



彩虹集團新能源股份有限公司
IRICO GROUP NEW ENERGY COMPANY LIMITED*

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 0438)

2025

Environmental, Social and Governance Report

* For identification purpose only

This environmental, social and governance (“**ESG**”) report (the “**Report**”) was prepared to present the performance of environmental and social responsibility of IRICO Group New Energy Company Limited* (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) for the year from 1 January 2025 to 31 December 2025 (the “**Reporting Period**”). This Report was prepared with reference to the Environmental, Social and Governance Reporting Code set out in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and has complied with the “comply or explain” provisions set out in Part C of the Environmental, Social and Governance Reporting Code.

The board of directors (the “**Board**”) of the Company is responsible for evaluating and determining the Company’s ESG-related risks, and ensuring that long-term effective ESG supervision mechanisms are in place. The management of the Company has confirmed to the Board that these mechanisms are effective. For further details, please refer to the section headed “Corporate Governance Report – Internal control system” in the 2025 annual report of the Company.

Reporting Principles

The Report follows the principles below:

Materiality: The content disclosed in this ESG Report is sufficient to represent material issues related to the environmental and social factors of the Company, assisting our investors or shareholders in understanding the performance of the Company.

Quantitative: Key performance indicators for environmental aspects are explained and evaluated in a measurable method which can showcase the effectiveness of ESG policies and management systems.

Balance: The Company ensures that the information is presented in an unbiased manner which can reflect a comprehensive picture of the Company’s sustainability performance and avoid disclosure methods that affect decision-making or judgment of Report reader.

Consistency: The Report follows the statistical and disclosure methodologies adopted in the previous annual report, and makes meaningful comparisons of relevant environmental, social and governance data.

Contents

Part I	Environmental	1
Part II	Social	9
Part III	Production and Operation	15

Part I Environmental

Against the backdrop of increasingly severe global climate change, the large-scale adoption of clean energy and the reduction of carbon emissions have become the most effective and critical pathways to addressing climate issues. As a key player in the global clean energy industry, the Group has consistently adhered to the philosophy of green development, focusing on the production, research, and sales of solar photovoltaic glass. At the same time, the Group continues to drive down costs in the photovoltaic industry through technological advancements, thereby expanding the application scale of clean energy. Additionally, the Group has made significant progress in utilizing waste heat for power generation and photovoltaic power generation. Moving forward, the Group will remain committed to its founding mission, guided by technology and driven by innovation, to achieve broader global adoption of clean energy, facilitate a profound transformation of the global energy structure, and relentlessly contribute to addressing the challenges of global climate change.

Environmental Protection

The Group always attaches great importance to sustainable development, strives to boost effective utilization of resources and energy and pays close attention to climate and ecological issues. During the Reporting Period, the Group translated its green commitments into action by applying oxygen-fuel combustion furnace technology, implementing effective control measures in production and operation activities in compliance with PRC laws and regulations, and establishing a long-term mechanism for environmental protection and energy conservation. The Group aims to develop into a resource-efficient and environmentally responsible enterprise.

Environmental Management

The Group attaches great importance to environmental protection and complies with all applicable environmental protection laws, regulations and technical standards on environmental protection in China. Environmental laws and regulations in China related to the operation of the Group include the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on Environmental Impact Assessment and the Law of the People's Republic of China on the Prevention and Control of Water Pollution, etc.

To strengthen management, the Company established the Operation Management Department at the headquarters with supervisors on safety and environmental protection responsible for establishing the management system on "environment, health and safety" and overseeing the environmental protection and safety performance of the Group. All subsidiaries of the Group have established environmental protection and safety management offices and supervisors on environmental protection and safety to manage their respective environmental protection and safety matters.

Part I Environmental (Continued)

Emissions

The Group strictly complies with applicable national and local environmental laws and regulations, controls the emission of four categories of pollutants (wastewater, exhaust gas, waste and noise) required by the state, and continuously introduces and develops new technologies and processes to reduce the emission of pollutants.

Since the inception of production, the Group has prioritized environmental protection and has strictly followed the following applicable environmental rules and standards:

Type	Standards/Rules
Exhaust gas	Air Pollutant Release Standard on Glass Industry (《玻璃工業大氣污染物排放標準》) (GB26453–2022) Air Pollutant Release Standard on Glass Industry (《玻璃工業大氣污染物排放標準》) (DB34/4295–2022) Integrated Emission Standard of Air Pollutants (《大氣污染物綜合排放標準》) (GB16297–1996)
Wastewater	Integrated Wastewater Discharge Standard (《污水綜合排放標準》) (GB8978–1996)
Noise	Emission Standard for Industrial Enterprises Noise at Boundary (《工業企業廠界環境噪聲排放標準》) (GB12348–2008)

During the Reporting Period, the Group strictly complied with the relevant laws and regulations that have a significant impact on the Group in terms of air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous pollutants.

Emissions from the production of the Group mainly include greenhouse gases (carbon dioxide), exhaust gas (dust, nitrogen oxides and sulfur dioxide), wastewater, hazardous waste and non-hazardous waste (grinding sludge and cullet). In 2025, emissions from its enterprises in Xianyang, Yan'an, Hefei and Shangrao amounted to 1,117,726.69 tonnes of carbon dioxide in total, i.e. 47.63 tonnes of carbon dioxide per 10,000 square meters of products; all emissions met applicable standards, with key pollutants as follows: dust in exhaust gas from photovoltaic furnaces of 12.90 tonnes, sulfur dioxide of 191.67 tonnes, nitrogen oxides of 355.28 tonnes, wastewater of 882,377.8 tonnes and chemical oxygen demand (COD) of 20.75 tonnes. All hazardous waste has been processed in accordance with relevant standards, and all non-hazardous waste (cullet) was recycled.

Part I Environmental (Continued)

Online Monitoring, Supervisory Monitoring and Independent Monitoring

In order to obtain accurate, real-time data on its pollutant emissions from the Group in the long term, the Group has developed an annual monitoring plan to monitor the emission of key pollutants. Online exhaust gas monitoring systems connected with local environmental authorities have been installed for photovoltaic furnaces in Yan'an, Hefei and Shangrao, enabling real-time monitoring of exhaust gas emissions by government regulators.

During the Reporting Period, the Group also appointed a third-party monitoring agency to monitor the emission or discharge of exhaust gas, wastewater and noise by the Group. The monitoring results confirm that all exhaust gas, wastewater and noise discharges complied with applicable national standards and environmental regulations in China.

During the Reporting Period, all of the Group's environmental facilities operated stably and received regular maintenance. The Group has also established a dedicated environmental management mechanism to monitor and control pollutant discharges to ensure they meet all applicable standards.

Promoting Environmental Management System

The Group has obtained the ISO14001:2015 environmental management system certification for its photovoltaic glass production operations to strengthen the environmental management standards. The implementation of the environmental management system has effectively reduced the Group's waste management costs and lowered its energy and material consumption.

Environmental Protection Targets and Achievements

The Group strictly implements the “three simultaneities” principle (i.e., environmental protection facilities must be designed, constructed and put into operation simultaneously with the main engineering project) in environmental impact assessment and protection. The Group has also invested in environmental protection initiatives, monitored the stable operation of environmental facilities, developed a circular economy model, improved water recycling rates, fully utilized waste heat, and advanced energy conservation and emission reduction measures. These efforts have ensured that discharges of the “three wastes” (exhaust gas, wastewater and solid waste) fully meet applicable standards.

In 2025, the Group strictly complied with all applicable environmental protection laws and regulations. All major pollutant discharges met relevant standards, and solid waste was handled in accordance with legal requirements. No environmental incidents occurred within the Group during the Reporting Period.

Part I Environmental (Continued)

Training on Environmental Protection

While closely monitoring the environmental impacts of its production and operation activities and striving to meet the targets of environmental protection, the Group vigorously promotes environmental responsibility and awareness among its employees and provides them with training on environmental protection. The Group makes detailed training plans at the beginning of every year and regularly updates employees on the latest laws and regulations on environmental protection. Meanwhile, the Group actively participates in various trainings and symposiums on environmental protection organised by provincial and municipal environmental authorities and industry associations, which has further enhanced the professional competence and skills of the environmental protection managers of the Group.

Use of Resources

The Group strictly abides by the requirements of the Energy Conservation Law of the People's Republic of China, the Water Law of the People's Republic of China and other laws and regulations, and conducts comprehensive utilization or recycling of waste, wastewater and waste heat generated during production process, with the aim of fulfilling corporate environmental responsibility, pursuing green sustainability, reducing energy consumption, enhancing competitiveness, saving energy for the country and saving costs for the Group.

Reducing Energy Consumption and Emissions

The kiln flue gas is treated using a ceramic integrated ultra-low purification process for denitrification, desulfurization, and dust removal. This ensures safe and stable operation of the production system while achieving excellent results in clean production as well as energy saving and emission reduction, placing the Group in a leading position within the same industry.

Power consumption in 2024	Unit: kWh
Xianyang IRICO Photovoltaic Glass Co., Ltd.* ("Xianyang Photovoltaic")	34,001,120
IRICO (Hefei) Photovoltaic Co., Ltd.* ("Hefei Photovoltaic")	269,573,516
IRICO Yan'an New Energy Co., Ltd.* ("Yan'an New Energy")	11,355,852
Jiangxi IRICO Photovoltaic Co., Ltd.* ("Jiangxi Photovoltaic")	311,760,098
Total	626,690,586

Part I Environmental (Continued)

Reducing Energy Consumption and Emissions (Continued)

Power consumption in 2025	Unit: kWh
Xianyang Photovoltaic	26,524,200
Hefei Photovoltaic	131,505,508
Yan'an New Energy	84,596,555
Jiangxi Photovoltaic	342,068,426
Total	584,694,689

In 2025, the Group effectively improved its production efficiency through improvement of production processes and adoption of new technologies and equipment. In 2025, the total power consumption of the Group decreased by 6.7% from 626,690,586 kWh in 2024 to 584,694,689 kWh, while the total production output decreased by 3.95% year on year. Per unit power consumption for photovoltaic glass production in 2025 was 2.49 kWh/square meter, representing a decrease of 2.87% from 2.56 kWh/square meter in 2024.

Natural gas consumption in 2024	Unit: cubic meters
Xianyang Photovoltaic	0
Hefei Photovoltaic	125,476,839
Yan'an New Energy	0
Jiangxi Photovoltaic	165,650,157
Total	291,126,996

Natural gas consumption in 2025	Unit: cubic meters
Xianyang Photovoltaic	0
Hefei Photovoltaic	63,933,599
Yan'an New Energy	30,264,605
Jiangxi Photovoltaic	170,535,002
Total	264,733,206

Part I Environmental (Continued)

Reducing Energy Consumption and Emissions (Continued)

The Group reduced natural gas consumption through enhanced internal management, strict evaluation and adoption of technical improvement measures. In 2025, the total natural gas consumption of the Group decreased by 9.07% from 291,126,996 cubic meters in 2024 to 264,733,206 cubic meters, while the total production output decreased by 3.95% year on year. Per unit natural gas consumption in 2025 was 1.13 cubic meters/square meter, representing a decrease of 3.77% from 1.17 cubic meters/square meter in 2024.

Wastewater Utilization and Treatment

The Group has made multiple efforts in water saving and emission reduction. All photovoltaic glass plants in Hefei, Yan'an, Xianyang and Jiangxi are equipped with wastewater treatment systems with an annual treatment and recycling capacity of 25.7152 million tonnes of industrial wastewater. The water reuse rate was over 85%.

The recycling-oriented treatment process of industrial wastewater of the Group is as follows:

Wastewater collection pool→Raw wastewater pool→Preliminary sedimentation pool→Coagulation pool→Condensation pool→Sedimentation pool→Intermediate pool→Multi-media filter→Recycling pool→Grinding process

In addition, the Group enhanced routine management of facilities to ensure the facilities operate in good condition and reduce the discharge of wastewater to avoid its impacts on the environment. Through the water recycling system, the Group also reduced water consumption and improved the management of water resources.

Water consumption in 2024	Unit: tonne
Xianyang Photovoltaic	41,153
Hefei Photovoltaic	1,505,214
Yan'an New Energy	39,317
Jiangxi Photovoltaic	1,275,627
Total	2,861,311

Water consumption in 2025	Unit: tonne
Xianyang Photovoltaic	80,536
Hefei Photovoltaic	953,530
Yan'an New Energy	186,790
Jiangxi Photovoltaic	1,473,537
Total	2,694,393

Part I Environmental (Continued)

Wastewater Utilization and Treatment (Continued)

In 2025, the total water consumption of the Group decreased by 5.83% from 2,861,311 tonnes in 2024 to 2,694,393 tonnes. Per unit water consumption in 2025 was 114.59 tonnes/10,000 square meters, representing a decrease of 0.39% from 115.04 tonnes/10,000 square meters in 2024.

Waste Heat Utilization

In order to reduce energy consumption and production costs, the Group vigorously promotes heating with waste heat at the production bases in Yan'an and Jiangxi, and has reduced annual heating costs by more than RMB1,000,000. The bases in Hefei, Shangrao and Yan'an use waste heat for power generation with annual power generation amounting to 67.70 million kWh, all for the Group's own use. The targets of energy saving, emission control, cost reduction and efficiency improvement have been achieved.

Photovoltaic Power Generation

The Group actively responded to the national policy calls, seized the opportunities of energy structure adjustment and "dual carbon" development, and promoted the distributed photovoltaic power projects in Xianyang, Hefei, Yan'an and Jiangxi, with 15.9810 million kWh power generated through photovoltaic power programs for the year, all for its own use, which transformed solar energy into power, achieved the utilization of renewable energy and contributed green and clean energy to society.

The Group initiated the rooftop photovoltaic power generation program in 2012, whereby the distributed photovoltaic power stations were set up on the roofs of existing factories. This program beautified the appearance of buildings, leveraged existing resources to generate power for self-use, realized the sustainable development of clean power in certain regions, obtained certain economic benefits and achieved mutual benefits between the Group and the state.

Packaging materials (wood) consumption in 2024		Unit: tonne
Xianyang Photovoltaic	409	
Hefei Photovoltaic	253	
Yan'an New Energy	27	
Jiangxi Photovoltaic	4,889	
Total	5,578	

Part I Environmental (Continued)

Photovoltaic Power Generation (Continued)

Packaging materials (wood) consumption in 2025		Unit: tonne
Xianyang Photovoltaic	0	
Hefei Photovoltaic	0	
Yan'an New Energy	0	
Jiangxi Photovoltaic	2,197.25	
Total	2,197.25	

The Group effectively reduces the use of packaging materials and avoids waste by reducing inventory backlog, avoiding excessive requisition of materials, enhancing recycling management and appraisal, promoting innovative management and recycling of packaging materials and increasing the usage and recycling of iron frames. Among them, Xianyang, Hefei, Yan'an and Jiangxi bases extensively use iron frames with minimal use of wooden frames, and all wooden frames except those in Jiangxi base are recycled from old ones; only Jiangxi base purchases and uses some new wooden frames. In 2025, all factories of the Group consumed 2,197.25 tonnes of wooden packaging materials in total, representing a decrease of 60.61% from 5,578 tonnes consumed in 2024, while the total production output decreased by 3.95% year on year. Per unit consumption of wooden materials in 2025 was 0.09 tonnes/10,000 square meters, representing a decrease of 59.09% from 0.22 tonnes per 10,000 square meters in 2024.

Environment and Natural Resources

In response to the government's call for environmental protection and energy conservation, the Group continues to implement green office practices and cultivates staff environmental awareness through training and education in an effort to reduce the impacts of the Group's management and daily operation activities on the environment. The measures adopted by the Group include: using energy-saving lighting, working online, minimizing use of paper, reducing energy consumption by switching off idle lighting, computers and electrical appliances, using teleconferencing as an alternative to business travel; setting a specific temperature for air conditioner use and ensuring effective use of cars; monitoring production and office power consumption on a monthly basis with statistics properly kept for monthly appraisal; and making a maintenance plan for major electrical equipment to avoid over-consumption of electricity due to the aging of equipment.

Environmental Protection and Sustainable Development

The Group promotes the use of green energy to minimize the harm of global climate change caused by the greenhouse effect and helps achieve carbon neutrality through its vigorous development of solar photovoltaic glass business.

Part II Social

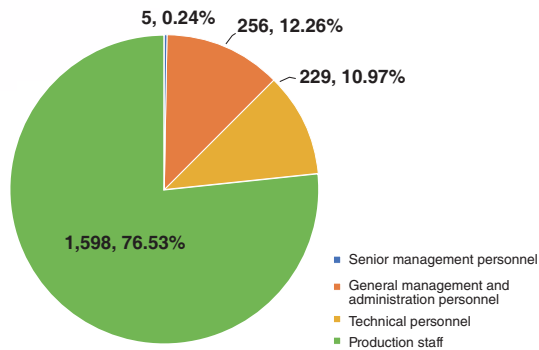
Employment and Labour Practices

Employment

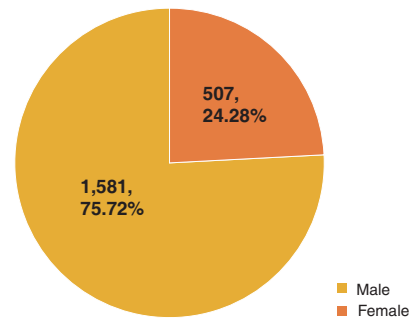
As at 31 December 2025, the Group had a total of 2,088 incumbent employees*, all of whom were full-time employees, of PRC nationality and working in the PRC. Among all incumbent employees, approximately 0.24% were senior management personnel (all male), 12.26% were general management and administrative personnel, 10.97% were technical personnel, and 76.53% were production staff.

The breakdown of incumbent employees during the Reporting Period is as follows:

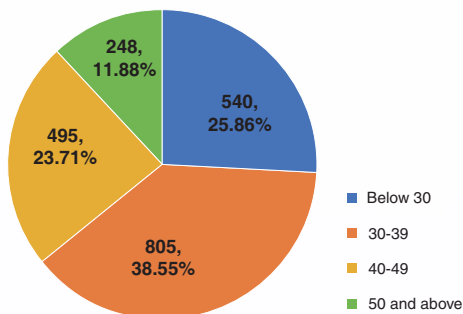
Structure of Incumbent Employees in 2025



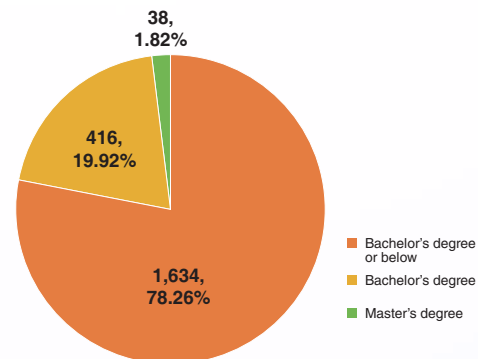
Gender Percentage of Incumbent Employees in 2025



Structure of Age of Incumbent Employees in 2025



Structure of Education of Incumbent Employees in 2025



Employment and Labour Practices (Continued)

Employment (Continued)

The Group has established a comprehensive welfare system suitable for corporate development and employee development, and developed a remuneration management system and a scheme for the continuous improvement of remuneration to provide employees with attractive remuneration and benefits. Employee remuneration is composed of basic salary, performance-linked salary and individual rewards and penalties, which are subject to adjustment in line with the Group's performance, employee job value, personal ability and performance, and social development level. In addition, in accordance with national regulations, the Group makes contributions to social insurance and housing provident fund for its employees and provides them with various benefits including paid leave and holidays, home leave, high temperature subsidy and heating subsidy, thereby arousing their enthusiasm for work and ensuring high quality and reliability of the Group's products and services.

Throughout 2025, the Group complied with relevant laws and regulations in terms of recruitment and promotion, working hours, holidays, equal opportunities, anti-discrimination and other benefits.

* Excluding dispatched employees

Development and Training

For the purposes of improving the basic quality, strengthening basic management and business capabilities, the Group provides comprehensive and diversified training programs for its employees. For the purposes of enhancing employees' skills, business competence, professional qualities, the Group proactively explores various education and training methods suitable for its employees, emphasizes safety awareness education for all staff, and further enhances skills training for management and technical personnel. Employees are able to acquire new knowledge, skills, solutions and ideas from various trainings, thereby laying a foundation for better discharging their duties and sustainable operation and development of the Company.

Training subjects	Training contents
Workplace safety	Training on Review and Renewal of Qualification Certificates for Safety Directors and Management Personnel, 2025 CEC Workplace Safety Training, etc.
Quality management	Training on 4-Line ISRA Air Bubble Specification Equipment, Training on QC Seven Old and New Tools, Total Quality Management Training, etc.

Part II Social (Continued)

Development and Training (Continued)

Training subjects	Training contents
Management skills	Deepseek Advanced Cases and Practical AI Experience Training, Video Training on Dual Leap of Management Thinking and Capabilities, etc.
Courses on ideological and political education	Training on the Spirit of the Various Plenary Sessions of the 20th CPC Central Committee, Training Course on In-depth Implementation of the Spirit of the Central Eight-Point Regulation, Training Program for Joint Study of Xi Jinping: The Governance of China (Fifth Volume), etc.

In 2025, there were a total of 270 training programs for the Group, with a total of 2,404.2 training hours. The Group also encourages employees to learn by themselves to support their personal development.

Indicator	2025
-----------	------

Average training hours per employee and percentage of employees trained (%)	1 hour (100%)
---	---------------

Total training hours and percentage of employees trained by gender and employee category (%)

By gender	Total training hours (hour)	Average training hours (hour)	Percentage of employees trained
Male	1,897.20	1.20	100%
Female	507	1	100%

By employee category	Total training hours (hour)	Average training hours (hour)	Percentage of employees trained
Senior management personnel	55.20	11.04	100%
General management and administrative personnel	479	1.87	100%
Technical personnel	475	2.07	100%
Production staff	1,395	0.87	100%

Gender Diversity

The Group is committed to developing various channels to attract diverse talents and provide equal opportunities for more women, as well as building a platform for equal employment and career development for women. Due consideration is given to ensuring the proportion of female employees in recruitment. The Group also appropriately considers increasing the proportion of female members in the cultivation of reserve talents, career promotion and appointment of management personnel. The proportion of female employees has been maintained at above 20% all year round. As at 31 December 2025, females accounted for more than 20% of the total employees and 33.62% of the management personnel.

Occupational Health and Safety

The Group has set up a safety management and enforcement organisation, which is equipped with full-time safety personnel, and formulated the Work Safety Management Measures, Emergency Management Rules and other rules, and established an occupational health and safety management system. Each year, a qualified third party will be engaged to conduct external audits to ensure the continued and effective operation of the system.

The Group provides its employees with labour protection facilities and supplies. Meanwhile, the Group also posts safety warning signs at workplaces to remind employees to prevent safety incidents. Each year, employees undergo medical check-ups to ensure their physical health. The Group organises a number of training courses on occupational health and safety every year to enhance the health and safety skills of employees. The Group routinely performs safety inspections and emergency drills to eliminate safety hazards and enhance employees' safety awareness.

Summary of Selected Activities:

In March 2025, the Group held the "3.15 Fire Safety Week" campaign, in which safety publicity and education were conducted by hanging fire safety banners, making fire safety signboards, organising fire drills for relevant employees, replacing firefighting equipment, and completing lightning protection and grounding tests in factory areas.

Part II Social (Continued)

Occupational Health and Safety (Continued)

In June 2025, the Group carried out the “Safety Production Month” and organised emergency drills at the Group’s various production bases, including special emergency drills for heat stroke prevention, flood prevention, fire evacuation, kiln leakage, kiln wall fan shutdown, chemical leakage emergency response, mixer tank leakage emergency response, electrical fires, among other activities, involving more than 778 employees, to test the operability and adaptability of the emergency plans. In addition, the Group comprehensively evaluated the drill results with a view to constantly optimizing the emergency plans and improving staff emergency response capacity to ensure safe production of the Group.

In November 2025, in response to the national initiative, the Group arranged the “11.9 Fire Control Publicity Month”. A variety of activities such as fire warning education and fire emergency drills were carried out, and special inspections were conducted for fire-fighting equipment, electrical appliances and utility pipelines to identify and rectify safety hazards, creating a strong atmosphere for fire control publicity.



Part II Social (Continued)

Occupational Health and Safety (Continued)

2025 Health and safety performance	Performance
Number of work-related casualties	0
Number of loss days due to work injury	0
Number of accidents	0
2024 Health and safety performance	Performance
Number of work-related casualties	0
Number of loss days due to work injury	0
Number of accidents	0
2023 Health and safety performance	Performance
Number of work-related casualties	0
Number of loss days due to work injury	0
Number of accidents	0

In the past three years, the occurrence rate of various safety accidents of the Group was zero. The Group strictly abided by the relevant laws and regulations that had a significant impact on the Group in respect of providing a safe working environment and safeguarding employees from occupational hazards.

Labour Standards

In formulating the Recruitment Management Process, the Group strictly abided by the Labour Contract Law of the People's Republic of China, the Regulations on Prohibition of Child Labour and other laws to prevent child labour. Further, in order to guarantee the health and safety of employees, the Group strictly prohibits forced labour. All employees are required to undergo relevant training before starting work. The union organisation of the Group also plays an active role in safeguarding employees' interests.

Since its listing, the Group has never used any child labour or forced any employees to work. The Group has complied with the relevant laws and regulations.

Part III Production and Operation

Supply Chain Management

The Group manages its procurement and supply chain by formulating procurement plans for market order-centric production organizations at each production base. Through a standardized bidding process, the Group is able to standardize procurement process, optimize supplier base, share procurement information, supervise procurement process, reduce procurement costs, enhance the informatisation of procurement, and establish and optimize business relationships between subordinate enterprises and appropriate suppliers, thereby eventually developing a high-quality supplier base. Further, through sunshine purchasing achieved by the establishment of strategic procurement partnerships and market-oriented bidding process, the Group successfully reduced the purchasing price of products, improved the quality of purchased products and improved the service quality of suppliers.

- I. The Group has formulated the Purchase Management Rules and the Management Measures for Bidding Process and Contract Review, and digitalized the bidding and contract approval procedures in the full process with joint participation of the Group's legal and financial departments for strict regulation of purchasing activities, to ensure the normal operation of production systems. Details are set out as follows:
 - (I) Sourced product and supplier information base are established; the budgetary price for bidding is determined by comparison with the market price; a pricing process is set up whereby the price of a product to be purchased from suppliers is determined through electronic bidding; and finally, a supplier with the highest ranking in bidding, the best service and good contract performance conditions and capabilities will be selected;
 - (II) A bidding review and contract approval system is established within the Group to implement compliance management of review and approval for purchase contracts; at the same time, each procurement unit effectively utilizes the NC electronic management system to achieve full-process management from planning, procurement, warehousing to settlement.
- II. Optimization of supplier management system:
 - (I) Supplier incentive mechanisms are established, whereby suppliers who are assessed as excellent will gain priority in respect of product supply allocation, long-term cooperation, etc. Supplier incentive mechanisms are implemented and supplier performance is evaluated, thereby prompting the suppliers to improve constantly. Sound and reasonable appraisal methods are employed to evaluate the effects of cooperation with individual suppliers and evaluation results will be fed back to the suppliers. The Group will discuss the causes of problems together with the suppliers and take improvement measures accordingly.

Part III Production and Operation (Continued)

Supply Chain Management (Continued)

- II. Optimization of supplier management system: (Continued)
- (II) Casual reciprocal visits with reputable and financially strong manufacturers will be scheduled so as to create a sound cooperation atmosphere. Strategic purchase framework agreements are signed to create a win-win model.
 - (III) Suppliers who have long failed to meet the quality requirements of the Group's plants and have not made improvements or those with seriously flawed quality management systems will be suspended or removed from the Catalogue of Qualified Suppliers. The Group will monitor material quality on a long-term basis and carry out regular review on all suppliers to secure sustainable supply of quality materials and services. For the selection of suppliers, the Group will give priority to those with the Certification of the ISO9001 Quality Management System, the Certification of the ISO14001 Environmental Management System, the Certification of the OHSAS18001 Occupational Health and Safety Management System and other certifications under equal conditions. The Group also attaches importance to suppliers' environmental protection performance in the annual selection and review process.
- III. Enhancement of risk control management. Before the bidding for the procurement of general production materials and equipment, the bidder shall be subject to strict qualification review, and the bidding shall be conducted on the electronic procurement platform. For major projects, a qualified bidding agency is entrusted to carry out bidding in accordance with relevant national laws and regulations to ensure the openness, fairness and impartiality of project procurement. The Group's legal, discipline inspection and supervision departments participate in the management and monitoring of the contract review process in the whole process, and timely identify and effectively prevent violations of laws and regulations in the procurement process.

Geographical distribution	Number of suppliers
PRC	129

Part III Production and Operation (Continued)

Product Liability

During the Reporting Period, the quality control and testing of the Group's photovoltaic glass products covered the entire life cycle of product quality, including: incoming quality control (IQC) during the production process, quality control of semi-finished products between processes, outgoing quality control (OQC), sampling, and in-process quality control (IPQC) in terms of process; product surface defect inspection, dimensional inspection, optical performance testing, mechanical performance testing, weather resistance testing, and electrical performance testing in terms of inspection content; and 100% product inspection and sampling inspection in terms of testing methods.

Based on the quality control results of photovoltaic glass, the following evaluation and classification are made:

1. Qualified products: products with inspection results meeting specified quality standards and requirements, which can be used directly or for further production.
2. Defective products: products with inspection results failing to meet specified quality standards and requirements, which will be returned or repaired.
3. Hand-selected products: products that pass the inspection with specified quality standards and requirements but require additional manual selection and processing.

Product quality control shall ensure:

1. Accuracy: The inspection results should be accurate to ensure the quality of the product.
2. Comprehensiveness: Covering various key indicators and performance parameters of photovoltaic glass.
3. Feasibility: The inspection methods and equipment should be feasible and reliable, easy to integrate into the production line.
4. Uniformity: Ensuring consistency in quality among different batches of photovoltaic glass.
5. Traceability: The inspection results of each piece of photovoltaic glass should have clear records and be traceable.
6. Efficiency: The quality control process should be efficient and fast, without affecting production progress and delivery cycles.

The Group is committed to producing high-quality photovoltaic glass and attaches great importance to product quality and company reputation. All products are tested according to the established product quality standards and have successfully obtained various domestic and foreign certifications, mainly including: GB/T19001-2016/ISO19001:2015 Quality Management System Certificate, and China Compulsory Certification (3C).

Part III Production and Operation (Continued)

Product Liability (Continued)

During the Reporting Period, the Group conducted its business in strict accordance with the requirements of the environmental management system and the occupational health and safety management system, and there were no product recalls due to safety and health reasons. For product and service complaints, the sales personnel will visit the site and give feedback to the technical and quality department of each production base, and each production base will arrange professional after-sales personnel to deal with them in a timely and effective manner through on-site visits, face-to-face meetings and other specific methods. In 2025, the Group had no major customer complaints. At the same time, the Group attaches great importance to the protection of intellectual property rights, timely registers and protects the intellectual property rights created, and signs relevant confidentiality agreements in relation to important intellectual property projects.

During the Reporting Period, the Group has complied with relevant laws and regulations that have material impacts on the Group in respect of the health and safety, advertising, labelling, consumer information protection and privacy matters of products and services provided, as well as complaint and dispute resolution methods. Meanwhile, the Group has signed relevant agreements according to customers' requirements to protect consumers' privacy.

Anti-Corruption Policies and Related Training

The Group has formulated a number of policies such as Implementation Measures of IRICO Group New Energy Company Limited (several requirements on the Integrity in Business by Leaders of State-owned Enterprises), Requirements on the Implementation of Registration of the Acceptance of Gifts by Leading Cadres of IRICO Group New Energy Company Limited and Measures for the Supervision and Administration of Tendering and Bidding of IRICO Group New Energy Company Limited, to promote the system under which no one dares to, is unable to, and has no desire to commit corruption, and strictly implement governing documents from the perspectives of integrity practices, reminder talks, supervision and inspection, accountability, etc., so as to form a sound punishment and prevention system. At the same time, the Group will enhance the publicity of anti-corruption laws and regulations, carry out a number of special rectification and self-inspection and self-correction work, continue to do a good job in the supervision and inspection of duty crimes, seriously curb abuse of power, and advocate the construction of the culture of integrity within the Group through various forms of anti-corruption warning and education activities, and create a clean and upright working environment.

The Group has formulated the Complaint Handling and Petition Maintenance System of IRICO Group New Energy Company Limited and the Complaint Handling Measures of IRICO Group New Energy Company Limited to ensure the Group's complaint and reporting channels remain open. Whistleblowers may report corruption-related clues to the Group's discipline inspection department through various reporting channels. The discipline inspection department shall conduct classified handling of relevant clues in accordance with the Complaint Handling Measures. If any suspected or verified corruption and bribery is identified after investigation, the case will be transferred to the relevant judicial authority in a timely manner in accordance with the law.

Part III Production and Operation (Continued)

Anti-Corruption Policies and Related Training (Continued)

During the Reporting Period, the Group conducted a series of training sessions for the employees of the Company, such as Regulations of the CPC on Disciplinary Actions, the Spirit of the Eight-Point Central Regulation and Its Detailed Implementation Rules, Communiqué of the Fourth Plenary Session of the 20th Central Commission for Discipline Inspection and Circular on Typical Negative Cases of Violations of Laws and Disciplines by the Central Commission for Discipline Inspection and the State Supervision Commission.

The business operations of the Group are in line with the standards of business conduct as prescribed in relevant applicable laws and regulations. During the Reporting Period, the Group was not involved in any material legal proceedings in relation to bribery and graft.

Community Involvement

I. Build Core Values through Thematic Education and Strengthen Ideals and Beliefs

We strengthened ideological guidance with diverse thematic activities. The labor union of the Group organized the knowledge competition of “Learning the Century-long History of the Labor Movement, Being Strivers of the New Era” and the online quiz of Shaanxi Province Labor Law Supervision Regulations, with nearly 400 employees participating. Employees of the Group went to the Guanzhong Revolutionary Memorial Hall in Fuping to carry out on-site study, inheriting the red gene by revisiting the oath of joining the Party and listening to revolutionary stories. We collected 9 short videos themed “Chinese Dream, Beauty of Labor”, among which *Blooming Youth, Building Dreams with Ingenuity* won the Excellence Award of China National Defense Posts and Telecommunications Trade Union; 23 essays themed “My Union and I” were received, which vividly showed the warmth of the union as the “home of employees” and the responsibility as the “family member”, making the thematic education truly enter the mind and heart of employees.

II. Targeted Assistance to Warm the Heart and Protect the Rights and Interests of Employees

Relying on the mutual security plan, we achieved full coverage of mutual security and supplementary medical insurance for all employees: handled mutual insurance of RMB20,125 for 169 employees, calculated and reimbursed supplementary medical insurance of RMB531,889 for 335 employees, and applied for care and assistance for 2 employees, effectively reducing the medical burden of employees. We solidly carried out livelihood services such as festival condolences, funeral assistance, and children's school enrollment procedures to solve the worries of employees. We continued to carry out the activities of “Sending Warmth in Winter and Sending Coolness in Summer”, issued consolation money of RMB28,000 to 24 employees in difficulties, allocated RMB90,000 as consolation money for sending coolness, and purchased summer heat prevention and cooling supplies and first-aid materials to protect the health of front-line employees. We carried out the Golden Autumn Student Aid activity, providing educational support for 6 children of employees in difficulties; purchased poverty alleviation products worth nearly RMB700,000 throughout the year to help rural revitalization.

Part III Production and Operation (Continued)

Community Involvement (Continued)

III. Cultural Activities to Gather Strength and Create a Forging Atmosphere

To provide a platform for all employees to learn knowledge, obtain information, improve quality and enrich cultural life, and help employees develop a good habit of “loving reading and reading good books”, the labor union of the Company insists on purchasing books for the “Staff Book House” every year to enrich the collection of books. We carried out in-depth series of activities of “Our Festivals”, organized activities such as Spring Festival couplet writing, handicraft making and movie watching during traditional festivals such as Spring Festival, Lantern Festival and Dragon Boat Festival, to carry forward the excellent traditional Chinese culture. During the International Women’s Day period, all affiliated trade unions of the Group held featured activities for female employees, including flower arrangement workshops and traditional diancha tea art (點茶技藝) experience, to enrich the spiritual and cultural life of female employees and foster their solidarity and motivation. In addition, the Group actively participated in and organised a variety of cultural and sports events. The Group formed teams to take part in the staff table tennis tournaments and winter fitness series held by higher-level authorities, and achieved excellent rankings in all events. Through diverse cultural and sports activities, the Group strengthened the cohesion and sense of belonging of employees, and built a positive, united and progressive corporate culture across the Group.

