NANWANG
Environmental Protection Packaging+
STOCK CODE 301355

2025 Sustainability Report

Fujian Nanwang Environment Protection Scien-tech Co., Ltd.

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About This Report

This is the first Sustainability Report issued by Fujian Nanwang Environment Protection Scien-tech Co., Ltd. (hereinafter referred to as "Nanwang Scien-tech", "Nanwang", "the Company", or "We"). As a leading enterprise in China's eco-friendly paper bag industry, Nanwang Scien-tech has always prioritized communication and collaboration with all stakeholders. Through this report, we aim to demonstrate our core practices and key performance in Environmental, Social and Governance (ESG) areas, while addressing the concerns of all parties regarding the Company's sustainability development.

Reporting Scope

This Sustainability Report covers the period from January 1, 2025, to December 31, 2025, with certain statements and key performance indicators appropriately retroactively or proactively extended to significant years in Nanwang Scien-tech's development history. The report was published in April 2026 and aligns with the Company's financial reporting period.

Reporting Boundary

Except for employee data, the reporting scope of this report encompasses Fujian Nanwang Environmental Protection Scien-tech Co., Ltd. and its subsidiaries in Chinese mainland.

Data Source

The information and data presented in this report are derived from the statistical records, official documents, and publicly available materials of Nanwang Scien-tech. Unless otherwise specified, all monetary values in this report are denominated in Renminbi (RMB).

Reporting Standards

This report was prepared primarily in reference to the *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation)* (the "*Guidelines*") issued by Shenzhen Stock Exchange and the *Sustainability Reporting Standards* issued by Global Reporting Initiative (GRI), while also incorporating the United Nations Sustainable Development Goals (SDGs) framework.

Access to the Report

This report is published in both Chinese and English versions, available in print and electronic formats. In the event of any discrepancies between the Chinese and English versions, the Chinese version shall prevail. The electronic version of the report can be accessed and downloaded on the China Securities Regulatory Commission designated information disclosure platform, CNINFO (http://www.cninfo.com.cn), and the official website of Fujian Nanwang Environment Protection Scien-tech Co., Ltd. (https://www.nwpak.com/).

Feedback

If you have any queries regarding this report or would like to obtain additional information, please contact us at:

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Executive Message

In 2025, the global industry continues to evolve amid the accelerating momentum of sustainable development. Markets demand greater supply chain resilience and cost efficiency, while societal expectations for achieving China's "dual carbon" goals and advancing the circular economy have become increasingly urgent. As an active player in the packaging and printing industry, we deeply recognize that every sheet of paper, every inch of film, and every drop of ink carries a responsibility to ecological environment. Below, we present our explorations and practices in pursuing sustainable development over the past year from three dimensions.

Deepening Green Operations: Beyond End-of-Pipe Solutions to Source-Level Eco-Management

Environmental protection is no longer merely a "cost burden" for enterprises but a "core asset" for future development. At Nanwang Scien-tech, we remain steadfast in embedding sustainability into every link of the industrial chain by redesigning the entire production process.

In pollutant management, we have prioritized emission reduction at the source. By shifting to water-based inks, where water is the primary solvent, we have significantly lowered volatile organic compound (VOC) emissions during printing and drying. We established a full-process waste management system, covering classification, temporary storage, transfer, and disposal, implementing waste management through categorized storage, compliant disposal, and source reduction. Moreover, we have actively optimized energy structure and enhanced energy efficiency to proactively address climate change.

Innovating Green Products: Designing for Circularity

Packaging serves not only to protect goods but also to minimize environmental impact. From resource consumption to recycling, each design innovation honors Nanwang Scien-tech's commitment to sustainability.

We are transitioning packaging products from "linear consumption" to "closed-loop recycling". By utilizing sustainable raw materials, designing easily recyclable products, and adopting resource-efficient manufacturing processes, we have provided numerous enterprise customers with innovative green packaging solutions. We continued to increase investment in green product R&D, successfully launching multiple biodegradable and recyclable packaging solutions. These efforts enable brand customers to achieve their own sustainability goals without compromising product appeal.

Strengthening Governance Foundations: Caring for Employees and Ensuring Transparent Governance

Sustainable development begins with people and is safeguarded by systems. A strong sense of employee belonging is the cornerstone that unites our forward momentum and sustains long-term development; transparent governance mechanisms are the fundamental guarantee for earning trust and achieving steady and long-term success.

For employee development and care, Nanwang Scien-tech is committed to fostering a workplace of "Zero Harm, Shared Growth". We implemented a company-wide occupational health and safety system, and established comprehensive training programs and promotion pathways. Equally important, we prioritized sustainable management across our supply chains, monitoring suppliers' practices in labor rights and environmental protection, and encouraging them to align with sustainable development principles.

For corporate governance, with compliant operations and integrity management at the core, we reinforced the foundation of stable corporate growth. We strengthened employee behavioral norms through clear codes of ethical conduct, anti-fraud mechanisms, and the integration of business ethics standards into operational workflows. Meanwhile, regular integrity training was provided to enhance company-wide compliance awareness, ensuring the transparency and credibility of corporate governance.

Envisioning the Future Together

Looking ahead, the true competitive edge in the packaging industry lies in green value. Driven by innovation and committed to sustainability, in 2026, we'll collaborate with customers and partners to imprint every green footprint and carefully package every hope for a better future.

We extend our heartfelt gratitude to all stakeholders for your long-standing trust and support.

Chen Kaisheng
Chairman of the Board, Nanwang Scien-tech

April 2026

Getting to Know Nanwang

Fujian Nanwang Environment Protection Scien-tech Co., Ltd., established in 2010, is the first listed company in China's eco-friendly paper bag industry (sub-sector). Specializing in a full range of packaging solutions, including eco-friendly paper bags, food-grade paper packaging, non-woven bags, adhesive labels, and thermal paper receipts, the Company serves multiple Fortune Global 500 enterprises and leading industry brands, while being ranked among the China's Top 100 Packaging and Printing Enterprises for seven consecutive years, being recognized as one of the leading representative of China's paper bag industry.

2.3+
Annual output of over 2.3 billion eco-friendly paper bags

7.5+
Annual output of over 7.5 billion food paper packaging

1.6+
Annual output of over 1.6 billion non-woven bags

200+
Annual output of over 200 million ㎡ of labels & tickets

400+
More than 400 sets of advanced production equipment

100+
More than 100 sets of inspection & testing equipment

Corporate Culture

Committed to its mission of "Greener Packing, Better World", Nanwang Scien-tech upholds a green development strategy and continuously drives progress in the packaging industry in pursuit of the vision of " leading the industry and becoming the most trusted partner of world-class brands".

Corporate Mission

Greener Packing, Better World

Corporate Vision

Lead the industry and become the most trusted partner of world-class brands

Values

Client Dimension: Clients First, Employees Second, Shareholders Third
Enterprise Dimension: Respect, Appreciation, Mutual Support, Professionalism, Efficiency, Sharing
Department Dimension: Never give up until the goal is achieved
Employee Dimension: Strive with the spirit of aiming to be the best in the world

Development History

2010
- Founding of Nanwang

2011
- The foundation - laying ceremony for Nanwang's new factory building is held

2012
- The newly - completed factory building of Nanwang

2013
- The food production workshop established

2016
- Successfully listed on the National Equities Exchange and Quotations

2017
- 100% equity acquisition of Zhuhai Zhongyue

2018
- Founding of the Anhui Nanwang subsidiary

2019
- Acquisition of Tangshan Nanwang subsidiary
- Acquisition of Xianghe Nanwang
- Founding of the Malaysia Nanwang subsidiary
- Founding of the Hubei Nanwang subsidiary

2020
- 132+ mu of land purchased for new plant expansion at Fujian factory

2021
- Preparation to build an industrial tourism park

2022
- Fujian's Phase II intelligent and smart factory construction started

2023
- Successfully listed on the Growth Enterprise Market in Shenzhen Stock Exchange (Stock Code: 301355)
- Founding of Fujian Nanwang New Material Technology Co. Ltd

2024
- Founding of Anhui Bag King Environmental Protection Technology Co., Ltd
- Fujian Nanwang's Phase II Intelligent Industrial Park Eco-workshop fully operational

2025
- Fujian Nanwang's Phase II Intelligent Industrial Park food workshop fully operational
- Canadian subsidiaries in full production
- Indonesian subsidiaries in full production

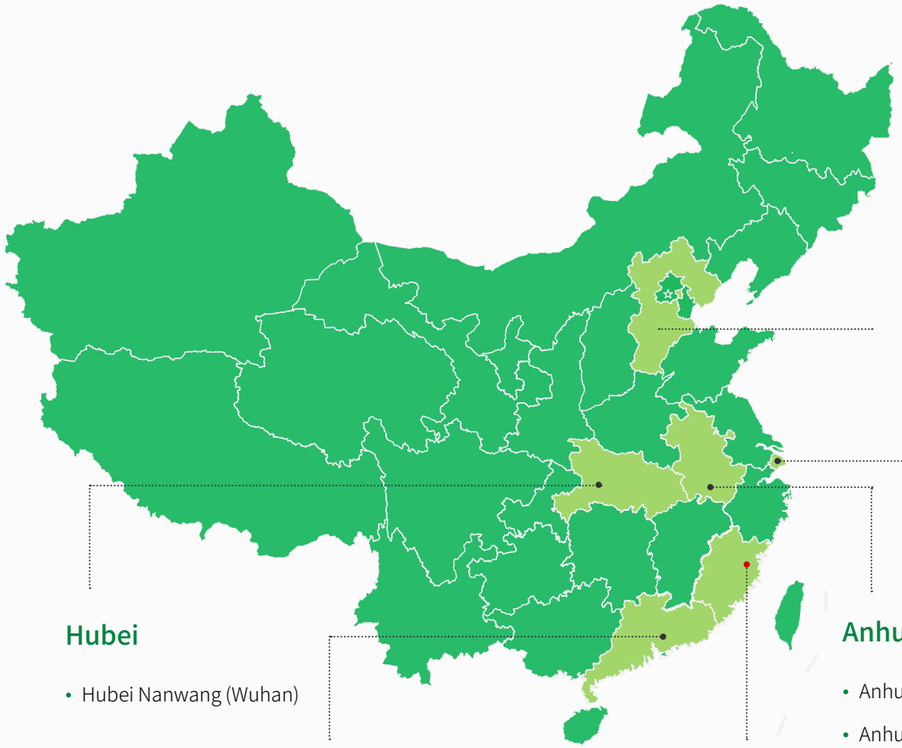
Business Layout

Nanwang Scien-tech operates 5 production bases in Fujian, Guangdong, Anhui, Hebei, and Hubei provinces nationwide, with a total area exceeding 200,000 square meters. To serve customers efficiently, Nanwang Scien-tech has continuously deepened its layout in overseas markets; subsidiaries have been established and commenced production in Indonesia and Canada, further realizing globalized production and diversified development.

5+2 Production Bases

5 Domestic Production Bases, 2 Overseas Factories

200,000+ ㎡ Total Area



Hebei

- Hebei Nanwang (Langfang)

Shanghai

- Shanghai Nanwang (Xuhui District)

Hubei

- Hubei Nanwang (Wuhan)

Anhui

- Anhui Nanwang (Anqing)
- Anhui Bag King (Anqing)

Guangdong

- Guangdong Nanwang (Jiangmen)

Fujian

- Nanwang Headquarters (Quanzhou)
- Nanwang New Materials (Quanzhou)

- Nanwang Indonesia (Central Java)

- Nanwang Canada (Toronto)

OFFICE

- Shanghai
- Beijing
- Jiangmen
- Jakarta, Indonesia
- Canada

Core Products Series

Shopping Paper Bags

Serrated Top Bags, Turn Top Bags, Handmade Luxury Bags

Food Paper Packaging

Paper Boxes, Paper Cups, Paper Straws, Paper Bowls, Paper Buckets, Wrapping Paper, Paper Plates, Potato Chip Cans, Pinch Bottom Bags, SOS Bags, Takeaway Bags

Non-woven Bags

Vest Bags, One-step forming Bags, Sewn Bags

Label and Receipt

Adhesive Labels, Thermal Paper Receipts, Industrial Labels, Smart Packaging RFID/NFC

01

Nanwang's Sustainable Development

Nanwang Scien-tech firmly believes that sustainable development is not only a demonstration of corporate social responsibility but also a core strategy for driving long-term competitiveness. By deeply embedding sustainability into our business strategy, we are committed to transitioning from "green manufacturing" to "value co-creation", building a sustainable development ecosystem across the entire packaging value chain.

Sustainable Development Philosophy

Fostering a Green Circular Economy, Pioneering Low-carbon Initiatives	Collaboration for Win-Win Outcomes, Co-Creation of Value	Resilient Governance, Robust Operations
Circularity is embedded in our operations. We prioritize emissions reduction across the value chain and are committed to balancing business growth with environmental stewardship. Through resource-efficient practices, we are actively integrating our operations into the circular economy, while innovating in packaging design to minimize environmental impact.	With an open mindset to build shared value, we unite employees, supply chain partners, customers, and broader society to advance sustainability through collaborative advancement, building a value ecosystem where all stakeholders thrive together.	We regard compliance as the foundation of our existence. Through continuous improvement of a robust governance framework and enhanced transparency in ESG management and information disclosure, we ensure the Company's long-term stable development.

Sustainable Development Management

Governance Structure

The Company strictly complies with all applicable laws and regulations, continuously improves its sustainable development governance structure, and enhances transparency and standardization. By improving governance systems, clarifying responsibility assignments, strengthening oversight mechanisms, enhancing the quality of information disclosure, and reinforcing internal control and risk management, we are committed to continuously enhancing management efficiency and effectively preventing and mitigating governance risks.

Sustainable Development Management Framework

Governance Level	Board of Directors	Determines the Company's sustainable development strategy and goals; reviews and approves the Company's sustainable development management system; reviews and approves the sustainable development report.
Management Level	Strategy Committee	Coordinates internal and external matters, identifies material topics, guides the daily implementation of sustainable development initiatives, and oversees the preparation of the sustainable development report.
Execution Level	Sustainable Development Working Group	With the Secretary of the Board of Directors leading the initiative, business departments assume their respective primary responsibilities and appoint dedicated representatives to the working group. The group implements sustainable development tasks in accordance with the Company's overall plan, reports progress regularly, and conducts information collection and report preparation for the sustainable development report.

Stakeholder Communication

Nanwang Scien-tech places great importance on the expectations and concerns of all stakeholders. We have established a regular, multi-channel communication mechanism to promptly identify and respond to key issues of interest, ensuring continuous improvement in our operational practices and social responsibility performance.

Stakeholder	Expectations and Concerns	Communication Channels	
Shareholders and Investors	• R&D Innovation • ESG Governance	• Shareholders' Meetings • Regular reports and public announcements	• Investor mailbox
Government and Regulatory Bodies	• Environmental Management • Water Resources • Management of Three Wastes • Occupational Health and Safety • Labor Rights	• Disclosure of information • Regular reporting and briefings	• Inspection and supervision • Visits and reception
Customers	• Carbon Footprint Management • Product Quality and Safety • Information Security • Responsible Supply Chain	• Customer visits • Email correspondence • Company website • Social media platforms	• Business phone calls • Information systems • Satisfaction surveys
Media	• Carbon Footprint Management • Pollutants • Product Quality and Safety	• Media interviews • Company website	• Social media engagement
Partners & Suppliers	• Sustainable Procurement • Responsible Supply Chain	• Project procurement • Supplier contracts and agreements • Supplier audits and assessments	• Supplier support and collaboration • other supplier communication events
Employees	• Compensation and Benefits • Talent Development and Training • Labor Rights • Health and Safety	• Employee satisfaction surveys • Trade union	• Employees' suggestions and feedback
Local Communities	• Social Contribution • Environmental Management	• Public welfare activities	• Company website

Material Topics

This year, through benchmarking against industry peers, alignment with capital market requirements, and in light of external market trends and the Company's operational characteristics, we have identified 22 material topics. These topics define the key focus areas for our sustainable development practices and sustainability information disclosures.

Material Topic Identification Process

Topic Identification
Based on relevant standards and requirements, we systematically review the Company's ESG practices and identify key ESG topics through industry benchmarking.

Screening and Assessment
We conduct a materiality analysis and assessment of the identified topics by integrating professional insights from external consultants, stakeholder concerns, and regulatory requirements.

Review and Finalization
The Strategy Committee reviews and confirms the assessment results. The finalized list of material topics and recommendations is then submitted to the Board of Directors for final review and determination.

Nanwang Scien-tech 2025 ESG Materiality Topics

High Importance	Medium Importance		General Importance
Waste Management	Environmental Management	Wastewater Management	Noise Management
Circular Economy	Waste Gas Management	Energy Management	Water Resources
Carbon Footprint Management	Labor Rights	Compensation and Benefits	Social Contribution
Health and Safety	Talent Development and Training	R&D Innovation	
Product Quality and Safety	Responsible Supply Chain	ESG Governance	
Customer Service	Information Security	Intellectual Property Protection	
Business Ethics			

Sustainability Honors & Recognitions

National-Level 5G Factory Directory
Awarding Organization: Ministry of Industry and Information Technology

National-level Service-oriented Manufacturing Enterprise
Awarding Organization: Ministry of Industry and Information Technology

2024 Top 100 Packaging Enterprises in China
Awarding Organization: China Packaging Federation

Fujian Province Green Factory
Awarding Organization: Fujian Provincial Department of Industry and Information Technology

2025 Top 100 Chinese Printing and Packaging Enterprises Ranking
Awarding Organization: Printing Manager

2024 Outstanding Supplier
Awarding Organization: Pobeice

Xiao Guan Tea's Most Promising Supplier of 2024
Awarding Organization: Xiao Guan Tea

McDonald's China FSQ Excellence Leadership A-Level Supplier
Awarding Organization: McDonald

McDonald's AA Quality Award
Awarding Organization: McDonald

Packaging Technology Innovation Award
Awarding Organization: Hongkong New Msuccess Media Group Limited

Packaging Enterprises Selected for the 2024 Annual List
Awarding Organization: Meituan Catering Delivery Green Packaging Application Working Group

02

Fostering a Green Circular Economy, Pioneering Low-carbon Initiatives

Material Topics Addressed

Waste Management | Circular Economy | Carbon Footprint Management
Environmental Management | Waste Gas Management
Wastewater Management | Energy Management
Noise Management | Water Resources

Responded SDGs

Our Concept

Nanwang Scien-tech attaches great importance to the environmental impact in the process of corporate development. Upholding the philosophy of "building a resource-recycling and environmentally friendly production system", we continuously reduce our ecological footprint, actively invest in the research and development of green products, and explore low-carbon development pathways to address climate change, and build competitive advantages through corporate green development.

Pollution Prevention and Ecological Protection

Nanwang Scien-tech consistently places environmental protection at a critical position in corporate development, committed to promoting a harmonious coexistence between business operations and the natural environment. Adhering to the whole-process management concept of "source prevention, process control, resource recycling, and continuous improvement", we start from every link in production and manufacturing. Through sci-tech innovation and management optimization, we build a modern operational model that is resource-efficient and environmentally friendly.

Environmental Management

The Company strictly complies with national laws such as the *Ecological and Environmental Code of the People's Republic of China*, as well as relevant environmental regulations in all operating locations. We have established an environmental management system to standardize the control and management of various environmental pollutants. In the planning stage of new, renovation, and expansion projects, all manufacturing factories strictly implement environmental impact assessment procedures. These assessments comprehensively evaluate environmental factors such as atmospheric pollutant emissions and wastewater treatment to prevent any adverse impacts on the environment. During the reporting period, the Company did not incur any violations in the environmental field or receive any major administrative penalties due to environmental issues.

The Company has established a cross-departmental collaborative management mechanism. Specifically, the Environmental Safety Department oversees environmental monitoring and compliant emissions, the Equipment Department is responsible for the construction and maintenance of environmental protection facilities, and the Quality Department supervises and inspects environmental aspects during production. Together, they ensure that the Company's operations do not cause significant negative environmental impacts. In terms of policy formulation, the Company has formulated and constantly updated internal documents such as the *Wastewater Management Procedure*, the *Waste Gas Management Procedure*, the *Solid Waste Control Procedure*, and the *Noise Management Procedure*, clarifying the management and control requirements for environmental pollutants.

Key Performance

As of December 31, 2025,

the Company's Fujian Factory has obtained ISO 14001 Environmental Management System certification.

During the reporting period

Pollutant emissions compliance rate	Waste gas monitoring compliance rate	Waste classification implementation rate	Hazardous waste disposal compliance rate	Percentage of employees trained on specific environmental issues
100 %	100 %	100 %	100 %	100 %

Environmental emergency management

The Company has established a comprehensive emergency management system for sudden environmental incidents, encompassing institutional documents such as the *Emergency Plan for Sudden Environmental Incidents* and the *Environmental Emergency Preparedness and Response Control Procedures*, which systematically regulate the prevention, response, and disposal processes of such incidents.

An Emergency Command Center has been established to strengthen the overall coordination capabilities of emergency management. This ensures that the emergency response mechanism can be rapidly activated upon the occurrence of an incident, effectively controlling the situation's development and preventing soil, water resource, or air pollution caused by sudden environmental incidents. Regular simulation drills covering multiple scenarios, including chemical leaks and secondary pollution from fires, are conducted to verify the scientific validity of the plans and the efficiency of team collaboration. Corresponding processes are continuously optimized based on the results of these drills.

Case: Emergency Drill for Water-Based Adhesive Leakage

The Company organized and conducted an emergency drill for water-based adhesive leakage, simulating a leakage incident during transportation. During the drill operation, the Company promptly activated the emergency response mechanism. Relevant personnel timely completed on-site isolation, adsorption, and cleanup actions, successfully containing the leakage. This effectively verified and enhanced emergency coordination and response capabilities, while providing clear directions for improvement in subsequent emergency plan refinement and practical training.

On-site emergency drill for water-based adhesive leakage

Case: Emergency Drill for Waste Oil Dumping

The Company organized and conducted an emergency drill for waste motor oil leakage. The scenario simulated a leakage incident caused by container damage during the transfer of drummed waste motor oil by employees. Upon occurrence of the incident, on-site personnel immediately activated the emergency response mechanism. The emergency rescue team donned protective equipment in accordance with regulations and arrived at the site with emergency supplies. Pollution control was achieved through containment and isolation using adsorbent materials, standardized collection of hazardous waste, and professional cleaning operations. This drill effectively verified the operational feasibility of the emergency plan and further enhanced the practical awareness and proficiency of the rescue team in handling emergencies.

On-site emergency drill for waste oil dumping

Wastewater Management

Wastewater generated from the Company's operations primarily consists of industrial sewage and domestic sewage, neither of which contains Adsorbable Organic Halogens (AOX). Specifically, industrial sewage is collected via the sewage pipeline network and directed to the wastewater treatment station, and discharge into the stormwater drainage network is strictly prohibited. The treatment process rigorously adheres to the *Integrated Wastewater Discharge Standard* and local requirements. Furthermore, we conduct regular joint monitoring with environmental protection authorities to ensure stable and compliant water quality. For domestic sewage treatment, canteen wastewater undergoes pre-treatment such as grease separation and filtration. Subsequently, it is discharged into the municipal sewage network along with other domestic sewage treated in septic tanks. The separated grease and residues are transferred to livestock breeders for resource utilization.

Waste Gas Management

The printing and ink blending processes in the Company's production generate volatile organic compounds (VOCs). The waste gas is collected by hood systems, transported via pipelines to the rooftop, and subjected to end-of-pipe purification using UV photolysis technology. To control VOC emissions, the Company utilizes water-based inks, where water is the primary solvent. Compared to traditional inks, this approach can reduce VOC emissions from the source during printing and drying processes caused by the volatilization of organic solvents. Additionally, the Company regularly engages qualified third-party agencies to test waste gas emissions, ensuring the stable operation of treatment facilities and compliance with emission standards.

During the reporting period

19.5 thousand tonnes	18.6 thousand tonnes	11.57 tonnes
Total wastewater generated	Total wastewater discharged	Total VOCs emissions

Waste Management

Solid waste generated from the Company's operations includes hazardous waste (e.g., empty chemical containers, laboratory waste liquids, waste mineral oils, oily waste rags), recyclable waste (e.g., wastepaper, beverage bottles, scrap metal), and non-recyclable waste (e.g., tea leaves, fruit peels). For the aforementioned waste, we have established a full-process management system for waste classification, temporary storage, transfer, and disposal, implementing waste management through three key aspects: classified storage, compliant disposal, and source reduction.

Classification and Storage	• Classification: Classify and label waste based on attributes such as recyclability, treatment methods, storage conditions, and odor emission. • Storage: Designate dedicated storage areas meeting environmental standards and regulatory requirements. Waste is stored in containers categorized as recyclable, non-recyclable, and hazardous/toxic, as required.
Disposal	• Recyclable waste: Regularly collected and recycled by licensed waste disposal contractors. • Non-recyclable waste: Handled as municipal solid waste by qualified sanitation units. • Hazardous/Toxic waste: Entrusted to entities holding hazardous waste operation licenses for transportation to compliant treatment facilities for safe treatment.
Reduction	• Source reduction: The intelligent three-dimensional warehouse system interfaces with the Manufacturing Execution System (MES) and Automated Guided Vehicles (AGVs) to enable automatic coding for raw material storage and precise distribution, reducing waste generation during material storage and transportation. • Process control: Employ an automatic tension control system to reduce paper loss; optimize die-cutting and layout processes to enhance paper utilization; apply high-precision metering pumps and servo drive technology for precise dispensing, minimizing waste generation from paper and adhesives. • Resource utilization: Paper scraps and trimmings are automatically suctioned to a compression room via enclosed pipelines without contact with the ground. After hydraulic baling, the material is transported externally, to be recycled for resource recovery.

Case: Training on Standardized Management of Hazardous Waste

To further enhance practical capabilities in risk identification and emergency response for hazardous waste, the Company organized a special training program on compliant waste management. The training focused on the characteristic identification of hazardous waste, classification standards, and compliant disposal procedures. It provided an in-depth analysis of the differences between hazardous waste and general solid waste regarding management systems, disposal technologies, and environmental risks, while further clarifying the management responsibilities and coordination mechanisms of each department.

On-site training for hazardous waste management

Nanwang Scien-tech 2025 Waste Data		
Hazardous waste		
Total hazardous waste generated	tonnes	25.99
Total recycled hazardous waste	tonnes	6.39
Total hazardous waste treated (for disposal)	tonnes	19.69
Non-hazardous waste		
Total non-hazardous waste generated	tonnes	11,469.68
Total recycled non-hazardous waste	tonnes	10,734.92
Total non-hazardous waste treated (for disposal)	tonnes	734.76

Noise Management

The Company strictly adheres to national environmental noise emission standards and has established the *Noise Management Procedure* to construct a comprehensive control system covering source control, propagation blocking, and continuous monitoring. At the production site, high-performance noise-canceling earplugs are provided to employees, the operating hours of auxiliary equipment are strictly controlled, and technical upgrades are implemented for key noise-generating equipment such as printing machines. High-noise fans have been replaced with low-noise, energy-efficient variable frequency drives to reduce noise generation at the source. Simultaneously, enclosed workshop designs and professional window sealing measures are adopted to effectively block noise propagation to the external environment. For new, reconstructed, or expanded projects, noise environmental impact assessments are required to be conducted concurrently during the planning phase, accompanied by targeted prevention and control plans.

The Company has established a sound noise monitoring and supervision mechanism. Regular inspections of noise-generating equipment are conducted, and quarterly noise monitoring is implemented in collaboration with professional environmental testing agencies. Fixed monitoring points are deployed at the factory boundary and surrounding areas to continuously track noise emission levels. All historical monitoring data indicate that noise values at all monitoring points are significantly below the limits prescribed by national regulations, and no adverse noise impact on surrounding communities has been observed.

Resource Utilization and Circular Economy

Nanwang Scien-tech places high importance on the efficient use of resources and actively supports the development of a circular economy. We adhere to the "4R1D" principles (Reduce, Reuse, Regenerate, Recycle, Degrade), to drive the transition of packaging products from a "linear consumption" model to a "closed-loop cycle" by utilizing sustainable raw materials, employing easily recyclable product designs, and implementing resource-efficient production methods.

Sustainable Raw Materials

Sustainable materials exhibit a significantly lower environmental footprint throughout their entire life cycle. Their application serves as a crucial pathway for companies to reduce environmental impact and practice resource circularity. Common types include FSC-certified paper, low-pollution adhesives and inks, as well as biodegradable materials. In selecting raw materials, we prioritize environmentally friendly options. Without compromising product performance, we use FSC-certified base paper as a primary material to avoid impacting virgin forest resources, and widely apply recycled kraft paper in products like eco-friendly shopping bags. For inks, we employ water-based inks using water as the dispersing medium to avoid VOC emissions at the source. For functional coatings, we select environmentally friendly materials such as biodegradable bio-waxes, to ensure that products can return to the environment more naturally after disposal, thus reducing long-term ecological burdens. By selecting these sustainable raw materials, we inject the positive benefits of resource conservation and reduced environmental impact from the very beginning of a product's lifecycle.

Key Performance

As of December 31, 2025,
a total of 5 factories have obtained the Forest Stewardship Council Chain of Custody (FSC-COC) certification.

During the reporting period

14 thousand tonnes
Usage of regenerated kraft paper

14 %
Proportion of regenerated kraft paper

21 thousand tonnes
Usage of FSC-certified base paper

22 %
Proportion of FSC-certified base paper

1,745 tonnes
Usage of eco-friendly adhesives

81 %
Proportion of eco-friendly adhesives

2,874 tonnes
Usage of eco-friendly ink

90 %
Proportion of eco-friendly water-based flexo ink

The application of biodegradable materials covers
100 % of products

The application of recycled materials covers
20 % of products

Data scope: Paper-based packaging products only

Case: Innovation in Eco-friendly Coatings – PHA Bio-based Coating Technology

In pursuit of an ultimate solution with a smaller environmental footprint and the ability to degrade safely in the natural environment, the Company initiated a research and development project for Polyhydroxyalkanoates (PHA) bio-based coating technology. Sourced from renewable resources, PHA can degrade in natural environments such as soil and oceans without requiring industrial composting, overcoming the dependency of existing biodegradable materials on end-of-life treatment facilities. Currently, the project has successfully produced the first batch of commercially sized pilot paper cup products. The coating demonstrates excellent performance in printability, pattern adhesion, and other aspects, and is compatible with existing production processes. The next step involves continuously optimizing its key performance attributes, such as heat resistance and grease resistance, to steadily advance this cutting-edge technology towards market application.

Green Design

Green design helps enhance product recyclability and reduce resource consumption from the source. Guided by the concept of green design, we achieve systematic reduction in the use of materials such as paper and ink, integrate recycling convenience into the front-end of design, and actively promote green packaging solutions that substitute paper for plastic, creating favorable conditions for the closed-loop recycling of packaging materials.

We optimize equipment configuration and processes to avoid raw material waste during production and reduce the usage of materials such as adhesives and inks. By minimizing the application of composite materials, products are primarily composed of a single type of recyclable material. This simplifies backend sorting and recycling processes, thereby improving resource recovery efficiency. Additionally, we print clear recycling labels on products that meet recycling standards, proactively guiding consumers towards correct waste sorting and jointly facilitating the entry of packaging waste into an efficient recycling system. This series of design-oriented measures helps ensure that products, after fulfilling their intended use, can be reintegrated into the resource cycle to the greatest extent possible, avoiding disposal via landfill or incineration. This forms a complete environmental protection loop from design to end-of-life.

Key Performance

As of December 31, 2025,
the Company's Fujian Factory, Guangdong Zhongyue subsidiary*, and Hubei subsidiary have been certified with the BRC Global Standard for Packaging Materials.

* The Guangdong Zhongyue subsidiary, formerly known as Zhuhai Zhongyue Paper Cup Container Co., Ltd., was renamed Guangdong Zhongyue Food Packaging Co., Ltd. in April 2026.

Case: Paper-for-Plastic Design – E-commerce Logistics Paper Packaging Bags

Nanwang actively responds to global circular economy trends and environmental policies. Addressing the industry pain points of express packaging pollution and resource waste, the Company launched new express paper bags made from eco-friendly materials (such as kraft paper and recycled paper) that are biodegradable and recyclable, which can directly replace traditional plastic express bags.

Relying on sustainable design, this product won the "Reuse and Recycling Scheme Award - Bronze Prize" in the "Blue Planet" Sustainable Packaging Awards at the IPIF 2024 International Packaging Innovation Forum, demonstrating the Company's innovation capability in green transformation of packaging.

Reuse and Recycling Scheme Award

Case: Green Recycling Design – New Eco-friendly Coated Paper Cup

To address the recycling dilemma of traditional polyethylene (PE)-laminated paper cups, where plastic is difficult to separate from paper fibers, the Company has independently developed a new eco-friendly coated paper cup. This product abandons fossil-based plastic lamination and adopts a new type of coating that is easily separable from paper fibers. This allows the used paper cup to seamlessly enter the wastepaper recycling system, reducing plastic use at the source and enhancing recyclability. The coating also offers excellent water resistance, oil resistance, and heat resistance, and is free from harmful substances such as per- and polyfluoroalkyl substances (PFAS), ensuring both user experience and health and safety. This technology is now maturely applied for domestic and international customers, effectively advancing "paper-plastic" composite packaging towards a circular closed loop.

New "coated paper cup"

Case: Green Solution –Replacement Project for Garment Plastic Inner Bags

Addressing the environmental issues prevalent in the garment industry where transparent PE plastic inner bags are commonly used, leading to imperfect recycling systems and most ending up incinerated, the Company has developed an eco-friendly garment inner bag. It selects high-transparency environmentally friendly paper, formed into a three-side-seal structure using specialized equipment, providing a viable alternative to traditional plastic inner bags. This solution not only enhances the packaging's visual and tactile quality but also aligns with international environmental trends. It offers a new green packaging choice for numerous garment exporters, helping customers reduce their carbon footprint, enhance their sustainable brand image, and drive the supply chain towards low-carbon and circular development.

Garment lining paper bag

Resource Recycling and Utilization

In water resources management, Nanwang Scien-tech strictly complies with laws and regulations such as the *Water Law of the People's Republic of China*, and has established a water resources management system to ensure compliant and efficient use of water resources and wastewater treatment in production and operations. The Company's water usage scenarios include domestic water for employees and cleaning processes in production, with all water sourced from municipal supply. The total water consumption for 2025 was approximately 15.39 thousand tonnes, with 840 tonnes of water recovered and reused. In daily management, we have established a monthly meter reading and data collection mechanism to ensure the accuracy and traceability of water usage data.

In terms of management of production materials, the Company has established a comprehensive internal resource recycling mechanism, embedding the philosophy of resource conservation throughout the product production phase. We implement closed-loop management for waste ink generated during production. For dormant inventory and trial-use adhesives, we apply them to non-critical processes, tooling, and trial production stages, provided this does not compromise product quality and safety, thereby avoiding direct scraping of materials and effectively reducing procurement demand and disposal costs. These measures enhance resource utilization efficiency and drive the manufacturing process towards a more intensive and green direction.

We also systematically implement waste paper recycling management throughout the production and operation process. Dedicated waste paper collection rooms are established in each production area, complemented by a pipeline suction collection system to centrally gather production offcuts. These materials are then entrusted to professional waste paper recycling enterprises for on-site compression and baling, followed by transportation to third-party specialized regenerated paper manufacturing facilities. Through pulping and dewatering processes, resource-based regeneration and utilization are achieved. This circular disposal model effectively facilitates the conversion path from production waste to regenerated resources. While reducing the generation volume and disposal costs of solid waste, it significantly decreases resource consumption and environmental burden, continuously promoting the construction of a green production system.

Case: On-site Resource Utilization of Waste – Eco-friendly Cup Trays

In response to core customers, such as beverage tea chains, demanding upgrades in environmentally friendly packaging, the Company has initiated a wastepaper recycling project based on scraps generated from its existing paper bag business. We transform production leftovers such as laminated paper and greaseproof cardboard into eco-friendly cup trays via resource recovery technology, serving as substitutes for traditional plastic products. This not only achieves high-value utilization of production waste but also reduces the overall packaging carbon footprint through product lightweighting design and recyclability optimization, assisting customers in reaching their sustainable supply chain goals. Currently, the Company has completed evaluations of intelligent equipment suppliers and plans to collaborate on developing a fully automated production line integrating pulping, forming, drying, and hot-pressing processes. This aims to further enhance production efficiency, reduce energy consumption and production losses, and press ahead with the scaled implementation of a circular economy model.

Eco-friendly Cup Tray

Response to Climate Change and Energy Management

As the significance of climate issues continues to grow, Nanwang Scien-tech has integrated them into its operational management framework. By optimizing the energy structure, enhancing energy efficiency, and implementing management and control over greenhouse gas (GHG) emissions, the Company proactively addresses climate-related challenges and opportunities. It is committed to driving the low-carbon transition of its operations and building a more resilient development model.

Energy Management

Nanwang Scien-tech places high importance on energy management, strictly adhering to national laws and regulations such as the *Energy Law of the People's Republic of China*. Guided by the ISO 50001 standard, the Company has established a full-process energy management system covering planning, production, usage, monitoring, analysis, and optimization. It aims to reduce energy consumption and emissions through technological and managerial improvements.

Key Performance

As of December 31, 2025,

the Company's Fujian Factory was recognized as a "Fujian Provincial Green Factory".

The Company's energy consumption primarily comprises electricity and natural gas. Electricity is mainly used to power central air conditioning systems, compressed air systems, printing presses, and other production equipment, while natural gas is primarily used in scenarios such as printing drying and kitchen operations. To enhance the intelligence and precision of energy management, the Company has deployed a "Master-Division-Branch" Three-Level Integrated Power Automation Configuration Software Platform, establishing an efficient and open energy management system. This system supports multi-protocol device access and interconnection with third-party systems. It features real-time monitoring, load analysis, report generation, and fault diagnosis, enabling daily monitoring and in-depth analysis of major energy-consuming units. As of 2025, this platform has been implemented at the Fujian Factory, with plans to further increase its coverage across factories in the future.

Enhancement of energy efficiency

To systematically improve energy use efficiency and reduce operational carbon emissions, the Company continuously identifies and implements multiple technological renovation and optimization projects targeting high-energy-consumption systems. Through refined management and equipment innovation, it aims to reduce energy consumption while meeting production demands.

The Company places high emphasis on stimulating internal innovation. By formulating the *Employee Promotion and Incentive System for Manufacturing Department*, it has established a specialized incentive mechanism encouraging all employees to propose technological renovation and optimization suggestions for production equipment and processes. In 2025, the manufacturing department collected and implemented 57 improvement proposals and 9 rationalization suggestions from employees, resulting in a series of practical and valuable energy-saving renovation projects and cases. This not only effectively improved the efficiency of solving on-site problems but also fostered a lean production culture of continuous improvement and company-wide participation.

Energy-saving Renovation Projects

Renovation Project	Renovation Measures
Segmented pressure transformation of compressed air pipeline network	To enhance energy utilization efficiency and prevent waste of energy quality as well as unnecessary losses, the original single-pressure air supply pipeline network was retrofitted into independent high and low-pressure systems, achieving annual energy savings of over 15%.
Fresh air recirculation renovation for air conditioning systems	To address the issue in the paper cup workshop where waste heat in production processes necessitated cooling even in winter, low-temperature outdoor fresh air is introduced during autumn and winter while maintaining slight positive pressure, controlling the workshop temperature between 15-20°C. Following the commissioning of this system, the hourly electricity consumption of the refrigeration host decreased from 415 kWh to 46 kWh, representing a reduction of approximately 88.9%.
Renovation of printing exhaust gas emission system	To address energy waste caused by the main fan of the original exhaust gas system operating continuously at full load, automatic dampers linked to the equipment were installed on the exhaust branch pipes of each printing machine. Centralized control enables automatic damper closure when equipment is shut down, reducing operational air resistance and energy consumption of such system.

Case: Waste Heat Recovery and Comprehensive Utilization Project

To enhance the cyclic utilization rate of energy, the Company implemented a waste heat recovery and comprehensive utilization project, converting high-temperature waste heat generated by the compressed air system into usable energy. The project adopts a process characterized by "waste heat recovery + heat pump upgrading". Specifically, heat exchangers are installed to recover and store the waste heat, and the recovered hot water is then transported via insulated pipelines to production workshops and dormitory buildings for daily heating needs. Additionally, the system utilizes heat pumps to elevate the temperature of low-temperature hot water to above 75°C, making it directly applicable for processes with higher heat source quality requirements, such as printing drying, thereby achieving the efficient cascaded utilization of energy.

The implementation of this project enables the annual recovery of 1,128.6 thousand gigajoules of waste heat (equivalent to 705.83 tonnes of standard coal), resulting in an annual carbon dioxide reduction of 775 tonnes (equivalent to the carbon sink effect of planting 1,059 trees). It also meets the hot water demands of 162 employee dormitory rooms, creating significant environmental and social benefits.

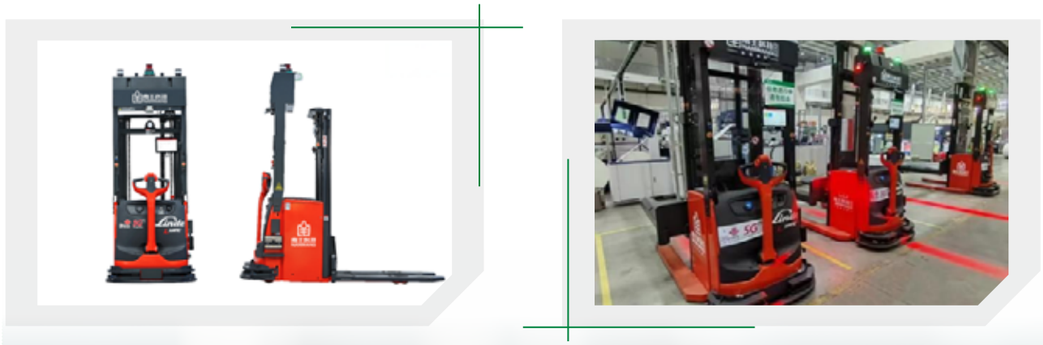
Transition of energy structure

The Company is systematically advancing photovoltaic (PV) energy construction to enhance the proportion of clean energy within its overall energy consumption structure. Currently, distributed photovoltaic systems have been installed across three production facilities in Fujian and Jiangmen, covering 65% of rooftops. The photovoltaic system at the Fujian South Factory has been completed and commissioned, with an annual power generation capacity of no less than 1.92 million kWh, accounting for 10% of the total annual electricity consumption of that Factory. According to the plan, upon full grid connection of the photovoltaic systems at both the North and South Fujian Factory, the estimated annual power generation will be no less than 8.32 million kWh, representing 40% of the total regional electricity consumption; upon grid connection of the Jiangmen facility, the estimated annual power generation will be no less than 4.50 million kWh, accounting for 64% of the total electricity consumption of that facility.

Renewable Energy Target

2025 Target	2025 Actual	2026 Target
9.5 %	11 %	40 %

We are simultaneously advancing the electrification of internal logistics processes by introducing clean energy equipment, such as Automated Guided Vehicles (AGVs) and electric forklifts, to gradually replace traditional diesel-powered handling equipment. This initiative enhances logistics efficiency while effectively reducing fossil fuel consumption and on-site tailpipe emissions.



AGV equipment

Carbon Footprint Management

GHG emissions accounting

The increase in greenhouse gas concentrations is the primary driver of global warming. Against this backdrop, the Company actively initiated carbon emission inventory work. Regarding emissions from our own operations, we calculated the key energy consumption and emission levels at the Group headquarters and all subsidiary production bases, completing the statistical reporting of Scope 1 and Scope 2 greenhouse gas emissions.

In terms of product carbon footprint, we have collaborated with the Beijing Institute of Graphic Communication to conduct research on the carbon footprint of packaging and printing products, as well as carbon emissions in printing and processing stages. The product carbon footprints of three items have been calculated: the toothed round-handle square-bottom takeaway bag, the toothed round-handle square-bottom double-cup bag, and the hamburger paper box. By quantifying and comparing the environmental impacts of different printing products and processes, we have identified carbon emission hotspots throughout the product life cycle. This provides data support for the selection of low-carbon technologies, production optimization, and the development of green products.

Nanwang Scien-tech 2025 Greenhouse Gas Emission Inventory

Scope 1 emissions	tCO_2e	460.63
Scope 2 emissions (location-based)	tCO_2e	57,718.03
Scope 2 emissions (market-based)	tCO_2e	66,311.55

03

Collaboration for Win-Win Outcomes, Co-Creation of Value

Material Topics Addressed

Labor Rights | Talent Development and Training | Compensation and Benefits
Health and Safety | Product Quality and Safety | Responsible Supply Chain
Intellectual Property Protection | R&D Innovation | Customer Service | Social Contribution

Responded SDGs

Our Concept

Nanwang Scien-tech comprehensively integrates the concept of sustainable development into its operations, collaborating with employees, partners, and communities to co-create value. We systematically advance value co-creation with all stakeholders by fostering a diverse and inclusive workplace, promoting the green transition of value chain, and fulfilling corporate social responsibilities. This approach aims to enhance overall resilience and promote sustainable development.

People-Centric Approach

Nanwang Scien-tech is committed to building a corporate culture of diversity, equality, and inclusiveness, earnestly safeguarding employees' legitimate rights and interests, and providing comprehensive support for their long-term career development. The Company has established multi-level, unobstructed communication channels and continuously improves the occupational health and safety management system, fostering a safe, healthy, and harmonious working environment.

Diversity, Equality, and Care

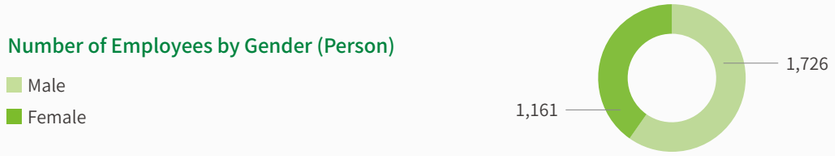
The Company strictly complies with the *Labor Contract Law of the People's Republic of China* and the *Law of the People's Republic of China on Protection of Minors*. It has formulated the *Recruitment Management System* to standardize recruitment management processes. Each department determines talent requirements based on its business development plans. The Human Resources Department attracts outstanding talent through various channels, including social recruitment, campus recruitment, and third-party headhunters, to strengthen the Company's talent echelon development.

Workforce diversity

The Company is committed to building a diverse and broadly representative workforce. Our employees demonstrate extensive diversity in gender, age, educational background, and professional skills, fostering profound cross-cultural exchange and comprehensive integration.

Nanwang Scien-tech 2025 Employee Composition

Number of Employees by Gender (Person)



Number of Employees by Age Group (Person)

Number of Employees by Region (Person)

Prohibition of child labor and forced labor

The Company strictly prohibits the employment of child labor in any form and clearly defines standards for legal working age. We have also established a coordination mechanism with local public security authorities to conduct rigorous verification of applicant information, to effectively prevent and eliminate incidents of child labor.

The Company is committed to building an employment environment free from forced or compulsory labor, strictly implementing a non-compulsory work system, and explicitly prohibiting any form of forced labor within the Company. Employees can report instances of forced labor via established grievance channels. Upon receiving a report, employee representatives complete a factual investigation within seven working days and, in collaboration with management, hold consultation meetings to develop solutions. During the reporting period, no incidents involving child labor or forced labor occurred.

Anti-discrimination and anti-harassment

The Company firmly opposes any form of discrimination, including but not limited to discrimination based on gender, age, or race. We are committed to treating all employees with equality, fairness, and respect. In the recruitment process, the Company has established a competency-based screening mechanism oriented towards job requirements, objectively evaluating candidates' professional skills, vocational qualities, and health qualifications, without setting discriminatory conditions or requirements in recruitment criteria or processes. Simultaneously, the Company has established reporting channels to support employees in reporting discriminatory conduct. In addition, the Company actively recruits employees with disabilities and provides them with corresponding job subsidies and more comprehensive accessible facilities. During the reporting period, the Company saw no incidents related to discrimination or harassment.

Employee care

Upholding a people-oriented philosophy, the Company carries out diverse care activities. We focus on employees' physical and mental well-being, highlighting family care and life support. We organize events such as family open days, cultural and sports competitions, and International Women's Day celebrations, to enhance employees' sense of belonging and team cohesion.

Women's Day care activity at Nanwang Scien-tech in 2025

Family Day activity at Nanwang Scien-tech in 2025

Sports activity at Nanwang Scien-tech in 2025

Compensation, Benefits, and Communication

Nanwang Scien-tech strictly adheres to laws and regulations such as the *Labor Law of the People's Republic of China*, the *Trade Union Law of the People's Republic of China*, and the *Special Provisions on the Labor Protection for Female Employees*. We have established a systematic mechanism to safeguard employee rights and interests. By formulating internal policies including the *Human Rights Procedure Document*, the *Compensation Management Manual*, the *Leave Management Policy*, and the *Worker Congress System of Fujian Nanwang Environment Protection Sci-tech Co., Ltd.*, we have established an employment management system encompassing compensation and benefits, working hours and leave, and performance appraisal, ensuring the legitimate rights and interests of all employees.

Compensation and benefits management

The Company adheres to the principles of fairness, competitiveness, and motivation, building a scientific and comprehensive compensation and benefits system. Our compensation strategy is based on position value, dynamically formulated in light of market levels and employee capabilities, and ensures competitiveness through a regular salary review mechanism. The Company conducts periodic compensation surveys, and ensures that compensation for key positions remains stable at the 75th percentile of the market by utilizing third-party compensation reports, benchmarking against regional and industry peers, and analyzing recruitment difficulty factors. Furthermore, the Company strictly implements a policy of equal pay for equal work, providing uniform compensation and benefits to employees in the same position performing equal work with equivalent performance, to ensure fairness in distribution.

Regarding compensation structure, the Company has established a diversified remuneration system. Employee income comprises base salary, position allowance, confidentiality allowance, performance-based pay, overtime pay, specific subsidies (including communication, high-temperature, meal, and disability allowances), and an annual bonus, comprehensively reflecting position value and individual contribution. In addition to base compensation, we have established specialized incentive mechanisms such as project bonuses, technological innovation awards, and sales commissions, complemented by an equity incentive plan to strengthen the alignment of interests between core talent and the Company's long-term development. To enhance our commitment to ensuring transparency in compensation management, the Company has established a detailed compensation disclosure mechanism and provided clear compensation breakdowns to all employees. For specific roles with performance-linked characteristics, such as sales positions, we additionally provided detailed breakdowns for verification to effectively safeguard employees' right to know and ensure equity in their rights.

Regarding the benefits system, the Company contributes to social insurance schemes such as medical insurance for employees in accordance with the law, supplemented by commercial insurance, thereby constructing a multi-tiered health protection network. Regarding the leave policy, the Company strictly implements statutory leave requirements, including paid annual leave and sick leave. For expatriate staff, the Company provides home visit leave along with relevant subsidies and has introduced a flexible compensatory time-off mechanism to support employees in achieving a balance between work and personal life. Additionally, the Company regularly organizes non-monetary care initiatives such as employee health check-ups and recreational activities, focusing on employee health and fostering a sense of belonging within the organizational atmosphere.

Regarding working hour management, the Company has implemented an electronic attendance system. While standardizing working hour controls, the Company maintains a reasonable degree of flexibility to effectively manage working hours while preserving necessary adaptability.Regarding overtime arrangements, the Company adheres to the principle of prioritizing compensatory time off and pays overtime compensation in accordance with relevant regulations to safeguard employees' legitimate rights and interests.

Employee communication

The Company values employee opinions and needs. A labor union has been legally established, with employee representatives elected through democratic processes. The Company regularly convenes Workers' Congress, exercising its powers in accordance with the law to deliberate on major corporate decisions, supervise administrative leadership, and decide on collective welfare matters. This fully leverages the union's role as a bridge between the Company and its employees.

The Company continuously improves its employee communication and feedback mechanisms, establishing multiple channels for communication and grievance, including DingTalk, physical suggestion boxes, and executive email. This ensures the accessibility and effectiveness of employee expression. In response to employee feedback, the Company implements a tiered response mechanism, adhering to the principle of "handling minor matters promptly, and reporting important matters specially with written reports". This approach ensures proper handling of various feedback items, forming a closed-loop management system that effectively addresses employee concerns.

During the reporting period, the Company conducted a satisfaction survey covering all employees. Utilizing a combination of stratified sampling and customized questionnaires, the survey conducted quantitative assessments across core dimensions including corporate development, corporate culture, compensation and benefits, working environment, and company management. The Company uses the survey data as a crucial basis for management improvement, formulating targeted optimization plans incorporated into its 2026 special plan for enhancement of organizational effectiveness, to continuously promote the synergistic optimization of employee experience and management system.

2025 employee satisfaction survey results

Frontline employee satisfaction rate reached 84.8%, an increase of 8.92% from 2024

Employee satisfaction rate for staff and above reached 81.12%, an increase of 3.81% from 2024

Training and Development

The Company places a strong emphasis on employee development and is committed to building systematic career advancement pathways and a structured training framework. By providing continuous learning resources and developmental support, we empower employees to achieve growth while fostering collective progress between individuals and the organization.

Competency training

Nanwang Scien-tech regards talent as the key driver for corporate advancement. The Company has established policies including the *Training Management System*, the *Performance Management Manual*, the *Training Discipline Regulations*, and the *External Training Administration Guidelines* to build a comprehensive and systematic training framework.

Based on different career stages and job-specific requirements, the Company implements training programs such as New Employee Orientation, Management Trainee Program, and Production Reserve Leadership Development Program. Additionally, the Company has established an internal certification trainer development mechanism. Trainers are selected through employee volunteer applications, internal recommendations, or special appointments, and must complete trial lectures, evaluations, and qualification certification. Certified trainers are responsible for course development and instructional guidance to collectively enhance the Company's overall training quality. Furthermore, the Company actively integrates internal and external resources by introducing professional external institutions to provide academic support. Employees are encouraged to pursue skill enhancement and academic advancement, with subsidies provided for those who obtain job-related qualifications or professional certifications.

We establish annual talent development plans and, based on job categories and organizational levels, design and implement a series of differentiated competency-based training programs to strategically align with the distinct growth needs of diverse employee cohorts.

New Employee Orientation	We adopt a blended learning approach combining "off-the-job training with on-the-job training", requiring new employees to complete and pass the off-the-job phase, covering Company culture and policies, safety and quality management, compliance and audit standards, and other general courses, before advancing to the on-the-job practice stage. The on-the-job component focuses on role-specific competencies, integrating job responsibilities, business processes, field operations, and system operation protocols. For staff-level new employees, targeted training programs emphasize corporate culture, regulatory frameworks and internal policies, and technical skill development
Management Trainee Program	Through systematic job rotation, phased assessments, and final placement, this program helps fresh graduates fully integrate into the Company and grow rapidly. Each trainee is assigned a senior mentor to provide continuous guidance and support, enabling them to quickly adapt to their roles and meet the Company's future development needs.
Production Reserve Cadre Development Program	Through 1 to 3 years of structured training and job rotation, this program focuses on enhancing trainees' capabilities in production technology, problem-solving, and comprehensive management, laying the foundation for them to become the core strength in production management.

Case: Nanwang Scien-tech's Business Growth Training Program

We designed and implemented a 6-day systematic training program titled "From Manager to Business Leader" for mid-to-senior-level managers. The curriculum focused on three core modules: Methodology for Managing Oneself, Methodology for Managing Teams, and Methodology for Engaging with Leadership, aiming to systematically enhance managers' human resource management capabilities and support their transition from specialized management to comprehensive business leadership.

During the reporting period

13,348.52 hours
Total training hours

9.47 hours
Average training hours per employee

1,410 persons
Total number of employees trained

42.60 %
Percentage of employees receiving skills-related training

Key Performance

During the reporting period, departments across the Company organized 153 training sessions focusing on personal development, skill enhancement, professional expertise, and laws and regulations.

Career development

The Company is committed to building clear career progression pathways and a scientific management system. Based on the *Performance Management Manual*, we have established a comprehensive performance evaluation framework covering all job roles, grounded in seven core principles: fairness, objectivity, open communication, differentiation, regularity, developmental focus, and job relevance. These principles have defined detailed evaluation methods, scoring criteria, and implementation guidelines, complemented by a formal performance appeal mechanism to ensure transparency and impartiality throughout the assessment process. Annual performance results are systematically applied to compensation incentives, career advancement decisions, and personalized development recommendations.

For high-potential employees, the Company has established dual career pathways in management and technical tracks. Through regular talent reviews and in-depth communication, we dynamically assess their capability development and role alignment, and design personalized development plans to strengthen core talent pipeline development. For employees in technical roles, a periodic skill assessment mechanism is implemented, with evaluation outcomes serving as a key basis for promotion decisions.

The Company also supports diversified career pathways by opening internal job mobility channels. Employees may apply for role transitions based on business needs, personal development aspirations, and capability alignment. Adjustments are made after comprehensive evaluation, enhancing role-person fit efficiency and organizational agility.

Key Performance

During the reporting period, the percentage of employees who received regular performance and career development evaluations was 5.20%.

Occupational Health and Safety

Nanwang Scien-tech prioritizes safety management as a core component of its operations, adhering to the principle of "safety first, prevention-oriented, and comprehensive governance". The Company strictly complies with relevant laws and regulations, including the *Law of the People's Republic of China on Work Safety*, and has established internal management systems such as the *Occupational Health and Safety Management System* and the *Emergency Response Plan for Production Safety Incidents of Fujian Nanwang Environment Protection Sci-tech Co., Ltd.* These frameworks ensure the effective implementation of occupational health and safety initiatives, safeguarding safe and civilized production practices while promoting stable and sustained business development.

Safety production responsibility management

The Company strictly implements the work safety responsibility system. The General Manager is designated as the primary person responsible for enterprise work safety, overseeing both decision-making and execution of safety management. Concurrently, a safety management team was established with the General Manager serving as the Team Leader and heads of various departments as members. The Environment, Health, and Safety Department (here in after referred to as "EHS Department") was established as the dedicated management department to specifically implement the execution of safety policies, risk control, and daily supervision and inspection functions. Based on actual conditions and characteristics of different positions, the Company has formulated safety production responsibility systems for all departments, personnel at all levels, and job roles. Signing of safety production target management responsibility agreements has been implemented from top to bottom, with responsibilities refined down to specific positions and personnel. Regular assessments are conducted to evaluate the implementation of the safety responsibility system.

The Company strictly follows the requirements of the ISO 45001 Occupational Health and Safety Management System, conducting internal audits and external evaluations regularly to comprehensively review the system's suitability, adequacy, and effectiveness. For identified issues, a closed-loop rectification mechanism is established, achieving continuous improvement through cause analysis, corrective actions, and effectiveness verification, ensuring that safety management aligns with the evolving needs of employee career development.

Additionally, the Company sets annual safety targets based on actual business operations, ensuring effective operation of the management system through target breakdown, process monitoring, and responsibility implementation.

Key Performance

During the reporting period, the number of work-related fatalities at the Company was 0.

As of December 31, 2025,

Fujian factory has obtained ISO 45001 Occupational Health and Safety Management System certification.

2025 Safety Management Goals

Category	Targets	Achievement
Accident Control	• Zero fatalities, severe injuries, or major responsibility accidents • Zero occupational poisoning incidents or occupational disease cases	Achieved
Safety Management	• 100% integrity rate of safety protection equipment and facilities • 100% utilization rate for safety production funds and materials	Achieved
Occupational Health	• 95% timely rectification rate for safety hazards • 100% health examination coverage rate • 100% implementation rate for occupational health protection facilities and safe operating procedures	Achieved
Training and Education	• 100% coverage and pass rate for three-level safety education for new employees • 100% certified training rate for personnel in "three key positions" • 100% occupational health training coverage rate	Achieved

Safety production risk management

The Company actively promotes the construction of a preventive safety production system. It has established the *Production Safety Accident Emergency Plan* and formed a safety production risk assessment group. Through hazard identification, hazard inspections, and other measures, the likelihood of accidents is reduced at the source.

Hazard inspections are divided into basic management and on-site management. Basic management primarily checks institutional compliance, including workshop- and team-level safety training records, personal protective equipment distribution records, and self-inspection and rectification records for hazards. On-site management follows an area-based grid management system, requiring at least one comprehensive weekly inspection of each responsible area, covering fire safety, temporary electrical work, workplace environment, special equipment, high-risk operations, facility maintenance, signage, and employee behavior. Additionally, the Company has established a *Hazard Inspection Reporting and Reward System* to encourage employees to promptly report safety issues, enabling timely hazard elimination and ensuring workplace safety. In 2025, one equipment safety inspection was conducted, achieving a 100% coverage rate. Issues were identified with workshop equipment and rotating components, and corrective actions were completed for the relevant equipment.

Key Performance

During the reporting period, the Company identified and rectified 133 hazards, achieving a 100% rectification completion rate; approved 42 high-risk operations, with 100% on-site supervision coverage; conducted qualification reviews for 12 contractors; achieved a 100% testing compliance rate for occupational disease hazard factors.

Occupational health management

In terms of occupational health management, the Company regularly monitors job roles exposed to risks such as dust, noise, and chemical toxins. It standardizes the distribution and supervision of employees' proper use of personal protective equipment, organizes occupational health examinations, and fully implements occupational health protection measures in production positions. We conduct regular equipment safety inspections annually and establish a normalized inspection mechanism. By integrating standardized operating procedures for control, we effectively ensure the safe operation of our equipment. Additionally, the Company establishes and operates a safety risk hazard reporting and reward mechanism to strengthen employees' occupational health and safety. The Company also prioritizes employees' mental health by providing corresponding psychological counseling and expert lectures to enhance the physical and mental well-being of its workforce.

Key Performance

During the reporting period, the Company achieved a 100% participation rate in occupational health examinations for employees, with no new occupational disease cases identified.

Safety training and culture

Nanwang Scien-tech systematically conducts safety production education and publicity activities, committed to continuously enhancing employees' safety awareness and professional competence. The Company implements differentiated safety training programs, delivering targeted education to employees in different positions, with a focus on strengthening the safety management capabilities of personnel in critical roles. It systematically advances the standardization and standardized management of safety production training.

All employees receive routine safety training, covering topics such as occupational safety laws and regulations, job-specific safety operating procedures, heatstroke emergency response, safety risk identification and management, as well as fire safety and accident case studies. New employees are required to complete a systematic "three-level safety education" and training program. Additionally, specialized occupational health training is conducted for employees in positions exposed to occupational hazards, systematically improving their safety literacy and risk prevention capabilities.

Key Performance

During the reporting period, the Company conducted 74 sessions of safety training for new employees, achieving 100% coverage of occupational health and safety education; organized 4 emergency drills, with 1,391 employee participations.

Shared Responsibility and Mutual Success

Nanwang Scien-tech is committed to integrating sustainable development across the entire value chain. We collaborate with suppliers to advance the green transition, assist customers in achieving their sustainable development goals, implement environmental impact management throughout the product lifecycle, and actively participate in the co-construction of the industry ecosystem. Through collaborative innovation and shared responsibility, we aim to collectively build a more resilient and sustainable future.

Customer Responsibility

The Company consistently adheres to the core value of "Customer First", dedicated to building a customer-oriented, excellent service system. By developing and implementing internal management policies such as the *Customer Satisfaction Survey Control Procedure*, the *Order Tracking Management Procedure*, and the *Customer Return Handling Procedure*, we continuously refine our customer collaboration mechanism, enhancing service quality and customer satisfaction.

Enhancing service quality

The Company has established diversified communication and feedback channels, supported by a comprehensive customer complaint handling procedure. Through efficient response and closed-loop management, we maintain close collaboration with customers, solidifying long-term partnerships.

To systematically assess the customer experience and drive continuous service improvement, the Company conducted a satisfaction survey targeting core and potential customers in 2025. The survey provided a comprehensive evaluation across 7 dimensions, including pre-sales service, sales support, product quality, and delivery performance, with a specific focus on incorporating customer attention to sustainability needs. For items that did not meet standards in the survey, the Company conducted root cause analysis and formulated specific improvement action plans. By tracing issues and implementing corrective measures, we aim to systematically optimize service processes and support system, further enhancing our capability for co-creating value with customers.

Primary Customer Communication Channels

- Company website
- Customer visits
- New media platforms (e.g., WeChat Official Account, Douyin)
- Exhibitions, forums and summits
- Service hotline
- WeChat, QQ, DingTalk
- Email
- Business phone
- Information systems
- Questionnaires

Customer collaboration

The Company has always placed customers at the core of its key stakeholders. Through regular communication and a two-way feedback mechanism, we gain a deep understanding of customer needs and expectations, fostering close alignment between our services and customers' business objectives. The Company emphasizes building mutually beneficial and trustworthy partnerships, leveraging our professional capabilities to support customers in achieving their sustainable development goals, thereby forming a virtuous symbiotic ecosystem.

Case: Nanwang Scien-tech Collaborates with Yum China to Advance the Transformation of Green Packaging

We have worked closely with Yum China in the field of sustainable packaging, providing comprehensive support for its green development strategy. The collaboration focuses on three main directions: promoting the use of eco-friendly materials and green printing processes, advancing packaging circularity and reduction design, and deepening supply chain synergy. This has effectively supported Yum China's integrated targets in environmental, social, and governance (ESG) aspects.

Joined the Yum China Green Power Alliance

Case: Nanwang Scien-tech Supports McDonald's Global Sustainability Goals

We engaged in deep collaboration with McDonald's on its global sustainability strategy. We developed waterproof paper bags specifically for takeout, utilized renewable raw materials to reduce carbon footprint, and achieved packaging lightweighting and functionalization. Furthermore, we obtained FSC paper certification and adopted clean printing processes along with fluorine-free papers, thereby supporting the client's global sustainability strategic objectives.

Paper Bags Made from Renewable Materials

Product Liability

Quality management

The Company strictly adheres to the *Law of the People's Republic of China on Product Quality* and other relevant laws and regulations. The Company carries out comprehensive implementation of national quality standards including GB 4806.1-2016 *National Food Safety Standard General Safety Requirements for Food Contact Materials and Products,* GB 4806.7-2023 *National Food Safety Standard General Food Contact Plastic Materials and Products,* GB 4806.8-2022 *National Food Safety Standard General Food Contact Paper and Paperboard Materials and Products,* GB 9685-2016 *National Food Safety Standard General Standards for Use of Additives in Food Contact Materials and Products,* and GB 31603-2015 *National Food Safety Standard General General Hygiene Specification for Production of Food Contact Materials and Products*, and has established a product quality management system covering the entire business chain. Anchored in standardized management and aligned with its four core product lines, the Company has established an end-to-end quality management system spanning from incoming material inspection and in-process control to finished product verification. To institutionalize and streamline quality control, the Company has developed and implemented a suite of standardized documents, including the *Incoming Inspection Specification*, *Raw Paper Quality Standard*, *Adhesive Inspection Guidelines*, *Process Inspection Specification*, *Finished Product Inspection Specification*, and *Shipment Inspection Specification*. These documents systematically define operating procedures across incoming, in-process, and pre-shipment inspection stages.

Key Performance

As of December 31, 2025,

- **3** factories have obtained ISO 9001 Quality Management System certification
- **1** factory have obtained ISO 22000 certification
- **3** factories have obtained Supplier Ethical Data Exchange (SEDEX) certification
- **4** factories have obtained the BRCGS Global Standard for Packaging Materials certification.

The Company has established the Nanwang Scien-tech Testing Center, constructing a comprehensive, multi-dimensional quality assurance system based on CNAS standards. The center comprises four core functional modules: microbiological testing, physical performance testing, chemical analysis, and customer restaurant simulation testing. Equipped with over 100 advanced instruments and continuously investing in proprietary self-developed testing devices, the center significantly enhances its product quality control capabilities.

Microbiological Testing Area: Regular monitoring is conducted on raw materials, production environments, personnel hands, and tools to strictly control hygiene indicators such as total bacterial count and coliforms, thereby ensuring sanitary safety throughout the production process;

Physical Performance Testing Area: Maintained under constant temperature and humidity conditions, this area conducts tests on key physical properties of paper—including burst strength, tear resistance, and tensile strength—in accordance with International Organization for Standardization (ISO), Technical Association of the Pulp and Paper Industry (TAPPI), and China National Standards (GB), ensuring the stability and reliability of both incoming materials and finished products;

Chemical Analysis Area: Utilizing high-precision equipment such as GC-MS and ICP-OES, this area strictly quantifies harmful substances including heavy metals, formaldehyde, and potential carcinogens like chloropropanol, fully meeting the requirements of the GB4806 series of national food safety standards;

Customer Restaurant Simulation Testing Area: Through sealed bag delivery tests, rain exposure tests, and beverage filling simulations, the durability of products is validated proactively, effectively guaranteeing their safety and reliability in real-world usage scenarios.

The Company prioritizes the digital upgrade of quality management. Leveraging on the MES system, we achieve real-time collection and multi-dimensional analysis of in-process inspection data. The integrated information management platform breaks down data silos between departments, ensuring dynamic visibility and traceability of key quality control points. Finished product inspection data is deeply integrated with the ERP system, enabling the automated generation and electronic archiving of certificates of analysis (COA), significantly enhancing the timeliness and accuracy of quality document management. Based on standardized processes within the digital system, end-to-end closed-loop management capabilities from incoming inspection to process monitoring and final release have been effectively strengthened, providing technical support for the continuous optimization of the quality management system.

Furthermore, the Company has established a rigorous source control mechanism for chemicals by formulating an internal prohibited chemical list. We require suppliers to provide VOC test reports and compliance documentation for food-grade materials, thereby controlling product quality from the source. To address frequent anomalies occurring during the production process, the Company formed a dedicated Quality Control Circle (QCC). Through conducting internal quality audits and participating in customer exchange activities, the Company continuously optimizes its quality control model and incorporates advanced management practices from the industry.

Quality culture development

Case: Case Study Seminar on Product Safety Culture

To further strengthen the construction of product safety management system and deepen product safety awareness among all employees, the Company organized a case study seminar on product safety culture in 2025 under the theme of "Fortifying Food Safety Defenses, Driving Organizational Transformation".

Using a simulation case provided by a customer as a starting point, the seminar organized employees to systematically discuss the key issues within the case. By integrating culture development, system optimization, and process innovation, each group explored pathways to establish a long-term food safety prevention and control mechanism. During the discussions, representatives from each group presented their analysis, proposing constructive solutions and improvement ideas focused on the root causes of problems.

Case: 2025 Labor Skills Competition

The Company held a labor skills competition themed "Showcasing Skills, Upholding Craftsmanship, Staying True to Our Original Aspiration". Centered on the corporate core values of "Professionalism and Efficiency", this competition featured eight contest categories: electromechanical skills, product inspection skills, packing skills, forklift operation skills, and a company-wide knowledge contest, among others. These categories comprehensively covered key aspects of the production process, testing not only individual skill proficiency but also highlighting the power of teamwork.

R&D and innovation

The Company perseveres in integrating cutting-edge technological trends with customer needs and guiding innovation with environmental protection principles as key directives, committed to providing customers with optimal value.

Our R&D strategy is driven by both "customer demand" and "proactive foresight and reserve", ensuring rapid responsiveness to market demands while focusing on the continuous accumulation of strategic technological reserves. We have established a professional technical R&D team, forming technological barriers in 14 core industry areas, including automated handle attachment technology and paper bag anti-permeability technology. It has cumulatively obtained 113 domestic patent grants (including 16 invention patents) and five overseas patent grants. Regarding the innovation management mechanism, the Company has established the *Green Innovation Proposal and Incentive Policy*. Through diversified incentives such as project bonuses and promotion points, employees are encouraged to propose innovative solutions.

Key Performance

Over the past three years, cumulative investment in research and innovation exceeded RMB 90 million.

Case: Waterproof Sealed Paper Bag Project

With the explosive growth of the global food delivery industry, the functionality and environmental friendliness of delivery packaging in rainy or snowy weather have gradually become industry pain points. Traditional paper bags are prone to moisture damage and tearing in such conditions, leading to a degraded user experience. Against this backdrop, the design of waterproof delivery paper bags emerged, aiming to balance practical needs with environmental responsibility while empowering brands for differentiated competition.

- Withstanding 30-Minute Rain Test: The new waterproof self-sealing paper bag adheres to a "Healthy, Hygienic, Eco-friendly" design philosophy. It can maintain high strength even after a 30-minute rain test, effectively protecting the contents inside the bag.
- Innovative Self-Sealing Design: The bag opening features a self-adhesive strip, facilitating easy sealing and opening. This helps minimize rainwater ingress and maintains the cleanliness and hygiene of foods.
- Eco-friendly Materials: Made entirely from biodegradable paper materials, eliminating white pollution.

This product won the "Gold Award for Market Potential Development of the Year" at the WORLD PACKAGING AWARDS 2025.

List of Innovative Products

Waterproof Paper Bag

High-strength waterproof coating, self-adhesive seal, eco-friendly materials
Pain point addressed: Solve the issue in food delivery scenarios where paper bags are prone to becoming soggy and tearing in rainy or snowy weather
Application scenarios: Take-out, delivery

Express Paper Bag

Made from recyclable, biodegradable, renewable materials
Pain point addressed: Paper-for-plastic substitution, reducing and eliminating plastic use, aligning with environmental policies
Application scenarios: E-commerce, cross-border e-commerce, supermarkets, instant delivery

List of Innovative Products

Aluminum-coated Film Scratch-resistant Non-woven Bag

Adopts a composite structural design and functional coating process
Pain point addressed: mitigates issues such as susceptibility to scratching, inadequate thermal insulation, and poor durability in cold chain transportation packaging
Application scenarios: Cold chain distribution, fresh food e-commerce

Anti-scratch Non-woven Bag

Through refined bag-making processes, potential hazards associated with sharp edges are eliminated to achieve a safe, non-scratching experience
Pain point addressed: The issue of hands being easily scratched during the use of traditional non-woven fabric bags is resolved
Application scenarios: Supermarkets and retail stores, brand pop-up events, gift packaging, and community group buying

Highly Water-resistant Thermosensitive Label

Adopts a biodegradable paper substrate that is water-resistant, moisture-resistant, abrasion-resistant, and capable of withstanding extreme high and low temperatures
Pain point addressed: Resolves the issues of color fading, physical damage, and non-biodegradability associated with traditional thermal labels when exposed to high humidity, low temperatures, and friction
Application scenarios: Cold chain transportation, fresh food distribution, food processing, and microwave heating packaging

Dual-color Label

Adopting a dual-color layered design to distinguish fixed information from variable data, thereby enhancing information readability and food preparation efficiency
Pain point addressed: Resolves issues associated with traditional monochromatic labels, including mixed information content, blackening under high temperatures, or blurred coloration under low temperatures
Application scenarios: Food delivery services, coffee shops, chain stores, and brand marketing campaigns

Bottomless Label

Bottomless Label Adopting a single-layer self-adhesive structure without a liner, offering high flexibility and convenient application
Pain point addressed: Points: Resolves issues associated with traditional labels caused by liners, including material waste, migration of hazardous substances, and environmental pollution from liner disposal
Application scenarios: Food packaging, food delivery, fast-moving consumer goods (FMCG), and brand marketing

List of R&D and Innovation Honors for Nanwang Scien-tech in 2025

2025 Top 100 Chinese Printing and Packaging Enterprises
Awarding Organization: Printing Manager Magazine

Packaging Technology Innovation Award
Awarding Organization: Hongkong New Msuccess Media Group Limited

Packaging Technology Innovation Award at the 2025 "Green China" Packaging Competition + European Packaging Competition
Awarding Organization: Hongkong New Msuccess Media Group Limited

2025 China Packaging Container Exhibition Gold Award
Awarding Organization: Reed Exhibitions Limited

Intellectual property

The Company has deeply integrated IP management into the corporate innovation and development strategy. Regarding the governance structure, we have established a management system led by the R&D Department with multi-department collaboration. Through a monthly high-tech project meeting mechanism, we coordinate progress tracking for R&D and evaluation of IP portfolio strategies, enabling the simultaneous advancement of R&D activities and outcome protection. In terms of policy formulation, the Company has built a full-life-cycle management system by formulating specific regulations such as the *Intellectual Property Management System*, the *Patent Application and Maintenance System*, and the *Intellectual Property Agency Management System*. These establish a standardized management pathway from innovation to commercialization.

At the implementation level, the Company has established a dynamic monitoring mechanism. Specifically, the IP team conducts quarterly competitor patent analyses, and has prepared the *Briefings on Patent Risk Alerts* to provide data support for optimizing R&D directions. We also implement a quality control mechanism. Through monthly patent review meetings, technical, market, and legal experts jointly assess innovation proposals across three dimensions: technical novelty, legal stability, and market applicability, strictly controlling the quality of patent applications.

In supply chain management, the Company clearly defines IP ownership and infringement liabilities of equipment and material suppliers through contractual terms, mitigating technology infringement risks at the source. Furthermore, guided by the *Intellectual Property Agency Management System*, the Company standardizes external collaboration processes. It regularly engages professional agencies to provide patent navigation services and technology hotspot analysis, assisting R&D teams in accurately identifying high-value technology fields.

Key Performance

During the reporting period, the Company was newly granted 21 new patents, 5 invention patents and 14 utility model patents.

As of December 31 2025,
the total number of cumulative valid patents the Company holds was 111, including 16 cumulative valid invention patents, 83 cumulative valid utility model patents, 113 cumulative domestic patent grants and 5 cumulative overseas patent grants.

Supply Chain Responsibility

The Company strictly adheres to legal and regulatory requirements of the countries and regions in which it operates, including the *Bidding Law of the People's Republic of China* and the *Government Procurement Law of the People's Republic of China*. We have formulated policies such as the *Supplier Selection and Management Procedure* and the *Supplier Code of Conduct*, setting out management requirements covering all stages from supplier eligibility, assessment, to exit, which continuously strengthens the standardized and systematic management of suppliers. On top of this, the Company is committed to promoting the development of a sustainable supply chain, extending environmental and social responsibility upstream.

The Company has established a supplier risk management system. In accordance with the *Supplier Selection and Management Procedure*, suppliers are subject to annual categorized and graded management based on multidimensional indicators including quality qualification rate, on-time delivery rate, complaint rate, food safety risks, and brand reputation. We also develop differentiated audit strategies based on different risk levels. Precise categorization and dynamic control allow the Company to effectively enhance the stability, quality, and compliance of the supply chain, which may provide solid assurance for the Company's sustainable operations and product safety.

To gain a deeper understanding of the sustainability performance of the supplier, the Company conducts surveys via questionnaires or face-to-face communication, focusing on the environmental, social responsibility, and upstream management practices of key suppliers. The Company pays particular attention to critical aspects such as papermaking wastewater treatment. As of the end of 2025, we have embarked on such research initiative for certain core suppliers. In routine communications with suppliers, the Company consciously guides their attention towards carbon reduction topics such as energy consumption planning, green electricity usage, and packaging material recycling, promoting the dissemination of carbon reduction concepts. Additionally, the Company continuously monitors supplier practices in areas such as working hours management, use of environmentally friendly materials, and labor protection, to ensure that suppliers balance economic benefits with employee rights and environmental protection.

Looking ahead, the Company will, based on existing work, continue to reinforce sustainable supply chain management, striving to translate conceptual consensus into concrete actions, and jointly build a green, responsible, and resilient supply chain system with its suppliers.

Industry Collaboration

The Company is committed to promoting green transformation and technological upgrading of the industry. While achieving its own sustainable development, it actively undertakes the responsibility of co-building the industrial ecosystem. Focusing on areas such as the application of green materials and the development of low-carbon processes, the Company has led or participated in the drafting and revision of multiple industry standards, providing foundational support for constructing a technologically advanced and resource-efficient industrial system.

In terms of external collaboration, the Company has established cooperative R&D relationships with institutions such as Shaanxi University of Science & Technology and Beijing Institute of Graphic Communication. In partnership with Beijing Institute of Graphic Communication, it conducted a carbon footprint study on representative products, quantifying and verifying the low-carbon advantages of the water-based flexographic printing process it employs. Through these efficient industry-academia-research collaborations, the Company has strengthened its green manufacturing competitiveness.

In terms of sharing technological achievements, the Company presses ahead with the global deployment of its core technologies via the Patent Cooperation Treaty (PCT) international patent application system. Related technological achievements have entered the patent examination process in eight countries through the PCT route and have obtained patent grants in five countries. By licensing its patents, the Company supports the application of technology within the industry, helping upstream and downstream enterprises in the industrial chain enhance their innovation capabilities, and promoting the diffusion and practical application of green technologies across the sector.

Standards Development Participation

Industry Standard	• QB/T 4379-2019 Paper Shopping Bags
National Standard	• GB/T 27590-2022 Paper Cup • GB/T 44833—2024 Paper Straws (Including Paper Raw Material for Straws)
Group Standards	• T/CNFIA 201-2020 Disposable Paper Straws for Food Contact • T/CTAPI 001-2022 General Requirements of Green Paper Packaging Products for Takeout • T/CNFIA 161-2022 Eco-Friendly Coated Paper, Paperboard and Related Products for Food Contact • T/HBFPIA 017-2023 Takeaway Non-Woven Environmentally Friendly Bags • T/CNFIA 189-2024 Determination of Extractable Organic Fluorine Content in Food Contact Paper, Cardboard and Paper Products Online Combustion-Ion Chromatography • T/CNFIA 190-2024 Determination of Total Organic Fluorine Content in Food Contact Paper, Cardboard and Paper Products - Ion Chromatography • T/CNFIA 191-2024 Determination of Total Fluorine Content in Food Contact Paper, Cardboard and Paper Products Online Combustion-Ion Chromatography Method • T/CSTM 01169-2024 Evaluation of Fluorine-Free Grease-Proof Plant-Fiber Base Materials for Food Contact

List of Industry Associations Joined

Printing Technology Association of China (PTAC)
Member Unit of the Collaborative (Working) Group for the Tracking and Evaluation of National Food Safety Standards on Testing Methods
Member Unit of the Sub-Technical Committee for Packaging Paper and Paperboard, National Technical Committee for Paper Industry Standardization
Member Unit of the National Technical Committee for Standardization of Food Contact Materials and Articles
Member Unit of the Paper-based Green Packaging Materials and Products Professional Committee, China Technical Association of Paper Industry
Standing Committee Member Unit of the Environmental Protection Paper Industry Professional Committee, China Chemical Industry Information Association
Council Member Unit of the Fujian Provincial Quality Management Association
Council Member Unit of the Fujian Brand Promotion Association

Giving Back to Society

Nanwang Scien-tech firmly believes that actively giving back to society is a core responsibility of corporate citizenship. We are committed to growing together with the communities we operate in and creating shared value through public welfare and philanthropic activities, striving to translate charitable actions into tangible social benefits and contributing to building a warmer, more sustainable, and better society.

Key Performance

During the reporting period,
the cumulative investment in public welfare activities amounted to RMB 298,218.5.

The Company continues to carry out public welfare projects for community care and actively fulfills its corporate social responsibility. During the Spring Festival of 2025, we distributed a consolation allowance of RMB 2,000 to residents of Liantang Village, Hui'an County, Fujian Province, to support improvements in their holiday living standards. During the Double Ninth Festival, we conducted another elderly care outreach activity, providing dedicated care services to 30 senior residents of Liantang Village.

Visiting elderly residents

Philanthropy

Continuously investing in the education sector

The Company continues to support local education by providing scholarships and funding for school construction to help improve teaching environments. In 2025, we provided scholarships to Liaoyuan Primary School. During the Children's Day period, we distributed a total of RMB 20,000 in holiday allowances to Liaoyuan Primary School and Huidong Experimental Primary School, covering 200 students.

Charitable donations

We made donations to Hui'an County Love Assistance Public Welfare and Anxin Assistance Public Welfare to support their continued work in helping those in distress. At the same time, we sponsor a disability art troupe to support persons with disabilities in realizing their self-worth and social integration through art. In terms of regional collaboration, we responded to the call by participating in donations for the "Fujian-Ningxia Collaboration" initiative, contributing to coordinated development across regions. The cumulative amount of the aforementioned donations reached RMB 200,000 .

Supporting the development of local culture and sports

We sponsored the Tongcheng City Cultural and Tourism Project to support Anhui Yifeng Sports Development Co., Ltd. in organizing sports events; provided sponsorship to Anhui Clown Egg Culture Media Co., Ltd. to promote the development of the local cultural and creative industry; and simultaneously offered financial support for the Heshan Dragon Boat Culture Festival to assist in the inheritance and dissemination of traditional folk culture. The cumulative amount of cultural sponsorship reached RMB 60,000, effectively contributing to the prosperity of local culture.

Social Welfare Awards

04

Resilient Governance, Robust Operations

Material Topics Addressed

ESG Governance | Business Ethics | Information Security

Our Concept

Nanwang Scien-tech adheres to the principles of compliance, integrity, and robust operations. We continuously enhance our corporate governance framework, uphold ethical business practices, and strengthen the scientific rigor, effectiveness, and adaptability of governance systems to build a resilient foundation for sustainable development.

Responded SDGs

Corporate Governance

Nanwang Scien-tech strictly complies with laws, regulations, and normative documents including the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Rules Governing the Listing of Stocks on the ChiNext Market of Shenzhen Stock Exchange*, the *Self-Regulatory Guidelines No. 2 for Companies Listed on Shenzhen Stock Exchange -Standardized Operation of Companies Listed on ChiNext Market*, and the *Guidelines for Articles of Association of Listed Companies* issued by the China Securities Regulatory Commission. The Company continuously standardizes its operations and strives to enhance corporate governance standards to ensure compliance and stability in operations.

The Company has established a governance structure comprising the shareholders' meeting, Board of Directors, and management team, which are independent from and supervise one another. The *Articles of Association* and other detailed governance rules have been formulated to clarify the scope of authority, responsibilities, and procedural workflows at each governance level, standardizing corporate decision-making and operational oversight. During the reporting period, the shareholders' meeting, Board of Directors, Board of Supervisors, and management team all operated strictly in accordance with regulatory requirements and internal policies, with no violations of laws or regulations observed. The Board of Directors has established specialized committees, including the Strategy Committee, Nomination Committee, Compensation and Evaluation Committee, and Audit Committee. Each specialized committee is accountable to the Board of Directors, provides advisory opinions and recommendations on major management matters, oversees the implementation of resolutions, and ensures the effectiveness of Board operations.

The Company emphasizes the diversity of Board composition. When nominating new directors, multiple factors are considered, including gender, age, professional experience, and cultural and educational backgrounds, to ensure the scientific rigor and effectiveness of Board decisions. As of the end of the reporting period, the Board of Directors comprised a total of 7 members, including 4 non-independent directors and 3 independent directors, and independent directors accounted for 43%.

4 Members
Non-independent Directors

3 Members
Independent Directors

1 Member
Employee Representative Director (Non-Independent)

43 %
Percentage of Independent Directors on the Board

Business Ethics

Nanwang Scien-tech strictly complies with laws and regulations including the *Anti-Monopoly 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*. The Company has formulated internal regulations such as the *Employee Handbook* to clarify requirements for ethical conduct, establish an anti-fraud mechanism, integrate business ethics standards into operational processes, and implement dynamic supervision over high-risk areas such as procurement and sales through internal audits, thereby strengthening employee behavioral compliance.

Business Ethics Governance

The Company continues to improve its anti-corruption governance system. The Chairman serves as the highest decision-maker for business ethics matters and oversees anti-corruption governance comprehensively. The internal audit department reports directly to the Chairman, ensuring independent decision-making and efficient response to major risk matters. The Board's Audit Committee directly supervises the implementation of anti-corruption systems, establishing a top-down compliance management structure.

The Company has established a periodic audit mechanism covering all business units and subsidiaries. An annual comprehensive audit plan is developed and strictly implemented to ensure that each operating entity undergoes at least one systematic audit assessment per year. For high-risk areas such as procurement and sales, a dynamic enhancement mechanism for specialized audit frequency is implemented to strengthen risk prevention and control through penetration audits on key operations.

At the audit execution level, the Company adopts a collaborative model combining internal audits with external professional audits. The internal audit team is responsible for routine inspections and special audits, focusing on verifying the implementation of anti-fraud systems, compliance with conflict-of-interest declarations, and the effectiveness of reporting channels. Additionally, the Company periodically engages independent third-party accounting firms or compliance consultants to conduct professional evaluations of critical areas such as internal controls over financial reporting and the operation of anti-fraud systems, ensuring the independence and professionalism of audit work. During the reporting period, no incidents of corruption or violations of business ethics occurred within the Company.

Whistleblowing Management

The Company is committed to establishing a robust whistleblowing and investigation mechanism, and has formulated the *Whistleblowing Management Policy*, applicable to all employees of the Company and its subsidiaries, providing a clear institutional basis for related work. To ensure the effectiveness and security of whistleblowing channels, the Company has established diversified reporting methods, including a dedicated email address, physical whistleblowing mailboxes located in office premises, and in-person reporting options selected by the whistleblower, all of which are managed by the Chairman.

The Company places great emphasis on the protection of whistleblowers and commits to strictly maintaining the confidentiality of their personal information. The whistleblowing mailbox is exclusively managed by the Chairman, and the whistleblowing email utilizes an external server to ensure the confidentiality of information transmission. Any individual reporting to the designated department is protected by the Company's policies and laws regarding personal rights, property rights, employment rights, and other legitimate interests.

In handling whistleblowing investigations, the Company implements a recusal system. Whistleblowers have the right to request the recusal of investigators who have a conflict of interest or other connections to the reported matter, ensuring the fairness and independence of the investigation process.

Whistleblowing Handling Process

- The Whistleblowing Management Department reviews, registers, and promptly forwards written materials submitted by whistleblowers to the Audit Department for handling. For reports involving significant, urgent, or clearly defined clues, the Company will prioritize processing. Personnel unrelated to the case are prohibited from inquiring about or accessing information regarding the whistleblower.

- Within seven working days of receiving a report, the Audit Department will conduct an initial review and verification to determine whether to initiate an investigation. If no investigation is initiated, the whistleblower will be informed of the decision and the reasons. The whistleblower has the right to request reconsideration or file a report with a higher-level supervisor.

- After completing the necessary investigation procedures, the Audit Department will prepare an investigation report based on verified facts and submit it to the Chairman.

- For cases confirmed to be true and involving violations of the Criminal Law of the People's Republic of China, the Company shall refer the matter to the public security authorities for handling.

- Within one month after the conclusion of an investigation, the Audit Department will inform the whistleblower in writing of the handling and results of the case.

Development of an Integrity Culture

Case: Specialized Training on Legal Education

The Company collaborated with local public security authorities to conduct a legal education campaign themed "Promoting Rule of Law into Enterprises". Through legal knowledge seminars, the campaign systematically interpreted laws and regulations closely related to business operations and employee conduct, combined with analysis of real-life cases to help employees identify legal risks such as embezzlement in office and commercial bribery. This specialized initiative effectively enhanced employees' compliance awareness and commitment to integrity self-discipline, while providing solid support for building a transparent and fair business environment.

Information Security

Information security is the cornerstone of the Company's stable operations and the foundation of customer trust. Nanwang Scien-tech places great emphasis on information security management, continuously improving its network and information security management systems, strengthening protective measures, and effectively safeguarding the security of internal and customer data.

The Company continuously improves its network and information security management system by integrating institutional standardization with technical prevention measures to ensure the security of Company information. In terms of institutional development, we have formulated and implemented internal regulations covering the entire business process, including the *Information System Access Security Management Regulations*, the *Computer Room Management Regulations*, the *Information System Permission Approval Regulations*, the *Monitoring Management Regulations*, the *Data Backup Management Regulations*, and the *Information Security Reporting Regulations*. These systematically standardize operational protocols for critical areas such as customer information management, access control, code development, and data backup maintenance, and . also clarify security responsibilities at all organizational levels, establishing a clear governance framework for cybersecurity.

The Company has implemented physical isolation between internal and external networks, reinforcing external network defenses through firewalls, and deploying an information leakage prevention system is implemented to identify and control data outbound channels. Additionally, mandatory encryption is enforced for files on computers used by core R&D personnel to prevent unauthorized external access. For permission management, sensitive data in systems such as ERP requires a tiered approval mechanism, strictly controlling access rights to effectively reduce information leakage risks and safeguard customer privacy and data security, thereby fortifying the Company's digital operational security defenses.

In terms of technical safeguards, the Company engages third-party security agencies to conduct vulnerability scanning and penetration testing to identify and rectify potential security gaps. We also commissions independent audit agencies to perform compliance verification of its IT infrastructure and management systems, ensuring that information security practices align with industry standards and regulatory requirements.

Regarding security incident management, the Company has established internal protocols such as the *Emergency Response Manual for Cyberattacks*, the *Information Disaster Recovery Plan*, and the *Business Continuity Plan*. It has also implemented an information security incident reporting mechanism, requiring all employees to strictly follow established procedures to report suspicious security incidents promptly, ensuring timely risk mitigation and closed-loop management.

Furthermore, the Company employs an online and offline integrated training system, regularly organizing specialized information security courses and drills while disseminating risk warning cases to all employees. This continuous effort strengthens staff awareness and emergency response capabilities. During the reporting period, the Company did not experience any data breaches or system intrusions.

Appendix

Appendix I. Sustainability Key Performance Metrics Table

Metrics	Unit	2025
Environmental Key Performance Metrics[1]		
Volatile Organic Compounds (VOCs) Emissions	Tonnes	11.57
Nitrogen Oxide (NOx)[2] Emissions	Tonnes	0.31
Sulfur Oxides (SOx) Emissions	Tonnes	0.08
Total Hazardous Waste Generated	Tonnes	25.99
Hazardous Waste Recycled	Tonnes	6.39
Hazardous Waste Disposed	Tonnes	19.69
Total Non-hazardous Waste Generated	Tonnes	11,469.68
Total Non-hazardous Waste Recycled	Tonnes	10,734.92
Total Non-hazardous Waste Disposed	Tonnes	734.76
Total Production Wastewater	Tonnes	19,485.29
COD Emissions	kg	4,051.29
Ammonia Nitrogen Emissions	kg	238.42
Total Water Withdrawal	Tonnes	153,942.00
Total Energy Consumption[3]	kWh	117,953,469.07
Total Fossil Fuel Consumption	kWh	2,146,955.23
Gasoline Consumption	kWh	173,115.78
Diesel Consumption	kWh	217,887.20
Natural Gas Consumption	kWh	1,755,952.25
Indirect Energy Consumption	kWh	115,806,513.85
Grid Electricity Consumption	kWh	108,778,793.85
Clean Energy Consumption	kWh	7,027,720.00

1_The data covers 6 factories that operated normally during the fiscal year 2025.

2_Emission data for NOx and SOx cover emissions generated during the manufacturing process.

3_Calculation was performed in accordance with GB/T 2589-2020 *General Principles for Calculation of Comprehensive Energy Consumption* issued by the State Administration for Market Regulation and the Standardization Administration of China.

Metrics	Unit	2025
Scope 1 GHG Emissions[4]	Tonne of CO_2 equivalent	460.63
Scope 2 GHG Emissions[5] (location-based approach)	Tonne of CO_2 equivalent	57,718.03
Scope 2 GHG Emissions (market-based approach)	Tonne of CO_2 equivalent	66,311.55
GHG Emissions Generated from Own Operations (location-based approach)	Tonne of CO_2 equivalent	58,178.66
GHG Emissions Generated from Own Operations (market-based approach)	Tonne of CO_2 equivalent	66,772.19
Social Key Performance Metrics		
2025 Working Hours	Hour	7,217,100
Total Number of Employees	Person	2,887
Number of Employees with Disabilities	Person	9
Male	Person	1,726
Female	Person	1,161
Proportion of Female Employees	%	40.2

4_Scope 1 emissions encompass combustion emissions from fossil fuels such as gasoline, diesel, and natural gas utilized in production and operations. The calculation methodology and emission factors reference the *Guidelines for Accounting and Reporting of Greenhouse Gas Emissions by Enterprises in Other Industrial Sectors (Trial)* issued by the National Development and Reform Commission, and the IPCC 2006 National Greenhouse Gas Inventories Guidelines; the Global Warming Potential (GWP) values for greenhouse gases refer to the IPCC Sixth Assessment Report.

5_Scope 2 emissions encompass greenhouse gas emissions resulting from indirect energy sources such as purchased electricity and heat. The 2025 electricity emission factor references *Announcement No. 47 of 2025 issued by the Ministry of Ecology and Environment, titled Announcement on the Release of 2023 Electricity Carbon Dioxide Emission Factors.*

Metrics	Unit	2025
Full-time Employees	Person	2,887
Number of Employees Aged 30 and below	Person	925
Number of Employees Aged 31-40	Person	968
Number of Employees Aged 41-50	Person	648
Number of Employees Aged 50 and above	Person	346
Number of Employees in Chinese Mainland	Person	2,596
Number of Employees in Overseas	Person	291
Number of Employees Working Overseas[6]	Person	20
Total Number of Employees Trained	Person	1,410
Percentage of Employees Received Regular Performance and Career Development Assessments	%	5.2
Percentage of Employees Who Received Skills-related Training	%	42.6
Total Trained Hours	Hour	13,348.52
Average Training Hours per Employee	Hour	9.47
Number of Work Injury	Case	40
Lost Days due to Work Injury	Day	877

6_"Overseas employees" refers to employees whose work location differs from their country or region of nationality.

Appendix II. Shenzhen Stock Exchange Sustainability Disclosure Index

Dimensions	No.	Disclosure Requirement	Corresponding Clauses	Corresponding Chapter
Environmental	1	Addressing Climate Change	Article 21-28	Response to Climate Change and Energy Management
	2	Pollutants Emission	Article 30	Pollution Prevention and Ecological Protection
	3	Waste Management	Article 31	Pollution Prevention and Ecological Protection
	4	Ecosystem and Biodiversity Protection	Article 32	Pollution Prevention and Ecological Protection
	5	Environmental Compliance Management	Article 33	Pollution Prevention and Ecological Protection
	6	Energy Utilization	Article 35	Response to Climate Change and Energy Management
	7	Water Resource Management	Article 36	Resource Utilization and Circular Economy
Social	8	Circular Economy	Article 37	Resource Utilization and Circular Economy
	9	Rural Revitalization	Article 39	Giving Back to Society
	10	Social Contribution	Article 40	Giving Back to Society
	11	Innovation-Driven Development	Article 42	Shared Responsibility and Mutual Success
Social	12	Ethics in Science and Technology	Article 43	Not Applicable
	13	Supply Chain Security	Article 45	Shared Responsibility and Mutual Success
	14	Fair Treatment of SMEs	Article 46	Not Applicable
	15	Products and Services Safety and Quality	Article 47	Shared Responsibility and Mutual Success
	16	Data Security and Customer Privacy Protection	Article 48	Information Security
	17	Employees	Article 50	People-Centric Approach
Sustainability-related Governance Mechanisms	18	Due Diligence	Article 52	Sustainable Development Management
	19	Stakeholder Communication	Article 53	Sustainable Development Management
	20	Anti-Bribery and Anti-Corruption	Article 55	Business Ethics
	21	Anti-Unfair Competition	Article 56	Business Ethics