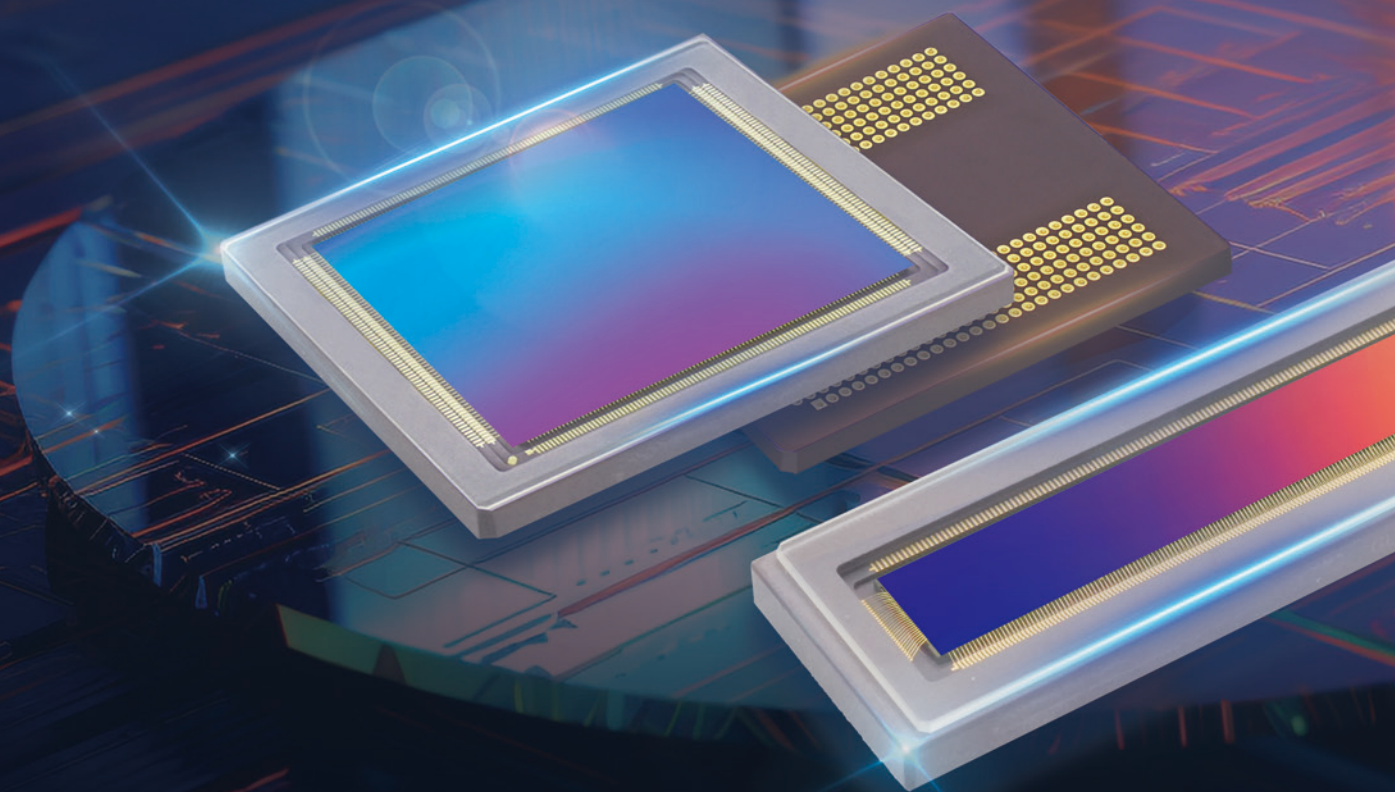


Gpixel Changchun Microelectronics Inc. 長春長光辰芯微電子股份有限公司

[a joint stock company incorporated in the People's Republic of China with limited liability]

Stock Code : 3277



2025

**ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT**

Contents

Terms	2
1 About This Report	3
1.1 About the Environmental, Social and Governance Report	3
1.2 Scope of the Report	3
1.3 Data	3
1.4 Reliability Assurance	3
1.5 Reporting Principles	4
2 ESG Governance and Materiality Management	5
2.1 Board Statement on ESG Management	5
2.1.1 Governance Structure for ESG Matters	5
2.1.2 Progress of ESG Work	6
2.2 ESG Management	7
2.2.1 ESG Philosophy	7
2.2.2 Stakeholder Communication	7
2.2.3 Material ESG Issues	10
3 Products and Services and Operational Compliance	12
3.1 Products and Services	12
3.1.1 Information Security	12
3.1.2 Quality Management	13
3.1.3 R&D Innovation and Intellectual Property Protection	16
3.1.4 Customer Service	16
3.1.5 Supply Chain Management	18
3.2 Operational Compliance	20
3.2.1 Business Ethics	20
3.2.2 Whistleblowing Mechanism and Compliance Training	21
4 Employee Development and Social Value	22
4.1 Employees	22
4.1.1 Employment and Employee Rights	22
4.1.2 Training and Development	26
4.1.3 Occupational Health and Safety	28
4.2 Social Value	29
5 Environment and Climate Management	30
5.1 Emissions	30
5.1.1 Emissions and Disposal	30
5.1.2 Action Plan	32
5.2 Resources	33
5.2.1 Use of Resources	33
5.2.2 Resource Conservation Action Plan	34
5.3 Impact on the Environment and Natural Resources	35
5.4 Climate Change	35
5.4.1 Climate Governance	35
5.4.2 Climate Strategy	36
5.4.3 Risk Management	40
5.4.4 Metrics and Targets	41
Content Index of Appendix C2 Environmental, Social and Governance Reporting Code	46
Mandatory Disclosure Requirements	46
Environmental Disclosure Index: A1 Emissions	47
Environmental Disclosure Index: A2 Use of Resources, A3 The Environment and Natural Resources and A4 Climate Change	48
Social Disclosure Index: B1 Employment, B2 Health and Safety, B3 Development and Training and B4 Labour Standards	49
Social Disclosure Index: B5 Supply Chain Management and B6 Product Responsibility	51
Social Disclosure Index: B7 Anti-corruption and B8 Community Investment	53
Climate-related Disclosure Index: Governance, Strategy and Risk Management	54
Climate-related Disclosure Index: Metrics and Targets	56

Environmental, Social and Governance (ESG) Report

TERMS

Terms	Definition
The Company, Company, Gpixel	refers to Gpixel Changchun Microelectronics Inc.
the Group	refers to the Company and its subsidiaries and related operating entities included within the reporting scope of this report.
ESG	refers to environmental, social and governance, covering the Group's management practices and information disclosure in areas such as environmental impact, employee and social responsibility, operational compliance, supply chain management, product responsibility and governance mechanisms.
stakeholders	refers to individuals or organisations that have an impact on, or are affected by, the Group's operating activities, ESG performance or long-term development, including employees, customers, suppliers, shareholders and investors, governments and regulatory authorities.
Appendix C2	refers to the Environmental, Social and Governance Reporting Code set out in Appendix C2 to the Listing Rules of The Stock Exchange of Hong Kong Limited.
Reporting Period	refers to 1 January 2025 to 31 December 2025.
CMOS image sensor (CIS)	refers to an image acquisition chip based on complementary metal oxide semiconductor (CMOS) process technology, capable of converting optical signals into electrical signals and used in industrial imaging, scientific imaging, professional imaging and medical imaging.
RoHS/REACH	refers to the relevant EU regulatory requirements on the restriction of certain hazardous substances in electrical and electronic equipment, and on the registration, evaluation, authorisation and restriction of chemicals. In this report, it is mainly used to describe product restricted substance requirements and supplier compliance management requirements.
greenhouse gas (GHG)	refers to gases that have an impact on climate change. In this report, it mainly covers carbon dioxide (CO ₂), methane (CH ₄) and nitrous oxide (N ₂ O), which are uniformly converted into carbon dioxide equivalent for disclosure.
carbon dioxide equivalent (CO ₂ e)	refers to the amount of carbon dioxide emissions equivalent to different greenhouse gases converted according to their global warming potential, and is used for the unified measurement and comparison of greenhouse gas emissions.
Scope 1	Scope 1 greenhouse gas emissions refer to direct greenhouse gas emissions from sources owned or controlled by the Group, such as emissions generated from fuel consumption of company vehicles.
Scope 2	Scope 2 greenhouse gas emissions refer to indirect greenhouse gas emissions arising from the Group's consumption of purchased energy, such as emissions attributable to purchased electricity and purchased heat.
Scope 3	Scope 3 greenhouse gas emissions refer to other indirect greenhouse gas emissions arising in the Group's value chain that do not fall within Scope 1 or Scope 2. This report currently covers categories such as waste generated in operations, business travel and employee commuting.

1 ABOUT THIS REPORT

1.1 About the Environmental, Social and Governance Report

This report is the 2025 Environmental, Social and Governance Report issued by Gpixel Changchun Microelectronics Inc. (the “**Company**”), and sets out the management approach, key initiatives and performance of the Company and its subsidiaries (collectively, the “**Group**”) in relation to environmental, social and governance (“**ESG**”) during the Reporting Period. This report has been prepared with reference to the Environmental, Social and Governance Reporting Code set out in Appendix C2 to the Listing Rules of The Stock Exchange of Hong Kong Limited.

1.2 Scope of the Report

Organisational scope: Unless otherwise specified, this report covers the Company and its major subsidiaries that actually conducted operational activities during the Reporting Period, including Gpixel Hangzhou Microelectronics Inc., Gpixel Dalian Microelectronics Inc., Gpixel NV, Gpixel Japan Co., Ltd. and Changchun Changguang Yuanxin Integrated Circuit Co., Ltd. Since Gpixel Hong Kong Microelectronics Technology Co., Ltd. was newly established during the Reporting Period and had not yet commenced actual operations, it is excluded from the statistical scope of the environmental and social performance indicators in this report. Where the statistical scope of any individual environmental or social performance indicator differs from the above scope due to data availability, operational control boundaries or management reporting methodologies, such differences will be explained in the relevant indicator notes.

Reporting Period: 1 January 2025 to 31 December 2025.

1.3 Data

Data disclosed in this report are derived from the Group’s original records from daily operations and financial reports.

1.4 Reliability Assurance

The Board of Directors of the Company (the “**Board**”) has reviewed and confirmed the contents of this report. To the best of the Board’s knowledge, this report contains no false records, misleading statements or material omissions.

Environmental, Social and Governance (ESG) Report

1.5 Reporting Principles

- **Materiality Principle**

Considering the Group's business model, regulatory requirements and stakeholders' key concerns, the Group has identified relevant material ESG issues, and the Board oversees the management and disclosure of such issues. For details of the materiality assessment process, please refer to section 2.2.3 "Material ESG Issues".

- **Quantitative Principle**

This report discloses quantified ESG key performance indicators and explains the definition of such indicators, as well as the bases and assumptions used in their calculation.

- **Consistency Principle**

This report maintains consistency in the indicators used across different reporting periods. Any changes in indicators are explained so as to reflect trends in key performance.

- **Balance Principle**

This Environmental, Social and Governance Report provides an objective presentation and discloses both positive and negative indicators.

2 ESG GOVERNANCE AND MATERIALITY MANAGEMENT

2.1 Board Statement on ESG Management

2.1.1 Governance Structure for ESG Matters

The Group has established an ESG governance structure comprising the Board, senior management and the executive teams, and has put in place specific decision-making mechanisms, accountability frameworks and a standardised operational system. As the core decision-making body for ESG management, the Board is fully responsible for formulating sustainability strategies and policies, reviewing ESG targets and material issues, and overseeing implementation. The Board has established a dedicated ESG Working Group and functional departments responsible for the specific implementation of ESG strategies and day-to-day management.

- **The Board**

The Board is responsible for:

- (1) Guiding and reviewing sustainability strategies and policies;
- (2) Assessing and determining the Group's ESG-related risks and opportunities;
- (3) Guiding and reviewing the prioritisation of material ESG issues;
- (4) Reviewing the progress of ESG target achievement;
- (5) Reviewing and approving the Group's Environmental, Social and Governance Report.

- **ESG Working Group**

The responsibilities of the ESG Working Group include:

- (1) annually identifying the Group's ESG risks and opportunities based on sustainability strategies and policies, assessing their current and potential impacts, and making recommendations to the Board on response strategies;
- (2) Formulating the Group's ESG management approach and strategy, and identifying and prioritising material ESG issues;
- (3) Setting ESG targets and promoting the implementation of specific measures;
- (4) Preparing the annual Environmental, Social and Governance Report and submitting it to the Board for review and approval.

Environmental, Social and Governance (ESG) Report

2.1.2 Progress of ESG Work

During the Reporting Period, taking into account the Group's business development needs and stakeholders' key concerns, the Group continued to promote ESG-related work, focusing on key issues including governance mechanisms, products and services, operational compliance, employee development and social value, as well as environment and climate management. The Group also continued to improve its management mechanisms and promote the implementation of relevant measures. Major progress during the Reporting Period is set out below:

- ***Products and Services and Operational Compliance***

The Group continues to focus on innovation, quality management and customer service of CMOS image sensor products, and continuously improves management processes covering product research and development, incoming materials control, production testing, reliability testing and delivery support, with a view to enhancing product performance, quality stability and customer responsiveness. During the Reporting Period, the Group continued to improve systems relating to intellectual property management, customer service, confidentiality management and data security, thereby strengthening the management of product and service responsibilities. At the same time, the Group further optimised its supplier access review, performance evaluation and full-lifecycle supplier management mechanisms, incorporated requirements relating to operational compliance, environmental responsibility, business ethics and information security into the Group's supply chain management system, and continued to promote integrity and anti-corruption system development so as to comprehensively enhance the Group's operational compliance.

- ***Employee Development and Social Value***

The Group always regards talent as an important cornerstone for driving technological innovation and the Group's long-term development, and continuously improves its human resources management system covering recruitment, training, performance evaluation, promotion, remuneration and incentives, and is committed to creating a fair, inclusive and development-oriented working environment for employees. During the Reporting Period, the Group further enhanced its employee training system, career development channels and diversified incentive mechanisms, and continued to strengthen occupational health and safety management through improved safety training, position qualification management, safety inspections and rectification of hidden hazards, thereby effectively protecting employees' physical and mental well-being and work safety. In addition, the Group actively advocated a work philosophy that balances work and leisure, continuously improved employee fitness facilities, and engaged professional fitness coaches to provide guidance so as to support employees in maintaining physical and mental well-being. At the same time, leveraging the extensive application of its core imaging technologies in industrial, scientific, professional imaging and medical fields, the Group supports industrial upgrading and social development needs through technological innovation and continues to create positive value.

- **Environment and Climate Action**

The Group attaches great importance to the impacts of the Group's operating activities on the environment and climate, and continues to optimise its management measures in areas including energy management, hazardous substance control, noise control, waste management and environmental emergency response. During the Reporting Period, the Group steadily advanced energy conservation, consumption reduction and environmental compliance, and carried out identification, assessment and response work in relation to key issues such as greenhouse gas emissions, resource utilisation, green supply chain and climate risks. In line with the trend towards green and low-carbon development and external regulatory requirements, the Group continuously promoted the in-depth integration of environmental management with daily operations, thereby building a solid environmental foundation for long-term sustainable and robust development.

2.2 ESG Management

2.2.1 ESG Philosophy

The Group is principally engaged in the research and development, design, testing and sale of high-performance CMOS image sensors, with products widely applied in industrial imaging, scientific imaging, professional imaging and medical imaging. The Group has consistently integrated the concept of sustainable development into the Group's strategic planning and daily operational management, continuously improving its ESG management system covering environmental protection, safety, employee development and social responsibility, and strengthening ESG risk identification, assessment and response mechanisms through ongoing communication with stakeholders. The Group believes that technological innovation and responsible operations are mutually reinforcing. Taking into account the Group's business characteristics and stakeholder concerns, the Group will continue to improve its performance in areas such as product responsibility, operational compliance, talent development, and environmental and climate management, and is committed to contributing positively to industrial upgrading and social development while creating long-term value.

2.2.2 Stakeholder Communication

Maintaining communication with stakeholders is an important part of the Group's sustainable development. Its principal stakeholders include governments and regulatory authorities, shareholders and investors, customers, suppliers and employees. Through diversified channels, the Group communicates with various stakeholders to understand their views, expectations and concerns in relation to the Group's sustainable development performance, and uses such feedback as an important reference for improving ESG management and information disclosure.

Environmental, Social and Governance (ESG) Report

Stakeholder Category	Principal Stakeholders	Main Communication Channels	Key Concerns
Internal stakeholders	Employees	<ul style="list-style-type: none"> Employee training Performance appraisal and career progression communication Occupational health and safety training Routine internal communication and management mechanisms Employee satisfaction surveys 	<ul style="list-style-type: none"> Healthy and safe working environment Career development and training opportunities Remuneration, benefits and incentives Equal employment and employee rights
	Shareholders and Investors	<ul style="list-style-type: none"> General meetings Announcements and circulars Prospectuses and financial reports Telephone and email communication 	<ul style="list-style-type: none"> Protection of shareholders' rights and information transparency Corporate governance and risk management Operating performance and financial soundness Operational compliance and long-term value creation
External stakeholders	Governments and Regulatory Authorities	<ul style="list-style-type: none"> Policy consultation and compliance communications Regulatory filings and information reporting Routine regulatory communication On-site inspections and interviews 	<ul style="list-style-type: none"> Compliance with laws and regulations Corporate governance and operational compliance Anti-corruption and business ethics Production safety, environmental protection and information security
	Suppliers	<ul style="list-style-type: none"> Supplier onboarding and review Routine business and technical communications Supplier performance evaluation On-site audits and quality communications 	<ul style="list-style-type: none"> Transparent and fair supplier management Product quality and delivery stability Environmental and social responsibility requirements Long-term cooperation and business ethics

Environmental, Social and Governance (ESG) Report

Stakeholder Category	Principal Stakeholders	Main Communication Channels	Key Concerns
	Customers	<ul style="list-style-type: none"> • Routine business communications • Technical and business communications • Product requirements and project development coordination • Communication via telephone, email and meetings • Customer satisfaction surveys 	<ul style="list-style-type: none"> • Product quality and reliability • Product performance and delivery capability • Intellectual property, confidentiality and data security • Ongoing service capability and cooperation stability
	Business Partners	<ul style="list-style-type: none"> • Technical exchange meetings • Industry conferences and exhibitions • Project communication • Routine business communication 	<ul style="list-style-type: none"> • Industry standards and industrial development • Product technology innovation • Operational compliance and business ethics

Note: Taking into account the Group's business characteristics and the current status of public disclosure, this report focuses on identifying and disclosing communication with principal stakeholders such as employees, shareholders and investors, governments and regulatory authorities, suppliers and customers. In respect of community and public-related matters, the Group currently responds primarily through operational compliance, technological innovation, industrial collaboration and social responsibility practices, and will continue to improve related disclosure in light of the Group's business development and information disclosure requirements.

Environmental, Social and Governance (ESG) Report

2.2.3 Material ESG Issues

Through daily operational communication, business exchanges, internal management mechanisms and ongoing feedback, the Group has gained an understanding of stakeholders' key concerns regarding its ESG performance, thereby providing reference for the continuous optimisation of the Group's operational management and ESG work. In order to better understand and follow up on the matters of greatest concern to stakeholders, the Board, taking into account the Group's sustainability strategy, ESG risk identification and response mechanisms, stakeholder concerns and the Group's business development characteristics, identified, assessed, confirmed and prioritised relevant ESG issues, and reviewed key topics including climate change, greenhouse gas emissions, energy and resource use, hazardous substance management, product responsibility, employee health and safety, supply chain management, business ethics and operational compliance, so as to ensure that the Group's ESG management and information disclosure are better aligned with business realities and stakeholder expectations.

Level of Materiality	Material ESG Issues	Materiality Analysis	Corresponding Section(s)
High	Product quality and reliability	As a technology-intensive chip design company, the Group's	3.1.2 Quality Management
	Product responsibility and customer service	continuous innovation capability and market competitiveness are highly dependent on core talent, product	3.1.4 Customer Service
	Protection of intellectual property rights	performance and reliability, the accumulation of intellectual property rights, customer trust and stable	3.1.3 R&D Innovation and Intellectual Property Protection
	Data security, customer privacy and trade secret protection	supply chain collaboration. At the same time, standardised employment management, employee	3.1.1 Information Security
	Supply chain management and supply stability	development and labour protection form an important foundation for maintaining organisational stability	3.1.5 Supply Chain Management
	Business ethics and anti-corruption	and attracting and retaining talent. The above issues directly affect	3.2.1 Business Ethics
	Employment, remuneration, benefits and equal opportunities	research and development efficiency, customer recognition, product	4.1.1 Employment and Employee Rights
	Talent attraction, training, development and retention	delivery, operational compliance and the Group's long-term development, and are therefore identified as highly material issues.	4.1.2 Training and Development
	Occupational health and safety		4.1.3 Occupational Health and Safety
	Labour standards		4.1.1 Employment and Employee Rights

Environmental, Social and Governance (ESG) Report

Level of Materiality	Material ESG Issues	Materiality Analysis	Corresponding Section(s)
Medium	Climate change and greenhouse gas emissions	The Group has incorporated climate change, greenhouse gas emissions, energy use and hazardous substance management into its core ESG issues, and continues to improve related management systems and data disclosure. Given that the Group is mainly engaged in research and development and verification testing, with a direct environmental burden lower than that of heavy-asset manufacturing enterprises, while its social contribution is more reflected in responsible management and long-term value creation, the above issues are identified as issues of medium materiality.	5.4 Climate Change
	Energy use		5.2 Resources
	Hazardous substance management, emissions and waste disposal		5.1 Emissions
	Social value		4.2 Social Value
General	Use of water resources	Taking into account the Group's current business model, operating scenarios and public disclosure, water resources use, natural resources and biodiversity are relatively less directly connected with the principal business and are mainly reflected as general environmental management responsibilities. The Group will continue to pay attention to related impacts in its daily environmental management and will progressively improve relevant management measures in line with business development.	5.2 Resources
	Natural resources and biodiversity		5.3 Impact on the Environment and Natural Resources

3 PRODUCTS AND SERVICES AND OPERATIONAL COMPLIANCE

3.1 Products and Services

The Group has consistently adhered to the development philosophy of “focusing on imaging technologies and insisting on technological innovation”, strictly complied with laws, regulations and industry standards including the Standardization Law of the People’s Republic of China, the Product Quality Law of the People’s Republic of China, the Advertising Law of the People’s Republic of China, the Cybersecurity Law of the People’s Republic of China, as well as the laws and regulations relating to intellectual property protection, data security and privacy protection, and incorporated compliance requirements throughout the entire process of product research and development, production testing and sales. During the Reporting Period, the Group did not experience any incidents of non-compliance relating to product safety, advertising and publicity, labelling or privacy protection that had a material impact on the Group. During the Reporting Period, the Group did not incur any material non-compliance incidents concerning product safety, advertising and publicity, labelling, or privacy protection.

3.1.1 Information Security

The Group regards information security as a cornerstone of business development. In strict compliance with the requirements of laws and regulations including the Cybersecurity Law of the People’s Republic of China, the Data Security Law of the People’s Republic of China and the Personal Information Protection Law of the People’s Republic of China, the Group has established an information security management system featuring “systematic protection, full participation and continuous improvement” to safeguard the Group’s core technologies, trade secrets and the information security of relevant parties.

In terms of information security system development, the Group has established a dedicated information security management department and formulated management policies including the Information Security Management System, the Server Room Management System, the Hard Disk Low-level Formatting Management System and the Information Security Incident Emergency Response System, thereby clarifying information security responsibilities, operating requirements and emergency response procedures. Through security measures such as access control, data encryption and data masking, the Group effectively protects core information assets such as research and development data, customer information and supply chain data.

In terms of technical protection and risk control, the Group strengthened security protection for its IT infrastructure, network systems and application systems by deploying security devices such as firewalls, internet access behaviour management tools and anti-virus systems, regularly updating virus libraries, carrying out virus scanning and promptly rectifying security vulnerabilities. During the Reporting Period, the Group regularly carried out vulnerability scanning and security testing and promptly rectified identified issues. No information leakage, cyber-attacks or other security incidents occurred. Meanwhile, the Group has established the Risk and Opportunity Control Procedures, under which information security risks are regularly identified and assessed through risk registers and business continuity plans, and corresponding preventive, control and emergency measures are formulated to ensure risks remain manageable.

Environmental, Social and Governance (ESG) Report

In terms of a secure operating environment, the Group has established a protection system integrating physical security and technical security. At the physical level, strict access management is implemented for key sensitive areas such as server rooms, laboratories and clean rooms, and measures including fingerprint identification, video surveillance and security patrols are adopted to prevent unauthorised entry. Core IT assets such as servers and storage equipment are centrally managed and equipped with fire prevention, theft prevention, anti-static and ventilation facilities to ensure safe and stable operation of hardware equipment. At the technical level, isolation management is implemented between office networks and research and development networks, and cross-network access rights are strictly controlled. A data backup mechanism has also been established under which core data is backed up both locally and off-site to ensure that data will not be lost in extreme circumstances.

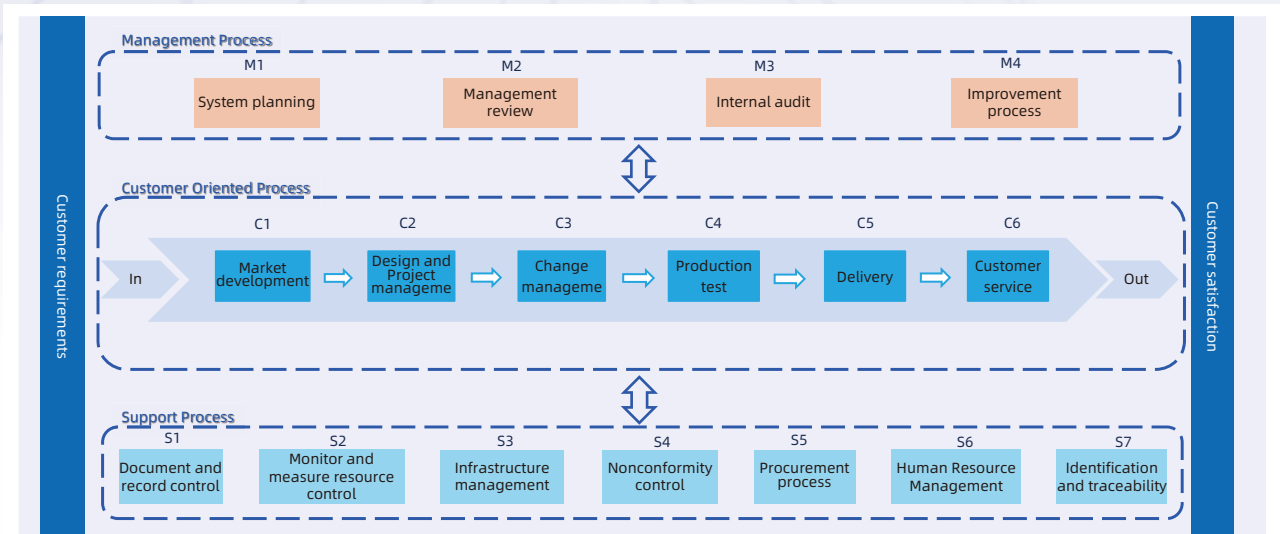
In terms of information security training and communication, the Group organised two information security training sessions during the Reporting Period, covering a total of 502 attendances. The training content included key elements of information security, identification of common information security threats, information security protection requirements and emergency response, and the pass rate for employee information security training assessments reached 100%.

3.1.2 Quality Management

In compliance with laws, regulations and relevant requirements such as the Product Quality Law of the People's Republic of China and the Standardization Law of the People's Republic of China, the Group adheres to the quality policy of "Customer Satisfaction, Quality First, Continuous Improvement and Win-win Cooperation", promotes a quality management philosophy that engages all employees, and is committed to full-process control and continuous improvement of product quality. The Group has established a quality management system in compliance with the international ISO 9001 standard and formulated the Quality Management Manual and related procedural documents covering all key stages including product research and development, supply chain management, production testing, quality inspection and customer service. During the Reporting Period, the Group did not experience any recall of sold or delivered products due to safety or health issues.

Environmental, Social and Governance (ESG) Report

Quality Management System



At the product design and development stage, the Group established a standardised end-to-end management system and formulated the Project Management Procedures WP1-WP5 for five core stages, namely project definition, detailed design, material production and verification, chip performance and reliability testing, and pilot production. By introducing front-end risk management tools such as FMEA and risk review checklists, the Group systematically identifies and prevents potential design defects, and carries out simulation and testing verification and reliability tests at each key milestone. Meanwhile, a milestone review mechanism has been established to ensure that products meet expected requirements in terms of functionality, performance indicators, reliability and mass production feasibility.

Environmental, Social and Governance (ESG) Report

In the supply chain management process, the Group has formulated management policies such as the Supplier Management Procedures and the Supplier Performance Assessment Specifications, as well as various raw material inspection standards, thereby establishing stringent supplier admission criteria, performance evaluation mechanisms and raw material acceptance standards. Supplier admission certification covers credit due diligence, AEO due diligence, general business due diligence, quality system due diligence, process management due diligence, hazardous substance process management due diligence and on-site audits, so as to ensure that selected suppliers possess stable quality assurance capabilities. In daily management, qualified suppliers are evaluated on a quarterly basis from dimensions such as research and development, quality, service and delivery. Meanwhile, the incoming raw material inspection procedures are strictly implemented to ensure reliable raw material quality and supply stability.

In the production and inspection process, the Group has formulated procedures such as the Production Testing Process Management Procedures and the Product Inspection Control Procedures, adopted professional inspection equipment and standardised operating procedures, and strictly implemented incoming quality control (IQC), 100% optoelectronic testing of products and outgoing quality control (OQC) to ensure that non-conforming products do not flow into subsequent processes. For non-conforming products identified during the process, the Group handles them in accordance with the Non-conforming Product Control Procedures, conducts an in-depth analysis of root causes, formulates corrective and preventive measures, and continuously tracks implementation effectiveness. Meanwhile, production testing, monitoring and measuring equipment are regularly spot-checked and maintained, and monitoring and measuring equipment is calibrated in accordance with the calibration cycle to ensure stable operation of equipment and accurate and reliable testing results.

In customer service, the Group has always attached importance to customer satisfaction. It has established management procedures such as the Customer Service Control Procedures, the Customer Satisfaction Control Procedures and the FAE Technical Support Process, and has set up customer service and technical support teams. Through means such as instant communication tools, emails, telephone calls, on-site visits, technical support, customer communication meetings and customer satisfaction surveys, the Group understands customer expectations and demands, responds promptly to customer feedback, and continuously optimises product and service quality.

In terms of quality culture development, the Group advocates a quality culture of “full participation” and regularly provides employees with training relating to the quality management system, application of quality tools and job operation skills, so as to integrate quality awareness into the daily work of every employee. The Group encourages employees to proactively identify and report quality issues and put forward improvement suggestions, and recognises and rewards teams and individuals with outstanding performance in quality improvement.

3.1.3 R&D Innovation and Intellectual Property Protection

The Group attaches importance to research and development innovation and intellectual property protection, and continues to carry out product research and development and technology accumulation around the core technologies of image sensors. During the Reporting Period, the Group continued to focus on core image sensor technologies and steadily advanced research and development programmes in frontier areas such as high-resolution industrial inspection, high-speed motion capture and back-illuminated technology, thereby continuously consolidating its technological barriers. During the Reporting Period, the Group added 12 new published patents. As at 31 December 2025, the Group held 59 granted patents worldwide, all of which were invention patents. In December 2025, the Group was selected by the China National Intellectual Property Administration as one of the first model entities for the national intellectual property powerhouse initiative, reflecting the Group's comprehensive capabilities in the creation, application, protection and management of intellectual property rights.

The Group has formulated and continuously maintained the Knowledge Management Procedures and the Patent Application Procedures, incorporating requirements relating to knowledge collection, identification, classification, archiving, updating, sharing and retirement into its research and development and operational processes, and standardising technical disclosures, document preparation, communication requirements and approval nodes in the patent application process. At the same time, the Group has established a patent quality control mechanism combining "departmental review, management review and third-party assessment" to review the technical innovativeness, protection scope and legal stability of patent application documents, and assess the effectiveness of patent applications in product research and development, thereby improving the quality and efficiency of converting innovation achievements into intellectual property rights.

The Group fully respects and standardises the use of intellectual property rights of customers, suppliers and business partners. The Group implements strict confidentiality management for technical materials and commercial information obtained during research and development and business cooperation. Through the signing of non-disclosure agreements (NDAs) and the continuous improvement of information security processes, the Group resolutely prevents the risks of intellectual property infringement and technical information leakage, thereby protecting a fair and competitive industry environment.

3.1.4 Customer Service

- ***Customer Service and Complaint Handling***

The Group has always adhered to the quality policy of "Customer Satisfaction, Quality First, Continuous Improvement and Win-win Cooperation", continuously improved its customer service and complaint handling mechanisms, and is committed to providing customers with timely, professional and reliable service support.

Environmental, Social and Governance (ESG) Report

In terms of technical support, the Group has established a customer service mechanism covering pre-sales consultation, in-sales support and after-sales maintenance, and has strictly implemented the Customer Service Control Procedures to timely respond to and handle technical issues and complaints encountered by customers during product use, while continuously optimising product performance and service quality based on customer feedback.

In response to customer feedback, the Group has established a cross-departmental collaborative handling mechanism involving failure analysis, product research and development, sales service, technical support and project management teams. Through root cause analysis, corrective and preventive measures are formulated and the effectiveness of improvements is continuously tracked to ensure that relevant measures are effectively implemented.

In respect of customer information and privacy protection, the Group attaches great importance to the security of customer data, trade secrets and related information. The Group signs confidentiality agreements with customers, regularly organises confidentiality and compliance training, and continuously strengthens information security management requirements to safeguard the information security of both the Group and its customers.

- ***Product Recall and Quality Incident Handling***

For major quality incidents and recall matters involving product safety risks, serious batch quality defects or cases requiring handling as requested by regulatory authorities, the Group has established an emergency response and product recall mechanism to ensure that relevant risks can be identified, traced and handled in a timely manner.

Once the relevant handling conditions are triggered, the quality department will take the lead in initiating a cross-departmental coordinated response mechanism and promptly implement measures such as inventory isolation, suspension of shipments, interception of goods in transit and customer notification in order to control the scope of risk impact. At the same time, the Group will conduct root cause analysis on the issues that have occurred, formulate and implement corrective measures, carry out horizontal reviews and prevent the recurrence of similar incidents.

During the Reporting Period, the Group did not experience any incident requiring the recall of sold or delivered products due to safety or health issues.

Environmental, Social and Governance (ESG) Report

- **Customer Satisfaction Survey**

The Group attaches importance to customer satisfaction surveys and identifies matters of concern to customers through such surveys so as to continuously improve the quality of its products and services. Each year, the Group sends customer satisfaction questionnaires to customers to understand their satisfaction with aspects such as product or project design quality, product quality, service quality, the efficiency of issue handling and problem-solving capabilities, and conducts surveys, statistics and result analysis in accordance with the Customer Satisfaction Control Procedures. The relevant results are fed back to management and responsible departments as an important basis for the continuous optimisation of products and services. During the Reporting Period, the Group conducted customer satisfaction surveys in accordance with the required procedures, and the overall customer satisfaction score was 4.28 out of 5, maintaining a satisfactory level.

Statistics of Key Performance Indicators for Products and Services

Indicator	2025	2024
Number of customer complaint cases	7	4
Percentage of customer complaints handled (%)	100.00	100.00
Customer satisfaction	4.28	4.14

Note:

- (1) The number of customer complaint cases is calculated based on product-and service-related complaint cases formally accepted by the Group and entered into the handling process during the Reporting Period. Complaints that have generated an 8D report or that were submitted through official channels such as email and internally registered and accepted are counted on a de-duplicated case basis. Purely RMA returns or exchanges, technical support requests and customer feedback that did not enter the formal complaint handling process are not included in the statistics.
- (2) The customer satisfaction score is based on a 5-point scale.

3.1.5 Supply Chain Management

The Group's core business comprises the research and development, design, testing and sale of CMOS image sensors. Its principal suppliers include wafer foundries, packaging and testing service providers, and other partners related to research and development, production testing and operations. Suppliers' supply stability, product and service quality, and their performance in ESG aspects all have an impact on the Group's cost control, risk management, product quality and brand image. Accordingly, the Group continues to improve its supplier management mechanism and incorporates supply chain management into its daily operations and risk control system to enhance the stability, compliance and sustainable development of its supply chain.

Environmental, Social and Governance (ESG) Report

The Group has formulated systems such as the Procurement Logistics Control Procedures, the Supplier Management Procedures, the Supplier Performance Assessment Specifications and the Supplier Management Manual, and has established a management mechanism covering supplier admission, risk assessment, periodic review and continuous optimisation. It also carries out regular supply chain risk assessments and continuously follows up on the identification, response to and management of relevant risks. In accordance with the Supplier Management Procedures and the Supplier Performance Assessment Specifications, the Group has made clear provisions on the selection, evaluation and daily management of production suppliers, covering supplier screening criteria, material verification processes, daily management requirements and evaluation mechanisms, so as to promote the stable provision by suppliers of products and services that meet requirements.

At the supplier admission stage, the Group screens qualified suppliers through procedures such as verification of basic information, on-site audits and qualification and compliance checks, and incorporates ESG-related factors such as compliance with product restricted substance requirements, environmental performance, social responsibility and information security into its overall assessment and procurement selection considerations, so as to identify environmental and social risks in the supply chain. The Group gives priority to suppliers with relatively sound environmental performance and sustainable development management. During supplier onboarding, the Group treats quality system audits as an important part of the assessment and pays attention to requirements such as RoHS/REACH compliance management, information security, social responsibility and restricted substance management. Relevant qualification documents must be provided before supplier onboarding to ensure admission compliance.

In accordance with the Supplier Performance Assessment Specifications, the Group conducts periodic reviews of key qualified suppliers and implements an assessment mechanism that combines quarterly evaluations with annual summaries, while carrying out on-site audits based on actual circumstances. The review content mainly covers suppliers' research and development and quality control systems, service and delivery performance, as well as indicators such as quality issues, packaging compliance, response efficiency to abnormal issues, late delivery rate, quotation timeliness and communication timeliness. For suppliers whose annual evaluations fail to meet requirements, the Group may, depending on circumstances, adopt measures such as reducing procurement share, suspending cooperation or terminating cooperation, so as to maintain the overall quality and stability of its supplier base. During the Reporting Period, the Group did not encounter any supplier matter that required supplementary filings or rectification, or that resulted in a failed review due to non-compliance with environmental protection requirements.

Statistics of Key Performance Indicators for Supply Chain Management

Indicator	2025
Total number of key product suppliers (no.)	181
By region: Mainland China (no.)	155
By region: Hong Kong, Macao, Taiwan and overseas (no.)	26

Note: 2025 was the first year in which the Group prepared a complete ESG report in accordance with a unified ESG reporting framework. During the Reporting Period, the Group clarified the ESG reporting boundary for the first time and unified the statistical methodology for the number of suppliers under management. As the relevant supplier data for 2024 had not been collected and retained in line with reporting boundaries, definitions and statistical methods consistent with this report, retrospective restatement might affect data reliability and comparability with 2025 data. Accordingly, this report discloses 2025 data only for indicators relating to the number of suppliers and geographical distribution of suppliers, and comparative figures for 2024 are not provided for the time being. Other policies, procedures and implementation relating to supply chain management are disclosed based on the actual circumstances during the Reporting Period. Starting from 2025, the Group will continue to compile statistics and make disclosures on a consistent basis and provide comparable data in subsequent ESG reports.

3.2 Operational Compliance

3.2.1 Business Ethics

The Group strictly complies with relevant laws and regulations such as the Criminal Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China and the Anti-Money Laundering Law of the People's Republic of China. Adhering to the philosophy of "compliance first and integrity-based operations", the Group adheres to lawful, compliant and honest operations, and integrates business ethics and anti-corruption management into its daily operations and internal control system. The Group has formulated the Anti-fraud, Anti-money Laundering and Anti-bribery Management System and the Employee Reward and Punishment Regulations, and continues to standardise employee conduct and business dealings so as to prevent risks of bribery, fraud and other improper conduct.

In the Corporate Social Responsibility Agreement signed with suppliers, the Group explicitly includes integrity clauses, strictly prohibits bribery, transfer of benefits and improper transactions in any form, and requires suppliers to observe the principles of probity, integrity and fair dealing in the course of business cooperation. The Group continues to carry out compliance communication and promotes employees and business partners to jointly uphold an honest, transparent and responsible business environment.

3.2.2 Whistleblowing Mechanism and Compliance Training

The Group has established internal whistleblowing channels and encourages employees and relevant parties to report bribery, corruption, fraud and other improper conduct. Whistleblowers may submit reports through the whistleblowing email address and telephone hotline. The Group keeps the identity of whistleblowers and the contents of reports strictly confidential and prohibits retaliation in any form.

Upon receipt of a report, the Group will initiate verification and handling procedures according to the nature of the matter. Relevant responsible departments will conduct investigation, recording, follow-up and rectification, and report to management where appropriate. For verified violations, the Group will take corresponding handling measures in accordance with internal policies and applicable laws and regulations.

The Group continues to carry out anti-corruption communication so as to enhance the awareness of directors, management and employees regarding integrity in practice, anti-bribery, anti-fraud, conflict of interest management and the whistleblowing mechanism, and continuously strengthens the development of a culture of integrity and compliance. During the Reporting Period, the Group did not receive any complaint or report relating to business ethics, nor did it experience any litigation or administrative penalty relating to business ethics.

4 EMPLOYEE DEVELOPMENT AND SOCIAL VALUE

4.1 Employees

The Group attaches importance to employee development and the protection of legitimate rights and interests, and focuses on corporate social responsibility and value creation, striving to promote the common sustainable development of the enterprise, employees and society. The Group strictly complies with relevant laws, regulations and regulatory requirements such as the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, the Work Safety Law of the People's Republic of China, the Law of the People's Republic of China on the Protection of Women's Rights and Interests, and the Regulations on Paid Annual Leave for Employees. It continues to improve relevant management systems in areas including employment, remuneration and benefits, recruitment and promotion, training and development, working environment and occupational health and safety, as well as the prevention of child labour and forced labour. During the Reporting Period, the Group did not experience any litigation or material non-compliance incident relating to employment, occupational health and safety, child labour or forced labour.

4.1.1 Employment and Employee Rights

The Group values talent recruitment and development, safeguards employees' equal rights in relation to employment conditions, training, promotion, remuneration and benefits, eliminates discrimination based on gender, marital status, disability, age, ethnicity, family status, nationality and religion, and firmly prohibits the employment of child labour and all forms of forced labour.

In compliance with relevant laws and regulations such as the Labour Contract Law of the People's Republic of China, the Group has formulated systems such as the Recruitment and Onboarding Management Rules, the Employee Mobility Management Rules and the Remuneration Management System, which make clear provisions on employee recruitment, hiring, resignation, remuneration and benefits. The Group also continuously reviews and optimises its remuneration structure in light of market conditions, annual labour cost budgets and staffing needs, so as to maintain talent attractiveness and market competitiveness.

During the recruitment process, the Group conducts necessary reviews of candidates through procedures such as identity verification, interviews and background checks, so as to prevent the risks of child labour and forced labour at the source of employment.

The Group has established corresponding mechanisms for the identification, verification, remediation and rectification of child labour and forced labour prevention. If a suspected case is identified, the Group will immediately initiate verification procedures, verify the relevant circumstances, safeguard the legitimate rights and interests of the persons concerned, and, where appropriate, adopt measures such as rectification, accountability and improvement of systems so as to prevent recurrence of similar incidents. During the Reporting Period, the Group did not experience any incident relating to the employment of child labour or forced labour.

Overview of Employment and Employee Rights

Recruitment and Separation	Working Hours and Leave	Remuneration and Benefits
<ul style="list-style-type: none"> • Recruitment management: The Group recruits new employees in accordance with the principles of "openness, merit-based selection and fair competition". A full-process preventive review mechanism prohibiting child labour and forced labour has been established, and full-process control requirements such as real-name identity verification and authenticity checks of job-seeking intentions are strictly implemented so as to eliminate the risk of non-compliant employment at the source. • Separation management: Employee dismissal procedures are carried out strictly in accordance with the relevant provisions of the Employee Handbook and the Employee Reward and Punishment Regulations, ensuring that separation and dismissal comply with the local laws and regulations of the place of operation and balancing the legitimate rights and interests of employees with enterprise management order. 	<ul style="list-style-type: none"> • Working hours management: The Group arranges employees' working hours in strict compliance with local laws and regulations, with working schedules reasonably planned to ensure that employees' rights to work and rest are fully protected. • Overtime management: The Group strictly observes the principle of voluntary overtime and prohibits forced overtime. Employees who work overtime are entitled to overtime pay or compensatory leave, and overtime compensation standards fully comply with the laws and regulations of the place of operation. • Leave management: In accordance with applicable laws, the Group provides employees with statutory leave including annual leave, marriage leave, bereavement leave, maternity leave, sick leave and other statutory leave, ensuring that employees' leave rights are fully implemented. 	<ul style="list-style-type: none"> • Remuneration management: Base salaries for positions are determined with reference to market benchmarks, and reasonable adjustments are made in light of job value and individual employee contribution, to ensure the fairness and market competitiveness of the remuneration system. • Social insurance management: In strict accordance with the laws and regulations of the place of operation, the Group pays full contributions to all types of social insurance for all employees, thereby strengthening the protection of employees' basic rights and interests. • Benefits management: The Group provides diversified welfare benefits to employees considering its actual circumstances, including annual physical examinations and birthday gifts, so as to continuously enhance employees' sense of belonging and well-being.

Environmental, Social and Governance (ESG) Report

The Group attaches importance to employee communication and care, continuously improves employee feedback channels, promotes two-way communication between employees and management, and promptly understands employees' requests and suggestions. At the same time, in accordance with trade union policies, the Group organises holiday greetings and welfare distribution, and provides benefits such as annual physical examinations, birthday gifts and care facilities for female employees. In order to advocate a balanced work-life culture, the Group provides comprehensive fitness facilities and an employee gym to help employees relax and maintain physical and mental well-being during breaks. It also focuses on caring for the demands of female employees by setting up a dedicated lactation room in the office area to provide thoughtful and convenient supporting facilities. During the Reporting Period, the Group organised annual meetings, festive activities and cultural and sports activities to enrich employees' work and life.

Overview of Employee Activities in 2025

Activity Category	Activity Theme
Summer Care Programme	Enjoy a cool summer: benefits such as cooling ice cream were distributed to employees.
Annual Meeting	Gathering the Light of the "Chip", Illuminating the Vision
International Women's Day	Perceiving the World Through Light, You Are a Work of Art
Lantern Festival	Lantern Festival Celebration
Mid-Autumn Festival	Full Moon, Warm Affection
Company Anniversary Celebration	Grateful Together
Yoga Courses	External professional instructors were engaged to conduct yoga classes.
Recreational Activities	Friendly matches such as badminton and table tennis.

Environmental, Social and Governance (ESG) Report

Statistics of Key Employment Indicators

Indicator	2025	2024
Number of employees	465	401
By gender: male	249	209
By gender: female	216	192
By employment type: labour contract	465	401
By employment type: labour dispatch	0	0
By age group: 50 and above	18	18
By age group: 30 to 50	254	241
By age group: below 30	193	142
By region: Mainland China	422	357
By region: Outside China	43	44
Employee turnover rate — overall (= total number of departures of the Group/total number of employees of the Group) (%)	13.86	7.12
Employee turnover rate — by age group: 50 and above (= number of departures in the age group/total number of employees in the age group) (%)	5.56	0
Employee turnover rate — by age group: 30 to 50 (= number of departures in the age group/total number of employees in the age group) (%)	7.87	5.80
Employee turnover rate — by age group: below 30 (= number of departures in the age group/total number of employees in the age group) (%)	20.21	9.86
Employee turnover rate — by gender: male (= number of male departures/total number of male employees) (%)	10.84	4.31
Employee turnover rate — by gender: female (= number of female departures/total number of female employees) (%)	15.28	9.90
Employee turnover rate — by region: Mainland China (= number of departures in the region/total number of employees in the region) (%)	13.27	7.28
Employee turnover rate — by region: Outside China (= number of departures in the region/total number of employees in the region) (%)	9.30	4.55

4.1.2 Training and Development

The Group attaches importance to employee training and development, and has formulated and implemented the Training Management Rules, which standardise training types, implementation procedures, instructor management and training effectiveness evaluation. In light of operational development needs, the Group formulates annual training programmes to continuously enhance employees' professional capabilities and overall competence.

The Group has established a training implementation mechanism combining company-level, department-level and individual-level training. Company-level training mainly covers general topics such as onboarding for new employees, quality management, safety management and compliance requirements; department-level training focuses on updating job knowledge and improving professional skills; and individual-level training serves as a supplementary arrangement to meet employees' differentiated development needs. During the Reporting Period, the Group organised a range of training activities covering new employee onboarding training, job-related technical capability training, customs affairs training, safety training and capability training for senior management.

Overview of Employee Training Activities in 2025

Training Programme	Objective
New employee onboarding training	Helping new employees understand the Company profile and rules and regulations so that they can adapt more quickly to the working environment and integrate into the team, covering topics such as basic quality knowledge training and expense reimbursement training.
Job-related technical capability training	Supporting employees in learning and improving professional technical capabilities and accelerating talent development. Training covers a range of topics, including key specification indicators and electrical standards/interface protocol training of image sensors, with different training content matched to different positions.
Customs affairs training	Professional customs import and export skills training is provided to designated personnel, covering import and export trade operations and certification standards under customs credit management measures.
Safety training	Covering topics such as international trade supply chain security training, fire safety knowledge seminars, security crisis emergency management training, confidentiality security training and suspicious person identification training, with a view to helping employees understand safety-related knowledge and enhancing their awareness of security and confidentiality.
Capability training for senior management	Training on confidentiality, information disclosure and related topics.

Environmental, Social and Governance (ESG) Report

Statistics of Key Performance Indicators for Employee Training

Indicator	2025	2024
Percentage of employees trained (%)	90.80	90.50
By gender: male training rate (= number of trained male employees/total number of male employees) (%)	86.30	82.30
By gender: participation rate of male (%)	50.80	48.20
By gender: female training rate (= number of trained female employees/total number of female employees) (%)	96.30	96.40
By gender: participation rate of female (%)	49.20	51.80
By level: senior management (= number of trained senior management employees/total number of senior management employees) (%)	63	63
By gender: participation rate of male senior management (%)	60	60
By gender: participation rate of female senior management (%)	40	40
By level: middle management (= number of trained middle management employees/total number of middle management employees) (%)	100	100
By gender: participation rate of male middle management (%)	66	66
By gender: participation rate of female middle management (%)	34	34
By level: general staff (= number of trained general employees/total number of general employees) (%)	100	100
By gender: participation rate of male general staff (%)	49	46
By gender: participation rate of female general staff (%)	51	54
Average training hours received per employee per year (hours)	15.30	14.94
By gender: average training hours received by male (hours)	14.80	18.88
By gender: average training hours received by female (hours)	15.88	15.88
By level: average training hours received by senior management (hours)	7.50	4.00
By level: average training hours received by middle management (hours)	26	26
By level: average training hours received by general staff (hours)	20.30	18.60

In addition to training management, the Group also continues to improve its employee career development system. The Group has established a job grade management system and uses the job grading framework as an important basis for remuneration and benefits, performance management, human resources planning and employees' career development paths. Based on job nature and functional characteristics, the Group has established multiple job families and corresponding grade ranges, and manages job grading, promotion adjustment and career development based on capability requirements, performance contribution and scope of responsibilities.

The Group has also established two types of development pathways, the management sequence and the professional sequence, encouraging employees to pursue continuous growth either through professional specialisation or management development according to their personal capabilities and career development demands, thereby promoting coordination between individual development and organisational development.

4.1.3 Occupational Health and Safety

The Group strictly complies with relevant laws and regulations such as the Work Safety Law of the People’s Republic of China, the Law of the People’s Republic of China on the Prevention and Control of Occupational Diseases and the Responsible Business Alliance (RBA) Code of Conduct. Upholding the principle of “safety first, prevention foremost and comprehensive management”, the Group is committed to providing employees with a safe and healthy working environment and continuously enhancing its occupational health and safety management system.

The Group has formulated and implemented systems such as the Safety Management System, the Production Safety and Fire Safety Responsibility System and the Safety Training Work System, which define the safety responsibilities of personnel at all levels, training requirements and non-compliance handling requirements, and establish a safety management mechanism coordinated by management and jointly participated in by all departments. In daily operations, the Group continuously identifies and eliminates safety hazards through daily patrols, special inspections and periodic audits.

In terms of safety training, the Group conducts three-tier pre-job safety training at the company, department and position levels for newly recruited employees, and regularly organises incumbent employees to participate in specialised training such as fire safety, chemical safety, equipment operation safety and emergency drills, so as to enhance employees’ safety awareness and emergency response capability. During the Reporting Period, the Group conducted two fire drills with a total of 509 participants.

For special operating environments such as cleanrooms and laboratories, the Group implements specific protective measures, including the installation of ventilation systems, smoke purification equipment, mechanical protective devices and emergency supplies. At the same time, based on job characteristics, the Group provides employees with personal protective equipment that complies with national standards, such as goggles, protective gloves, protective aprons and safety shoes. For special operation positions such as electricians and pressure vessel operators, the Group strictly implements a certification-based work system to ensure that relevant personnel possess the required qualifications.

Statistics of Key Performance Indicators for Occupational Health and Safety

Indicator	2025	2024	2023
Number of work-related fatalities	0	0	0
Rate of work-related fatalities	0	0	0
Lost days due to work-related injury	0	0	0

4.2 Social Value

The Group is committed to integrating technological innovation with the creation of social value, focuses on social demands in areas such as healthcare, scientific research, advanced manufacturing and industrial collaboration, and, leveraging its accumulated technologies in the field of high-performance CMOS image sensors, continues to promote operating activities that balance economic benefits and social benefits.

The Group's products are extensively applied in industrial imaging, scientific imaging, professional imaging and medical imaging, supporting diverse application scenarios such as medical diagnosis, life science research, microscopic imaging, astronomical observation and industrial inspection. By continuously enhancing the resolution, sensitivity, low-noise performance and reliability of its image sensors, the Group consistently provides downstream customers with high-quality imaging solutions and contributes to the enhancement of technological standards and application capabilities in the relevant industries.

In addition, the Group actively participates in major national science and technology projects and national key research and development projects, and collaborates with research institutions and technology enterprises on innovation. Focusing on key technical challenges and industry bottlenecks, the Group continues to advance research and development, promote the commercialisation of scientific and technological achievements and support industrial development. The Group also facilitates technological progress and industry collaboration in image sensors across relevant application fields by participating in industry organisations and professional exchanges, and continues to play a positive role in the industrial ecosystem.

During the Reporting Period, the Group did not separately compile statistics on traditional community investment amounts or volunteer service hours. At the current stage, the Group mainly responds to social needs through technological innovation, participation in scientific research projects, industry collaboration and the creation of product application value. In the future, the Group will continue to improve the statistical methodology and disclosure approach for community investment and social contribution data in light of business development, stakeholder concerns and information disclosure requirements.

5 ENVIRONMENT AND CLIMATE MANAGEMENT

The Group is committed to integrating environmental protection into its daily operations, strictly complies with relevant laws and regulations such as the Environmental Protection Law of the People's Republic of China, the Energy Conservation Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, the Law of the People's Republic of China on the Prevention and Control of Water Pollution, the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, and the Law of the People's Republic of China on the Prevention and Control of Noise Pollution, and pays attention to requirements relating to environmental compliance of products such as RoHS and REACH, so as to continuously mitigate the environmental impact of its operations. During the Reporting Period, the Group did not experience any material environmental pollution incident, nor any litigation or administrative penalty relating to environmental issues.

5.1 Emissions

5.1.1 Emissions and Disposal

The Group's business mainly comprises the research and development, design, testing and sale of CMOS image sensors and is not classified as a high-pollution or high-energy-consumption industry. During the Reporting Period, the main emissions arising from the Group's operations included hazardous waste, non-hazardous waste, air emissions from mobile sources generated by company vehicles, as well as production wastewater and a small volume of domestic sewage. The Group continues to implement classified management and compliant disposal according to emission category.

In terms of waste, the Group classifies, collects, temporarily stores and transfers various types of waste in accordance with the Waste Management Measures. Domestic waste is uniformly cleared and transported by property management; industrial solid waste is recycled or disposed of by cooperating entities with the requisite operating qualifications; hazardous waste is classified and labelled by category, temporarily stored in designated areas and regularly transferred for disposal by cooperating entities with the appropriate hazardous waste treatment qualifications.

In terms of air emissions, the Group's company vehicles generate low volumes of sulphur oxides (SO_x), nitrogen oxides (NO_x) and particulate matter (PM) during use, which are mainly controlled through measures such as optimising vehicle selection, carrying out regular maintenance and standardising driving behaviour.

In terms of wastewater, domestic sewage is pre-treated through septic tanks and then connected to the municipal pipeline network, where it undergoes centralised treatment by wastewater treatment plants before compliant discharge; production wastewater is treated through the wastewater treatment system of a cooperating entity to meet standards before being discharged to the municipal wastewater treatment plant. According to third-party monitoring results, the relevant wastewater discharges during the Reporting Period complied with the requirements of the Integrated Wastewater Discharge Standard (GB 8978-1996).

Environmental, Social and Governance (ESG) Report

Statistics of Key Performance Indicators for Emissions

Indicator	Unit	2025	2024
Total hazardous waste	kg	808.48	1384.10
Hazardous waste intensity	kg/RMB million revenue	0.94	2.06
Total non-hazardous waste	kg	5040.36	2331.15
Non-hazardous waste intensity	kg/RMB million revenue	5.88	3.46
Total sulphur oxides (SO _x)	kg	0.18	0.31
Sulphur oxides (SO _x) intensity	kg/RMB million revenue	<0.001	<0.001
Total nitrogen oxides (NO _x)	kg	11.82	15.70
Nitrogen oxides (NO _x) intensity	kg/RMB million revenue	0.01	0.02
Total particulate matter (PM)	kg	0.87	2.16
Particulate matter (PM) intensity	kg/RMB million revenue	0.001	0.003
Total production wastewater	thousand tonnes	3.88	5.04
Production wastewater intensity	thousand tonnes/RMB million revenue	0.005	0.007

Note:

- (1) The statistical scope of hazardous waste includes the Group's Changchun headquarters and Changchun Changguang Yuanxin Integrated Circuit Co., Ltd. Changchun Changguang Yuanxin Integrated Circuit Co., Ltd. has been included in the statistical boundary for the relevant environmental data in this report.
- (2) The statistical scope of non-hazardous waste includes the Group's Changchun headquarters and Changchun Changguang Yuanxin Integrated Circuit Co., Ltd. The quantitative statistics for non-hazardous waste mainly cover industrial solid waste such as waste paper boxes, a small amount of waste glass and scrap metal. Domestic waste is uniformly cleared and transported by property management. The Group has not separately retained quantitative data for such waste, and the environmental impact of such waste is relatively limited; accordingly, it is not included in the quantitative disclosure scope of this report. The total amount of non-hazardous waste in 2025 increased as compared with 2024, mainly due to the expansion of business scale, increase in headcount, and higher procurement of equipment, office furniture and office supplies, which led to an increase in the generation of waste paper boxes and other waste.
- (3) The statistical scope of sulphur oxides (SO_x), nitrogen oxides (NO_x) and particulate matter (PM) includes the Group's Changchun headquarters, the Hangzhou subsidiary and the Belgian subsidiary. Emissions of nitrogen oxides and particulate matter are estimated based on mileage travelled by company vehicles. The mileage of conventional fuel vehicles is determined according to mileage statistics between two adjacent maintenance periods, while the mileage of plug-in hybrid vehicles is estimated by dividing fuel consumption by their fuel consumption per 100 kilometres in depleted-battery mode. Emissions of sulphur oxides are calculated based on the total fuel consumption of all company vehicles within the Group.
- (4) As only Changchun Changguang Yuanxin Integrated Circuit Co., Ltd. generates production wastewater during operations and the other entities are mainly research and development and design centres that do not generate production wastewater, the statistical scope of production wastewater-related indicators in this report covers only Changchun Changguang Yuanxin Integrated Circuit Co., Ltd.

5.1.2 Action Plan

The Group continues to advance the optimisation of emissions and waste management, focusing its improvement efforts on source reduction, process enhancement, substitution with cleaner transportation and enhancement of resource utilisation efficiency.

In terms of hazardous substance management, the Group continues to optimise process flows involving the use of hazardous substances and the generation of hazardous waste, thereby effectively reducing the quantity of hazardous waste generated. The total amount of hazardous waste decreased from 1,384.10 kg in 2024 to 808.48 kg in 2025, representing a 41.59% year-on-year reduction.

In terms of air emission management, the Group continues to optimise the structure of company vehicles, progressively replacing conventional fuel vehicles with battery electric vehicles and plug-in hybrid vehicles, thereby further reducing air emissions. During the Reporting Period, the total amount of sulphur oxides (SO_x) decreased from 0.31 kg to 0.18 kg, representing a 42.23% year-on-year reduction; the total amount of nitrogen oxides (NO_x) decreased from 15.70 kg to 11.82 kg, representing a 24.72% year-on-year decrease; and the total amount of particulate matter (PM) decreased from 2.16 kg to 0.87 kg, representing a 59.70% year-on-year decrease.

In terms of production wastewater discharge management, Changchun Changguang Yuanxin Integrated Circuit Co., Ltd. further reduced production wastewater discharge through optimisation of the cleaning process, which drove the total amount of the Group's production wastewater down from 5.04 thousand tonnes in 2024 to 3.88 thousand tonnes in 2025, representing a 23.09% year-on-year decrease.

Looking ahead, the Group will continue to take into account its operational characteristics and promote process optimisation, equipment upgrading, substitution with cleaner transportation and classified waste management to enhance its emissions and waste control. During the Reporting Period, the Group has not yet established separate quantitative targets for air emissions or waste reduction, primarily because the volumes of relevant emissions and waste generated were relatively limited and the statistical methodology and target management foundation for certain indicators were still being improved. In the future, the Group will further assess the feasibility of setting relevant quantitative targets in light of business operations and available data, and will continue to disclose management progress in subsequent ESG reports.

5.2 Resources

5.2.1 Use of Resources

The Group adheres to the resource management principle of “conservation first and efficient utilisation”, and has formulated and implemented the Gpixel Energy Management and Control Rules. By clarifying energy-saving management requirements, establishing supervision mechanisms and implementing position responsibilities, the Group continuously improves resource utilisation efficiency.

Statistics of Key Performance Indicators for Resource Use

Indicator	Unit	2025	2024
Electricity consumption	MWh	2,686.02	2,227.29
Electricity consumption intensity	MWh/RMB million revenue	3.14	3.31
Water consumption	thousand tonnes	9.08	10.04
Water consumption intensity	thousand tonnes/RMB million revenue	0.01	0.02
Purchased heat	MWh	1,269.07	1,266.89
Purchased heat consumption intensity	MWh/RMB million revenue	1.48	1.88
Gasoline consumption	tonnes	8.42	10.23
Gasoline consumption intensity	tonnes/RMB million revenue	0.01	0.02
Diesel consumption	tonnes	0.70	1.51
Diesel consumption intensity	tonnes/RMB million revenue	0.001	0.002
Total packaging materials used	tonnes	18.24	11.03
Packaging material intensity	tonnes/RMB million revenue	0.02	0.02

Note:

- (1) The statistical scope of electricity consumption covers all companies of the Group. Electricity consumption in 2025 increased as compared with 2024, mainly due to the increase in the Group’s business volume in 2025.
- (2) The statistical scope of water consumption covers the Group’s Changchun headquarters and Changchun Changguang Yuanxin Integrated Circuit Co., Ltd. Water consumption of other subsidiaries is included in property management fees and cannot be separately quantified. During the Reporting Period, there was no issue in sourcing water fit for purpose.
- (3) The statistical scope of purchased heat covers the Group’s Changchun headquarters and the Belgian subsidiary. The heating cost of Changchun Changguang Yuanxin Integrated Circuit Co., Ltd. is included in its rental payment and cannot be separately quantified; the Dalian subsidiary, Hangzhou subsidiary and Japan subsidiary do not consume purchased heat.

Environmental, Social and Governance (ESG) Report

- (4) The statistical scope of gasoline and diesel consumption covers the Group's Changchun headquarters, Hangzhou subsidiary and Belgium subsidiary, while other subsidiaries do not have company vehicles.
- (5) The statistical scope of packaging materials consumption covers only the Group's Changchun headquarters. As the Changchun headquarters is responsible for shipment to global customers, packaging materials are mainly consumed there, while the consumption of other subsidiaries is relatively small. The total amount of packaging materials in 2025 increased significantly as compared to 2024, mainly due to the expansion of business scale, increased production capacity and shipment volume, as well as higher customer requirements for packaging protection, specialisation and standardisation, which drove up the demand for relevant packaging materials.

5.2.2 Resource Conservation Action Plan

The Group continues to promote resource conservation actions, focusing on electricity use, water use, vehicle fuel and packaging material management, and continuously improving resource utilisation efficiency. During the Reporting Period, the Group gave priority to the procurement of energy-saving equipment, implemented measures such as powering down idle equipment, temperature control for air conditioning and routine energy consumption inspections, and continued to optimise resource utilisation in production and operations.

In terms of vehicle management, the Group has gradually replaced part of its conventional fuel vehicles with battery electric vehicles and plug-in hybrid vehicles, thereby reducing traditional fuel consumption at source. During the Reporting Period, gasoline consumption of company vehicles decreased from 10.23 tonnes in 2024 to 8.42 tonnes in 2025, representing a year-on-year decrease of 17.77%; diesel consumption of company vehicles decreased from 1.51 tonnes in 2024 to 0.70 tonnes in 2025, representing a year-on-year decrease of 53.44%.

In terms of water resources management, Changchun Changguang Yuanxin Integrated Circuit Co., Ltd. continuously promoted optimisation of the cleaning process and, together with water conservation communication, facility inspection and maintenance and investigation of abnormal leakage, further reduced water consumption in production and operations, driving the Group's total water consumption down from 10.04 thousand tonnes in 2024 to 9.08 thousand tonnes in 2025, representing a year-on-year decrease of 9.51%.

Looking ahead, the Group will continue to take into account its operational characteristics and promote energy-saving retrofits, process optimisation, substitution with cleaner transportation and refined resource management on an ongoing basis. At the same time, it will optimise packaging structure design, give priority to degradable and recyclable materials, improve the efficiency of packaging material use while safeguarding product transportation safety, and continue to disclose relevant management progress and performance in subsequent ESG reports.

5.3 Impact on the Environment and Natural Resources

The Group's core business is the research and development, design, testing and sale of CMOS image sensors. The impacts of its operations on the environment and natural resources mainly arise from energy and water consumption, waste and wastewater treatment, and the use of packaging materials. In response, the Group continues to mitigate adverse impacts of operations on the environment and natural resources through measures such as standardised emissions management, strengthened waste classification and compliant disposal, optimisation of production and cleaning processes, promotion of green design, control over the use of hazardous substances, and enhancement of packaging material use efficiency.

At the same time, the Group continues to pay attention to product environmental compliance requirements, strictly controls hazardous substances in raw materials and products, ensures that products comply with relevant environmental standards such as RoHS and REACH, and, through green design and improved resource efficiency, promotes source-end control of environmental impacts. During the Reporting Period, the Group did not identify any matter that caused material adverse impacts on the environment or natural resources.

5.4 Climate Change

The Group attaches importance to the risks and opportunities that climate change may bring and has incorporated related matters into its long-term development planning. During the Reporting Period, in accordance with the requirements of Part D of Appendix C2 and taking into account the current available data, the Group identified, assessed, managed and disclosed climate-related risks and opportunities from four aspects, namely governance, strategy, risk management, and metrics and targets.

5.4.1 Climate Governance

Under the existing ESG governance structure, the Group supervises and manages climate-related risks and opportunities. The Board bears ultimate oversight responsibility for climate-related risks and opportunities and, taking into account the Group's strategy, major investments and risk management needs, reviews relevant strategies, targets and major management measures annually, and oversees the setting of and progress towards relevant targets.

The Group's ESG Working Group is responsible for data collection, identification of risks and opportunities, implementation of measures and progress tracking. Relevant work is reported annually to the general manager and the Board and is incorporated into the Group's existing risk management and internal management processes. As at the end of the Reporting Period, climate-related performance indicators had not yet been incorporated into the remuneration assessment system for management.

Environmental, Social and Governance (ESG) Report

5.4.2 Climate Strategy

- **Strategies for Addressing Climate-related Risks and Opportunities**

Taking into account its actual business conditions and strategic planning cycle, the Group has identified and assessed climate-related risks and opportunities that may affect cash flows, access to finance or cost of capital over the short, medium and long term, and defines 1 to 2 years as short term, 3 to 5 years as medium term, and 5 to 10 years as long term.

Climate-related Risks and Opportunities and Corresponding Management Measures

Risk/Opportunity Type	Description of Risk/ Opportunity	Area of Impact	Time Horizon of Impact	Adaptation or Mitigation Strategy
Physical Risk	Extreme weather events (such as heavy rainfall and typhoons) may cause short-term disruption to the Group's research and development activities, packaging and testing operations, and raw material supply.	Business continuity, operating costs, asset safety and employee safety	Short term	Establish a business continuity plan (BCP), improve the emergency response mechanism for extreme weather, and enhance the flood control, drainage and resilience of key facilities in light of operational needs.
Transition Risk (Policy and Legal)	As the carbon peaking and carbon neutrality goals are advanced and environmental regulations become increasingly stringent, the Group may face impacts such as rising energy costs, higher compliance requirements and increased potential low-carbon transition expenditure.	Operating costs, financial performance and cost of capital	Medium to long term	Continue to advance energy conservation and emission reduction, closely monitor changes in policies and regulatory requirements, and assess and implement relevant compliance response measures in light of business needs.
Transition Risk (Market and Technology)	As customers' requirements for green products and low-carbon supply chains continue to increase, product energy efficiency performance and carbon-related performance may gradually become important considerations in customers' selection of suppliers.	Market competitiveness, revenue growth and access to financing	Medium to long term	Promote green design and the research and development of low-power technologies, continuously optimise product energy efficiency performance, and strengthen collaborative communication with the supply chain and customers so as to enhance the market competitiveness of products in the context of low-carbon transition.

Environmental, Social and Governance (ESG) Report

Risk/Opportunity Type	Description of Risk/ Opportunity	Area of Impact	Time Horizon of Impact	Adaptation or Mitigation Strategy
Market Opportunity	As demand for green products grows, the Group may leverage its advantages in research and development of low-power product and green design to expand related market opportunities.	Market competitiveness, revenue growth and access to financing	Medium to long term	Continue to promote green design and low-power technology research and development, strengthen collaborative management of green supply chains, and expand opportunities for the application of green products in line with customer needs.
Efficiency Opportunity	Energy conservation and consumption reduction measures can reduce operating costs and improve resource utilisation efficiency.	Operating costs and resource utilisation efficiency	Short to medium term	Give priority to energy-saving equipment, implement energy-saving equipment management and daily energy-saving measures, and continue to promote energy-saving communication and behavioural guidance.

- ### **Impact on Business Model and Value Chain**

At present, climate-related risks and opportunities have not had a material impact on the Group's existing research and development and testing business model, but they have imposed higher requirements on energy conservation and consumption reduction, environmental compliance, supply chain management and the research and development of green products. On the upstream value chain, the Group continues to pay attention to the environmental compliance and low-carbon management performance of wafer foundries, outsourced packaging and other key suppliers; on the downstream value chain, growing customer demand for low-power and environmentally compliant products is driving the Group to optimise product design and research and development directions.

The Group's climate-related risks are mainly concentrated in tangible assets such as research and development and packaging and testing bases, as well as key upstream supply chain links; climate-related opportunities mainly arise from research and development of low-power product and collaborative green supply chain management. In response, the Group continues to promote green design, energy conservation and emission reduction, supply chain collaboration and environmental compliance management.

Environmental, Social and Governance (ESG) Report

- **Current Resource Allocation**

In terms of human resources, the Group's ESG Working Group coordinates relevant work, while functional departments including research and development, procurement, production, quality and administration jointly participate in implementation, and incorporate requirements such as energy conservation, emission reduction and environmental compliance into their daily management responsibilities.

In terms of financial resources, the Group has not yet established a separate climate-related special budget. Relevant inputs are mainly arranged within existing operating costs, research and development expenses and supply chain management expenses, and are used to support green product research and development, environmental compliance management, greenhouse gas accounting and low-carbon supply chain management.

- **Future Resource Allocation Plan**

In the future, the Group will gradually improve the allocation of relevant personnel in light of operational development and climate-related management needs, and strengthen training for management and personnel in key positions.

At the same time, the Group will continue to assess, in light of operating plans and policy direction, the feasibility of establishing climate-related special budgets to support green product research and development, energy-saving retrofits and carbon-reduction-related projects.

- **Financial Position, Financial Performance and Cash Flows**

The Group has conducted a qualitative assessment of the impacts of climate-related risks and opportunities on its financial position, financial performance and cash flows. The assessment results indicate that, during the Reporting Period, climate-related risks and opportunities did not have a material impact on the Group's financial position, financial performance or cash flows. As environmental requirements become more stringent and energy prices fluctuate, the relevant impacts may gradually be reflected in operating costs, research and development expenses, supply chain management costs and revenue structure in the future, but the Group may partially mitigate such impacts through energy conservation, management optimisation and other response measures.

At the current stage, the Group has qualitatively identified climate-related transition risks, physical risks and opportunities, but has not yet established a quantified mapping methodology linking such risks and opportunities one by one to specific asset amounts or proportions of business activities. Accordingly, the Group has not yet disclosed the asset amounts, business activity amounts or related percentages affected by transition risks, physical risks and climate-related opportunities. In the future, the Group plans to further clarify the classification approach for relevant assets and business activities and, in combination with financial data, operating data and supply chain management information, gradually improve the quantitative assessment methodology for climate-related risks and opportunities and continue to disclose relevant progress in subsequent ESG reports.

Environmental, Social and Governance (ESG) Report

In respect of transition risks, the related impacts mainly involve energy use and compliance costs in the packaging and testing process, changes in market demand for conventional high-energy-consumption products, and low-carbon compliance costs of the upstream supply chain. The Group has already responded through measures such as energy conservation and emission reduction, optimisation of product energy efficiency design, and assessment of suppliers' low-carbon performance.

In respect of physical risks, the related impacts mainly involve physical facilities, testing equipment and warehoused materials at research and development as well as packaging and testing bases, and may affect procurement, research and development, production and delivery. The Group has already improved relevant physical resilience through emergency plans, facility inspections and other management measures.

In respect of opportunities, the related impacts are mainly reflected in research and development of low-power product, green product sales and collaborative management of green supply chains. The Group has already captured relevant opportunities through green product research and development, environmental compliance management and supplier compliance management.

- **Climate Resilience**

Climate Resilience Assessment

Taking into account the identified climate-related physical risks and transition risks, the Group assessed the climate resilience of its strategy and business model. The assessment results indicate that extreme weather events, low-carbon transition and changes in related policies are not expected to have a disruptive impact on the Group's core business model at present, but may continue to affect facility operations, supply chain stability, energy costs and customer demand structure.

During the assessment process, the Group focused on uncertain factors such as changes in the frequency and intensity of extreme weather events, the tightening of climate-related policies and growing demand for green products. Taking into account the Group's existing emergency management, energy conservation and emission reduction, supply chain management and research and development capabilities, it assessed the Group's ability to adjust relevant operational arrangements and respond to climate-related risks over the short, medium and long term. Based on the current assessment results, the Group believes that its strategy and business model possess a certain degree of climate adaptability and will continue to pay attention to changes in relevant risks and opportunities.

Environmental, Social and Governance (ESG) Report

Implementation of Climate-related Scenario Analysis

During the Reporting Period, the Group adopted a qualitative scenario analysis approach appropriate to its business scale and management foundation to assess climate resilience. In the analysis process, the Group mainly used extreme weather scenarios and low-carbon transition scenarios to identify the potential impacts of physical risks and transition risks on its business, and analysed the relevant scenarios in conjunction with the Group's actual operating conditions.

The relevant scenario analysis covers the Group's research and development, packaging and testing, major operating bases and key upstream suppliers, and spans short-, medium-and long-term time horizons. In the analysis, the Group also considered low-carbon transition directions associated with the latest international climate agreements so as to assess the potential impact of low-carbon transition trends on the Group's operations and value chain. The above scenarios were selected mainly because they are highly relevant to the Group's identified principal climate-related risks and opportunities and can support the Group in assessing the adaptability of its strategy and business model to climate change.

The key assumptions adopted by the Group in this scenario analysis include an increase in the frequency and intensity of extreme weather events, a gradual tightening of climate-related policies, and continuously rising market requirements for green products and low-carbon supply chains. In the future, the Group will continue to optimise its climate-related scenario analysis methodology in light of changes in the external environment, business development and improvements in data foundations.

5.4.3 Risk Management

The Group has incorporated climate-related risks and opportunities into its overall risk management system and carries out relevant identification, assessment, prioritisation and monitoring in accordance with the Risk and Opportunity Control Procedures. Such processes are connected with other risk management processes relating to market, operations and compliance so as to support consistency in relevant resource allocation and response measures.

In specific implementation, the Group identifies climate-related risks and opportunities annually in combination with internal operating data, customer demand, industry trends, policies and regulations and scenario analysis results, and assesses and prioritises them from two dimensions, namely likelihood of occurrence and degree of impact, so as to determine the priority order of material climate-related risks and opportunities. The ESG Working Group continuously tracks changes in relevant material risks and the progress of responses and reports regularly to management and the Board.

5.4.4 Metrics and Targets

The Group calculates greenhouse gas emissions during the Reporting Period in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) and the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011), and discloses Scope 1, Scope 2 and Scope 3 greenhouse gas emissions data in tonnes of carbon dioxide equivalent.

Greenhouse Gas Emission Metrics and Targets

Indicator	Unit	2025	2024
Direct greenhouse gas emissions (Scope 1)	tonnes of CO ₂ e	28.30	38.89
Indirect greenhouse gas emissions (Scope 2)	tonnes of CO ₂ e	1,904.23	1,659.03
Other greenhouse gas emissions (Scope 3)	tonnes of CO ₂ e	393.02	142.20
Total greenhouse gas emissions (Scope 1, Scope 2 and Scope 3)	tonnes of CO ₂ e	2,325.55	1,840.12
Total greenhouse gas emissions intensity	tonnes of CO ₂ e/RMB million revenue	2.72	2.73

- **Disclosures Relating to the Measurement of Greenhouse Gas Emissions**

Reporting Boundary

Unless otherwise specified, the reporting boundary for greenhouse gas emissions in this section is consistent with the reporting boundary for environmental data in this report. The statistical scope of Scope 1 greenhouse gas emissions covers the Changchun headquarters, Hangzhou subsidiary and Belgian subsidiary. Under Scope 2 greenhouse gas emissions, purchased electricity covers all companies of the Group, while purchased heat covers the Changchun headquarters and the Belgium subsidiary. The activity data used for Scope 1 and Scope 2 greenhouse gas emissions are consistent with the reporting boundary of resource use data in this section.

Scope 3 greenhouse gas emissions currently cover categories including waste generated in operations (Category 5), business travel (Category 6) and employee commuting (Category 7). Among them, for 2025, the statistical scope of waste generated in operations (Category 5) includes the Changchun headquarters and Changchun Changguang Yuanxin Integrated Circuit Co., Ltd., while the statistical scope of business travel (Category 6) and employee commuting (Category 7) covers all companies in Mainland China. In 2024, Scope 3 greenhouse gas emissions only covered waste generated in operations (Category 5) and business travel (Category 6) and did not include employee commuting (Category 7).

Environmental, Social and Governance (ESG) Report

Measurement Methodology

Scope 1 and Scope 2 greenhouse gas emissions are measured using the 'activity data × emission factor' approach, with activity data primarily derived from fuel consumption of company vehicles, purchased electricity and purchased heat consumption. Emission factors primarily adopt the latest grid and fossil fuel emission factors officially published by the relevant jurisdictions where operations are located; where official emission factors are unavailable, reference is made to the GHG Protocol and other publicly available information.

Scope 3 greenhouse gas emissions are measured using methods corresponding to the availability of data for different categories. Waste generated in operations (Category 5) and employee commuting (Category 7) use the "activity data × emission factor" approach, while business travel (Category 6) is estimated using the spend-based method. Relevant emission factors mainly refer to the China Product Full Life Cycle Greenhouse Gas Emission Factors Dataset (2022) and other publicly available emission factor information.

Reasons for Selecting the Methodology

The Group adopts the above accounting methodology mainly because it is consistent with internationally accepted greenhouse gas accounting standards and can provide a relatively objective reflection of the Group's greenhouse gas emissions on the basis of the current data foundation.

Changes in Methodology

During the Reporting Period, the accounting scope of the Group's Scope 3 greenhouse gas emissions was gradually expanded. In 2024, it covered waste generated in operations (Category 5) and business travel (Category 6); in 2025, employee commuting (Category 7) was further added. In the future, the Group will continue to improve the accounting scope and methodology for Scope 3 greenhouse gas emissions in light of data availability and management needs.

Scope 2 Location-based Emissions

The Group measures Scope 2 greenhouse gas emissions using the location-based method so as to reflect the average emissions intensity of the grid in the jurisdictions where it operates. During the Reporting Period, the Group did not purchase green electricity or renewable energy certificates.

- **Financial Effects of Climate-related Risks and Opportunities**

The Group has conducted a qualitative assessment of the financial effects of climate-related transition risks, physical risks and opportunities. As no material quantified financial impact has been identified at the current stage and an independent and reliable quantitative estimation basis has not yet been established, the Group has not yet disclosed relevant quantified financial impact data. The Group will continue to monitor the relevant impacts and will progressively improve quantitative disclosure when conditions are mature.

- ***Climate-related Capital Allocation***

The Group does not separately compile statistics on capital expenditure, financing or investment amounts deployed in response to climate-related risks and opportunities at the current stage. At the current stage, relevant inputs are mainly incorporated into the existing management system and are reflected in areas such as green product research and development, environmental compliance management, greenhouse gas accounting and green supply chain management. In the future, the Group will continue to improve the statistics and disclosure of relevant investments in line with internal management needs.

- ***Application of Internal Carbon Pricing***

At present, the Group has not applied internal carbon pricing in its decision-making process, nor has it set any internal carbon price benchmark for assessing the cost of greenhouse gas emissions. In the future, the Group will continue to evaluate the applicability and feasibility of internal carbon pricing in light of business development and management needs.

- ***Climate-related Remuneration Assessment***

At present, the Group has not yet incorporated specific climate-related performance indicators into the remuneration assessment policy for management. In the future, the Group will evaluate, in due course and in light of business development and the maturity of climate management, the feasibility of incorporating relevant factors into the management assessment system.

- ***Climate-related Targets***

Target Indicators

Taking into account its actual business conditions, resource use and greenhouse gas management needs, the Group has established climate targets relating to resource use efficiency and greenhouse gas emissions in order to monitor the progress of relevant strategic objectives. Such targets mainly cover reductions in electricity consumption per unit of revenue, water consumption per unit of revenue and greenhouse gas emissions per unit of revenue. In addition, during the Reporting Period, the Group has not yet established separate quantitative targets for other environmental and climate-related matters. This is mainly because, at the current stage, the Group is primarily engaged in the research and development, design, testing and sale of CMOS image sensors, with relatively limited related environmental impacts, the statistical methodology and target management foundation for certain indicators are still being improved. In the future, the Group plans to further review its environmental and climate-related indicator system in 2026, considering business operations, data foundations and applicable disclosure requirements, clarify relevant targets and management approaches and continue to disclose progress in subsequent ESG reports.

Environmental, Social and Governance (ESG) Report

Climate Targets

Target Type	Indicator	Purpose of Target	Applicable Scope	Applicable Period	Base Year	Interim Target	Alignment with International Agreements
Quantitative Target (Intensity Target)	Reduction in electricity consumption per unit of revenue	Mitigation	The Group	2024-2029	2024	5% decrease by 2029 as compared with the base year	Responding to the Paris Agreement and the national dual carbon strategy
Quantitative Target (Intensity Target)	Reduction in water consumption per unit of revenue	Adaptation	The Group	2024-2029	2024	5% decrease by 2029 as compared with the base year	Responding to the requirements for improving resource efficiency and climate adaptation management, with reference to the national direction of green and low-carbon development
Quantitative Target (Intensity Target)	Reduction in greenhouse gas emissions per unit of revenue	Mitigation	The Group	2024-2029	2024	5% decrease by 2029 as compared with the base year	Responding to the Paris Agreement and the national dual carbon strategy

Target Setting, Review and Progress Monitoring

ESG targets are formulated by the ESG Working Group based on the Group's operating data, historical performance and management requirements, and are subsequently approved by the Board for implementation. These targets remain unaudited by a third party. The Board reviews relevant targets annually and assesses whether adjustments are required based on policy changes, business development and target execution. The quality department, administration department and other relevant departments collect data on energy consumption, water consumption and greenhouse gas emissions on a monthly basis and report progress towards targets to the ESG Working Group on a quarterly basis. As at the end of the Reporting Period, the above targets had not been revised.

Target Performance

During the Reporting Period, the Group's electricity consumption per unit of revenue, water consumption per unit of revenue and greenhouse gas emission intensity all decreased as compared with the 2024 base year. The Group will continue to promote the achievement of relevant targets through measures such as energy conservation and emission reduction, process optimisation, green product research and development and low-carbon management.

Environmental, Social and Governance (ESG) Report

Supplementary Disclosure on Greenhouse Gas Targets

- (1) Greenhouse gases covered by the targets include carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O), all of which are uniformly converted into carbon dioxide equivalent.
- (2) At the current stage, the Group's greenhouse gas emission intensity target mainly covers Scope 1 and Scope 2 greenhouse gas emissions. Scope 3 greenhouse gas emissions are still at the stage of improving statistical methodology, and the Group will continue to enhance the completeness and comparability of Scope 3 data and assess the feasibility of incorporating them into the quantitative target scope once the relevant data foundation becomes sufficiently mature.
- (3) This target is an intensity target, that is, greenhouse gas emissions per unit of revenue are used as the management indicator, rather than a net-zero target.
- (4) This target is set based on the Group's operating data and emission reduction potential and does not adopt an external industry decarbonisation methodology.
- (5) The Group does not currently plan to achieve this target by using carbon credits.

CONTENT INDEX OF APPENDIX C2 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE

Mandatory Disclosure Requirements

Disclosure Provision	Summary of Disclosure Requirements	Corresponding Section(s) and Explanation in this Report
Part B Mandatory Disclosure: Governance Structure	The Board is responsible for ESG strategy and reporting, and the oversight, management and reporting mechanisms of the Board and management are described.	2.1 Board Statement on ESG Management; 2.1.1 Governance Structure for ESG Matters; 2.1.2 Progress of ESG Work
Part B Mandatory Disclosure: Reporting Principles — Materiality	Disclose the process, criteria, stakeholder participation and materiality analysis results for identifying material ESG factors.	1.5 Reporting Principles; 2.2.2 Stakeholder Communication; 2.2.3 Material ESG Issues
Part B Mandatory Disclosure: Reporting Principles — Quantitative	Disclose the calculation bases, standards, methods, assumptions and sources of conversion factors for key performance indicators.	1.5 Reporting Principles; 5.1.1 Emissions and Disposal; 5.2.1 Use of Resources; 5.4.4 Metrics and Targets
Part B Mandatory Disclosure: Reporting Principles — Consistency	Explain changes in statistical methods or key performance indicators and factors affecting year-on-year comparability.	1.5 Reporting Principles; 5.1.1 Emissions and Disposal; 5.2.1 Use of Resources; 5.4.4 Metrics and Targets
Part B Mandatory Disclosure: Reporting Boundary	Explain the reporting boundary of the ESG report, as well as the process for selecting included entities or businesses and any changes in scope.	1.2 Scope of the Report; 1.3 Data

Environmental, Social and Governance (ESG) Report

Environmental Disclosure Index: A1 Emissions

Disclosure Provision	Summary of Disclosure Requirements	Corresponding Section(s) and Explanation in this Report
A1 General Disclosure	Information on policies relating to air emissions, discharges into water and land, generation of hazardous and non-hazardous waste, and compliance with material relevant laws and regulations.	5.1 Emissions; 5.1.1 Emissions and Disposal
A1.1	Types of emissions and relevant emissions data.	5.1.1 Emissions and Disposal; Statistics of Key Performance Indicators for Emissions
A1.2 (deleted)	This key performance indicator was removed on 1 January 2025.	Not applicable. Greenhouse gas emissions data have been disclosed in section 5.4.4 Metrics and Targets in accordance with the requirements of Part D.
A1.3	Total amount and intensity of hazardous waste generated.	5.1.1 Emissions and Disposal; Statistics of Key Performance Indicators for Emissions
A1.4	Total amount and intensity of non-hazardous waste generated.	5.1.1 Emissions and Disposal; Statistics of Key Performance Indicators for Emissions
A1.5	Describe the emissions targets set and the steps taken to achieve them.	5.1.2 Action Plan; 5.4.4 Metrics and Targets
A1.6	Describe the methods of handling hazardous and non-hazardous waste, waste reduction targets and the steps taken to achieve them.	5.1.1 Emissions and Disposal; 5.1.2 Action Plan

Environmental, Social and Governance (ESG) Report

Environmental Disclosure Index: A2 Use of Resources, A3 The Environment and Natural Resources and A4 Climate Change

Disclosure Provision	Summary of Disclosure Requirements	Corresponding Section(s) and Explanation in this Report
A2 General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	5.2 Resources; 5.2.1 Use of Resources; 5.2.2 Resource Conservation Action Plan
A2.1	Direct and/or indirect total energy consumption by type and intensity.	5.2.1 Use of Resources; Statistics of Key Performance Indicators for Resource Use
A2.2	Total water consumption and intensity.	5.2.1 Use of Resources; Statistics of Key Performance Indicators for Resource Use
A2.3	Describe energy use efficiency targets and the steps taken to achieve them.	5.2.2 Resource Conservation Action Plan; 5.4.4 Metrics and Targets
A2.4	Describe whether there are any issues in sourcing water fit for purpose, water use efficiency targets and the steps taken to achieve them.	5.2.1 Use of Resources; 5.2.2 Resource Conservation Action Plan; 5.4.4 Metrics and Targets
A2.5	Total packaging materials used for finished products and, where applicable, packaging materials used per unit produced.	5.2.1 Use of Resources; Statistics of Key Performance Indicators for Resource Use
A3 General Disclosure	Policies on minimising the issuer's material impact on the environment and natural resources.	5.3 Impact on the Environment and Natural Resources
A3.1	Describe the material impacts of business activities on the environment and natural resources and the management actions taken.	5.3 Impact on the Environment and Natural Resources
A4 Climate Change (deleted)	Climate Change was deleted on 1 January 2025.	Not applicable. Climate-related disclosures are set out in section 5.4 Climate Change and listed in Part D of this index.
A4.1 (deleted)	This key performance indicator was removed on 1 January 2025.	Not applicable. Climate-related disclosures are set out in section 5.4 Climate Change and listed in Part D of this index.

Environmental, Social and Governance (ESG) Report

Social Disclosure Index: B1 Employment, B2 Health and Safety, B3 Development and Training and B4 Labour Standards

Disclosure Provision	Summary of Disclosure Requirements	Corresponding Section(s) and Explanation in this Report
B1 General Disclosure	Policies and compliance information relating to remuneration and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare.	4.1 Employees; 4.1.1 Employment and Employee Rights
B1.1	Total workforce by gender, employment type, age group and region.	4.1.1 Employment and Employee Rights; Statistics of Key Employment Indicators
B1.2	Employee turnover rates by gender, age group and region.	4.1.1 Employment and Employee Rights; Employee Turnover Rate Statistics
B2 General Disclosure	Policies and compliance information relating to providing a safe working environment and protecting employees from occupational hazards.	4.1.3 Occupational Health and Safety
B2.1	The number and rate of work-related fatalities in each of the past three years, including the reporting year.	4.1.3 Occupational Health and Safety; Statistics of Key Performance Indicators for Occupational Health and Safety
B2.2	Lost days due to work-related injury.	4.1.3 Occupational Health and Safety; Statistics of Key Performance Indicators for Occupational Health and Safety
B2.3	Describe the occupational health and safety measures adopted, and the related implementation and monitoring methods.	4.1.3 Occupational Health and Safety

Environmental, Social and Governance (ESG) Report

Disclosure Provision	Summary of Disclosure Requirements	Corresponding Section(s) and Explanation in this Report
B3 General Disclosure	Policies relating to improving employees' knowledge and skills for discharging duties, and a description of training activities.	4.1.2 Training and Development; Overview of Employee Training Activities in 2025
B3.1	The percentage of employees trained by gender and employee category.	4.1.2 Training and Development; Statistics of Key Performance Indicators for Employee Training
B3.2	The average training hours completed per employee by gender and employee category.	4.1.2 Training and Development; Statistics of Key Performance Indicators for Employee Training
B4 General Disclosure	Policies and compliance information relating to the prevention of child labour and forced labour.	4.1.1 Employment and Employee Rights
B4.1	Describe measures to review recruitment practices to avoid child labour and forced labour.	4.1.1 Employment and Employee Rights
B4.2	Describe the steps taken to eliminate such situations when violations are identified.	4.1.1 Employment and Employee Rights

Environmental, Social and Governance (ESG) Report

Social Disclosure Index: B5 Supply Chain Management and B6 Product Responsibility

Disclosure Provision	Summary of Disclosure Requirements	Corresponding Section(s) and Explanation in this Report
B5 General Disclosure	Policies on managing environmental and social risks in the supply chain.	3.1.5 Supply Chain Management
B5.1	Number of suppliers by region.	3.1.5 Supply Chain Management; Statistics of Key Performance Indicators for Supply Chain Management
B5.2	Describe the practices used to engage suppliers, the number of suppliers where such practices are being implemented, and the implementation and monitoring methods.	3.1.5 Supply Chain Management; Supplier Management System; Supplier Admission and Risk Assessment; Periodic Supplier Review
B5.3	Describe the practices used to identify environmental and social risks in each link of the supply chain, and the related implementation and monitoring methods.	3.1.5 Supply Chain Management; Supplier Admission and Risk Assessment; Periodic Supplier Review
B5.4	Describe the practices used in selecting suppliers to promote the use of environmentally preferable products and services, and the related implementation and monitoring methods.	3.1.5 Supply Chain Management; Supplier Admission and Risk Assessment
B6 General Disclosure	Policies and compliance information relating to the health and safety, advertising, labelling and privacy matters of products and services provided, and remediation methods.	3.1 Products and Services; 3.1.1 Information Security; 3.1.2 Quality Management; 3.1.4 Customer Service
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	3.1.4 Customer Service; Product Recall and Quality Incident Handling

Environmental, Social and Governance (ESG) Report

Disclosure Provision	Summary of Disclosure Requirements	Corresponding Section(s) and Explanation in this Report
B6.2	Number of complaints received concerning products and services and the approaches for dealing with them.	3.1.4 Customer Service; Customer Service and Complaint Handling
B6.3	Describe practices relating to the observance and protection of intellectual property rights.	3.1.3 R&D Innovation and Intellectual Property Protection
B6.4	Describe quality assurance processes and recall procedures.	3.1.2 Quality Management; 3.1.4 Customer Service
B6.5	Describe consumer data protection and privacy policies, and the related implementation and monitoring methods.	3.1.1 Information Security

Environmental, Social and Governance (ESG) Report

Social Disclosure Index: B7 Anti-corruption and B8 Community Investment

Disclosure Provision	Summary of Disclosure Requirements	Corresponding Section(s) and Explanation in this Report
B7 General Disclosure	Policies and compliance information relating to the prevention of bribery, extortion, fraud and money laundering.	3.2.1 Business Ethics
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	3.2.1 Business Ethics
B7.2	Describe preventive measures and whistleblowing procedures, and the related implementation and monitoring methods.	3.2.2 Whistleblowing Mechanism and Compliance Training
B7.3	Describe anti-corruption training provided to directors and employees.	3.2.2 Whistleblowing Mechanism and Compliance Training
B8 General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure that its business activities take into consideration the communities' interests.	4.2 Social Value; At the current stage, the Group mainly creates social value through technological innovation, scientific research projects, healthcare/scientific research applications and industry collaboration, rather than through traditional community welfare activities.
B8.1	The focus areas of contribution, such as education, environmental matters, labour needs, health, culture and sports.	4.2 Social Value; This report discloses social value contributions in areas such as healthcare, scientific research, advanced manufacturing and industrial collaboration.
B8.2	Resources contributed to the focus areas, such as money or time.	4.2 Social Value; This report does not separately disclose traditional community investment amounts or volunteer service hours, and instead focuses on the social value created through technological innovation and industrial collaboration.

Environmental, Social and Governance (ESG) Report

Climate-related Disclosure Index: Governance, Strategy and Risk Management

Disclosure Provision	Summary of Disclosure Requirements	Corresponding Section(s) and Explanation in this Report
Part D — Governance	Disclose the governance processes, control measures and procedures used to monitor, manage and oversee climate-related risks and opportunities.	5.4.1 Climate Governance; 2.1.1 Governance Structure for ESG Matters
Part D — Governance: Oversight Responsibilities	Disclose the oversight responsibilities and review mechanisms of the Board or governance body for climate-related risks and opportunities.	5.4.1 Climate Governance
Part D — Governance: Management Responsibilities	Disclose the roles, reporting lines and implementation arrangements of management or relevant working groups in climate-related matters.	5.4.1 Climate Governance; 2.1.1 Governance Structure for ESG Matters
Part D — Governance: Remuneration Linkage	Disclose whether climate-related performance indicators are incorporated into remuneration policies or assessment systems.	5.4.4 Metrics and Targets; Climate-related Remuneration Assessment
Part D — Strategy: Risks and Opportunities	Disclose climate-related risks and opportunities that could reasonably be expected to affect cash flows, access to finance and cost of capital over the short, medium or long term.	5.4.2 Climate Strategy; Strategies for Addressing Climate-related Risks and Opportunities
Part D — Strategy: Time Horizons	Disclose the definitions of the short, medium and long term, and explain the time horizons over which the relevant risks and opportunities have an impact.	5.4.2 Climate Strategy; Strategies for Addressing Climate-related Risks and Opportunities
Part D — Strategy: Business Model and Value Chain	Disclose the current and anticipated effects of climate-related risks and opportunities on the business model and value chain.	5.4.2 Climate Strategy; Impact on Business Model and Value Chain
Part D — Strategy: Response Measures	Disclose management measures relating to climate adaptation, mitigation and transition that have been taken and are planned to be taken.	5.4.2 Climate Strategy; Strategies for Addressing Climate-related Risks and Opportunities; Resource Allocation

Environmental, Social and Governance (ESG) Report

Disclosure Provision	Summary of Disclosure Requirements	Corresponding Section(s) and Explanation in this Report
Part D — Strategy: Financial Effects	Disclose the effects of climate-related risks and opportunities on financial position, financial performance and cash flows; where not quantified, explain the reasons.	5.4.2 Climate Strategy; Financial Position, Financial Performance and Cash Flows
Part D — Strategy: Climate Resilience	Disclose the climate resilience assessment and the scenario analysis methodology, scope, key assumptions and results.	5.4.2 Climate Strategy; Climate Resilience; Implementation of Climate-related Scenario Analysis
Part D — Risk Management	Disclose the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities.	5.4.3 Risk Management
Part D — Risk Management: Integration	Disclose how the climate-related risk management process is integrated into the overall risk management system.	5.4.3 Risk Management

Environmental, Social and Governance (ESG) Report

Climate-related Disclosure Index: Metrics and Targets

Disclosure Provision	Summary of Disclosure Requirements	Corresponding Section(s) and Explanation in this Report
Part D — Metrics and Targets: Greenhouse Gas Emissions	Disclose Scope 1, Scope 2 and Scope 3 greenhouse gas emissions and related intensity indicators.	5.4.4 Metrics and Targets; Greenhouse Gas Emission Metrics and Targets; Disclosures Relating to the Measurement of Greenhouse Gas Emissions
Part D — Metrics and Targets: Measurement Basis	Disclose the reporting boundary, measurement methodology, input data, assumptions and changes in methodology for greenhouse gas emissions.	5.4.4 Metrics and Targets; Disclosures Relating to the Measurement of Greenhouse Gas Emissions
Part D — Metrics and Targets: Scope 2	Disclose the measurement basis for Scope 2 greenhouse gas emissions.	5.4.4 Metrics and Targets; Scope 2 Location-based Emissions
Part D — Metrics and Targets: Scope 3	Disclose the categories covered by Scope 3 and changes in the measurement boundary during the reporting period.	5.4.4 Metrics and Targets; Reporting Boundary; Changes in Methodology
Part D — Metrics and Targets: Capital Allocation	Disclose climate-related capital expenditure, financing or investment and other resource allocation; where not separately accounted for, explain the current treatment approach.	5.4.4 Metrics and Targets; Climate-related Capital Allocation
Part D — Metrics and Targets: Internal Carbon Pricing	Disclose whether internal carbon pricing is used and the related application.	5.4.4 Metrics and Targets; Application of Internal Carbon Pricing

Environmental, Social and Governance (ESG) Report

Disclosure Provision	Summary of Disclosure Requirements	Corresponding Section(s) and Explanation in this Report
Part D — Metrics and Targets: Remuneration	Disclose whether climate-related factors are incorporated into management remuneration assessment.	5.4.4 Metrics and Targets; Climate-related Remuneration Assessment
Part D — Metrics and Targets: Climate Targets	Disclose the indicators, purpose, applicable scope, period, base year, interim targets and alignment with international agreements for climate-related targets.	5.4.4 Metrics and Targets; Climate-related Targets; Climate Targets
Part D — Metrics and Targets: Target Management	Disclose target setting, review, progress monitoring, revision and third-party verification.	5.4.4 Metrics and Targets; Target Setting, Review and Progress Monitoring; Target Performance
Part D — Metrics and Targets: Details of Greenhouse Gas Targets	Disclose the greenhouse gases covered by the targets, the scope, the target type, whether external decarbonisation methodologies are adopted, and whether carbon credits are used for offsetting.	5.4.4 Metrics and Targets; Supplementary Disclosure on Greenhouse Gas Targets