

2025

Ningbo Vichnet Technology Co.Ltd.

Annual Corporate Social Responsibility Report (CSR)

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Report Introduction

This report is Ningbo Vich Technology Co., Ltd. 's third Environmental and Social Responsibility Report, disclosing to investors and other stakeholders the company's philosophy, established management approaches, implemented initiatives, and achieved outcomes regarding environmental and social responsibility issues in its operations.

Report Scope

This report covers Ningbo Vichnet Technology Co., Ltd. and its subsidiaries.

During the reporting period

The reporting period covers January 1st, 2025, to December 31st,2025. Unless otherwise specified, all data in this report refer to data from this period.

Explanation of the term

For ease of reference and readability, the following references are used in this report:

Abbreviation		Full Name
Vich Technology,Vich, Company, We	Refers to	Ningbo Vichnet Technology Co., Ltd.

Data specification

The report draws on data sources including publicly available government data, internal statistical reports from Vich Technology, administrative documents and reports, third-party evaluation interviews, and third-party research studies. Certain content and figures are referenced to previous years where appropriate. Unless otherwise

specified, all currency denominations and amounts mentioned in this report are expressed in (RMB).

Principles for Report Preparation

- Balance

This report presents objective facts, disclosing both positive and negative information about the company without bias.

- Clarity

This report is published in Simplified Chinese. It contains tables, model diagrams, and other information to supplement the textual content, enabling stakeholders to better understand the report. This facilitates faster information access for stakeholders.

- Quantification and Consistency

This report maintains consistency in the statistical methods and disclosure formats for the same indicator across different reporting periods; any changes to these methods and formats are fully explained in the report notes to facilitate meaningful analysis by stakeholders.

- Integrity

The scope of entities disclosed in this report aligns with that of the company's consolidated financial statements.

- Chronergy

This is an annual report covering the period from January 1st, 2025, to December 31st, 2025.

- Verifiability

The cases and data in this report come from the original records or financial reports of the company's actual operations. The sources and calculation processes of the disclosed data can be traced back, which can support external verification work inspections. The company guarantees that the content of this report is true, accurate, and complete, with no false records, misleading statements, or significant omissions, and takes responsibility for the authenticity, accuracy, and completeness of its content.

Report Acquisition

This report is available in both printed and electronic formats, with the electronic version accessible on the company's official website (www.vichnet.cn).

Contact us

If you have any suggestions for the report, please contact us through the following methods:

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Address by the General Manager

Dear partners, employees, and friends from all walks of life: Good day! Over the past year, the world has remained fraught with challenges. Nevertheless, the Vich team has consistently upheld the belief of "making industry safer," driving development through technological innovation and giving back to society with a strong sense of responsibility. On behalf of all our colleagues, I would like to extend our most sincere gratitude to our partners for their long-standing support!

Stay true to our original mission and safeguard industrial safety through technology

In 2025, we further refined our positioning as "Industrial Safety Protection Experts," driving deep integration of technology with real-world applications. Through industry-academia-research collaboration, innovative solutions such as the AI personnel fall prevention system and IoT cloud platform have been successfully implemented by industry leaders like Johnson & Johnson. I am proud to note that Vich has served over 100 countries and regions worldwide — ranging from Tencent and Alibaba's data centers to Tesla and Geely's smart production lines, from Budweiser's food-grade cleanrooms to China State Shipbuilding Corporation's ten-thousand-ton vessels. Our intelligent perimeter protection systems and cable safety reinforcement solutions have been adopted across 12 major sectors, including new energy, pharmaceuticals, and logistics warehousing, establishing robust safeguards for global industrial safety. Our products are safeguarding production safety across countless industries.

Compliant operations: Building trust through transparency

Corporate governance is the lifeblood of sustainable business success. First, by 2025, the company will engage a third-party financial auditor, with the audit report publicly available and traceable. Second, we will strengthen our influence in setting standards by leading and participating in the development of both international and domestic

standards, transitioning from merely "complying with rules" to "defining rules." Third, through digital transparency initiatives, we will adopt "full transparency" as our guiding principle, ensuring every piece of data is verifiable, every decision step traceable, and every responsibility accountable.

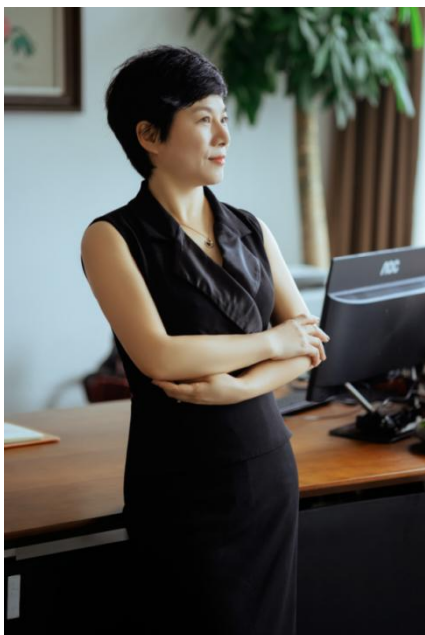
Looking to the Future: Responsibility and Innovation Go Hand in Hand

As it embarks on a new journey, Vich Technology will adhere to two key directions:

1. Technology Empowerment: Develop a carbon footprint tracking feature to assist customers in complying with the EU Carbon Border Adjustment Mechanism (CBAM); enhance digital twin technology to simultaneously improve industrial safety and energy efficiency management.
2. Demand-driven growth: Continuous investment in intelligent security R&D enables technology to benefit more sectors.

"Leading industry advancement and realizing our shared dreams" is not merely a slogan, but a concrete commitment upheld by the Vich team. We firmly believe that only by embedding responsibility into our DNA and confronting challenges through innovation can we maintain our direction amidst changing circumstances, create long-term value for shareholders, and contribute to a sustainable future for society.

Finally, once again, our sincere gratitude goes to every partner for their trust and collaboration. Let us join hands: in the name of intelligence, safeguard industrial safety; with a sense of responsibility, jointly build a green future!



General Manager of Vich Technology: Wen Lijun

Integrity in business operations; responsible governance.

Leading industry advancement and realizing the dreams of everyone



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01 | About Vich Technology

1.1 Company Profile

Established in 2006, Ningbo Vich Technology Co., Ltd. is a national high-tech enterprise specializing in the research, development, manufacturing, and sales of intelligent security protection systems. With deep expertise in the security protection sector, Vich Technology provides a wide range of intelligent security solutions to clients, earning market recognition and support while steadily establishing itself as a leading industry player.

The company is headquartered in Ningbo High-tech Zone and operates three major manufacturing bases across China: the Ningbo Beilun District and High-tech Zone (headquarters), as well as an overseas facility in Canada. The headquarters covers an area of 16,584 square meters, while the Beilun manufacturing base spans 12,076.44 square meters and is equipped with state-of-the-art production facilities and manufacturing processes. The company holds certifications including ISO9001 Quality Management System, ISO14001 Environmental Management System, ISO45001 Occupational Health and Safety Management System, and GMC Global Qualified Supplier Certification. Its products are certified by UL (USA), CUL (Canada), and the EU CE mark.

Guided by its business philosophy of pursuing technological innovation, energy conservation, and emission reduction, Vtron Technology is committed to creating societal benefits. The company not only focuses on delivering first-class quality and services to create value for its customers but also adopts a people-oriented approach, dedicated to unlocking employees' potential and creating more opportunities for them.



Figure: Production Base of Ningbo Vich Technology Co., Ltd.
(Letter left: High-tech Zone manufacturing base + headquarters; Letter right: Beilun District manufacturing base)

Vich Technology has undergone a transformation and upgrade from traditional manufacturing to quality-driven manufacturing and then to intelligent manufacturing through methodologies such as "manufacturing + focus, manufacturing + quality and brand standards, manufacturing + internet, manufacturing + innovation, manufacturing + talent, manufacturing + environmental protection, manufacturing + service, and manufacturing + intelligence." The company continuously increases its R&D investment, keeps pace with technological advancements, and accurately identifies consumer demands. As of December 31, 2025, it has obtained 196 national authorized patents (including 42 invention patents) and led or participated in the development of 45 national standards, Zhejiang Manufacturing standards, and industry group standards. The company has received numerous accolades, including the First Prize for Scientific and Technological Innovation from the National Internet Data Center, the China Data Center Scientific and Technological Achievement Award, the China Food Equipment Industry Scientific and Technological Innovation Award, the National Specialized, Refined, Unique, and Innovative Little Giant designation, the National High-Tech Enterprise title, the National Technical Standard Innovation Base accreditation, the Zhejiang Provincial Postdoctoral Research Station designation, the Ningbo Innovation Demonstration Enterprise award, the Ningbo Manufacturing Single Champion (Grid Bridge) Cultivation Enterprise recognition, the

Ningbo High-Tech Zone Quality Innovation Award, the Ningbo High-Quality Product Recommendation List, the Ningbo Credit Demonstration Enterprise designation, the Ningbo Yangfan Growth Enterprise award, the Stainless Steel Craftsman Innovation Award for Food Industry Applications, and the Cloud Computing Center Science and Technology Award.

The company is also a member unit of the National Technical Committee for Mechanical Safety Standardization, a member unit of the National Internet Data Center Industry Technology Innovation Strategic Alliance (NIISA Alliance), a standing council member unit of the China Food and Packaging Machinery Industry Association, a member unit of the China Communications Industry Association, a member unit of the China Machinery Industry Safety and Health Association, a member unit of the China Survey and Design Association, a member unit of the GDCT Data Center Energy Conservation Technology Committee, a member unit of the Guangzhou Logistics Technology and Application Association, a member unit of the Ningbo Overseas Chinese Federation Youth Entrepreneurship Association, and a member unit of the Ningbo Intelligent Manufacturing Association.

In 2025, the company was awarded the nation's first UL Witness Laboratory certification for cable trays, the second prize in the Enterprise Group of the preliminary round of the 10th "Maker China" Ningbo SME Innovation and Entrepreneurship Competition (High-Tech Division), the 2024 China Automation Field Industrial Safety System Application Demonstration Case, the Science and Technology Achievement Registration Certificate, and the Kunpeng Elite Star award.

Award & Qualification Name	Issuing Authority
UL Witness Laboratory Qualifications	LU Solution Organization
Second Prize in the Enterprise Group of the Preliminary Round of the High-Tech Zone Division of the 10th	Ningbo High-tech Zone Bureau of Industry and Information Technology Ningbo High-tech Zone Bureau of

"Maker China" Ningbo Small and Medium-sized Enterprises Innovation and Entrepreneurship Competition	Finance
2024 China Industrial Safety System Application Demonstration Cases in the Automation Field	China Automation Society
Registration Certificate for Scientific and Technological Achievements	Ningbo Municipal Science and Technology Bureau
Kunpeng Elite Star	Ningbo High-tech Zone Management Committee

Table: Major honors, awards, and qualifications received by the company in 2025

1.2 Business Layout

The company specializes in products related to two major systems: intelligent security protection systems and cable safety support systems, while also providing industry-specific solutions. The intelligent security protection system encompasses security early-warning products, permission management products, interlock protection products, physical isolation products, and resilient collision prevention products. The cable safety support system includes low-voltage wiring products, high-voltage wiring products, fiber optic wiring products, equipment wiring products, integrated support structures, and other related products.



Figure: Product showcase of the Intelligent Security Protection System + Cable Safety Transportation System

The company's business focuses on the industrial safety sector. Leveraging its existing industry partnerships and strategic roadmap, it has identified four deep-specialized sectors: data centers, food and beverage, logistics and warehousing, and automotive manufacturing; four growth sectors: panel furniture, rubber and plastic products, chemical production, and new energy; and four seed sectors: the pharmaceutical industry, glass equipment industry, paper packaging industry, and home appliance industry.



Figure: Four deeply established industries + Four growing industries

The company's cable safety carrying systems and intelligent safety protection systems have been exported to over 100 countries and regions, including the United States, Canada, Germany, Japan, South Korea, Australia, Vietnam, and the Philippines. These products are widely used in data centers operated by major telecommunications providers such as Tencent, Alibaba, Baidu, Google, and China; automotive assembly lines represented by Ford, BMW, General Motors, and Geely; food production lines exemplified by Wahaha, Budweiser, and China National Tobacco Corporation; photovoltaic power stations led by Tesla Energy; the wind power industry represented by Siemens; and the shipbuilding sector exemplified by China State Shipbuilding Corporation. With their exceptional product quality and comprehensive customer service, the company has further solidified its strong brand image.



Figure: Selected partner companies

1.3 Corporate Culture

Based on the current state of the company and industry development, the organization has clarified its strategic positioning and brand strategy, and established a corporate culture encompassing its mission, vision, and core values.

mission	Leading industry advancement and realizing the dreams of
---------	--

	everyone
vision	Make Vich a leading enterprise in the industrial sector
core values	Customer first, teamwork, professional execution, and innovative manufacturing

Figure: Corporate Mission, Vision, and Values

Furthermore, Vich Technology upholds the philosophy of "growing together with its employees," establishing a corporate culture framework anchored in "craftsmanship spirit, a culture of continuous improvement, and a family-oriented ethos," thereby fostering a cultural ecosystem that drives sustainable development.

The Spirit of Craftsmanship: The Cornerstone of Exquisite Quality

The company positions the spirit of craftsmanship at the core of its quality governance, fostering a professional ethos that pursues excellence and continuous improvement. By establishing a comprehensive quality management system covering the entire process — from R&D and production to service — we emphasize dedication, sustained innovation, attention to detail, and teamwork, all guided by the principle of customer-centricity to drive constant product and service upgrades. Over the past three years, customer satisfaction has consistently remained above 98%, demonstrating the remarkable effectiveness of the spirit of craftsmanship in practice.

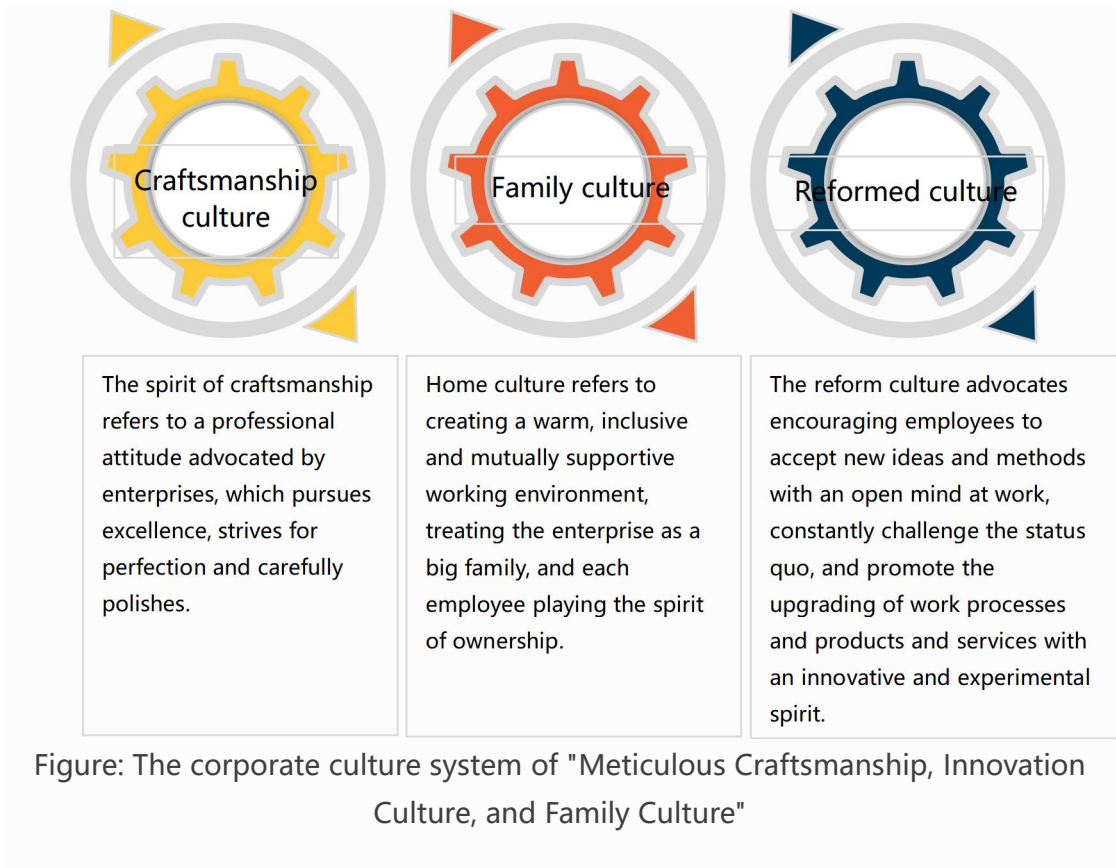
The Cultured Improvement: The Driving Force for Continuous Evolution

We advocate for a culture of continuous improvement, encouraging employees to embrace change with an open mindset and persistently seek opportunities for enhancement and optimization. By establishing cross-departmental innovation collaboration mechanisms, we drive iterative upgrades in workflows and product services. The company has implemented over ten process optimization initiatives, significantly

boosting operational efficiency and resource utilization. By 2025, this culture of refinement has enabled the company to achieve higher production efficiency, providing robust support for sustainable development.

Family Culture: A Practice of Humanistic Care

Family culture serves as a vital manifestation of corporate humanistic governance, aiming to foster a warm, inclusive, and collaborative work environment. We regard the company as a large family, encouraging employees to embrace a sense of ownership and build trust and cooperative relationships. Through implementing the "Three Integrity Systems" (Integrity in Leadership, Integrity in Talent, Integrity in Employment), we prioritize employees' personal growth and well-being, achieving an employee retention rate that has remained industry-leading for five consecutive years since 2025. This family culture not only strengthens employees' sense of belonging and value but also cultivates an efficient and harmonious team atmosphere within the organization.



02 | Strategic Planning

2.1 Key Strategy

The company adopts the BLM model, whose full name is Business Leadership Model, also known in Chinese as the Business Leadership Model or Business Leadership Framework. It is a comprehensive strategic planning methodology and platform developed by IBM for connecting corporate strategy formulation and execution. The BLM model is a widely recognized framework that has been adopted by renowned enterprises such as Huawei, SF Express, and TCL. Notably, Huawei has applied the model not only at the corporate strategy level but also integrated its various modules into daily operational processes, establishing an annual cycle for strategic and organizational management across all levels of the enterprise. In the field of strategic planning, the BLM model holds significant value and has demonstrated

proven applicability in the market; therefore, it will serve as the fundamental framework for the company's three-year strategic planning and development.

The BLM model comprises four core components: Leadership, Strategy, Execution, and Values. Leadership and Values serve as the driving forces behind organizational transformation and growth, while Strategy and Execution outline the concrete pathways to achieving corporate objectives. The model provides a comprehensive framework for strategic planning across nine dimensions — including market insights, strategic intent, innovation focus, business design, key missions, organizational structure, talent development, cultural climate, and leadership — enabling management to regularly formulate strategies, make adjustments, and monitor implementation. Its essence lies in leveraging organizational structure, talent capabilities, and cultural environment to ensure successful strategy execution while maintaining close alignment between human resources and business operations. Additionally, the BLM model offers an analytical approach to identify and address market outcomes and opportunity gaps, pinpoint root causes through hypothesis testing, and categorize findings across its components to develop actionable plans for mitigating underlying issues.

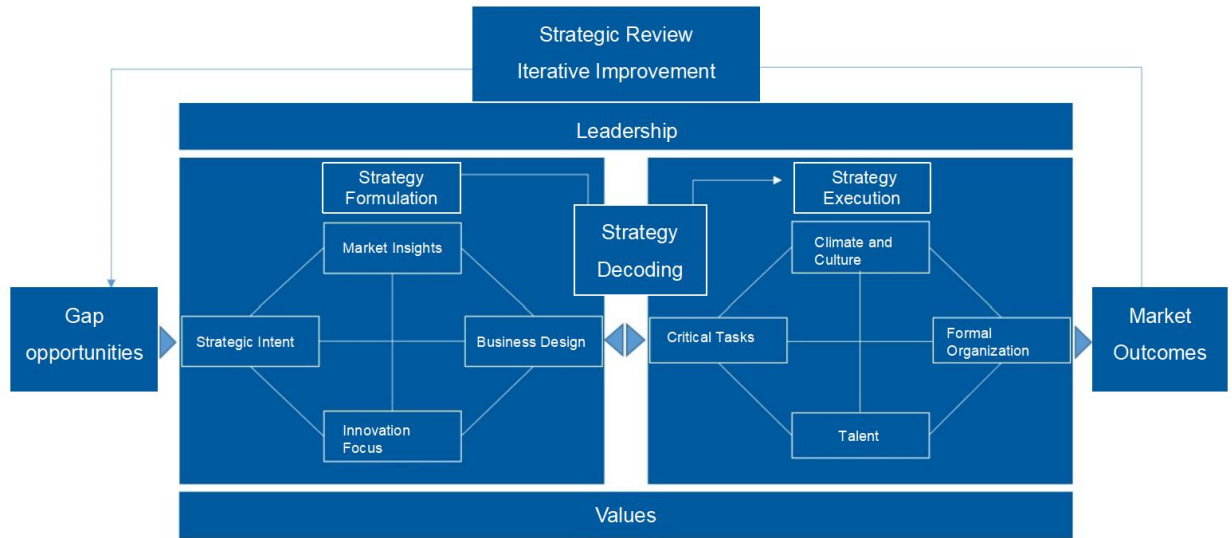


Figure: BLM model diagram (Model source: Professor Michael L. Tushman and Charles A. O'Reilly III.)

Based on the BLM model, the key strategies for 2025 are summarized as follows:

- Key Strategy 1: Strategic Integration – Vich Partners with TROAX to Open a New Chapter in Sustainable Development

In 2025, Vich Technology completed a strategic integration with Troax Group, a global leader in industrial security solutions based in Sweden. This marks the company's proactive integration into the global industrial ecosystem.

This integration has brought about a comprehensive strategic upgrade for the company: At the Environmental (E) level, the sharing of global R&D resources has accelerated innovation and application of green materials and energy-saving technologies; at the Social (S) level, a stable team and a broader development platform have reinforced our long-term commitment to employee growth and local communities.

Looking ahead, Vich Technology will serve as Tuvas Group's core engine in the Asia-Pacific region, not only leveraging global premium resources but also committed to promoting the global application of

local innovation achievements, thereby creating long-term, inclusive, and sustainable value for all stakeholders.

- Key Strategy 2: Adopting a Value Chain Allocation Reform Model Based on the "Value Symbiosis" Concept

Vich Technology fully recognizes that within its sustainable development strategy, "people" represent the most critical asset and the fundamental basis of responsibility. The traditional sales incentive model, oriented toward short-term transactions, is no longer suitable for serving large clients or delivering complex value solutions, nor can it support the company's long-term sustainable growth objectives. To address this, in 2025, the company launched a comprehensive transformation of its sales and incentive systems. The core of this initiative was to break down departmental silos, focus on creating value for key clients, establish a collaborative "sales-technology" value creation ecosystem, and design a fair, sustainable, and strategically guided benefit-sharing mechanism aligned with these objectives.

The transformation is centered on the core objective of "maximizing customer value throughout their entire lifecycle," establishing a closed-loop synergy around three key dimensions: responsibility, evaluation, and benefit.

-Shared Responsibility: Establish common customer success objectives for sales and technical teams—including key metrics such as customer satisfaction, solution leadership, and repurchase rates — clarify interdependent collaborative tasks across phases, and mandate and actively encourage cross-functional collaboration at the organizational level.

-Collaborative Contribution Evaluation: Establish a cross-functional quantitative assessment system for contribution evaluation that focuses not only on sales performance but also assesses the technical team's pivotal role in solution innovation, implementation challenges, and value realization through multidimensional approaches such as project reviews, customer feedback, and technical evaluations, thereby

transforming their "implied contributions" into measurable tangible value.

-Benefit Sharing: Establish an independent "Key Account Value Co-creation Bonus Pool" separate from departmental budgets. The bonuses are derived from excess profits from key account projects or special incentive budgets, and are strictly allocated among core sales and technical members based on the aforementioned "contribution evaluation" results, truly achieving the synergistic effect of "unified efforts yielding unified benefits".

This core strategic transformation is not merely a management innovation, but also a concentrated embodiment of integrating the principles of 'inclusive growth,' 'responsible operations,' and 'good governance' from our CSR philosophy into the heart of our business operations.

- Key Strategy 3: Comprehensive Budget System Reform and Digital Deepening – Upgrading the "Vich Characteristic" Management Model

In 2025, the company remains committed to comprehensively advancing budget system reform and digital transformation, successfully establishing an Amoeba-style budget management system with Vich's distinctive characteristics. This system aims to enhance operational efficiency, optimize resource allocation, and strengthen internal control standards through refined management and digital empowerment, providing solid support for the company's high-quality development. The company will continue to refine its budget management framework and digital capabilities, explore innovative management models and technological applications, further improve operational efficiency and market competitiveness, and ensure long-term competitive advantages in the complex and dynamic market environment.

- Key Strategy 4: Deepen Product System and Technological Innovation to Build the "Industrial Security Protection Expert" Brand

By 2025, aligned with its brand positioning as an "Industrial Safety Protection Expert," the company will deepen its two core product lines — the Cable Safety Bearing System and the Intelligent Safety Protection System — while establishing comprehensive service capabilities spanning from initial technical consultation to final delivery and installation. Committed to delivering intelligent and professional safety solutions, the company aims to solidify its leading position in the industrial safety sector.

-Enhanced product system with scenario-based applications: The perimeter protection system comprises four core modules — physical isolation, interlocking protection, permission management, and security alerts—to meet diverse security requirements across industrial scenarios.

-Cable Safety Management System: Comprising low-voltage wiring, high-voltage wiring, fiber optic wiring, equipment wiring, and integrated support modules, it provides customers with an efficient and reliable cable management solution.

-Integrated Delivery Service: Establishes end-to-end service capabilities spanning initial technical consultation, mid-term product development, and final product delivery and installation, ensuring precise fulfillment of client requirements.

In 2025, the company deepened its two core product systems—the Cable Safety Bearing System and the Intelligent Safety Protection System—aligning with its brand positioning as an "Industrial Safety Protection Expert." The Cable Safety Bearing System encompasses four components: low-voltage wiring, high-voltage wiring, fiber optic wiring, equipment wiring, and integrated support/hanging modules. The Intelligent Safety Protection System consists of four key modules: physical isolation, interlock protection, permission management, and

security alerts. By 2025, the company had established a comprehensive delivery service capability covering preliminary technical consultation, mid-stage product development, and final product delivery and installation tailored to various application scenarios. Leveraging industry-academia collaborations with Ningbo Nottingham University and Nanjing University of Science and Technology, the company successfully implemented the "Key Technologies for a Digital Twin System for Industrial Internet-Based Safety Production," developing practical applications such as an AI-based personnel fall prevention system, AI personnel detection system, PPE identification terminal, AI armrest behavior recognition system, and the Vich IoT Cloud Platform—all of which have been successfully deployed at industry leaders like Johnson & Johnson, generating significant sales revenue. Additionally, the company trained seven certified mechanical safety experts to enhance its safety assessment and solution delivery capabilities. Under this framework, the company explores cutting-edge technologies to empower intelligent solutions, improves structural processes to enhance safety, and cultivates professional expertise through specialized training programs.

2.2 Core Competencies

In 2025, Vich Technology will establish an Intelligent IoT Security Technology R&D Center. This initiative involves constructing a new R&D building, acquiring essential equipment, and recruiting high-caliber technical talent to further enhance the company's technological capabilities and new product development capacity. It aims to deepen the company's expertise and technological portfolio in industrial security protection systems, achieve breakthroughs in key technologies, provide technical support for product development, offer a solid technical foundation for strategic decision-making, and align with the company's sustainable development goals.

- (1) Abundant R&D resources

Regarding R&D facilities, as the company's product portfolio, research scope, and R&D projects continue to expand, the existing facilities—due to their limited size and restricted capabilities—are no longer sufficient to meet growing demands, necessitating an urgent expansion of space. In terms of hardware, the company possesses a limited number of dedicated R&D testing equipment. Some projects are currently conducted through collaborative R&D models, resulting in insufficient equipment to fully support independent R&D efforts in areas such as edge computing, digital twins, and 3D printing. Therefore, the addition of advanced R&D equipment is essential to ensure efficient and orderly R&D operations in the future.

By expanding its R&D facility footprint, establishing new R&D and testing zones, and acquiring advanced research equipment, the company has enhanced its R&D platform capabilities, thereby attracting top-tier R&D talent. The company has optimized its R&D resources to build a more comprehensive and user-friendly technical R&D platform with improved hardware and software, strengthening its technological prowess, elevating core R&D capabilities and product competitiveness, and meeting its long-term strategic development needs.

(2) Adhere to the concept of intelligent development

The advent of the Industry 4.0 era will drive mechanical safety protection from a singular physical isolation model toward intelligent systems integrating technologies such as the Internet of Things, cloud computing, edge computing, AI and machine learning, and digital twins. This evolution will establish an automated hazard elimination system encompassing "people, machinery, environment, and management," gradually shifting safety paradigms from traditional physical isolation to a collaborative human-machine coexistence model. The "14th Five-Year National Work Safety Plan" issued by the State Council's Work Safety Committee in 2022 explicitly emphasizes strengthening technological innovation leadership, advancing research on intelligent risk perception and monitoring methodologies, prioritizing the development of information-driven, intelligent, and unmanned work safety monitoring

systems, enhancing mechanization and automation levels for hazardous process equipment, addressing critical technical bottlenecks in proactive risk prediction, real-time monitoring, and early warning mechanisms, and establishing a robust scientific support framework aligned with R&D platforms. The deep integration of next-generation intelligent information technologies with conventional safety protection facilities has increasingly become a pivotal direction for the development of the mechanical safety protection industry.

The company has acquired R&D equipment necessary to overcome technical challenges, recruited professional R&D personnel, and increased funding for relevant research projects. It actively aligns with the development trends toward informatization, intelligence, and automation in mechanical safety protection, focusing its R&D efforts on intelligent safety electrical sensing, industrial safety visual early-warning systems, and safety management for special operating conditions. These initiatives aim to drive continuous digital and intelligent upgrades of its fence protection systems, thereby enhancing its sustainable development capabilities.

(3) Comprehensive R&D experience and robust technical capabilities

As a high-tech enterprise dedicated to the research, development, production, and sales of industrial safety protection systems, the company has consistently regarded technological innovation as its core competitive advantage since its establishment. In the cable tray sector, it has successfully developed an environmentally friendly nickel plating technology based on alloy catalysis and nanofilms, significantly enhancing product corrosion resistance and zinc whisker barrier performance. In mechanical safety protection, the company has introduced intelligent system solutions that employ safety fences as the physical layer and integrate technologies such as artificial intelligence, visual recognition, and digital twins, enabling comprehensive safety monitoring and real-time alerts throughout the entire lifecycle of mechanical equipment. The company has accumulated extensive product R&D experience and robust technical capabilities.

Furthermore, to maintain its technological leadership and foresight, the company has strengthened partnerships with higher education institutions and engaged in industry-academia-research collaboration. Through partnerships with Ningbo Nottingham University and Nanjing University of Science and Technology, the company leverages the comprehensive strengths of multiple disciplines and specialties via this collaborative R&D model, thereby enhancing its research capabilities and building a robust knowledge base and practical experience for advancing cutting-edge technologies.

In summary, the company's years of technological and talent reserves, coupled with its collaborative R&D model with academic institutions, have provided robust technical support for the successful implementation of this project, ensuring solid foundations in product technology, process technology, and application technology. Through exploring cutting-edge technologies and analyzing industry trends, the company has progressively identified several key research areas, including safe electrical sensing, intelligent visual early-warning systems for industrial safety, and safety management for operations under special conditions.

(4) Substantial R&D reserve funds

The company places high priority on R&D investment. As of December 2025, it employs 35 R&D staff members, with 161 contributing to social insurance schemes—accounting for over 20% of its total workforce. From 2023 to 2025, R&D expenditures amounted to RMB 11.4277 million, RMB 12.8172 million, and RMB 11.0029 million, respectively, while core business revenues reached RMB 202.464 million, RMB 210.9112 million, and RMB 282.625 million during the same period, each exceeding 4% of total revenue. The company has successfully completed the municipal-level major scientific and technological project "Key Technology Research on Digital Twin Systems for Industrial Internet-Based Work Safety" and is currently advancing the high-tech zone's flagship initiative "Key Technology Development for Intelligent Fencing Systems Enhancing Production Safety." Additionally, the

company collaborates extensively with institutions such as Zhejiang Wanli University and Zhejiang University Ningbo Institute of Technology, focusing on drone-powered intelligent inspection technologies and has secured approval for a Ningbo Municipal Public Welfare Science and Technology Project. It also hosts multiple innovation platforms, including a National Technical Standard Innovation Base (for Intelligent Manufacturing Equipment Safety), a Provincial High-Tech Enterprise R&D Center, and a Zhejiang Provincial Postdoctoral Research Station.

03 | Risk Warning

➤ Risks associated with macroeconomic conditions and industry-specific policies

As fundamental equipment in modern industrial and commercial settings, industrial security protection products find extensive applications. They are primarily used in sectors such as data centers, telecommunications, smart manufacturing, and warehousing and logistics — all of which constitute core industries of China's national economy. Consequently, fluctuations in these sectors significantly impact the costs and product demand within the industrial security protection industry. The sector's development is substantially influenced by changes in the national macroeconomic environment and industrial restructuring efforts.

➤ Risks in the international situation

During the reporting period, the company's overseas sales revenue accounted for 36.71% of its total operating revenue. Amid increasing volatility in the global market economy and intensifying competition, certain countries have implemented targeted trade protection measures driven by political considerations, including raising tariffs and restricting imports and exports to further erect trade barriers. Policies such as adding certain enterprises to the "实体清单" may lead to supply constraints for the company's raw materials and could also affect demand for its products among downstream customers in export

destinations.

➤ **Market competition risk**

Industrial safety protection products are non-standardized items with extensive downstream applications. Due to limitations such as production capacity, individual manufacturers struggle to meet the substantial market demand, resulting in low industry concentration and intense competition. The company's competitors include not only renowned foreign enterprises like Logrand and Troax but also numerous domestic small and medium-sized enterprises. As manufacturers of intelligent safety protection products continue to overcome barriers in technological innovation, manufacturing processes, and customer resources, driving rapid growth, industry competition will intensify further.

➤ **Risk of fluctuations in raw material prices**

During the reporting period, the company's direct material costs accounted for a relatively high proportion of its core business costs, significantly impacting both its operating expenses and profitability. In the future, if factors such as changes in the macroeconomic environment, geopolitical developments, substantial fluctuations in upstream commodity markets, supplier strategic adjustments, or force majeure events lead to significant price volatility for key raw materials or shortages in production capacity and supply, the company's operational performance and profitability could be adversely affected.

➤ **The risk associated with changes in tax incentive policies**

The company is a high-tech enterprise. According to its current high-tech enterprise certification, it is eligible for a 15% income tax incentive in 2025. If the company fails to maintain its high-tech enterprise status after the certificate expires, or if national tax incentives for high-tech enterprises change, it may lose eligibility for the income tax benefit and revert to the standard 25% corporate income tax rate, which could adversely affect the company's operating performance.

➤ **risk in investment**

To enhance capital utilization efficiency, the company uses

temporarily idle funds to purchase wealth management products, all of which are high-security bank wealth management products with relatively stable returns. Should the returns on these products experience significant fluctuations in the future, it may adversely affect the company's operating performance.

➤ **Internal control risk**

(1) Management risks arising from the expansion of the company's scale

The expansion in the company's net assets, production capacity, and sales volume has imposed higher demands on its management in areas such as resource integration, technological R&D, production management, market development, and internal control. If the company's management capabilities fail to meet the requirements of asset and operational scale expansion or prove ineffective in addressing challenges arising during this growth phase, it will adversely impact the stable development of its business operations. Consequently, the company faces management risks associated with its scale expansion.

➤ **The risk of limited reference value for publicly traded companies in the same industry**

Given the highly specialized nature of the industry, there are few public companies with products, operations, or application domains similar to the issuer's. The company specializes in the research, development, production, and sales of industrial safety protection systems, with its cable support systems and fence protection systems primarily used for cable support and mechanical protection. During the reporting period, peer companies selected were Aoto Co., Ltd. and Tuvas. Although both Aoto Co., Ltd. and Tuvas offer mechanical protection fences—as their main products—and these share similarities with the physical isolation solutions in the issuer's fence protection systems, the selected companies do not engage in cable support systems, and their mechanical protection products lack intelligent functionality, differing significantly from the issuer's core offerings.

Consequently, the reference value of these companies is limited. The issuer therefore advises investors to be aware of the restricted reference applicability of data from comparable companies presented in this prospectus.

Environmental Responsibility and Sustainable Development

Energy conservation and carbon reduction: Together, we create a green future.



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04 | Environmental Responsibility

At Vich Technology's CSR value creation philosophy, we emphasize generating long-term value for society, the environment, and shareholders through sustainable business practices. We recognize that corporate success is measured not only by financial performance but also by environmental stewardship, fulfillment of social responsibilities, and implementation of sound governance. Through this holistic approach, we are committed to achieving coordinated economic, environmental, and social development, thereby creating a more prosperous and sustainable future for our stakeholders — including employees, customers, communities, and the environment.

Vich Technology strictly complies with laws, regulations, and management guidelines such as the Environmental Protection Law of the People's Republic of China and the Measures for the Administration of Corporate Environmental Information Disclosure. Guided by the principle of "prevention first, combining prevention with control, comprehensive planning, rational layout, and integrated utilization," and aiming to achieve a win-win situation for both ecological and economic benefits through effective environmental protection, the company has established systems including the Environmental Accident Management System, Environmental Protection Responsibility System, and Environmental Factor Identification, Evaluation, and Control Procedures. It has also implemented a robust environmental management framework and actively promotes clean production. The company has formed a leadership team overseeing safety, fire prevention, environmental protection, and occupational health, comprising representatives from the corporate headquarters, production technology departments, environmental safety offices, subsidiary plants, and safety officers. This team is responsible for developing and operating environmental and other management systems, improving workplace conditions, and fostering the company's sustainable development. Vich Technology consistently embraces its

social responsibility by serving and giving back to society, complying with national laws and regulations, and striving to become a model green manufacturing enterprise.

In 2025, the company invested an additional RMB 2.285 million in environmental management initiatives, including upgrades to environmental protection facilities. The company regularly identifies and evaluates environmental factors—including those that may or intend to influence its operations, products, and services. In compliance with regulatory requirements, the company has developed an Emergency Response Plan for Sudden Environmental Incidents, assessing potential environmental accidents during production processes to effectively prevent such events. Regular maintenance and upkeep of environmental equipment further reduce the likelihood of pollution incidents and mitigate environmental risks. Throughout 2025, the company conducted routine environmental and pollutant emission monitoring in accordance with regulatory standards, with all results falling below national limits. During the reporting period, the company experienced no environmental incidents attributable to its operations and faced no administrative or criminal penalties from regulatory authorities.

The company primarily uses water and electricity as its main production energy sources, generating major waste products such as edge and corner scraps, exhaust gases, and dust. Through classified treatment of solid waste, the company entrusts Ningbo Economic and Technological Development Zone Xingfa Development and Investment Co., Ltd. with centralized recycling and processing; recyclable waste panels are recovered and reused to the greatest extent possible, while hazardous waste containing oil is also handled by the same company. Currently, the solid waste treatment rate has reached 100%. All safety and environmental protection facilities are operating effectively, with no major environmental complaints or safety incidents reported over the past three years.

4.1 Energy Management and Climate Change Response

The company adheres to the energy management philosophy of "law-abiding innovation, energy conservation and emission reduction, clean production, and continuous improvement." It strictly complies with laws, regulations, and management provisions such as the Energy Conservation Law of the People's Republic of China, the Industrial Energy Conservation Supervision Measures, and the Energy Measurement Supervision and Management Measures. The company establishes annual energy management objectives and energy-saving and cost-reduction plans to enhance energy management efficiency. Senior leadership consistently regards quality and safety, environmental protection, energy conservation and consumption reduction, and comprehensive resource utilization as fundamental responsibilities. The company identifies relevant impact indicators and risks in four key areas: workplace safety, environmental protection, energy and resource utilization, and public health and occupational health. In accordance with national industry standards, the company defines internal control indicators, measurement methods, and control processes.

Time (years)	Amount (ten thousand yuan)	Volume (ten thousand degrees)	Unit price (RMB/kWh)
2023	102.16	105.33	0.97
2024	141.73	146.11	0.97
2025	156.75	161.60	0.97

Chart: Vich Technology's Power and Energy Consumption Data (2023–2025)

As a national high-tech enterprise specializing in the research, development, and manufacturing of intelligent security protection systems, Vich Technology places great emphasis on energy

consumption management and environmental responsibility fulfillment while continuing its business expansion. Between 2023 and 2025, the company's electricity consumption showed a steady growth trend: electricity consumption was 1.0533 million kWh in 2023, with electricity costs amounting to 1.0216 million yuan; in 2024, consumption increased to 1.4611 million kWh, with costs reaching 1.4173 million yuan; and in 2025, consumption further rose to 1.6160 million kWh, with costs totaling 1.5675 million yuan. The unit electricity price remained stable at 0.97 yuan/kWh throughout the three-year period, indicating that the increase in electricity costs was primarily driven by higher consumption volumes resulting from expanded business scale.

To address climate change, Vich Technology has adopted the framework recommended by the International Sustainability Standards Board (ISSB) in its International Financial Reporting Standard for Sustainable Disclosure No.2 – Climate-related Disclosures (IFRS S2). The company has progressively established and refined its climate change management system across four key areas: governance, strategy, risk management, and metrics and objectives, enabling it to identify climate-related risks and opportunities while mitigating the potential impacts of its production and operations on climate change.

Vich Technology's Climate Change Management System	
administer	<ul style="list-style-type: none"> ➤ The company's board of directors oversees the management, initiatives, and progress regarding climate change issues. ➤ The energy management teams across all business units and other relevant functional departments have incorporated climate change management and implementation into their daily priorities.
strategy	<ul style="list-style-type: none"> ➤ Identify the risks and opportunities posed by climate change to the company's operations and financial condition; integrate the findings of climate-related risk and opportunity assessments into the

	<p>company's future strategic development plans; and formulate corresponding mitigation and adaptation strategies.</p>
<p>risk management</p>	<ul style="list-style-type: none"> ➤ Using the IFRS S2 framework to identify and analyze climate change risks and opportunities related to corporate production and operations, the company is progressively integrating climate risk management into its production and operational safety and environmental risk management practices, while implementing corresponding management actions in energy management and other areas.
<p>Indicators and Objectives</p>	<ul style="list-style-type: none"> ➤ Conduct the statistics, calculation, analysis, and disclosure of indicators such as greenhouse gas emissions. ➤ Increase the proportion of photovoltaic power generation and participate in green electricity trading ➤ Expand the coverage of energy-saving models for key energy-consuming equipment and ensure the implementation of projects aimed at improving energy efficiency and reducing consumption. ➤ Continuously carry out the company's carbon inventory work.

4.2 Water Resource Management

The company strictly complies with laws and regulations such as the Water Law of the People's Republic of China and the Water Pollution Prevention and Control Law of the People's Republic of China. It has established water resource management systems applicable to all business segments, implemented a comprehensive management framework, and strengthened daily water conservation practices. Through continuous monitoring of water resource usage, the company

prevents abnormal consumption, promptly identifies and addresses leaks, thereby minimizing water loss.

Time (years)	Amount (ten thousand yuan)	Volume (ten thousand tons)	Unit price (RMB/ton)
2023	3.30	0.54	6.12
2024	6.18	1.01	6.12
2025	6.24	1.02	6.12

Chart: Vich Technology's Hydropower Energy Consumption Data (2023–2025)

Water resources serve as the lifeblood of industrial production and operations, with their efficient management and recycling constituting the core manifestation of corporate environmental responsibility (E). According to Vich Technology's water consumption data from 2023 to 2025, the company's annual water usage increased from 0.54 million tons in 2023 to 1.02 million tons in 2025, correspondingly raising water expenditure from ¥33,000 to ¥62,400—a cumulative three-year growth of approximately 88.9%. This trend is directly linked to the commissioning of its newly built smart industrial base, expanded production scale, and increased workforce. Notably, water consumption in 2024 surged by 87.0% year-on-year, objectively reflecting the heightened resource demands during rapid growth phases. Notably, water consumption in 2025 (1.02 million tons) rose by merely 1.0% compared to 2024 (1.01 million tons), indicating a marked slowdown in growth momentum. This suggests that as production capacity stabilizes, the company has likely achieved initial control over water consumption through management optimization and technological interventions.

Vich Technology strictly complies with laws, regulations, and

management provisions such as the Water Law of the People's Republic of China and the Water Pollution Prevention and Control Law of the People's Republic of China. Based on its operational realities, the company has formulated and implemented management policies including the Water Resources Management Measures to enhance water resource management capabilities. It actively implements various water-saving measures, putting the water conservation philosophy into practice through concrete actions to achieve rational utilization and effective protection of water resources.

Victron Technology Water Resource Management Measures

<p>environmental protection equipment</p>	<ul style="list-style-type: none"> ➤ The tea room is equipped with energy-efficient appliances such as a water heater, refrigerator, and microwave oven. ➤ Use a water-saving faucet in the bathroom.
<p>Water for green plants</p>	<ul style="list-style-type: none"> ➤ For the green areas within the park, water-saving irrigation methods such as sprinkler irrigation are employed, along with conventional water sources like rainwater, to reduce the water consumption of the greenery.
<p>Meeting water usage</p>	<ul style="list-style-type: none"> ➤ For the green areas within the park, water-saving irrigation methods such as sprinkler irrigation are employed, along with conventional water sources like rainwater, to reduce the water consumption of the greenery. ➤ Traditional tea cups are used when receiving guests, and employees are encouraged to bring their own cups for internal meetings to reduce the use of bottled water and disposable paper cups.
<p>Wastewater Management</p>	<ul style="list-style-type: none"> ➤ In 2025, the company implemented targeted wastewater management and invested CNY 20,000 in wastewater treatment facilities.

4.3 Emissions and Waste Management

The company strictly complies with laws and regulations such as the Water Pollution Prevention and Control Law of the People's Republic of China, the Air Pollution Prevention and Control Law of the People's Republic of China, the Solid Waste Pollution Environment Prevention and Control Law of the People's Republic of China, and the National List of Hazardous Wastes, as well as the local regulatory provisions of its operational sites. It implements appropriate pollutant and waste management measures to minimize the potential environmental impact of its production and operations while meeting regulatory and emission requirements.

The company generates major waste products including scrap materials, exhaust gases, and dust. Through classified treatment of solid waste, the company entrusts Ningbo Economic and Technological Development Zone Xingfa Development and Investment Co., Ltd. to conduct centralized recycling and processing. Recyclable waste panels are recovered and reused to the greatest extent possible, while hazardous waste such as oily materials is also handled by the same company. Currently, the treatment rate for all solid waste has reached 100%.

4.4 Environmental Protection Activities

To uphold its green philanthropic mission, the company launched the "Green Mountains Initiative," a volunteer outdoor mountain cleanup campaign. Seven employee volunteers participated in a team-based competition at the suburban forest park, conducting thorough waste collection while completing a "Recyclable Materials Sorting Challenge" — sorting a total of 120 plastic bottles and 175 aluminum cans. The event innovatively incorporated ecological education, with professional instructors explaining the hazards of microplastics in forests and biodiversity conservation, while guiding participants to document their cleanup route using a "Mountain Patrol Check-in" app covering 5.2 kilometers of trails. Over three hours, 10 kilograms of scattered waste were collected, with 60% being recycled through designated channels. Post-event, the company introduced a "Green Pioneer" points system, converting volunteer service hours into charitable leave or eco-friendly gifts, and collaborated with partner enterprises to launch the "Traceless Hiking" initiative. This initiative not only improved outdoor environments but also strengthened employees' environmental responsibility through a dual approach of "practice + education," providing a tangible example for corporate branding.



Image: Vich Technology's Clean Earth Public Welfare Campa

05 | Product Sustainability

Through market research, data analysis, government interviews, and customer satisfaction surveys, the company has concluded that public attention is currently focused on product sustainability. The primary measures adopted by the company include the vigorous promotion of green factories. Environmental factors, hazard sources, and corresponding measures related to equipment and facilities are listed in the table below.

Facility Category	Improper use/disposal	concrete issue	The issue raised	countermeasures
Production facility	Improper operation and inadequate maintenance	Dust, oil leakage,	to hurt people	Develop an emergency response plan
	Improper treatment of pollutants	mechanical accidents, improper waste disposal	pollution of the environment	Increase investment in environmental resources and enhance training programs.
Maintenance of infrastructure facilities	Improper maintenance	Exhaust emissions,	to hurt people	Establish a job responsibility system and improve various management systems.
	Discard waste	collisions, electric shocks,	pollution of the environment	
	The pollution source has not been properly	damage to mechanical components		

	treated.	, noise, oil leakage		
power equipment	misoperation	Collision, electric shock	to hurt people	Establish a job responsibility system

Chart: Table of Environmental Factors, Hazard Sources, and Measures Related to Equipment and Facilities

The company regards technology as the cornerstone of its development, having established a comprehensive R&D framework that integrates both in-house and collaborative research approaches. Its innovation ecosystem comprises three core units: the R&D Center, Engineering Technology Center, and Zhongke Vich. Guided by customer needs, the company continuously optimizes product designs and manufacturing processes to enhance performance while delivering diverse and distinctive solutions tailored to market demands. Concurrently, it has built a market-driven innovation system anchored in independent R&D and supported by university-industry partnerships. Through horizontal resource integration, the company achieves rapid synergy among market insights, capital investment, and research capabilities, enabling forward-looking technological breakthroughs that align with industry trends. This strategy expands the company's technical horizons, facilitates optimal resource allocation for market-responsive product development, and strengthens its talent cultivation and retention mechanisms. During the reporting period, the company actively collaborated with institutions such as Nanjing University of Science and Technology and Ningbo Nottingham University, establishing robust technical reserves for sustainable growth. The industry-academia-research collaboration model effectively leverages interdisciplinary expertise, significantly improving R&D efficiency and innovation capabilities.

5.1 Establishment of the CBAM (Carbon Border Adjustment Mechanism) Working Group

Vich Technology has proactively positioned itself in the carbon accounting sector, pioneering the establishment of a carbon reporting system compliant with international standards. The company provides professional and reliable CBAM (Carbon Border Adjustment Mechanism) reporting services to EU clients, demonstrating its steadfast commitment to sustainable development. As an industry leader, Vich Technology developed a comprehensive carbon data management system prior to the EU's CBAM policy implementation. Through its self-developed intelligent monitoring platform, the company achieves precise measurement and tracking of carbon emissions throughout product lifecycle stages. This forward-looking strategic approach not only enables clients to meet increasingly stringent carbon tariff requirements but also embodies the company's core value of "technology empowering environmental protection." Vich Technology's CBAM reporting services strictly adhere to the latest EU standards, covering full-process carbon footprint accounting across raw material procurement, production processes, and energy consumption, ensuring data transparency and traceability. By delivering specialized carbon management solutions, Vich Technology is driving the green transformation of global supply chains, actively promoting low-carbon economic development, fulfilling corporate social responsibilities, and contributing technological expertise to combating climate change.

1 Information with reporting declarants		Table of contents		Further Guidance		Summary Processes		Summary Products	
2 Summary of the production processes and production routes, where relevant									
3 Details									
4 Aggregated goods									
5 Production routes									
6 Aggregated goods									
7 Production routes									
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39 Production routes									
40 Aggregated goods									
41 Production routes									

The screenshot displays a spreadsheet with two main sections: '1 Summary of the installation and production processes' and '2 Summary of products'. Section 1 includes installation details such as the name of the installation (Ningbo Vich Technology Co., Ltd.), address, city (Ningbo), and reporting period (2024-01-01 to 2024-12-31). Section 2 provides a detailed breakdown of the 'Safety Guard processing' production process, including aggregated goods produced, carbon emission data (SEE direct, SEE indirect, SEE total), unit (tCO2e/t), and share of emissions by default value (98%).

Figure: CBAM Report

The CBAM report provides carbon emission data for the company's two core products: cable trays and fences. The cable tray report indicates that producing one ton of cable trays generates a total of 2.273 tons of carbon dioxide, while the fence report shows that producing one ton of fences generates 2.324 tons of carbon dioxide. According to experts from the third-party carbon monitoring agency Yicarbon, these carbon emission figures fall within normal ranges.

The Vich Technology Carbon Report Working Group serves as the core technical team for enterprises addressing global carbon neutrality challenges. Comprising seasoned carbon accounting experts, data engineers, and policy researchers, it possesses the following key strengths:

- Full-process carbon data service capabilities
- The working group has established a comprehensive technical chain spanning from data collection to report generation. The independently developed Carbon Energy Cloud Platform enables real-time monitoring of energy consumption and emission data during production processes. In compliance with CBAM requirements, specialized accounting models have been specifically developed for key EU-regulated products such as steel and aluminum products.
- Develop differentiated toolkits based on the characteristics of different industries:

Manufacturing: Carbon Flow Analysis Module Integrated with the MES System

Supply Chain: A Multi-level Supplier Carbon Emission Collaborative Management Platform

Trade Enterprises: CBAM Cost Simulation and Optimization System

The working group regularly conducts carbon management training sessions, having trained one in-house carbon accountant and established a professional talent pipeline for sustainable development. By deeply integrating carbon management into corporate operations, it helps clients achieve dual improvements in both environmental and economic benefits.

06 | Zhongke Vich Nickel Plating Production Line Environmental IoT System

Zhongke Vich implemented an environmental IoT monitoring upgrade project on its nickel plating production line. Utilizing advanced 4G module technology, the project enables real-time monitoring of pH levels and flow rates at water stations, tracking four pH parameters and three flow data metrics. Additionally, the project employs the Modbus RTU protocol to enhance data transmission efficiency and reliability.

The primary innovation of this upgrade lies in the application of 4G IoT technology, which enables real-time transmission of critical data to the cloud for analysis. This not only enhances equipment utilization and production efficiency but also strengthens security management. Through this technology, the company can more effectively monitor and manage environmental metrics, thereby reducing the use of environmental monitoring equipment and lowering annual platform maintenance costs.

This initiative reflects the company's ongoing efforts in environmental management and technological innovation, demonstrating its commitment to sustainable development.

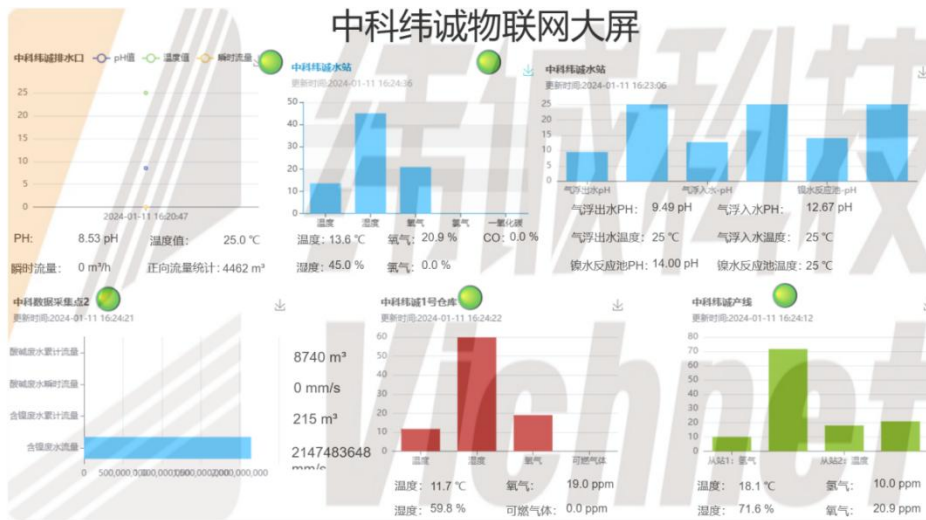


Image: Zhongke Weicheng IoT Visualization Dashboard

07 | Integrated Photovoltaic and Storage Park

As we commit to sustainable energy and environmental responsibility, our integrated photovoltaic-storage project exemplifies our innovative and forward-looking dedication. In January 2024, the company's Beilun manufacturing base and headquarters began operating photovoltaic power generation and energy storage systems by June 2024. By implementing an advanced power management system, we can monitor in real-time the performance of the 125 kWp photovoltaic plant and the 200 kW energy storage facility within the Beilun campus, ensuring efficient and stable energy utilization. Below are several key features and advantages of this system:

Real-time data monitoring: The system's user interface intuitively displays key indicators such as power generation, power output, current, and voltage, enabling immediate response to any performance fluctuations. Additionally, the system provides real-time data on photovoltaic power generation and consumption, facilitating instant understanding of energy production and usage patterns.

Energy Optimization: Through real-time monitoring, we can optimize the power output of solar panels, enhance energy conversion efficiency, and reduce waste.

Intelligent Diagnosis: The automatic diagnosis function facilitates early detection of potential issues, reduces downtime, and ensures continuous system operation. The system also displays equipment

performance metrics such as temperature and SOC (State of Charge), which are critical indicators for assessing system health and enabling preventive maintenance.

Reduced environmental impact: By increasing energy output while minimizing unnecessary energy consumption, our power generation projects have significantly reduced their carbon footprint.

Energy Storage Monitoring: The integrated energy storage monitoring capabilities (e.g., PCS battery status monitoring) enable effective management of energy storage during peak demand periods and allow for storing surplus energy during low-demand times.

Data Transparency: This transparency not only supports internal management decisions but also enhances stakeholders' confidence in our energy management practices.

Through these measures, our photovoltaic projects have not only improved energy efficiency but also demonstrated our commitment to environmental protection.





Figure: Photovoltaic Data Dashboard at Vich Technology's Beilun Manufacturing Base



Figure: Photovoltaic equipment at Vich Technology's headquarters

2025 Photovoltaic Power Generation Data from Vich Technology Headquarters

month	Monthly electricity generation (kWh)	Monthly electricity generation (MWh)	Equivalent Hours (h)	Equivalent tree planting (number of trees)
6	58379	58.38	71.72	9151
7	116137	116.13	142.67	18204
8	117776	117.78	144.69	18461
9	71059	71.06	87.3	11138

10	46644	46.64	57.3	7311
11	40229	40.23	49.42	6306
12	37069	37.07	45.54	5811

Photovoltaic Power Generation Data for Vich Technology's Beilun Manufacturing Base in 2025

month	Monthly electricity generation (kWh)	Monthly electricity generation (MWh)	Equivalent Hours (h)	Equivalent tree planting (number of trees)
1	1621	1.62	4.98	254
2	2712	2.71	8.34	425
3	14045	14.05	43.22	2201
4	8581	8.58	26.43	1345
5	At the request of thermal power, complete the procedures, during			
6	which power generation is suspended.			
7	16759	16.76	51.57	2627
8	19129	19.13	58.86	2999
9	10704	10.70	32.92	1678
10	7215	7.22	22.17	1131
11	8683	8.68	26.73	1361
12	1536	1.54	4.73	241

Vich Technology's annual carbon reduction figures for photovoltaic power generation in 2025

month	Headquarters power generation (MWh)	Beilun Power Generation (MWh)	Total electricity generation (MWh)	CO ₂ reduction (tonnes)
January	-	1.62	1.62	1.30
February	-	2.71	2.71	2.17

Vich Technology's annual carbon reduction figures for photovoltaic power generation in 2025

month	Headquarters power generation (MWh)	Beilun Power Generation (MWh)	Total electricity generation (MWh)	CO ₂ reduction (tonnes)
March	-	14.05	14.05	11.24
April	-	8.58	8.58	6.86
May	-	-	-	-
June	58.38	-	58.38	46.70
July	116.13	16.76	132.89	106.31
August	117.78	19.13	136.91	109.53
September	71.06	10.70	81.76	65.41
October	46.64	7.22	53.86	43.09
November	40.23	8.68	48.91	39.13
December	37.07	1.54	38.61	30.89
Total	448.29	98.39	546.68	437.34

From an environmental perspective, Vich Technology's 2025 photovoltaic power generation project demonstrates significant green benefits. The headquarters generated 448.29 MWh of electricity annually, while the Beilun base produced 98.39 MWh, collectively contributing 546.68 MWh of clean energy — equivalent to reducing carbon dioxide emissions by approximately 437 tons (calculated at 0.8 tons/MWh). Summer (July-August) saw the most outstanding

performance, with the headquarters accounting for 52.2% of annual output during these two months and the Beilun base contributing 36.5%, effectively alleviating grid pressure during peak demand periods. Additionally, the environmental benefits of photovoltaics extend to ecological contributions, equivalent to planting 67,873 trees annually—a capacity comparable to that of 5.4 hectares of forest (based on 1,200 trees per hectare). Notably, the Beilun base suspended power generation in May-June due to thermal power compliance requirements, reflecting the company's strict adherence to environmental regulations, while the headquarters' higher equivalent generation hours (79.5 h vs. 30.2 h) highlights the critical role of optimized photovoltaic technology in improving energy efficiency. This green energy initiative not only reduces the company's carbon intensity but also serves as a replicable model for the low-carbon transformation of the manufacturing sector.

Social Responsibility and Employee Benefits

Passing on hearts to hearts;
uniting forces with love;
happiness woven from
sincerity.



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08 | Human Resources

Vich Technology adheres to the principles of fairness, equity, and transparency in its recruitment practices, strictly complying with domestic and international laws and regulations such as the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, and the Implementing Regulations of the Labor Contract Law of the People's Republic of China. The company continuously optimizes its employee recruitment and termination management mechanisms, advancing the standardization and scientific approach to its hiring processes.

The company closely focuses on its core business operations, rationally and efficiently evaluates staffing requirements for various positions, develops annual workforce planning strategies, and employs budget control mechanisms to ensure seamless integration of human resource planning with corporate operations. It adopts a diversified recruitment strategy encompassing internal selection, external hiring, campus recruitment, and frontline recruitment, aiming to accurately identify and attract the talent it needs.

The company has established policies and regulations on anti-discrimination, anti-harassment, and prevention of abuse, committed to creating a work environment free from all forms of discrimination, harassment, or abuse for all employees. It explicitly prohibits making decisions during recruitment or termination based on factors unrelated to the job, such as gender, age, marital status, or religious beliefs, and insists on using only employees' educational background, professional qualifications, and job performance as criteria for recruitment, compensation, benefits, promotion, or dismissal.

The company provides training on a non-discriminatory work environment and has established complaint procedures that enable employees to raise concerns regarding discrimination or issues related to multiculturalism and inclusion. The company commits to investigating all complaints thoroughly and without omission. It

explicitly prohibits child labor and maintains a zero-tolerance policy toward any form of child labor or forced labor, requiring frontline employees to be at least 16 years of age. The company actively promotes awareness of laws prohibiting child labor and conducts regular employee training to enhance labor consciousness.

In 2025, the company faced no penalties from regulatory authorities for violating labor laws and regulations concerning employee recruitment and termination, working hours and leave, promotions, or equal opportunities. Additionally, there were no instances of child labor or forced labor violations.

➤ **The Principle of Multidimensional and Inclusive Talent Management**

The company consistently upholds diversity and inclusion as the core principle of its talent management strategy. By continuously monitoring employees' demographic and personal characteristics — including age, race, gender, nationality, physical attributes, sexual orientation, and gender identity — the organization systematically enhances its inclusive workplace environment. Discrimination or harassment based on nationality, geographic origin, ethnicity, gender, age, sexual orientation, or gender identity is strictly prohibited. An anonymous reporting system and rapid response mechanism are in place to ensure zero tolerance for violations, safeguarding a safe and equitable work environment. In advancing gender equality, the company provides essential support for female employees, such as prenatal leave, designated parking spaces, and breastfeeding facilities, while fostering career development through post-pregnancy return-to-work programs, flexible work arrangements, and cross-departmental mentoring systems. Employees' autonomy in gender expression and clothing choices is respected, with gender-stereotype-free dress codes and gender-friendly amenities (e.g., lactation rooms and mom lounges) created to support breastfeeding employees, transgender individuals, and non-binary communities. Regular anti-prejudice training and

Employee Resource Groups (ERGs) further reinforce a culture that values diversity.

8.1 Employee Rights and Benefits

Vich Technology adheres to the principle of equal employment, values talent diversity, and strictly complies with laws and regulations such as the Labor Law and the Labor Contract Law. The company has formulated and regularly updates its Employee Handbook, which covers personnel policies, working hours, compensation, and benefits. We are committed to creating an open, inclusive, fair, and transparent employment environment that safeguards the equal and legitimate rights of every employee.

The company places great emphasis on employee welfare and satisfaction, offering comprehensive and diverse benefits programs to Ensure employees 'peace of mind and professional growth throughout their careers. Our benefits program is designed to comprehensively address employees' lifestyle and work needs, including but not limited to the following:

The main measures taken by Vich Technology to protect employees' rights and benefits

type	concrete content
remuneration	<ul style="list-style-type: none"> ➤ Employee compensation is determined based on job level, work performance, competencies, and historical contributions. ➤ The compensation package includes monthly salary, seniority pay, year-end bonuses, process incentives, and performance bonuses. Notably, the "Dragon Soaring Plan" and "Tiger Leaping Plan" implemented at both early and late stages create additional value for employees through high-return incentive mechanisms.
Statutory benefits	<ul style="list-style-type: none"> ➤ The welfare leave includes annual leave, marriage leave, prenatal leave, maternity leave, etc. (Due to

	<p>policy-specific requirements, a special leave for caring for only-child parents has been established to demonstrate humanistic consideration.)</p>
Non-statutory welfare benefits	<ul style="list-style-type: none"> ➤ Provide employees with activity rooms (gym/yoga studio/KTV table tennis room/e-sports room/reading room, etc.), meal subsidies, office supply subsidies, transportation subsidies, communication subsidies, and cultural points rewards. ➤ The business school regularly conducts training programs and provides subsidies for academic advancement.
Democratic Communication	<ul style="list-style-type: none"> ➤ The issue management module allows any employee to submit opinions and suggestions, enabling real-time resolution and feedback through communication channels such as employee satisfaction surveys, covering all positions including logistics, frontline, and management roles.
Employee Satisfaction	<ul style="list-style-type: none"> ➤ The employee satisfaction survey covers salary, benefits, job satisfaction, and supervisor guidance. To better understand employee needs and enhance their sense of belonging, the survey is distributed regularly, achieving a satisfaction rate of over 90%.

➤ **Vich Employee Complaint Mechanism**

The company prioritizes providing employees with channels to voice opinions and resolve issues, standardizes employee appeal procedures and mechanisms, and ensures the confidentiality of all appeals.

Vich Technology Employee Complaint Mechanism

Confidential Processing	➤ Strictly adhere to the principle of confidentiality; only authorized personnel may access the relevant information. These personnel include the human resources specialist responsible for the investigation, senior management, and the company's legal counsel.
Internal Investigation	➤ The investigators do their utmost to protect the privacy and interests of all parties involved and disclose only the necessary information to the relevant individuals.
quick response	➤ Respond to employees' complaints as soon as possible and resolve the issue in the shortest time possible to minimize the spread of information.
Legal Basis	➤ Comply with relevant laws and regulations to ensure the protection of employees' privacy rights and information security

8.2 Employee Training and Development

➤ Learning and Growth

The company is committed to employee training and development, fostering a continuously progressive learning environment to enhance professional skills, cultivate talent for long-term growth, and achieve optimal alignment between individual employee value and corporate value. It continuously refines its training system, which is grounded in the decomposition and

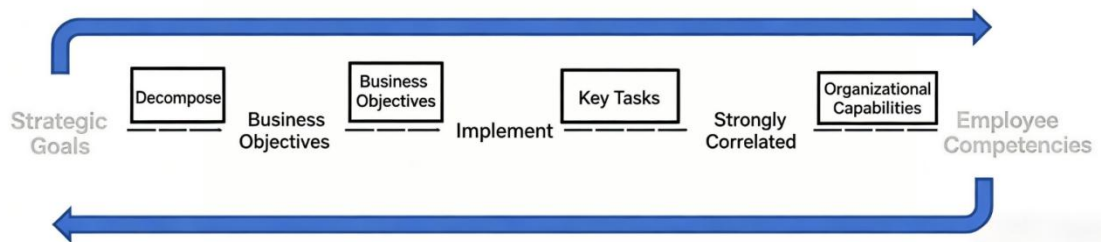


Figure : Strategic Goals to Employee Competencies Transmission Model

implementation of strategic objectives that are closely aligned with organizational capabilities and employee competencies. The more outstanding the employees' capabilities and the more exceptional the organizational performance, the faster, better, and more efficiently business goals are achieved, thereby driving strategic objectives to reach ever higher levels.

The company's training programs are categorized into onboarding training, essential knowledge and skills training, job-specific professional skills training, management training, and instructor development. The training content varies depending on the trainees' roles and tenure. New employees receive training in foundational knowledge, company-wide knowledge, and sales-specific skills during their first, second, and third months of employment; additionally, they learn core values and company-wide knowledge within the first two months. Mid-career employees are required to acquire values and knowledge and skills relevant to sales, engineering, and supply roles within their first two years. All employees have unlimited access to value systems and company-wide knowledge training. For professional roles such as sales, manufacturing, and supply, training covers logistics planning, supply chain management, procurement, logistics operations, planning, training, and position-specific knowledge. Middle-to-senior management and decision-makers primarily receive leadership development training.

Training Targets	New Employees				Advanced Employees	All Employees	Professional Tracks					Management Tracks	
	Within 1 Month	Within 1 Month	Within 2 Months	Within 3 Months	Within 2 Years	Unlimited	Sales (S)		Manufacturing (E)	Supply (P)		Middle & Senior Management	Decision-Making Level
Tenure													
	New Hire Onboarding Training	General Courses (All Employees)	Job Skill Courses (Marketing Center)	Practical Courses (Marketing Center)	Teacher Yu's Lecture Hall	Required Knowledge & Competency Series	Maintenance: Customer Relationship Courses (Customized)	Development: Win-Win Sales Advanced Training (Customized)	Production: Lean Team Leader	M: Supply Chain Operation, Planning & Leadership	X: Logistics, Planning & Procurement	40 Lectures on Process Secrets	Special Training on Group Operation Model
	Onboarding	Company-wide Knowledge	S Position Skills	S Position Skills	Values	Company-wide Knowledge	S/E/P Position Knowledge & Skills					Position Skills	G Position Knowledge

Figure : Tiered Employee Training System by Tenure & Position Tracks

Training methods are categorized into three types. The first type focuses on knowledge acquisition, encompassing course training, self-

directed learning, degree programs, qualification certifications, external exchanges, and case studies. This approach primarily enhances employees' competencies by enabling them to acquire knowledge and develop corresponding skills. The second type involves behavioral change, including mentorship programs, action learning, and simulation exercises. When employees fail to perform adequately in their roles despite acquiring knowledge through learning, behavioral change training is employed to facilitate shifts in their cognitive frameworks and thinking patterns. The third type is experience accumulation, involving job rotation, temporary assignments, and on-the-job practice.

The training process consists of four phases: pre-training preparations, training implementation, post-training guidance, and final evaluation. Pre-training preparations include inviting instructors and confirming schedules and venues, developing course materials and drafting presentations, conducting system testing, distributing training notices, registering participants and verifying attendance lists, setting up the venue (including seating arrangements and equipment connectivity testing), and preparing supporting documents such as task assignments, material lists, and workflow charts. Post-training evaluation involves compiling a training summary in PowerPoint format, collecting participant feedback and ratings, monitoring implementation through reports and follow-up visits, processing cost reimbursements, and organizing and archiving training records.

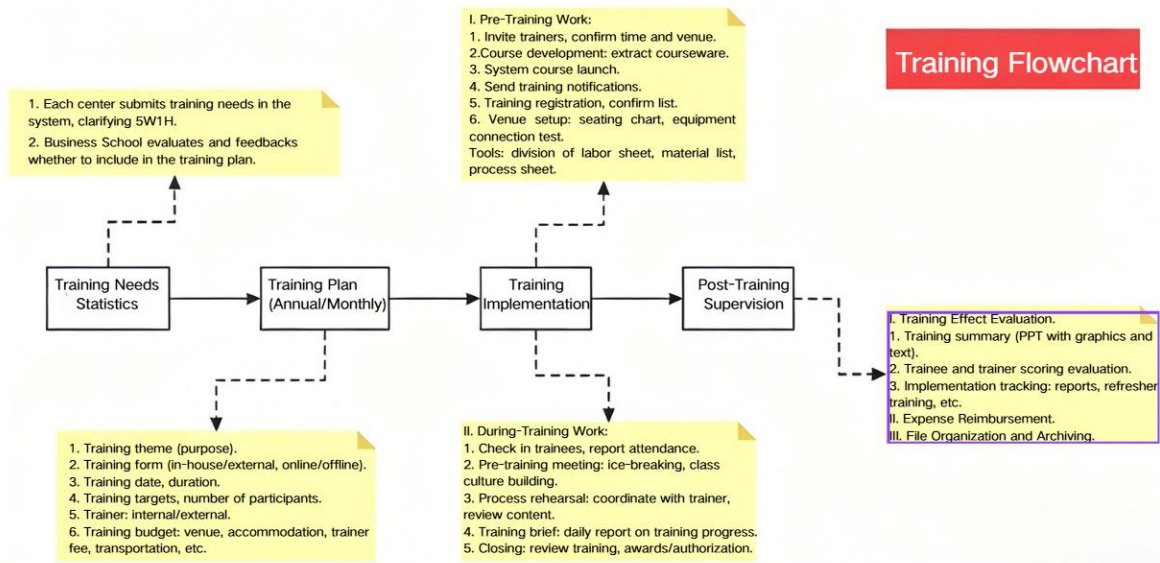


Figure : Full-Process Training Management Flowchart

➤ **Vich Business School**

In 2025, Vich Technology Business School will build upon its longstanding focus on cultivating professional skills, management capabilities, and employees 'comprehensive competencies, while placing greater emphasis on the deep application of artificial intelligence technologies and corporate intelligent transformation. The school will also continue to strengthen safety and health protocols, professional ethics, and internal culture development. The annual curriculum covers key areas including AI leadership, AI implementation practices, health and safety, first aid skills, AI-powered empowerment, and corporate image communication, aiming to equip employees and managers to navigate the transformations driven by next-generation AI technologies like DeepSeek and enhance organizations' overall intelligent decision-making and execution capabilities.

In the field of artificial intelligence, the Business School held the "AI Leadership Training" on February 8, focusing on how to develop AI leadership and formulate corporate AI strategies in the DeepSeek era. Subsequently, from February 22 to 23, the "First Ningbo AI Leadership Implementation Camp" was successfully conducted at Vich Technology's headquarters, targeting senior corporate executives. The program

covered topics such as AI understanding and collaboration, AI-driven office efficiency, AI leadership, corporate AI application and marketing practices, AI implementation in brand marketing, and strategies for achieving second-curve growth. From April 28 to 29, the Business School organized the "AI Acceleration Camp," further enabling employees to master AI tools and accelerate intelligent applications across business scenarios.

In terms of safety and health, the Business School conducted a "Special Warning Education on Hazardous Chemicals" health and safety training on March 28. The training covered fundamental knowledge of hazardous chemicals, the hazards and prevention of dangerous chemicals, their management and handling, as well as protective measures and emergency procedures during use. On April 24, a first aid trainer session was organized to enhance employees' emergency response capabilities, strengthen overall safety awareness, and improve self-rescue and mutual rescue skills.

Furthermore, the business school places strong emphasis on building corporate branding and internal communication capabilities. On November 18, it conducted a training session on company exhibition hall presentation, enabling employees to systematically understand the company's development history, product strengths, and corporate culture, thereby enhancing their professional skills in external reception and presentation.

Overall, in 2025, Vich Technology Business School aligns its curriculum closely with cutting-edge technological advancements, emphasizing the practical application of AI strategies while also covering fundamental competencies such as occupational safety, health and rescue, and corporate image management. Throughout the year, through various formats including thematic training sessions, field implementation camps, and acceleration camps, the school fosters comprehensive employee development — from conceptual understanding to practical application — thereby cultivating a high-caliber talent pool capable of adapting to the intelligent era and

providing robust support for the company's sustained innovation and high-quality growth.



Image: Vich Business School Training

8.3 Employee Health and Safety

The company consistently adheres to the working principles of safety first, prevention-oriented approaches, full staff participation, and continuous improvement. It strictly complies with legal requirements such as the "Work Safety Law of the People's Republic of China," the "Fire Protection Law of the People's Republic of China," and the "Regulations on Emergency Response to Production Safety Accidents," prioritizing employees' occupational health and personal safety in its management practices. The company continuously refines its safety management system, strengthens the implementation of safety responsibilities, and regularly conducts safety training and practical emergency drills. It integrates safety concepts, skills, and responsibilities

into every aspect of production operations, creating a reliable, secure, and healthy working environment for all employees.

➤ **Fire Safety Training**

On June 16, 2025, the company conducted a comprehensive fire safety training program for all employees. The training provided systematic instruction on identifying fire hazards in daily office and production environments, fire prevention regulations for critical areas, operation of firefighting equipment, and emergency evacuation procedures. It focused on enhancing the company's "four core fire safety capabilities" and equipped employees with essential skills such as hazard self-inspection, proper use of firefighting equipment, self-rescue in fire situations, and orderly evacuation. Through a combination of theoretical lectures, case-based warnings, and hands-on exercises, the training ensured employees fully understood risks, clarified their responsibilities, mastered operational procedures, and were prepared to respond effectively, thereby strengthening the company's fire safety defenses and fostering a safe and stable operational environment.

● **First Aid for Heatstroke and Training for Flood Relief Operations**

On July 22nd, 2025, the company conducted specialized training on heatstroke first aid and flood response for seasonal risks such as summer heatwaves and rainy seasons. The training integrated high-temperature work protection requirements, providing detailed explanations on heatstroke prevention measures, symptom recognition, on-site first aid procedures, and emergency medical evacuation protocols to enhance employees' self-protection and mutual assistance capabilities. Additionally, it covered practical knowledge and skills for flood season safety management, including sheltering during heavy rain, detouring through flooded areas, proper use of flood control supplies, and self-rescue and mutual aid during flood emergencies. This strengthened employees' risk awareness and emergency response capabilities under extreme weather conditions, maximizing the protection of their lives and health.

➤ **Safety Training for Business Owners**

On November 14th, 2025, the company conducted a specialized safety training session for corporate executives and managers at all levels. The training focused on key areas including primary safety responsibilities, risk classification and control, hidden danger identification and remediation mechanisms, management of major hazard sources, emergency response protocols, and accident reporting procedures. It aimed to strengthen management's awareness of safety boundaries and accountability, enhance capabilities in safety management decision-making, on-site coordination, and emergency response, ensure the effective implementation of safety management responsibilities across all levels, and guarantee the efficient operation and tangible outcomes of the company's safety management system.

➤ **Fire Safety Knowledge Quiz Competition**

On November 14th, 2025, the company simultaneously held a fire safety knowledge competition. The event focused on fire regulations, fire prevention basics, emergency response procedures, and equipment usage, and was conducted through team challenges, on-site quizzes, and interactive activities. It comprehensively assessed employees' mastery of safety knowledge and reinforced the outcomes of their training. The initiative effectively stimulated all staff's enthusiasm and initiative in learning safety knowledge and participating in safety management, fostering a strong culture where "safety is emphasized everywhere, at all times, and in every aspect," ensuring that safety culture is deeply ingrained and effectively implemented.

The company continuously conducts comprehensive training on occupational health and safety, food safety, and other related topics for all employees, covering every staff member in the production facilities. It regularly conducts safety hazard inspections, improves working environments, and ensures standardized provision and supervision of personal protective equipment. Through multiple dimensions — including institutional development, training programs, on-site management, and emergency preparedness — the company has

established a dual protection system integrating "Health and Safety." A closed-loop safety management system encompassing training, drills, hazard identification, corrective actions, and post-event reviews has been implemented, continuously enhancing the standardization and refinement of safety management practices. This approach ensures sustained and robust safety safeguards, protecting employee health and supporting the company's long-term development.



Figure: Safety and Health Training

09 | Cultural Development

9.1 Structure of the Ministry of Cultural Development

In 2025, the company established a cultural development department aimed at creating a "family culture" care system through a cultural points reward mechanism, diversified club incubation programs, and diverse themed activities, enabling employees to immerse themselves in a warm and vibrant organizational atmosphere alongside their efficient work. The company encourages every member to use cultural points as a bond to practice core values; to unite like-minded peers through interest-based clubs and unleash creativity; and to deepen emotional connections through holiday celebrations and team

collaboration initiatives. These measures not only foster a sense of belonging — "the company is like home" — but also strengthen collective cohesion, turning passion and collaboration into the driving force for collective progress and creating a virtuous cycle where personal growth and corporate development thrive together.

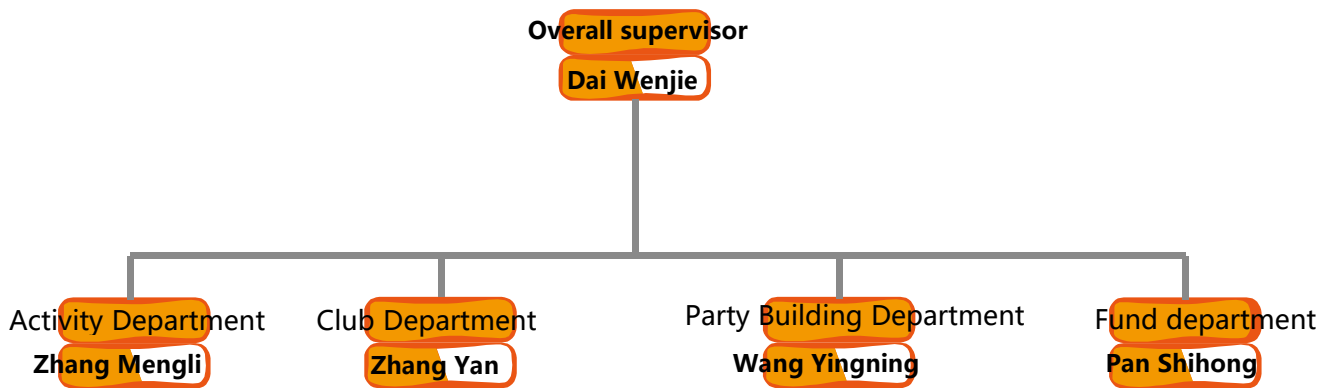


Figure: Organizational Structure of the Culture and Development Department at Vich Technology

9.2 Club Department & Activity Department

The Student Association Department of Vich Technology currently oversees nine clubs: the Sports Club, Outdoor Club, Reading Club, Music Club, Basketball Club, Board Game Club, Esports Club, Dance Club, and Badminton Club. Additionally, the third floor of Vich Technology's headquarters building houses dedicated activity rooms for these clubs.

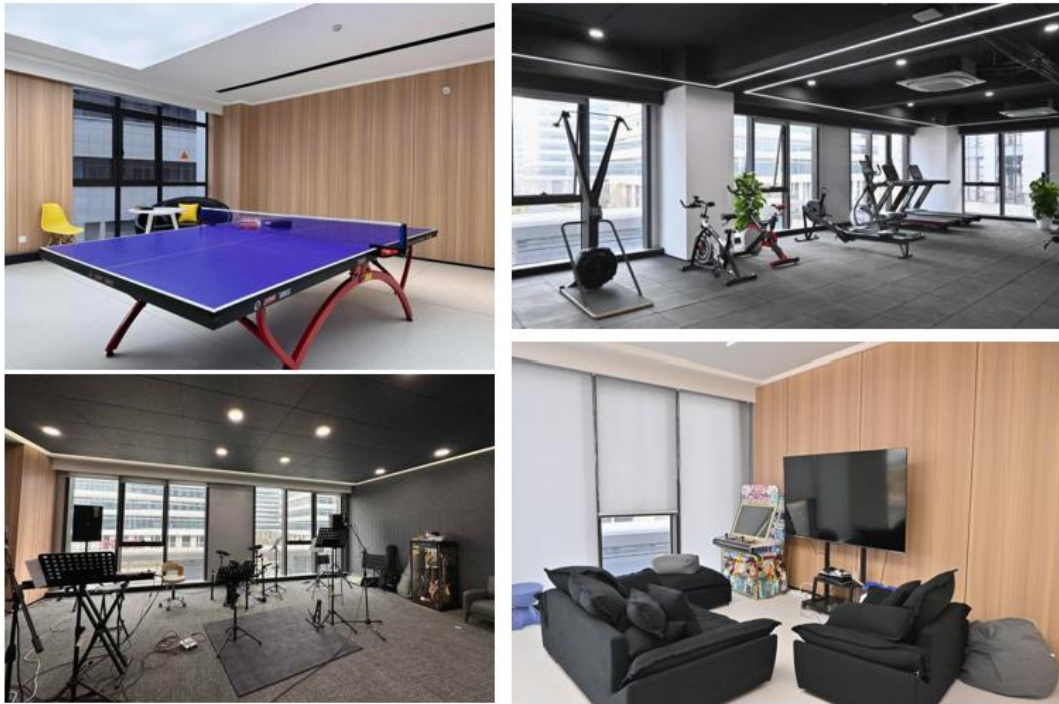


Image: Activity room on the third floor

Under the organizational structure of the Corporate Club Department, each club operates under a president accountability system. The president oversees the planning and layout of the club's dedicated space, material procurement, policy formulation, and event planning and execution. Presidents are elected through member assemblies and must submit quarterly operational reports to the Department during their tenure to ensure transparent management. Clubs function under an autonomous mechanism: Presidents develop annual plans and budgets based on member needs, which are implemented independently after Department approval. The company provides foundational resources (e.g., venues, funding) and establishes special funds for incubating innovative projects (e.g., equipment upgrade subsidies for technology clubs). Performance evaluations are conducted semi-annually, assessing member engagement, event innovation, and resource utilization efficiency, with results influencing the following year's budget. To balance autonomy and compliance, a supervisory committee regularly reviews procurement processes (e.g.,

supplier comparison records) and event safety protocols to mitigate risks. This "empowerment-plus-supervision" model enhances efficiency through standardized processes (e.g., digital approval systems, event registration databases) while maintaining flexibility for innovation. For instance, one club utilized a dynamic budget pool to host creative events with external mentors, achieving a 40% year-over-year increase in participation and successfully transforming the initiative into an internal training case study. Such collaborative ecosystems not only strengthen employee loyalty but also provide a sustainable platform for corporate culture development.

➤ **Club Activities & Festival Events**

The company consistently adheres to a people-oriented philosophy, organizing a wide range of club activities and holiday events. These initiatives enable employees to relax and enhance communication outside of work, fostering a united, warm, and positive team atmosphere. This effectively strengthens employees' sense of belonging, happiness, and cohesion, ensuring that the corporate culture takes deep root.

● Vibrant health, enjoy sports

The company actively promotes a healthy lifestyle philosophy. In March, it launched the Calorie Plan to encourage all employees to maintain regular exercise and good physical and mental health, enabling them to approach their work and daily lives with greater enthusiasm. On June 25, the "Vich Cup" Badminton Social Tournament was successfully held. Employees participated enthusiastically, honed their skills, and competed fiercely, enhancing their teamwork through the sporting event. This showcased the vibrant spirit and proactive attitude of Vich employees while further strengthening team cohesion.

- Warmth and care, conveying genuine kindness

During various festive occasions, the company organizes a series of thoughtful activities to extend warmth to every employee. On March 8 Women's Day, it extends holiday greetings and care to all female employees, honoring their dedication and contributions at work; on May 9 Mother's Day, it fosters gratitude through warm interactions and promotes the traditional virtue of filial piety and respect for the elderly; on May 28 Dragon Boat Festival, it hosts traditional themed events to create a festive atmosphere; during October Halloween and December Christmas, it enriches employees' leisure time with relaxed and enjoyable activities, alleviating work stress and allowing employees to genuinely feel the warmth of the corporate family.

- Cultural synergy fosters unity and cohesion.

The company fosters closer relationships among employees through various activities, enhancing teamwork and emotional bonds. During the anniversary celebration on April 19, all employees gathered to review the company's development journey, share their growth achievements, and further strengthen their collective spirit of unity and progress. Various employee clubs operate regularly, providing a platform for like-minded staff to communicate and showcase their talents, promoting cross-departmental interaction and mutual understanding while deepening camaraderie in a relaxed and harmonious atmosphere, thereby continuously improving team cohesion.

- Foster patriotism as the soul; courageously shoulder our mission.

The company places great emphasis on fostering employees' sense of patriotism and responsibility. In September, it organized a themed military parade event to guide employees in remembering history,

cherishing their national identity, and strengthening their national pride and sense of mission. This initiative transforms patriotic sentiments into concrete actions of dedication to their jobs and fulfillment of responsibilities, further enhancing corporate cohesion and employees' sense of belonging, thereby injecting spiritual momentum into the company's high-quality development.

Over the past year, various activities have been closely aligned with employees' daily lives, enriching their leisure cultural experiences while fostering a warmer and more motivated team atmosphere. Moving forward, the company will continue to organize diverse cultural events, continuously expanding their content and innovating their formats to enhance employees' sense of belonging and happiness, enabling them to work together in unity to drive the company's steady growth.



Image: Vich Club Activities and Festival Events

9.3 Party Building Department

In accordance with the provisions of its Articles of Association and the requirements of the higher-level Party committee, the company establishes a Party organization, sets up Party working bodies, and appoints Party affairs personnel. The organizational structure and staffing of the Party organization are incorporated into the company's management framework and staffing plan. The company shall provide the Party organization with necessary operational funds, which shall be included in the company's administrative expenses for pre-tax deduction in compliance with relevant regulations.

The Party Branch of Ningbo Vich Technology Co., Ltd. was established on October 25, 2017, with approval from the Qijia Mountain Sub-district Party Working Committee of Beilun District. Over its seven years of operation, it has annually received the "Three-Star Primary-level Party Organization" honor awarded by the Organization Department of the Ningbo Municipal Committee of the Communist Party of China. Currently, the branch comprises four full Party members with organizational affiliations, two probationary Party members, and five active applicants for Party membership.

The Party organization of the company performs the following duties in accordance with the Party Constitution and other intra-Party regulations:

- (1) Ensure the implementation of the Party and state's policies and guidelines within the company, execute the major strategic decisions of the CPC Central Committee and the State Council, and carry out important work directives from higher-level Party organizations;
- (2) The Party organization shall deliberate on the candidates for appointment to the company's management level and provide opinions or recommendations;
- (3) Conduct research and discussions on the company's reform, development, and stability; major operational and management matters; and significant issues concerning employees' vital interests, and provide

recommendations. Support the shareholders' meeting, board of directors, board of supervisors, and management team in fulfilling their duties in accordance with the law; support the workers' congress in carrying out its functions.

(4) Assume the primary responsibility for exercising full and rigorous Party self-governance. Oversee the company's ideological and political work, united front work, spiritual civilization construction, corporate culture development, as well as mass organization activities such as trade unions and the Communist Youth League.

(5) Strengthen the development of grassroots Party organizations and Party member teams within the company, fully leverage the vanguard role of Party branches and the exemplary leadership of Party members, and unite and guide employees to actively participate in the company's reform and development efforts.

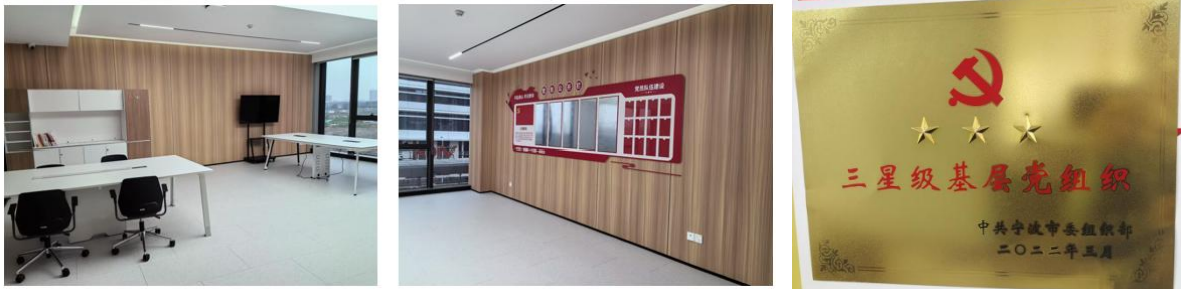


Figure: The Party Building of Vich Technology

9.4 Fund Department

To implement the "people-oriented" sustainable development philosophy, the company established an Employee Fund Department. Through leadership by senior executives, collective participation from all employees, and transparent operational mechanisms, the department systematically safeguards employees' health rights and contributes to the United Nations Sustainable Development Goal (SDG) 3, "Good Health and Well-being." The fund sources include voluntary donations from the Chairman and senior management team, employee voluntary contributions ("small monthly donations" or "targeted crowdfunding"), and a dedicated investment account designed to preserve and grow the funds. With a total fund size of XX million yuan, the fund has provided

medical assistance to 300 employees and their families, covering out-of-pocket expenses for major disease treatments (with up to 80% reimbursement), advance payments for emergency medical costs, and mental health intervention services, significantly alleviating employees' healthcare burdens.

Fund governance strictly adheres to the principle of transparency: it is supervised by an independent management committee composed of 30% employee representatives, 30% union representatives, and 40% external auditors, with quarterly disclosures of fund flows and anonymized beneficiary information. A "tiered response" mechanism has been established, prioritizing low-income employees (with a 20% increase in subsidy rates) and collaborating with third-party insurance providers to develop customized supplementary medical coverage plans. Moving forward, we will continue to optimize fund utilization efficiency, explore partnerships with non-profit organizations to expand disease coverage, and strengthen our corporate social responsibility commitment to "商業向善" (business for good).

➤ Application Procedure for Mutual Funds

As a formal employee of Vich who falls within the scope of mutual aid and assistance programs, I or a third party may submit an application by completing the "Vich Application Form".

The "Cheng Huzhu Fund Application Form" shall be submitted to the foundation for approval after being reviewed and approved by its direct supervisor. The review process takes 3 working days.

The process shall be completed within one day, followed by signature and approval by the review team. Funds for the mutual aid fund shall be disbursed based on the review recommendations. The funds allocated to this fund must genuinely address financial difficulties and shall not be diverted for other purposes.

➤ Supervision of Mutual Funds

All funds raised and distributed by this fund shall be clearly recorded

and disclosed quarterly.

The operation of this fund is subject to oversight by all staff members; any inquiries may be raised.

All fund accounts of this fund are publicly disclosed and subject to supervision and inquiry by all staff members.

➤ **Fund Organization Structure**

The fund's organizational structure underscores its commitment to transparent and democratic governance. As the foundation's chief executive, the head assumes a range of critical responsibilities, including overseeing daily operations, formulating management policies, raising and allocating funds, reviewing donor qualifications, accepting member oversight, and appointing board members. The vice president assists the president with daily operations and may temporarily assume the president's duties when necessary. The finance department is responsible for tracking fund flows, participating in voting decisions, and distributing funds to beneficiaries. This structure demonstrates the company's professionalism and efficiency in fund management, reflecting its profound understanding and commitment to social responsibility.

9.5 Trade Union

The Vich Technology Union has established a comprehensive care network for employees through a systematic welfare system, demonstrating unique value in protecting employee rights, enhancing well-being, and fostering career development. As a company committed to technological innovation, the union integrates traditional benefits with modern management practices, creating a distinctive employee care mechanism tailored to its corporate culture. In safeguarding employee rights, the union has implemented a multi-tiered support system.

From holiday greetings to support during life's pivotal moments, the trade union has established clear standards: an annual holiday

allowance of 1,800 yuan for daily necessities, 500 yuan for marriage and childbirth celebrations, 300 yuan for birthday benefits, and a commemorative gift of 1,000 yuan upon retirement. These standards not only demonstrate the company's commitment to its employees but also ensure standardized benefit distribution. Particularly in employee health protection, the union has implemented medical mutual aid and employee health insurance programs, providing 1,000 yuan per medical condition for hospitalized staff and 2,000 yuan in consolation payments when employees face significant hardships, reflecting the company's humanistic care.

Career development support stands as another hallmark of the Vich Trade Union. The union annually organizes vocational skills competitions, offering individual rewards of up to 800 yuan to top performers; conducts employee training programs with 300-yuan incentives for outstanding participants; and has established dedicated recuperation programs for model workers and outstanding employees, allocating 2,000 yuan per person to ensure proper recognition and rest. These initiatives not only motivate employees to enhance their professional skills but also foster a positive corporate culture. In cultural life initiatives, the union designs diverse programs: daily spring/autumn outings with 200-yuan per-person budgets (including 100 yuan for meals), access to film screenings, cultural performances, and annual park passes, along with meal allowances (20 yuan for breakfast and 40 yuan for lunch/dinner) during consecutive events — all reflecting commitment to employees' spiritual and cultural needs. For recreational activities, the union sets a uniform procurement standard of 600 yuan per person and pays external coaches 500 yuan per day, ensuring event quality while demonstrating the company's professional approach.

Particularly noteworthy is the innovative approach of the Vich Union in benefit distribution. All benefits are provided in the form of physical items or designated consumption vouchers — such as cake vouchers and cultural/tourism products — strictly avoiding prohibited

methods like shopping cards. This ensures both compliance with regulations and genuine employee benefits. Such standardized management safeguards both corporate interests and employee rights. Through this comprehensive union benefit system, Vich Technology has not only enhanced employees 'sense of belonging and satisfaction but also fostered mutual growth between the company and its staff. The union's activities and benefits cover both professional and personal aspects, from career development to family support, creating a holistic employee support network that enables employees to fully dedicate themselves to their work and contribute to the company's success. This positive feedback loop serves as a crucial foundation for Vich Technology's sustainable and healthy development.



Figure: Organizational Structure of the Trade Union Committee of Ningbo Vich Technology Co., Ltd.

Vich Technology Union Fund: Expenses Category	
for public use	Member spring/autumn travel activity expenses (limited to same-day round-trip within the province, ≤200 yuan per person per day, with lunch costs capped at ≤100 yuan per person per day)
for public use	Members can watch movies and cultural performances, and purchase annual passes for local parks (excluding temple passes). The total expenditure for spring and autumn outings shall not exceed four times the annual membership fee income.
for	Member holiday consolation expenditure (for national statutory

public use	holidays: daily necessities $\leq 1,800$ yuan per person per year, and $\leq 70\%$ of the annual allocated funds)
for public use	Congratulatory gifts for members' weddings and childbirth (physical items; applicable to both men and women, ≤ 500 yuan per person)
for public use	Member birthday cake expenses (physical cake or cake vouchers, ≤ 300 yuan per person per year)
for public use	Souvenirs for member retirement (physical items, $\leq 1,000$ yuan per person)
for public use	Member Medical Mutual Aid, Work-related Benefits Expenditure
for public use	Member hospitalization consolation expenses (available in cash; $\leq 1,000$ yuan per person per year per disease type; $\leq 2,000$ yuan per person in case of member's death; $\leq 1,000$ yuan per person in case of direct family member's death)
for public use	Part-time staff subsidy (applicable to non-public and private enterprises; non-state employees serving as part-time vice-chairpersons, committee members, or financial officers of trade unions, ≤ 300 yuan per person per month)
for public use	Spending on recuperation and rest for model workers and advanced employees ($\leq 2,000$ yuan per person)
for public use	Complaints for outstanding trade union cadres and activists (based on written approval from higher authorities): up to 10% of cadres receive 800 yuan per person per year; up to 5% of members receive ≤ 500 yuan per person per year.
for public use	remuneration for instructors hired for employee education and training (based on standards set by local financial authorities)
for	Awards for outstanding employees in staff education and training

public use	(within 10% of the total participants; material reward ≤300 yuan)
for public use	Expenditure on rewards for employees' vocational skills and other competitive activities (not exceeding one-third of the total number of participants; individual rewards ≤800 yuan; collective rewards ≤ 500 yuan per person)
for public use	Costumes for staff cultural and sports activities (when uniform attire is required: ≤500 yuan per person for higher-level events, ≤ 600 yuan per person per two years for current-level events)
for public use	Dietary allowance for employees' cultural and sports activities (for continuous activities without scheduled meals: breakfast ≤20 yuan, lunch and dinner ≤40 yuan; ≤100 yuan per person per day)
for public use	Expenditure on awards for staff cultural and sports activities (not exceeding two-thirds of the total participants; individual awards ≤ 600 yuan; group awards ≤400 yuan per person)
for public use	For staff cultural and sports activities, external coaches and referees are hired (limited to external personnel, ≤500 yuan per person per day).
for public use	Expenditures on targeted poverty alleviation activities (consumption assistance provided during non-holiday relief efforts)
for public use	Expenditure on epidemic prevention and control supplies (purchasing masks, disinfectants, thermometers, and other items related to epidemic prevention work for the unit's employee members)
for public use	For purchasing cultural tourism and dining consumption products (≤500 yuan per person; prohibited methods such as shopping cards, commercial prepaid cards, or recharge cards shall not be used).

10 | Public Welfare, Charity, and Volunteer Services

Since October 2017, the company has conducted its annual "Warm Winter Charity Donation" campaign for seven consecutive years in

remote mountainous regions such as Yushu and Sichuan. The initiative involves donating nearly 90% of the clothing provided by generous donors, along with purchasing daily necessities and school supplies using the charitable funds. The company is fully involved in the entire process, including the collection, procurement, transportation, and distribution of supplies. Under the leadership of Chairman Wen Lijun, the company has also participated in numerous social welfare initiatives, such as donating computers and contributing 200,000 yuan to support epidemic prevention and control efforts, demonstrating its sustained commitment and positive role in social responsibility and philanthropy.

10.1 Vich Technology Warm Winter Campaign

The company consistently upholds the philanthropic philosophy of "giving back to society and fulfilling responsibilities," actively fulfilling its corporate social responsibilities by integrating charitable assistance, community services, and volunteer work into its business practices. Through concrete actions, it conveys warmth and contributes to society, demonstrating Vich Technology's sense of responsibility and humanistic commitment — transforming small acts of kindness into a force that drives society forward with compassion.

In 2025, Vich Technology successfully concluded its ninth "Warm Winter Initiative," achieving its nine-year commitment to full attendance in charitable efforts and steadily advancing toward its tenth year of compassionate endeavors. As the company's flagship regular philanthropic campaign, this initiative adhered to the core principle of "Vich's Warmth Unites All, Wherever We Go," focusing on addressing winter heating needs in Yushu, Qinghai. Through meticulous planning and systematic implementation, it established a collaborative philanthropic model involving corporate leadership, employee participation, and social engagement. Following the campaign launch, over 280 employees—accounting for 82% of the workforce—voluntarily donated unused winter clothing and quilts from their homes. These

items were sorted, inventoried, and packaged by volunteer teams, accumulating more than 180 hours of volunteer service. Ultimately, 129 boxes of winter supplies were delivered via professional logistics to three townships and eight villages in Yushu, benefiting over 600 residents, including vulnerable groups such as left-behind children and elderly living alone. The initiative not only addressed practical heating needs but also demonstrated the company's compassion and social responsibility, deeply embedding its philanthropic values among the public.



Image: Warm Winter Event

**10.2 Community Children's Public Welfare and Safety Lecture
Volunteer Service**

The company has actively engaged with local communities, collaborating with the Guisi Subdistrict Social Work Station and Guisi Village Committee to conduct volunteer public welfare safety lectures for children, leveraging professional expertise to safeguard their healthy development. The lecture targeted children aged 6 – 12 across five villages and eight residential groups within the jurisdiction, serving over 700 children and parents. Focusing on key aspects of daily safety—such as traffic safety, accident prevention, and emergency self-rescue techniques—the event employed case studies, interactive Q&A sessions, and scenario simulations to explain safety concepts in simple language, helping children develop safety awareness and risk avoidance skills. Volunteers also distributed safety manuals and provided on-site consultations, further enhancing children's knowledge while strengthening the bond between the company and the community. Through these concrete actions, the company fulfilled its social responsibilities while conveying warmth and positive energy.

In the future, the company will continue to deepen its commitment to the public welfare sector, continuously optimize the formats of charitable initiatives, enrich service offerings, and persistently carry out initiatives such as compassionate assistance and community services. Through more concrete measures and sustained dedication, it will fulfill its corporate social responsibilities and strive to become a responsible, compassionate, and socially engaged corporate citizen.



Image: Public Welfare Lecture



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