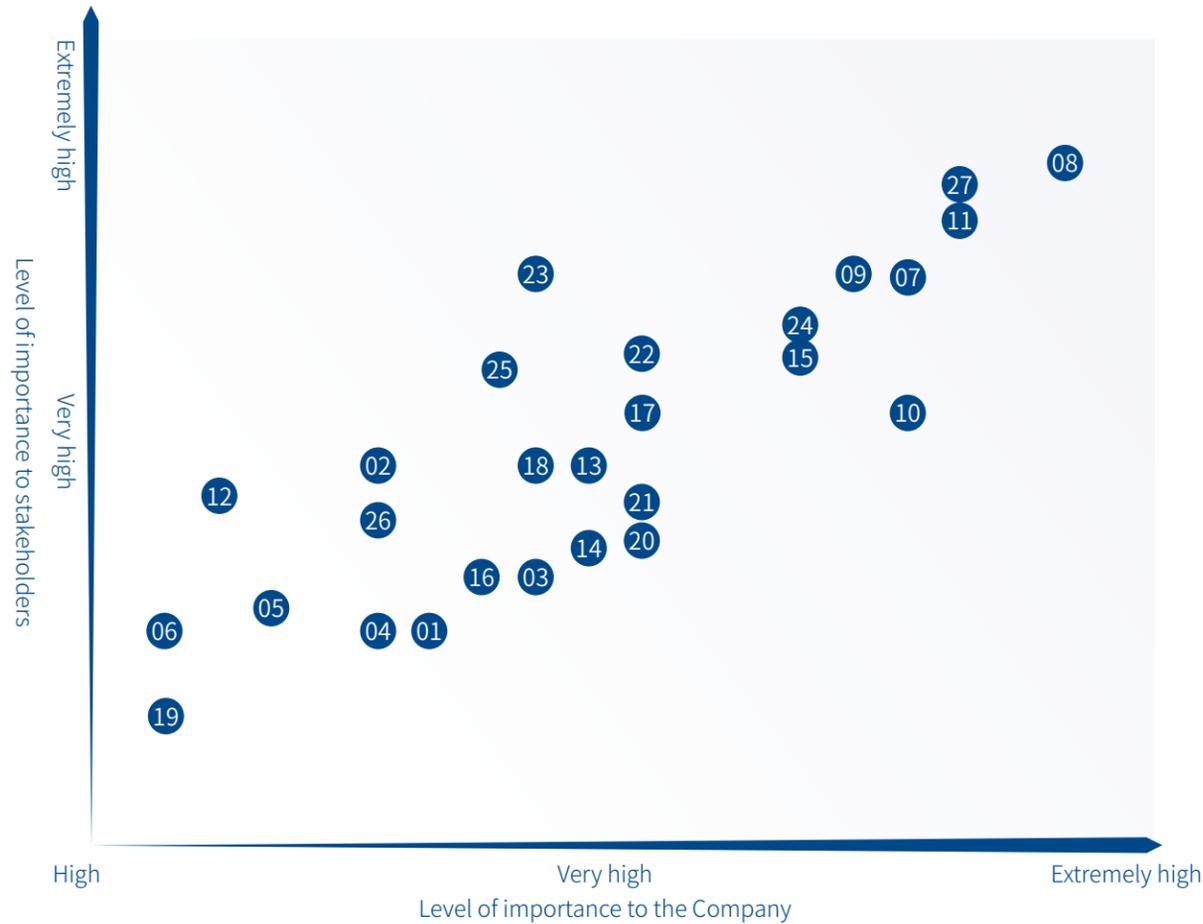
- We pinpoint key stakeholder groups and determine the most effective ways and channels for communication.
- By applying the double-materiality principle, we design both online and offline questionnaires. We invite key stakeholders from both inside and outside the Company to rate the materiality of the listed topics.

### Assessment and prioritization of materiality

- We review the feedback and scores from the questionnaires and assign stakeholder weights based on expert opinions.
- We create a materiality matrix based on the impact of material topics on our sustainable development and stakeholders.

### Confirmation and reporting of key topics

- We confirm the material topics by considering expert opinions.
- The ESG Committee reviews these significant topics, submits them to the Board of Directors, and prioritizes their disclosure in the annual ESG report.



Environment	Society	Corporate Governance
<ul style="list-style-type: none"> <li>1 Improve the environmental management system</li> <li>2 Address climate change</li> <li>3 Energy and resource consumption management</li> <li>4 Management of wastes</li> <li>5 Green office</li> <li>6 Noise control</li> </ul>	<ul style="list-style-type: none"> <li>7 Product Quality and Safety</li> <li>8 Research, Development, and Innovation</li> <li>9 Information Security and Privacy Protection</li> <li>10 Sustainable Supply Chain</li> <li>11 Excellent Customer Service</li> <li>12 Industry Development Promotion</li> <li>13 Employee Rights Protection</li> <li>14 Employee Care</li> </ul>	<ul style="list-style-type: none"> <li>15 Employee Training and Development</li> <li>16 A Comfortable Working Environment</li> <li>17 Occupational Health and Safety</li> <li>18 Competitive Compensation and Benefits</li> <li>19 Community Engagement and Involvement</li> <li>20 Improvement of ESG Governance Framework</li> <li>21 ESG Risk and Opportunity Management</li> <li>22 Communication with stakeholders</li> <li>23 Internal Control and Risk Management</li> <li>24 Business ethics</li> <li>25 Diversity in Board of Directors</li> <li>26 Investor Rights Protection</li> <li>27 Intellectual Property Protection</li> </ul>

## Stakeholder Identification and Engagement

Hymson places a strong emphasis on continuous engagement with its stakeholders and has established diverse communication channels to gather input and feedback from key stakeholder groups, including shareholders, clients, employees, government and regulatory bodies, suppliers, local communities, and business partners. We are committed to actively responding to stakeholder expectations and concerns, striving to promote sustainable development in collaboration with all parties.

Key Stakeholders	Topics of Concern	Partial Communication and Response Methods
Shareholders	<ul style="list-style-type: none"> <li>Improvement of ESG Governance Framework</li> <li>Investor Rights Protection</li> <li>Internal Control and Risk Management</li> <li>Diversity in Board of Directors</li> </ul>	<ul style="list-style-type: none"> <li>Convene shareholders' meetings and performance briefing sessions</li> <li>Regularly disclose operational and financial information</li> <li>Regularly and routinely communicate with investors</li> <li>Strengthen the risk control system</li> <li>Promote gender and background diversity in the board</li> </ul>
Clients	<ul style="list-style-type: none"> <li>Product Quality and Safety</li> <li>Information Security and Privacy Protection</li> <li>Excellent Customer Service</li> <li>Research, Development, and Innovation</li> <li>Industry Development Promotion</li> </ul>	<ul style="list-style-type: none"> <li>Improve the quality management system and safety management system</li> <li>Enhance information security and privacy protection measures</li> <li>Respond to clients' demands quickly and improve action plans</li> <li>Provide training and technical support for clients</li> <li>Establish a long-term partnership</li> <li>Continuously conduct R&amp;D innovation and digital construction</li> <li>Drive the ecological design of products in the entire lifecycle</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Intellectual Property Protection</li> <li>A Comfortable Working Environment</li> <li>Employee Rights Protection</li> <li>Employee Care</li> <li>Employee Training and Development</li> <li>Occupational Health and Safety</li> <li>Competitive Compensation and Benefits</li> </ul>	<ul style="list-style-type: none"> <li>Refine intellectual property management</li> <li>Establish a mechanism for talent development</li> <li>Strengthen the construction of an occupational health and safety management system</li> <li>Provide holiday care and cultural activities</li> <li>Improve the salary system and strengthen performance management</li> </ul>
Governments and regulatory organs	<ul style="list-style-type: none"> <li>Business Ethics</li> <li>Internal Control and Risk Management</li> <li>Energy and Resource Consumption Management</li> </ul>	<ul style="list-style-type: none"> <li>Strictly abide by the laws and regulations of each operating location</li> <li>Strengthen anti-corruption management and improve the reporting mechanism</li> <li>Operate with integrity and pay taxes according to the law</li> <li>Apply lean energy management for sustainable development</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Sustainable Supply Chain</li> </ul>	<ul style="list-style-type: none"> <li>Establish fair and transparent procurement principles and procedures</li> <li>Sign commitments to responsibility with suppliers</li> <li>Conduct regular communication and training with suppliers</li> </ul>
Communities	<ul style="list-style-type: none"> <li>Community Engagement and Involvement</li> </ul>	<ul style="list-style-type: none"> <li>Carry out charitable donations</li> <li>Organize charity events</li> </ul>
Partners	<ul style="list-style-type: none"> <li>Industry Development Promotion</li> </ul>	<ul style="list-style-type: none"> <li>Participate in industry summits and forums</li> <li>Become members of related industry associations</li> </ul>

## 01

Integrity ·  
Foundation of  
Governance

At Hymson, we are committed to embedding ESG principles into our daily operations and strategy formulation, leveraging governance innovation to drive high-quality growth. At the strategic level, we have established a robust governance framework and continued to foster a new governance model characterized by scientific decision-making, standardized operations, and transparent oversight through systematic innovations in governance mechanisms. In terms of investor relations management, we have built a professional and international value communication system that reshapes capital market perception through high-quality information disclosure and deep engagement. Additionally, we draw strength from our Party-building efforts and transform this unique advantage into governance efficiency, fueling Hymson's steady and long-term development with the "red engine".

- ▾ Corporate Governance
- ▾ Investor Relations Management
- ▾ Internal Control
- ▾ Business Ethics
- ▾ Information Security
- ▾ Party Building Leadership



## Corporate Governance

Hymson has established a modern, standardized corporate governance system, grounded in a well-defined corporate governance structure and a scientific decision-making mechanism, to continuously enhance governance effectiveness. In strict accordance with regulatory requirements for listed companies, we have established a clearly defined and effectively balanced governance mechanism comprising the Shareholders' Meeting, the Board of Directors, the Board of Supervisors, and the management team. Each body performs its respective duties and operates in a coordinated manner. The composition of the Board of Directors emphasizes diversity in professional backgrounds and industry experience, resulting in a leadership team with complementary expertise and well-rounded decision-making perspectives. Additionally, we have put in place a dynamically optimized system for policy management, with regular reviews and updates to ensure that our policies stay aligned with business development and regulatory requirements, thereby laying a solid governance foundation for our sustainable growth and long-term value creation.

### Functioning of the Shareholders' Meeting, the Board of Directors, and the Board of Supervisors

We have established a sound corporate governance structure, with the Shareholders' Meeting, the Board of Directors, and the Board of Supervisors functioning in strict compliance with Chinese laws and regulations, including the *Company Law and the Measures for the Administration of Independent Directors of Listed Companies*, as well as our *Articles of Association*. In the selection and appointment of directors and supervisors, we rigorously follow a standardized process involving evaluation by the Nomination Committee, deliberation by the Board of Directors, and voting at the Shareholders' Meeting. A separate vote-counting mechanism is applied for minority investors at the Shareholders' Meeting to fully safeguard their participation rights. Through institutionalized selection procedures and a diverse governance structure, we ensure the independence of the Board and the effectiveness of corporate governance, paving the way for our sustainable development. Additionally, our independent directors actively perform their duties, playing a critical role in optimizing the governance structure and protecting the rights and interests of minority shareholders.

#### During the reporting period



we convened **4** Shareholders' Meetings



the Board of Directors held **10** meetings



and the Board of Supervisors held **10** meetings



Under the Board of Directors, there are four specialized committees: the Audit Committee, the Nomination Committee, the Remuneration and Appraisal Committee, and the Strategy Committee. Each committee operates with clear mandates and professional focus, providing expert support on strategic decision-making, risk control, executive selection, and performance evaluations. This effectively enhances the scientific nature of decision-making and promotes standardized management.

#### Audit Committee



- Composed of three directors, including two independent directors (one of whom is an accounting professional).
- One Chair acts as the convener of the committee, held by the independent director with accounting expertise, who is responsible for convening and presiding over the committee.
- Holds eight meetings annually.

#### Nomination Committee



- Composed of three directors, including two independent directors.
- One Chair acts as the convener of the committee, held by an independent director, who is responsible for convening and presiding over the committee.
- Holds two meetings annually.

#### Remuneration and Appraisal Committee



- Composed of two independent directors and one director.
- One Chair acts as the convener of the committee, held by an independent director, who is responsible for convening and presiding over the committee.
- Holds five meetings annually.

#### Strategy Committee



- Composed of four directors.
- One Chair acts as the convener of the committee, held by the Chairman of the Company, who is responsible for presiding over and convening the committee.
- Holds one meeting annually.

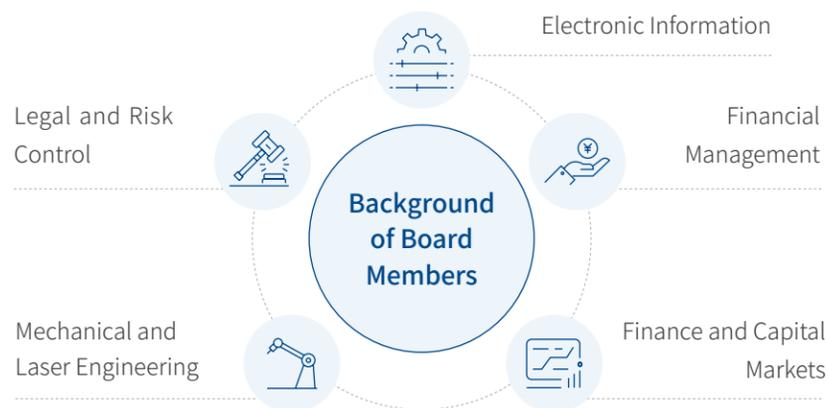
Composition and Meeting Frequency of Specialized Committees



Responsibilities of Specialized Committees

## Board Diversity

We attach great importance to board diversity, with continuous attention to key elements during the selection process such as professional skills, industry experience, educational background, gender ratio, age composition, and independence. Current board members possess exceptional expertise and a broad range of academic backgrounds spanning key areas such as laser technology, mechanical engineering, financial management, legal compliance, and business administration. This ensures a high-performance team with complementary expertise and well-rounded decision-making perspectives, providing robust professional support for the Company's strategic decisions.



Background of Board Members

During the reporting period

the Board of Directors consisted of **9** members

including **3** independent directors

and **1** female director

## Institutional Updates

To continuously improve our governance system, we revised several core policies and introduced new ones. Systematic revisions were made to the Articles of Association, the *Working Rules for the General Manager*, and the *Management System for Raised Funds*. Three new key policies were also introduced, including the *Management System for Voluntary Information Disclosure*, the *Public Opinion Management System*, and the *Management System for Foreign Exchange Hedging Business*. These efforts have further strengthened our corporate governance framework and risk control mechanisms. We adhere to our information disclosure responsibilities, ensuring that all disclosures are made based on the principles of authenticity, accuracy, completeness, timeliness, and fairness. This guarantees the investors' rights to information and participation while providing strong protection for the interests of our investors. We strictly comply with the information disclosure regulations of the China Securities Regulatory Commission (CSRC) and the Shanghai Stock Exchange (SSE) and issue various regular and interim announcements. Relevant announcements can be found on the SSE website ([www.sse.com.cn](http://www.sse.com.cn)).

In addition to complying with mandatory information disclosure regulations, we proactively engage in voluntary disclosure, maintaining positive interaction with the capital market. We promptly disclose any information that may substantially impact decisions made by shareholders and other stakeholders, ensuring that all shareholders have equal access to information.

Document Title	Date of Approval	Approved by	New/Revised
<i>Management System for Voluntary Information Disclosure</i>	March 22, 2024	5 <sup>th</sup> Meeting of the 3 <sup>rd</sup> Board of Directors	New
<i>Articles of Association</i>	October 31, 2024	2024 Second Extraordinary Shareholders' Meeting	Revised
<i>Working Rules for the General Manager</i>	December 13, 2024	11 <sup>th</sup> Meeting of the 3 <sup>rd</sup> Board of Directors	Revised
<i>Management System for Raised Funds</i>	December 13, 2024	11 <sup>th</sup> Meeting of the 3 <sup>rd</sup> Board of Directors	Revised
<i>Public Opinion Management System</i>	December 13, 2024	11 <sup>th</sup> Meeting of the 3 <sup>rd</sup> Board of Directors	New
<i>Management System for Foreign Exchange Hedging Business</i>	December 13, 2024	11 <sup>th</sup> Meeting of the 3 <sup>rd</sup> Board of Directors	New

Governance-Related Policies Updated in 2024



# Investor Relations Management

To improve the corporate governance structure and standardize investor relations practices, we, in light of our actual operations, have formulated the *Investor Relations Management System* in compliance with relevant national laws and regulations such as the *Company Law*, the *Securities Law*, and the *Work Guidelines for the Investor Relations Management of Listed Companies*, as well as our Articles of Association. The policy is designed to strengthen communication and engagement with investors and foster long-term and stable relationships by providing timely updates on our key information such as development strategies and management principles. Through a standardized investor relations system, we continue to enhance the quality of information disclosure and strengthen investor understanding and confidence in Hymson.

## Investor Communication Channels

We have established a comprehensive, multi-layered investor communication system that blends online and offline channels to continuously enhance our investor relations management. In addition to traditional communication channels such as dedicated investor hotlines and email, we actively engage with investors via digital platforms including the SSE e-interaction platform (<https://sns.sseinfo.com/>) and the Investor Relations section on our official website (<http://www.hymson.com>). We also host regular performance briefings and investor meetings to safeguard the rights of small-and-medium-sized investors to participate in the Company's decision-making processes. Furthermore, we closely monitor online investor communities such as Xueqiu ([xueqiu.com](http://xueqiu.com)) and Guba ([guba.eastmoney.com](http://guba.eastmoney.com)) to respond promptly to investor concerns. This multi-dimensional communication network enables our efficient, real-time interactions and engagement with a wide range of investors, helping safeguard their rights to information and participation.

### During the reporting period

we hosted **1** annual performance and cash dividend briefing, **1** semi-annual group performance briefing for the STAR Market's new energy sector, **1** performance briefing on the first three quarters, and **1** online collective reception day for investors of listed companies. These events facilitated our communication with investors regarding their concerns about company performance, corporate governance, development strategies, operating conditions, equity incentives, and sustainability.

We received and organized targeted research meetings. During the reporting period, we hosted research meetings with nearly **600** institutional investors and securities analysis agencies. Monthly reports on these research meetings were promptly disclosed to ensure investors' timely access to key information about the Company, such as operating conditions.

The Board Office handled over **400** investor hotline calls throughout the year. Meanwhile, our team responded to more than **130** inquiries from investors via the SSE e-interaction platform, **47%** increase compared with the previous year, with a response rate exceeding **99%**



Investor Communication Channels

## Information Disclosure Management

In accordance with relevant national laws and regulations such as the *Company Law*, the *Securities Law*, the *Measures for the Administration of Information Disclosure by Listed Companies*, as well as regulatory documents such as the *Rules Governing the Listing of Stocks on the STAR Market of the Shanghai Stock Exchange*, we have formulated the *Information Disclosure Management System aligned with our Articles of Association*. This policy aims to standardize the Company's information disclosure practices, ensure that all disclosures are truthful, accurate, complete, and timely, and effectively safeguard the legitimate rights and interests of shareholders, creditors, and other stakeholders. By establishing a comprehensive information disclosure mechanism that clearly defines our disclosure standards and requirements, we provide institutional support for our standardized operations and drive continuous improvement in our corporate governance.



Roles and Responsibilities in Information Disclosure

# Internal Control

To strengthen internal management and establish a sound audit mechanism, Hymson has formulated the *Internal Audit System*, which standardizes audit procedures, enhances audit quality, and reinforces risk prevention and control, thereby safeguarding investors' rights and interests. The policy stipulates that the Audit Committee is responsible for overall supervision and guidance and reports regularly to the Board of Directors. The Internal Audit Department is tasked with core responsibilities including conducting internal control reviews and financial audits, developing the anti-fraud mechanism, and preparing audit reports. The department is also required to develop an annual audit plan covering external investments, guarantees, related-party transactions, and asset acquisitions/disposals, and to report regularly to the Audit Committee to ensure systematic and effective audit execution.



# Internal Audit

To further improve our audit management system, we have established the *Internal Audit System*, which standardizes audit procedures while innovatively introducing a dual incentive mechanism that "rewards the good and penalizes the poor performers". Auditors who demonstrate outstanding performance and adhere strictly to professional standards are granted both material rewards and public commendation. Conversely, any breach of policy is subject to tiered penalties depending on the severity of the violation, thereby ensuring the independence and authority of the audit function.

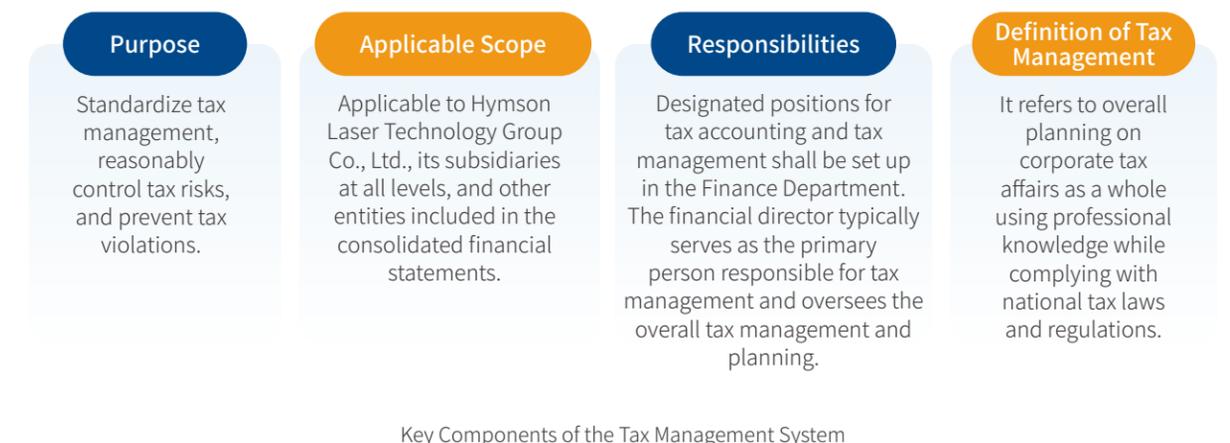


**Case** **Strengthening Internal Controls for Solid Foundation and Standardizing Governance for Development**

To implement regulatory requirements for internal controls of listed companies and comprehensively assess the operating effectiveness of its internal control system, Hymson's Internal Audit Department conducted an annual internal control self-assessment audit in December 2024, covering the Company and its subsidiaries. Following the "by subject and by module" principle, specialized audit teams were assigned to ensure a methodical working process of "assessment tests–report preparation–remediation and follow-up". The audit work was carried out as planned. Identified deficiencies in internal control were recorded in a corrective action log for further rectification to ensure closed-loop problem management.

# Tax Management

We have formulated the *Tax Management System* to further enhance our tax management efficiency, provide strong support for the decision-making process, and maintain our good tax credit and business reputation. The policy provides comprehensive guidelines for tax management across the Group and its subsidiaries. By clarifying tax management responsibilities, streamlining tax business processes, and enhancing the risk control mechanism, it aims to effectively control tax risks, prevent tax violations, and ensure full compliance with tax regulations.



**| Tax Registration**

Define procedures for tax registration, including handling time, alterations, cancellation, and re-issuance of lost certificates.

**| Tax Accounting**

Require that accounting records align with invoice information, maintain books in accordance with the law, and fulfill tax obligations.

**| Tax Filing**

Prepare tax returns on time, pay taxes, submit supporting documents, and conduct tax planning in compliance with applicable tax policies.

**| Tax Risk Identification and Assessment**

Comprehensively collect data to identify tax risks, conduct regular risk assessments, and maintain communication with tax authorities.

**| Risk Response Strategy and Internal Control**

Develop response strategies based on risk assessment outcomes and establish internal control mechanisms to manage tax risks.

**| Tax Planning**

Tax personnel shall possess relevant expertise, actively pursue tax policies, and conduct tax planning activities.

**| Tax Management in Business Contracts**

Specify contract reviews, inclusion of tax-related clauses, tax impact assessments, and tracking of tax issues during contract execution.

**| Invoice Management**

Strictly comply with invoice management regulations, which clearly define management requirements for the purchase, safekeeping, issuance, and collection of invoices.

**| Tax File Management**

Establish a tax file management register to standardize procedures for organizing, binding, storing, and disposing of tax files.

Tax Management Procedures

## Business Ethics

Hymson has established a comprehensive business ethics management system. In our efforts to foster integrity, we have established the *Anti-Corruption and Anti-Bribery Integrity Management System* and introduced a company-wide integrity commitment mechanism. Through regular training and a robust whistleblower protection system, we have built a strong defense against misconduct. In strict compliance with national laws and regulations such as the *Anti-Monopoly Law* and the *Anti-Unfair Competition Law*, we explicitly prohibit employees from exchanging sensitive information with competitors or participating in any form of bid-rigging, price alliance, or other unfair competition practices. Furthermore, we uphold the principle of equitable cooperation and pay particular attention to the protection of small-and-medium-sized enterprises (SMEs) in our supply chain. To this end, we have established a standardized payment management system to ensure that payments to SMEs are made in full and on time, thereby earnestly fulfilling our corporate social responsibility and contributing to a fair and healthy market environment.

### Fostering Integrity

Integrity management serves as a cornerstone of modern corporate governance and plays a strategic role in optimizing business operation models and achieving sustainable growth. We have built a systematic integrity management system through the development of the *Anti-Corruption and Anti-Bribery Integrity Management System*. All employees are required to sign a *Letter of Commitment to Integrity* to reinforce integrity awareness. We also regularly organize targeted training and publicity campaigns to foster a culture of integrity. In parallel, we have put in place a well-structured whistleblowing and protection mechanism that encourages internal oversight and strictly enforces a conflict-of-interest avoidance policy, ensuring justice and fairness in all business decisions. Through a multi-faceted approach, we continue to strengthen our anti-corruption safeguards, cultivate a responsible corporate image, and ensure the healthy development of our business.



Promoting Integrity to Suppliers/Employees

### Case Strengthening Anti-Corruption Training to Create a Clean and Compliant Business Environment

To strengthen the anti-corruption, anti-bribery, and compliance management of our overseas business, we invited an external third-party legal team in December 2023 to deliver anti-corruption training to all domestic and overseas employees. The training covered case studies and regulatory insights, underscoring the importance of anti-corruption efforts while clarifying standards for hospitality and requirements for third-party partner management. The training not only heightened employees' compliance awareness but also created a clean and compliant overseas business environment through the attention of the leadership, optimized processes, and improved oversight mechanisms, laying a solid foundation for our sustainable development.

**Enhanced Awareness among Employees**

Employees gain a deeper understanding of the significance of anti-corruption and anti-bribery principles after training, with significantly enhanced compliance awareness.

**Code of Conduct**

The training clarifies standards for hospitality and management requirements for third-party partnerships, enabling employees to better comply with the Company's policies and legal and regulatory requirements at work.

**Improved Oversight Mechanisms**

High attention from the leadership and ongoing improvements provide a solid foundation for a clean, compliant overseas business environment.

The Significance of Anti-Corruption Training

## Ways of Reporting

We have established a robust anti-corruption reporting mechanism by adhering to the principles of "truth-based, objective, and fair" reporting. We encourage whistleblowers to report violations in their real name while respecting and protecting anonymous whistleblowers. Whistleblowers are also encouraged to provide as much detail as possible regarding the incident, including supporting evidence. All reports are centrally handled by the Discipline Inspection Section, which commits to providing feedback on the receipt of the report within five working days and completing the investigation with a formal response within three months. This efficient and transparent process demonstrates our firm commitment to a "zero-tolerance" approach to corruption and strengthens our integrity safeguards for sustainable corporate development.



### Reporting Principles

Adhere to a truth-based approach and strictly prohibit malicious reporting or false accusations.  
Encourage real-name reporting while respecting anonymous or pseudonymous reports.



### Reporting Channels

Reporting hotline: 0755-28197985-8118  
Reporting email: jubao@hymson.com



### Violations by procurement personnel

These include accepting or soliciting bribes, collusion with suppliers to rig bids, acceptance violations, irregularities in price inquiry and comparison procedures, misappropriation of corporate assets, falsification in quality-related operations, unauthorized investments in or employment at supplier-related entities, unreported business transactions, failure to proactively disclose benefits received, and leakage of confidential information.



### Violations by suppliers and other partners

These include violations of the *Code of Business Conduct*, engaging in unreasonable entertaining or entertainment, providing loans or kickbacks, offering cash or gifts, among other improper conduct.

Definition of Violations

## Whistleblower Protection and Rewards

We have formulated the *Regulations on Rewarding Whistleblowers Reporting Violations in Procurement*, aiming to establish an open, transparent oversight mechanism that encourages all employees and stakeholders to actively participate in promoting integrity. We solemnly promise that the identity of whistleblowers is protected with strict confidentiality measures and a well-rounded protection mechanism has been established to put an end to retaliation, while ensuring that whistleblowers are provided with appropriate rewards for useful information. Verified reporting cases of wrongdoing will be handled with strict legal and regulatory consequences, while malicious false accusations will be subject to legal action. By establishing a long-term mechanism that emphasizes both incentives and protections, we effectively motivate all parties to engage in oversight, thereby fostering a fair and just business environment while continuously advancing our culture of integrity and enhancing our compliance management standards.



### Whistleblower Protection

- Special protective measures are implemented for real-name whistleblowers, including priority consideration for salary increases and awards.
- All whistleblower information is kept strictly confidential to prevent disclosure or loss.
- Retaliation against whistleblowers is strictly prohibited, and violators will be dismissed and held legally accountable.



### Whistleblower Rewards

- Cash rewards will be given based on the effectiveness of the provided information, case nature, and severity, ranging from RMB 500 to no less than RMB 10,000.
- The Discipline Inspection Section is responsible for communicating with the whistleblower regarding the rewards and the Human Resources Department determines the method of disbursement.
- Rewards will not be duplicated for the same case. In principle, the first whistleblower or the most significant contributor will receive the reward.
- Malicious reporting and false accusations are strictly prohibited, and violators will be dealt with seriously.

Whistleblower Protection and Rewards

## Fair Competition

To ensure fair competition in the market and commercial integrity, we strictly comply with national laws and regulations such as the *Competition Law and the Anti-Monopoly Law*, explicitly prohibiting employees from exchanging sensitive information with competitors or engaging in improper acts that disrupt market order such as bid-rigging, price manipulation, market division, or production limitations. In addition, we have formulated the *Code of Business Conduct*, which provides clear guidelines for procurement transactions, requiring supply and requisitioning parties to cooperate based on principles of fairness, justice, integrity, and honesty. We firmly oppose commercial bribery and unfair competition and work to protect legitimate rights and interests, thereby contributing to fostering a healthy and orderly market environment.

## Equal Treatment of SMEs

We always adhere to the principles of fairness and justice in business and treat all partners equally in our supply chain management, particularly emphasizing cooperation with small-and-medium-sized enterprises (SMEs). We have established a standardized payment management system and strictly followed contractually agreed payment schedules. Through various measures such as optimizing procurement processes and shortening approval timelines, we guarantee that SME suppliers receive payments in a timely manner, thereby protecting the legitimate rights and interests of our partners while jointly promoting the healthy development of the entire supply chain.

# Information Security

Hymson places great importance on building a robust information security management system and has implemented comprehensive, multi-dimensional measures to safeguard corporate data and information systems. We have established a well-defined set of information security policies, strictly enforce data classification and hierarchical protection mechanisms, and conduct regular cybersecurity risk assessments to ensure that our core technologies and business secrets are effectively protected. In parallel, we are committed to cultivating a strong culture of safety. Through company-wide training on information security, promotion of typical cases, and safety awareness assessments, we have continuously enhanced our employees' awareness and capabilities in information security protection, enabling us to respond more effectively to increasingly complex cybersecurity challenges.



Information Security Management System Certifications of the Company and Its Subsidiaries

## Information Security Management Policy

We uphold the information security management policy of "implementing risk control to ensure information security and complying with regulations to guarantee business growth", aiming for "zero disclosure of classified information throughout the year". Our comprehensive protection system is designed to effectively prevent various information security risks and ensure the safety of our trade secrets and customer data.

Information Security Policy

Implement risk control to ensure information security  
Comply with regulations to guarantee business growth

Information Security Target

In 2024, **zero** incident of classified information disclosure was recorded.

In line with the characteristics of our business information and relevant legal and regulatory requirements, we have established a risk assessment procedure and defined clear risk acceptance criteria. Risk assessments are made on a regular basis to identify any changes in our risk landscape. When significant changes occur in our operations or external environment, we promptly reassess risks and take corresponding control measures based on the assessment results to mitigate them.

We treat information security as a critical component of our daily production and management. All information assets are comprehensively identified and analyzed, with attention given to our information system vulnerabilities and potential threats. By balancing costs, benefits, and risks, we categorize and protect assets to meet system protection requirements in a cost-effective manner.

Our supervisory and assurance framework for information security has been continuously refined. Clear responsibilities for information security are assigned at all levels and roles, reflecting our people-centered, company-wide, all-round, and full-process approach to information security management. Through ongoing measurement, monitoring, and improvement, we ensure the effective operation of our information security management system. We maintain detailed, traceable records for policy execution, ultimately guaranteeing the continuous and secure operation of our production, business management, and services while achieving our development goals.

Interpretation of the Information Security Policy

## Information Security Management

We have established a comprehensive information security management system supported by a series of standardized procedures that collectively safeguard data and network security. These procedures are interconnected, forming a security protection framework that covers the entire data lifecycle and all critical network nodes. This holistic approach enable to effectively control information security risks and provide a reliable guarantee for business growth.

Privacy and Data Security

- Control Procedure for Information Security Risk Assessment**

Standardizes methods for identifying information assets and assessing risks, aiming to select appropriate control objectives and measures that balance control costs and risks, and to keep information security risks within acceptable limits.
- Data Backup Management Procedure**

Standardizes the management of data backups related to the Company's information systems, the formulation of backup strategies, execution and recovery of backups, and the control of other processes.
- Information Security Incident Management Procedure**

Standardizes the procedures for managing information security incidents, including classification of incidents, vulnerabilities and fault classification, reporting channels, methods and deadlines, response strategies, investigation and handling of incidents, and measures to prevent recurrence.
- Guidelines for Information Classification and Processing**

Standardizes classification methods for the Company's information (data) and requirements for information processing.
- Regulations on Safety and Protection of Employee Personal Information**

Ensures the security of all employees' personal information and guarantees its lawful, secure, and confidential processing and use.

Cybersecurity

- Network Security Management Procedure**

Standardizes the security management of the Company's computer networks, ensuring the safe and stable operation of the information system network.
- Administrative Regulations on Accounts, Passwords, and Permissions**

Strengthens the management of the Company's information system accounts and passwords, ensures controlled allocation of access permissions through the control over user passwords and permissions, and prevents unauthorized access to internal networks.
- Data Center Management Regulations**

Ensures the secure and efficient operation of the Company's computer network system (internal information platform) and maintains all equipment in optimal condition, with proper equipment use and maintenance procedures, well-defined management regulations, and clear responsibilities in place.

Selected Information Security Management Policies of the Company

## Fostering a Culture of Safety

We place great importance on fostering a culture of information security by actively building a safety culture framework involving all employees. By combining institutional standards with regular training initiatives, we have continued to strengthen employees' security awareness and embed safety principles into daily operations. Moreover, a variety of awareness campaigns have been organized to establish a safety management mechanism that "focuses on prevention and all-staff governance" and a safety management pattern where "everyone is involved and everyone contributes". This provides a solid foundation for the steady development of our business.

### Hymson's Privacy and Data Security Culture Awareness Screensavers



### Case

## Comprehensively Enhancing the Information Security Training System for Employees to Build a Strong Line of Defense

With the rapid expansion of our business and deeper digital transformation, information security has been elevated to a strategic priority at Hymson. We have specially formulated the *Human Resources Security Management Procedure* to continuously strengthen employees' information security awareness and protective capabilities. Key initiatives include establishing an information security training system for all staff, implementing a dynamic evaluation and optimization mechanism, and encouraging employees to propose improvement suggestions. Regular training sessions on information security have been conducted for employees at all levels, with content adapted to business development and changes in security situations. Feedback channels have also been in place to collect suggestions for improvement from employees, creating a virtuous cycle of "training – assessment – optimization". These initiatives have significantly prevented human-related information security risks, laying a solid security foundation for our digital transition journey.

### Training Methods

- **Online training:** Employees can take information security courses independently via the internal e-learning platform, including video lectures, case studies, and online quizzes, to systematically acquire information security knowledge.
- **Offline training:** Periodic in-person training sessions and workshops are organized, where information security experts are invited to provide interpretation and interactions. The training features lectures, group discussions, and simulation exercises to strengthen employees' hands-on skills and problem-solving abilities.

### Training Implementation

- **Annual training plan:** The Human Resources Center conducts an annual training needs survey and develops a tailored information security training plan aligned with the Company's strategic development needs and employees' growth demands.
- **Training records management:** The Human Resources Department is responsible for collecting, organizing, and safeguarding training materials for all personnel, ensuring that they are archived in a timely, complete, and accurate manner. Training records include information such as training date, content, participants, and evaluation of training effectiveness.

### Training Content

- **Basic knowledge of information security:** Include the definition of information security, its importance, common threats, and preventive measures.
- **Management system standards:** Introduce the GB/T 22080-2016/ISO/IEC 27001:2022 management system standards, as well as the Company's internal information security management system documents.
- **Information security policies and objectives:** Convey the Company's information security policies, clarify information security objectives, and define the role and responsibilities of employees in achieving these objectives.
- **Laws, regulations, and internal policies:** Explain the relevant laws and regulations related to information security, as well as internal information security management rules and procedures.
- **Hands-on skills:** Include password management, email and mobile device security protection, data backup and recovery, etc.

In addition, we are committed to building a comprehensive safety culture system by organizing various targeted and content-rich safety awareness campaigns to enhance employees' safety consciousness and skills. To date, we have conducted multiple promotional activities covering themes such as AI application and promotion, data security, and telecommunications network fraud prevention. These activities extend beyond information technology security to include physical and personal safety, enabling employees to better understand and master safety knowledge, paying more attention to safety in their daily work, and collectively safeguarding the Company's information security and business stability.

## Upgrading Digital Systems

We continue to advance our digital transformation. Building on the optimization and upgrading of existing information systems, we focused on deploying five core systems this year. The launch of these systems marks a new phase in our digitalization journey, providing stronger system support for business growth.

System Name	Functional Modules	Scope of Implementation
<b>Warehouse Management System (WMS)</b>	<ul style="list-style-type: none"> <li>Achieves full-process intelligent warehouse management in the automation industry</li> <li>Warehouse resource management, inbound management, outbound management, and in-warehouse management</li> </ul>	The Automation Industry Center
<b>Business Intelligence System (BI)</b>	<ul style="list-style-type: none"> <li>Provides data-driven decision support for the Lithium Battery Industry Center, the Photovoltaic Industry Center, and the 3C Industry Center</li> <li>Data collection and modeling, data integration, data display, and intelligent dashboard</li> </ul>	The Lithium Battery Industry Center, the Photovoltaic Industry Center, and the 3C Industry Center
<b>Financial Shared Service Center (FSSC)</b>	<ul style="list-style-type: none"> <li>Achieves standardized and intelligent financial processes in the Group</li> <li>Invoice management, accounting management, travel reimbursement, fund claims, voucher management, and electronic archives</li> </ul>	The whole Group
<b>Treasury Management System (TMS)</b>	<ul style="list-style-type: none"> <li>Significantly improves the Group's fund operation efficiency</li> <li>Bank accounts, bank-enterprise direct connection, bill management, bill direct connection, fund planning, and investment and financing management</li> </ul>	The whole Group
<b>Product Lifecycle Management (PLM) system</b>	<ul style="list-style-type: none"> <li>Project management, process management, document management, material management, BOM management, change management, issues management</li> </ul>	Products from the Lithium Battery Industry Center, the 3C Industry Center, the Sheet Metal Industry Center, the New Display Industry Center, the Photovoltaic Industry Center, as well as products from the Research Institute and their delivery

Five Core Systems for Hymson's Digital Transformation

## Party Building Leadership

In terms of Party building, Hymson remains steadfast in earnestly fulfilling the duties of Party organization secretaries and actively explores new methods and approaches in Party affairs under new circumstances, with tangible results achieved. Various themed Party Day activities have been carried out, such as elevator emergency drills and fire emergency training and drills under the theme of "Everyone Values Safety and Knows Emergency Responses". These activities have effectively reinforced the Party branch's role as a stronghold and the core of leadership. Meanwhile, we have intensified efforts to explore and establish a comprehensive mechanism for excelling in our work, whereby intra-Party initiatives drive similar efforts in people's organizations. Our Labor Union has received multiple accolades from Guanlan Subdistrict, including the "Outstanding Enterprise for Employee Care" and the "Excellent Labor Union Committee". Several Party branch secretaries and members have also been recognized with honorary titles and medals.

Focusing on team building, we pay high attention to building robust leadership and Party member teams, with the Party organization demonstrating strong cohesion and combat effectiveness. Currently, there are 33 active Party members in our Party branch, all of whom actively participate in Party-building activities. In alignment with higher-level Party directives, our Party Committee has ensured sufficient budgeting for Party-building work and set up various activity platforms for Party members, such as the "demonstration and commitment platform for Party members" and the "corporate culture pioneer platform". Positively answering the call, Party members have identified themselves openly and actively participated in various care initiatives led by the Labor Union, thereby serving the people and maintaining close ties with the people.

Regarding organizational life, we strictly adhere to the "Three Meetings and One Lecture" system, implement rules of procedure for the Party branch, and organize meetings for criticism and self-criticism of Party members. In 2024, 6 general Party meetings were convened, 4 Party lectures hosted, 13 Party branch committee meetings held, and 13 themed Party Day activities organized. The construction of intra-Party work archives has also been effectively implemented.



# 02

## Innovation · Leading through Intelligence

Hymson has always regarded innovation as the core engine driving the Company's development. Through a well-established R&D management system, we continuously enhance our independent innovation capabilities and promote breakthroughs in key technologies and the transformation of results into practical applications. In terms of strengthening the protection of innovative outcomes, we have built a comprehensive intellectual property management system that ensures the security of core technological assets and compliant operations. Additionally, we place high importance on quality control and have established a full lifecycle quality management system to ensure product reliability and consistency.

- ▾ Innovation-Driven Development
- ▾ Intellectual Property Protection
- ▾ Product Quality

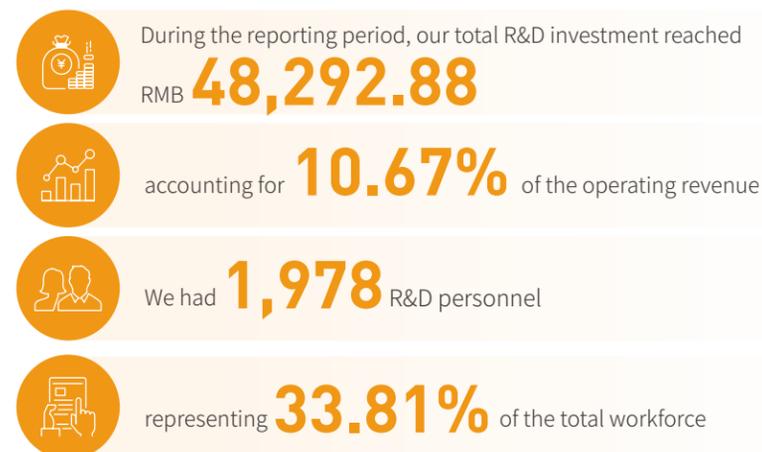


# Innovation-Driven Development

Hymson presses ahead with key technological innovations in critical links of the industry, with consistent breakthroughs made in areas such as performance enhancement, process optimization, and the raised level of intelligence. With a focus on industry demands, we continuously accelerate the transformation of innovative results into product advantages and market value, gradually establishing competitive edges in core technological fields and continuously enhancing our capability to lead industry development.

## Innovative R&D Management

Upholding the philosophy of "being willing to take on challenges and learning from honest mistakes", we continuously promote technological and product innovations by following the strategic direction of "laser + intelligent manufacturing" and centering on customer needs and pain points of the industry, thereby driving the intelligent transformation and upgrading of the industry. Through ongoing improvements in the *R&D Project Management System*, we, with full lifecycle management of projects as the core, standardize the R&D process and strengthen budget and cost control mechanisms, with an effort to improve the systematic nature and efficiency of scientific research work. Each business unit strictly implements system requirements in line with their actual operating scenarios, pushing forward standardized and efficient technological management and creating a positive and professional R&D environment.



## Innovation Achievements and Recognition

With a focus on technological innovation in high-end intelligent equipment and laser precision processing, we have formed a series of core achievements with independent intellectual property rights. By continuously optimizing technological pathways and product architectures, we have made significant breakthroughs in key manufacturing fields such as laser cutting, automated assembly, and new displays. This has effectively improved our overall process and equipment performance, not only empowering customers' industrial upgrades but also injecting strong momentum into the development of intelligent manufacturing toward higher quality.

## Main Products and Services

### Lithium Battery Business

- We offer complete lithium battery intelligent manufacturing line solutions, covering various battery types, including prismatic cells, cylindrical cells, and solid-state batteries.
- The core product series in the lithium battery business includes front-end equipment such as coating machines, roller presses, and high-speed laser cutting machines; mid-end equipment like high-speed winding machines/stacking machines, cell assembly lines, and cell drying systems; as well as back-end module/Pack assembly lines.
- We are also actively developing cylindrical assembly lines and expanding into new business sectors such as solid-state battery assembly lines.

### Photovoltaic Business

- The main business in photovoltaics is providing precision laser processing equipment and process solutions for the photovoltaic industry. Currently, the photovoltaic industry sees a market landscape with multiple technology routes, including TOPCon, xBC, HJT, and perovskite.
- We have research and development reserves for each of these routes. For TOPCon batteries, we have developed TOPCon laser doping equipment, back laser thinning equipment, and laser non-destructive scribing equipment. For photovoltaic modules, we have developed junction box laser welding equipment and automatic junction box installation equipment, all of which are industry-leading.
- Additionally, we have launched BC large spot laser scribing equipment for BC batteries, which can significantly improve the efficiency and performance of photovoltaic cells.

### Consumer Electronics Business

- Our consumer electronics business focuses on developing intelligent manufacturing equipment for various consumer electronic products, including mobile phones, watches, tablets, headphones, batteries, and among others.
- Products include laser standard marking equipment, precision laser cutting equipment, PCB laser processing equipment, laser welding equipment, PCBA processing equipment for the waterproof industry, 3C battery assembly and Pack automation production lines, transformer production lines, and precision waterproof automation production lines.
- We also provide supporting solutions and services to leading clients in the industry. Moreover, we are also actively expanding the application of laser and automation technologies in industries such as energy storage, automotive electronics, and communications, providing customers with advanced laser and automation solutions for various materials including metals, plastics, and soldering.

### Other Businesses

- Our Sheet Metal Industry Center focuses on the research, development, and production of flat and profile laser cutting equipment and its automation. Key high-end equipment includes high-power ultra-wide laser cutting machines, heavy-duty pipe cutting machines, and 3D five-axis cutting machines for H-beams. Our ultra-heavy-duty laser pipe cutting machine offers highly customized solutions for heavy pipe production across various industries.
- In the warehouse and logistics sector, we have successfully built an efficient and collaborative system by incorporating advanced digital and automation technologies, offering customized, end-to-end integrated solutions for our clients.
- In the new display sector, we focus on the research, development, and production of critical equipment for the Micro LED and Mini LED new display industries. Key high-end equipment for Micro LED display production includes mass transfer machines, mass welding machines, and laser rework equipment.

## Intelligent Manufacturing Solutions of Medical Laser

- We successfully developed a groundbreaking new product—high-power tunable mid-infrared femtosecond laser.
- We achieved technical breakthroughs in mid-infrared femtosecond laser technology, with three key technical features: tunable between 5-11  $\mu\text{m}$ , watt-level average power, and femtosecond pulse width.
- Our products have wide application potential in mainstream healthcare, elective healthcare, and cutting-edge scientific research fields.

**Case Breakthrough in Key Technologies on the Micro LED Pilot Line, Ushering in a New Era of Display Technology**

In 2024, the first Micro LED pilot line was successfully delivered, covering key equipment in mass transfer, welding, and repair. The production line achieved an efficiency of 25-100 kk/h, with a yield rate exceeding 99.99%, meeting the technical requirements of ≤ 50 μm chip applications. Through the self-developed high-precision motion platform, AI algorithms, and laser processes, we solved key challenges in the mass production of Micro LED, including transfer, welding precision, and repair. This achievement has supported applications in automotive displays, VR/AR, and other fields, propelling China's new display technologies into a new stage.



Micro LED Pilot Line Delivery

**R&D Awards**

				
Ringier Technology Innovation Award	Gaogong Golden Ball Award	Gaogong LED Display Industry Top 50 Award	SID China Display Industry Award	National Single-Product Champion Enterprise in the Manufacturing Industry
2022	2023	2023	2023	2025
				
Single-Product Champion Enterprise in the Manufacturing Industry in Guangdong Province	Innovation Award in Industrial Equipment of Laser (Secret Light Awards/SLA)	Advanced Equipment Enterprise	2024 Pioneer in Solid-State Battery Equipment Innovation	
2025	2025	2025	2025	
				
Glorious Laser Award	2024 Glorious Laser Award - Silver Award	Helios Award - 2024 Excellent Equipment Enterprise	Advanced Manufacturing Innovation Achievement Award + Application of Optical Path Shaping Technology in SMT Laser Equipment	
2025	2025	2025	2025	

**Intellectual Property Protection**

Hymson has always regarded intellectual property (IP) protection as a crucial support for driving its innovative development. We continuously improve our intellectual property management system and strengthen full-process control over core assets such as patents, trademarks, and software copyrights. Through institutional development, process optimization, and clear accountability, we ensure that every step—from achievement identification and rights application to rights protection—is well-founded and methodically proceeded. Additionally, we incorporate intellectual property training into our routine management, offering professional training on patent search, compliant operations, and risk prevention and control to improve practical capabilities and compliance awareness of relevant personnel, thereby ensuring a solid foundation for our IP protection system.

**Intellectual Property Management**

Guided by the core philosophy of "prioritizing innovation and safeguarding intellectual property rights", we continue to deepen our intellectual property management system, ensuring that all innovative achievements are strongly supported and well-protected. Following the GB/T 29490-2013 standard and national existing laws on patents, trademarks, and related matters, we have established a full-process management mechanism that covers idea generation, achievement rights confirmation, rights operation, dispute resolution, and early warning of risks. With each management initiative gradually taking effect, our operations have become increasingly institutionalized and standardized. During the reporting period, our headquarters and Shenzhen base successfully obtained the management system certification, further raising our professional level and increasing management depth in intellectual property.

Moreover, we have established a multi-level intellectual property incentive mechanism to encourage employees to actively participate in technological innovation and the commercialization of achievements. By clarifying reward standards for patents, software copyrights, and other achievements, we tightly link innovation value with individual contributions, covering multiple stages such as project initiation, declaration, granting, and commercialization. Incentives, such as cash rewards, authorship recognition, and performance-based rewards, have sparked the team's enthusiasm for innovation in R&D, creating a workplace culture that values knowledge and encourages innovation.

As of the end of the reporting period

we held **1,075** granted patents

including **133** invention patents

as well as **400** software copyrights

and **73** registered trademarks

During the reporting period

**392** new patents were granted,

with **802** patents pending review



Intellectual Property Management System Certification



2016 Intellectual Property Advantage Enterprise of Longhua District, Shenzhen



2017 Intellectual Property Advantage Enterprise in Shenzhen

### Intellectual Property Management Responsibilities

- Building the Group's intellectual property management system and continuously improving our IP management system and processes.
- Organizing and developing the Group's annual, medium-and-long-term patent layout plans, and creating core technological patent barriers.
- Assisting our R&D team in patent searches and analyses, patent mining and innovative design, and patent application layout throughout the product development process.
- Supporting the Group's R&D departments in managing the entire patent lifecycle, including patent intelligence management, patent navigation analysis, patent infringement analysis and early warning management, as well as patent mining and innovative design around.
- Collecting and analyzing international patent laws and regulations, conducting international patent applications and layout, collecting patent intelligence for overseas products, carrying out risk inspections, infringement analysis, and early warning management, as well as participating in international intellectual property lawsuits.
- Monitoring patent application and granting status, evaluating patent value, maintaining patent rights, managing patent registers and materials, and developing and managing patent agencies.
- Assisting the Company in patent licensing and transfer management.
- Managing intellectual property honors, platform planning, and construction.
- Handling software copyright registration.
- Organizing professional knowledge training of intellectual property.

Intellectual Property Management Responsibilities



#### Acquisition of intellectual property

We developed the *Control Procedure for Intellectual Property Acquisition* in accordance with the intellectual property development strategy. Annually, we devise work plans for intellectual property creation and acquisition, specifying the methods and channels for securing intellectual property.



#### Maintenance of intellectual property

We developed the *Control Procedure for Intellectual Property Maintenance*, a categorized ledger for the intellectual property rights we hold, as well as a regular evaluation system and a supervision and maintenance system for intellectual property.



#### Implementation, licensing, and transfer of intellectual property

We developed the *Control Procedure for the Implementation, Licensing, and Transfer of Intellectual Property*. This ensures that our intellectual property is utilized prudently in production, operations, and market transactions, in compliance with relevant laws and regulations.



#### Management of intellectual property risks

We developed the *Control Procedure for Intellectual Property Risk Management*. As per laws and regulations, each product center regularly monitors any possible infringements on others' intellectual property rights, identifies and assesses intellectual property risks, and implements corresponding risk control measures to prevent infringement on others' intellectual property rights.



#### Handling of intellectual property disputes

We developed the *Intellectual Property Dispute Handling Procedure* to promptly identify and monitor intellectual property infringements, and utilize administrative and judicial means in real time to protect our intellectual property rights.

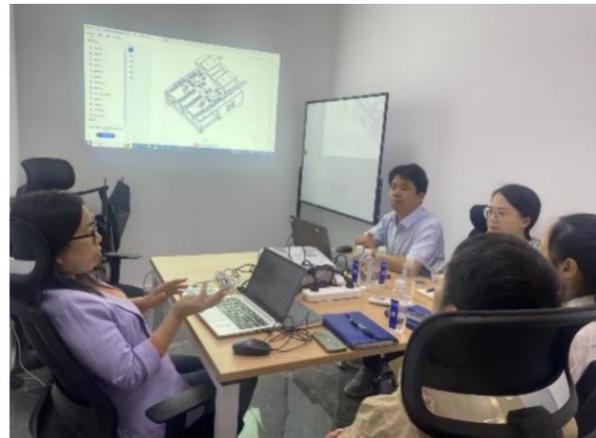
Measures for Lifecycle Management of Intellectual Property

## Intellectual Property Training

We have incorporated the development of patent search capabilities into our training system as a key focus to enhance the professional depth of intellectual property management. Through systematic training, we aim to improve our employees' ability to acquire, analyze, and utilize patent information resources. By continuously emphasizing the strategic value of patent searches, we integrate them deeply into key processes such as innovation planning, technology forecasting, and risk management, further supporting the improvement of our technological positioning and core competitiveness.

### Case Strengthening Technical Support to Empower Layout Decisions

In October and November 2024, we organized three sessions of specialized training on patent search techniques, aimed at improving the practical skills of intellectual property management personnel in technical information retrieval and patent analysis. The training focused on search strategy development, database using methods, patent document interpretation, and comparison of similar technologies, while using actual cases for on-site practice. This training effectively improved management personnel's professional abilities in patent layout, risk forecasting, and innovation support.



Intellectual Property Training

## Product Quality

Focusing on meeting customer needs, Hymson has been committed to creating high-quality products while providing excellent after-sales service for customers. We have built a quality management system based on the product realization process to manage product quality throughout its lifecycle. We have established processes, standards, and systems to ensure product quality control across all stages from identifying and uncovering customer needs, design and development quality management, material quality management, and process quality management, to delivery quality management. By reviewing and analyzing quality data, we implement continuous improvement activities, aiming to create greater value and product competitiveness for both the Company and our customers.

### Product Quality Management

Firmly upholding the principle that "quality and reliability are fundamental to our survival", we have established a comprehensive quality management system to continuously enhance product consistency and reliability. Centering on full-process quality control, we have developed and implemented core systems such as the *Control Procedure for Product Inspection*, the *Control Procedure for Non-Conforming Products*, and the *Control Procedure for Corrective and Preventive Actions*, ensuring that each stage, from incoming materials to production and delivery, is effectively controlled. With a solid quality management foundation, we have passed the ISO 9001 quality management system certification and continue to promote quality improvement and customer satisfaction, ensuring stable operations and long-term customer trust.



ISO 9001 Quality Management System Certification

### Full Lifecycle Quality Management

We implement systematic quality management throughout the product lifecycle, establishing clear inspection standards and control processes for each stage, from raw material intake to finished product shipment. Through incoming material inspections, process control, and finished product inspections, we ensure that quality is controllable and traceable at each stage. By combining inspection systems, operational standards, and abnormal management measures, we have built a comprehensive quality management system that spans design, manufacturing, and delivery processes, continuously improving product consistency and customer satisfaction.



## Quality Complaints and Improvement Management

We have established a well-rounded quality complaint and improvement management mechanism. Relying on systems such as the *Control Procedure for Continuous Improvement* and the *Management Regulations on Corrective and Preventive Measures*, we systematically implement closed-loop problem handling and quality improvement work. For customer quality complaints and internal issues, we trace problems and assign responsibilities through the *Quality Control Management Standards* at various stages, including incoming materials, production, and finished products, with promptly formulated corrective and preventive measures. Meanwhile, combining audit results, data analysis, and management reviews, we continue to track the effectiveness of improvement actions, with a view to addressing quality problems at their root and preventing them from recurring.



Continuous Quality Improvement Process

### Case Enhancing Process Quality to Drive Systematic Improvements in Assembly Defects

In April 2024, we initiated a dedicated improvement initiative focused on "reducing assembly errors and omissions in the manufacturing procedure". By conducting stratified problem analysis, identifying root causes, and formulating targeted solutions, we concentrated on key issues such as loose fasteners and poor assembly consistency. Responsibilities were clearly assigned to relevant departments, and improvement actions were implemented in phases. Over the course of five months, we introduced 19 corrective measures, revised several operational standards and quality control forms, and promoted the adoption of standardized work practices. As a result, the sub-assembly pass rate improved from 93.2% to consistently above 99%, and the final product pass rate increased from 94.81% to over 98.8%, significantly enhancing our quality control capabilities and process reliability in the production stage.

## Product Quality Training

We continue to strengthen our quality management training system by offering targeted sessions for internal staff on quality policies, process specifications, and system standards. At the same time, we conduct regular quality training sessions for suppliers, covering our quality requirements, general quality knowledge, and best practices in advanced quality management. Through institutionalized training and ongoing coaching, we aim to enhance quality awareness and management capabilities across the supply chain, working together with our partners to raise the level of quality assurance and contributing to the development of a stable, reliable high-quality supply system.

### Case Strengthening Supply Chain Collaboration through Quality Training for New Suppliers

In November 2024, we organized quality management training for new suppliers. The training focused on key topics such as cooperation processes, inspection standards, non-conforming product handling, and documentation management, helping new suppliers quickly understand and align with our quality system requirements. The training effectively improved their quality awareness and execution capabilities, laying a standardized, efficient foundation for future collaboration and helping build a stable and reliable supply chain system.



Training for New Suppliers

### Case Focusing on Closed-Loop Problem-Solving to Promote Quality Training and Corrective Actions

In October 2024, we held a quality review meeting to address raw material quality issues. A corrective action plan was developed targeting key control points such as tool inspections, inspection frequency, incoming material inspection standards, drawing communication, and labeling management. Responsibilities and timelines were clearly defined. By reviewing existing problems and reinforcing institutional requirements, we further improved work instructions and operator specifications. Through concerted efforts in quality awareness training and frontline quality control, we ensured a stable and controllable production process and effectively prevented quality risks.



Quality Coaching

### Case Strengthening Standard Knowledge through Online Quality Management Training

In 2024, we launched an online training program on quality management to enhance employees' quality awareness and professional skills. The training covered essential topics such as operation standards, quality inspection procedures, and non-conforming product handling specifications. Delivered through a hybrid model of "live-streamed lectures and real-time Q&A", the training reached cross-functional teams including R&D, production, and quality inspection. This initiative ensured clear and effective communication of key content, reinforced employees' understanding of quality requirements, and promoted standardized operations, further consolidating our quality management foundation.



Online Quality Training

# 03

## Collaboration · Win-Win Production

At Hymson, we view collaborative development as a key driver in building a stable external partnership network based on mutual trust. By deepening value co-creation, we foster positive interactions across customers, the supply chain, and the industry chain. We continue to refine our collaboration mechanisms and improve our collaborative efficiency and professional service capabilities. While steadily improving our own operational performance, we also actively contribute to the stability and advancement of the entire ecosystem, fostering an intrinsic momentum for joint development.

- ∨ Customer Rights and Interests
- ∨ Responsible Sourcing
- ∨ Industrial Synergy



# Customer Rights and Interests

Hymson attaches great importance to safeguarding customer rights and interests by establishing a comprehensive customer service system that offers timely responses and efficient, professional full-process support. Through regular customer satisfaction surveys, we continuously optimize our service quality and the overall customer experience. Additionally, we provide training services covering the entire product lifecycle, helping customers better understand how to operate and maintain the equipment and building long-term, trustworthy, and win-win partnerships.

## Customer Service System

We have developed a service system based on our philosophy of "providing tailor-made services for win-win partnerships" and also formulated the Control Procedure for Customer Service and other relevant procedures. Adhering to a service approach that is efficient, professional, and foresight-driven, we are committed to providing customers with support throughout the full lifecycle. By continuously improving our service mechanism and responsiveness, we continue to enhance the customer experience and strengthen customer relations, offering strong support for building a stable and sustainable external cooperation environment.

During the reporting period —

we received  
**0** customer complaint.



### Customer-oriented

We place the needs of our customers at the forefront, ensuring a quick and proactive response to equipment repairs, technical inquiries, and usage guidance. We guarantee that any issues encountered by our customer during the use of sheet metal equipment are addressed promptly, ensuring minimal disruption to their production and operations.



### Prevention First

We focus not only on repairing equipment after issues arise but also on identifying potential risks in advance through regular follow-ups, equipment inspections, and other proactive measures. We also assist customers in maintaining and servicing their equipment, thereby reducing the likelihood of failures.



### Professional and Efficient

Our after-sales team members possess solid professional knowledge and extensive practical experience, enabling them to accurately diagnose equipment issues and provide the fastest repairs. The technical advice and solutions we offer are based on professional judgment, thereby saving customers both time and cost.

Customer Service Philosophy



- We communicate with clients through phone, online, or in-person meetings to gather information about their product requirements. Our goal is to fully understand and accurately meet our clients' needs;
- We clarify contract and order handling, including requirements for changes, to ensure that client requests are accurately communicated to relevant internal departments, thereby meeting their needs and expectations in a timely manner and enhancing customer satisfaction.

- Our engineers support clients throughout the manufacturing to acceptance and installation process, swiftly addressing their needs;
- We regularly update clients on project progress during the production preparation and commissioning phase, enhancing their confidence;
- The Factory Acceptance Testing (FAT) is strengthened to meet the "ready-to-power and ready-to-produce" quality goal, boosting client satisfaction with the equipment.

- Offering 24/7 after-sales service, clients can contact our consultants or after-sales specialists for technical support and troubleshooting. A well-stocked inventory of spare parts ensures rapid problem resolution;
- A dedicated after-sales service group provides efficient remote support, addressing any issues promptly;
- We provide clients with training on digital simulation and professional after-sales maintenance tutorials to help production personnel quickly adapt themselves to new production modes;
- Regular customer satisfaction surveys are conducted to collect feedback on products and services, allowing us to make timely improvements;
- We make irregular visits to customers to understand their evolving needs and trends, aiming to enhance satisfaction and strengthen our relationship with them.

Customer Service Lifecycle Management

### After-Sales Hotline

We have set up a dedicated after-sales hotline to handle customer calls promptly. Our professional customer service staff records customer issues in detail and promptly escalates them to the relevant technical personnel for rapid response.

### On-Site Repair

When equipment malfunctions cannot be resolved via phone guidance, our after-sales team will visit the customer site within the stipulated time, based on proximity. Technicians arrive with all necessary repair tools and common spare parts to quickly diagnose and fix the issue, ensuring normal equipment operation.

### Remote Support

Using video calls and remote control software, we offer customers real-time technical support. Our technicians can monitor equipment status remotely and guide customers through operations and basic troubleshooting, improving service efficiency.

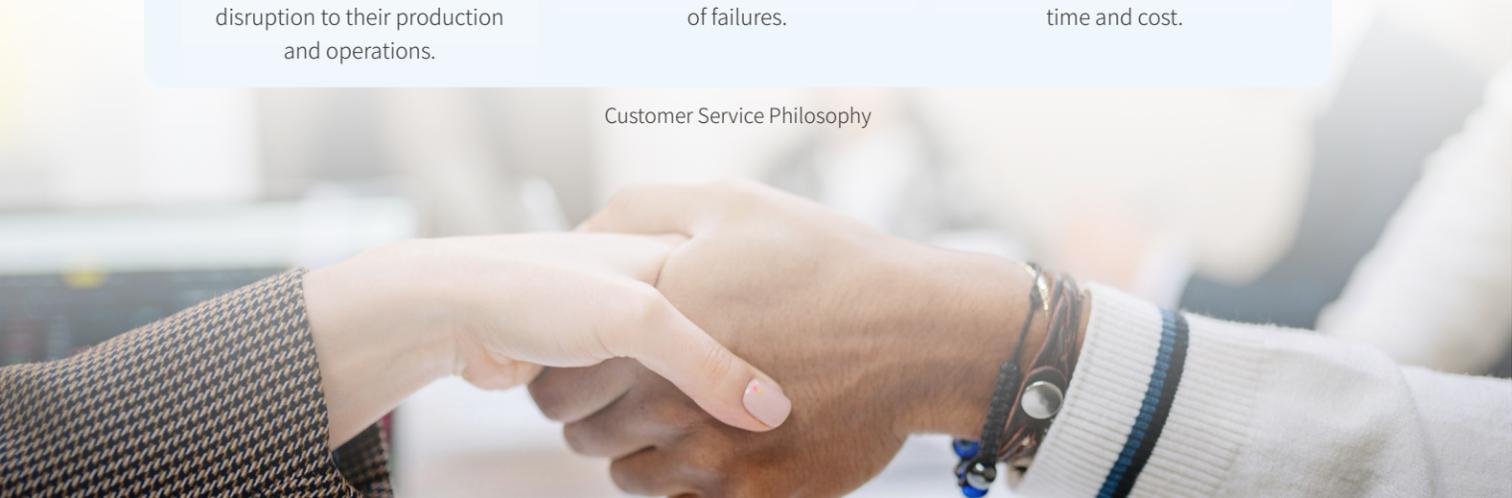
### Training Services

We provide training for new customers on equipment operation and maintenance, helping operators familiarize themselves with equipment performance and operation techniques to prevent operational faults. We also organize advanced training for long-term customers to share new technologies, features, and more efficient operational methods.

### Spare Parts Supply

We have established a comprehensive spare parts inventory management system to ensure a steady supply of commonly used parts. For urgent spare parts needs, we activate a rapid delivery mechanism, working with reliable logistics partners to ensure the fastest delivery to customers.

Customer Service Modes

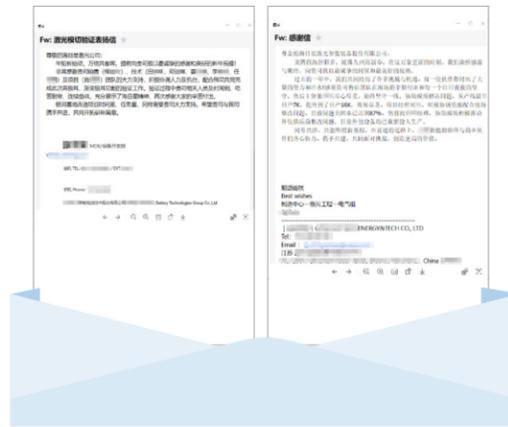


## Customer Satisfaction Survey

Hymson always considers customer satisfaction as the core goal of its service efforts. We have established a satisfaction management mechanism covering the entire order execution and service process. By regularly distributing customer feedback surveys, we systematically collect customer opinions on product quality, delivery efficiency, technical support, service response, etc. This ensures that customer feedback is promptly captured and addressed. Based on the survey results, we compile customer satisfaction analysis reports, continuously optimize service processes and product performance, and constantly raise customer experience and satisfaction to a higher level. This drives the establishment of long-term, stable, and trust-based cooperative relationships between the Company and our customers.

### Case Optimizing Sintering Performance to Enhance Customer Satisfaction

While using our laser-assisted sintering equipment, one of our customers noticed that some machines were not delivering the expected efficiency improvements for their battery cells, impacting overall production line performance. In view of this problem, we quickly organized a technical and R&D team to visit the site, identified the issue as a result of laser line-width deviations and improper parameter matching, and made timely adjustments to optimize the equipment. As a result, the equipment's optimal performance was quickly restored. Additionally, we provided the customer with operational training to enhance their proficiency. Our efficient service was highly recognized by the customer, enabling us to be awarded the "Excellent Supplier of the Year".



Thank-You Letter from the Customer

### Case Improving Automation Efficiency Beyond Customer Expectations

During the use of our laser-assisted sintering equipment, a customer raised higher demands for equipment efficiency and automation speed. In response to the low efficiency issue, we conducted on-site research and internal validation and adjusted the existing line scanning method to area scanning, which significantly improved and stabilized the equipment's efficiency. To meet the customer's need for faster automation cycle time (CT), we coordinated efforts among our R&D, process, and project teams to optimize the laser parameters and automation processes, reducing the CT value from 0.75 to 0.68, exceeding the customer's expectations. This improvement reinforced the customer's trust in our products and services, laying a solid foundation for our future collaboration.

### Case Empowering High-Speed Stacking Lines to Enhance Customer Delivery Experience

Faced with a customer's strict requirements for high-end power battery manufacturing efficiency and quality, we focused on core technologies and responsive services, collaboratively building China's first high-speed short-blade stacking intelligent production line. During the project implementation, we formed a dedicated team that successfully overcame key technological bottlenecks through process innovations, quality control upgrades, and an agile service mechanism. We achieved an equipment utilization rate of 98.5% and a yield rate of 99.93%, completing the ramp-up to mass production in 45 days. The project reached full production 28 days ahead of schedule and received zero customer complaint for 90 consecutive days, earning us the "Excellence in Quality of the Year" award from the customer.



Thank-You Letter from the Customer

## Customer Service Training

We place a great emphasis on building customer service capabilities by continuously improving our internal personnel training mechanism to enhance the professional expertise and responsiveness of our service teams. Through systematic training, we help our service personnel better understand and address customer needs, providing more efficient, standardized, and professional service support, thereby strengthening the stability and execution power of our service system.

### Case After-Sales Manager Training to Strengthen Service Management Capabilities

In April 2024, we held the first course review meeting for the photovoltaic after-sales site manager training program, discussing and optimizing core modules such as process management, customer response, and problem analysis. The meeting focused on the practicality and systematization of the training content, defining updates regarding various courses and assigning responsibilities to guide the development of a standardized and systematic training system for after-sales managers. This initiative aims to raise our on-site management and service levels, ensuring that we provide more efficient and professional service support to customers.



After-Sales Manager Training Program

# Responsible Sourcing

At Hymson, we adhere to a responsible sourcing philosophy, building a comprehensive supplier management system to rigorously ensure supply chain compliance and sustainability. Through a well-structured admission mechanism, performance evaluations, and training support, we encourage our suppliers to continuously improve in areas such as quality, environmental, and social responsibility. We also emphasize transparent procurement management, implement anti-corruption policies, and actively promote green procurement and conflict mineral control, collaborating with our partners to create an open, transparent, cooperative, and mutually beneficial supply ecosystem.

## Supplier Admission

We place great importance on supply chain management and have established a thorough supplier management and admission mechanism to ensure compliant and sustainable procurement activities. We strictly follow the Supplier Management Procedures when onboarding new suppliers, requiring potential suppliers to submit qualification documents, undergo background checks, and be thoroughly audited either on-site or via video. The audit covers areas such as environmental management, social responsibility, and business compliance. Once approved through internal processes, qualified suppliers are officially integrated into our supply chain and are required to sign letters of commitment such as the Letter of Commitment to Non-Use of Conflict Minerals and cooperation agreements. This mechanism allows us to continuously optimize our supplier structure and promote transparency and compliance in the supply chain.

Additionally, we strictly enforce the Management Regulations on Integrity for Transparent Procurement and the Regulations on Rewards and Penalties for Transparent Procurement and have built a transparent procurement responsibility system led by the General Manager. In raw material and production material sourcing, we have fully introduced an environmentally friendly and compliance control mechanism, ensuring that suppliers sign the letters of commitment to environmental protection and anti-corruption, and that materials supplied are free from harmful substances and conflict minerals. Through audits, evaluations, filing, and third-party testing, we fully implement green and responsible sourcing, continually building a fair and impartial transparent procurement environment.

### Case Collaborating with Suppliers to Build an Anti-Corruption Cooperation Ecosystem

We issued a notice to promote the requirements on Rewards and Penalties for Transparent Procurement to all suppliers, emphasizing just, fair, and open procurement practices. We made it clear that all partners must adhere strictly to our regulations on anti-corruption and self-discipline, preventing any form of commercial bribery or improper transfer of benefits during transactions. This initiative has strengthened the transparent cooperation mechanism in the supply chain, promoting the establishment of a clean, efficient, and transparent procurement environment.



Transparent Procurement Awareness Campaign

# Supplier Evaluation

We have established a systematic supplier performance evaluation mechanism based on the Supplier Management Procedures and relevant evaluation standards. Suppliers are assessed regularly on key indicators such as delivery, quality, service, and business performance. Based on the evaluation results, we assign ratings and develop improvement plans to drive performance enhancement. Suppliers with poor performance may face warnings, corrective actions, or order freezes to ensure continuous optimization of supply chain quality and efficiency.

Evaluation Score	Rating	Determination	Rewards and Penalties
90 ≤ I ≤ 100	A	Excellent Supplier	Priority orders, priority payment, and increased order volume
75 ≤ I < 90	B	Good Supplier	Normal procurement
60 ≤ I < 75	C	Average Supplier	Reduced order volume and assisted procurement
I < 60	D	Disqualified Supplier	Restricted orders, deadline for improvement, and last-place elimination

Supplier Rating and Rewards/Penalties

## Supplier Training

We conduct regular training for our suppliers to help them efficiently use our online business platform, thereby enhancing collaboration efficiency and information transparency. The training covers platform registration and login, order receipt, delivery feedback, reconciliation management, and other functions, ensuring that suppliers follow standardized and smooth online operations at each stage of procurement, delivery, and reconciliation. Through this platform training, we have strengthened our digital integration with suppliers, driving the intelligent and efficient development of our supply chain management.

### Case Supplier Training to Optimize Collaborative Foundations

To improve the digitalization of our supply chain, we organized the first round of online platform training for suppliers. The training focused on providing systematic guidance on how to use our platform, including account registration, order processing, delivery note creation, reconciliation, and invoice registration. After the training, suppliers could master online collaborative operations throughout the entire order-to-invoice process, significantly improving their business processing efficiency and data transparency while fostering high-efficiency collaboration and data exchange between the Company and suppliers.



Online Platform Training for Suppliers

## Industrial Synergy

At Hymson, we actively participate in industrial collaboration, establishing close partnerships with upstream and downstream enterprises to drive resource integration and value co-creation. We also join industry associations to engage in industry governance and policy discussions, enhancing our influence in the industry. Additionally, we regularly attend various professional exhibitions to showcase our latest technologies and products, expand market channels, and strengthen our brand's influence. Moreover, we actively participate in the development of industry standards, contributing to raising the standardized level of the industry and solidifying our professional standing in the sector.

### Participation in Industry Associations

We actively participate in industry associations to stay informed about the latest industry trends and policy directions, strengthening communication and cooperation with peer companies. By engaging in various activities organized by these associations, we continuously improve our professional expertise, broaden our business horizons, and contribute to the healthy and orderly development of the industry.

Title of Association	Role
Shenzhen Battery Industry Association	Vice President
China Industrial Association of Power Sources (Power Batteries)	Member
Guangdong Battery Industry Association	Executive Vice President
China Battery Industry Association	Group Member
Shenzhen Intelligent Equipment Industry Association/Shenzhen Electronic Equipment Industry	Vice President
China Society of New Energy Entrepreneurs and PECA PV ESS Charging Alliance	Vice Chairman
Society for Information Display (SID)	Member
Guangdong Laser Industry Association	Vice President
Federation of Shenzhen Industries	Member
Shenzhen Enterprise Confederation	Member
Shenzhen Artificial Intelligence Industry Association	Vice President
Guangdong Enterprise Brand Construction Promotion Association	Member
Jiangsu Province Laser Industry Innovation Alliance	Vice Chairman
China Advanced Semiconductor Industry Innovation Alliance	Member
Guangdong New Energy Storage Industry Innovation Alliance	Member

Title of Association	Role
Jiangsu Energy Storage Association	Vice Chairman
Advanced Battery Materials Industry Cluster	Vice Chairman
China Video Industry Association	Member
Shenzhen Future Industry Promotion Association	Member
Shenzhen Advanced Manufacturing Industry Promotion Association	Vice President
Shenzhen New Energy Storage Industry Association	Member
Guangdong Industrial Quality Management Association	Member
Welding Division of Guangdong Provincial Mechanical Engineering Society	Vice Chairman
Laser Processing Special Committee of Chinese Optical Society	Member
The 4th Technical Sub-committee on Laser Material Processing and Laser Equipment under the National Standardization Technical Committee for Optical Radiation Safety and Laser Equipment	Committee Member
Guangdong Machinery Industry Quality Management Association	Member
China Industrial Association of Power Sources (CIAPS)	Member
Guangdong Institute of Electronics/Shenzhen Terminal Electronics Manufacturing Industry Association	Member
China Society of Automotive Engineers	Member
Shenzhen Sheet Metal Industry Association	Member
Special Machine Tool Branch of China Machine Tool & Tool Builders' Association	Member
Guicheng Federation of Industry and Commerce	Member
National Center of Technology Innovation for Display	Lead Entity for Sub-Platform
The Society for Information Display (SID) Beijing Chapter	Member
Special Processing Branch of Guangdong Mechanical Engineering Society	Member
Guangdong Machinery Industry Quality Management Association	Member
Photovoltaic Equipment Technology Innovation Alliance	Member

## Participation in Industry Exhibitions

We attach great importance to open communication and continuous learning in the industry by actively participating in domestic and international professional exhibitions and summit forums. Through regular appearances at key industry events, we showcase our latest achievements in technological innovation and product development. This not only enhances the market's recognition and trust in our brand but also allows us to stay up-to-date on the latest industry trends, facilitating extensive exchanges with upstream and downstream players, academic institutions, and industry media.

### Case Participating in the Laser World of Photonics China to Lead the Future of Intelligent Manufacturing with Laser Technology Innovation

In March 2024, we showcased our advanced laser light sources and cutting-edge intelligent manufacturing technologies at the 18th Laser World of Photonics China. By presenting our core achievements and innovative applications in laser technology, we attracted significant industry attention. By leveraging product displays, keynote speeches, and interactive sessions, we not only boosted our brand influence but also strengthened customer recognition of our product technology. This effort successfully expanded our market channels and generated a wealth of potential customer leads, further cementing our professional standing and ongoing innovation in the laser application field.



Hymson at the Laser World of Photonics China

### Case Participation in CIBF 2024 to Expand New Opportunities in the Lithium Battery Market

In April 2024, Hymson presented its independently developed high-end new energy battery manufacturing equipment and cutting-edge manufacturing technologies at the 16th China International Battery Fair (CIBF) 2024. Focusing on the core pain points in lithium battery manufacturing, we conducted six technical exchange roadshows, offering new intelligent manufacturing solutions to help the lithium battery industry navigate through the structural adjustment cycle. These solutions were based on three main directions: technological iteration, application innovation, and the generation of high-quality production capacity. With our leading technological innovation capabilities, we have continued to drive the high-quality development of the new energy industry, further strengthening our core competitive advantage and industry leadership in the lithium battery equipment sector.



Exhibition Site

Interview by Gaogong Lithium Battery

### Case Hymson's Presence at SNEC 2024, Leading the Upgrade of Photovoltaic Intelligent Manufacturing with Innovative Technologies

In June 2024, we attended SNEC 2024 with our latest photovoltaic intelligent manufacturing solutions and multiple technological innovations, leading the development of the industry with innovative technologies. Among the exhibits were the BR-PS series picosecond lasers and BR-FS series industrial femtosecond lasers, which cover a wide range of wavelengths, including infrared, green, and ultraviolet, with ultra-short pulse durations and high peak power. These lasers are highly adaptable to various innovative applications and technological routes in the photovoltaic industry. Through the exhibition, we not only demonstrated our technological strength in photovoltaic intelligent manufacturing but also further consolidated our leadership position in the industry, contributing innovative power to the global upgrade of the photovoltaic industry.



Self-Developed BR-FS Series Industrial Femtosecond Laser

### Case Participating in InterBattery 2024 in South Korea to Showcase Our Laser Manufacturing Innovations

In March 2024, we attended InterBattery 2024 in South Korea to present our latest laser products and innovative technologies. Among these products, our high-speed laser die-cutting machine achieved a mass production speed of over 120 m/min, effectively solving challenges related to electrode tab cutting precision and dust control. Our high-speed laser ablation machine, featuring a customized dust removal system and precise control technology, enhanced energy density in power batteries and addressed issues like lithium precipitation. With digital and intelligent laser technologies as our core, we continue to drive efficient development in lithium battery manufacturing, showcasing our innovative strength under the principle of "customer first".



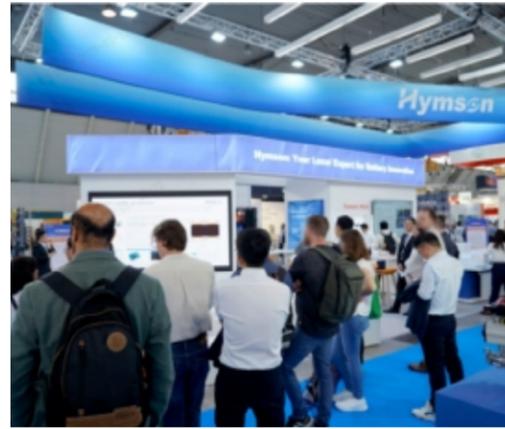
Our Presentation at InterBattery 2024



Case

### Showcasing Innovative Solutions in Intelligent Manufacturing of Lithium Battery at the Battery Show Europe 2024 in Germany

In June 2024, we participated in the Battery Show Europe 2024 in Germany, where we unveiled our core lithium battery equipment models, demonstrating our full industry chain capabilities from electrode manufacturing to module/PACK technology. Our electrode cutting solutions achieved industry-leading precision, effectively controlling the heat-affected zone. Additionally, our innovative laser welding technology met the need for reliable connections between different materials, showcasing its unique advantages in the cell assembly stage. The laser blue film cleaning solution, specially presented at the event, demonstrated high-efficiency film removal while ensuring zero damage to substrates. Through 3D presentations of our laser technology samples, we showcased our professional strength in laser precision processing to global clients, offering innovative process solutions for lithium battery manufacturing.



The Battery Show Europe 2024 Exhibition Site



Case

### Participating in the Battery Show North America to Diversify into the North American Lithium Battery Market

In October 2024, we presented our intelligent manufacturing solutions of innovative lithium battery at the Battery Show North America, focusing on the three core demands of "high safety, high quality, and high energy efficiency". In the field of laser precision processing, we showcased our advanced electrode tab cutting technology, achieving high-speed, high-precision processing. Our prismatic cell assembly solution, utilizing innovative welding techniques, significantly improved product reliability. We also presented our intelligent drying system and flexible module/PACK production lines, tailored to address industry pain points, demonstrating our deep expertise in process innovation and intelligent manufacturing. Through the physical demonstration of over ten key process samples, we fully showcased our technological leadership in precision laser processing to international clients, providing innovative power for the global lithium battery industry's high-quality development.



The Battery Show North America Exhibition Site

## Industry Exhibitions

### In March 2024

we attended the "OFweek 2024 Power Battery Industry Annual Conference", where our Senior R&D Director delivered a keynote speech, sharing innovative lithium battery manufacturing solutions and contributing to the high-quality development of the industry.



Our R&D Director Sharing Experience at the OFweek Annual Conference

### In April 2024

we participated in the 2024 International Conference on Display Technology (ICDT 2024), where we demonstrated cutting-edge technology achievements in the display field through professional display and communication, showcasing our technical strength in high-end manufacturing.



ICDT 2024 in Hefei

### In June 2024

we took part in the 3rd Biomedical Photonics Cross-Disciplinary (BPC 2024) Academic Forum, showcasing our latest technological achievements and application cases in biomedical photonics.



Our Participation at BPC 2024

### In June 2024

we participated in the Gaogong Energy Storage Industry Summit, where we discussed energy storage technology development trends and industry innovation directions with experts, further promoting high-quality development in the energy storage sector.



Summit Site

In July 2024

We attended the 17th Gaogong Lithium Battery Industry Summit & the 3rd New Energy Intelligent Manufacturing Summit, where we engaged with industry experts to discuss technological trends in the lithium battery industry and innovative applications of intelligent manufacturing.



Summit Site

In October 2024

We participated in the 2024 Shenzhen International MLED Direct Display Industry Summit Forum, where we showcased several patented technological achievements and innovative solutions in the Mini/Micro LED field.



Our Participation in the Summit Forum

In November 2024

We attended the 7th China International PV and Energy Storage Industry Conference, where we presented multiple innovative photovoltaic intelligent manufacturing technologies and core products, contributing to the technological upgrade of the photovoltaic industry.



Wu Jin, Head of Cutting-Edge Technology of the Photovoltaic Industry Center, Delivering a Speech

In November 2024

As the title sponsor, we successfully hosted the 2024 Gaogong Lithium Battery Annual Conference and the Gaogong Golden Ball Awards Ceremony. Our breakthrough in intelligent manufacturing technology of solid-state battery earned us two prestigious awards.



Roundtable Dialogue at the Annual Conference

In December 2024

We participated in the 2024 Annual General Meeting Conference of the Guangdong Battery Industry Association and Awards Ceremony, where we discussed the future prospects of the battery industry with our industry partners.



We Delivering a Speech as the Dinner Sponsor Representative

## Participation in the Development of Industry Standards

We fully leverage our technical accumulation and practical experience to actively participate in the development and revision of relevant industry standards, covering product performance, quality control, and other key areas. By participating in the formulation of these standards, we have aligned our internal management systems with industry standards, ensuring dynamic and synergistic optimization. While improving our operational efficiency, we also contribute to the iterative upgrading of industry standards, injecting momentum into the creation of a sustainable industry ecosystem.

During the reporting period —

we contributed to the development of **1** industry standard.

### Case Contributing to the Development of a Simulation Standard in the Manufacturing Industry to Demonstrate Our Leadership in Professional Technology

We have been actively involved in the formulation of the standard Digital Simulation in Manufacturing Industry. Leveraging our strong foundation in intelligent manufacturing and digital transformation, we have deeply engaged in the framework construction and technical discussions of these standards. Through these efforts, we not only contribute our expertise to the standardized application of digital simulation technologies in manufacturing but also drive the overall enhancement of digital capabilities and standard systems of the industry. This initiative fully showcases our professional commitment to promoting high-quality industry development and highlights our governance value.



National Standard Digital Simulation in Manufacturing Industry—Classification



# 04

## Sustainability · Protecting Our Planet

At Hymson, we actively respond to the national carbon peaking and carbon neutrality ("dual carbon") strategy and embrace the ecological civilization concept that "lucid waters and lush mountains are invaluable assets". We view green development as one of our core strategies by establishing environmental protection mechanisms. Through efforts in various areas such as stringent environmental protection measures, technological innovation, social responsibility fulfillment, and the transition to green energy, we are committed to reducing emissions and pollution across the board. Moreover, we actively promote the construction of green factories and the research and development of low-carbon technologies. Looking ahead, we will continue to enhance our environmental management, explore more green solutions, and demonstrate our proactive efforts in protecting the ecosystem, preventing pollution, and fulfilling our environmental responsibilities.

- ▾ Environmental Protection and Climate Action
- ▾ Energy Management and Resource Conservation
- ▾ Wastewater, Waste Gas, and Solid Waste Management and Chemical Safety
- ▾ Biodiversity Conservation



# Environmental Protection and Climate Action

To adapt to the trend of global economic integration and increasingly intense market competition, we fully implement the GB/T 24001-2016/ISO 14001:2015 environmental management system standards. We have developed numerous procedural documents to meet customer demands and compliance requirements while focusing on building a scientific and efficient environmental protection system. By refining our environmental management system, optimizing resource recycling, and strengthening pollution prevention measures, we aim to minimize resource consumption and environmental impact during production and operations. In alignment with the national "dual carbon" policy, we have formulated a climate change response plan to reduce the impact of our operations on the climate, enhance our capacity to manage climate risks, comprehensively practice the concept of green development, and improve both our economic and ecological benefits.

## Environmental Protection

To continuously improve our environmental protection management, we have established a comprehensive environmental management system, including relevant policies such as the *Management Regulations on General Industrial Solid Waste*, the *Management Measures for Wastes*, the *Management Measures for Chemicals*, and the *Management Measures for Water, Electricity, and Paper*. With a well-structured environmental management organization, we systematically identify and effectively control environmental risk sources, conduct regular environmental training, and continually raise employees' environmental awareness. This ensures that all of our production and operations consistently meet environmental standards, achieving continuous improvement in our environmental performance.

### During the reporting period

we invested RMB **2.25** million in environmental protection and Hymson Jiangmen invested RMB **1.9559** million in the same area.

During the reporting period, the wastewater, exhaust gas, and noise emissions from our operations all **met** regulatory discharge standards, and no environmental pollution issue was reported during our production and operations. Furthermore, we **did not** incur any administrative penalties during the reporting period.



ISO 14001 Environmental Management System Certification



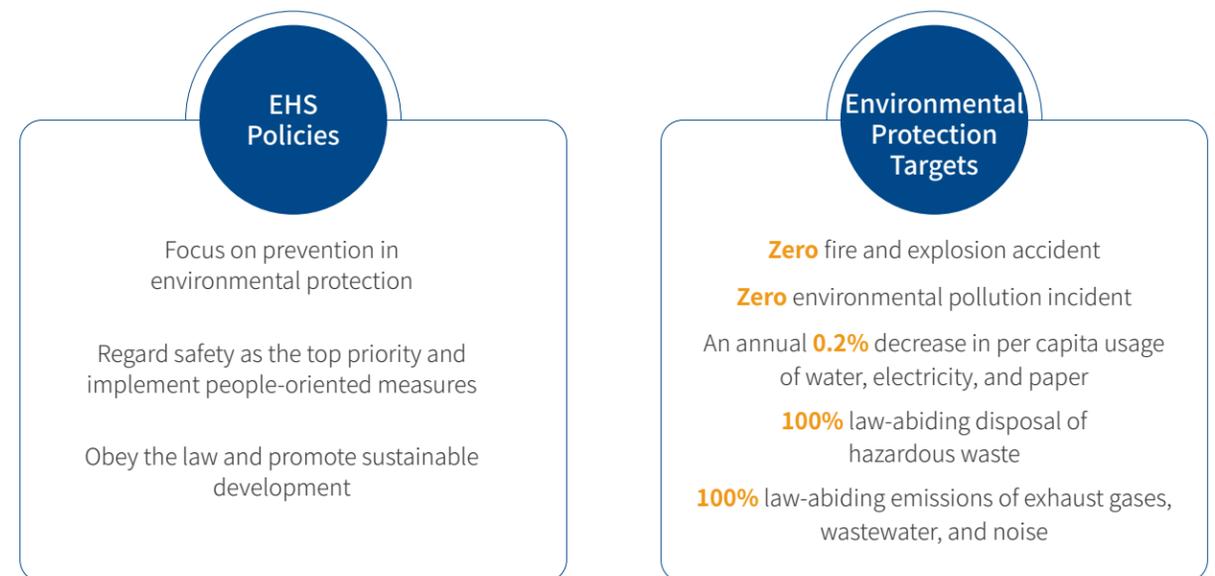
Hymson Jiangsu was awarded the Honor of "2024 Jiangsu Green Factory"

## Environmental Management System

To enhance our environmental management performance, we uphold the core management philosophy of "environmental health and prevention first". By developing policies such as the *Management Measures for ESH Stakeholders and the Environmental Health and Safety Manual*, we have established a standardized management process and continuously improved our environmental management system. These efforts help control environmental pollution and minimize the impact of our production and operations on the environment.

<b>General Manager</b>	Formulates and issues EHS policies to ensure their implementation.
<b>Management Representatives</b>	Review and approve identified environmental factors; Endorse EHS objectives in line with policy demands.
<b>EHS System Promotion Committee</b>	Regularly forms a team for identifying environmental factors to coordinate and advance the identification and evaluation of environmental aspects across all activities, products, and services of the Company, and crafts EHS objectives, indicators, and plans following policy requirements.
<b>Administrative Department</b>	Collects and monitors the progress of the Company's objectives, indicators, and plans.
<b>Various Central Departments</b>	Identify and assess environmental factors pertinent to their specific areas; Achieve EHS objectives and meet indicators according to plan specifications.

Organizational Structure of Environmental Management



## Environmental Risk Management

We place a high priority on managing environmental risks and controlling hazards. To improve our ability to identify environmental factors and respond to emergencies, we have established a systematic environmental safety management mechanism. Core institutional documents have been formulated and implemented, including the *Procedure for Environmental Factors Identification and Evaluation*, the *Procedure for Hazard Identification and Evaluation*, the *Contingency Plan for Environmental Emergencies*, and the *Administrative Measures for New, Renovated, and Expanded Facilities*, and the *Target Control Procedures*. We have built a comprehensive risk control system, under which environmental factors and hazards associated with production and business activities are regularly and systematically identified and subject to graded assessment, control standards are established, and tiered management is implemented. For important environmental factors and unacceptable risks that have been identified, we develop targeted management plans, set clear control objectives, and implement operational measures. Through regular EHS inspections and the hazard rectification mechanism, we ensure that emergencies are effectively handled and environmental and occupational health risks are continuously reduced.



### Organization Setup

The EHS System Promotion Committee establishes an environmental factor identification team;



### Identification Process

Taking the central department as the unit and considering the scope of identification, classification of environmental impacts, and status and timing of environmental factors, several methods including the material balance method are used to identify environmental factors and carry out impact assessments, and the *Environmental Factor Identification Evaluation Sheet* and the *List of Important Environmental Factors* are filled out;



### Approval by the Management

Management representatives review and approve the identified environmental factors;



### Environmental Factor Control

Departments responsible for key environmental factors are required to devise objectives, indicators, and plans following the *Procedure for Management of Objectives, Indicators, and Plans* and control their implementation;



### Measures for new, renovated, and expanded

For new, expanded, or renovated environmental treatment facilities, the Administrative Department is tasked with securing completion acceptance from the relevant governmental authority. Facilities can only be utilized after passing this acceptance check.

Process of Identifying and Assessing EHS Environmental Factors

## Environmental Protection Training

To raise environmental awareness among our employees, we have provided extensive environmental training at all levels. Through methods such as on-site lectures and self-study video courses, we educate employees on our environmental management policies and general environmental knowledge. This training helps to prevent and reduce various environmental incidents and non-compliance, providing a strong foundation for the standardization of our environmental management efforts.



Case

### Hymson Jiangmen Conducting Environmental Management System Training

Hymson Jiangmen organized training on the ISO 14001 Environmental Management System for new employees. The training focused on key topics such as environmental policies, goal setting, operational control, and performance evaluation. We explained the significance of environmental management and its specific requirements, using practical cases to help new employees quickly understand the key elements of our environmental management system. The training also emphasized the importance of energy-saving, emission-reduction, and resource-recycling behaviors, guiding new employees to incorporate these principles into their daily tasks. An interactive Q&A session was included to address any questions, ensuring that every employee could understand the core environmental management concepts and contribute to our sustainable development efforts.



Environmental Management System Training for New Employees at Hymson Jiangmen



Case

### Hymson Jiangsu Organizing Seminars on Environmental Laws and Regulations

Hymson Jiangsu invited the Jintan District New Era Civilization Practice Volunteer Service Team and the Jintan District Ecology and Environment Bureau in Changzhou to provide seminars on environmental laws and regulations for our employees. The seminar focused on Xi Jinping's thought on ecological civilization and introduced China's legal framework for environmental protection, covering topics such as environmental impact assessments, pollution prevention, and ecological protection. Through case studies of violations from companies like a mechanical and electrical technology company in Jiangsu and a construction material company in Changzhou, the training underscored the importance of complying with environmental laws and avoiding environmental pollution caused by negligence. This training significantly enhanced employees' legal awareness regarding environmental protection and strengthened our environmental compliance capabilities, providing a solid foundation for fulfilling our environmental protection responsibilities.



Employees Participating in the Seminar on Environmental Laws and Regulations

## Actively Responding to Climate Change

In active response to the global challenge of climate change, we are committed to implementing national strategic directives and integrating climate change issues into our corporate management system. Through the *Control Procedure for Enterprise Risk and Opportunity Identification*, we have systematically identified and assessed climate-related risks and opportunities and built a climate governance framework encompassing governance, strategies, risk management, and indicators & targets. To address climate risks, we have adopted various carbon-neutral measures such as photovoltaic (PV) power generation and others, thereby enhancing our ability to resist risks related to climate change and capitalizing on the development opportunities arising from the low-carbon transition.



Hymson Shenzhen obtained its greenhouse gas verification report in December 2024.

## Climate Governance Framework

We place a great emphasis on climate change management and have established a robust climate governance structure that addresses climate change from the top down. The Board of Directors holds ultimate responsibility for climate governance, overseeing the formulation of related strategies while supervising and reviewing the effective implementation of climate action plans. By doing so, we ensure that the response actions are effectively implemented and that our climate resilience and low-carbon transition capabilities continue to improve.

## Identifying and Responding to Climate Risks and Opportunities

To build climate resilience, we are accelerating our green transformation. We have established a systematic climate risk management mechanism to identify and assess climate risks in our operations. Potential risks, opportunities, and impacts are mapped out, and corresponding response plans are developed based on the assessment results. Furthermore, we are actively engaged in building infrastructure, managing energy and resources, investing in and transitioning to clean energy, collaborating and participating in policy development, and providing green products and services, all around our climate strategy. Our goal is to continue to manage climate risks and seize climate opportunities.

Types of Risks	Description of Risks	Impact of Risks		
		Duration of Impact	Affected Part	Financial Impact
<b>Physical Risks</b>				
Acute risk	Extreme weather conditions such as typhoons and floods pose increasing severity, which may cause depreciation of fixed assets, loss of labor, or disruptions in the supply chain.	Short to medium-term	Inbound logistics Production and operation	Increased costs Decreased revenue
<b>Transition Risks</b>				
Reputation risk	Stakeholders such as clients and consumers are paying increasing attention to our performance in addressing climate change. Failure to take proactive actions to address climate change may result in our failure to meet stakeholder expectations, which could damage our image and reputation.	Short to medium-term	Marketing and sales	Decreased revenue
Policy and legal risks	Current climate-related regulations are becoming increasingly stringent, and new laws and regulations will continue to emerge, putting pressure on compliance and management. We need to meet current regulatory requirements for compliance in production, operations, and sales processes, and proactively respond to potential or forthcoming new regulations.	Medium to long-term	Production and operation Marketing and sales	Increased costs

Identification of Climate Risks

Type of Opportunity	Description of Opportunity	Impact of Opportunity		
		Duration of Impact	Affected Part	Financial Impact
Low-carbon products and services	In the context of the transition to a low-carbon economy, there is a potential increase in the demand for green, low-carbon products and services. By developing and delivering low-carbon products, services and solutions, we can better position ourselves in the market to meet customer demand and create additional growth opportunities.	Long-term	Marketing and sales services	Increased revenue
Transition to renewable energy	With the development and innovation of green technologies and the introduction of supportive policies, renewable energy is becoming increasingly accessible and prices are falling. The use of renewable energy in production and operational processes can reduce direct energy costs and help us meet the regulatory pressures and low carbon targets we face in the end market.	Medium to long-term	Production and operation	Decreased costs
Efficient resource management	Measures such as energy management in production and operations, recycling of water resources and materials, and promotion of green production and logistics can enhance resource efficiency and contribute to global carbon reduction efforts. An efficient resource management system can effectively prevent waste, reduce our operating costs, and also improve production efficiency and supply capacity.	Medium to long-term	Production and operation	Decreased costs
Increased climate resilience	Continually improving our ability to respond and adapt to climate change gives us more scope to take advantage of climate-related opportunities. Building climate resilience into infrastructure and supply chains can improve the stability of our assets and operations. By introducing adaptive projects such as renewable energy and developing top-notch laser and automation products and services, we can bring new opportunities to the Company.	Long-term	Production and operation Inbound/outbound logistics Marketing and sales services	Increased revenue

Climate Opportunities and Impacts



Types of Risks and Opportunities	Measures
<b>Physical Risks</b>	
 <p><b>Acute risk</b></p>	<ul style="list-style-type: none"> <li>• <b>Establish a dedicated institution:</b> We establish an emergency response team for sudden disasters and extreme weather conditions to assume typhoon prevention work, and form a sophisticated emergency management mechanism for climate events;</li> <li>• <b>Develop an emergency plan:</b> We develop emergency plans for extreme weather conditions and conduct regular drills and reviews to ensure full implementation of those plans. Also, we have developed the <i>Management Procedure for Emergency Preparedness and Response and the Emergency Plan</i>, specifically for typhoons and other extreme weather conditions;</li> <li>• <b>Emergency drill for extreme weather conditions:</b> We conduct regular extreme weather emergency drills to ensure the effectiveness of the emergency response mechanism. During the reporting period, the Shenzhen Headquarters and the Hymson Jiangmen conducted one emergency drill for typhoon and heavy rain conditions respectively;</li> <li>• <b>Impact of new factory:</b> Consideration of climate disasters and their impacts are included in the environmental impact assessment of new factories.</li> </ul>
<b>Transition Risks</b>	
 <p><b>Reputation risk</b></p>	<ul style="list-style-type: none"> <li>• <b>EHS management:</b> We have established an EHS management mechanism for timely disclosure of strategic plans, targets, actions, and performance in addressing climate change;</li> <li>• <b>Image promotion:</b> We abide by relevant policies and regulations, consciously promote our low-carbon image, enhance our green credibility and social reputation, and carry out frequent environmental protection campaigns in communities, so as to build a green image for the Company;</li> <li>• <b>Customer expectations:</b> In response to customers' demands for environmental protection, we take carbon reduction measures to meet their expectations and incorporate their environmental preferences into our product development;</li> <li>• <b>Green supply chain:</b> We conduct due diligence on the environmental performance of our suppliers, sign strategic agreements with them, and jointly strengthen our efforts in energy conservation and emission reduction. We incorporate green, environmental, and low-carbon requirements into the procurement process for energy equipment, office supplies, and production materials.</li> </ul>
 <p><b>Policy and legal risks</b></p>	<ul style="list-style-type: none"> <li>• <b>Transition to renewable energy:</b> We gradually increase the proportion of renewable energy such as hydropower, solar power, and wind power in our production and operation process, and take an active part in green power trading;</li> <li>• <b>Compliant operations:</b> We ensure that the Company operates in a compliant manner, exceeding regulatory requirements as much as possible;</li> <li>• <b>Compliant disclosure:</b> We ensure that information is disclosed in a legal and compliant manner;</li> <li>• <b>Policy tracking:</b> We keep abreast of the latest national and international environmental and low-carbon policies, study and analyze them in a timely manner, develop corresponding internal policies and plans, and align our business strategies.</li> </ul>

Types of Risks and Opportunities	Measures
<b>Climate-Related Opportunities</b>	
 <p><b>Low-carbon products and services</b></p>	<ul style="list-style-type: none"> <li>• We gain insight into market demand and accelerate product innovation;</li> <li>• We embrace the trend of intelligent manufacturing upgrades, stay focused on the "laser + intelligent manufacturing" strategy, and provide greener and more efficient intelligent manufacturing solutions for industries such as new energy, consumer electronics, transportation, and advanced construction;</li> <li>• We are continuously improving the energy efficiency of our in-house developed lasers;</li> <li>• We establish strategic partnerships with suppliers of low-carbon electrical components to improve the energy efficiency of products.</li> </ul>
 <p><b>Transition to renewable energy</b></p>	<ul style="list-style-type: none"> <li>• We electrify all facilities and equipment powered by fossil fuels;</li> <li>• We install rooftop solar panels, solar water heaters, and solar street lights to increase the use of renewable energy.</li> </ul>
 <p><b>Efficient resource management</b></p>	<ul style="list-style-type: none"> <li>• We have established an energy management system and an intelligent energy management platform to optimize energy management and reduce energy consumption;</li> <li>• We implement lean production to create a circular and resource-efficient atmosphere.</li> </ul>
 <p><b>Increased climate resilience</b></p>	<ul style="list-style-type: none"> <li>• We start to formulate a carbon neutrality plan;</li> <li>• We promote the development and adoption of renewable energy;</li> <li>• We facilitate the construction of a green supply chain.</li> </ul>

Response Measures for Climate Risks and Opportunities



## Carbon Neutrality Actions

We actively respond to national carbon neutrality goals with a focus on the research, development, and application of clean energy technologies. We have established a comprehensive green energy solution system covering PV, energy storage, and other fields. Through continuous breakthroughs in key technologies, we have successfully developed a range of high-efficiency energy-saving products, significantly improving clean energy utilization efficiency and reducing carbon emissions. These efforts play an essential role in supporting regional green development.

### Key Performance Indicators

We installed photovoltaic panels on the roof of our workshop for power generation and grid connection. During the reporting period, we generated

**1,973,741** kWh of electricity

using

**1,355,919** kWh



### Case Promoting Clean Energy Use through Global Expansion

Hymson actively implements a global carbon-neutral strategy, effectively driving coordinated development in the clean energy industry worldwide through the dual engines of technological innovation and market expansion. With our technological edge in the photovoltaic field, we have seen significant growth in overseas orders. Our self-developed high-efficiency photovoltaic equipment has been successfully applied in multiple large-scale overseas power plant projects, significantly improving energy generation efficiency. The international business model featuring "technology export + clean energy solutions" not only drives sustained growth in our green business segment but also provides key technological support for host countries in achieving their emission reduction goals. To date, we have established strategic partnerships with energy companies in several countries, playing an active role in global energy transformation.



Photovoltaic Power Generation Site

## Energy Management and Resource Conservation

Hymson prioritizes energy management as a key component of our sustainable development. By establishing a systematic energy management system and implementing comprehensive energy-saving measures, we ensure the effective operation of our energy management system. Each of our production bases has been actively advancing energy-saving transformations, including upgrading lighting systems, optimizing air compressors, and applying intelligent control devices, all of which effectively reduce energy consumption. At the same time, we increase our investment in clean energy development to continuously improve the efficiency of energy use.

### Energy Utilization

To enhance energy resource utilization, we have developed a series of energy management policies. Through a range of energy-saving and emission-reduction measures, as well as technological innovations, we promote the use of clean energy and reduce carbon emissions. Moving forward, we will continue to invest in the new energy sector and expand into overseas markets to further optimize energy resource consumption.

Unit	Outsourced Electricity	Solar Power
	MWh	MWh
Hymson Shenzhen	2,271.49	0
Hymson Jiangmen	8,475.00	1,355.92
Hymson Chengdu	440.81	0
Hymson Jiangsu	10,712.1	1,899.40

Energy Use of the Company

### Energy Management System

We strictly manage the operation and maintenance of key energy systems in accordance with the *Control Procedures for Energy Training*, the *Control Procedures for Energy Management Monitoring, Measurement, and Analysis*, and the *Control Procedures for Energy Management Review*. These systems ensure that energy performance targets are achieved through regular monitoring, measurement, and analysis of critical energy factors. Additionally, we regularly conduct effective reviews on the energy management system to continually improve the system, thereby constantly enhancing our energy performance in operations and ensuring the adequacy, suitability, and effectiveness of the system.

#### Administrative Department



- Responsible for the operation, inspection, maintenance, and management of production systems (e.g., production systems, air compressor systems, lighting systems, power transformation and distribution systems, etc.).
- Responsible for the configuration and control of related energy-consuming equipment and facilities, and establishing operating guidelines and evaluation methods for corresponding equipment and systems.
- Responsible for organizing emergency energy drills.
- Responsible for managing water and electricity usage for areas like offices, canteens, and dormitories.
- Responsible for communicating with suppliers and managing the procurement of energy-saving equipment.
- Responsible for purchasing energy services.



#### Production & Manufacturing Department

- Responsible for the daily energy operation, inspection, maintenance, and management of equipment.

Organizational Structure of Energy Management

## Energy-Saving and Consumption-Reduction Practices

We emphasize energy conservation and emission reduction in daily operations. To reduce energy consumption and carbon emissions, we have implemented a series of energy-saving and emission reduction measures, such as optimizing air conditioning usage, prohibiting the use of high-energy-consuming equipment, fully switching to LED energy-saving lights, and strictly enforcing waste sorting. With these measures, we aim to minimize greenhouse gas emissions. In the production stage, we focus on the innovative application of advanced technologies such as TopCon and BC while optimizing process flows and improving equipment energy efficiency to achieve energy conservation and emission reduction.

Hymson  
Shenzhen

- Energy-saving lights: Replaced 200 lights with energy-efficient ones, saving 7,000 kWh of electricity per month.
- Equipment renovation: Upgraded air compressor cooling systems to extend equipment life.

Hymson  
Jiangmen

- Reducing paper waste: Departments are required to apply for and use office paper according to the *Management Measures for Water, Electricity, and Paper*, and use print preview and other methods to reduce paper waste.
- Air conditioning and fan cabinet control: Adjusts the usage conditions and quantities of air conditioning and fan cabinets in warehouses and offices to reduce energy consumption.
- Intelligent switches and timers: Precisely controls the usage time of equipment in fixed areas to reduce unnecessary energy consumption.
- Exterior landscape lighting adjustments: Modifies the operational hours of landscape lighting.
- Promoting energy-saving awareness: Conducts awareness campaigns on water, electricity, and paper conservation, including reminders and usage controls.

江苏  
海目星

- Air compressor energy saving: Uses variable frequency drives in workshops, optimizing pressure control to meet usage requirements.
- Equipment maintenance: Regularly maintains air compressors, forklifts, and other equipment to reduce energy consumption caused by aging equipment.
- Continuous improvement: Tracks electricity, water, and paper consumption monthly, analyzes excessive usage and takes corrective and preventive actions to ensure continuous improvement.

Energy-Saving and Emission-Reduction Measures

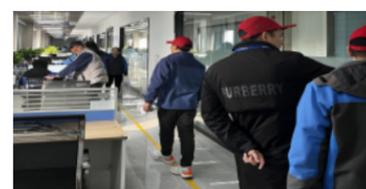
### Hymson Jiangsu Energy-Saving Initiatives



Posting Energy-Saving Signs



Hanging Energy-Saving Banners



Check Electricity Consumption of Air Conditioners, Equipment, etc.



Skills and Knowledge Training



Reporting Inspection Results



Monthly Electricity Consumption Analysis Report

## Water Resource Use

We have long placed great importance on the sustainable management of water resources. Through the establishment of a scientific water resource management system, we have systematically improved water efficiency. Based on setting the target for an annual reduction of per capita water consumption, we have implemented water-saving renovations and raised employee awareness about water conservation. We have created a long-term water-saving mechanism to continuously optimize water resource utilization efficiency.

Total Water Consumption	
Entity	Tons
Hymson Shenzhen	18,703
Hymson Jiangmen	99,274
Hymson Chengdu	6,689

Water Consumption Statistics of the Company

## Water Resource Management System

We put a high value on water resource management. By establishing a scientific, well-organized water resource management system according to internal policies such as the Management Measures for Water, Electricity, and Paper, we have made regulatory requirements for the use of water resources. We have set a water-saving target of reducing per capita water consumption by 0.2% annually. Moreover, we have implemented management measures to continuously improve the water resource utilization efficiency while ensuring our normal production and operations.

Water Equipment Inspections

Regularly inspect water equipment to ensure proper operation and prevent waste caused by leakage, dripping, or overflow.

Raising Water Conservation Awareness

Turn off faucets immediately when they are not in use to save water;  
Toilet water usage: Ensure the correct use of flush toilets.

Daily Water Management

The Administrative Department is responsible for the installation, maintenance, and repair of water supply systems. During construction or landscaping activities, we monitor and control water usage to avoid unnecessary waste.

Water Resource Management Measures

## Water Conservation Renovations

We have comprehensively advanced the renovation of water-saving equipment and optimized management to establish a sustainable water conservation management model. By introducing new types of equipment such as intelligent sensor faucets and water-saving toilets, we have improved water-saving effects in office areas. We have also established a smart water monitoring system, raised employee awareness about water conservation, and created a long-term water-saving mechanism, effectively reducing water consumption.

### Water Usage Status Analysis

Currently, our water consumption mainly covers daily living and office activities. The primary water use in office areas includes bathroom flushing, drinking water in tea rooms, water usage in employee dormitories, etc. Although the water usage per instance is small, the frequency is high.

### Water-Saving Equipment Renovation

We are gradually replacing outdated faucets with intelligent water-saving models, which precisely sense water flow requirements and reduce unnecessary long-flowing water; The restroom is equipped with a new type of water-saving toilet, featuring two buttons, one of which is blocked and unused, while the other is used for flushing. This design has significantly reduced water usage per flush.

### Future Water-Saving Plans

We will continue to promote water-saving efforts in the future. This includes exploring more advanced water-saving technologies and equipment, such as intelligent water meters that provide real-time water usage monitoring and promptly detect leaks; We will further enhance employee water-saving awareness training, improve internal incentive mechanisms for water conservation, and foster a positive atmosphere for water conservation among all employees, thereby further reducing our overall water consumption of the Company and ultimately achieving efficient water resource utilization.

Our Water Conservation Renovations and Current Water Usage Status

## Circular Economy

Hymson actively embraces the concept of a circular economy by integrating efficient resource use into the entire product lifecycle management. Through various measures such as optimizing production processes and improving material utilization, we have notably reduced resource consumption in manufacturing. In the field of photovoltaic equipment manufacturing, we have innovatively developed recyclable component designs and established a robust system for recycling waste and used equipment, promoting green circular development in the industry chain. Additionally, we have improved our resource utilization efficiency through in-house eco-friendly measures, such as recycling of packaging materials and waste classification, demonstrating our role as a model for circular economy development and offering valuable experience for the industry's green transformation.

### Case Reusing Production Materials to Support the Circular Economy

Hymson Jiangmen strictly adheres to the concept of a circular economy in production and packaging. A professional recycling system has been established for renewable materials, with meticulous classification management of materials, ensuring effective recycling, significantly enhancing resource utilization efficiency, and reducing raw material consumption. This practice fully reflects our successful application of circular economy principles in production.

#### In 2024

Hymson Jiangmen recycled

**162.77** tons of waste in total

of which renewable materials amounted to

**12.89** tons per cubic meter

The total amount of materials used for production and packaging was

**72** tons per cubic meter

representing

**17.9%** of the total amount

## Wastewater, Waste Gas, and Solid Waste Management and Chemical Safety

Hymson places a high priority on pollutant management and has built a comprehensive pollution management system covering all stages of production and operations in light of actual conditions. We regulate the management of chemicals, waste gas, noise, and waste in production and conduct regular tests of waste emissions to ensure that waste emissions meet national standards and reduce the environmental impact of production and operations. Our efforts aim to provide a useful reference for green development in the industry.

During the reporting period

the Company **did not** incur any penalties for pollutant emissions

## Chemical Management

To prevent environmental impacts and health hazards associated with the transportation, handling, storage, and use of chemicals, we have established the Management Measures for Chemicals and a strict hazardous substance management system. We also have targeted emergency plans in place for safety incidents involving hazardous chemicals to enhance our response capabilities for leaks of hazardous chemicals. Moreover, we conduct monthly chemical safety inspections to eliminate potential chemical safety hazards in a timely manner, ensuring that our products are healthy, safe, and environmentally friendly.

### Warehouse

Responsible for receiving, dispatching, and registering hazardous chemicals.

### Entities Using Chemicals

Required to register chemicals upon use and ensure safety during on-site usage and other processes.

### Procurement Department

Responsible for chemical procurement, ensuring that contracts clearly specify that materials are qualified and meet environmental and safety standards.

### Administrative Department

Responsible for overseeing the usage of hazardous chemicals across other departments and the disposal of chemical waste.

Chemical Management Measures



### Chemical Procurement

Suppliers are required to provide Material Safety Data Sheets (MSDS) and relevant certificates. If these documents cannot be provided, chemical composition, hazards, and other details must be clearly outlined in the product manual.



### Chemical Storage

Strict storage measures are implemented, with a complete set of safety measures set for ventilation, explosion prevention, pressure resistance, fire prevention, rain protection, early warning, and fire extinguishing according to the types and properties of chemicals. If chemical labels are damaged, they must be promptly replaced. Chemical storage areas are managed by dedicated personnel, and a chemical inventory list is maintained with daily checks and records.

### Chemical Transportation

Transporting manufacturers are required to provide the Company with certification for the transport of hazardous chemicals and ensure that the transport process complies with national laws and regulations to prevent chemical leaks. Handling processes must prioritize safety protection, with necessary protective gear worn to avoid accidents.

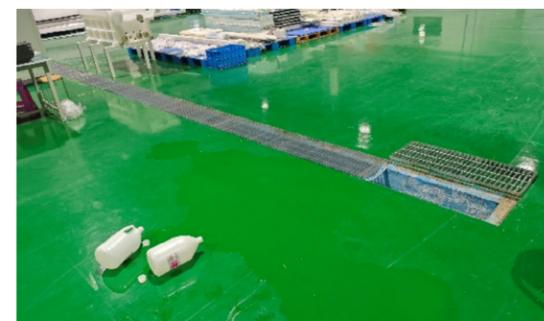
### Chemical Usage

Chemicals are collected and used by designated personnel. Warehouse staff must distribute according to the system-generated material release order, ensuring that the repackaging process avoids any leakage. The entire usage process is managed according to the precautions stipulated in the MSDS, and necessary protective measures are in place. Exhaust systems are installed for waste gases generated by chemicals, and waste gases are treated by qualified recyclers to prevent secondary pollution.

Chemical Management Measures

### Case Emergency Drill for Hazardous Chemical Leak at Hymson Jiangsu

We conduct multiple emergency drills for chemical leaks each year, simulating different scenarios. In February 2025, Hymson Jiangsu carried out an emergency drill for a hazardous chemical leak in a scenario without an emergency containment pool. The drill simulated a 200L hydrochloric acid tank leak, with drainage channels set up to prevent overflow risks. During the drill, the central control room triggered sound and light alarms, and the emergency command center activated a secondary response. The on-site team quickly blocked the leak using sandbags and absorbent cotton, while an emergency pump was deployed to vacuum up the leaked liquid. The submerged pumping points successfully intercepted 100% of the leak. The drill confirmed the effectiveness of equipment coordination while highlighting issues such as blind spots in the signal of walkie-talkies. Following the drill, we took immediate corrective actions to address the problems identified, providing useful references and insights for similar companies in emergency management scenarios without containment pools.



Simulation of Chemical Spill



The Central Control Room Identifying Leak, Notifying, and Activating Alarm



Using Absorbent Materials to Prevent Spread



Activating Emergency Power to Collect Waste Liquid



## Wastewater Discharge Management

To regulate our wastewater discharge management and ensure that both production and domestic wastewater treatment comply with national and local environmental protection standards, we have established a comprehensive wastewater management system. We have formulated the *Management Measures for Wastewater and Drinking Water*, which clearly define wastewater discharge standards and treatment requirements. Through a variety of management measures, we standardize wastewater management and continuously optimize the wastewater treatment process. This ensures that all wastewater discharged fully meets the standards, fulfilling our corporate responsibility for environmental protection.



### Wastewater Management Requirements

- Regulated drainage and prohibited disposal: Domestic wastewater from office and living areas is discharged through sewage pipes. Industrial wastewater, waste oil, and other residues shall not be disposed of through domestic wastewater/rainwater pipe network outlets. Chemical products, oil products, or other solid waste shall not be stored near the outlets.
- Maintaining unblocked drainage and waste sorting: The Company shall ensure that the domestic wastewater/rainwater pipe network is unblocked and regularly check outlets for any storage or blockages. Household waste should be stored in designated areas and containers to prevent contamination of water sources by rain.
- Wastewater treatment and standardized discharge: Kitchen wastewater must be treated by specified facilities to meet standards before being discharged. Wastewater from air compressors and machine processing shall be collected centrally and disposed of by qualified units.
- Cleaning supplies management: Waste oil and liquids should be stored securely to prevent leaks and be kept away from drainage outlets. Environmentally friendly cleaning supplies with low water pollution, such as phosphate-free laundry detergents, should be used as much as possible.



### Wastewater Monitoring

- Samples are taken from the Company's wastewater discharge outlets from time to time by nationally recognized environmental monitoring organizations for testing. The monitoring reports are provided by the monitoring agencies.



### Abnormal Situation Handling

- Regular inspections: The Administrative Department inspects discharge outlets monthly. Any blockage identified is promptly cleared.
- Investigations on exceeding standards: If wastewater monitoring indicators exceed standards, the head of the Administrative Department will conduct an investigation, technically guided by an environmental monitoring institution, and relevant departments are responsible for implementing corrective actions.
- Leak handling: In case of wastewater leakage, operators should promptly report the situation. The head of the Administrative Department will assign related personnel to stop the leak in a timely manner, and the result will be reported to leadership.
- Abnormal situation reporting: The operating departments shall diligently follow the operating procedures and relevant requirements in dealing with each of the above-mentioned abnormal situations. Once an abnormal situation is found, it shall be reported immediately, and corrective measures should be taken based on the Administrative Department's instructions in a timely manner. If the abnormal situation cannot be handled, it should be reported to the Environmental, Health, and Safety (EHS) management representative for further analysis and corrective actions.

## Waste Gas Emission Management

To effectively control the emissions of exhaust gases generated during production activities and ensure air quality, we have formulated the Management Measures for Waste Gas (Air) in accordance with the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution* and the *Air Pollution Prevention and Control Action Plan*, among other air pollution control regulations. The measures ensure the scientific management of exhaust gases and indoor air generated during activities, products, and services. They outline specific methods for handling various types of exhaust gases, reducing the emissions of pollutants, ensuring that exhaust gas emissions comply with national standards, and maintaining air quality in the workplace to meet occupational health requirements, ultimately achieving the goal of air pollution control.



### Waste Gas Source Control

- We prioritize equipment, raw and subsidiary materials, and fuels that produce minimal waste gas or have low concentrations of pollutants, provided that they meet production, safety, and environmental protection requirements.



### Waste Gas Emission Source Control

- Kitchen fumes must be collected via ventilation ducts and treated by the fume waste gas purification and treatment device to ensure organized and compliant emissions.
- Kitchen staff should strictly follow equipment operational procedures to prevent the release of large amounts of harmful gases due to improper handling.
- Kitchen gas valves must be closed after use, with regular inspections. Any abnormal odor should prompt immediate investigation and control of the leak source.
- If any waste gas treatment equipment malfunctions, emissions must be paused until the equipment is repaired and functioning.
- Equipment should be regularly maintained and serviced and a spot check of the facilities is conducted once a month to ensure that they are in good working condition.



### Workplace Air Quality Control

- Workshop areas should maintain good ventilation to ensure air circulation.
- In work areas with significant dust or harmful gas emissions, strict dust control measures should be implemented. Physical or chemical methods should be used to eliminate harmful gases or dust, with appropriate ventilation equipment installed to ensure environmental compliance at the construction site.
- Ventilation equipment in the workshop should be regularly serviced, cleaned, and maintained to ensure normal operation.
- The design, installation, maintenance, and use of ventilation systems shall meet national regulations to ensure employee health and safety.



### Waste Gas Pollutant Monitoring and Supervision

- The Administrative Department commissions an external agency to monitor waste gas emissions, including regular air quality checks. Non-compliant situations will be handled according to the established procedures.
- Each department is responsible for routine inspections of waste gas pollution control, with the Administrative Department conducting a patrol inspection for the facility once a month.
- If abnormal flue gas emissions are detected, the *Management Procedure for Emergency Preparedness and Response* should be executed.

## Solid Waste Emissions Management

We have established a comprehensive waste management system and strictly implement the *Management Measures for Wastes* to classify and recycle industrial and household waste. We have designated storage areas for hazardous waste and enforced the waste transfer sheet system to reduce environmental pollution and prevent toxic or harmful waste from contaminating the environment or posing health risks. Additionally, we continue to promote the waste sorting system, with domestic waste being handled by professional environmental sanitation departments to ensure that all types of waste are disposed of in compliance with regulations.

- 
we achieved the internal transfer of **0.22** tons
- 
and external transfer of **0.26** tons of hazardous waste
- 
with all transfer and disposal processes complying with environmental protection regulations.

Hazardous Waste	
Entity	Tons
Hymson Shenzhen	0.099
Hymson Jiangmen	0.99

Statistics of the Company's Waste Emissions

### Classification, Management, and Disposal Methods of Waste

Type	Harmful Waste	Recyclable Waste	Kitchen Waste	Other Waste
<b>Classification</b>	Hazardous waste materials that are toxic, flammable, explosive, corrosive, and chemically reactive, and can pose direct or potential threats to human health and the environment. Examples include waste oil, waste cutting fluids, oily rags, waste batteries, waste fluorescent tubes, empty oil barrels, chemical containers, etc.	Waste suitable for recycling or resource recovery, i.e., garbage that can be recycled and reused by itself or its materials, such as packaging paper, plastics, paper, and waste and used electrical appliances.	Waste generated from daily activities and canteen catering, such as leftovers.	Materials that are of relatively low harm and have no further use, such as construction debris, household waste, etc. Examples include waste wooden boards, non-oily rags, switches and plugs, construction dregs, napkins, etc.
<b>Management Measures</b>	<ul style="list-style-type: none"> <li>Distinguish between general waste and toxic, hazardous waste, and prohibit the mixing of hazardous waste with ordinary industrial waste;</li> <li>Clarify the environmental impact of waste based on the MSDS, and provide appropriate protective equipment in designated areas;</li> <li>Establish dedicated storage areas for toxic, hazardous waste;</li> <li>The Administrative Department conducts monthly inspections of departmental waste management practices;</li> <li>Hazardous waste storage areas should clearly specify the details of hazardous waste stored and keep detailed records in the Hazardous Waste Storage Record Sheet. If transfer is needed, the Internal Transfer Record for Waste (Hazardous Waste) should be completed.</li> </ul>	<ul style="list-style-type: none"> <li>For recyclable and non-recyclable waste, the Administrative Department designates specific storage locations and coordinates with qualified waste disposal units for handling.</li> <li>The Production Department is responsible for purchasing, storing, and rationally managing packaging materials, ensuring their proper and effective recycling.</li> </ul>	<ul style="list-style-type: none"> <li>Kitchen waste should be collected at the designated location in the Company's canteen, and the canteen should arrange a qualified unit to handle the disposal on a daily basis.</li> <li>The Administrative Department supervises and manages the canteen's waste handling processes.</li> </ul>	<ul style="list-style-type: none"> <li>Household waste should be placed in the designated bins by the Company.</li> <li>The Administrative Department coordinates with the environmental sanitation department for the periodic removal of household waste.</li> <li>Non-recyclable waste generated during production should be placed in the designated waste storage area, and the Administrative Department should apply for scrap disposal based on the required maintenance quantity.</li> <li>Construction waste and earthwork excavated from project sites should be cleared and removed to designated locations for proper handling in accordance with regulations.</li> </ul>
<b>Disposal Methods</b>	Signing a Hazardous Waste Disposal Cooperation Agreement. Safely recycled by qualified third-party organizations	Safely recycled by qualified third-party organizations	Safely recycled by qualified third-party organizations	Safely recycled by qualified third-party organizations

## Noise Emissions Management

To control and reduce noise pollution and its impact on the surrounding environment and employees' health, we have developed the *Management Measures for Noise* and established a sound noise control system to monitor, prevent, and manage noise in our areas, ensuring that noise emissions at the plant boundary meet national standards.

### Noise Control Measures

#### Noise Source Control and Equipment Management

- We ensure that workplace noise is within acceptable limits by improving processes, replacing equipment, and implementing soundproofing and noise reduction measures.
- The Production Department implements measures to reduce noise pollution from machinery and equipment and has established a maintenance and servicing system for equipment, with proper documentation.
- Vehicle honking is prohibited in the plant area, and when there are construction projects in the plant area, the Administrative Department is responsible for supervising construction-related noise to ensure that noise at the plant boundary complies with standards.
- Regular inspections are carried out on air compressor rooms according to their mileage requirements to prevent new sources of noise.



#### Employee Protection and Training

- Warning signs must be posted at the entrances and around the perimeter of noise-prone areas in each department, clearly indicating the presence of noise and the requirement to wear hearing protection.
- Employees working in noisy environments in each department are required to undergo training to understand the hazards of noise and the proper usage of protective gear and equipment.



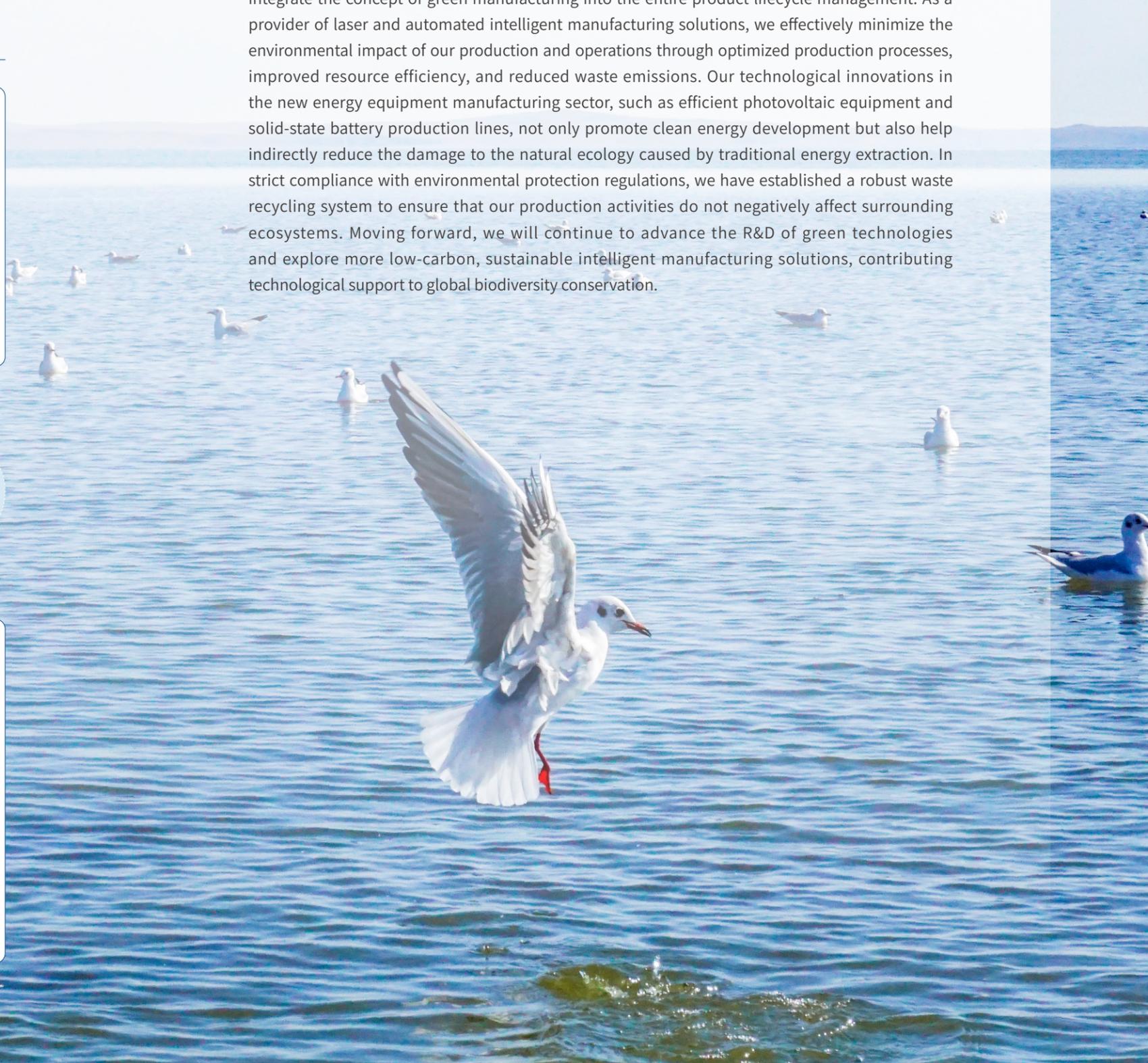
#### Compliance Monitoring and Incident Handling

- Noise pollution control should ensure compliance with national requirements for noise pollution at the plant boundary.
- The Administrative Department conducts regular inspections of the Company's noise emissions and the use of labor protective equipment. Any non-compliance will be addressed according to the *Control Procedure for Non-Conformance, Corrective Actions, and Continuous Improvement*.
- The Administrative Department contacts the monitoring agency once a year to conduct noise pollution monitoring and maintains monitoring records.
- In the event of a noise pollution incident, we will handle it according to the *Management Procedure for Emergency Preparedness and Response*. The head of responsible departments will analyze the cause of the incident based on the *Control Procedure for Non-Conformance, Corrective Actions, and Continuous Improvement* and take corrective and preventive actions to prevent recurrence.



## Biodiversity Conservation

At Hymson, we actively fulfill our corporate social responsibility in biodiversity conservation and integrate the concept of green manufacturing into the entire product lifecycle management. As a provider of laser and automated intelligent manufacturing solutions, we effectively minimize the environmental impact of our production and operations through optimized production processes, improved resource efficiency, and reduced waste emissions. Our technological innovations in the new energy equipment manufacturing sector, such as efficient photovoltaic equipment and solid-state battery production lines, not only promote clean energy development but also help indirectly reduce the damage to the natural ecology caused by traditional energy extraction. In strict compliance with environmental protection regulations, we have established a robust waste recycling system to ensure that our production activities do not negatively affect surrounding ecosystems. Moving forward, we will continue to advance the R&D of green technologies and explore more low-carbon, sustainable intelligent manufacturing solutions, contributing technological support to global biodiversity conservation.



# 05

## Responsibility · Growing with Our People

Employees are a vital cornerstone for the continuous progress of a company. Hymson has established a comprehensive talent system led by strategies, focusing on talent selection, cultivation, and incentives. Each step is closely aligned with clear performance standards and professional ethics, aiming to unlock the potential and creativity of our employees. At the same time, we emphasize creating a healthy and dynamic working atmosphere by offering a diverse range of benefits and activities that allow employees to experience personal growth while also feeling warmth and care from the Company.

- ∨ Employment and Compensation
- ∨ Employee Development and Training
- ∨ Employee Health and Safety
- ∨ Employee Care and Activities



# Employment and Compensation

Hymson adheres to the core values of equality and inclusion, committed to building a respectful and trustworthy organizational environment and creating a fair development space for every employee. We have established a compensation distribution system with value creation as its core and market competitiveness as a basis. Through differentiated incentive designs, the system ensures the shared growth of both talent value and the Company's development achievements. This approach promotes mutual success between employee development and our progress, forming a virtuous cycle of sustainable growth.

## Employee Hiring

Upholding the employment philosophy of "Pursuing Dreams, Shouldering Responsibilities, Showing a Passion for Learning, and Striving for Long-Term Success", we strive to create an open, inclusive, and diverse talent development environment. In terms of hiring management, we strictly follow the principles of equal employment, resolutely prevent any form of employment discrimination, and ensure that recruitment and career development are fully compliant with legal standards. Through a standardized hiring process, we protect employee rights and interests, support sustainable development through talent, and ultimately achieve the joint growth of the Company and employees.

### During the reporting period

 we had **5,850** employees

 including **11** veterans;

 We hired **935** new employees,

 **854** through social recruitment

 and **81** through campus recruitment;

 Our employment contract signing rate was **100%**

### Pursuing Dreams

- **Achievement-oriented**

Having aspirations for career success, desiring to achieve significant accomplishments, setting clear and challenging career goals, and being willing to work tirelessly to achieve them.

- **Self-motivated**

Proactively seeking and creating opportunities, being eager to embrace challenges, and taking action to achieve personal goals.

### Shouldering Responsibilities

- **Willing to assume responsibilities**

In the face of problems and difficulties, not avoiding or shifting responsibility and proactively taking on responsibilities.

- **Challenge-ready**

Not intimidated by tough tasks, staying calm and rational under pressure, and continually striving to overcome personal limits.

### Showing a Passion for Learning

- **Learning capacity**

Maintaining a high level of curiosity and eagerness to explore new knowledge, technologies, and fields. Enjoying sharing research outcomes.

- **Critical thinking**

Thinking about the internal logic of affairs in a structured way, understanding the underlying principles and mechanisms, turning them into their knowledge, and applying knowledge to work through inductive reasoning.

### Striving for Long-Term Success

- **Persistent and steady**

Completing tasks on time and with high quality, without procrastination or superficial effort. Demonstrating strong resilience and never giving up easily in the face of setbacks and failure.

- **Team collaboration**

Proactively sharing, soliciting, and considering others' opinions, seeking common ground for mutual benefit, and adopting strategies to influence others toward a win-win outcome.

"Hymson Youth" Talent Philosophy of "Pursuing Dreams, Shouldering Responsibilities, Showing a Passion for Learning, and Striving for Long-Term Success"

## Equal Employment

In strict compliance with the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*, we have established a systematic equal employment system centered around the *Administrative Regulations on Employee Recruitment*, the *Administrative Regulations on Anti-Discrimination*, and the *Code of Conduct for Employee Compliance*, incorporating the principle of "equal employment" into the recruitment, assessment, and career development processes. During the establishment and existence of labor relations, we explicitly prohibit factors such as race, gender, age, religious beliefs, nationality, disability, or marital status from affecting career opportunities. Any form of discrimination or harassment in the workplace is strictly prohibited. Additionally, for veterans, we ensure equal employment opportunities through an open recruitment mechanism and provide job skills training to support their career transitions, thereby fulfilling our corporate social responsibility.

### During the reporting period

we employed  
**11** veterans.



■ Male employees	4,975
■ Female employees	875



■ Under 30 years old	2,239
■ 30-50 years old	3,541
■ 50 years old and above	70



■ Employees with a doctoral degree	20
■ Employees with a Master's degree	271
■ Employees with a Bachelor's degree	2,661
■ Employees below the undergraduate level	2,898



■ Senior management	123
■ Middle management	634
■ Junior management	1,422
■ General employees	3,671

## Compliant Employment

We have built a compliant employment system based on the *Labor Law of the People's Republic of China*, the *Provisions on the Prohibition of Using Child Labor*, and other relevant laws and regulations. By introducing targeted systems such as the *Management Measures for Protection of Employees' Human Rights* and the *Management Regulations on Prohibition of Forced Labor*, we systematically prevent risks related to underage workers, forced labor, and other issues. At the recruitment stage, we have established a compliance review mechanism to eliminate child labor and employment fraud at the source. As for talent selection, we ensure fair competition by adopting both internal competitive selection and market-oriented recruitment. Additionally, we require our partners to comply with labor rights protection standards through our Supplier Code of Conduct, ensuring a collaborative effort to maintain a compliant workforce environment.

### Interview and Recruitment Compliance

- **Merit-based selection principle:** Candidates are hired based on the results of their interview assessments.
- **Principle of process traceability:** All documents and materials of the candidates, such as resumes, qualifications and certificates, and background checks, are retained for future reference. Arbitrary interview comments or information changes are prohibited.
- **Principle of objectivity and scientific nature:** We focus on the quality of recruitment interviews, ensuring that assessment content and evaluation criteria are aligned with the Company's business needs and the specific requirements of the position. Unrelated assessment items not connected to job skills and experience should not be included.
- **Avoidance principle:** When interviewers encounter relatives, classmates, or friends applying for the position, they must actively adhere to the avoidance principle. They should not interfere with or influence the interview process, and no conflict of interest should exist after the hiring decision.

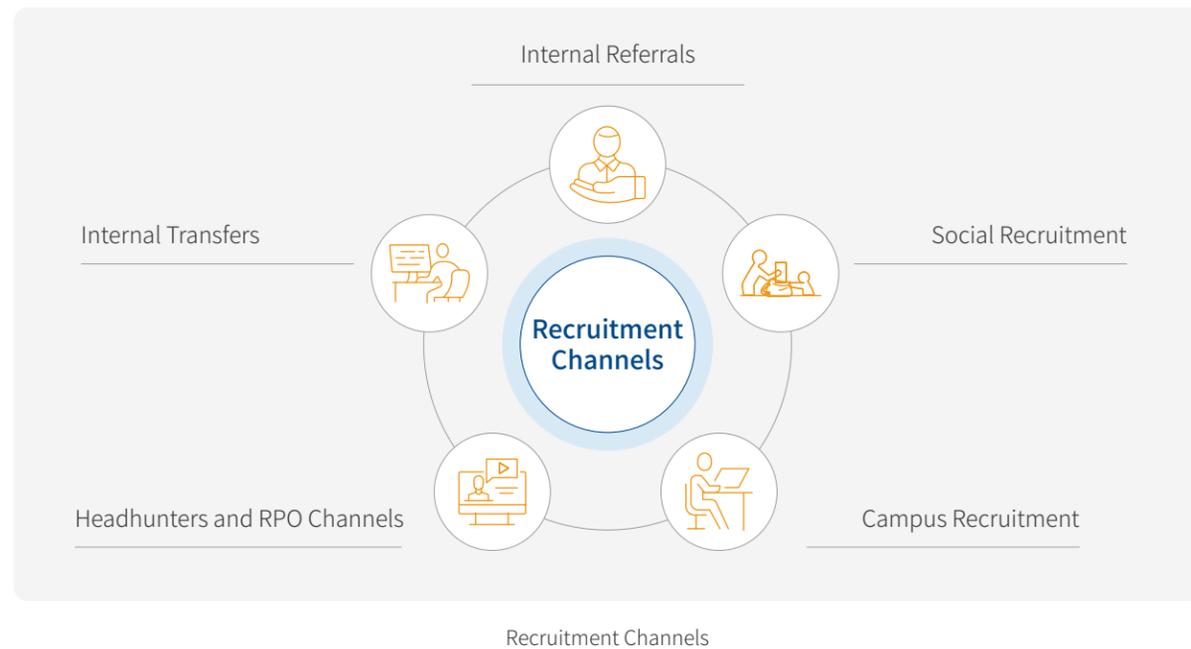
### Prohibition of Child Labor

- Applicants must be at least 18 years old and have no labor relationship with any other employer.
- Our Human Resources Center is responsible for establishing and maintaining policies and procedures that prohibit the use of child labor, protect underage workers, and provide support for child labor. The center has also established and maintained complete records of employees, including their date of admission, date of birth, educational background, work experience, home address, emergency contact information, and other relevant details to confirm their age. This is to ensure that all employees hired are 16 years of age or older.
- If child labor is discovered, their work will be immediately ceased and the case will be reported to the local labor department. Also, we will cooperate with the department to take necessary remedial measures.

### Prohibition of Forced Labor

- Our Human Resources Center is responsible for developing and implementing policies and procedures to prohibit forced labor of any form, including prisoned labor, bonded labor, and debt labor.
- We respect employees' rights to freedom, including the freedom to be hired, leave a job, work overtime, and move freely. If overtime work is required for production, it must be agreed upon through negotiation with employee representatives and must not exceed the statutory time limit.
- Employment contracts must be negotiated and approved by employee representatives and filed with the local labor department.

Compliant Employment Measures

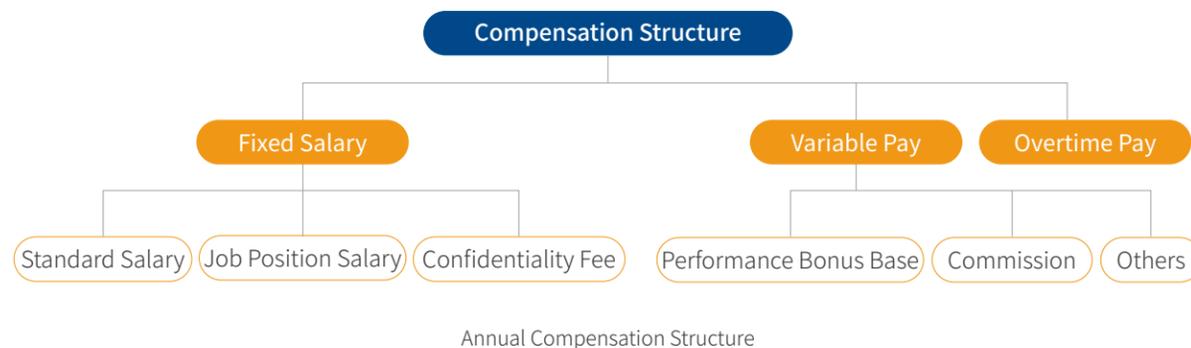


## Compensation Management

We have established a comprehensive and scientific compensation system and designed a reasonable salary structure and distribution mechanism to achieve an organic unity of internal equity and external competitiveness. Through performance assessments, we effectively measure the value contribution of employees, closely aligning individual performance with organizational goals. We emphasize building a long-term incentive mechanism and utilize diversified incentive methods to provide talent support for sustainable development.

## Salary and Compensation

We have developed a fair, transparent, and competitive compensation management system. By formulating the Management Regulations on Compensation, we ensure that salary levels align with industry standards while conducting differentiated distribution based on the post value, individual contributions, and performance of employees. According to job categories and characteristics, our compensation system is divided into two models: the performance-oriented model and the commission-oriented model. These models apply to functional positions and business positions, respectively, with a scientific structure of "fixed salary + variable pay + overtime pay" for all-around motivation.



Compensation Type	Target Recipient	Compensation Structure
Performance-oriented model	Non-sales personnel	Fixed salary + performance bonus
Commission-oriented model	Salesperson	Fixed salary + commission

Compensation Types

## Performance Management

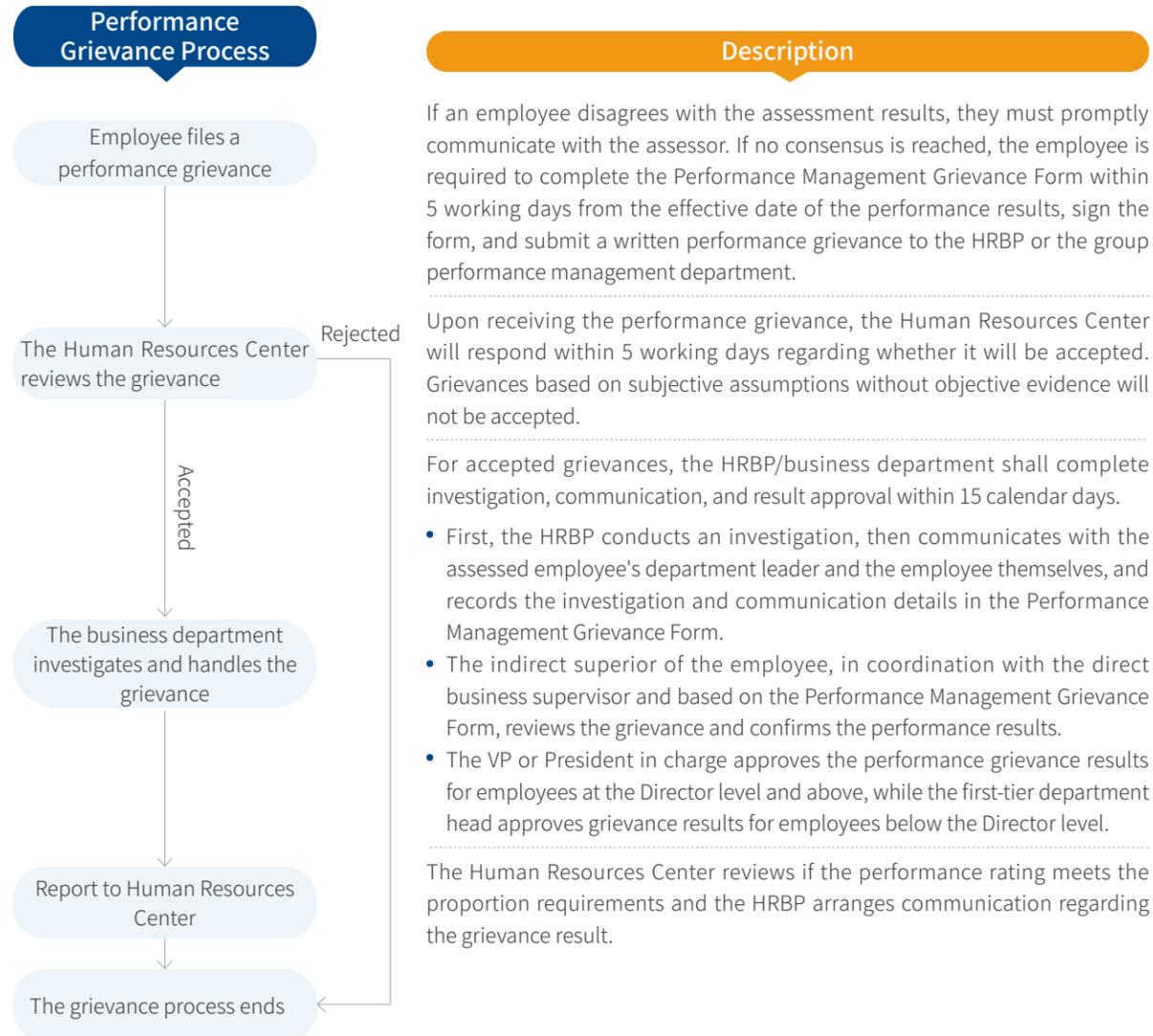
In 2024, we introduced the Management Measures for Performance and established a performance management system in alignment with our strategies. By breaking down strategic objectives into a hierarchical KPI indicator library, we incorporate key annual tasks into performance assessments. The assessment is conducted semi-annually, with results confirmed by direct supervisors and leaders at various levels, ultimately forming a five-tiered (A-D) differentiated evaluation. The assessment results are directly applied to salary distribution, position promotions, and other incentive measures, focusing on nurturing a high-performance talent pool while creating development plans for employees who need improvement. Therefore, we have formed a virtuous cycle mechanism of "goal setting – process control – performance assessment – result application".



Performance Level	Definition	Description
A	Exceptional Contributor	Performance significantly exceeds expectations, with extremely outstanding results in all aspects.
B+	Excellent Contributor	Performance meets or exceeds expectations, with relatively outstanding achievements in key areas.
B	Solid Contributor	Performance basically meets expectations, with no outstanding performance or obvious error.
C	Needs Improvement	Performance falls short of expectations, with significant deficiencies or errors in some areas.
D	Unsatisfactory	Performance far below expectations, with significant deficiencies in many areas or key aspects. Unable to fulfill the job responsibilities of the position level. Obviously lacks the necessary knowledge, skills, and work effectiveness and enthusiasm.

Performance Assessment Levels

Additionally, we have established a performance grievance mechanism. Employees who disagree with the assessment results can submit a grievance in writing within the specified time frame. The Human Resources Department will investigate and communicate with the relevant personnel, and the management team will make a final decision on the result to ensure fairness and transparency in the grievance process.



### Long-Term Incentive Mechanism

We have established a sound long-term incentive mechanism and a "salary + equity + honor" three-dimensional incentive system. In addition, through annual excellence selection, educational support for further studies, professional certification subsidies, mentor/trainer allowances, and other systems, we offer employees diversified development resources.

Build a "salary + equity + honor" three-dimensional incentive system and establish an annual excellence selection mechanism.



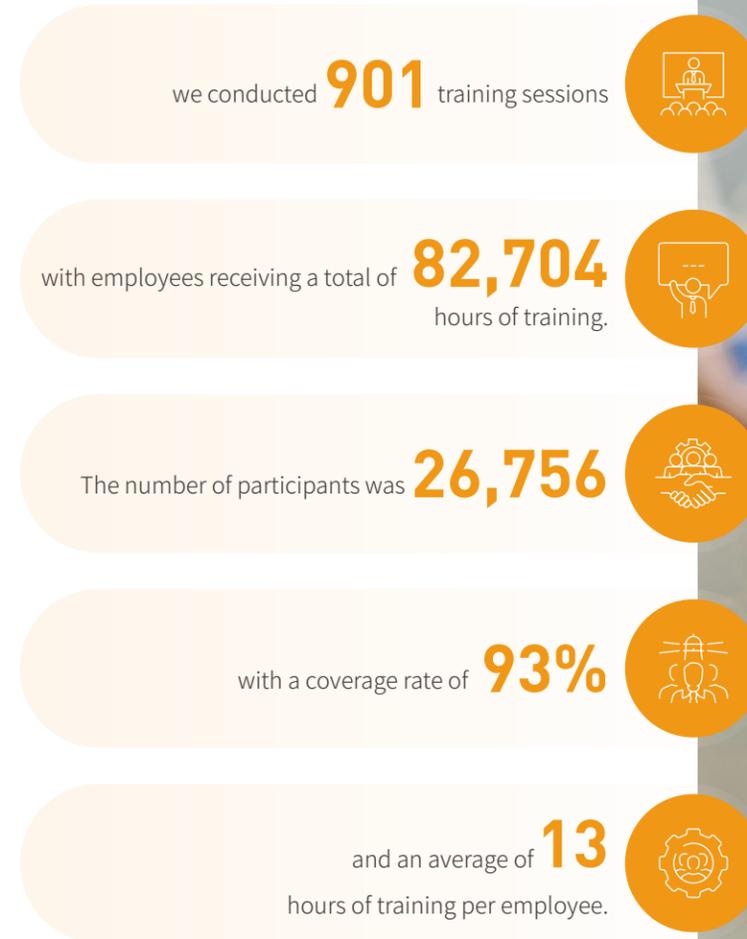
Provide resources for learning and development, such as educational support for further studies, PMP certification subsidies, and mentor/trainer allowances.

Long-Term Incentive Mechanism

## Employee Development and Training

At Hymson, we always consider talent to be the core driver of our sustainable development. Adhering to the talent philosophy of "people-oriented, empowering growth", we have developed a systematic talent strategy system to build a high-quality, diverse, and innovative talent pool, thereby providing continuous momentum for the Company's high-quality development. Driven by dual engines of "internal development and external recruitment", we focus on key talent reserves to ensure the dynamic alignment of talent structure and business development. In 2024, we set the target of achieving a talent reserve rate for key positions of 90% and increasing the retention rate of high-potential talent to 85%.

### During the reporting period



## Employee Training Mechanism

We have revised relevant policies such as the *Training Management System*, the *Management Measures for Internal Trainers*, the *Management Measures for Mentorship*, and the *Management Regulations on Continuing Education Subsidy of Employees*, aligning them closely with the Company's strategic positioning to ensure continuous updates and improvements to the training system. At the same time, we have clearly set related training goals to ensure the relevance and effectiveness of training activities.



Objectives of Employee Training Management

## Building a Training Platform

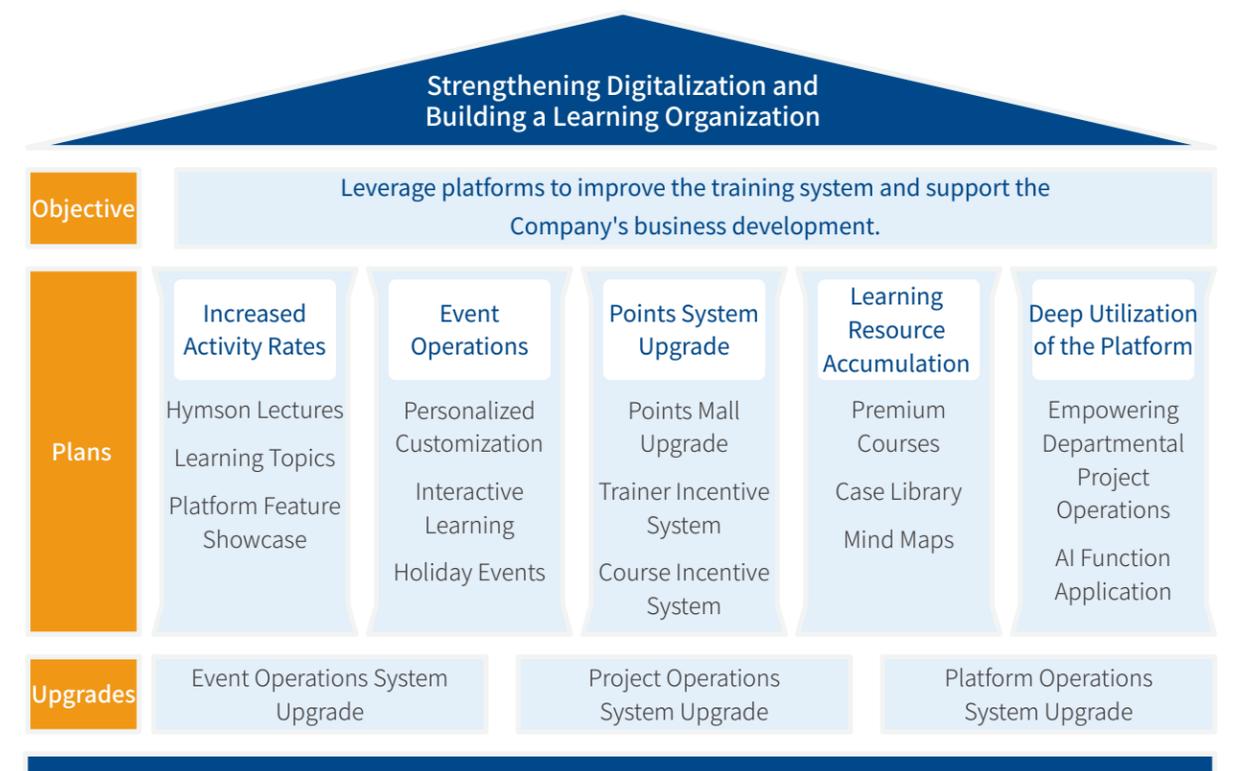
We actively advance the development of a digital learning platform. Through the "Star Academy" online learning platform, we have established a digital training ecosystem that covers all employees and positions. The platform integrates high-quality learning resources and supports functions such as online course learning and training management, providing efficient technical support for various training programs. This enables employees to learn and enhance their skills independently, anytime and anywhere, offering strong talent development support to drive the Company's rapid growth.

**During the reporting period**

the "Star Academy" learning platform provided **120** projects in total, covering **5,850** people; Platform login rate **95.4%** and average learning hours **70.3** hours

average satisfaction score **8.52** (out of 10); The platform offers over **2,600+** courses in total, including **900+** external courses and **1,700+** internal courses;

A total of **75** live-streaming sessions were held on the platform with a total duration of **212** hours.



## Building a Training System

We have established a systematic and tiered employee training system, covering onboarding training, pre-job training, on-the-job training, and paid training. Based on the employee's stage and business development needs, we adopt a blended learning approach that combines theoretical learning with practical application. By leveraging an intelligent learning management platform, we ensure precise matching of training resources and dynamic evaluation of development outcomes to ensure the coordinated advancement of talent development with business strategies. By continuously optimizing training content and formats, we aim to enhance employees' professional capabilities and organizational effectiveness, ensuring that talent development aligns with and supports business growth.



Training Types

## Training Result Evaluation

We have established a systematic evaluation process covering reactions, learning, behaviors, and results. After training, we conduct evaluations using questionnaires, knowledge tests, and behavioral observations to track and assess the effectiveness of training. Training program teams, following the principle that "the organizing entity is responsible for conducting the evaluation", flexibly select the approach to evaluation based on actual needs. The evaluation results serve as an important basis for optimizing training content and improving program design, ensuring continuous enhancement of training quality and effectiveness.

Method	Key Points	Form
Reaction evaluation	Measures trainee satisfaction with the training	Questionnaire survey
Learning evaluation	Assesses the knowledge or skills gained by trainees	Exam
Behavior evaluation	Assess how well trainees can use what they learned	Post-class practice, behavior change assessment, observation
Result evaluation	Determines the economic benefits derived from the training	Indicators for job outcomes

Training Evaluation

## Mentorship Mechanism

We implement a mentorship system, whereby mentors are selected from management personnel and senior employees who have been with the Company for at least one year and obtain a performance assessment rating of B or higher. These mentors establish a mentoring relationship with their mentees through mutual matching. Mentors are required to provide regular business guidance and participate in periodic two-way evaluations. We offer promotion priority, specialized training, and recognition rewards for excellent mentors. Furthermore, mentoring experience is a prerequisite for promotion to management and senior technical positions, thus fostering the transfer of experience and the development of a talent pipeline.

Mentor Category	Mentoring Period	Mentoring Approach
<b>Mentoring for new employees</b> New employees for production positions admitted through social recruitment New employees for non-production positions admitted through social recruitment New employees admitted through campus recruitment	Whole probationary period of new employees	One-on-many mentoring (ideally no more than 3 mentees)
<b>Mentoring for existing employees</b> Newly promoted managers High-potential employees	6 to 12 months	One-on-one or one-on-many mentoring

Mentorship Classification

## Internal Trainer Mechanism

We have also established an internal trainer development mechanism, encouraging key employees to participate in knowledge transfer through tiered certifications and incentive policies. Trainers are categorized into four levels: junior, intermediate, senior, and distinguished. Promotion reviews are conducted based on key indicators such as teaching quality and course development. To enhance trainer's motivation, we provide them with substantial incentives including teaching allowances and priority access to training resources, and integrate trainer roles into our performance assessment system. Through systematic course development support and teaching skill enhancement, we aim to continuously raise the professional level of organizational knowledge management and promote knowledge sharing and the development of innovation capabilities.

Trainer Level	Junior Trainer	Intermediate Trainer	Senior Trainer	Distinguished Trainer
<b>Requirements for Position</b>	Teach at least 10 hours within 1 year; Training satisfaction score of 8.5 or higher	Teach at least 15 hours or develop 1 course within 1 year; Training satisfaction score of 8.5 or higher	Minimum of 1 year as an intermediate trainer; Teach at least 20 hours or develop 2 courses within 1 year; Training satisfaction score of 8.5 or higher	Teach at least 8 hours within 1 year
<b>Requirements for Promotion</b>	After 15 hours of teaching within 1 year, a junior trainer can be promoted to an intermediate trainer.	After 20 hours of teaching or development of 2 or more courses within 1 year, an intermediate trainer / can be promoted to a senior trainer.		

Promotion Requirements for Internal Trainers

## Employee Training Practices

We have developed a tiered talent development system, which is designed to meet the development needs of employees at different career stages. During the training process, we emphasize the organic integration of theoretical knowledge and practical application, and continuously optimize training content and formats through a scientific evaluation feedback mechanism. This ensures that skill improvements are precisely aligned with our business needs, fostering the Company's long-term competitiveness.

## Onboarding Training for New Employees

We place great importance on the integration of new employees into the organization and their role transition and have developed a systematic onboarding program to help them quickly gain a comprehensive understanding of the Company. Through diverse and targeted courses, new employees can acquire the professional knowledge and basic skills required for their roles in a short time and rapidly adapt to job requirements.

### Case Onboarding Training for New Employees to Support Their Quick Integration and Job Competence

In 2024, we held five onboarding training sessions for new hires from both campus and social recruitment. These sessions combined online and offline methods and were promoted through posters and emails among all employees. The training covered corporate culture, office safety, workplace etiquette, and other basic courses, as well as professional knowledge such as market and industry analysis, quality management systems, lithium battery products, and processes. After training, assessments were conducted to ensure that new employees mastered the training content, providing a solid foundation for them to quickly integrate into the team and become competent at their jobs.



Training Email Notification



On-Site Training



## On-the-Job Training

For in-service employees, we continuously strengthen the learning and training of professional theoretical knowledge and job skills to comprehensively enhance the comprehensive quality of employees. We also focus on fostering professional ethics and compliance awareness, enhancing both business capabilities and professional qualities through a combined online and offline training model.

### Case Diverse Training for In-Service Employees to Promote Business Growth and Talent Retention

To comprehensively improve the business capabilities and professional qualities of in-service staff, we have meticulously designed a more diversified on-the-job training system. Courses cover professional skills such as product knowledge and sales techniques, risk control such as commercial secret protection and compliance management, as well as practical topics like fire safety drills and basic financial knowledge. Training adopts a flexible "online + offline" model, with replay options for live-streamed classes to ensure learning effectiveness while accommodating work schedules, thereby effectively promoting the concurrent growth of employees and the Company.



On-Site Training



Online Live-Streaming Platform

## Leadership Training

We have tailored leadership training programs for middle and grassroots management and general managers to ensure that leaders at different levels acquire the necessary skills. Training for middle and grassroots management focuses on integrating management theory and practice, optimizing knowledge structure, enhancing execution and innovation capabilities, and cultivating management talent with an entrepreneurial spirit. Training for general managers places greater emphasis on strategic thinking and leadership development, with the aim of supporting efficient company growth.

### Case Leadership Training for Middle and Grassroots Management to Cultivate Entrepreneurial Management Personnel

To cultivate entrepreneurial-minded middle and grassroots management, we have launched 12 consecutive middle and grassroots management training programs focused on three key dimensions: people management, task management, and self-management. Through a blended online-merge-offline (OMO) model that combines online theoretical learning, offline workshops and co-creation sessions, and post-training on-the-job practice, complemented by mentorship support, we have helped trainees integrate theory into practice and accelerate their management capacity building. This system has effectively strengthened the execution ability and team management skills of our middle and grassroots managers, ensuring a steady stream of high-quality, high-potential management talent for the Company.



Leadership Training for Middle and Grassroots Management

### Case Leadership Enhancement Program for General Managers to Systematically Cultivate Future Business Leaders

To meet future leadership development needs, we have carefully conducted 2 sessions of the systematic training program for on-duty general managers, product line leaders, and high-potential backup talent. The curriculum focuses on three core modules: empowerment for capital operations, corporate culture development, and operational management enhancement. The training program combined case studies with practical workshops to reinforce learning. After training, we continued to follow up on individual development plans (IDPs) and bi-weekly practical tasks, ensuring participants translate their learning into actual management capabilities. With these efforts, we aim to develop a core management team with both strategic thinking and outstanding leadership skills.



GM Leadership Training

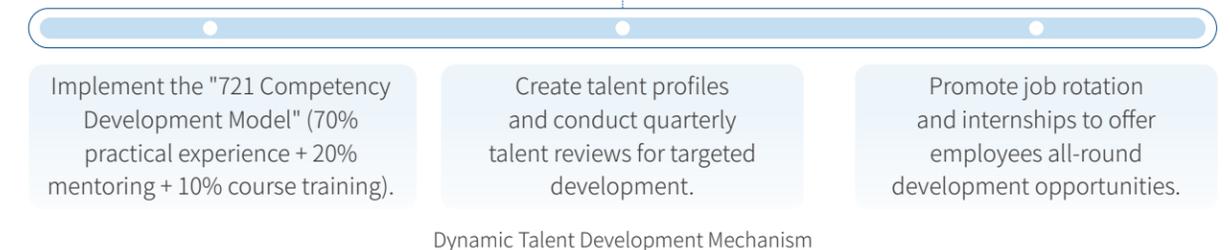
## Employee Development and Promotion

We provide employees with multi-dimensional development paths, breaking traditional promotion barriers through a dual-track system that includes both management and professional tracks. Within a standardized position management system, employees can choose either a management or professional track based on their strengths and achieve promotion through annual talent evaluations. Our dynamic human resource strategy respects individual differences while meeting organizational needs, ensuring that employee growth is in sync with the Company's strategy.

### Employee Development

To foster continuous skill improvement of our employees, we have established a robust, dynamic talent development mechanism. Multi-faceted measures, including practical experience, mentoring, and course training, have been taken to ensure precise employee cultivation and support their all-round development. Meanwhile, we have established the *Management Regulations on Continuing Education Subsidy of Employees* to encourage employees to update their professional knowledge and deepen their skills. Corresponding subsidy policies have been provided to support employees in continuously advancing in their careers.

#### Dynamic Talent Development Mechanism



### Employee Promotion

We have established the Management Measures for Position and Promotion to regulate the position management system as well as the promotion and demotion mechanism. To meet the diverse development needs of employees, we have built a dual-track system for career development based on competency models, offering parallel promotion paths on both "management and professional tracks". Employees can start from the beginner stage and, according to their preferences, choose to either deepen their expertise vertically or develop horizontally across different roles. In addition, we have implemented a tiered development program to systematically support talent growth at all levels, ensuring that talent development aligns effectively with the Company's needs.

#### Management Track

#### Professional/Technical Track



Dual-Track System for Career Development

## School-Enterprise Cooperation

We actively promote in-depth collaboration between schools and enterprises by establishing a new mechanism for talent cultivation through concerted efforts of enterprises, universities, and research institutions. Through various cooperation models such as building practical training bases, jointly conducting technological R&D, and participating in talent development program design, we facilitate the alignment of the education chain with the industry chain. This collaboration not only provides students with a platform for practical innovation but also opens new channels for the Company's technological innovation and talent reserve, achieving resource sharing and complementary advantages between schools and enterprises.

### During the reporting period



we partnered with the Ministry of Education and **11** universities



to carry out **28** collaboration projects

### Case Deepening School-Enterprise Exchanges to Cultivate Innovative Talents

In June 2024, Hymson was invited to participate in the first School-Enterprise Collaboration Day at Shenzhen University. Together with the university and several enterprise representatives, we engaged in in-depth discussions on talent cultivation and recruitment programs, exploring innovative models for collaborative education. During the event, we shared our experience in building a talent pipeline and actively learned from the advanced concepts of the university and other companies. After the event, our team visited various departments to understand their specialized programs, course structures, and student development achievements, uncovering potential collaboration opportunities. This event not only deepened interaction between schools and enterprises but also laid a solid foundation for future talent supply and industry-university-research cooperation.



School-Enterprise Exchanges at Shenzhen University

### Case School-Enterprise Joint Teaching Program Delivering Public Welfare Courses to Support Students' Career Growth

In October 2024, we launched the "Hymson Classroom" public welfare teaching program at Guilin University of Technology (GUT). Based on years of industry experience and insights into talent development, we tailored practical career empowerment courses for university students, covering core topics such as resume optimization, interview skills, and career planning. This initiative helps students enhance their competitiveness in the job market and effectively builds a bridge from campus to the workplace.



Strategic Partnership with CSU

### Case Strategic Partnership with Central South University to Deepen Industry-Education Integration

In May 2024, we signed a strategic cooperation agreement on industry-education integration with the School of Materials Science and Engineering at Central South University (CSU) to deepen collaboration in technology R&D, talent development, and achievement transformation. As a leader in the laser industry, Hymson will leverage CSU's research and discipline strengths to promote industry-university-research collaborative innovation and accelerate the commercialization of technological achievements. This partnership aims to cultivate high-caliber application-oriented talent, create a new paradigm for collaborative development between universities and enterprises, and provide technological support and talent security for industry upgrading.



Strategic Partnership with CSU

### Other School-Enterprise Collaboration Project



Signing of Framework Agreement with Nanchang University



Reception of the Delegation from Southern University of Science and Technology



Serving as Judge for a Competition at the South China University of Technology



A Delegation from the Southern University of Science and Technology Visiting the Shenhai Base

# Employee Health and Safety

Hymson rigorously complies with relevant laws and regulations such as the *Law of the People's Republic of China on Work Safety* and the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases* to continuously improve our health and safety management system. We have set clear Environmental, Health, and Safety (EHS) management policies and safety goals, ensuring that these goals are implemented through a systematic monitoring mechanism. Each production base, in accordance with local regulations and production characteristics, refines and breaks down the responsibilities for work safety, effectively fulfilling the Company's primary responsibilities.

## During the reporting period



Occupational Health and Safety Policy

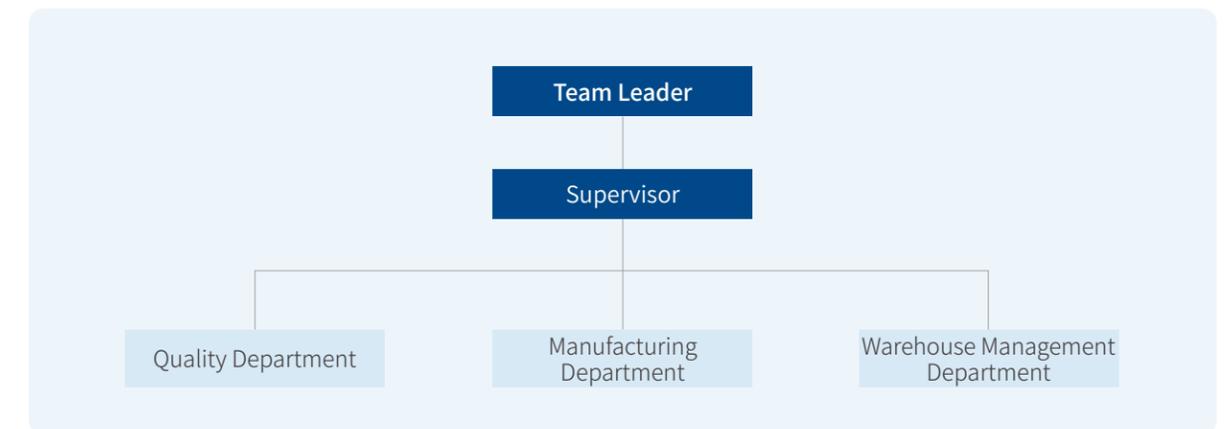
## Occupational Health and Safety Objectives

Zero safety accident	Rate of hazard rectification identified in monthly EHS inspections: 100%	Zero case of occupational diseases	Work injury incidents throughout the year ≤ 16 (Shenhai base ≤ 4, Jianghai base ≤ 8, Suhai base ≤ 4)
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Occupational Health and Safety Objectives

# Occupational Health and Safety Management System

We have established an occupational health and safety management system in strict accordance with the ISO 45001:2018 standard. Our headquarters coordinates EHS management based on the *Environmental Safety Manual*, while each production base tailors its implementation according to local requirements. At the Jiangmen base, an Occupational Health and Safety Leadership Team has been established, with the head of the Administrative Department serving as the team leader and overseeing all activities. Safety management personnel serve as supervisors, focusing on managing occupational health records, conducting regular health checkups, and providing training and education. Department heads in each production unit are responsible for local management, emphasizing the prevention of occupational diseases, improvement of work environments, and hazard identification. Through hierarchical management, we ensure the full-process control of health and safety risks, safeguarding employee well-being and supporting sustainable development.



Organizational Structure for Occupational Health and Safety Management at Jiangmen Base

## Strengthening Work Safety

We attach great importance to work safety management by continuously embedding the concept of safe development throughout all production and operational processes. Through regular work safety activities, safety inspections, enhanced safety training, and the improvement of emergency plans and drills, we continually raise employees' safety awareness and emergency response capabilities, effectively reinforcing the work safety defenses to provide solid support for the Company's high-quality development.

## Work Safety Activities

To raise employees' awareness of work safety, we conduct Work Safety Month and Fire Safety Month activities every year, centered around specific themes. In 2024, the Jiangsu base successively organized the "Safety Month" and "Fire Safety Month" activities, including educational training and emergency drills, thereby strengthening employees' safety prevention capabilities and further solidifying the foundation of work safety management.

### Case Strengthening Safety Defenses and Jointly Building a Safe Factory

To thoroughly implement the *Fire Protection Law of the People's Republic of China* and the related requirements from the Longhua District Work Safety Committee on fire management of key enterprises, we have taken concrete actions to further enhance our fire safety awareness and emergency response abilities. In March 2025, we actively responded to a call from the Longhua District Fire Rescue Bureau, sending employees to participate in a district-wide fire drill for key enterprises. Through this fire drill, we have further strengthened our safety culture, working towards a safe enterprise that reassures employees, earns the trust of the government, and satisfies the public.



Participation in the Fire Drill for Key Enterprises Organized by Longhua District Fire Rescue Bureau

### Case Jiangsu Base Organizing the "Fire Safety Month" Activity to Foster a Safety Culture

In November 2024, the Jiangsu base organized a "Fire Safety Month" activity themed "Fire Safety for All, Life Above All". Activities included fire safety awareness campaigns, fire safety inspections, fire safety skills training, evacuation drills, and fire safety knowledge quizzes. The aim was to integrate fire safety knowledge into daily work and life, enhancing employees' awareness of fire safety and their ability to respond to emergencies while ensuring that they can effectively handle emergencies such as fires.



Fire Safety Awareness Campaign

Fire Safety Knowledge Quiz

### Case Jiangsu Base Conducting the "Safety Month" Activity to Enhance Safety Awareness

In June 2024, the Jiangsu base launched a series of "Work Safety Month" activities under the theme "Everyone Values Safety and Knows Emergency Responses to Ensure Unimpeded Channels for Saving Lives". Activities included hanging safety awareness slogans and posters, organizing safety knowledge lectures, conducting emergency drills, and creating a platform for employees to provide suggestions. These efforts comprehensively enhanced employees' safety awareness and emergency response skills and fostered a sense of responsibility, mission, and security regarding work safety among employees, thereby laying the foundation for company-wide work safety.



Hanging Safety Awareness Slogans

Safety Knowledge Lecture

### Safety Inspections

To fully implement the responsibility system for work safety, we have established a regular safety inspection mechanism. The Jiangsu base strictly follows a monthly safety inspection system that covers all areas of production workshops, focusing on key aspects such as the operating status of facilities and equipment, standardized chemical management, warehouse and logistics safety, the effectiveness of fire systems, and adherence to labor discipline. By following standardized inspection processes, we have systematically identified potential risks, formed a hazard rectification log, and implemented closed-loop management, ensuring that all corrective actions are fully implemented. Additionally, we encourage all employees to participate in safety hazard identification and put forward rationalization proposals to the employees, with the aim of fostering a safety culture ecosystem featuring "full participation, co-governance, and sharing".

### Case Monthly Hazard Summary at Jiangsu Base Ensuring Work Safety

The Jiangsu base places great importance on work safety management and conducts regular hazard investigations and management every month. Through systematic inspections and summaries, the base scientifically categorizes the identified hazards and develops targeted corrective measures to ensure timely closed-loop management of issues. For example, in response to the damaged emergency exit signs, the base promptly arranged for their replacement to ensure clear identification of emergency routes. For improperly stored chemicals, the base standardized their storage in dedicated explosion-proof cabinets, eliminating flammable and explosive risks. During the reporting period, all identified hazards were rectified, effectively raising the on-site safety management level and providing a solid guarantee for employee safety and stable production.



Hazard Inspection Summary

On-Site Safety Inspection

## Safety Training

We place high importance on safety education and training. The Jiangmen base has implemented a systematized approach to safety capacity building based on the *Management System of Safety Education and Training*. Each year, we make a scientific, proper annual training plan based on the survey for the training needs of all employees. A multidimensional training system that covers all positions and processes has also been established, which includes three-tier safety education (factory level, workshop level, and team level) for new employees, risk prevention training before and after holidays, practical fire safety drills, special training of special equipment operating skills, and other specialized courses. At the same time, we provide customized EHS training for suppliers, outsourced units, and business partners and require them to sign the *Notice of EHS Policies for Stakeholders*, so as to clarify safety responsibilities, ensure that the entire process of outsourcing work fully complies with our EHS standards, and create an integrated safety management barrier throughout the supply chain.

### During the reporting period

The Jiangmen base conducted	with a total training duration of	and
<b>32</b> safety training sessions	<b>37</b> hours	<b>2,712</b> participants
The Jiangsu base conducted	with a total training duration of	and
<b>36</b> safety training sessions	<b>36</b> hours	<b>2,100</b> participants
The Shenhai base conducted	with a total training duration of	and
<b>25</b> safety training sessions	<b>42</b> hours	<b>2,600</b> participants

### Case Participation in Safety Training on Work and Production Resumption Organized by Longhua District Emergency Management Bureau

In February 2025, the Longhua District Emergency Management Bureau, in collaboration with the Hanyu Industrial Park and key enterprises in the park, organized safety training on work and production resumption. The training aimed to strengthen work safety awareness across the enterprises, raise their safety management levels, and ensure that enterprises can resume work and production in a safe and orderly manner. Through this training, we not only improved our understanding of work safety but also learned how to utilize intelligent methods to strengthen safety management, thus laying a solid foundation for the Company's healthy development.



Safety Training on Work and Production Resumption

### Three-Tier Safety Education Training for New Employees



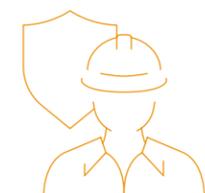
### First Aid Training for Common Accidents



### Electrical Safety Training



### Special Equipment Safety Training



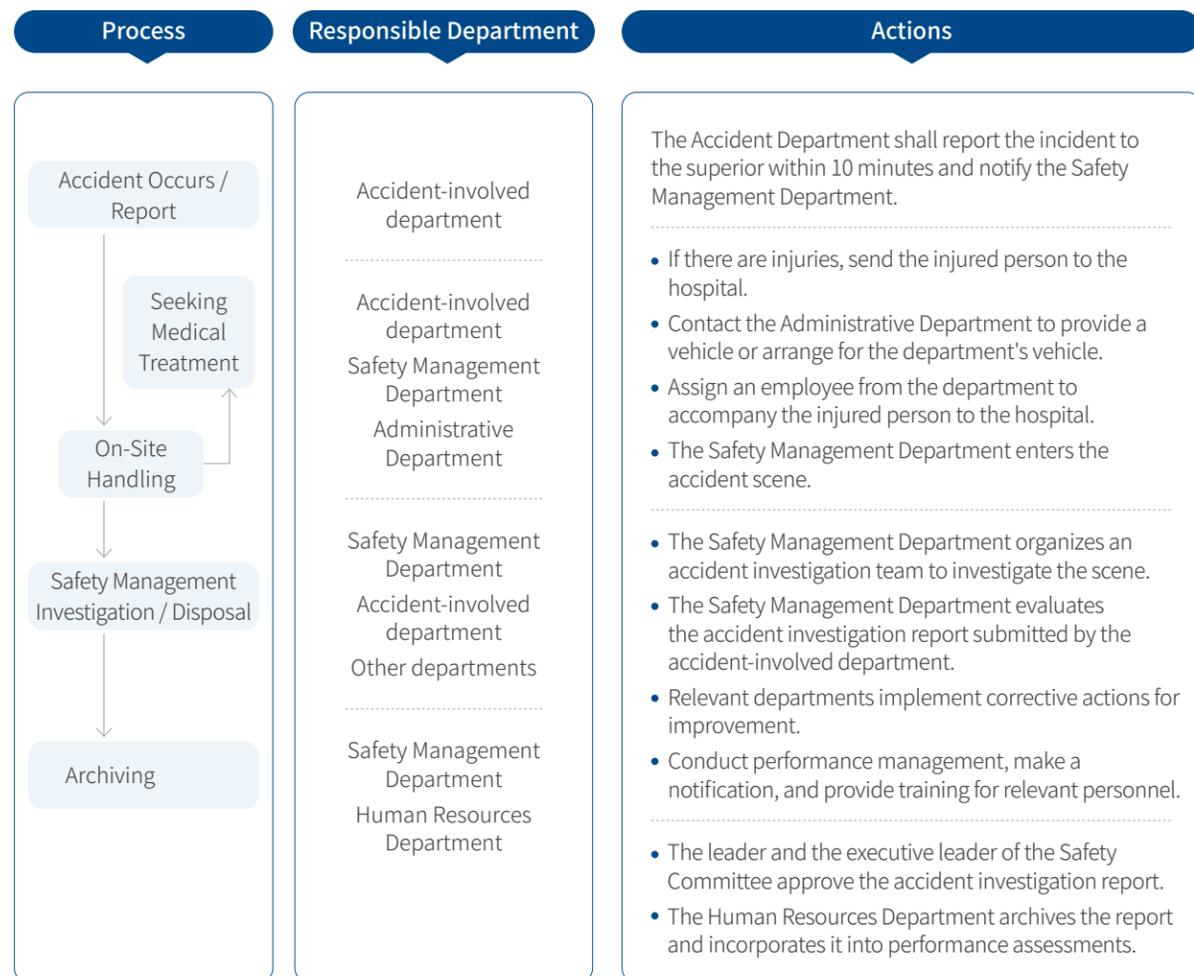
## Emergency Drills

We always consider employee safety as our top priority and strictly comply with national work safety regulations. At each of our production bases, we have established a comprehensive emergency management system, including systematic emergency plans, clear organizational structures, and defined roles and responsibilities. To ensure that these systems can work properly, we regularly organize emergency drills for various scenarios, such as fire emergency evacuation and escape, hazardous chemical leakage handling, and food poisoning emergencies. Through these drills, we continuously test and optimize our emergency plans, strengthen control over risk sources, and nip hazards in the bud.

### During the reporting period

-  the Jiangmen base conducted **6** emergency drills
-  the Jiangsu base conducted **2** emergency drills
-  and the Shenhai base conducted **3** emergency drills

### Emergency Response Process for Accidents



Emergency Response Process for Accidents

### Case Jiangmen Base Conducting Mechanical Injury Emergency Drill to Enhance Safety Awareness and Emergency Ability

In June 2024, we conducted a mechanical injury emergency drill in accordance with relevant regulations and emergency response plans to improve employees' emergency response abilities. The drill simulated a scenario in which an employee was injured while operating machinery. Emergency teams responded swiftly and completed the rescue task. The drill achieved its expected goals, enhancing employees' safety awareness and emergency skills. However, it also highlighted some issues, further testing the operability of the emergency plan and accumulating valuable experience in safeguarding employees' lives and the Company's property.



Mechanical Injury Emergency Drill Organized by Jiangmen Base

### Case Jiangmen Base Organizing Food Poisoning Emergency Drill to Safeguard Employee Health

In June and December 2024, the Jiangmen base organized food poisoning emergency drills. The drill simulated a scenario where several employees displayed symptoms of food poisoning in the canteen. This exercise not only tested the Company's emergency management system but also trained employees to improve their emergency response skills. Through the drill, we further strengthened our supervision and guidance of catering management and effectively fulfilled our primary responsibilities for food safety, providing a strong guarantee for preventing and reducing such incidents and minimizing accident losses.



Food Poisoning Emergency Drill

## Ensuring the Physical and Mental Health of Employees

We place a high priority on the occupational health of our employees and provide professional protective equipment to employees exposed to occupational hazards. We also regularly improve our working environment to reduce risks. The Jiangmen base issues the *Notice of Occupational Disease Hazard Factors for Positions* to clearly inform employees about hazards and protective requirements in different positions, ensuring that they are aware and take proper preventative measures. Moreover, we provide employees with occupational health checks before they take up their posts, during employment, and when they leave the post. Health records are also in place to continuously monitor employees' physical conditions. Additionally, we provide health knowledge training and psychological counseling to comprehensively safeguard employees' physical and mental well-being.

### Occupational Disease Monitoring

To effectively prevent occupational disease risks, we commission qualified third-party testing organizations to monitor occupational disease hazard factors in our workplaces every year. Key indicators such as laser radiation and noise levels are closely monitored and regular water quality testing and analysis are conducted for employees' drinking water. Based on testing data, we dynamically assess occupational health risks and take timely interventions, such as engineering controls and personal protective measures, ensuring that all indicators meet national standards while providing a safe working environment for employees.



Testing and Evaluation Report for Occupational Disease Hazard Factors



Water Quality Testing

### Occupational Disease Prevention and Treatment

Our occupational disease prevention and treatment efforts focus on hazards such as noise in the machining workshop, power frequency electric fields in the distribution room, and lighting levels in the workshops. Priority is given to implementing engineering control measures, such as noise reduction and shielding isolation, to mitigate risks. Meanwhile, we provide employees with protective earplugs, dust masks, and other personal protective equipment while placing warning signs in relevant areas. By combining technological improvements, protective equipment, and standardized management, we effectively control occupational hazards and ensure employee health and safety.

Working Position	Occupational Hazard Factors	Departments	Control Measures
Air compressor room	Noise	Asset Management Department and Production Department	<ul style="list-style-type: none"> <li>Strengthen on-site ventilation;</li> <li>Wear personal protective equipment;</li> <li>Conduct regular occupational hazard testing;</li> <li>Organize employees to undergo regular occupational health checkups.</li> </ul>
Power distribution room	Power frequency electric field	Asset Management Department	<ul style="list-style-type: none"> <li>Wear personal protective equipment;</li> <li>Reduce exposure time;</li> <li>Conduct regular occupational hazard testing;</li> <li>Organize employees to undergo regular occupational health checkups.</li> </ul>

Occupational Hazard Prevention and Treatment Measures



Posting Reminder Signs for Areas Requiring Personal Protective Equipment

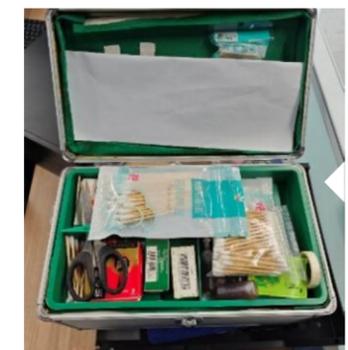
Additionally, for better emergency preparedness, each production base is equipped with a standard first-aid kit containing essential medical supplies, including thermometers, alcohol, burn ointment, and Fengyoujing (medicated oil), ensuring timely treatment in case of emergencies.

Medicine Name	Standard Quantity	Unit	Function	Reference
Band-aids	1	Box	Wound treatment	Essential
Thermometer	1	Set	Body temperature measurement	Essential
Medical Alcohol	1	Bottle	Hemostasis and wound care	Essential
Yunnan Baiyao Powder	1	Bottle	Hemostasis	Essential
Burn Ointment	1	Bottle	Scald treatment	Essential
Qingliangyou (Cooling Oil)	2	Bottles	Heat prevention	Essential in summer
Fengyoujing (Medicated Oil)	2	Boxes	Heat prevention	Essential in summer
Hydrogen Peroxide	1	Bottle	Wound treatment	Essential
Iodine Tincture	1	Bottle	Wound treatment	Essential
Medical Cotton Swabs	2	Packs	Hemostasis, wound care, etc.	Essential

First-Aid Kit Details



A First-Aid Kit at Jiangmen Base



A First-Aid Kit at Jiangsu Base

## Health Checkups

We organize annual occupational health checkups for employees exposed to occupational disease hazards before they take up their posts, during employment, and when they leave the post and maintain occupational health records for them. The Jiangmen base, in accordance with the *Management Measures for Employee Occupational Health*, has standardized the checkup process and implemented protective measures such as providing personal protective equipment, safety training, and regular testing of occupational hazards in workplaces to ensure the physical and mental health of employees.

During the reporting period

we achieved an occupational disease checkup rate of

**100%**

### Case Organizing Occupational Health Checkups to Strengthen Occupational Disease Prevention and Treatment

From December 2024 to January 2025, the Jiangsu base organized employees to undergo occupational health checkups, aiming to identify potential occupational hazards exposed to the employees during employment and ensure their physical health. The checkups included specified examination items, providing comprehensive assessments for employees exposed to noise and other occupational risks. The results not only helped the Company understand employees' health conditions but also provided scientific data for future occupational health management, further reinforcing prevention and treatment measures for occupational diseases.

Moreover, the Shenhai and Jiangmen bases also actively invited medical institutions to provide on-site occupational health checkups for employees, ensuring convenient and efficient access to occupational health services. By offering on-site services, we ensure that more employees can participate in health checkups, thus fully meeting the occupational health monitoring needs.



Occupational Health Checkup Summary Report at Jiangsu Base



On-Site Occupational Health Checkup at Jiangmen Base



## Employee Care and Activities

At Hymson, we have established a comprehensive employee care system, creating a positive working environment for employees through democratic communication mechanisms and a variety of corporate cultural activities. We place a great emphasis on striking a balance between work and life for our employees by regularly organizing various cultural and sports activities, aiming to enrich their leisure time, enhance employee satisfaction and sense of belonging, and foster a harmonious and amicable corporate atmosphere.



### Democratic Management

Taking democratic communication as a key aspect of our management, we have established institutional systems such as the *Management Measures for Protection of Employees' Human Rights*, *the Code of Conduct for Overseas Employee Compliance*, and *the Management Procedure for Employee Grievances and Complaints*, ensuring that employees are provided with adequate channels for expressing opinions and providing feedback on company affairs. By implementing diverse communication mechanisms, we safeguard employees' basic rights during our operations, enhance their engagement and trust in the decision-making process, and continuously promote positive internal interaction and collaboration in the Company



### Freedom of Association and Collective Bargaining

We respect our employees' right to freely associate, join labor unions, and engage in collective bargaining. We assist employees in forming labor unions, support the election of employee representatives, and provide places and facilitating conditions for the activities of the labor union and employee representatives.

## Grievance Mechanism

If our employees encounter issues during their work, they have the right to submit a grievance. We ensure that employees' grievance rights are fully protected and provide convenient channels for them. According to the *Management Procedure for Employee Grievances and Complaints*, we have clearly defined seven categories of grievances and complaints. Employees can file complaints via phone, letter, face-to-face discussions, or email, either anonymously or with their real name.

Serving as the department responsible for accepting complaints, our Human Resources Center receives and provides feedback on all categories of complaints. When dealing with financial matters, the Human Resources Center works together with the Financial Center to handle the complaints jointly. Upon receiving a complaint, the receiver must decide whether to accept or initiate a case within 15 working days. If a case is accepted, an investigation must be conducted within 15 working days, and the result, after approval, should be communicated to the complainant and monitored for execution within 15 working days. By standardizing the grievance mechanism, we ensure that employee grievances are handled fairly and efficiently, thereby safeguarding their legal rights and interests.

### Categories of Grievances and Complaints (Scope)

- **Category 1:** Complaints about actions that violate the Company's current administrative regulations
- **Category 2:** Complaints concerning actions detrimental to the Company's interests
- **Category 3:** Grievances and complaints related to situations impacting employees' personal rights and interests
- **Category 4:** Grievances and complaints about employee relations
- **Category 5:** Grievances and complaints about decisions made by superiors
- **Category 6:** Grievances and complaints about actions causing significant impact or harm to the Company
- **Category 7:** Other types of grievances and complaints

### Grievance and Complaint Channels

- **Email:** hr-er@hymson.com
- **Mailing address:** Employee Service Department, Human Resources Center, 3rd Floor, Building B, Kemron Technology Park, No. 5 Guansheng 5th Road, Guanhu Sub-District, Longhua District, Shenzhen, Guangdong Province
- **Tel.:** 0755-28197975, extension for the Employee Service Department, Human Resources Center

## Colleague Bar

We have innovatively built the "Colleague Bar" platform on Enterprise WeChat, providing employees with a convenient channel for real-name posting and interactive communication. The platform is operated by the Employee Service Department of the Human Resources Center, which categorizes employee feedback, forwards it to relevant departments for handling, tracks the progress of the resolution, and publicly shares the results on the platform. To continuously improve management effectiveness, the platform compiles a monthly public opinion analysis report, which provides data insights to help optimize our management and broadens expression channels for employees, thereby facilitating information sharing and problem-solving in the organization.

## Employee Symposium

To promote internal communication and collaboration, we have established a regular employee symposium mechanism. Employees from various positions are randomly selected to participate. Prior to each symposium, the organizing department will collect all kinds of issues that employees care about. During the symposium, department heads will

address and discuss these concerns in depth. After the symposium, we will systematically sort out the issues and develop corrective actions. Meanwhile, regular feedback is provided to employees on the progress of improvements, thus forming an effective closed-loop management process and continuously optimizing our operations.

### During the reporting period



we held  
**3** employee symposiums.



Departmental Employee Symposium in 2024

## Employee Engagement and Satisfaction Survey

To continuously improve organizational management effectiveness, we conducted an employee engagement and satisfaction survey during the reporting period.

In 2024



our overall employee engagement score was **85.2** points

Regarding employee engagement, we conducted our second Gallup Q12 survey across all employees in 2024. The questionnaire was distributed via the OA system, accompanied by warm-up promotion and explanations of the survey questions to ensure the quality of the survey. After the survey, an analysis report was generated to provide guidance for manager evaluation and to enable management teams to optimize daily management practices.



an increase of **1.4** points from 83.8 points in 2023, indicating a steady upward trend.

For employee satisfaction, Hymson Jiangsu conducted two anonymous all-dimensional surveys, focusing on key areas such as corporate culture, management mechanisms, and logistics services. Based on the survey results, we have developed targeted improvement plans for weak links identified by employees, tracked the effectiveness of these improvements, and successfully identified management shortcomings, leading to substantive improvements in employee experience.

## Work-Life Balance for Employees

We remain committed to our employees' work-life balance. Our labor union regularly organizes various cultural and sports activities, such as sports competitions and holiday celebrations, and carries out employee care activities. These efforts have enriched employees' leisure time, helped alleviate their work-related stress, and effectively improved their job satisfaction and quality of life, thereby creating a harmonious and positive workplace.

## Holiday Activities

We continue to enhance employees' sense of belonging and well-being through various holiday activities. During traditional holidays such as the Dragon Boat Festival, we prepare holiday gifts for all employees and organize themed celebrations. We also arrange designated personnel to show care for employees on business trips, ensuring that every employee feels the care and warmth of the holiday. Additionally, we hold collective birthday parties for employees with different themes. Through thoughtfully designed interactive activities and warm celebratory ceremonies, we aim to make sure that employees feel the warmth of the group.



## Care for Female Employees

We continuously strengthen our care for female employees. Every year during "International Women's Day" (March 8), we carefully orchestrate special celebrations for all female employees, along with holiday gifts. In addition, we collaborate with hospital experts to provide health knowledge sessions on women's health, organize maternal and child health lectures, and offer health consulting services, fully caring for female employees' physical and mental well-being.



## Networking Events

We value our employees' personal happiness index and organize themed social networking events for single employees, fostering a relaxed and enjoyable social atmosphere for them. These events help employees expand their social circles and create opportunities for like-minded single employees of the appropriate age to meet and connect, fostering friendships in a warm and cheerful atmosphere.



A Networking Event Organized at the base of Hymson Jiangsu

## Other Activities

Our Labor Union also regularly organizes a variety of sports activities, including tug-of-war, table tennis, and ball games, encouraging employees to improve their physical fitness and foster communication through sports. Additionally, we take the initiative to fulfill our social responsibility by organizing charitable activities such as blood donation to provide employees with opportunities to contribute to society, thereby promoting their physical and mental well-being while spreading positive social energy.



The Fourth "Labor Union Cup" Vocational Skills Competition at Hymson Shenzhen



A Tug-of-War Competition at Hymson Jiangmen

Hymson Jiangmen participated in the basketball competition held by the park.



Voluntary Blood Donation Organized by Hymson Jiangmen



# 06

## Commitment · Giving Back to Society

At Hymson, we remain committed to rural revitalization and charitable causes, striving to promote the coordinated progress of the economy and society. We adhere to the principles of responsibility, dedication, and win-win cooperation, paying close attention to rural development and social care, and working to create a warm and harmonious social atmosphere.

- ▾ Contributing to Rural Revitalization
- ▾ Practicing Public Welfare and Philanthropy



# Contributing to Rural Revitalization

Hymson actively responds to the national rural revitalization strategy, always considering supporting rural development as a crucial part of our corporate social responsibility. Upholding a sustainable development philosophy, we fully leverage our advantages in technology, resources, and industry to empower the rural economy and promote urban-rural coordinated development. Additionally, we focus on co-building and sharing with rural communities, driving rural industrial upgrades, talent development, and ecological improvement through diversified support methods. With these concrete efforts, we actively fulfill our corporate mission and contribute to rural revitalization.

### During the reporting period

During the reporting period, we donated RMB **20,000** to the "6·30" Rural Revitalization Program in Donglan County, for the construction of Baqun Senior High School.

# Practicing Public Welfare and Philanthropy

To actively fulfill our corporate social responsibility, we regularly engage in charitable donations and organize employees to participate in community volunteer services. These actions help give back to society and promote the common development of the community. During the reporting period, we actively responded to the community's call and organized more than 10 employee volunteers to participate in the "Learn from Lei Feng Day" environment cleaning activity at Junzibu Community. The team cleaned public areas in the community such as main roads and greenbelts, effectively improving the community's environmental hygiene. In the future, we will continue to organize such public welfare activities, contributing to building a harmonious community.

## "Learn from Lei Feng Day" Environment Cleaning Activity



### During the reporting period

we donated a total of **2.2078** million to the Central South University Education Foundation, Southern University of Science and Technology Education Foundation, Maternal and Child Fund, Employee Welfare Fund, and tree-planting activities.



# Index of Indicators

Primary Topics	Secondary Topics	Corresponding Chapter
Climate Change Response	Management of climate-related risks and opportunities	Environmental Protection and Climate Action
	Assessment of the adaptability of corporate strategies and business models to climate change	Environmental Protection and Climate Action
	Transition plans, measures, and progress in response to climate-related risks and opportunities	Environmental Protection and Climate Action
	Disclosure of greenhouse gas emissions by category and scope	Environmental Protection and Climate Action
	Disclosure of greenhouse gas emissions by category	Environmental Protection and Climate Action
	Methodologies for calculating greenhouse gas emissions	Environmental Protection and Climate Action
	Greenhouse gas reduction practices	Energy Management and Resource Conservation
	New technologies, products, and services contributing to carbon emission reduction and carbon neutrality	Energy Management and Resource Conservation
Pollutant Emissions	Pollutant discharge information	Wastewater, Waste Gas, and Solid Waste Management and Chemical Safety
	Pollutant treatment measures	Wastewater, Waste Gas, and Solid Waste Management and Chemical Safety
	Emission reduction targets	Wastewater, Waste Gas, and Solid Waste Management and Chemical Safety
	Impacts on affected communities	Wastewater, Waste Gas, and Solid Waste Management and Chemical Safety
	Administrative penalties	Not applicable
Waste Disposal	Volume of waste generated	Wastewater, Waste Gas, and Solid Waste Management and Chemical Safety
	Waste disposal practices	Wastewater, Waste Gas, and Solid Waste Management and Chemical Safety
Ecosystem and Biodiversity Protection	Regional conservation measures	Biodiversity Conservation
	Protection and restoration measures	Biodiversity Conservation
Environmental Compliance Management	Risk management	Environmental Protection and Climate Action
	Environmental emergencies	Environmental Protection and Climate Action
	Administrative penalties	Not applicable
Energy Use	Energy consumption	Energy Management and Resource Conservation
	Use of clean energy	Energy Management and Resource Conservation
Water Resource Utilization	Water consumption	Energy Management and Resource Conservation
	Water conservation targets	Energy Management and Resource Conservation
Circular Economy	Specific measures	Energy Management and Resource Conservation
	Progress and outcomes	Energy Management and Resource Conservation

Primary Topics	Secondary Topics	Corresponding Chapter
Rural Revitalization	Specific measures	Contributing to Rural Revitalization
	Achievements and outcomes	Contributing to Rural Revitalization
Social Contributions	Overview of contributions	Practicing Public Welfare and Philanthropy
Innovation-Driven Development	Strategic objectives	Innovation-Driven Development
	Implementation details	Innovation-Driven Development
	R&D achievements	Innovation-Driven Development
Innovation-Driven Development	Impacts of innovation	Innovation-Driven Development
Technology Ethics	Business areas	Not applicable
	Internal management	Not applicable
	Violations	Not applicable
	Training and promotion	Not applicable
Supply Chain Security	Risk management	Responsible Sourcing
	Safeguard measures	Responsible Sourcing
	Improvement actions	Responsible Sourcing
Equal Treatment of SMEs	Outstanding payments	Business Ethics
	Specific cases	Business Ethics
Product and Service Safety and Quality	Management system	Product Quality
	Quality certification	Product Quality
	Major accidents	Not applicable
	After-sales service	Product Quality
	Accessibility	Customer Rights and Interests
Data Security and Customer Privacy Protection	Management system	Information Security
	Security incidents	Information Security
	Customer privacy protection	Information Security
	Data breach incidents	Information Security
Employees	Employment	Employment and Compensation
	Occupational health and safety	Employee Health and Safety
	Career development and training	Employee Development and Training
Due Diligence	Due diligence practices	ESG Governance
Stakeholder Engagement	Communication mechanisms	Investor Relations Management
	Suggestion channels	Investor Relations Management
Anti-Commercial Bribery and Anti-Corruption	Management system	Business Ethics
	Risk assessment	Business Ethics
	Training performance	Business Ethics
	Reported incidents	Not applicable
Anti-Unfair Competition	Management system	Business Ethics
	Administrative penalties	Not applicable

# Reader Feedback

Dear Reader,

Thank you for reading the *Hymson 2024 Environmental, Social and Governance (ESG) Report*. In order to provide you and other stakeholders with more professional and valuable ESG information, we kindly ask for your assistance in completing the feedback form. Your input will help us continuously improve our ESG efforts in the future.

Multiple Choice Questions (Please tick the relevant box)

1. What is your relationship with Hymson?

Employee    Customer    Supplier    Regulator    Media    Others (Please specify)

2. How would you rate the overall quality of this report?

Excellent    Good    Average    Poor    Very Poor

3. How would you rate the structure of the report?

Very reasonable    Reasonable    Average    Poor    Very Poor

4. How would you rate the design and presentation of the report?

Excellent    Good    Average    Poor    Very Poor

5. How would you rate Hymson's overall performance on environmental topics?

Excellent    Good    Average    Poor    Very Poor

6. How would you rate Hymson's overall performance on social topics?

Excellent    Good    Average    Poor    Very Poor

7. How would you rate Hymson's overall performance on governance topics?

Excellent    Good    Average    Poor    Very Poor

8. Open-Ended Question:

What other suggestions or comments do you have regarding Hymson's ESG efforts?

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