

HAN'S CNC

2025 

ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT

SHENZHEN HAN'S CNC TECHNOLOGY CO., LTD.



About the Report

This report is the first environmental, social, and governance ("ESG") report of Shenzhen Han's CNC Technology Co., Ltd. It aims to transparently disclose the Company's management approaches and specific practices on ESG-related topics, as well as the relevant achievements obtained in 2025, to address the concerns and expectations of various stakeholders regarding the Company's sustainable development.

Reporting scope

This report focuses on disclosing the specific performance and related information of Shenzhen Han's CNC Technology Co., Ltd. and its subsidiaries in the area of ESG from January 1, 2025, to December 31, 2025. Unless otherwise stated, the scope of this report is consistent with the 2025 Annual Report of Shenzhen Han's CNC Technology Co., Ltd.

Basis for preparation

This report is prepared in accordance with the *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation)*, *Self-Regulatory Guidelines No. 3 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report Preparation*, and the relevant disclosure requirements of the *Environmental, Social and Governance Reporting Code* of the Hong Kong Stock Exchange. Simultaneously, we referred to the Global Sustainability Standards Board *GRI Sustainability Reporting Standards* ("GRI Standards"), *United Nations SDG Compass*, and other disclosure frameworks.

Reporting principles and data sources

All data and cases in this report are sourced from the statistical reports and relevant documents of Shenzhen Han's CNC Technology Co., Ltd. The Company commits that this report contains no false records or misleading statements and is responsible for the authenticity, accuracy, and completeness of its content. Unless otherwise specified, the currency amounts involved in this report are measured in RMB.

Names and Abbreviations

For ease of expression and reading, in this report, "Shenzhen Han's CNC Technology Co., Ltd." is sometimes referred to as "Han's CNC," "we," or "the Company." The abbreviations used in this report have the same meanings as those defined in the 2025 Annual Report.

Report approval

This report was reviewed and approved by the Board of Directors on March 30, 2026, for release.

Access to the Report

This report is available in both print and electronic formats. You can visit the Company's official website (<https://www.hanscnc.com>) or the Shenzhen Stock Exchange website (<https://www.szse.cn/index/index.html>) to view and download the electronic version of this report.

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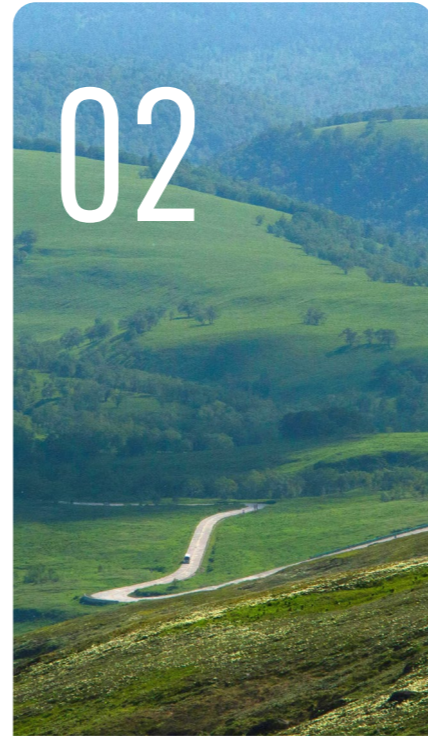
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Chairman's Message

The year 2025 is a year of accelerated transformation and innovation in the global electronic information industry. Artificial intelligence technology is reshaping the entire industry chain, from chips and printed circuit board (PCB) to end products, with unprecedented depth and breadth. Amidst this wave, Han's CNC is both a witness and an active enabler. Our focus on high-end PCB manufacturing fields such as AI scenarios and advanced packaging is becoming the core engine driving industry growth, which validates the foresight of our strategy.

Governance foundation: Ensuring sustainable operations with transparency and efficiency

Excellence in governance is the cornerstone for enterprises to address uncertainty and achieve long-term development. In the past year, we have continuously improved our ESG governance structure, led and coordinated by the Board of Directors and the Strategy Committee, deeply integrating sustainable development into strategic decision-making and risk management. We adhere to business ethics, strengthen compliance, internal control, and information security systems, and actively apply AI tools to enhance operational and collaboration efficiency. We understand that only by operating in a transparent, robust, and responsible manner can we earn and maintain the lasting trust of all stakeholders, thereby laying a solid foundation for the Company's sustainable development.

Innovation driven: Achieving success for customers and industry through technological innovation

Innovation is deeply embedded in the DNA of Han's CNC, and it is also the key path for us to fulfill social responsibility and create core value. In response to the urgent demand for industrial intelligent upgrading, we adhere to the goal of "exceeding customer expectations and creating long-term value," focusing our resources on technological breakthroughs in cutting-edge fields such as AI computing power and advanced packaging. In 2025, we targeted high-value scenarios, broke through key technological bottlenecks, and created integrated solutions combining processes, technologies, and equipment. Our high-precision back drilling solution achieved "zero-stub," facilitating the stable mass production of a new generation of high-layer-count computing boards. Our new laser solutions, widely recognized by leading clients, enabled high-quality micro blind vias processing on high-frequency and high-speed materials. We continuously innovated with lamination, routing, exposure, and testing solutions, achieving multi-dimensional synergy across application scenarios, products, and processes to create value for customers through optimized plant-wide solutions for each specific application scenario. Through in-depth engagement with specific scenarios, we leverage collaboration among our scenario research platform, general technology platform, and product centers. We not only pursue the leadership of individual equipment but also focus on cross-process collaborative innovation and enhancing the value of the entire production line, driving the PCB industry towards higher added value through solid technological advancements.

Green empowerment: Protecting ecological harmony through low-carbon practices

We actively respond to global climate change challenges and the national Carbon Peaking and Carbon Neutrality Goals by integrating green concepts into our operations and product innovation. Through systematic energy management and process optimization, we are committed to continuously reducing resource consumption and environmental footprint in our operations. At the same time, we regard green technology as a new source of competitive advantage, developing green solutions for laser processing, aiming to help customers reduce chemical consumption and emissions from the source, and empowering the low-carbon transformation of the industry chain. We believe that being responsible for the ecological environment is an investment in future competitiveness.

United in purpose: Building a win-win ecosystem through value co-creation

The value of an enterprise stems from its ability to empower others and build connections. We are committed to building an industry ecosystem of mutual achievement, thereby creating a safe, equal, and growth-oriented workplace for employees, deeply responding to customer needs with the service philosophy of "Exceeding Expectations," promoting collaborative development of the supply chain through integrity co-construction and capability empowerment, and actively promoting industrial progress and consumption to support village revitalization. What we pursue is to create social value that goes beyond transactions in every business interaction and to share development outcomes with all partners.

Towards the future: Driving growth with responsibility, forging sustainable development with perseverance

Amidst the wave of industrial transformation and technological innovation, Han's CNC has established sustainable development as the core strategy and long-term commitment of the Company's development. We deeply understand that only by integrating green development, social harmony, and excellent governance into the lifeblood of corporate development can we truly build lasting core competitiveness. We will continue to adhere to driving industrial progress through technological innovation, leading value creation with a sense of responsibility, and transforming the ESG concept into specific practices and conscious choices in our daily operations.

We firmly believe that the integration of business success and social contributions is a solid foundation for the sustainable development of enterprises. In the future, we will continue to focus on green technology, employee development, supply chain responsibility, and community co-benefits. While achieving stable operations, we aim to unite efforts from all parties to jointly build a more sustainable and resilient electronic information industry ecosystem, moving together towards a promising future of shared value.



Chairman of Han's CNC

Yang Chaohui

Statement of the Board of Directors

The Board of Directors is responsible for coordinating, leading, and supervising the Company's sustainable development management and ESG information disclosure. The Company incorporates ESG factors into strategic decision-making and daily operational management. The Strategy Committee is responsible for coordinating the identification of sustainability trends in the industry, formulating sustainable development strategies, and clarifying ESG management priorities. The Board of Directors and the Management hold regular meetings to supervise and review the outcomes of ESG-related work.

The Board of Directors holds regular meetings annually to hear reports from the Strategy Committee on the progress of ESG management. Based on a systematic review of the Company's current ESG management status, it identifies related risks and monitors and reviews the achievement of ESG goals. The Board of Directors is responsible for reviewing and approving the annual ESG report, ensuring that the annual ESG work priorities and the Company's sustainable development philosophy are fully and accurately disclosed. The Strategy Committee is responsible for identifying, assessing, and managing significant ESG issues and reporting progress and outcomes to the Board of Directors. The ESG Committee is responsible for formulating ESG implementation strategies and annual work plans, identifying, assessing, and managing ESG risks in daily operations, and promoting the integration of ESG requirements into the Company's management systems and business processes.

During the reporting period, the Board of Directors participated in the assessment and determination of the materiality and priority of ESG topics through discussions, questionnaire surveys, and other methods, provided insights and suggestions on key topics that may affect the Company's long-term sustainable development, and reviewed the prioritization of these topics. At the same time, the Board of Directors listened to the reports from the Strategy Committee, reviewed the Company's progress in ESG-related indicators and metrics, and promoted the integration of ESG management with the Company's business strategy. The Board of Directors has also gradually incorporated climate-related risks and opportunities into the overall risk management system, ensuring that the Company can identify potential impacts and take appropriate countermeasures.

We are committed to continuously advancing ESG practices at all levels of the Company, promoting long-term sustainable development, and achieving synergistic progress with society. We look forward to collaborating with all stakeholders to contribute to the sustainable development of society and the environment.

This report provides a detailed and truthful disclosure of the progress and achievements of Han's CNC in its ESG initiatives for the year of 2025, and it was reviewed and approved by the Board of Directors on March 30, 2026.

Introduction to Han's CNC

Company profile

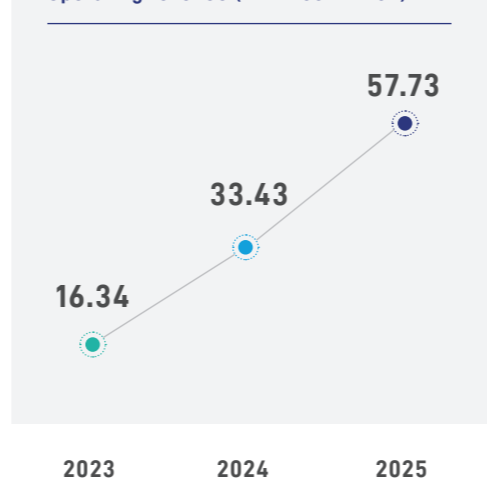
Shenzhen Han's CNC Technology Co., Ltd. was established in 2002 and listed on the ChiNext of the Shenzhen Stock Exchange in 2022 and on the Main Board of the Hong Kong Stock Exchange in 2026 (stock codes: 301200.SZ / 3200.HK). The Company is a national hi-tech enterprise integrating technology research, development, production, and sales. As one of the world's PCB manufacturing equipment providers with the broadest product portfolio, Han's CNC provides equipment solutions for all types of PCB products, such as conventional rigid multilayer PCBs, high-density interconnect ("HDI") PCBs, substrate-like PCBs ("SLPs"), substrates ("IC substrates"), and FPC&Flex-Rigid, covering all the key manufacturing processes, including drilling, exposure (inner layer, outer layer, and solder mask), routing, electrical testing, stiffening attachment, and automation. Currently, Han's CNC offers various equipment solutions, such as solutions for mechanical drilling and CO₂/UV/new laser drilling machines, laser direct imaging ("LDI") machines, mechanical/laser routing machines, dedicated/universal/high-accuracy testing machines, and steel stiffening attachment and auxiliary material attachment machines. We offer one-stop solutions for PCB manufacturers along with our subsidiaries, Shenzhen Mason Electronics Co., Ltd., and Shenzhen Advanced Intelligent Machine Co., Ltd.



Business vision

Become the most respected and trusted PCB equipment service provider in the world

Operating revenue (RMB 100 million)



Net profit attributable to shareholders of the listed company (RMB 100 million)



Earnings per share (RMB/share)

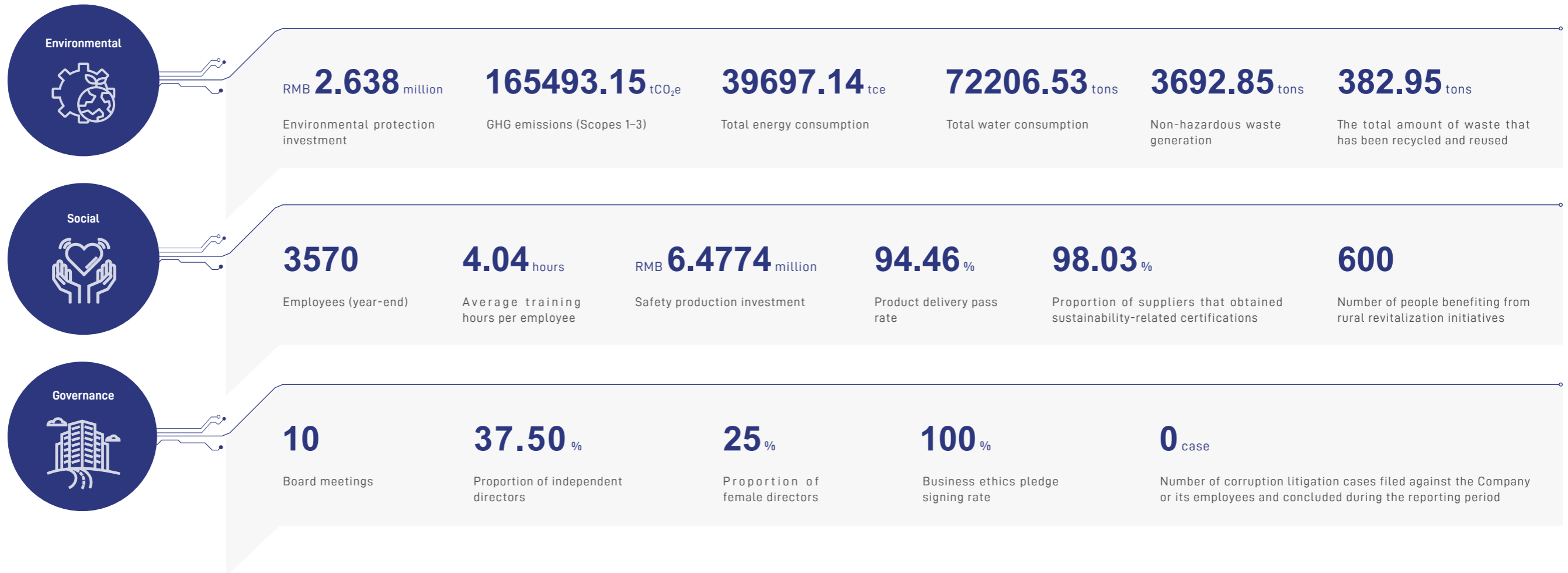


Development history



Milestones of 2025

ESG performance



Corporate honors

Guangdong High-tech Enterprise Association

Guangdong Province Famous High-tech Product (R6AHP-PCB mechanical routing machine, UVDRILLER L650BS-PCB laser drilling machine)

Guangdong High-tech Enterprise Association

Guangdong Province Famous High-tech Product (DRD series—PCB new laser drilling machine)



Shenzhen Science and Technology Innovation Bureau

Certificate of Scientific and Technological Achievement Registration (laser automated cutting and routing machine for high-frequency PCB in 5G communication)

Industry and Information Technology Bureau of Shenzhen Municipality

Notice of inclusion in the Shenzhen Innovative Product Promotion and Application Directory (UVDRILLERL650BS PCB laser drilling machine, HLPT550A PCB digital printing machine)

Development and Reform Commission of Shenzhen Municipality

Acceptance of the strategic emerging industries support program project

(Project name: Research and Industrialization of new Laser Micro-processing machine for IC Substrates)

Shenzhen Enterprise Innovation Record Office

The 23rd Shenzhen Enterprise Innovation (China) Record (PCB laser routing machine)

Expert Review Committee of the Guangdong-Hong Kong-Macao Greater Bay Area Enterprise Innovation Rankings, Federation of Shenzhen Industries

2024 Guangdong-Hong Kong-Macao Greater Bay Area Enterprise Innovation Rankings—Innovation Achievements List

Shenzhen Municipal People's Government

2023 Shenzhen Science and Technology Award—Patent Award

Industry and Information Technology Bureau of Shenzhen Municipality

Notice of inclusion in the Shenzhen Innovative Product Promotion and Application Directory (DRD series—PCB new laser drilling machine)

Human Resources and Social Security Bureau of Shenzhen Municipality

Shenzhen Postdoctoral Innovation Practice Base

Organization Department of the CPC Shenzhen Bao'an District Committee Shenzhen Bao'an District Talent Work Bureau

Bao'an District "Talent Scout Award" Outstanding Employers

ESG Management

ESG strategies

The Company adheres to the concept of sustainable development, continuously enhancing ESG governance levels, promoting green transformation and upgrading of the industrial chain, and establishing itself as an industry benchmark. We are committed to becoming an AI-driven PCB digital intelligence solution provider and a contributor to the industry's sustainable development, continuously creating positive economic, social, and environmental value for stakeholders and communities in the regions where we operate globally. Based on the Company's mission and vision for sustainable development, we have clearly defined "Excellent Governance, Low-carbon Development, Innovative Transformation, and Value Co-creation" as the strategic directions for ESG.

Excellent governance

By improving governance, compliance, and information security systems, we strengthen the foundation for the Company's sustainable development.



Low-carbon development

We conduct active climate change response and promote green operations, committed to achieving harmonious coexistence with the environment.



Innovative transformation

We drive product and service upgrades through technological innovation and quality management to create core value for customers.



Value co-creation

By empowering employees, promoting industry advancement, and engaging in public welfare, we build a win-win industrial ecosystem.



ESG goals

The Company, building on the current foundation of ESG management, has formulated a medium- to long-term ESG development plan, which clarifies the ESG work priorities and key initiatives for each stage, and advances implementation in an orderly manner according to each phase.

Short-term goal
Fully integrate ESG into corporate governance

Establish an ESG management system, set up an ESG governance structure, clearly define the ESG responsibilities of each department, integrate the management of ESG topics into departmental work planning and execution, and launch an ESG digital platform.



Medium-term goal
Fully integrate ESG into operational management

Continuously implement ESG work at the operational level and deepen ESG management. Referencing international leading cases, improve the comprehensive environmental, social and governance management level; conduct carbon inventory and product carbon footprint, and carry out special improvements related to climate change to promote the Company's green-based and digital intelligence development; implement an appraisal mechanism linking ESG performance with KPI to achieve an improvement in ESG ratings.



Long-term goal
Establish an ESG benchmark image

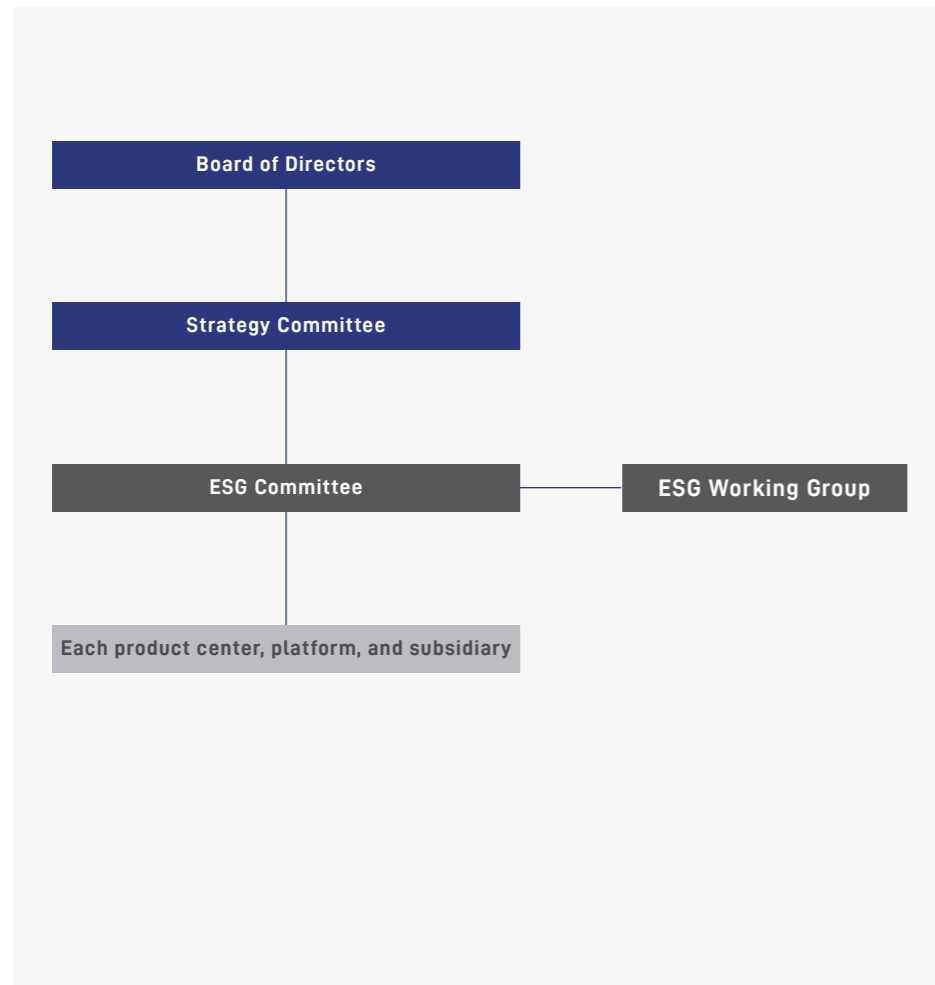
Integrate ESG deeply into corporate strategy and brand image, creating industry-leading green products and solutions. Lead and participate in the formulation of industry ESG standards, guiding the green transformation of the industrial chain, obtaining mainstream international ESG ratings, and becoming a model of sustainable development trusted by global capital markets and customers.



ESG governance system

The Company has established a top-down ESG management framework, clearly defining the responsibilities of each level, including the decision-making, management, coordination, and execution levels, which has resulted in a relatively comprehensive decision-making, execution, and coordination mechanism, effectively strengthening the foundation of ESG management.

Han's CNC ESG Governance Structure



Board of Directors
Serving as the highest responsible and decision-making body for ESG affairs, it bears ultimate responsibility for the Company's ESG strategy, risks, and performance.

Strategy Committee
Composed of directors with backgrounds in ESG, industry, law, or finance, it is responsible for providing professional advice to the Board of Directors on ESG strategy and governance, reviewing the Company's identification and assessment results of significant topics, major ESG commitments, and key policies. It regularly assesses the operation of the Company's ESG management system and the achievement of goals, urging the ESG Committee to formulate and implement improvement measures.



ESG Committee
Serving as the core management and coordination body for internal ESG work within the Company, it is composed of the Company's Senior Management members and heads of relevant functional departments, with the Chairman of the Board of Directors serving as the Chairman of the ESG Committee. The ESG Committee is responsible for promoting the breakdown of ESG goals and organizing their implementation, coordinating ESG data management and information disclosure, conducting ESG risk identification, assessment, and management, and coordinating the resource allocation and action execution of various functional departments in ESG work.



ESG Working Group
Composed of full-time or part-time personnel appointed by various functional departments, it is responsible for the coordination and execution of daily ESG tasks, including ESG data collection, report writing, and related internal and external communication.

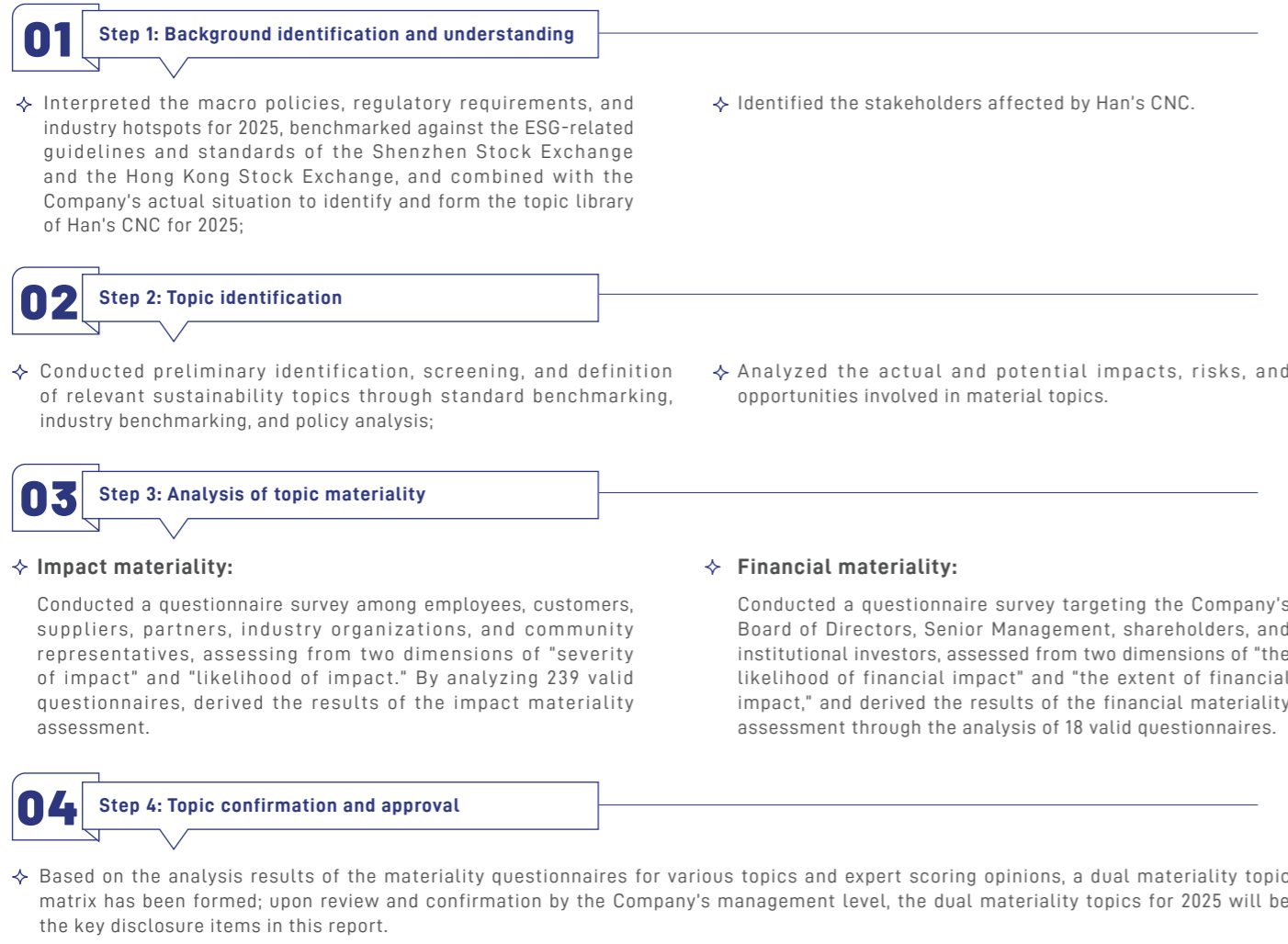


Functional departments of the headquarters and functional departments of subsidiaries
As the ultimate implementation unit for ESG work, it is responsible for fulfilling ESG-related duties and requirements, coordinating the advancement of various ESG initiatives, and ensuring the effective integration of ESG topics with the departments and the Company's business.

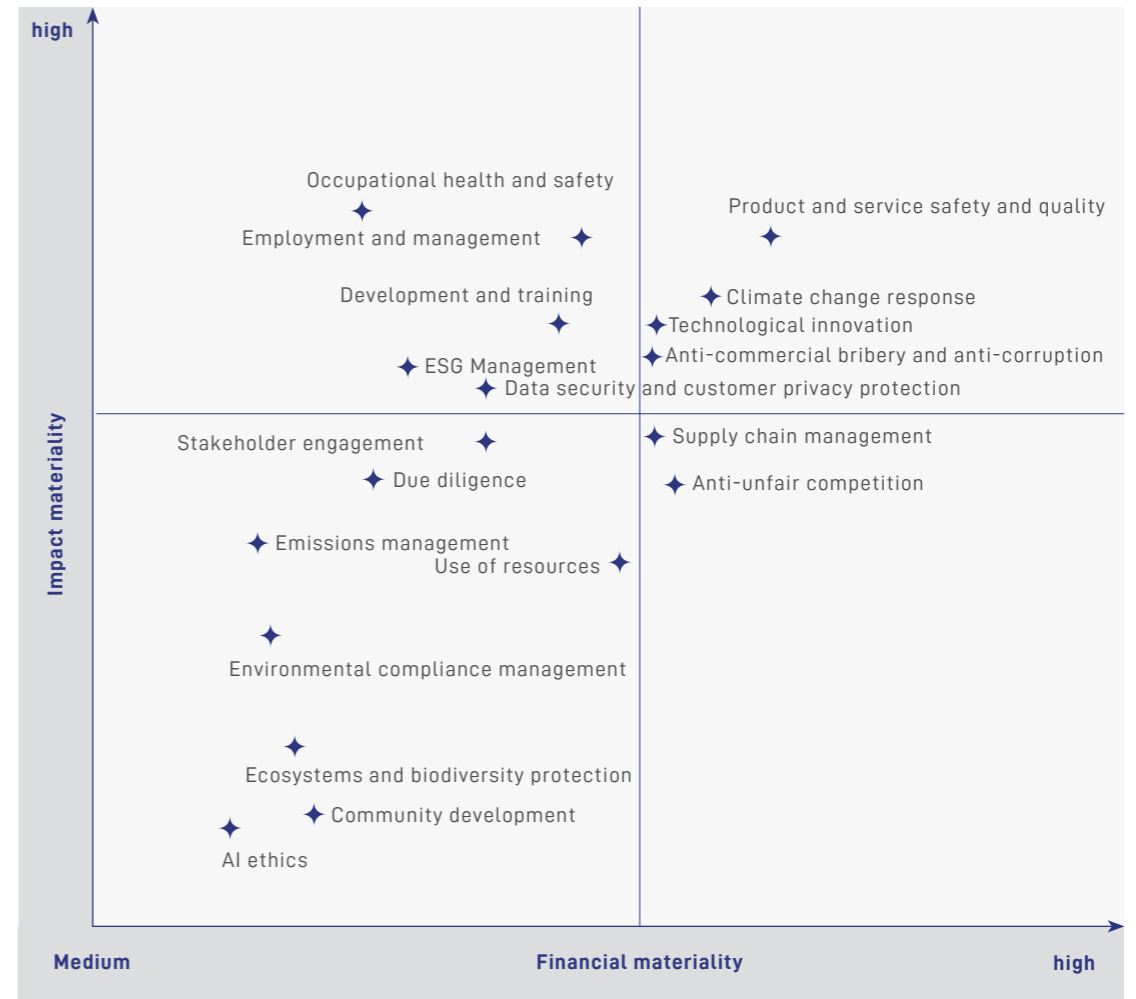
Dual materiality analysis

The Company follows an analysis process for material topics, conducting research through various channels. A dual materiality analysis is performed on 19 topics from the dimensions of impact materiality and financial materiality, identifying and selecting highly material topics for focused disclosure.

Dual Materiality Analysis Process of Han's CNC Topics



Han's CNC Dual Materiality Topic Matrix



Stakeholder engagement, due diligence

The Company consistently values communication and interaction with internal and external stakeholders, maintaining regular communication with shareholders and investors, government, customers, employees, suppliers, communities, and the public. We actively listen and respond to the demands and expectations of all parties, striving to establish long-term, stable, and mutually trusted partnerships. We continuously conduct regular due diligence, utilizing feedback from stakeholders as a core source of information to strive for the comprehensive identification of various potential impacts and risks related to sustainable development. Based on this, we formulate more targeted response measures and work together with all stakeholders to promote the achievement of the company's sustainable development goals.

Stakeholders	Shareholders and investors	Government authorities	Customers	Suppliers	Employees	Community	Media, industry, and the public
							
Demands and Expectations	<ul style="list-style-type: none"> Compliant operation Protection of shareholder rights Open and transparent information disclosure Company performance Driving local economic development 	<ul style="list-style-type: none"> Compliant operation Qualifications and subsidies Resource utilization and integration Social contributions Tax payment as required by laws 	<ul style="list-style-type: none"> Professional services Information security and privacy protection Product quality and innovation Honest operation 	<ul style="list-style-type: none"> Transparency and integrity in cooperation Sustainable supply chain development Fair trade Win-win cooperation 	<ul style="list-style-type: none"> Occupational health and safety Talent training and development Employee compensation and benefits Employee care 	<ul style="list-style-type: none"> Social public welfare activities 	<ul style="list-style-type: none"> Information transparency and disclosure Corporate developments
Communication Methods and Frequency	<ul style="list-style-type: none"> Information disclosure (periodic reports, ad hoc reports) Annual General Meeting (AGM) (annually) Extraordinary General Meeting (EGM) (irregular) Responses at irm.cninfo.com.cn (irregular) Phone/Email (real-time) 	<ul style="list-style-type: none"> Seminars / Workshops (irregular) Policy communication/Work reports (irregular) Supervision and inspection (irregular) Information disclosure (regular/irregular) Field visits (irregular) 	<ul style="list-style-type: none"> Phone/Email (daily) Customer communication and visits (irregular/real-time) After-sales service (real-time) 	<ul style="list-style-type: none"> Supplier communication activities (irregular) Phone/Email (real-time) Supplier training (irregular) Supplier audits (annually) Supplier performance appraisal and rating (monthly) 	<ul style="list-style-type: none"> Safety month activities (monthly) Fire safety month activities (annually/area) Training sessions (weekly) Employee forums (quarterly) Holiday care (regularly) Congress of workers and staff members (irregular) Employee feedback collection (real-time) Party building activities (annually) 	<ul style="list-style-type: none"> Public welfare assistance to farmers (regular) Charitable donations (irregular) Volunteer activities (irregular) 	<ul style="list-style-type: none"> Media interviews (irregular) Company website (irregular)

Embracing AI-enabled Scenarios, Connecting Globally to Co-create the Future

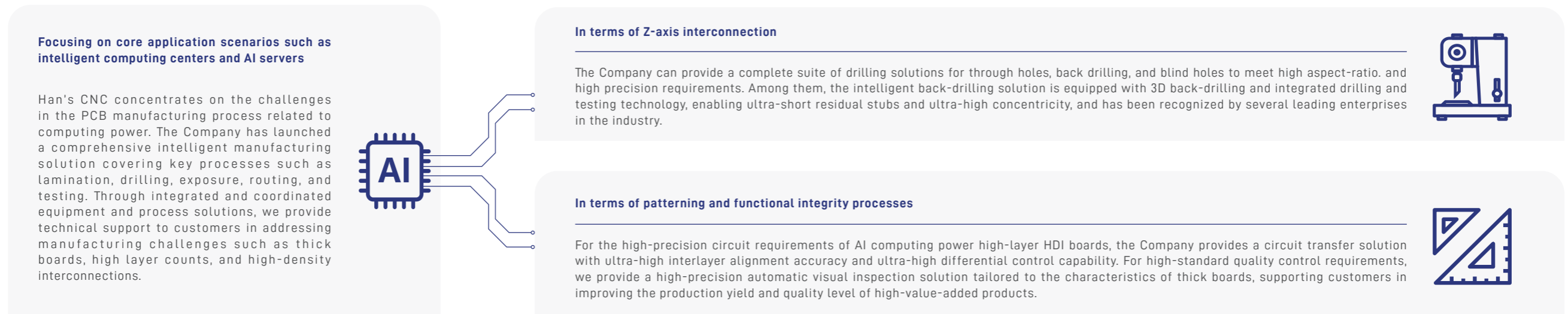
A new round of technological revolution and industrial transformation is accelerating, with AI technology, represented by large-scale generative models, profoundly reshaping the industrial ecosystem. Han's CNC, based in the PCB equipment field, focuses on the collaborative needs of the global industrial chain, adhering to a dual-driven approach of "technological innovation + scenario implementation," and continuously enhances the intelligence level of products and services.

Externally, the Company seizes the opportunity for industrial intelligence upgrading, deepening solution capabilities around key customer application scenarios. We continuously achieve breakthroughs in core technology research and engineering implementation, empowering the PCB industry chain to enhance quality and efficiency through innovative technology. Additionally, we engage in collaborative innovation with global customers, suppliers, and partners to jointly promote the enhancement of industry chain value and achieve win-win development.

Internally, the Company actively embraces new quality productive forces represented by AI, integrating intelligent tools into key processes such as research and development, manufacturing, management, and operations. This promotes data integration and process optimization, enhances organizational collaboration efficiency and lean management levels, and drives digital transformation across all personnel and processes. It provides continuous momentum for the high-quality development of the enterprise and the overall advancement of the industrial chain.

Technological innovation, forging cutting-edge solutions

In the context of continuous iterations of AI technology and the growing demand for computing power, the demand for high-end PCBs, such as high-layer count boards, is simultaneously increasing. This type of PCB integrates the dual characteristics of high-layer count boards and high-density boards, significantly increasing the processing difficulty: A single PCB typically includes various types of vias such as buried vias, through vias, back-drilled holes, blind vias, and skip via, which impose higher requirements on process precision, line alignment, and quality control.



Empowering the AI server to achieve PCB intelligent manufacturing advancement

Two-beam double-platform CO₂ laser drilling solution

Real-time energy pulse monitoring and a new dual-laser optical path control to address the challenges of high-quality blind via processing in high-thickness, multi-layer HDI.



New laser drilling machine

New laser processing applied to AI computing power, high-speed optical modules and other industries, processing of micro through holes, blind holes, and blind slots for high-end HDI boards.



AOI online color intelligent optical inspection solution

Ultra-large board adaptation, minimum resolution of 5μm, ensuring the accuracy of line pattern transfer and measurement



High-precision solder mask exposure solution/high-efficiency solder mask imaging solution

The high depth of field and four-sided clamping design solve the issue of poor exposure in thick boards; independently developed high laser energy control technology achieves fine exposure imaging with a 75μm solder mask opening and a 50μm solder dam, precisely covering the diverse product needs in communication and computing power scenarios.



New 3D back-drilling solution (integrated drilling and testing)

The patented 3D back drilling technology, combined with CCD visual via scanning compensation, supporting mass production of back-drilled holes with a D+3 mil stub accuracy of 2±2 mil, meeting the requirements of next-generation AI PCBs.



Large platform precision four-wire testing solution

Upgrade of CCD precision fine-tuning positioning to achieve high-reliability electrical testing of large-sized, multipoint PCBs.



Automatic visual inspection solution

Advanced AI technology empowers intelligent inspection and micron-level precision detection, meeting the high-precision quality inspection requirements for medium to large-sized PCBs.



Faced with the increased complexity in processes brought about by the continuous upgrade in computing power demand, Han's CNC will continue to focus on technological breakthroughs and product innovation in core scenarios such as high layer count, HDI, and advanced packaging. We will continuously enhance our capability in providing complete solutions, using advancements in equipment technology to support the industry chain in addressing the manufacturing challenges of the AI era.

AI empowerment, activating internal motivation

Han's CNC is comprehensively promoting the deep integration and systematic empowerment of AI technology in core business areas such as research and development, production, and management. By establishing a dynamic and open internal learning platform and developing a series of AI digital intelligence tools, we are advancing the AI digital transformation from strategic planning to practical implementation, thereby enhancing work efficiency and decision-making quality.

Communication and sharing, creating a learning ecosystem

The Company has established an internal open communication platform through AI salons and technical exchange meetings, encouraging cross-departmental sharing of application experiences and typical scenarios. This promotes the flow of knowledge and the accumulation of methods, fosters a continuous learning atmosphere, and provides organizational support for the promotion of AI applications and the enhancement of talent capabilities.

Case

Hosting the "AI Salon" Series to Facilitate the Accumulation of Application Experience

The Company initiated the "AI Salon" series, focusing on themes such as "R&D Management and Digital Intelligence Exchange," "New Paths for AI Empowerment of Individuals and Enterprises," and "AI Applications—Practical Training on Work Emails and Information Writing." These sessions centered on typical scenarios and practical methods to help employees understand AI application paths, identify business integration points, and transform the concept of "Embracing AI" into actionable work practices.



Photo from the "AI Salon" Series

Enhancing efficiency, reshaping work paradigms

The Company actively embraces intelligent transformation by deeply integrating AI technology into business operations and management processes. We systematically build an all-scenario intelligent empowerment system, ranging from meeting decision-making to administrative services, committed to driving an efficiency revolution through technology. This aims to implement innovative intelligence in every aspect, injecting new momentum into organizational agility and sustainable growth.

Intelligent agent for PCB industry information

We utilize intelligent agent tools to automatically collect industry information and perform filtering, intelligent summarization, and translation of the information to create high-quality information briefs. These briefs are periodically distributed to all employees, helping them to stay updated on industry trends and enhance their ability to identify and analyze potential opportunities and risks.

Intelligent meeting collaboration

We utilize AI to assist in meeting minutes and key point summaries, automatically extract action items and assign them to responsible persons through the system, support online progress feedback and tracking, enhance the efficiency of implementing meeting matters and collaborative response speed, and support review and consolidation.

Document and image digitization




We identify and structurally extract information from images, scanned documents, and other materials to enhance the digitization level of business information.

Enhancement of intellectual property efficiency

We extract and systematically organize key technical insights from interview audio/text materials to build a patent knowledge base, improving patent drafting efficiency and supporting efficient IP management.



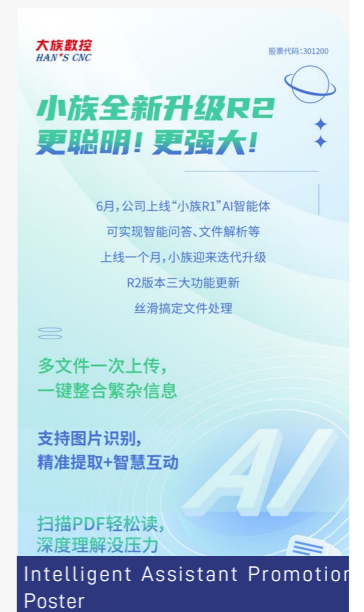
Application scenarios for intelligent agents:

- 
IT intelligent agent: It provides intelligent Q&A and guidance for IT issues, supports one-click generation of IT service tickets, and enhances service response efficiency.
- 
HR intelligent agent: It offers support for inquiries about processes and policies, and supports attendance queries and handling of exceptional matters.
- 
Administrative intelligent agent: It provides intelligent Q&A services for scenarios such as administrative affairs consultation and office supplies application, enhancing convenience in handling tasks.

Case

Launch of a Series of Intelligent Assistants to Support Full Employee Collaboration

Han's CNC actively promotes the implementation of AI tools across all business scenarios. Building on the previously launched four intelligent agents—Xiaozu R1, IT Assistant, HR Assistant, and Administrative Assistant—the Company further introduced three intelligent agents: Meeting Assistant, Xiaozu R2, and Product Assistant V2. These cover high-frequency business scenarios such as automatic generation of meeting minutes and extraction of to-dos, intelligent parsing and integration of multi-format documents, real-time product information inquiry, and precise push notifications. These provide employees with more convenient digital tool support, promoting the expansion of AI applications from "tool trial" to "normalized scenario usage."



Excellence in Governance, Laying a Solid Foundation for Development

Han's CNC integrates the concept of sustainable development into the core of governance, establishing a solid foundation for risk control through compliant operations. A culture of integrity permeates throughout, continuously improving the corporate governance system, upholding business ethics, strictly adhering to laws, regulations, and industry standards, fully ensuring information security and data privacy, and safeguarding the sustainable development of the enterprise with transparent and efficient governance practices.



The Company's actions

- We construct a governance structure with clear responsibilities and efficient collaboration, continuously strengthen compliance and internal control systems, uphold the protection of investor rights and the obligation of tax payment in accordance with applicable laws and regulations, and create long-term value.
- We establish and continuously improve a risk management and control system covering operations, finance, legal, and market areas, systematically implementing compliance requirements such as anti-commercial bribery, anti-corruption, and supplier management.
- We construct a systematic, full-chain protection system, strictly implement data security standards and privacy protection policies, and safeguard stakeholders from the impacts of data security and privacy incidents such as information leakage.



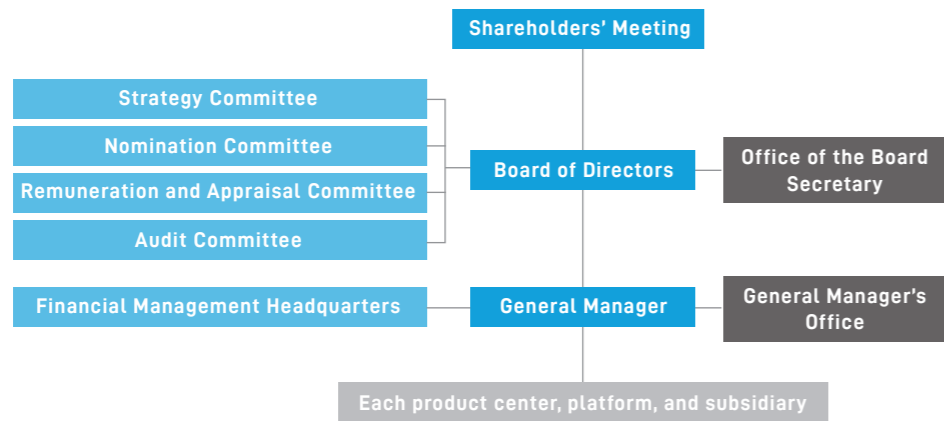
Improving corporate governance

The Company regards sound corporate governance as the core guarantee for high-quality development. By establishing a governance structure with clear responsibilities and efficient collaboration, we strengthen compliance and internal control systems, uphold the protection of investor rights and the obligation of tax payment in accordance with applicable laws and regulations, promote stable corporate development, and create long-term value.

Governance mechanism

The Company strictly adheres to the *Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Articles of Association*, and other internal and external rules and standards. We are committed to achieving high-level corporate governance by clearly delineating decision-making, execution, and supervisory responsibilities and authorities. This approach forms an operational mechanism where each party performs its duties, collaborates effectively, and maintains checks and balances. We actively fulfill our information disclosure obligations and continuously enhance our corporate governance level.

Han's CNC Governance Structure



The Company has established a corporate governance structure composed of the Shareholders' Meeting, the Board of Directors, and Senior Management. The Board of Directors has established four special committees, including the Strategy Committee, the Nomination Committee, the Remuneration and Appraisal Committee, and the Audit Committee. Each governance entity has clearly defined responsibilities and operates in a standardized manner, dedicated to creating long-term and stable value returns for shareholders and achieving the Company's sustainable development.

Key performance

10 times
meetings of the Board of Directors

9 times
meetings of the Audit Committee

2 times
meetings of the Remuneration Committee

1 time
meeting of the Nomination Committee



Responsibilities of Governance Entities of Han's CNC

Board of Directors

The Board of Directors performs the highest decision-making and management functions of the Company in accordance with the law and is responsible for convening shareholders' meetings and executing shareholder resolutions, determining the Company's business plans and investment proposals, formulating plans for profit distribution, capital changes, and major asset restructuring, and approving significant transaction matters within the scope authorized by the Shareholders' Meeting.

It is responsible for the construction of the corporate governance system, setting up internal management institutions, appointing and appraising senior management personnel, formulating basic management rules and information disclosure management policies, and proposing recommendations for the appointment of audit institutions to the Shareholders' Meeting, ensuring the Company's compliant operation and sustainable development.

Strategy Committee

The Strategy Committee is responsible for researching and providing opinions on the Company's development strategy, major decision-making matters, sustainable development, and ESG work, with the Chairman of the Board of Directors serving as the Chairman of the Strategy Committee.

Nomination Committee

The Nomination Committee is responsible for formulating the selection criteria and procedures for directors and senior management personnel, selecting and reviewing candidates and their qualifications, and promoting the diversity of the Board of Directors.

Remuneration and Appraisal Committee

The Remuneration and Appraisal Committee is responsible for formulating appraisal standards for the Company's directors and senior management personnel, conducting appraisals, formulating and reviewing remuneration policies and plans for directors and senior management personnel, and enhancing corporate management levels.

Audit Committee

The Audit Committee leverages financial expertise to enhance communication between internal and external audits, oversee the formulation and implementation of the Company's internal audit system, review the Company's financial and internal control systems, and promote the Company's regulated operations.

Diversity of the Board of Directors


As at the end of 2025, the Company had a total of eight Board members, including two female directors. The company adheres to a policy of diversity and professionalization among board members. When nominating board members, the Nomination Committee takes into account factors such as gender, nationality, and professional background. In selecting candidates for the board, the company focuses on experts in corporate governance, the electronics industry, law, and finance to ensure continuous improvement in governance standards and to provide insights and recommendations at a higher industry and strategic level for the company's sustainable development.

Key performance

3.7 years
The average tenure of Board members was

37.5 %
The proportion of independent directors was

25 %
The proportion of female directors was



Name	Gender	Position	Age Distribution		Professional Knowledge and Skills		Main Experience	
			Aged over 50	Aged 50 or below	Industry	Legal/Finance	Industry	Legal/Finance
Yang Chaohui	Male	Chairman of the Board of Directors and General Manager		√	√		√	
Zhang Jianqun	Male	Director	√		√		√	
Zhou Huiqiang	Male	Director	√		√		√	
Du Yonggang	Male	Director	√		√		√	
Qiu Yunliang	Male	Independent director		√	√		√	
Li Weiwei	Female	Independent director	√		√		√	
Xin Guosheng	Male	Independent director	√		√		√	
Huang Linting	Female	Employee representative director		√	√		√	
Xia Liya	Female	Independent director		√	√		√	

Note: Ms. Xia Liya is a newly appointed independent director for the year 2026.

Protection of shareholders' rights and interests

The Company strictly adheres to the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, and relevant regulatory provisions, continuously optimizing the corporate governance structure and improving the internal control system to effectively ensure that shareholders exercise their rights to information, participation, and voting in accordance with the law. The Company, in accordance with the Articles of Association and Rules of Procedure for Shareholders' Meetings, standardizes the convening, deliberation, and voting procedures of the Shareholders' Meeting, and ensures that shareholders can participate equally and conveniently in major decisions of the Company through dual channels of "on-site meetings + online voting."

In terms of investor returns, the Company consistently values sharing development achievements with shareholders. Since being listed, the Company has consistently implemented four cash dividends, distributing a total of RMB1.533 billion (including tax). Through a stable dividend policy, we have effectively enhanced shareholder returns, embodying the responsible value-sharing philosophy.

Investor relations management

The Company has established a systematic and multichannel investor relations management system, committed to enhancing information transparency and the effectiveness of two-way communication, supporting sustainable value creation and building trust in the capital market. The Company has designated personnel specifically responsible for daily communication channels such as hotlines and email. We actively conduct on-site investor research and strategy meetings, and ensure timely and accurate responses to the demands of all parties, including small and medium investors, through multiple channels such as irm.cninfo.com.cn, performance briefings, and shareholders' meetings.

The Company continuously improves its investor communication and public opinion response mechanisms by proactively monitoring market information. We promptly verify rumors that may affect our reputation and stock price and develop contingency plans to effectively protect investor rights. The Office of the Board Secretary regularly reports to the Management on capital market dynamics, industry trends, and peer practices, providing a basis for strategic decision-making and governance optimization, thereby promoting continuous improvement in corporate governance and sustainable development capabilities.

Key performance

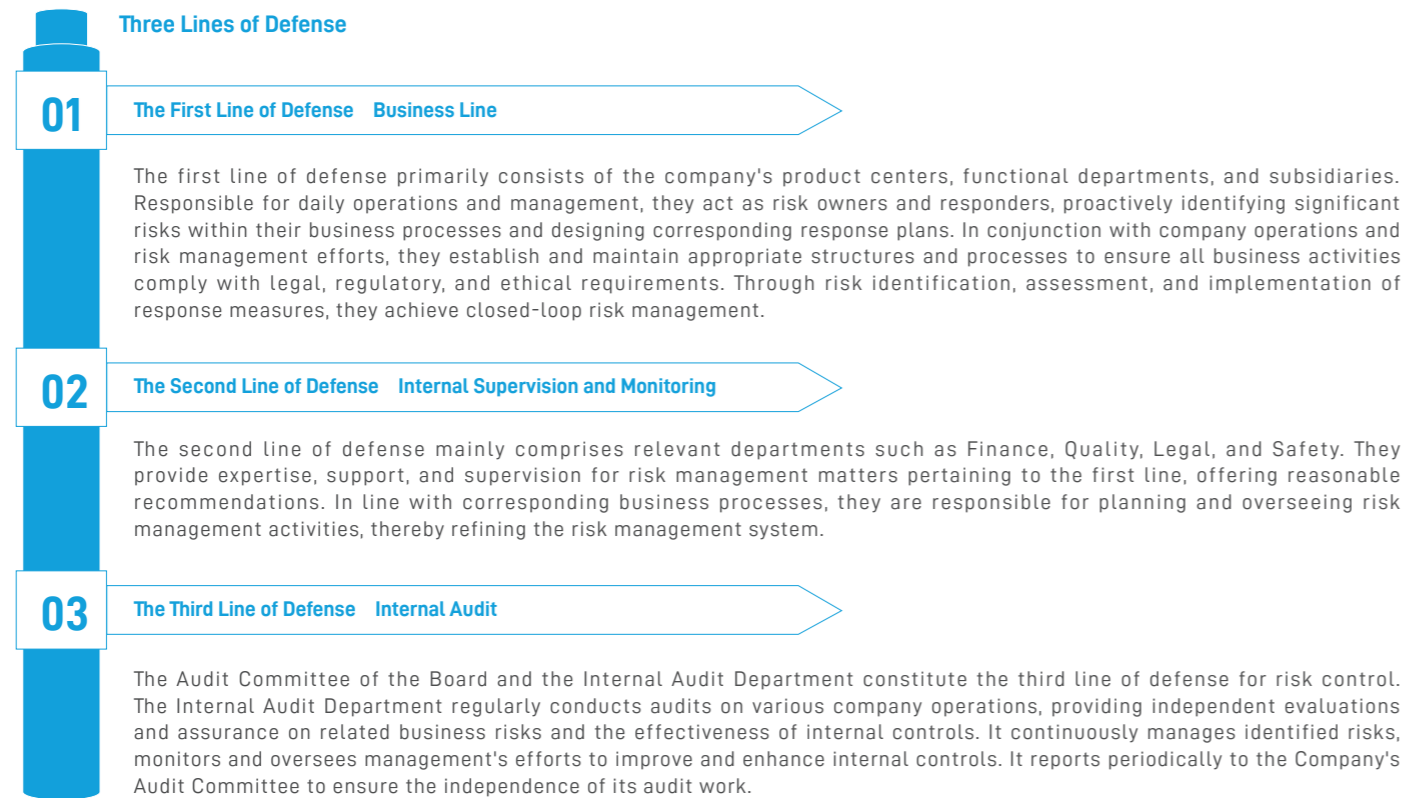
The Company organized one annual performance briefing, conducted over **50** on-site investor research visits, held nearly **30** conference calls, participated in more than **20** brokerage strategy meetings, and communicated with over **200** investment institutions.

Enhancing compliance management

The Company continuously improves its risk management system by optimizing institutional regulations, strengthening process control, and deepening compliance culture to ensure that business activities comply with laws, regulations, and industry standards. This approach safeguards the Company's steady and long-term development, creating sustained and stable value for stakeholders.

Risk management

The Company has established and continuously improved a risk management and control system covering operations, finance, legal, and market areas. Through institutionalized and procedural internal control mechanisms, we systematically address various potential risks. The Company regularly reviews the effectiveness of risk management policies and integrates them into key areas such as procurement, production, sales, and product quality monitoring.



Compliance operations

The Company integrates business ethics and compliant operations into the entire process of corporate governance, strictly adhering to laws and regulations, and systematically implementing compliance requirements such as anti-commercial bribery, anti-corruption, and supplier management. The Company is committed to ensuring stable operations through a comprehensive compliance system, maintaining stakeholder trust, and laying a solid foundation for sustainable corporate development.

Integrity in professional conduct



In accordance with the requirements of the *Basic Norms for Internal Control of Enterprises* and other relevant guidelines, we formulated and enhanced supporting policies such as the Anti-Fraud Management System and the Employee Misconduct Accountability Regulations, further strengthening the fraud risk prevention and control mechanism.



We issue the *Notice on Establishing a Reward-based Reporting System*, encouraging all employees to participate in supervision. Through diversified supervision methods, we aim to strengthen the internal lines of defense against risk and ensure the sound development of the Company.

Supplier management



We establish strict supplier assessment standards to assess suppliers in terms of reputation, qualifications, and quality, ensuring they can provide high-quality and stable products or services.



We formulate the *Procurement Integrity Code of Conduct and Supplier Integrity Cooperation Advocacy Letter* and other systems, advocating for all cooperating suppliers to join hands with the Company to jointly build a transparent, compliant, and integrity-based cooperative ecosystem.

Whistleblower protection

Protect the privacy rights of whistleblowers. Except with the consent of the whistleblower, we strictly keep the whistleblower's identity information confidential; the Company archives relevant materials and reports after whistleblowing and investigation processing in accordance with regulations, effectively protecting the legitimate rights and interests of the whistleblower.

Strictly investigate and address retaliation incidents. Personnel who illegally disclose whistleblower information or retaliate against whistleblowers will be dismissed or have their labor contracts terminated. Those who violate the law will be handed over to judicial authorities for processing.

Provide timely feedback on the results of reports. For all reports made under a real name, regardless of whether a case is filed for investigation, the results should be communicated to the whistleblower within three working days after the conclusion of the investigation.



Channels for reporting business ethics violations:



Report email: shenji@hanscnc.com



Report hotline: 0755-23088275



Report receiving address: Audit Department, Han's Laser Intelligent Manufacturing Center, Fuhai Sub-district, Bao'an District, Shenzhen



Key performance

Anti-corruption Training

8 attendances

Directors - Participation

4 hours

Directors - Training hours

797 attendances

Employees - Participation

66.42 hours

Employees - Training hours

45 attendances

Supplier representatives - Participation

45 hours

Supplier representatives - Training hours

Equal treatment of SMEs

The Company strictly complies with the *Law of the People's Republic of China on the Promotion of Small and Medium-sized Enterprises*, the *Regulations on Ensuring Payments to Small and Medium-sized Enterprises*, and other applicable laws and regulations. It is committed to fostering a fair and transparent business environment and providing small and medium-sized enterprises (SMEs) with equal opportunities to participate in the market. While pursuing economic returns, the Company also safeguards the legitimate rights and interests of its suppliers and promotes the sound development of the upstream and downstream segments of the industrial chain. As of the end of the Reporting Period, the Company had no overdue payments outstanding to SMEs.




Anti-unfair competition

The Company adheres to the principle of fair competition, considering compliant operations as a fundamental requirement for business management. We continuously foster a compliance culture oriented towards "Prevention First, Full Participation," ensuring that all business activities strictly comply with laws and regulations related to anti-monopoly and fair competition.

Governance

The Company adheres to the compliance philosophy of "Prevention First, Full Participation," integrating anti-monopoly and fair competition compliance management into the core aspects of corporate governance. The Company has established a clear compliance management system, explicitly defining prohibited behaviors through the *Code of Conduct for Employees* and special regulations. Regular reviews and supervision are conducted to ensure comprehensive implementation of legal and ethical requirements against unfair competition, from system to execution.

In terms of intellectual property governance, the Company has revised and issued the *Intellectual Property Management System and the Patent Grading and Classification Method*, and other related policies and procedures. We have established a lifecycle management system covering patents, trademarks, software copyrights, and trade secrets, improving the intellectual property management process. Intellectual property business is integrated into the R&D process to comprehensively manage the Company's intellectual property achievements and control intellectual property risks in the production and operation process.

	
Uphold Fair Competition	Protect Trade Secrets
	
Prohibit False Advertising	Avoid Vicious Competition

Strategy

The Company regards fair competition as the cornerstone of sustainable development and consistently prioritizes compliant operations over short-term business interests. We establish systems and processes around key areas such as trade secrets and intellectual property protection, market promotion and external communication, partner management, and employee conduct standards, continuously strengthen compliance training and risk prevention, and maintain a fair and orderly market environment, ensuring the Company's stable operations and long-term value creation.

	Potential Impacts	Countermeasures
Technical and reputational risks	<ul style="list-style-type: none"> The leakage of trade secrets, improper use of information by employees or partners, data leakage in the supply chain/cooperative R&D, and third-party infringement or accusations of infringement may lead to litigation and compliance penalties, damage to technological advantages, and reputational impact. 	<ul style="list-style-type: none"> We address risks through system and process control, establish and implement intellectual property and trade secret management systems, clearly define the grading, authorization, and usage boundaries of confidential information, and enforce confidentiality requirements and compliance training. Simultaneously, we improve contract and cooperation management clauses (such as confidentiality and unfair competition constraints), strengthen the authority management and traceability of R&D materials and technical documents, identify and address infringement risks, and take measures to protect rights or respond to litigation when necessary to reduce legal and operational risks.
Market opportunities	<ul style="list-style-type: none"> In the field of high-end equipment and intelligent manufacturing, intellectual property and trade secrets are crucial foundations for forming technological barriers and gaining customer trust. A comprehensive system for protecting against unfair competition and safeguarding intellectual property helps consolidate core technological advantages, enhances partner confidence, and supports the transformation of achievements. 	<ul style="list-style-type: none"> By strengthening patent layout and achievement management, standardizing the boundaries of external technical exchanges and information disclosure, and promoting the accumulation and compliant output of core technologies, we enhance the protection and transformation capabilities of innovative achievements, thereby boosting market competitiveness and long-term value creation capabilities.

Management of impacts, risks and opportunities

To prevent risks of monopoly and unfair competition, the Company requires employees to conduct compliance reviews in accordance with regulations during key business processes such as marketing, pricing, cooperation, and mergers and acquisitions, and to maintain independent judgment and prudence when interacting and communicating with competitors. The Company strictly prohibits any form of monopoly agreements, exchange of sensitive information, and other similar behaviors. We enhance employees' risk awareness and improve their risk identification and prevention capabilities through compliance training and internal reporting mechanisms. At the same time, the Company incorporates anti-monopoly compliance clauses into contract management, promoting collaboration with industry chain partners to jointly maintain a fair and orderly market environment.

In terms of intellectual property risk management, the Company conducts patent risk investigations around key projects to support freedom to operate ("FTO") analysis for these projects, thereby reducing potential infringement risks. The Company also continuously advances the development of intellectual property management capabilities and explores the application of AI tools in intellectual property work. We have launched an AI assistant for technology disclosure documents and tested tools such as AI novelty search and AI patent briefings to enhance the efficiency of patent applications and searches. At the same time, the Company strengthens the protection and operation of intellectual property, promoting the coordinated enhancement of patent quantity and quality. We have formulated an annual work plan to continuously improve intellectual property management capabilities from aspects such as system construction, management systems, and talent teams.

Metrics and indicators

To effectively implement and continuously optimize the compliance management system for anti-monopoly and fair competition, the Company establishes quantifiable and traceable compliance performance metrics and management indicators, which are used to track execution effectiveness, identify areas for improvement, and integrate compliance performance into the regular, closed-loop management. During the reporting period, the Company did not engage in false advertising, monopolistic practices, or infringement of others' intellectual property rights, nor were there any incidents of unfair competition.

As at the end of December 2025, a total of 512 pcs patent applications had been filed, with invention patents accounting for 33.4% of the total.

Ensuring information security

The Company strictly complies with the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, and the *Personal Information Protection Law of the People's Republic of China*, among other relevant laws and regulations. We have established a systematic, full-chain protection system, rigorously implementing data security standards and privacy protection policies to safeguard stakeholders from the impacts of data security and privacy incidents such as information leakage.

information security management systems

The Company continuously improves its information security management system and personal privacy protection mechanisms. We formulate information security management systems and operating procedures based on standards such as ISO 27001, including *Information Security Management Specifications*, *Digital Intelligence Project Management Specifications*, and *System Emergency Incident and Disaster Drill Specifications*. Additionally, the Company establishes a three-tier information security organizational structure for management decision-making, supervision and inspection, and enforcement and implementation. A dedicated network security engineer is appointed to standardize information and data management work, ensuring effective protection of information security.



Information security infrastructure

To strengthen information security management, the Company regulates the information items carried by employees in data centers, production lines, and controlled areas. At the same time, we also monitor and control the networks, computers, operating systems, and applications of various departments.

Information security prevention and control

Network

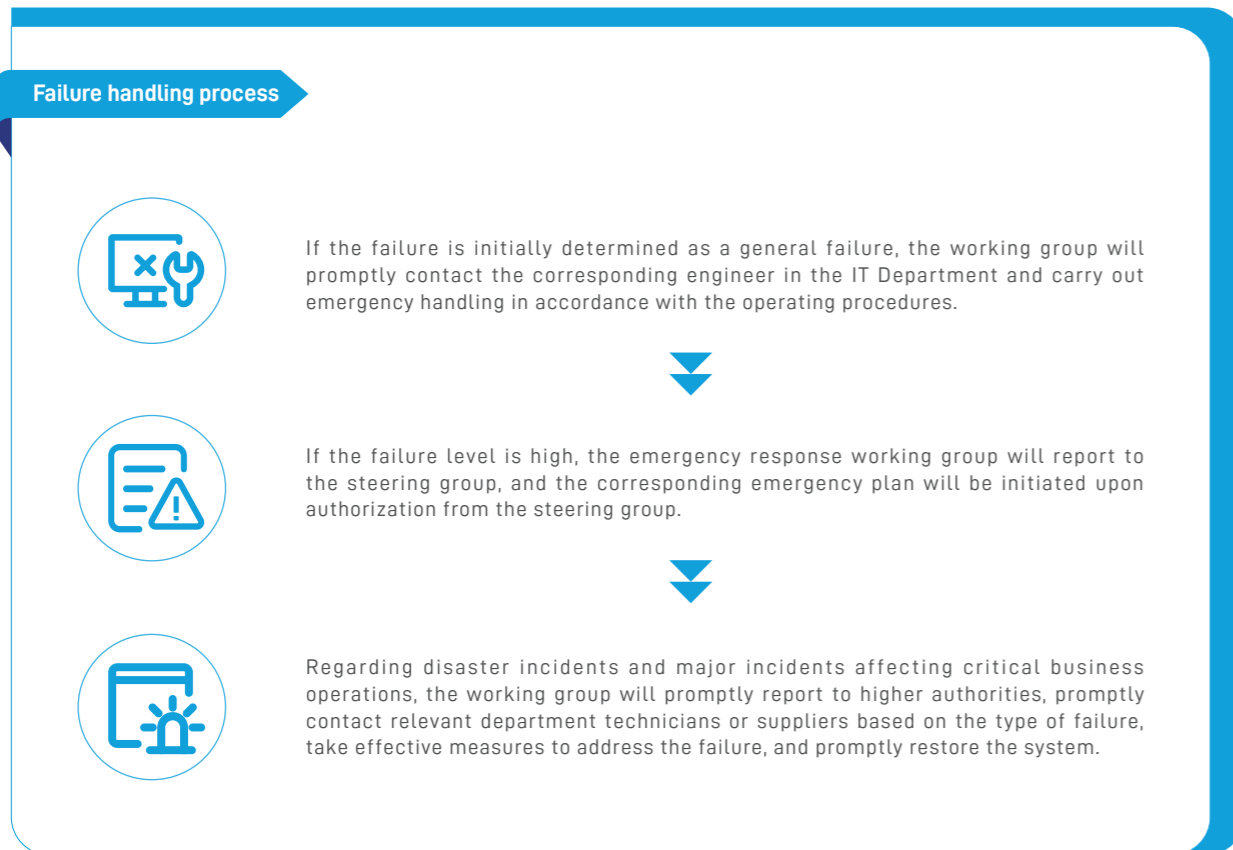
- ✦ Security domains are segmented based on functional and security requirements, with differentiated access permissions and security control policies implemented for each domain.
- ✦ Appropriate access control prevents unauthorized access and reduces security risks.
- ✦ We deploy firewalls, situational awareness, probes, and antivirus systems to prevent cyberattacks and collect cyber situational intelligence.
- ✦ Investigate and handle malicious traffic collected from situational awareness and probes on a daily basis.
- ✦ Moreover, we procure external security services to conduct asset mapping, offensive and defensive exercises, and daily security services for the Company annually. Based on the latest security vulnerabilities, we promptly analyze whether components or systems have vulnerabilities and follow up with appropriate handling.

Terminal

- ✦ We deploy antivirus and desktop management systems, establish a software inventory, control the compliant and reasonable use of software, set up access traffic monitoring, and regularly review employee access traffic.
- ✦ We regularly scan terminals to promptly address virus incidents, conduct regular audits of file transmission behaviors, investigate, and issue audit results.

Information security emergency management

When encountering an information security incident, employees will promptly report to the emergency response working group in accordance with the *System Emergency Incident and Disaster Drill Specifications*. The responsible unit will determine and grade the incident based on its nature and severity, and take corresponding control measures to ensure that each information security incident is handled efficiently and appropriately in the shortest possible time. According to the level of failure, it is graded into general failure, serious failure, major failure, and special-grade failure.



Customer privacy protection

The Company regards the customer privacy protection as one of the most important foundational responsibilities. We consistently adhere to legal and ethical bottom lines, ensuring the security and compliance of customer data throughout its entire lifecycle through rigorous technical and management systems. During the reporting period, the Company did not experience any customer privacy breaches.

Privacy protection measures

Access management	Employees can only access information necessary for their work, with permissions regularly inspected and updated.
Data protection	Sensitive customer information is encrypted, and classification labels are set to ensure the security of storage and transmission.
Terminal security	We deploy antivirus, vulnerability protection, and desktop management systems to conduct unified security management for all terminal devices.
Cybersecurity	We divide security zones and use boundary protection devices and threat detection systems to monitor network activities in real-time to prevent external attacks.
Application and database security	We set strict use permissions for core application systems and databases, and conduct regular security inspections.
Physical security	We set up access control in key areas, limit the scope of knowledge, and prevent unauthorized physical contact.
Employee training agreement	All employees sign a confidentiality agreement, and regular privacy protection training is conducted to enhance security awareness.
Supervision and audit	We conduct 24/7 monitoring through a professional operation and maintenance center and undergo inspections by third-party audit institutions to ensure the implementation of various measures.

Low-carbon Development, Protecting Our Green and Beautiful Home

Han's CNC actively responds to the national Carbon Peaking and Carbon Neutrality Goals, adhering to a green and low-carbon development orientation. We integrate environmental management requirements into our operational management and business activities, continuously improve environmental protection-related management mechanisms, promote energy conservation, consumption reduction, and efficient resource utilization, enhance resource utilization efficiency and green development levels, support the green transformation of the industry chain, and strive to contribute to the improvement of the ecological environment.



The Company's actions

- Based on our business characteristics and foundation, we proactively identify potential risks and opportunities brought by climate change, contributing our strength to global efforts in mitigating and adapting to climate change.
- We establish environmental management policies, continuously improve our environmental management system, and maintain ISO 14001 certification.
- We establish an environmental risk assessment mechanism, conduct regular emergency drills for environmental incidents, and build a solid defense line against environmental risks.
- We continuously improve energy and water resource management, actively explore process improvements, technological innovations, and management upgrades to enhance the efficiency of resources utilization.
- We establish an emissions and waste management system, achieving a 100% compliance rate for the discharge and disposal of wastewater, waste gas, and solid waste throughout the year.



Climate change response

Global climate change not only threatens human survival and development but also significantly impacts the stable operation of enterprises. It has become a must-do for every enterprise to actively address climate risks. In the process of formulating strategies, the Company continuously focuses on climate change, proactively identifying potential risks and opportunities brought by climate change based on our business characteristics and foundation, contributing to global efforts in mitigating and adapting to climate change.

Governance

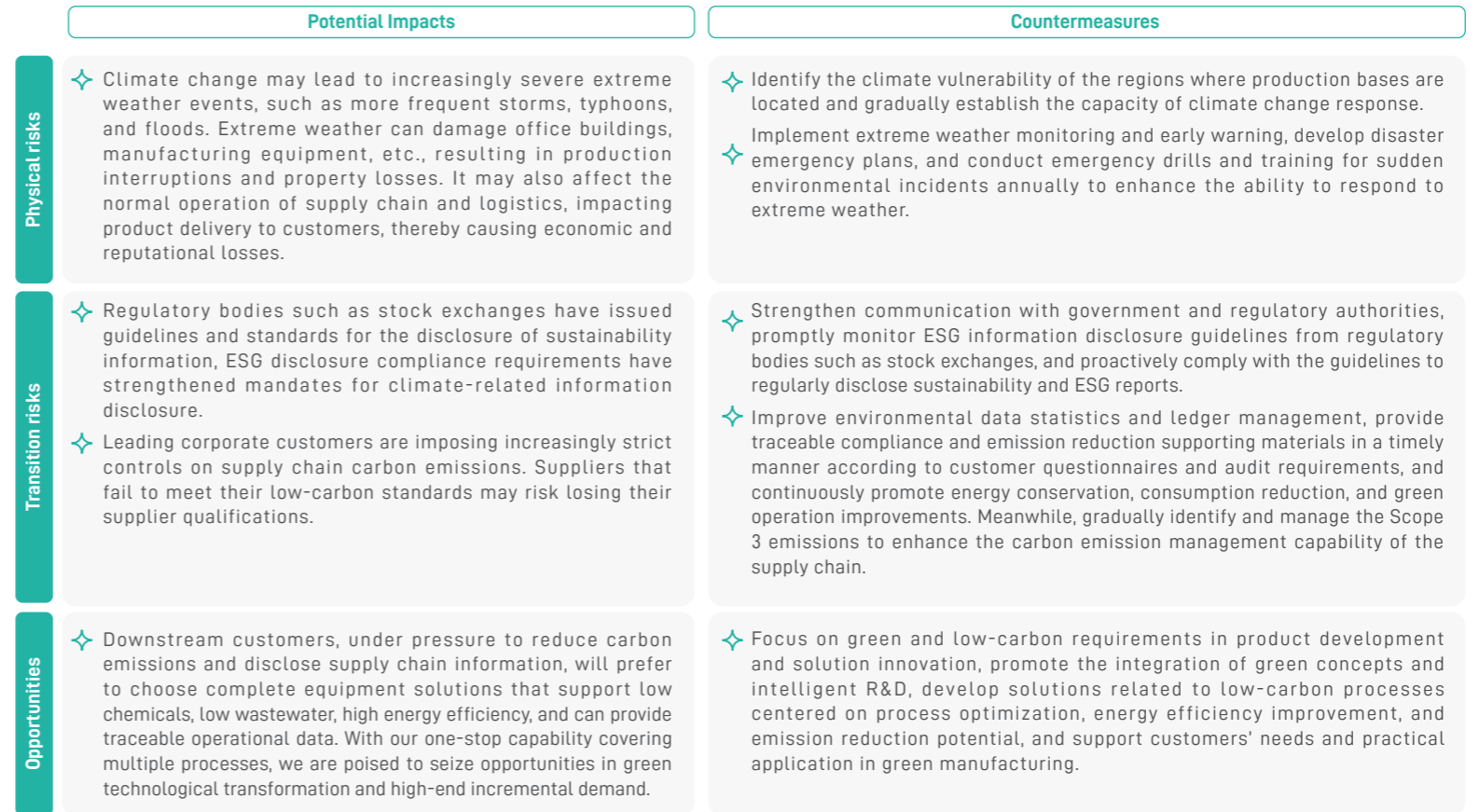
The Company considers climate change as a primary factor in strategic topics, establishing an organizational structure for greenhouse gas management and climate change response, and conducting governance work on climate change topics.

Han's CNC Climate Change Management Framework



Strategy

To actively respond to climate change and enhance related risk prevention and early warning capabilities, the Company identifies the potential impacts of climate-related risks and opportunities on its operations based on the characteristics of its industry and actual circumstances.



Management of impacts, risks and opportunities

The Company integrates climate-related risks into the environmental risk management process. The Administration Department coordinates and promotes the climate-related risk management, while the management specialist is responsible for implementing climate-related risk management at the production base, ensuring timely follow-up on impending or potential crises or issues.

Case

Green Laser Processing Solution Empowering Low-carbon Manufacturing Upgrade of IC Substrates

In May 2025, at the "2025 IC Substrate Localization Technology Development and Application Seminar," Han's CNC highlighted the green laser processing solution for mSAP/SAP processes. This solution adopts process optimization to ensure processing quality while reducing reliance on certain traditional pre- and post-processing steps, thereby lowering chemical consumption and wastewater generation, and enhancing the environmental performance of the process at source and throughout production.

In terms of process pathways, this solution can, under certain conditions, eliminate or reduce the need for traditional pre- and post-processing steps commonly seen in black oxide, brown oxide and plasma desmear processes, thereby reducing chemical input and ease the pressure of wastewater discharge, and helping to lower the emission intensity per unit of production capacity. Currently, this solution has been applied in scenarios such as high-density ultra-micro via processing, high-precision slot routing, and ceramic through-via processing. In the future, Han's CNC will continue to promote technological R&D and process innovation around low-carbon, intelligent manufacturing, supporting the collaborative development of IC substrate processing towards high precision and sustainability, better meeting the industrial chain's carbon reduction and process upgrade needs.

Case

Responding to the 2025 Shenzhen Typhoon Ragasa Warning, Rapid Activation of Emergency Mechanism to Ensure Park Safety

During the 2025 Typhoon Ragasa warning in Shenzhen, the Company promptly activated its emergency response plan, implementing phased prevention and response measures focused on personnel safety and factory operation risks, to minimize potential impacts from extreme weather.

Emergency preparedness: The Company conducted special safety inspections in advance, organized a typhoon prevention meeting, and issued a typhoon prevention notice. Protective measures were implemented at key risk points, including site clearance, reinforcing doors and windows, and setting up waterproof sandbags to minimize typhoon hazards.

Emergency response: During the typhoon's landfall, the Company implemented 24-hour duty and patrols at the Fuyong and Shajing factory areas, strengthening on-site monitoring and information coordination to ensure that emergencies could be addressed promptly.

Emergency recovery: After the typhoon, the Company promptly restored and improved protective measures such as reinforcing doors and windows, removed items and equipment temporarily stored in workshops, and quickly restored site order to ensure smooth and orderly production operations.

Metrics and targets

The Company's greenhouse gas emissions primarily originate from direct emissions (Scope 1) generated by the consumption of gasoline and diesel during production operations, and indirect emissions (Scope 2) resulting from the use of purchased electricity. The Company closely monitors its greenhouse gas emissions based on industry-standard management measures and greenhouse gas calculation methods.

During the reporting period, the Company identified sources of greenhouse gas emissions within the operational control scope and calculated the greenhouse gas emission data for 2025, laying the foundation for mitigating and adapting to climate change, as well as formulating reasonable climate change response policies and emission reduction pathways.

Metric	2025	Unit
Direct energy	Gasoline	116828.92 L
	Diesel	42195.05 L
GHG emissions (Scope 1)	379.23	tCO ₂ e
Indirect energy	Purchased electricity	304013.82 MWh
GHG emissions (Scope 2)	163133.82	tCO ₂ e
GHG emissions (Scope 3)	1980.11	tCO ₂ e
Total GHG emissions (Scope 1 + Scope 2 + Scope 3)	165493.15	tCO ₂ e
GHG emissions intensity	0.29	tCO ₂ e/ RMB 10,000

Practicing green operations

The Company places high importance on environmental management, establishing effective environmental management policies and continuously improving our environmental management system. By consistently refining our policies and procedures, we integrate green development requirements into daily operations and medium-to-long-term planning, thereby driving the synergistic enhancement of both economic and environmental benefits.

Environmental management system

The Company, in accordance with national environmental laws, regulations, and relevant standards, and in conjunction with internal system documents (such as the *Environmental Safety Management Manual and Environmental Management Operation Control Procedure*), has established an environmental management framework with the Chairman as the primary responsible person to organize and promote environmental management work. The Company regularly conducts environmental protection training and awareness education. Each branch and subsidiary organizes environmental protection training according to an annual plan, focusing on topics such as environmental protection system requirements, emergency management, and pollutant discharge management, which aims to continuously enhance employees' awareness of environmental compliance and management capabilities, ensuring that environmental management operates in accordance with the law and regulations. During the reporting period, the Company obtained the ISO 14001 environmental management system certification.

Han's CNC Environmental Management Framework

Chairman	<ul style="list-style-type: none"> ✦ The Chairman is responsible for formulating environmental management policies and objectives; ✦ The Chairman is fully responsible for establishing, implementing, and maintaining the effectiveness of the environmental management system, appointing a management representative, clarifying the responsibilities and authorities of each department, presiding over management reviews, and improving daily management work; ✦ The Chairman ensures the resources necessary for the effective operation of the environmental management system.
EHS Committee	<ul style="list-style-type: none"> ✦ The EHS Committee ensures that the process required for environmental management and management systems is established, implemented, and maintained; ✦ The EHS Committee reviews and confirms the list of significant environmental aspect, the list of major hazards, and their plans; ✦ The EHS Committee is responsible for liaising with external parties on matters related to the Company's environmental management.
Product centers and functional departments	<ul style="list-style-type: none"> ✦ Product centers and functional departments define the job responsibilities of the employees in the respective department according to the environmental management system.



Environmental risk management

The Company consistently regards the prevention and control of environmental risks as a top priority in environmental management. We have developed the *Environmental aspect Identification and Evaluation Control Procedure and the Environmental and Safety Monitoring Control Procedure*, establishing a comprehensive, scientific, and efficient environmental risk assessment mechanism. By employing a multifactor scoring method, we conduct multi-temporal and multi-state evaluations and analyses of various aspects such as energy, resources, solid waste, wastewater, noise, and air pollution, and propose control methods.

To effectively respond to various unexpected situations and ensure the orderly advancement of the environmental risk management process, the Company has formulated detailed and standardized emergency plan management system documents, such as the *Emergency Preparedness and Response Control Procedure*. At the same time, we have established an emergency rescue system for environmental incidents that operates through the collaboration of multiple groups. The responsibilities of each group within the system are clearly defined. In the event of an environmental risk incident, we can respond swiftly, launching actions simultaneously from multiple dimensions such as emergency rescue, on-site control, and material support, making every effort to mitigate the harm of the incident and safeguard environmental safety.

In addition, the Administration Department organizes at least one environmental incident emergency drill each year. By simulating various complex and realistic sudden environmental scenarios, we comprehensively train employees' emergency response capabilities in urgent situations, ensuring that employees can make accurate judgments and swiftly take effective measures at the first instance. At the same time, using the drill as a practical platform, we conduct an in-depth analysis and precise identification of potential risks and hazards. Based on the actual issues feedback from the drill, we target the optimization and improvement of the emergency plan, continuously enhancing the scientific and practical effectiveness of the emergency system, thereby building a solid defense for the Company against environmental risks.

Biodiversity protection

The Company is acutely aware of the importance of protecting natural resources and biodiversity, and strictly implements the relevant national ecological protection requirements. During the project site selection stage, in accordance with the *Technical Guidelines for Environmental Impact Assessment - Ecological Impact*, we organize and conduct ecological impact assessments. This ensures that from the initial stages of construction, we avoid involving special or important ecologically sensitive areas such as national parks, nature reserves, and ecological protection red lines. We also take effective measures to reduce disturbances to the ecological environment and protect biodiversity. During the reporting period, no significant events damaging biodiversity have occurred.



Han's CNC Obtained ISO 14001:2015 Environmental Management System Certification

Optimizing resource utilization

The Company strictly abides by relevant laws and regulations and upholds the principles of prioritizing conservation and focusing on efficiency. By enhancing the resource utilization efficiency, we continuously improve energy and water resource management, actively explore process improvements, technological innovations, and management upgrades to reduce waste and improve resource efficiency.

Water resource management

The Company considers water conservation and the improvement of water resources utilization efficiency as important management requirements in daily operations, formulates the *Energy Conservation and Consumption Reduction Management System*, clearly standardizes water management requirements and continuously promotes refined water management and efficiency enhancement. The Company's water sources are all municipal water supplies, and the main production and operation sites are located in areas with a relatively low water resource risk level. There are no significant direct or indirect impacts on water resources caused by water intake, consumption, discharge, or changes in water storage. The production process of our products involves minimal water usage. During the reporting period, none of the Company's operational bases experienced any major violations related to water resources.

Establish water resource management goals based on 2023 as the baseline year: By 2026, water consumption per unit of output value will remain at the level of 2025, and achieve a decrease of 1% compared to the baseline year



Water resource management measures

Arrange daily safety inspections and establish a rapid-response "report-and-repair" maintenance mechanism to eliminate occurrences of "water running, spilling, dripping, and leaking"

Continuously enhance employees' water-saving awareness by posting signs at water usage points and conducting water-saving themed promotions in conjunction with opportunities like "World Water Day"

Use sensor faucets and water-saving sanitary fixtures within the work area to improve water use efficiency from the source

Energy management

The Company complies with *Energy Conservation Law of the People's Republic of China* and other laws and regulations, formulates the *Energy and Resource Management Control Procedure*, establishes and improves the energy management system, continuously promotes energy-saving measures, increases energy utilization efficiency, and reduces energy consumption.

Energy management initiatives

Set goals

Set energy management objectives based on 2023 as the baseline year: By 2026, electricity consumption per unit of output value will remain at the level of 2025, while achieving a 1% reduction on the electricity consumption per unit of output value compared with the 2023 baseline.

Clarify responsibilities

The Administration Department is responsible for the statistics, reporting, and cost accounting of energy and resource consumption; the Production Department is responsible for the management of production water, electricity, and gas usage, as well as equipment maintenance. It promptly investigates and restores operations upon detecting anomalies to reduce unnecessary energy consumption.

Improve production

In product design and equipment configuration, we adopt solutions such as high-efficiency energy-saving equipment, lightweight materials, central water cooling, intelligent energy consumption management, and equipment sleep mode to reduce the energy consumption of product operation.

Green office

Prioritize the use of natural daylight in office and public areas; upgrade centralized control nodes for the lighting system and deploy smart energy-saving devices to improve electricity efficiency; implement air-conditioning temperature control requirements in office areas; and accelerate the phase-out of high energy-consuming office equipment.

Packaging material management

The Company strictly complies with the relevant requirements of the *Circular Economy Promotion Law of the People's Republic of China*, adhering to the principles of reduction, reuse, and recycling to advance green packaging. We advocate for green design and recycling of packaging, continuously optimizing packaging solutions to reduce the environmental impact of packaging materials in procurement, use, and disposal processes.

Packaging material management initiatives



Improve the recycling, reuse, and repurposing processes, and recycle and reuse packaging cartons, shipping pallets, etc., to extend the usage cycle of packaging materials.



Establish waste and scrap recycling points at each factory to collect recyclable materials such as metals and plastics separately, and collaborate with professional recyclers to achieve resource re-utilization.



Reduce the use and disposal of disposable packaging materials through refined material management, supplier recycling, customer collaboration, and internal reuse.

Promoting green production

Han's CNC adheres to the concept of environmental protection and sustainable development, strictly complying with the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on Prevention and Control of Water Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, and other relevant laws and regulations. We have established an emissions and waste management system, with the Administration Department responsible for coordinating related management work. Through daily management and regular monitoring measures, we reduce the impact of emissions on the environment. During the reporting period, the Company did not experience any incidents of air or wastewater pollutants exceeding standards or being discharged in violation of regulations, nor were there any illegal or non-compliant incidents related to waste disposal.

ESG Goals	Performance in 2025	Completion Status
The annual compliance rate for wastewater discharge reaches 100%.	100%	√
The annual compliance rate for exhaust emissions reaches 100%.	100%	√
The annual compliance rate for waste disposal reaches 100%.	100%	√

Wastewater management

The Company has established and implemented the Wastewater Discharge Control Procedure, conducting full-process and standardized management of wastewater to ensure that treatment and discharge comply with relevant national and local standards. At the same time, the Company advocates for water conservation, promotes source reduction, and reduces wastewater generation and pollutant discharge.

The wastewater generated during the Company's operations primarily includes domestic wastewater and production wastewater. The production wastewater comprises air compressor and air conditioning circulating water (including cooling tower circulating water) as well as ultrasonic cleaning wastewater. Domestic wastewater is treated through a three-stage septic tank system before being connected to the municipal sewage network, where it undergoes further treatment at a sewage treatment plant to meet discharge standards. Industrial cleaning wastewater (cleaning waste liquid) is entrusted to a qualified third party for collection and disposal.

Wastewater management goals

- Ensure that the entire process of treatment and discharge of all wastewater (including production wastewater and domestic sewage) strictly complies with national and local environmental protection laws and discharge standards;
- Establish and implement a full-process management system covering wastewater generation, collection, treatment, reuse, and discharge, promoting refined and standardized management;
- Achieve a 100% compliance rate for wastewater discharge throughout the year.

Wastewater management initiatives

Production wastewater

- Monitor wastewater that needs to be discharged externally once a year to ensure it meets discharge standards;
- Use clean water for cleaning marble, and do not use phosphorus-containing cleaning solutions;
- Industrial wastewater, such as cleaning waste liquids, harmful to the environment, should be collected by departments for classification and included in hazardous waste management. The Administration Department should then contact qualified suppliers for collection and disposal. It is strictly prohibited to discharge untreated wastewater directly into urban drainage facilities.

Domestic wastewater

- Use phosphorus-free cleaning products for canteen cleaning, equip the sewage discharge outlets with filters and grease traps, treat the filtered residue as domestic waste, and appoint qualified institutions to collect the grease from the grease traps;
- Dispose of waste at designated locations according to regulations to prevent sewage from entering the stormwater pipelines on rainy days.

Key performance

74727.38

tons

Total wastewater discharge

0.13

tons per RMB10,000 revenue

Wastewater discharge intensity

73.6

tons

Among them, production wastewater discharge

74653.78

tons

Domestic wastewater discharge

Waste management

The Company consistently adheres to reducing waste generation during operations, strictly complying with the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Waste*. We have established the Waste Management Control Procedure, clarifying the management responsibilities of each department and the waste disposal process. The Company's waste is categorized into general waste and hazardous waste. We handle different types of waste through classification, enhancing resource utilization, and reducing the negative impacts on the environment.



General waste management

For recyclable general solid waste, such as wood and wooden packaging boxes, scrap metal, and waste plastic, we entrust professional third-party companies for recycling and reuse. For wire scraps, scrapped PCBs, and dead stock, we establish a systematic resource recycling mechanism. Through classification and screening, repair and refurbishment, and disassembly and reuse, these materials are converted into usable resources.

For non-recyclable general solid waste, we hand it over to the environmental sanitation authority to be transported to waste treatment plants for harmless disposal. Garbage dumping sites are regularly disinfected, and measures are taken for fly and rodent control.



Hazardous waste treatment

We establish a hazardous waste ledger as required, prepare an annual hazardous waste management plan, set up a centralized management warehouse for hazardous waste, ensure proper protective warning signs, and entrust a third-party organization qualified in hazardous waste treatment for disposal.

Key performance



2.47 tons

Total hazardous waste

3692.85 tons

Total non-hazardous waste

382.95 tons

Total recycled waste

10.36 %

Proportion of recycled waste



Waste gas management

The Company has formulated and implemented the *Environmental Management Operation Control Procedure*, establishing a full-process management mechanism covering the identification, collection, treatment, monitoring, and reporting of emission sources. The exhaust gases generated during the Company's operations mainly include organic waste gases generated during the production process from adhesives, cleaning, and testing (ink application); soldering waste gases from the soldering process; and vehicle exhaust from fleet transportation. Organic waste gases are discharged at high altitude after being treated by a two-stage activated carbon adsorption system; after being collected through pipelines, soldering waste gases are discharged at high altitude.

During the reporting period, the Company reduced emissions by installing exhaust gas treatment facilities and optimizing related processes. For example, the Electroplating Product Center adopted a compact tank design in the production of electroplating equipment, reducing the volatilization of gases from the tank surface, enhancing the efficiency of pollution control facilities, and reducing the discharge of pollutants. The fleet reduces unnecessary mileage and lowers exhaust emissions by optimizing transportation routes and improving vehicle utilization efficiency.



Innovation and Transformation, Achieving Customer Value

Innovation drives development, quality builds trust. Han's CNC consistently uses technological innovation as an engine, continuously optimizing product performance and reliability. Through efficient and agile service responses and a collaborative, win-win sustainable supply chain system, we transform each technological breakthrough into tangible customer value, assisting partners in achieving excellence in manufacturing.



The Company's actions

- We continuously improve the technology innovation management system and R&D platform, focus on breakthroughs in underlying technologies and the deep integration of cutting-edge AI applications, and transform innovative momentum into core competitiveness that leads industry progress.
- We establish and continuously improve the full-process quality management system and have obtained ISO 9001:2015 quality management system certification.
- Focusing on the customer, we establish an immediate response and closed-loop service system, build a comprehensive customer complaint classification and handling mechanism, and an information security protection mechanism to continuously enhance the customer experience.
- We construct a management mechanism covering the full cycle of supplier selection, assessment, cooperation, and development, continuously standardize supplier management and explore the integration of ESG factors into supplier management processes and key decisions to build a sustainable supply chain.



Adhering to innovation-driven development

The Company drives the future of precision intelligent manufacturing through systematic innovation, continuously improving the technology innovation management system and R&D platform. We are committed to the deep integration of foundational technology breakthroughs and cutting-edge AI applications, transforming innovative momentum into core competitiveness that leads industry advancement, providing a fundamental source for realizing long-term customer value.

Governance

Centered on application scenarios, supported by the scenario research platform, product R&D platforms and general technology research platforms to conduct collaborative R&D with upstream and downstream partners across the value chain. We continuously identify process challenges and pain points in PCB fabrication under different scenarios, overcome existing process bottlenecks, and meet evolving and forward-looking requirements. Through continuous iteration and improvement of scenario-specific processes, we maintain the competitive edge of our products and solutions, and provide PCB industry customers with one-stop, optimized processing solutions tailored to each market segment and application scenario.

To enhance the efficiency of R&D collaboration and the achievement transformation capability, the Company continuously advances the development of R&D teams and the improvement of incentive mechanisms. In 2025, the Company upgraded the Management Measures for the Appraisal and Reward of R&D Projects and the performance appraisal mechanism, promoting the online and closed-loop management of all types of R&D projects. Project achievements were linked to individual performance, complemented by diverse incentive measures. As at the end of the reporting period, we operated a total of 37 key projects, covering five product centers, with 274 R&D personnel included in the appraisal, further enhancing the momentum of R&D organizations and the efficiency of project advancement.

Strategy

The Company, with the strategic direction of being an "AI-driven PCB digital intelligence solution provider," focuses on the deep integration of foundational technological breakthroughs and cutting-edge AI applications, continuously transforming innovative achievements into core competitiveness. Focusing on the topic of innovative R&D, the Company identifies, assesses and manages risks and opportunities, strengthens process control and resource allocation, enhances the ability to seize opportunities and address challenges, and supports the Company's long-term sustainable development.



Potential Impacts

The development of PCB technology is driven rapidly by AI computing power, and high-tech demands have led to the continuous emergence of PCBs (such as orthogonal backplanes, CoWoP, and CPO etc.). If there is a deviation in the judgment of R&D directions, if key technological breakthroughs do not meet expectations, or if project delivery schedules lag, it may result in insufficient product adaptation, missed market opportunities, and returns on R&D investment falling short of expectations. This could also lead to management risks such as intellectual property issues, talent loss, and inefficiencies in R&D collaboration.

Countermeasures

Establish an integrated three-platform collaboration mechanism centered on market segments and application scenarios—built on the segmented-scenario research platforms, product R&D platforms and general technology research platforms—to improve R&D-to-product conversion efficiency. Standardize the R&D process through policies and procedures such as the Intellectual Property Management Policy, the Task Objective-Setting Procedure and the Monthly Performance Assessment Procedure. By managing the entire R&D project process and advancing it through an online closed-loop system, we enhance node control and resource coordination. Additionally, by linking project outcomes with performance appraisals and supporting incentive measures, we improve the certainty of project delivery and the efficiency of results transformation.

Potential Impacts

The demand for downstream high-end and intelligent manufacturing continues to grow, with customers preferring suppliers capable of providing comprehensive solutions, quickly responding to process upgrades, and offering stable delivery and services. R&D innovation will directly translate into product competitiveness, customer loyalty, and the ability to expand into new scenarios.

A new wave of technological revolution and industrial transformation is accelerating, with AI technology, represented by large-scale generative models, deeply reshaping the industrial ecosystem. The Company closely follows the evolution of AI technology and the trends of computing power infrastructure construction, proactively positioning itself in high-growth application scenarios such as AI servers. We continuously enhance our equipment and solution capabilities for high-end PCB manufacturing, expand market share, and further consolidate and expand our leading position in the industry.

Countermeasures

We have established a three-pronged service model—"sales + pre-sales technical support + after-sales service"—grounded in responsive services and driven by proactive, value-added services. Covering the full customer lifecycle from requirements alignment and solution support to delivery and O&M, the model strengthens rapid response and end-to-end delivery assurance, continuously enhancing customer value and project delivery effectiveness.

Deepen solution capabilities around critical customer application scenarios, continuously achieving breakthroughs in core technology R&D and engineering implementation; collaborate with global customers, suppliers, and partners for co-innovation to empower the PCB industry chain with innovative technologies for quality improvement and efficiency enhancement; for key processes such as lamination, drilling, exposure, and inspection, improve equipment performance, process adaptability, and quality assurance levels to support the AI server PCB's requirements for high precision, high reliability, and high consistency.



Management of impacts, risks and opportunities

The Company has established internal standards such as the *Design and Development Control Procedure* and *Product Testing Process*, creating a technology innovation risk management mechanism that covers project initiation review, development testing, change control, compliance cost considerations, and process optimization. This aims to standardize the development process, manage technical risks through multi-department reviews and layered testing, and address market opportunities with customized processes and efficiency optimization.



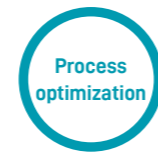
1. Project development: When developing new functions or machines, a cross-departmental project initiation review is conducted. The review is recorded in the *Project Review Record Form* and the project initiation is only permitted after passing the review.



1. Prototype testing: Internal debugging is performed, followed by completion of the *Test Report* according to procedures.
 2. Design change control: After a product passes prototype review, any technical change is treated as a design change, and any major change is subject to review and approval.
 3. Testing of Customized / Modified Products: System testing shall be conducted in accordance with the *Customer Requirements Confirmation Form* or the *R&D Inquiry Form*. If the product fails the test, the R&D team shall make improvements until it passes.



1. Product certification: Design or modify prototypes in accordance with the certification standards established by the standardization team.
 2. Cost accounting: The Finance Department is responsible for product cost accounting, with support from the project team.



1. Document archiving: All technical documents related to the project should be archived in a timely manner. The Document Office is responsible for archiving, distribution, and other management tasks.
 2. Process optimization: To improve response efficiency, we optimize the approval and distribution process of technical documents for modified products and test materials at customer sites.

Metrics and targets

Innovation target: Become an AI-driven PCB digital intelligence solution provider, achieving global No. 1 positions in high-value application scenarios for its products.

Key performance

RMB **457.54** million
R&D investment

7.93 %
Proportion of R&D investment to operating revenue

908
R&D personnel

25.43 %
Proportion of R&D personnel

Product and service quality

The Company strictly complies with the *Product Quality Law of the People's Republic of China* and the *Law of the People's Republic of China on the Protection of Rights and Interests of Consumers*, among other laws and regulations. Adhering to a customer-centric principle and a service philosophy oriented towards customer needs, we have established and improved a quality management system, and have obtained the ISO 9001:2015 quality management system certification. We consistently prioritize product quality and customer service, striving to provide high-quality products and an excellent service experience. During the reporting period, the Company's products obtained certifications such as domestic product standards, CE (MD), and CE (EMC), and no product-related negative incidents occurred.

Governance

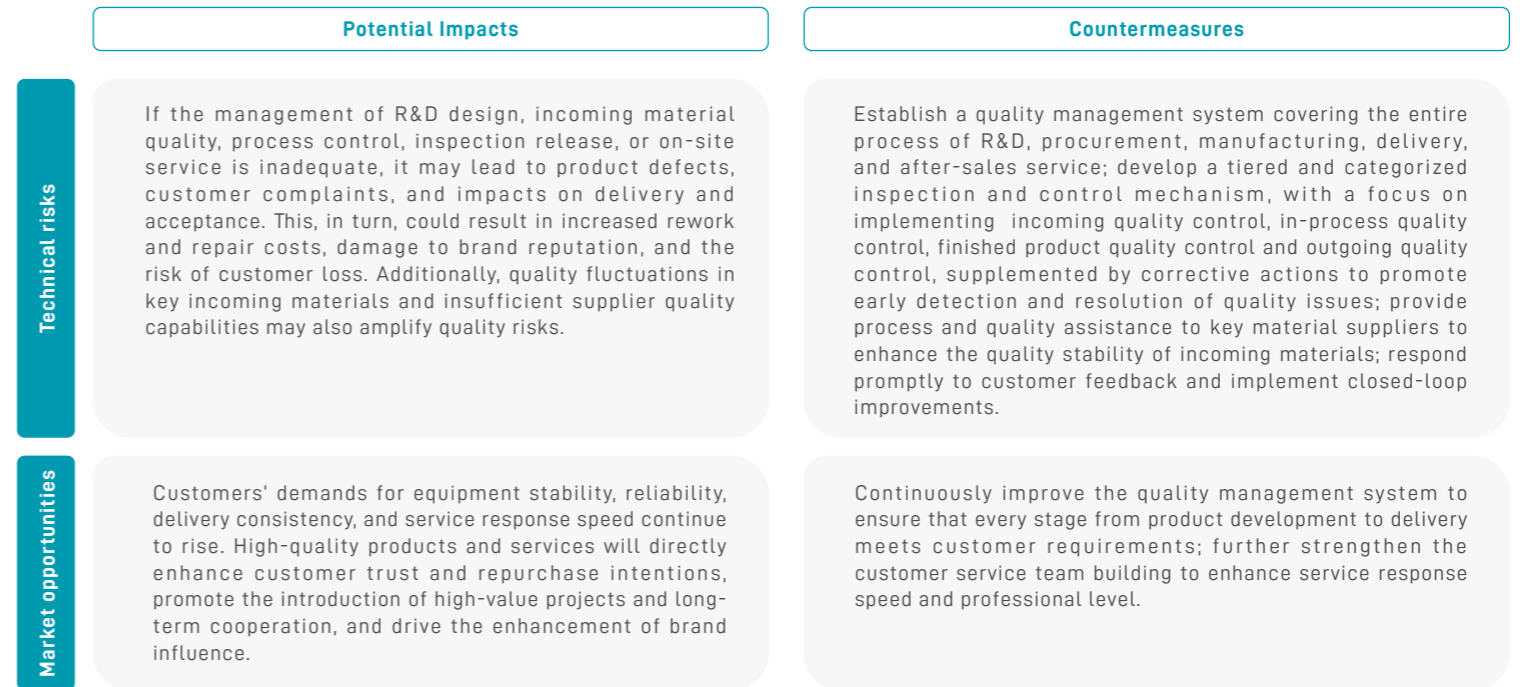
The Company has established a quality management organizational structure with clear responsibilities and efficient collaboration to ensure stable product quality. The Quality Management Center and the Quality Department of the Laser Direct Imaging Product Center are jointly responsible for the construction and operation of the quality management system, coordinating the implementation of product quality management and continuous improvement efforts. At the same time, the Company has equipped a team of internal auditors within the system to participate in system construction and internal audits, and to conduct process training and promotion as well as execution supervision, continuously enhancing the suitability, adequacy and effectiveness of the quality management system.

The Company has established a series of quality systems, including the *Quality Management Manual*, *Quality Appraisal Management System*, *Product Standard Management Specification*, *Quality Incident Management System*, *Recall Work Process*, *Non-conforming Product Control Procedure*, and *Management Measures for Project Quality Issues*. These systems integrate quality management throughout the entire process of R&D, operations, and manufacturing, strictly implementing quality control standards to provide high-quality products to customers.

In terms of customer service management, the *Company has established the Customer Complaint* and *Customer Satisfaction Survey Control Procedure* and the *External Reception Manual*, which clarify the responsibilities and rights of customer service personnel, standardize service processes and standards, continuously improve the customer service system, and enhance the efficiency of customer communication and issue response.

Strategy

In response to intensified market competition and evolving customer demands, the Company focuses on enhancing the quality and safety of our products and services. While consolidating our market position, we are committed to meeting the diverse needs of customers to achieve sustainable development and long-term competitive advantage.



Management of impacts, risks and opportunities

The Company continues to create value for customers, establishing a full-process quality control mechanism throughout the entire product lifecycle. This encompasses key stages such as R&D design, supply chain management, production and manufacturing, delivery, and after-sales service. We systematically identify and manage quality risks such as design defects, incoming material quality fluctuations, and process anomalies to enhance product consistency and customer satisfaction.

On the supply chain side, the Company strengthens the management of quality stability for key materials. In 2025, the Company conducted process guidance and quality improvement support to suppliers of key materials such as machined parts. Through multiple rounds of on-site guidance, we promoted suppliers to optimize processes and operational procedures, thereby enhancing the quality stability of incoming materials. For manufacturing, the Company has established a tiered and categorized inspection mechanism, centering on incoming quality control, in-process quality control, finished product quality control and outgoing quality control. This is complemented by corrective and preventive measures to facilitate early detection and resolution of quality issues, thereby reducing the risk of non-conforming products entering subsequent processes or shipment.

During the R&D and mass production stages, we fully consider product characteristics and process feasibility in the design process to reduce design quality risks. In the mass production stage, we monitor key processes and conduct tracking and analysis of quality improvement to prevent potential quality issues and reduce the occurrence of quality incidents. At the same time, the Company has established a closed-loop mechanism for customer feedback and after-sales service, formulating the *Customer Complaint and Customer Satisfaction Survey Control Procedure*. We clarify the process for handling quality issues and departmental responsibilities, ensure timely responses to customer complaints and new quality requirements, and transform customer feedback into a driving force for continuous improvement, consistently enhancing product reliability and stability.

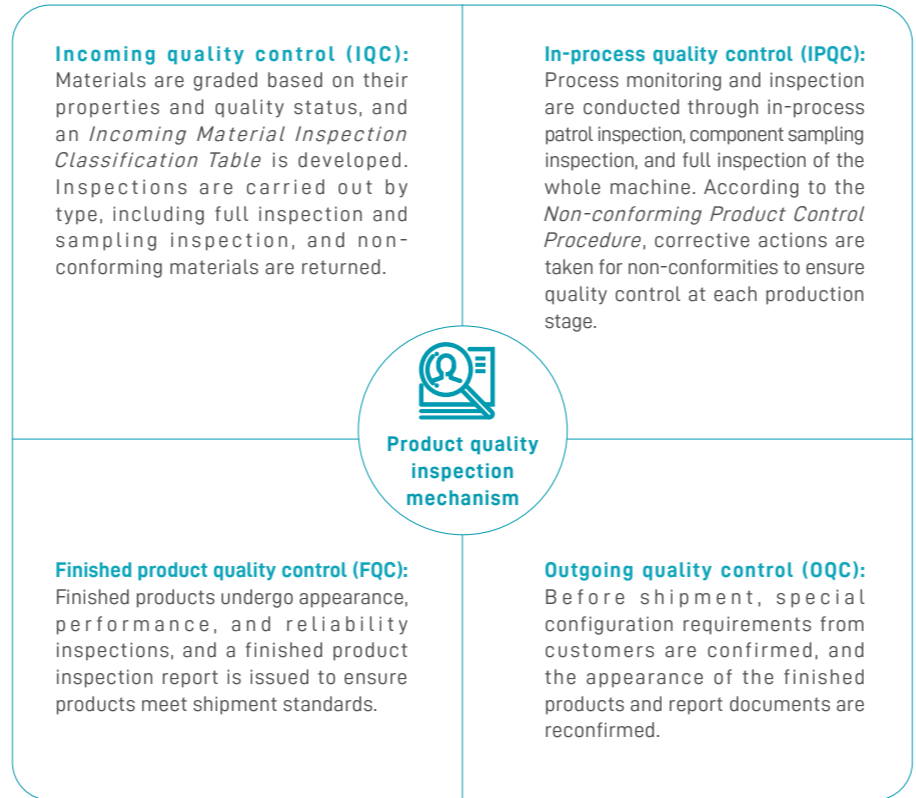


Full Life Cycle Quality Management

Front-end quality planning: At the project initiation stage, the Company strictly adheres to the *design and development control procedures* to rigorously review customer requirements in design and development, ensuring the feasibility and quality requirements of the project.

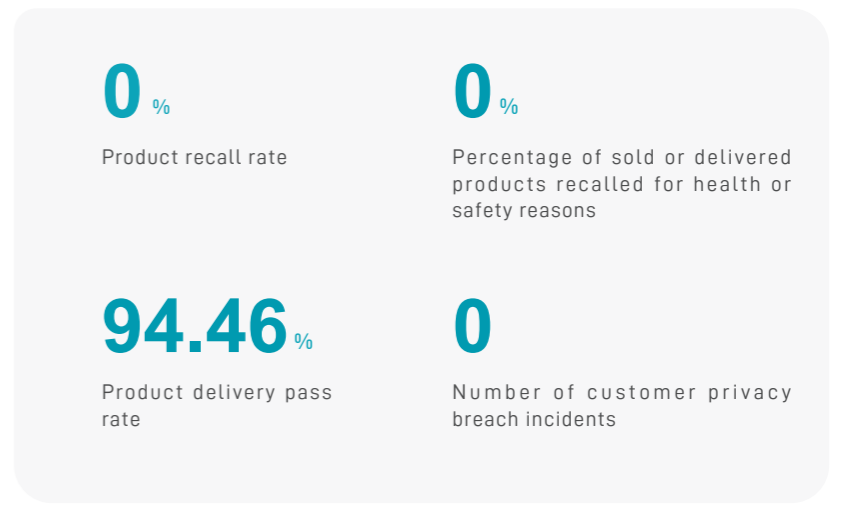
Process control: From supplier management to incoming material inspection and production process control, the Company has established a series of quality management systems, including supplier management and appraisal methods, product measurement, and monitoring procedures. Standardized operating procedures and key control points are established for each stage to ensure process stability and reliability.

Back-end assurance: Before delivery, all products are subject to comprehensive tests and inspection to ensure quality. A comprehensive customer feedback and after-sales service mechanism is established to promptly meet customer service needs.



Metrics and targets

The Company will continue to optimize the full-process quality control system, promote the deep integration of quality management systems with business processes, further reduce quality risks, and improve operational efficiency. We are committed to achieving the long-term quality management targets of zero major customer complaints and a steady increase in the first-pass yield of product delivery through continuous improvement.



Efficient customer service

The Company consistently adheres to a customer-centric philosophy, establishing an immediate response and closed-loop service system. We have developed a comprehensive customer complaint classification and handling mechanism, as well as an information security protection mechanism. While effectively safeguarding customer privacy and data security, we ensure that customer needs are addressed efficiently and professionally, continuously enhancing the customer experience.

Customer demand response

The Company uses CRM as a platform and relies on a 400 call system to provide customers with 24/7 online service response. Customers contact the Company through the call system for repairs and feedback. The 400 call system assigns engineers to the client site to provide service and fill out a maintenance service report. After confirming the issue is resolved, the 400 call system conducts a follow-up to confirm service quality, forming closed-loop customer service management. At the same time, the Company provides on-site and all-inclusive (turnkey) service models, assigning personnel to be stationed at the factory 24 hours a day to offer equipment repair, maintenance, and spare parts services.

Customer complaint handling

The Company has established a comprehensive customer complaint handling mechanism. When the 400 Operation Management Team or marketing system personnel receive dissatisfaction and opinions from customers expressed verbally, by phone, or in writing, the Customer Value-added Department categorizes them into service complaints and quality complaints. For service complaints, the User Complaint Handling Form is sent to the department manager and (deputy) director who is responsible for the specific customer. The Customer Value-added Department verifies the issues related to the office engineer with the customer and takes appropriate actions. The 400 Operation Management Team follows up on the handling results. For quality complaints, the User Complaint Handling Form is sent to the customer service manager to be processed according to the Company's procedures.



Sustainable supply chain

The Company has established a management mechanism covering the entire cycle of supplier selection, assessment, cooperation, and development. We continuously standardize supplier management and explore the integration of ESG factors into the supplier management process and key decisions. We actively guide and empower suppliers to collaboratively enhance ESG performance, jointly driving the value chain towards a greener, more transparent, resilient, and sustainable direction.

Governance

The Company has established a supply chain management framework led by the Supplier Management Department, with collaboration across multiple departments and subsidiaries autonomously managing within the headquarters' system framework. Meanwhile, we continuously improve the supplier management system, established the *Supplier Management Measures* to standardize the full-process management of supplier development, certification, daily management, assessment and auditing, and exit, standardize the supplier lifecycle management, and consistently enhance supply chain management.

Management structure	
Supplier Management Department	The supplier management department is responsible for supplier development and management, including collecting basic information of new suppliers and conducting business reviews, organizing and coordinating on-site evaluations of suppliers, procuring and providing new samples, updating resources for qualified suppliers, assessing suppliers in terms of price, service, etc., signing and archiving the supplier cooperation document, and submitting introduction materials.
Order Management Department	Follow-up on purchase orders daily, assess supplier delivery performance and service quality, participate on-site supplier reviews, and conduct supplier performance appraisals.
Quality Management Center	It is responsible for formulating quality requirements and product standards for suppliers, conducting quality reviews, quality appraisals, quality guidance, feedback of quality issues, and corrective actions verification.
Product Centers and Management Platforms	Product Centers and Management Platforms participate in the review of core material suppliers (such as suppliers of materials specifically required by the product center); participate in the assessment of suppliers in terms of process and technology management; confirm the samples of new materials provided by suppliers; and assist in providing technical standards for the procurement of materials.
Subsidiaries	Subsidiaries refer to the Company's <i>Supplier Management Measures</i> to lead their own supplier development and management.

Strategy

Identification and analysis of risks and opportunities

	Risk/Opportunity Type	Potential Impacts
Risks	Risk of supply disruption and delivery delays	The risk of supply disruption may arise due to insufficient supplier capacity or production interruptions, directly affecting our product manufacturing and delivery, and potentially leading to contract breaches.
	Quality risk	If the parts or raw materials provided by suppliers have quality issues, it will affect the quality of the Company's products, potentially leading to customer loss or product quality disputes.
	Cost fluctuation risk	Fluctuations in the prices of raw materials and components, changes in exchange rates, and rising logistics costs will directly affect the Company's production costs. If these cannot be effectively hedged or absorbed through supply chain management, it will lead to a reduction in the Company's profits.
	Compliance risk	If suppliers experience major violations in areas such as environmental protection, labor rights, or business ethics (e.g., environmental penalties, forced labor scandals), it will indirectly affect the Company's reputation and may impact sales to international customers, especially those adhering to ESG standards.
Opportunities	Market opportunities	Amid the growing focus on ESG, enhancing supply chain management by proactively incorporating ESG standards into supplier access and appraisal will be beneficial for improving product quality, ensuring production continuity, and assisting the Company in securing orders.

Risk and opportunity response strategy

The Company adheres to the concept of sustainable development and continuously improves its supply chain management system. On the basis of strictly implementing supplier access, assessment, and exit mechanisms to ensure transparent cooperative norms, we gradually incorporate environmental, social, and governance factors into supply chain management. We are committed to promoting the collaborative enhancement of ESG performance among upstream and downstream partners, thereby strengthening supply chain resilience, managing long-term risks, seizing development opportunities, and building a transparent, reliable, and responsible sustainable supply chain ecosystem.



Supplier introduction: Conduct supplier development based on the requirements for potential suppliers as stated in the Supplier Management Measures. This includes conducting basic information investigation and review, on-site review, and material confirmation for potential suppliers. After passing the review of each stage, a supplier cooperation document is signed with the supplier to be introduced, and supplier certification is completed according to the procedure.

Regulating supplier management

Supplier audits and assessments: Supplier audits are divided into regular annual audits and audits under special circumstances. At the end of each year, the Supplier Management Department conducts a comprehensive annual evaluation of suppliers based on their quarterly performance assessments and regular audit results. Based on the annual comprehensive evaluation and grading results, suppliers are handled according to the performance evaluation and grading strategy.



Continuous supplier management: Based on the supply-demand relationship, supply category, proportion of procurement business volume, existing resources, and external resources, suppliers are graded and classified for annual management. Different management strategies apply to different categories of suppliers.

Supplier exit mechanism: A supplier exit mechanism is established with clear regulations for revoking a supplier's qualification to supply goods. This includes situations where a supplier receives a performance evaluation grade of D for two consecutive quarters, or a cumulative performance evaluation grade of D for three quarters within a year, an annual comprehensive evaluation grade of D, or if there are serious quality issues with supplied materials during pre-sale or after-sale processes leading to significant quality losses, and the supplier is confirmed to lack the ability to remedy these issues. In such cases, consideration will be given to revoking their qualification to supply goods.



Building a sustainable ecosystem

The Company gradually incorporates ESG factors such as environmental, social, and business ethics into supplier management processes. We include the *Integrity Transaction Agreement in the Supplier Cooperation Document*, and sign the integrity transaction clauses concurrently when signing cooperation documents with suppliers. Environmental requirements are integrated into relevant procurement requirements, suppliers of goods such as sheet materials and steel needles are required to provide hazardous substance-free test reports issued by qualified third-party testing institutions, which is aimed at encouraging suppliers to enhance their ESG practices and actively build a sustainable supply chain.

Case

Promoting Integrity in Supplier Cooperation to Foster a Collaborative Environment with Transparency and Integrity

In November 2025, the Company conducted a training session on integrity cooperation for 32 suppliers. The training emphasized the importance of integrity cooperation through case analysis and interpretation of regulations. It clarified prohibited behaviors, liability for violations, handling methods, and supervision and feedback mechanisms, effectively enhancing suppliers' awareness of compliance in cooperation. This effort aids in building a fair, just, integrity, and transparent cooperation environment.



Site of the Training Session on Integrity Cooperation for Suppliers

Management of impacts, risks and opportunities

The Company incorporates supply chain risks into its overall risk management system and establishes a risk management mechanism that spans the entire lifecycle of suppliers to address supply chain risks identified during operations. In the access stage, we set strict review standards to comprehensively assess the financial health, quality management system certification, and production capacity of suppliers. During cooperation, we implement tiered management and regular performance assessments, incorporating key indicators such as on-time delivery rate and quality pass rate into the assessment. Priority in orders and favorable payment terms are given to suppliers with outstanding performance. For high-risk and key materials, the Company adopts a diversified supply strategy, establishing multi-brand supply channels, reducing exclusive product supply, reaching strategic cooperation plans with suppliers, and making effective inventory reserves to reduce reliance on a single supplier. At the same time, through regular on-site audits, quality meetings, and specialized training, we continuously strengthen collaboration and capacity building with all suppliers.

Metrics and indicators

Metric	2025
Total number of suppliers	1319
Proportion of local suppliers	72.02%
Proportion of local procurement amount	42.07%
Number of suppliers who conducted environmental impact assessments	42
Number of suppliers who conducted social impact assessments	38
Number of certified sustainable suppliers	1293
Proportion of certified sustainable suppliers	98.03%

Value Co-creation, Empowering the Industrial Ecosystem

Han's CNC consistently adheres to the development philosophy of mutual benefit and win-win outcomes. By continuously participating in the industry, we transform accumulated experience into wisdom and strength to drive industry development. We uphold a people-oriented approach, establishing a support system for the entire growth cycle, from safeguarding employee rights and interests to career development, providing a broad platform for employees. While creating business value, we collaborate with various parties through industry empowerment and public welfare actions to jointly build a warm and beautiful future.



The Company's actions

- We participate in the formulation and revision of international standards, national standards, and a series of industry standards, deepen industry exchange and cooperation, and contribute wisdom to industry development.
- We comprehensively safeguard employee rights and interests, establish a tiered and categorized training system and diversified career development channels, implement a systematic and standardized occupational health and safety management system, care for employees' daily lives, and continuously enhance employees' sense of well-being.
- We actively support rural revitalization and enthusiastically engage in social welfare, spreading love and warmth while exploring our own sustainable development.



Promoting industry advancement

While deepening internal sustainable development, the Company actively integrates into and promotes the collective progress of the industry. By participating in the formulation of industry standards and continuously deepening industry exchanges and cooperation, we promote knowledge sharing and the dissemination of best practices within the industry, contributing to the construction of a healthier, more collaborative, and dynamic industrial ecosystem.

Deepening communication and exchange

With an open and collaborative approach, the Company actively participates in domestic and international professional exhibitions, showcasing its innovative achievements in technology and services. We engage in extensive and in-depth exchanges with leading enterprises and strategic partners, promoting knowledge sharing and complementary capabilities, and jointly creating a mutually beneficial industry ecosystem.

Case

Shining of Han's CNC Innovative Solution at JPCA SHOW 2025

In June 2025, the Company showcased its latest laser solution at the JPCA SHOW 2025 in Japan. As an important exhibition in the Asian electronic circuit industry, JPCA SHOW brings together cutting-edge technologies and innovative achievements from around the world. Han's CNC's participation will empower the industry chain to overcome technical bottlenecks, collaborate with global partners, and decode cutting-edge technologies in the field of advanced packaging.

Focusing on the strong trend of rapid iteration in advanced packaging technology, at this year's JPCA Show, the Company's newly developed complete laser solutions made a stunning debut. These solutions cover major processes such as Drilling, Trench, Trimming, Cavity, and Routing, meeting the critical process requirements of advanced packaging substrates for high-density, ultra-high layers, new materials, and 3D stacking, becoming the highlight of the exhibition.



JPCA SHOW 2025 Event Site

Case

Participating in CPCA SHOW PLUS 2025, Accelerating AI's Advancement into the Physical World

In October 2025, Electronic Semiconductor Industry Innovation & Development Summit International Electric Circuits (Greater Bay Area) Exhibition (the CPCA SHOW PLUS 2025) was grandly held in Shenzhen. As one of the few companies in the industry capable of providing corresponding complete solutions, Han's CNC showcased under the theme "Intelligent 'Core' Manufacturing for a Win-Win AI Era," presenting intelligent computing center scenario solutions. The focus was on addressing the challenges in computing power PCB processes with an innovative one-stop collaborative solution, accelerating AI's advancement into the physical world. Additionally, during the opening ceremony's 2024 China Electronic Circuit Industry Major Enterprises Revenue Ranking Award Ceremony, the Company once again topped the list for specialized equipment and instruments, have received this honor for 16 consecutive years.



China Electronic Circuit Industry Major Enterprises Revenue Ranking Award Ceremony

Participation in the development of industry standards

Based on extensive practical experience and professional expertise, the Company actively participates in the formulation and revision of relevant industry standards and norms, contributing to the development of more scientific and unified industry standards and offering insights for the advancement of the industry.

Standard Title	Standard Type	Engagement	Progress
<i>IPC-2591 Connected Factory Exchange (CFX)</i>	International standards	Participate in the review	Published
<i>GB/T7247.14-2025 Safety of Laser Products</i>	National standard	Participate in the review	Published
<i>T/CPCA8001-2022 Specification of Communication Protocol Semantics for Printed Circuit Board Manufacturing Equipment</i>	Industry standards	Lead the preparation	Published
<i>T/CPCA6047-2023 Specification of Rigid Printed Board for Data Center</i>	Industry standards	Participate in the review	Published
<i>T/CPCA4404-2024 General Specification of Cemented Carbide Drills for Printed Boards</i>	Industry standards	Participate in the review	Published
<i>T/CPCA6044A-2025 Printed Circuit Board Safety</i>	Industry standards	Participate in the review	Published
<i>T/CPCA6045A-2025 Technical Specifications for High-density Interconnected Printed Circuit Boards</i>	Industry standards	Participate in the review	Published
<i>T/CPCA6048-2025 Direct Bonding Copper Ceramic Printed Board</i>	Industry standards	Participate in the review	Published
<i>Packaging Box for Carbide Drills and Milling Cutters for Printed Circuit Boards</i>	Industry standards	Participate in the review	Under development



Building a happy workplace

Protecting employees' rights and interests

The Company strictly complies with the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*, among other relevant laws and regulations. We have established a standardized management system to fully protect employees' legitimate rights and interests, creating a respectful, equal, and harmonious working environment for our employees.

Employment compliance

The Company has established a standardized recruitment and hiring process, applying an open, transparent, and uniform process standard for all positions. A recruitment management system has been implemented, incorporating recruitment demand management, job posting, resume screening, interview scheduling and evaluation, and hiring approval into the system. This creates a complete closed-loop recruitment data process, ensuring efficient and compliant management of the entire recruitment and hiring process.

The Company strictly complies with relevant laws and regulations, has never employed any child labor, and all employees are employed voluntarily. In the recruitment process, we verify identity and age to ensure that every employee meets the legal working age. No department or personnel shall collect any form of "factory entry deposit" from new employees, including cash or goods. It is strictly prohibited to withhold or mortgage employees' ID cards, residence permit, or other personal identification documents.

Key performance

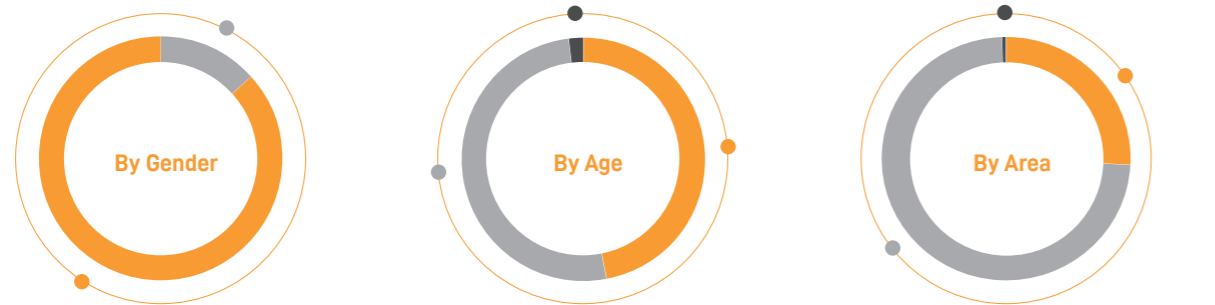
100%

Labor contract signing rate

100%

Social insurance coverage rate

Employee Diversity Chart



● Male	3097	● Under 30 years old	1678
● Female	473	● Aged 30-50	1827
		● Aged 50 and above	65
		● In Guangdong Province	931
		● Outside Guangdong Province	2628
		● Overseas (including Hong Kong, Macao, and Taiwan region of China)	11

New Employee Diversity Structure



● Male	1383	● Under 30 years old	1134
● Female	151	● Aged 30-50	398
		● Aged 50 and above	2
		● In Guangdong Province	414
		● Outside Guangdong Province	1113
		● Overseas (including Hong Kong, Macao, and Taiwan region of China)	7

Remuneration and welfare

All our compensation practices strictly comply with national and local labor laws, and salaries are determined based on job value, capability, and performance. Based on the annual operational goals and actual profitability, we conduct a comprehensive assessment considering employees' job responsibilities, professional skills, and work performance to provide employees with market-competitive total compensation. The total compensation includes standard salary, position allowance, welfare fees, overtime pay, performance commission, project bonuses, and equity incentives. In the recruitment of new employees, the Company conducts a comprehensive evaluation based on the candidate's educational background, previous work experience, and personal capabilities to determine individual salaries. To ensure the competitiveness of the Company's overall compensation, the human resources department closely monitors changes in the external economic environment and adjusts salaries in a timely manner based on employees' individual work performance. In addition, in accordance with relevant regulations, the Company provides all employees with pension insurance, medical insurance, unemployment insurance, maternity insurance, work-related injury insurance, and housing provident fund, offering robust social security for employees.

Working hours and leave

The Company implements a standard working hour system of five days per week, with no more than 40 hours per week. Overtime wages are paid in accordance with laws and regulations for hours worked beyond the standard schedule. Meanwhile, employees are entitled by law to statutory holidays, annual leave, marriage leave, maternity leave, breastfeeding leave, paternity leave, bereavement leave, work-related injury leave, and compensatory leave.

Anti-discrimination and anti-harassment

The Company firmly opposes any form of discrimination and harassment, and is committed to creating a respectful, friendly, and fair working environment. The relevant regulations on anti-discrimination and anti-harassment are clearly stipulated in the *Employee Handbook*, and all employees are required to comply.



Employees have the freedom of religious belief and the right to practice their faith and customs. We prohibit any form of discrimination, including but not limited to recruitment, promotion, salary, training, and work assignments.



We prohibit any coercive, threatening, insulting, or exploitative behavior towards employees, including gestures, language, and physical contact. The use or support of corporal punishment, body searches, violent threats, or other forms of physical abuse, sexual abuse, mental abuse, or verbal abuse is prohibited.



We prohibit speech, imitation, and jokes or unfriendly, threatening, and intimidating behavior that is biased against employees' gender, race, religious beliefs, age, disability, sexual orientation, nationality, political views, social status, social background, ethnic background, marital and parental status, and physical condition.



It is prohibited to place or distribute texts, images, materials, etc., in public places that are defamatory or unfriendly towards individuals or groups based on gender, race, religious beliefs, age, disability, sexual orientation, nationality, political views, social status, social background, ethnic background, marital and parental status, or physical condition.

Democratic communication

The Company adheres to the principle of democratic participation, establishing a labor union to effectively enhance the active role of employees in democratic management. We encourage employees to offer suggestions and advice for the Company's development and enhance communication and interaction with employees through various forms. Additionally, to activate the talent engine and stimulate innovation momentum, the Company organizes an "Excellent Talent Exchange Conference" each quarter. During the exchange conference, the Company's employees can engage in interactive exchanges and in-depth dialogues with the Chairman regarding relevant questions and demands in their work.



Excellent Talent Exchange Conference

Key performance

A total of **6** sessions of the Excellent Talent Exchange Conference were held, with **326** participants.

Performance feedback and appeals

In the *Notice on Quarterly and Annual Employee Appraisal Matters*, it is clearly stated that if an employee has objections to their appraisal results and cannot reach a consensus after communicating with the appraisal officer, they may appeal to the Talent Development and Management Department within three working days of receiving the appraisal result. The Talent Development and Management Department is responsible for coordinating and handling the appraisal appeal and responding to the employee's appeal. At the same time, after the quarterly/annual appraisal results are generated, the OA system will trigger a *Performance Result Notification* for employees to confirm. The notification will specify the appraisal results and the appeal procedure. If employees do not agree with the appraisal results, they can appeal according to the appeal procedure.

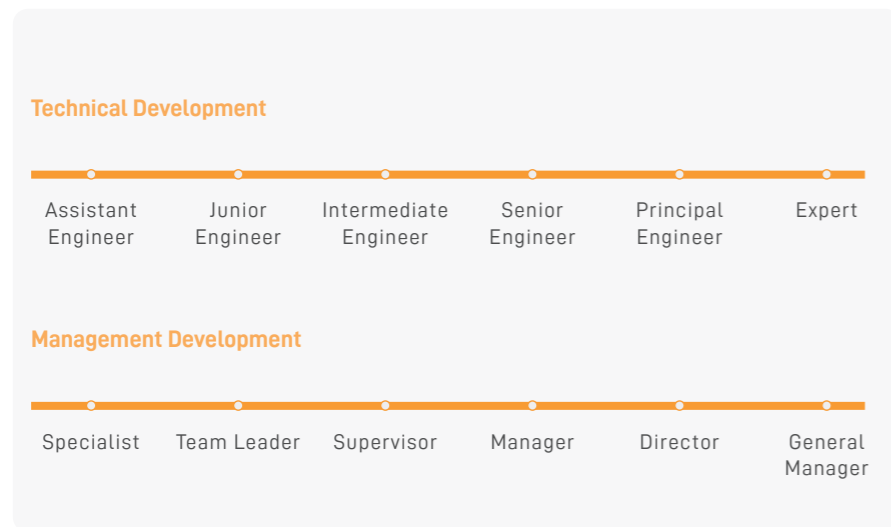
Supporting employee development

The Company has established a diversified career development path covering the entire sequence of R&D, marketing, functions, and production. We have developed a tiered and categorized training system throughout the employee growth cycle. Through online and offline platforms, we provide targeted empowerment for employees at all levels and positions, achieving mutual promotion and integration of talent growth and corporate development.

Smooth promotion pathways

The Company has established a position system and career development path based on job value, adhering to the employment philosophy of "making the best use of talents and evaluating performance rather than potential." We are committed to providing every employee with diverse growth platforms and promotion opportunities. The Company's jobs are categorized into four major types, including R&D technology, marketing, public functions, and frontline production, each with a dedicated promotion pathway. Employees are evaluated for their positions based on their on-the-job performance, key project milestone achievements, and annual comprehensive evaluation results. This serves as an important basis for employee promotion and incentives and is closely linked to the compensation system. During the reporting period, through an open competition process, we made over 50 core positions in company-level key projects available to all employees.

Promotion pathways for different job categories:



Improving the training system

The Company is committed to building a systematic training system that covers all employees and is tiered and categorized. With the core objectives of "supporting employee growth, sustaining business development, and driving organizational innovation," we integrate high-quality internal and external resources to plan differentiated development paths for employees in different positions, ranks, and stages of development. Through the combination of online learning platforms "Craftsman Academy" and "Cloud Classroom Dicing" with offline training, we ensure the flexible and efficient implementation of training. At the same time, we establish mechanisms such as training credits and file management to ensure that the value of training is effectively transformed into the enhancement of employee capabilities and the strengthening of the Company's core competitiveness.



Case

Conducting a Practical Project Management Drill to Enhance Employees' Project Management Capabilities

To help employees better adapt to the new requirements of the Company's development and seize the opportunities brought by project information disclosure, the Company organized a practical project management drill, with a total of 108 participants. The training, through systematic practical courses, simulated project operations, and case analysis, covered key modules such as project planning, risk control, and progress advancement. It aimed to systematically enhance employees' professional project management skills while guiding them to accumulate transferable project experience in practical scenarios, transforming theoretical knowledge into the ability to solve real-world problems.

Han's CNC 2025 Practical Project Management Drill

Safeguarding health and safety

The Company has established a comprehensive occupational health and safety management system. Through systematic policies and procedures, we effectively manage various occupational health and safety risks, with particular attention to the safety rights of special employee groups, providing comprehensive safety protection for all employees.

Improving the management mechanism

The Company has established and implemented a systematic and standardized occupational health and safety management system, fully integrating the concept of occupational health and safety into every aspect of daily operations to effectively ensure the safety and health of employees.

System construction

Using the ISO 45001 occupational health and safety management system as a framework, we have developed a series of institutional documents, including the *Safety Education and Training System* and *Occupational Health Control Procedure*.

Risk assessment

We conduct comprehensive occupational health and safety risk assessments regularly to identify potential hazards and occupational disease hazard factors in all operational activities. Based on these assessments, we develop targeted control measures to ensure that risks are known and controllable.

Hidden hazard investigation

We establish and operate a hidden hazard investigation and governance mechanism. Through various methods such as daily inspections, special inspections, and seasonal inspections, we promptly identify and record safety hazards. All hidden hazards are recorded in the ledger, with clear identification of responsible persons, measures, and deadlines for remediation. Acceptance is conducted to form a closed-loop management of "investigation-record-remediation-closure."

Environmental monitoring

For workplaces with occupational disease hazards such as noise, dust, and chemical toxins, we commission qualified third-party organizations to conduct regular monitoring of hazardous factors to ensure their concentration/intensity complies with national limit requirements.

Labor protection

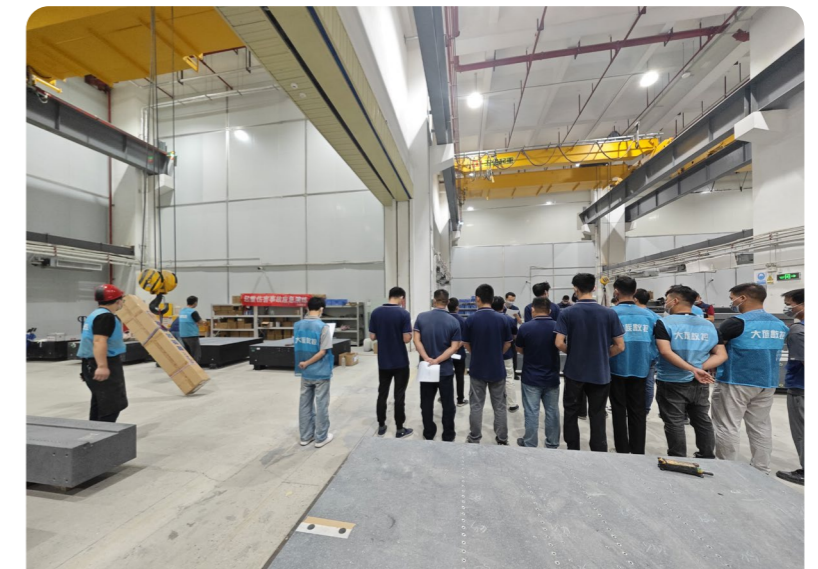
According to the *Labor Protection Equipment Allocation and Management System*, we provide employees with labor protection equipment that meets national standards (such as protective masks, earplugs, safety glasses, protective gloves, safety shoes, etc.) free of charge, and supervise and guide their correct wearing and use.

Employee health checkup

We regularly organize occupational health checkups for employees exposed to occupational disease hazards, establish personal health monitoring files, and achieve early detection and prevention of occupational disease risks.

Strengthening emergency management

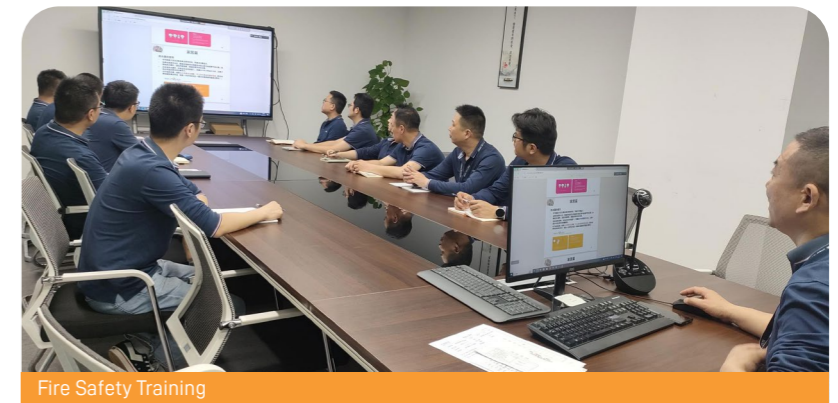
The Company has developed a comprehensive *Production Safety Accident Emergency Plan*, clearly outlining the entire process of alarm, evacuation, rescue, and handling, and is equipped with sufficient emergency supplies and equipment. An emergency drill plan is formulated and implemented annually, covering major accident scenarios such as fires, chemical spills, and mechanical injuries. Through regular drills, we continuously test and optimize the effectiveness of emergency plans to ensure a rapid, orderly, and efficient response in emergencies, while continuously enhancing employees' emergency response and self-rescue and mutual rescue capabilities.



Emergency Drill for Lifting Injury Accident

Conducting safety training

The Company has established a comprehensive occupational health and safety training system that covers all employees, spans the entire process, and emphasizes effectiveness. We strictly implement a three-level safety education and training system, conduct occupational health training for all new employees and organize annual retraining for on-the-job employees, ensuring that both new and on-the-job employees receive safety knowledge and skill training that match the risks associated with their positions.



Caring for employees' lives

The Company continuously improves the employee care and welfare protection system, provides support for special and disadvantaged employees, and organizes a variety of cultural and sports activities. We are committed to creating a harmonious, friendly, and vibrant working environment for employees, enhancing their sense of well-being.

Caring for employees

The Company focuses on the needs of employees in their work and life, continuously carrying out employee care initiatives, improving various employee benefits, and providing care and warmth to every employee.

- ✦ **Convenient employee commute:** Multiple shuttle bus routes have been established to alleviate employees' commuting concerns.
- ✦ **Improving the work environment:** Funds have been invested in the purchase of personal protective equipment (PPE) and the renovation of work sites, such as installing air conditioners for high-temperature positions and improving the environment of rest areas, enabling employees to work in a more comfortable environment.
- ✦ **Distribution of holiday benefits:** Each year, we prepare birthday gifts for every employee and distribute holiday gifts during festivals such as International Labor Day, Dragon Boat Festival, and Mid-Autumn Festival, conveying festive blessings and warmth.
- ✦ **Caring for women:** Every year on International Women's Day, we distribute holiday gifts to female employees, accompanied by a personally signed letter of blessing from the Chairman, expressing gratitude for their hard work and perseverance. We also organize health check-ups and provide exclusive health packages for female employees of different ages.
- ✦ **Supporting Employees in Need:** We actively provide assistance to employees facing difficulties, offering timely condolence payments to employees and their family members who are ill, disabled, or experiencing emergencies, effectively helping them overcome challenges. During the reporting period, the Company provided assistance to 2 employees in need.



Enriching cultural and sports activities

The Company organizes a variety of cultural and sports activities to help employees relieve work pressure, assist them in balancing work and life, and enhance team cohesion while creating a positive and progressive work atmosphere.



Family Open Day Event



Fun Sports Event



Lantern Riddle Gathering for the Lantern Festival



Choir Competition

Gathering the power of goodness

Enterprises are creators of economic value and companions in social development. The Company consistently integrates goodwill into actions, invigorating the intrinsic vitality of rural areas through industrial and consumption assistance, and co-creating a warm home through community involvement and public welfare initiatives.

Contributing to rural revitalization

The Company actively responds to the national rural revitalization strategy by leveraging its own industrial resources to invest in and establish a production and manufacturing base locally, thereby promoting local employment and industrial upgrading. We continuously procure high-quality agricultural products with local characteristics, help open up sales channels, effectively promote farmers' income growth, and inject momentum into rural development.

- **Industrial support:** In 2022, the Company invested RMB140 million to establish a PCB equipment manufacturing production base in Xinfeng County, Ganzhou City. As the "chain leader" enterprise of the electronic information industry in Xinfeng County, we directly attracted over 20 supporting enterprises to settle in Xinfeng, boosting the local economy, cultivating skilled workers, solving local employment issues, and assisting Xinfeng in becoming one of the largest PCB industry clusters in the country. This initiative promotes the formation of a complete industrial chain from copper-clad laminates to intelligent terminals in the area.

- **Consumption assistance:** Since 2023, we have been purchasing local specialty navel oranges from Xinfeng, Ganzhou, to support consumption assistance and increase farmers' income.



Navel Orange Assistance for Farmers

Building a better community together

The Company actively encourages and supports employees to engage in community co-building, continuously organizing employee participation in sports events such as badminton tournaments held by the community. We also actively carry out various volunteer service activities to deepen the positive interaction between the enterprise and the community, contributing to community development.



The Fifth "Labor Union Cup" Badminton Tournament of Fuhai Sub-district

The Company actively organizes employees to participate in community sports events, such as participating annually in various badminton tournaments held by Fuhai Sub-district, the community, and the labor union. We claimed the championship title at the Fifth "Labor Union Cup" Badminton Tournament of Fuhai Sub-district held in March 2025.



"Green Waters and Lush Mountains Reflect Our Original Aspiration, Walking Together to Fulfill Our Mission" Themed Party Day Activity

In March 2025, the Company's Party branch organized the "Green Waters and Lush Mountains Reflect Our Original Aspiration, Walking Together to Fulfill Our Mission" themed party day activity. Party members engaged in collective hiking to strengthen their physiques and spontaneously conducted environmental cleaning activities during the journey, picking up litter along the way to actively protect the ecological environment.

Key performance

2400 million in local taxes
The Company contributed nearly RMB

500 jobs
created approximately

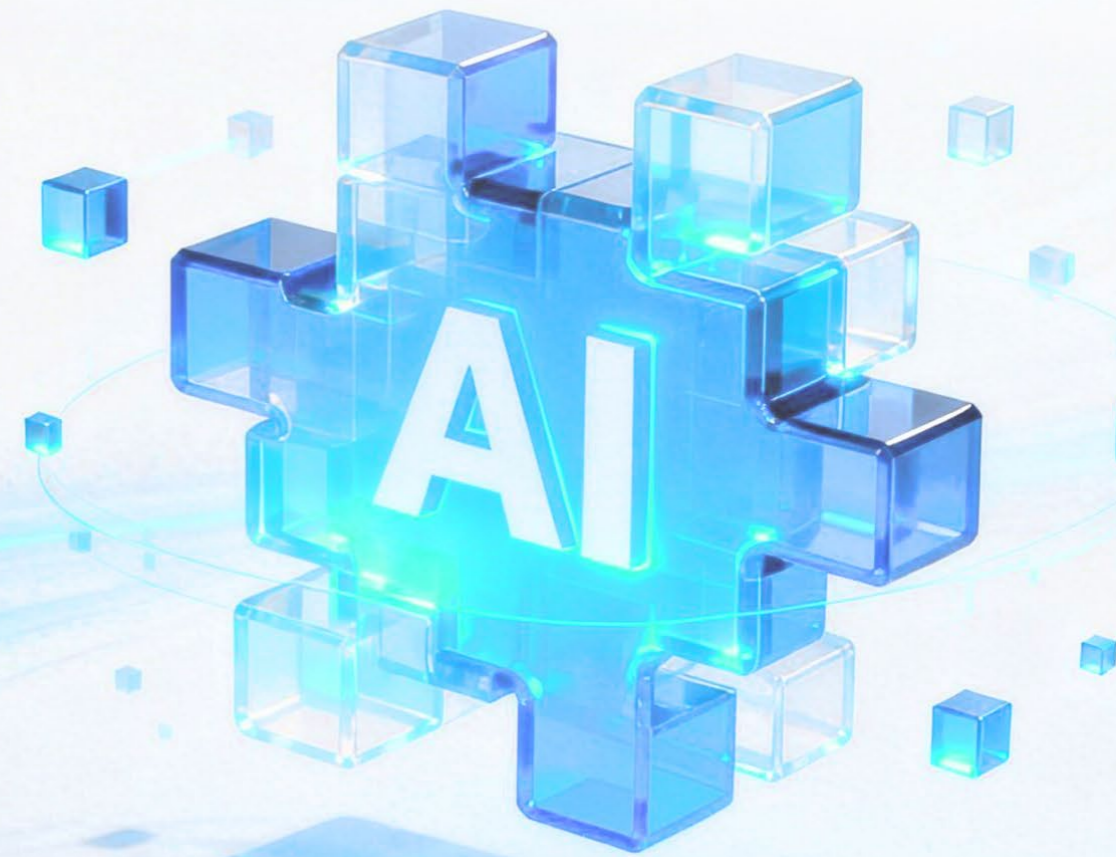
RMB 3.178 million
As of the end of the reporting period, cumulative charitable investment totaled

Looking Ahead

Standing at a new starting point for development, Han's CNC will continue to use technological innovation as an engine and sustainable development as a path to continuously enhance corporate governance efficiency, deepen the green manufacturing system, and strengthen social responsibility, driving the PCB industry towards higher precision, greater intelligence, and more environmentally friendly development.

In terms of corporate governance, the Company will further improve its modern governance structure, strengthen compliance operations and risk management, and enhance the transparency of information disclosure to create long-term and stable value for shareholders, customers, and partners. In the field of environmental protection, the Company will increase investment in green technology and clean production, optimize equipment energy efficiency and resource recycling rates, and actively promote the implementation of carbon neutrality goals in both operational and supply chain stages. At the social responsibility level, Han's CNC will continue to focus on employee growth, health and safety, strengthen collaborative development with communities and industries, and promote a win-win industrial ecosystem.

The Company firmly believes that by continuously practicing ESG principles, Han's CNC can not only achieve its own high-quality development but also contribute to building a more efficient, greener, and more inclusive electronic information industry ecosystem. We are committed to becoming a trusted leader in sustainable development in the global PCB equipment sector.



Key Performance

Environmental Performance

Environmental compliance management

Metric	Unit	2025
Environmental protection investment amount	RMB10,000	263.80
Environmental protection investment as a percentage of operating revenue	%	0.046

Emissions Management

Metric	Unit	2025
Total hazardous waste	t	2.47
Total non-hazardous waste	t	3692.85
Waste generation intensity	t/RMB10,000	0.0064
Total industrial wastewater	t	73.60
Total domestic wastewater	t	74653.78
Total wastewater discharge	t	74727.38
Wastewater discharge intensity	t/RMB10,000	0.13
Ammonia nitrogen emissions	t	5.10
Chemical oxygen demand (COD) emissions	t	18.47
Other characteristic pollutants	t	15.94
Nitrogen oxides (NOx)	t	0.06
Particulate matter (PM)	t	0.82
Sulfur oxides (SOx)	t	0.0007
Non-methane total hydrocarbons	t	0.15
Tin and its compounds	t	0.00002
Other characteristic pollutants	kg	0

Use of Resources

Metric	Unit	2025
Gasoline consumption	L	116828.92
Diesel consumption	L	42195.05
Purchased electricity	MWh	304013.82
Electricity Consumption per Unit of Output Value	MWh/RMB 10,000	0.53
Total energy consumption	tce	39697.14
Energy consumption intensity	tce/RMB10,000	0.069
Total water consumption	t	72206.53
Water Consumption per Unit of Output Value	t/RMB10,000	0.13
Wood consumption	t	2087.68
Stretch film consumption	t	37.59
Steel consumption	t	1149.20
Vacuum packaging bag consumption	t	10.52
Plastic film consumption	t	41.93
Consumption of other packaging materials	t	30.04
Adhesive tape consumption	t	0.36
Carton consumption	t	4.80
Total consumption of packaging materials	t	3102.65
Packaging material consumption density	t/RMB10,000	0.0054
Total recycled and reused waste	t	382.95
Proportion of recycled and reused waste	%	10.36

Climate change response

Metric	Unit	2025
Direct (Scope 1) GHG emissions	tCO ₂ e	379.23
Direct (Scope 2) GHG emissions	tCO ₂ e	163133.82
Total greenhouse gas emissions in Scope 3	tCO ₂ e	1980.11
Total GHG emissions	tCO ₂ e	165493.15
GHG emissions intensity	tCO ₂ e/RMB10,000	0.29

Note:

The Scope 1 GHG emissions are calculated in accordance with the *Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions for Other Industrial Enterprises*, converted from the consumption of gasoline and diesel. For Scope 2, GHG emissions refer to emissions from purchased electricity. The emission factor for purchased electricity adopts the 2022 national average CO₂emission factor of power grid of 0.5366 kg CO₂e/kWh, as specified in the *Announcement on Issuing the 2022 Carbon Dioxide Emission Factor of Power Grid* issued by the Ministry of Ecology and Environment and the National Bureau of Statistics; the total indirect GHG emissions from the Company's other operations (Scope 3) include downstream transportation and distribution, and employee commuting, which are calculated using data from the China Products Carbon Footprint Factors Database (CPCD).

Social Performance

Employee Rights and Interests

Metric	Unit	2025
Average annual leave days per person	day	7.84
Labor contract signing rate ¹	%	100
Social insurance coverage ²	%	100
Number of cases involving discrimination or harassment	/	0
Number of assisted employees in difficulty	/	2

Note:

1.The statistics presented cover full-time employees only. For non-full-time personnel, corresponding labor service agreements are entered into in accordance with applicable laws and regulations and their employment status.

2.The statistics presented cover full-time employees only. Insurance for non-full-time personnel is arranged in accordance with applicable laws and regulations and their employment status.

Employee Structure

Metric	Unit	2025
Total number of employees	/	3570
Number of employees divided by gender		
Male	/	3097
Female	/	473
Number of employees by employment type		
Full-time	/	3259
Part-time ¹	/	311
Number of employees by age		
Aged below 30	/	1678
Aged 30 to 50	/	1827
Aged over 50	/	65
Number of employees by region		
Within Guangdong Province	/	931
Outside Guangdong Province	/	2628
Overseas (including Hong Kong, Macau, and Taiwan region of China)	/	11
Proportion of ethnic minority employees	%	3.25
Number of employees by education level		
Technical secondary school and below	/	880
Junior college	/	1268
Bachelor degree	/	1283
Postgraduate and above	/	139
Senior management		
Proportion of female employees	/	22.22
Proportion of male employees	/	77.78
Middle management		
Proportion of female employees	/	15.91
Proportion of male employees	/	84.09

Note:

1.Non-full-time personnel mainly consist of interns and rehired retirees.

Metric	Unit	2025
Number of newly hired employees	/	1534
Number of newly hired employees by gender		
Male	/	1383
Female	/	151
Number of newly hired employees by age		
Aged below 30	/	1134
Aged 30 to 50	/	398
Aged over 50	/	2
Number of newly hired employees by region		
Within Guangdong Province	/	414
Outside Guangdong Province	/	1113
Overseas (including Hong Kong, Macau, and Taiwan region of China)	/	7

Employee Turnover Rate

Metric	Unit	2025
Total employee turnover	/	1040
Total employee turnover rate	%	27.06
Employee turnover rate by gender		
Male	%	27.76
Female	%	22.94
Employee turnover rate by age		
Aged below 30	%	37.33
Aged 30 to 50	%	17.51
Aged over 50	%	3.39
Employee turnover rate by region		
Within Guangdong Province	%	23.16
Outside Guangdong Province	%	28.57
Overseas (including Hong Kong, Macao, and Taiwan region of China)	%	7.69

Health and Safety

Metric	Unit	2025
Total safety training hours	Hours	577.50
Number of safety-related training sessions	Times	387
Number of safety-related training participants	/	10660
Number of safety drills	Times	18
Number of people covered by safety training	/	5088
Average safety training hours per person	Hours	0.26
Safety training coverage rate	%	100
Safety production investment	RMB10,000	647.74
Investment amount in work injury insurance/safety liability insurance/accident insurance	RMB10,000	96.22
Proportion of safety production investment in revenue	%	0.11
Coverage rate of work-related injury insurance/safety liability insurance/accident insurance	%	100
Number of occupational disease cases	/	0
Number of safety accidents occurred	Case	2
Number of accidents at major and above levels	Case	0
Number of work-related fatalities	/	0
Lost workdays due to work-related injuries	day	64
Number of work-related injuries	/	2
Work-related injury rate per 1 million working hours	%	0.0036
Fatality rate per 1 million working hours	%	0
Occurrence of occupational disease	%	0
Rate of work-related fatalities	%	0
Number of work-related fatalities per RMB100 Million revenue	Person/RMB100 million	0
Number of lost workdays due to work-related injuries per RMB1 million revenue	Days/RMB1 million	0.01

Training and Development

Metric	Unit	2025
Annual training expenditure amount	RMB10,000	35.18
Number of employee training sessions	Times	2796
Average training hours per employee	Hours	5.22
Percentage of trained employees in total employees	%	66.06
Percentage of trained employees by gender		
Percentage of trained male employees	%	63.69
Percentage of trained female employees	%	74.72
Proportion of trained employees by management level		
Percentage of trained middle/ senior management	%	65.61
Percentage of trained non-management	%	64.79
Total training hours for all employees	Hours	11584.70
Average training hours received by employees by gender		
Average training hours for male employees	Hours	3.82
Average training hours for female employees	Hours	5.44
Average training hours received by employees by management level		
Average training hours for middle/ senior management	Hours	8.10
Average training hours for non-management	Hours	3.71

Product and Service Safety and Quality

Metric	Unit	2025
Product recall ratio	%	0
Percentage of sold or delivered products recalled for health or safety reasons	%	0
Number of product/service-related complaints received	/	0
Number of product/service-related complaints handled annually	/	0
Complaint handling rate	%	100
Product factory pass rate - unpacking pass rate ¹	%	98.48
Product factory pass rate - delivery pass rate ²	%	94.46

Note:

1. "Unpacking Pass" means that, upon arrival at the customer site, the machine is undamaged, the contracted configuration is correct, no accessories/parts are missing, and the equipment has been fully installed and restored/reset to its normal condition. The machine is deemed "passed" only if no repair work or parts replacement is required. Formula: Unpacking Pass Rate = (Number of machines that pass unpacking / Total number of machines unpacked) × 100%

2. "Delivery Pass" means that after installation is completed and the machine is handed over to the customer for use, no issues occur within one month (counted from the installation/hand-over date). Issues include any abnormalities related to product software, hardware, incoming materials, process, manufacturing, after-sales service, commercial/business matters, etc. Formula: Delivery Pass Rate = (Number of machines that pass delivery / Total number of machines delivered) × 100%

Product and Service Safety and Quality

Metric	Unit	2025
Total number of suppliers	/	1319
Number of suppliers in Guangdong Province in the Approved Vendor List (AVL)	/	953
Number of suppliers in Chinese mainland except Guangdong Province in the Approved Vendor List (AVL)	/	327
Number of overseas (including Hong Kong, Macao and Taiwan region of China) suppliers in the Approved Vendor List (AVL)	/	39
Total number of new suppliers	/	160
Number of supplier training sessions	Times	120
Number of suppliers covered by supplier training	/	113
Proportion of local suppliers	%	72
Number of suppliers with sustainability-related certifications	/	1293
Number of suppliers who conducted environmental impact assessments	/	42
Number of suppliers that conducted social impact assessments	/	38
Number of suppliers that signed a Supplier Code of Conduct or signed an Integrity Agreement	/	1195
Proportion of suppliers covered by training	%	8.57
Proportion of certified sustainable suppliers	%	98.03
Proportion of local procurement	%	42.07

Technological Innovation

Metric	Unit	2025	
R&D investment	RMB10,000	45754.14	
Proportion of R&D investment in operating revenue	%	7.93	
Proportion of R&D personnel in total employees	%	25.43	
Number of R&D personnel	/	908	
Number of female R&D personnel	/	53	
Number of R&D personnel by academic qualification			
Number of R&D personnel with a doctoral degree	/	22	
Number of R&D personnel with a master's degree	/	61	
Number of R&D personnel with a bachelor's degree	/	517	
During the reporting period	Number of invention patent applications	Case	170
	Number of invention patents granted	Case	31
	Number of utility model patent applications	Case	325
	Number of utility model patents granted	Case	233
	Number of design patent applications	Case	18
	Number of design patents granted	Case	19
As of the end of the reporting period	Number of registered software copyrights case	Case	369
	Total number of valid patents	Case	1071
Number of group standards participated in developing	Items	3	
Number of national standards participated in developing	Items	1	
Number of high-tech enterprise certifications	/	4	
Proportion of companies controlled or participating in control that are certified as high-tech enterprises	%	30.77	
Proportion of companies controlled or participating in control recognized as SRDI SMEs (at the provincial level)	%	23.08	

Data Security and Customer Privacy Protection

Metric	Unit	2025
Amount involved in data security incidents during the reporting period	/RMB10,000	0
Amount involved in customer privacy leakage incidents during the reporting period	RMB10,000	0
Number of cases involving customer privacy leakage	/	0

Community Development

Metric	Unit	2025
Number of public welfare projects carried out throughout the year	Items	5
Number of employees participating in volunteer service	/	108
Volunteer service time	Hours	1180
Amount of rural revitalization investment	RMB10,000	12.82
Number of people benefited from rural revitalization initiatives	/	600

Governance Performance

Board Governance and ESG Management

Metric	Unit	2025
Average tenure of Board members	Years	3.74
Percentage of independent directors	%	37.50
Proportion of female directors	%	25
Number of Audit Committee meetings	Times	9
Number of Remuneration Committee meetings	Times	2
Number of Nomination Committee meetings	Times	1
Proportion of independent directors in the Audit Committee	%	66.67
Proportion of independent directors in the Remuneration Committee	%	66.67
Proportion of independent directors in the Nomination Committee	%	66.67
Number of Board meetings	Times	10
Attendance rate of Board members	%	100
Number of professional training sessions organized for directors, supervisors, and senior management	Times	16
Number of penalties for violations in information disclosure	Times	0
Number of ESG training sessions	Times	8

Business Ethics and Information Disclosure

Metric	Unit	2025
Total number of directors receiving anti-corruption training	/	8
Total anti-corruption training hours for directors	Hours	4
Total number of employees receiving anti-corruption training	/	797
Total anti-corruption training hours for employees	Hours	66.42
Total number of suppliers receiving anti-corruption training	/	45
Total anti-corruption training hours for suppliers	Hours	45
Employee signing rate for business ethics documents related to clean integrity practices	%	100
Number of reported anti-corruption incidents	/	0
Number of corruption litigation cases filed against the Company or its employees and concluded during the reporting period	/	0
Number of cases involving conflicts of interest	/	0
Number of cases resulting from unfair competition	/	0
Participation in legal training	Times	6
Number of penalties for violations in information disclosure	Times	0

Metrics

Metrics of the Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation)

Topic	Section
Environment	
Climate response	Climate change response
Pollutant discharge	Promoting green production
Waste disposal	Promoting green production
Ecosystem and biodiversity protection	Practicing green operations
Environmental compliance management	Practicing green operations
Energy utilization	Optimizing resource utilization
Water resources utilization	Optimizing resource utilization
Circular economy	Optimizing resource utilization
Social	
Rural revitalization	Gathering the power of goodness
Social contributions	Gathering the power of goodness
Innovation	Adhering to innovation-driven development
Ethics of science and technology	Adhering to innovation-driven development
Supply chain security	Sustainable supply chain
Equal treatment of SMEs	Enhancing compliance management
Product and service safety and quality	Product and service quality
Data security and customer privacy protection	Ensuring information security
Employees	Building a happy workplace
Sustainability-related governance	
Due diligence	ESG Management
Stakeholder engagement	ESG Management
Anti-commercial bribery and anti-corruption	Enhancing compliance management
Anti-unfair competition	Enhancing compliance management

Metrics of the ESG Reporting Code of HKEX

Mandatory Disclosure Requirements		Page
Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, priorities and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	P4
Reporting Principles	A statement from the board containing the following elements: A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report. (Materiality, quantitative and consistency)	P1
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	P1

Aspect	Section	Metric Content	Page
A1 Emissions	General Disclosure	Information on (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	P29
	A1.1	The types of emissions and respective emissions data.	P28-29
	A1.3	Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	P29
	A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	P29
	A1.5	Description of emission target(s) set and steps taken to achieve them.	P28-29
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	P29

Aspect	Section	Metric Content	Page
A2 Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	P27
	A2.1	Direct and/or indirect energy consumption by type (e.g., electricity, gas or oil) in total (kWh in '000s) and intensity (e.g., per unit of production volume, per facility).	P25
	A2.2	Water consumption in total and intensity (e.g., per unit of production volume, per facility).	P6
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	P27-28
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	P27-28
	A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	P27
A3 The Environment and Natural Resources	General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	P26
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P26
B1 Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	P41-43
	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	P41
	B1.2	Employee turnover rate by gender, age group and geographical region.	P51
B2 Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	P44-45
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	P51
	B2.2	Lost days due to work injury.	P51
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P44-45
B3 Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	P45
	B3.1	The percentage of employees trained by gender and employee category (e.g., senior management, middle management).	P52
	B3.2	The average training hours completed per employee by gender and employee category.	P52
B4 Labor Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	P41
	B4.1	Description of measures to review employment practices to avoid child and forced labor.	P41
	B4.2	Description of steps taken to eliminate such practices when discovered.	P41

Aspect	Section	Metric Content	Page
B5 Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	P36-37
	B5.1	Number of suppliers by geographical region.	P37
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	P36-37
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P36-37
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P37
B6 Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	P33-34
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	P34
	B6.2	Number of products and service related complaints received and how they are dealt with.	P35
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	P20
	B6.4	Description of quality assurance process and recall procedures.	P33
B7 Anti-corruption	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	P22
	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	P19
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	P54
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	P20
	B7.3	Description of anti-corruption training provided to directors and employees.	P19
B8 Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	P47
	B8.1	Focus areas of contribution (e.g., education, environmental concerns, labor needs, health, culture, sport).	P47
	B8.2	Resources contributed (e.g., money or time) to the focus area.	P47
D Climate-related Disclosures	Metrics and targets	An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, classified as: (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; (c) Scope 3 greenhouse gas emissions.	P25
		An issuer shall disclose the approach it uses to measure its greenhouse gas emissions including: (i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions; (ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes.	P50

Feedback Form

Dear readers:

Greetings! We sincerely thank you for taking the time to read this report. In order to provide you and other stakeholders with more comprehensive, professional, and valuable ESG reporting information, and to further enhance the quality of our ESG reports, we cordially invite you to share your feedback by completing the following questionnaire. Your insights are highly appreciated.

1. Are you satisfied with the overall impression of this report?

Yes Fair No

2. Do you think this report can reflect the significant impact of Han's CNC on sustainable development?

Yes Fair No

3. Do you think the identification of stakeholders and the analysis of their relationship with Han's CNC in this report are accurate and comprehensive?

Yes Fair No

7. We welcome any other comments or suggestions you may have regarding the Han's CNC 2025 ESG Report.

Thank you for your understanding of our work!

4. Do you think the information provided in this report is comprehensive?

Yes Fair No

5. Do you think the information provided in this report is readable?

Yes Fair No

6. Are you satisfied with the overall design of this report?

Yes Fair No

You may also complete the questionnaire online by clicking the link below or scanning the QR code below:

Online survey link: <https://v.wjx.cn/vm/exKFUU3.aspx>

