

ANGELALIGN TECHNOLOGY INC.
時代天使科技有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 6699

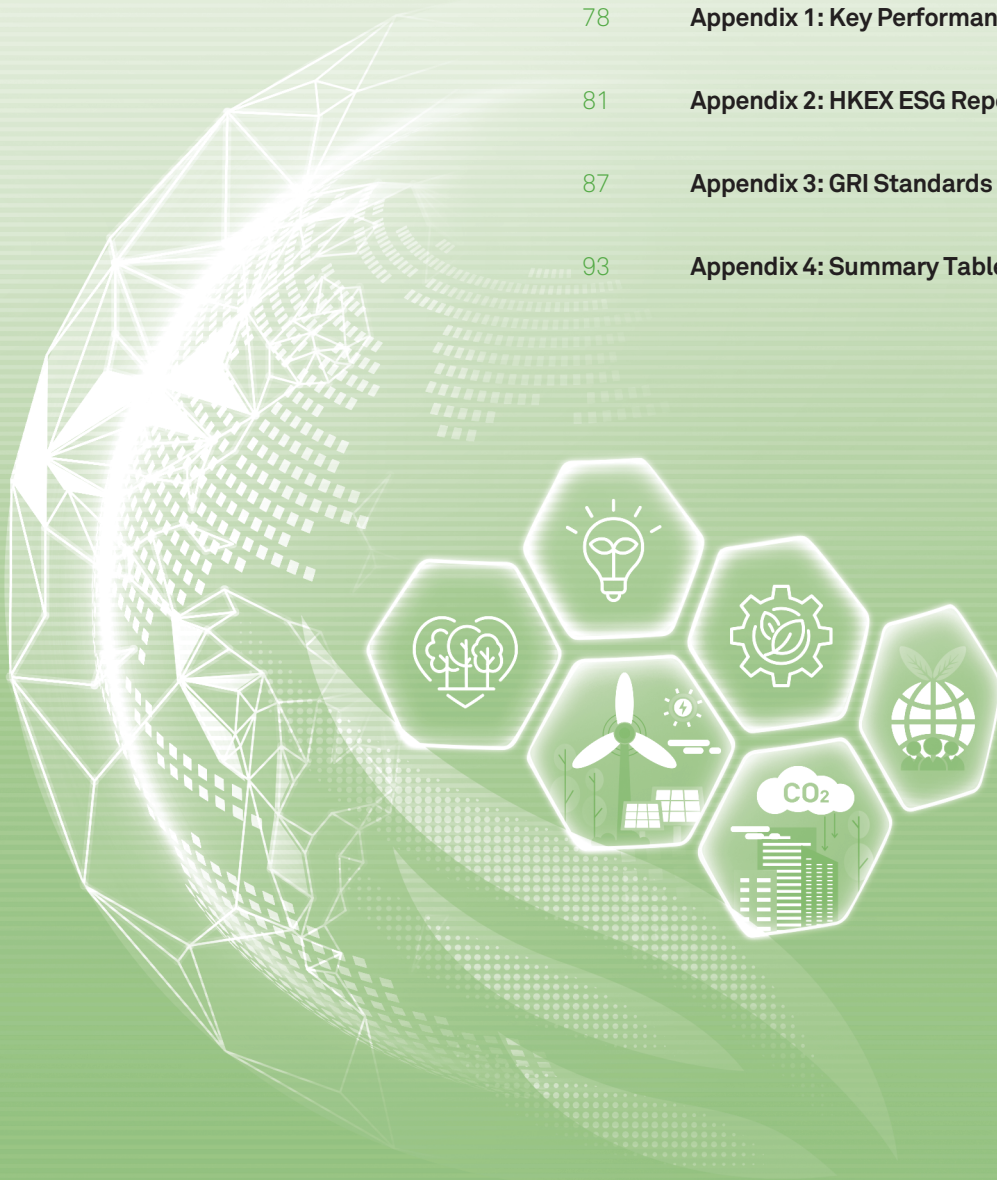
2025

Environmental, Social and
Governance Report



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ABOUT THE ESG REPORT

Angelalign Technology Inc. (the “**Company**” or “**Angelalign**”) and its subsidiaries (the “**Group**” or “**we**”) hereby publish the 2025 Environmental, Social and Governance Report (the “**ESG Report**”), which is the fifth ESG Report released by the Group and aims to present our ESG strategy, philosophy, practices, and performance.

About the Company

The Company is an investment holding company. The Group is a global leader in clear aligner solutions, specializing in the research, design, and manufacturing of clear aligners. The Group’s business spans more than 50 countries and regions across Europe, the Middle East and Africa (EMEA), Asia Pacific (APAC), North America (NA), and South America. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited on June 16, 2021 (Stock Code: 6699).

Reporting Scope

The ESG Report covers the period from January 1, 2025, to December 31, 2025 (the “**Reporting Period**”). To ensure completeness and continuity of disclosure, certain content may extend beyond the Reporting Period. For annual social and environmental key performance indicators (“KPIs”), the reporting scope covers the Company’s Shanghai Operations Headquarters, Wuhan Office, Beijing Office, Wuxi Chuangmei Base, Huishan Production Center and Aditek in Brazil. Other information and KPIs cover the Company and its subsidiaries, consistent with the scope of the annual report.

Data Statement

The data and information disclosed in the ESG Report are derived from the Group’s relevant statistical reports or official documents. Monetary amounts are presented in United States dollars (USD).

Reporting Principles

The ESG Report has been prepared in accordance with Appendix C2 *Environmental, Social and Governance Reporting Code* (the “*ESG Code*”) to the *Rules Governing the Listing of Securities* on The Stock Exchange of Hong Kong Limited, the GRI Standards, and the United Nations Sustainable Development Goals (UN SDGs). It also references the ESG rating methodologies of S&P Global, MSCI and Morningstar Sustainalytics, and follows the reporting principles set out below:

Materiality

Through stakeholder engagement and a materiality assessment, we have identified material ESG topics and made targeted disclosures in the ESG Report.

Balance

The ESG Report presents an unbiased and transparent account of our environmental and social performance.

Quantification

The ESG Report discloses the standards, methodologies and sources of conversion factors used in reporting emissions and energy data.

Consistency

The KPIs and statistical methodologies adopted in the 2025 ESG Report are consistent with those used in the 2024 ESG Report to ensure comparability of information.

Overview of the Report Structure

The Report is structured around the following three dimensions:



Governance Dimension

Primarily covers the Company’s governance structure, business ethics and risk management systems, including board diversity and independence, development of compliance frameworks, anti-corruption practices, information security protection, and intellectual property management.



Environmental Dimension

Focuses on climate action and environmental management, including the identification and management of climate-related risks and opportunities, greenhouse gas emissions control, enhancement of resource efficiency, pollution prevention and waste management, and sustainable supply chain management.



Social Dimension

Concentrates on employee development, product responsibility and community engagement, covering employee rights protection and talent development, product quality and safety and customer satisfaction, as well as public welfare and community development initiatives.

ESG MANAGEMENT

As the Group continues to advance its global strategy, ESG management has become a critical component of Angelalign's strategic framework. We are committed to strengthening our ESG governance system and deeply integrating the core principles of sustainable development into our daily operations, thereby comprehensively enhancing our ESG governance capabilities and performance.

Board Statement

Board Responsibility

As the highest decision-making body for ESG management, the board of directors of the Company (the **"Board"**) is responsible for providing strategic direction on Angelalign's ESG matters, formulating ESG management policies, strategies and objectives, reviewing progress toward these objectives, and overseeing the overall implementation of ESG-related initiatives.

Execution of ESG Matters

At the operational level, our management is responsible for advancing ESG management and ESG reporting, formulating ESG management systems and procedures, and setting specific ESG targets. Major functional departments have formed an ESG working group, which is responsible for the day-to-day management and implementation of ESG initiatives, executing ESG management policies approved by management, and reporting regularly on progress.



ESG Risk Management

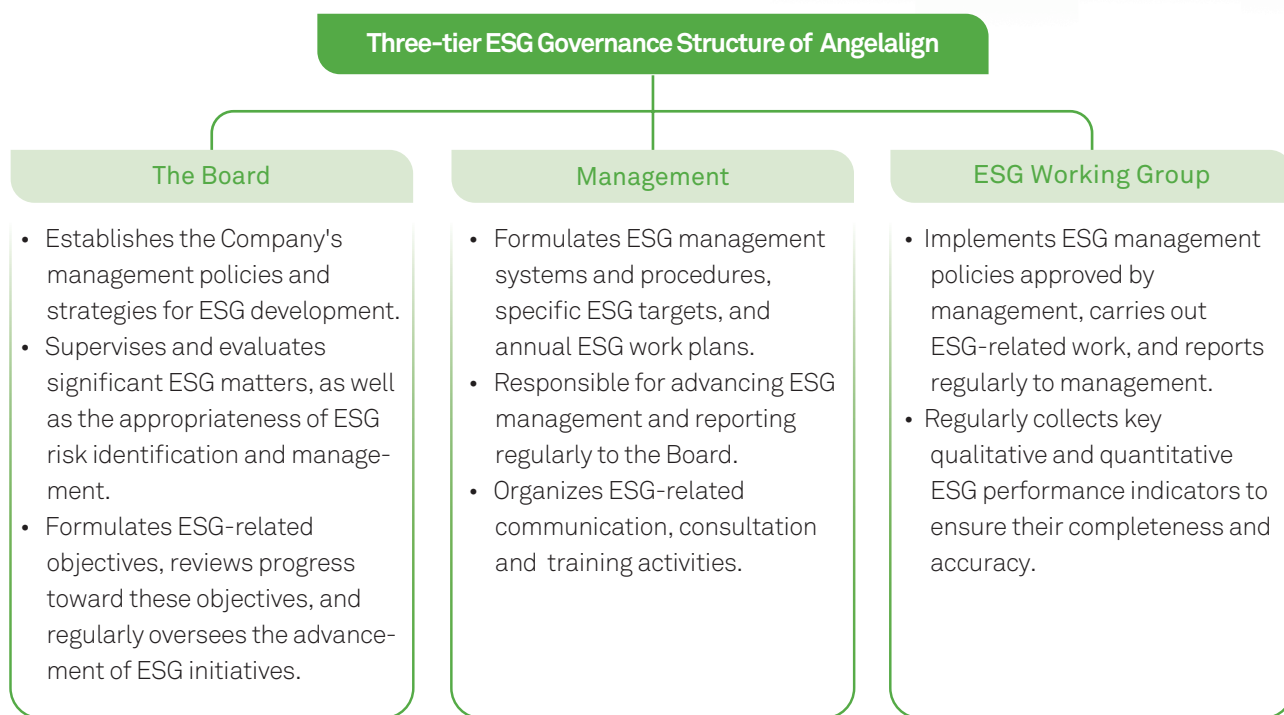
To effectively prevent and manage potential ESG-related risks, Angelalign assesses, prioritizes and manages identified ESG risks and opportunities during the course of its operations. The Company ensures the establishment of appropriate and effective ESG risk management and internal control systems that are aligned with its business operations, so as to facilitate the effective implementation of ESG management strategies.

Key ESG Issues

Angelalign is committed to creating shared value for stakeholders. We have established stable and transparent communication channels and feedback mechanisms to promptly identify, assess and respond to stakeholders' key ESG concerns. Based on this process, we identify ESG topics that are material to the Company and supervise and manage the related matters accordingly.

ESG Governance Structure







The Company is committed to continuously enhancing a top-down ESG governance framework and has established a tiered governance structure ranging from the Board to the ESG Working Group, embedding ESG management strategies into various functional departments and key business processes. During the Reporting Period, we organized ESG empowerment training sessions for the Board, systematically covering ESG policies and regulations, industry best practices and other related topics, to ensure that the Board can effectively fulfill its oversight responsibilities for ESG governance.



Three-tier ESG Governance Structure of Angelalign

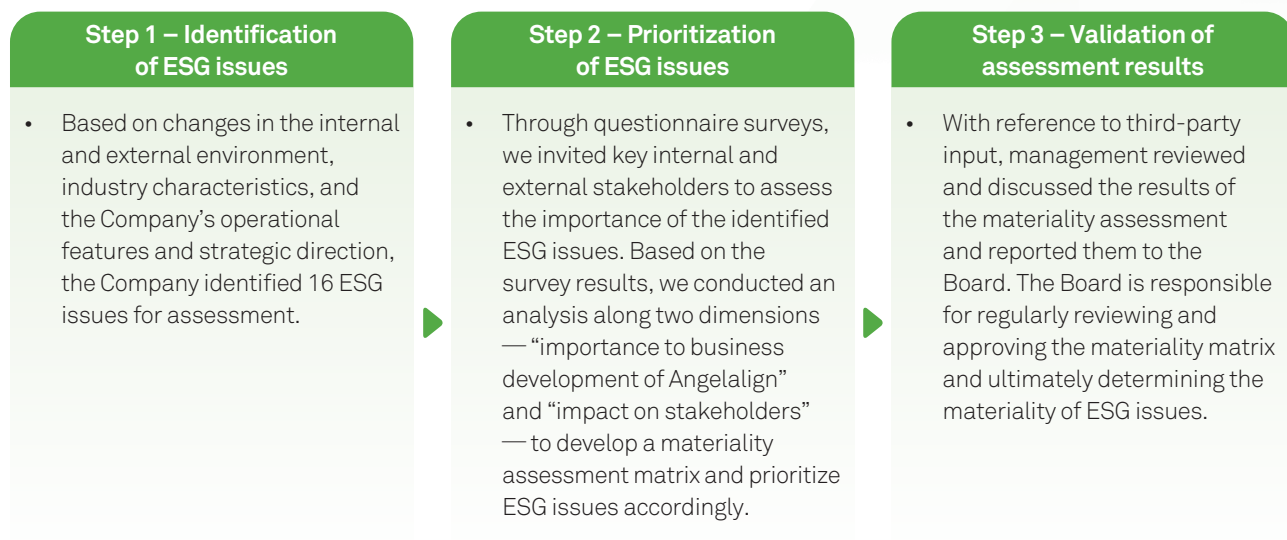
Stakeholder Communication

Angelalign attaches great importance to the expectations and concerns of stakeholders. We have established a comprehensive stakeholder communication mechanism. Through regular engagement, we promptly gather stakeholders' views and expectations regarding the Company's sustainable development and provide targeted responses, working collaboratively to advance ESG-related topics in a substantive and effective manner.

Stakeholders	Expectations and Concerns	Communication Channels
 Government and Regulators	Compliant operation Strict compliance with regulatory requirements Anti-corruption	Regulatory inspections Incident reporting Official correspondence
 Shareholders and Investors	Product quality and safety Investment returns Corporate governance Information security and privacy protection	Announcements and circulars General meetings Investor communication meetings
 Employees	Employee rights and benefits Occupational health and safety Product quality and safety Protection of intellectual property	Employee training Internal announcements and emails Employee care activities Employee publications
 Customers	Product quality and safety Protection of customer rights and interests Information security and privacy protection	Customer research Satisfaction surveys Complaint channels
 Suppliers	Customer service Business ethics Win-win cooperation	Business visits Routine meetings Academic exchange conferences
 Communities and Media	Contribution to community development Healthy communities Enhancement of public welfare awareness	Public welfare initiatives Charitable donations Media interviews and communication

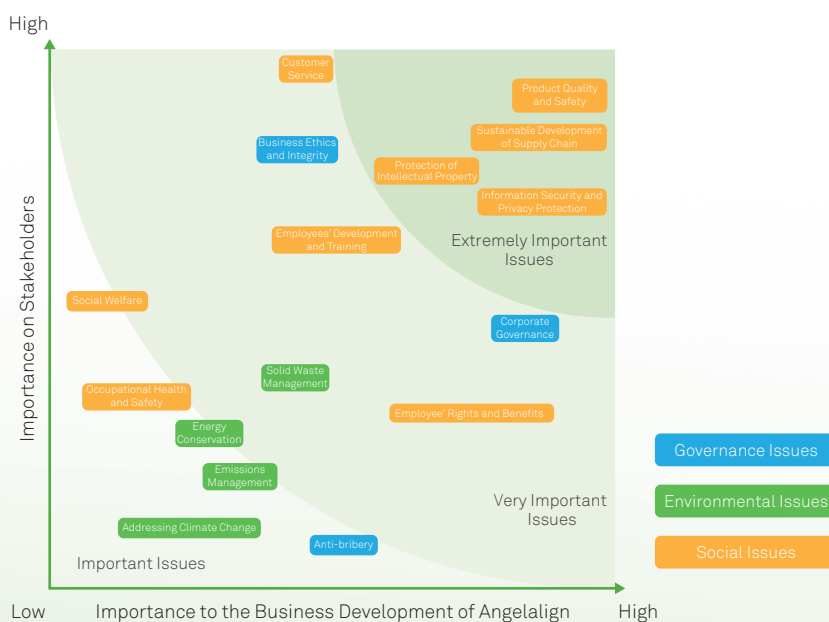
Materiality Assessment

We adhere to the “materiality” principle set out in the *ESG Code* and conduct regular materiality assessments to identify key ESG issues. This assessment considers not only the potential impact of various issues on the Company’s operational strategies, financial performance and long-term development, but also the impacts of the Company’s operations on the environment, society and other external stakeholders. This process enables us to further clarify the core focus areas of our ESG efforts.



ESG Materiality Assessment Process

During the Reporting Period, we reviewed the materiality assessment results of the previous year. Taking into account changes in external laws and regulations, as well as concerns raised by internal and external stakeholders, we adjusted the materiality matrix accordingly. As of December 31, 2025, the Company’s materiality matrix is presented as follows:



2025 Angelalign Materiality Assessment Results

Supporting the United Nations Sustainable Development Goals (UN SDGs)

Angelalign supports all 17 United Nations Sustainable Development Goals (UN SDGs). Our business activities are closely aligned with the following goals:

UN SDGs	Our Contribution	Relevant Sections
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Good health and well-being</p> <p>We attach great importance to employees' health and safety, laying a solid foundation for employee well-being, and extend our care initiatives to employees' families and surrounding communities.</p>	<p>Being Sincere – Giving Back to Society</p> <ul style="list-style-type: none"> • Focusing on Talent • Public Welfare Initiatives
 <p>5 GENDER EQUALITY</p>	<p>Gender equality</p> <p>We are committed to creating a diverse and inclusive workplace, ensuring that all employees, regardless of gender, have equal opportunities.</p>	<p>Being Sincere – Giving Back to Society</p> <ul style="list-style-type: none"> • Focusing on Talent
 <p>6 CLEAN WATER AND SANITATION</p>	<p>Clean water and sanitation</p> <p>We advocate water conservation, reduce unnecessary water consumption, strictly control wastewater discharge, and ensure the sustainable use of water resources while maintaining full compliance with water quality discharge standards.</p>	<p>Forging Synergy – Advancing Green Development</p> <ul style="list-style-type: none"> • Resource Use • Pollution Prevention and Control
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>Affordable and clean energy</p> <p>We actively promote the development of photovoltaic projects, advance the adoption of clean energy, and facilitate the low-carbon transformation of our production and operations.</p>	<p>Forging Synergy – Advancing Green Development</p> <ul style="list-style-type: none"> • Resource Use
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Decent work and economic growth</p> <p>We create equal opportunities for all employees, firmly oppose any form of discrimination and illegal employment practices, and provide employees with competitive compensation and benefits.</p>	<p>Being Sincere – Giving Back to Society</p> <ul style="list-style-type: none"> • Focusing on Talent
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>Industry, innovation and infrastructure</p> <p>We continue to invest in innovation, integrate sustainable development principles into R&D and production processes, and actively promote industry collaboration.</p>	<p>Being Sincere – Giving Back to Society</p> <ul style="list-style-type: none"> • R&D Innovation • Win-Win Cooperation

UN SDGs	Our Contribution	Relevant Sections
 <p>10 REDUCED INEQUALITIES</p>	<p>Reduced inequalities</p> <p>We are committed to supporting the development of every employee and ensuring that no one is subject to discrimination based on race, gender, skin color, religion, nationality, age, military status, disability or other factors.</p>	<p>Being Sincere – Giving Back to Society</p> <ul style="list-style-type: none"> Focusing on Talent
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Responsible consumption and production</p> <p>While ensuring product quality, we reduce pollution emissions from production, promote low-carbon and environmentally friendly operations, and contribute to continuous improvements in ecological sustainability.</p>	<p>Being Sincere – Giving Back to Society</p> <ul style="list-style-type: none"> Product Quality <p>Forging Synergy – Advancing Green Development</p> <ul style="list-style-type: none"> Pollution Prevention and Control
 <p>13 CLIMATE ACTION</p>	<p>Climate action</p> <p>We improve our climate governance framework, strengthen the identification of climate-related risks and opportunities, optimize climate risk management processes, ensure the science-based implementation of climate targets, and continuously enhance climate resilience across the value chain.</p>	<p>Forging Synergy – Advancing Green Development</p> <ul style="list-style-type: none"> Climate Change Response
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>Peace, justice, and strong institutions</p> <p>We enhance our diversified governance system, strengthen compliance and risk management, adhere to business ethics, reinforce information security protection, and strengthen intellectual property protection to safeguard the foundation of sustainable development.</p>	<p>Practicing Together – Enhancing Governance</p> <ul style="list-style-type: none"> Diversified Governance Compliance and Risk Management Business Ethics Information Security Intellectual Property Protection
 <p>17 PARTNERSHIPS FOR THE GOALS</p>	<p>Partnerships for the goals</p> <p>We improve our supplier management system, implement full-lifecycle management, and build a long-term, stable and mutually beneficial sustainable supply chain.</p>	<p>Being Sincere – Giving Back to Society</p> <ul style="list-style-type: none"> Win-Win Cooperation

PRACTICING TOGETHER – ENHANCING GOVERNANCE

Alignment with United Nations Sustainable Development Goals (UN SDGs):



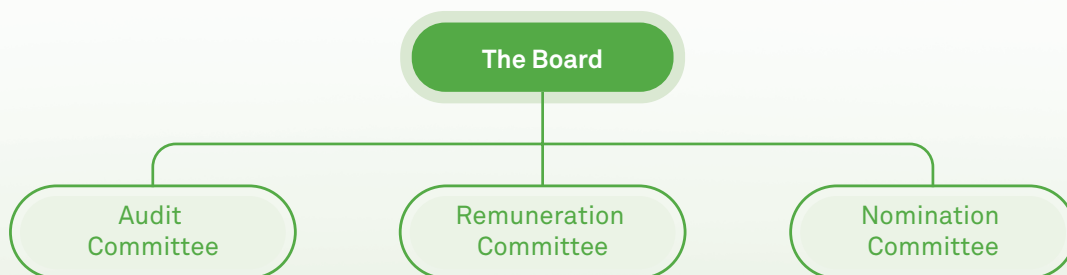
2025 Performance Highlights

- **100%** of directors and employees received business ethics training
- **10** internal audits were conducted
- **0** cases of corruption, conflicts of interest, money laundering, or insider trading
- **0** incidents of information or privacy breaches

With a global strategic vision and forward-looking planning, Angelalign regards compliance governance as a core pillar of sustainable development. We continuously advance the professionalization and systematization of our compliance governance framework. As our global operations expand, we have established a compliance system aligned with international ethical and responsibility standards, continuously optimizing the transparency and efficiency of supervisory mechanisms. This ensures that management plays a central leadership role, embedding a compliance culture from top to bottom across all aspects of our global operations.

Diversified Governance

Angelalign has established a comprehensive corporate governance framework. The Company's Board of Directors is supported by three committees — the Audit Committee, the Remuneration Committee, and the Nomination Committee — each responsible for overseeing matters from different perspectives and collectively providing strong support for the Company's stable operations. Under the professional guidance of these committees, we systematically fulfill our responsibilities to all stakeholders, including shareholders, customers, and employees. Through optimized governance processes and strengthened information disclosure, we continue to enhance management transparency and the scientific rigor of decision-making.



Angeralign Governance Structure

- **Board Diversity**

We view board diversity as a key driver for effective governance, believing that a diverse board structure brings broader decision-making perspectives and enables the Company to better adapt to global markets. We have adopted a board diversity policy, incorporating professional experience, skill sets, gender, age, cultural background, educational background, and tenure as core criteria in board selection, ensuring diversity and complementarity of the Board's composition. During the Reporting Period, 12.5% of Board members were female, and the Board's professional backgrounds included biotechnology, engineering, physics, finance, and law. Additionally, the Board and the Nomination Committee regularly review the implementation of this policy to ensure its continued effectiveness.

- **Board Independence**

We are committed to safeguarding the independence of the Board by maintaining an appropriate proportion of independent directors to enhance governance credibility. During the Reporting Period, the Board comprised three independent non-executive directors, representing more than one-third of the total Board membership. These independent non-executive directors strictly adhere to relevant laws, regulations, and the Company's Articles of Association, maintain their independence, perform supervisory functions, and participate in major corporate decision-making. They play an important role in ensuring compliant operations while safeguarding the legitimate rights and interests of shareholders.

Data Compliance

For Angelalign, data compliance is not merely a rigid baseline for meeting regulatory requirements across jurisdictions and safeguarding clinical practice and market expansion; it is also a core strategic engine for strengthening global patient trust and supporting the in-depth execution of our globalization strategy. We systematically advance the development of our data compliance capabilities by continuously strengthening the governance framework, upgrading management policies, and iterating business compliance processes. Data compliance requirements are deeply embedded into every stage of our business operations, enabling a comprehensive shift from passive compliance to proactive governance. Through solid practices, we demonstrate our corporate commitment to safeguarding sensitive medical data, protecting health privacy, and upholding our responsibility to users.

- **Data Compliance Governance Framework**

In terms of organizational structure, we clearly define the division of data compliance responsibilities between headquarters and regional entities worldwide, and have established an integrated governance mechanism featuring decision-making, execution, and supervision.

Decision-making

- The decision-making body of the Data Compliance Committee, composed of the Company's senior management, is responsible for coordinating the formulation of global data compliance strategies and assessing significant compliance risks.

Execution

- The Legal Department is responsible for alignment with data protection laws and regulations, and the compliance review and approval of cross-border data transfers;
- The Information Security Department is responsible for formulating and implementing global data security standards, conducting data privacy compliance inspections, organizing global data breach drills, and providing endpoint data security protection;
- The IT Department is responsible for the encrypted storage of core assets such as core healthy data, as well as system security protection;
- Front-line business units are responsible for implementing compliance requirements in data collection and use, ensuring full lifecycle management and control of data.

Supervision

- The Company has introduced an independent external third-party Data Protection Officer (DPO) and an independent Data Security Supervisor. Through internal-external coordination and mutual oversight, a dual assurance mechanism is established to support compliant global operations and robust data security protection.

In terms of institutional development, we benchmark against major global regulatory frameworks, including the *EU General Data Protection Regulation (GDPR)*, the U.S. *Health Insurance Portability and Accountability Act (HIPAA)*, the *Personal Information Protection Law of the People's Republic of China*, and the *Data Security Law of the People's Republic of China*. Based on these requirements, we have established unified data compliance management policies, operating procedures, and data breach response plans, clearly defining core requirements such as data classification and grading, as well as privacy protection. In addition, we refine implementation rules in response to jurisdiction-specific regulatory provisions, ensuring effective alignment between globally unified standards and a country-specific compliance approach.

In terms of process iteration, in alignment with global data compliance regulations and the Company's internal compliance policies, we have fully embedded data compliance requirements into the detailed design of all core business processes. We have defined clear compliance standards for key stages such as data collection, storage, processing, and transmission. We require business and technical departments to proactively incorporate data compliance reviews throughout the entire lifecycle of process and application design, execution, and optimization, ensuring that every operational step is supported by a compliance basis and that accountability is assigned at each process node. In this way, data compliance becomes an inherent part of business processes rather than an additional requirement, enabling the synchronized advancement of business operations and compliance management.

- **Data Compliance Governance Measures**

Regulatory Alignment and Risk Control

We closely monitor developments in data compliance regulations across jurisdictions worldwide and conduct dedicated compliance assessments in key domestic and overseas business regions. The assessments cover the full lifecycle of data collection, storage, processing, and cross-border transfer, with a focus on identifying gaps against the requirements of China's *Personal Information Protection Law*, *Data Security Law*, the EU's GDPR, the U.S. HIPAA, and requirements issued by regulators such as the U.S. Department of Justice and the U.S. Cybersecurity and Infrastructure Security Agency. Based on the findings, we developed targeted remediation lists and implemented closed-loop management to ensure compliant data operations across all regions. During the Reporting Period, we completed upgrades to the U.S. data compliance framework, including enhanced access security, strengthened protection of sensitive information, and standardized data collection practices, ensuring that data processing activities strictly comply with local regulatory requirements. Meanwhile, building upon our existing EU GDPR compliance framework, we further refined compliance requirements across business processes, improved control procedures, and enhanced the level of precision in GDPR implementation.

For newly established overseas markets, we conducted dedicated assessments of local data compliance laws and regulations and developed implementation plans that combine unified standards with country-specific adaptations, thereby establishing a solid compliance foundation for business expansion in new markets. In addition, we conducted Data Protection Impact Assessments (DPIAs) for data processing activities that may pose high risks to the rights and freedoms of data subjects both domestically and internationally. Based on the risks identified, we formulated and implemented risk mitigation measures, ensuring closed-loop management of all remediation actions.

Full-lifecycle Compliance Management

At the data collection stage, we strictly follow the principles of lawfulness, fairness, and transparency as well as data minimization, clearly defining the scope of data collection, obtaining valid authorization from data subjects in advance, and fully informing them of their rights. At the data storage and processing stage, we implement data localization requirements, apply end-to-end encryption to core healthy data, standardize data access permissions, and prevent unauthorized processing or misuse. At the cross-border transfer stage, we conduct outbound data security assessments, execute standard contractual clauses for cross-border data transfers, and obtain compliance certifications from professional institutions, thereby meeting regulatory requirements for cross-border transfer of medical and sensitive personal data under major global regulations such as U.S. health data rules and the EU GDPR, and ensuring lawful, orderly, secure, and controllable cross-border data flows.

Compliance Training and Capability Building

We provide tiered and role-based data compliance training for all domestic and overseas employees, and regularly organize data breach emergency drills across global regions to strengthen compliance awareness and risk response capabilities through practical scenarios. In addition, we continue to expand our professional compliance team, with a focus on strengthening technical capabilities for compliance such as full-chain data encryption, thereby building a dual-driven compliance capability enhancement system supported by talent empowerment and technology enablement.

Third-party Collaborative Management

We conduct rigorous data compliance capability assessments of global suppliers and partners to ensure that they possess adequate data privacy protection capabilities. We also sign compliance cooperation agreements with them to clarify respective rights and responsibilities throughout the full lifecycle of data assets, extending compliance requirements to the end of the supply chain and ensuring end-to-end data compliance.

PRACTICING TOGETHER – ENHANCING GOVERNANCE

In response to challenges such as the rapid evolution of global medical data regulations, significant regional regulatory differences, increasing complexity of cross-border data flows, and emerging compliance requirements, we will continue to track global regulatory dynamics, optimize our “globally unified + locally adapted” compliance framework, increase investment in compliance technologies, and further strengthen company-wide compliance culture. We will also establish more targeted and operable compliance standards and implementation rules tailored to different business scenarios, ensuring that compliance requirements are accurately implemented in every business scenario and at every operational step.

Compliance and Risk Management

With the core values of “Customer First, Integrity, Responsibility, Collaboration, and Innovation”, Angelalign leverages its global strategy to progressively establish a compliance management and internal control system aligned with international regulatory standards, providing a solid foundation for lawful, compliant, and sustainable corporate operations.

Compliance Management

Angelalign has established a three-tier compliance management framework — decision-making level, management level, and execution level — clearly defining the responsibilities and collaboration processes at each level to ensure the orderly advancement of compliance management. We have also established a Compliance Committee to coordinate compliance risk management comprehensively and respond efficiently to potential compliance incidents.

Decision-making Level

The decision-making level represents the highest authority within the compliance management system. Its purpose is to ensure corporate compliance by addressing the allocation of authority within compliance management through principled top-level design and by making decisions on major compliance matters.

Management Level

The management level serves as the connecting layer between the decision-making level and the execution level. It is responsible for organizational structure development, implementation of strategic plans, approval of compliance systems, providing recommendations on compliance decisions, and leading relevant departments in the implementation of compliance initiatives. The management level reports to and is supervised by the decision-making level.

Execution Level

The Legal Department serves as the lead department for compliance management and is responsible for implementing compliance requirements and related operational measures. Business units and other relevant functional departments implement compliance management systems and procedures, execute the Company’s compliance policies, proactively identify potential compliance risks, and, when necessary, assist with or cooperate in compliance investigations conducted by the Company.

We have prepared a *Compliance Manual* in both Chinese and English, in accordance with the laws and regulations applicable in the countries and regions where the Company operates. As the guiding document for compliance management, the *Compliance Manual* consists of the main document, the *Code of Business Conduct and Ethics*, together with four supporting documents: *Compliance Reporting and Investigation Management Specifications*, *Compliance Audit Management Specifications*, *Compliance Organizational Management Specifications*, and *Marketing and Promotion Management Specifications*. Building on this foundation, in 2025 we further strengthened our compliance system by formulating and implementing a series of new policies and procedures, including the *Related-Party Transaction Management System*, thereby systematically enhancing several core compliance modules such as corporate governance and internal controls.

Compliance Manual: Main Document and Supporting Documents

Code of Business Conduct and Ethics	<ul style="list-style-type: none"> • Specifies the standards of conduct and rules that all employees must adhere to, covering key compliance areas including health and safety, intellectual property protection, business conduct, and data security. It provides detailed behavioral guidelines applicable to all Angelalign employees.
Compliance Reporting and Investigation Management Specifications	<ul style="list-style-type: none"> • Defines systematic and standardized procedures for compliance reporting and investigations to ensure the effectiveness and timeliness of internal compliance management. It also strengthens protections for whistleblowers against retaliation, thereby safeguarding both the Company’s legal interests and employees’ rights to the greatest extent possible.
Compliance Audit Management Specifications	<ul style="list-style-type: none"> • Outlines the principles, bases, and dimensions of compliance audits, facilitating the timely identification of potential internal compliance issues and violations. It also evaluates the effectiveness of the design and implementation of the compliance system and provides management with recommendations and guidance for compliance oversight.
Compliance Organizational Management Specifications	<ul style="list-style-type: none"> • Clarifies the compliance governance structure and division of responsibilities, strengthens coordination among compliance personnel and ensures adequate organizational resources and staffing to manage compliance risks and potential compliance incidents.
Marketing and Promotion Management Specifications	<ul style="list-style-type: none"> • Specifies requirements for the review of marketing content, oversight of marketing activities, process monitoring, compliance audits, and accountability for marketing communications. The specifications aim to promote standardized marketing practices and ethical business conduct, improve product quality, encourage innovation, and safeguard the rights and interests of partners and consumers.

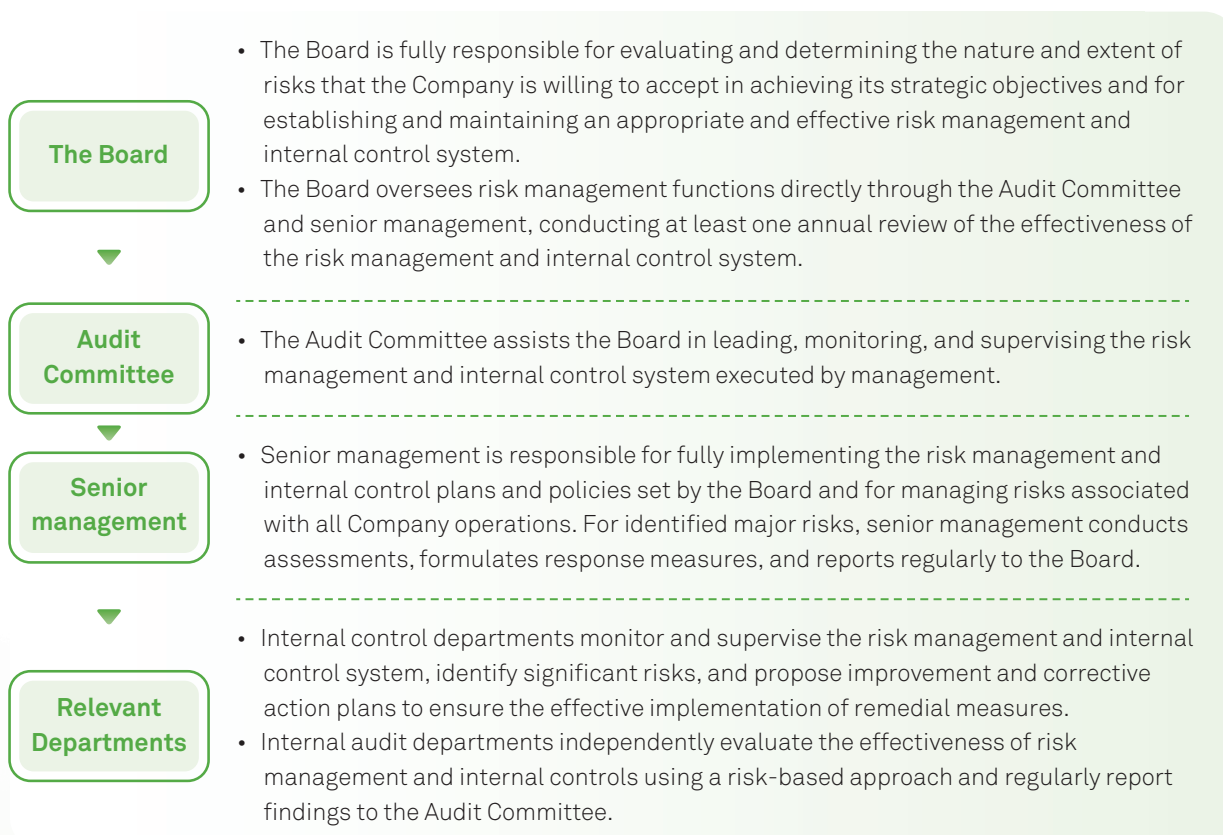
To comprehensively enhance employees’ compliance awareness and capabilities, Angelalign provides extensive compliance training and requires all employees to complete the training within the required timeframe. We organize regular training sessions tailored to different groups, including new employee compliance training, annual employee compliance training, department-specific compliance training, management compliance training, and third-party compliance training. These initiatives ensure that a culture of compliance continues to be strengthened within the Company and across its partner network. During the Reporting Period, we conducted employee code-of-conduct training covering topics such as compliance with laws, regulations, and corporate policies, anti-fraud and anti-bribery practices, protection of intellectual property and trade secrets, and avoidance of conflicts of interest. In addition, we launched a legal and compliance mini-class via email for all employees, providing detailed interpretations of the *Compliance Manual* rules and sharing relevant case studies. These initiatives aim to foster a workplace culture characterized by integrity and compliance.

Internal Control and Risk Management

We are committed to establishing and continuously improving our internal control system, strengthening risk management capabilities, and ensuring efficient business operations, asset security, and the accuracy of financial reporting. The Company has established the Angelalign Process Committee, which adopts a problem-oriented approach to optimize operational efficiency and accurately identify potential risks, thereby laying a solid governance foundation for sustainable and stable corporate development.

• Internal Control and Risk Management Framework

Angelalign has implemented a risk management system overseen by the Board, supported by the Audit Committee, and executed by senior management, ensuring comprehensive implementation of risk management strategies and effective control of day-to-day operational risks.

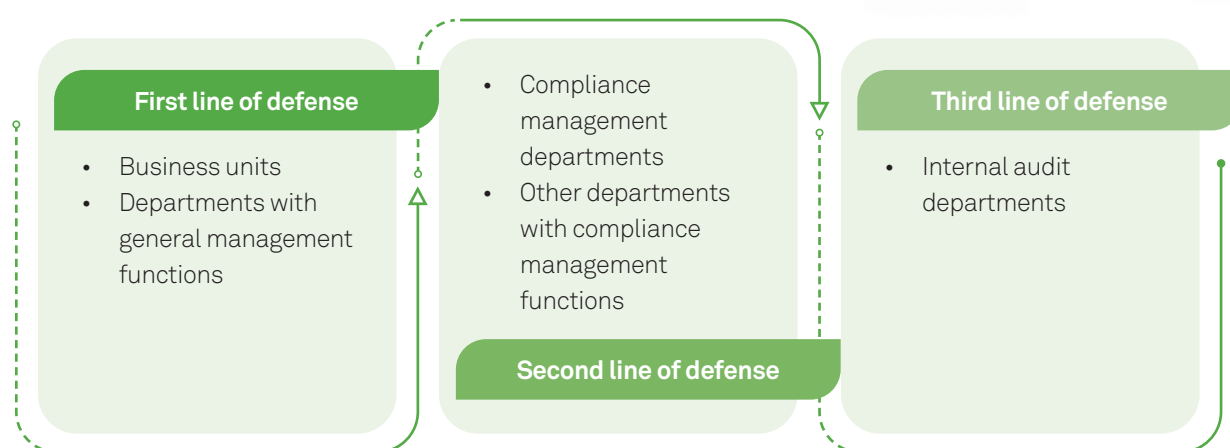


Angelalign Risk Management Framework

During the Reporting Period, we continued to optimize our risk management processes. For domestic operations, we identified and rectified issues through feedback from business units and management, routine observations, and regular internal control testing of key processes, continuously optimizing the existing risk management processes and approval matrices. For new overseas businesses, we designed risk management processes and approval matrices tailored to different project stages and operational needs, enabling the differentiated implementation of risk management measures.

• **Three lines of Defense in Risk Management**

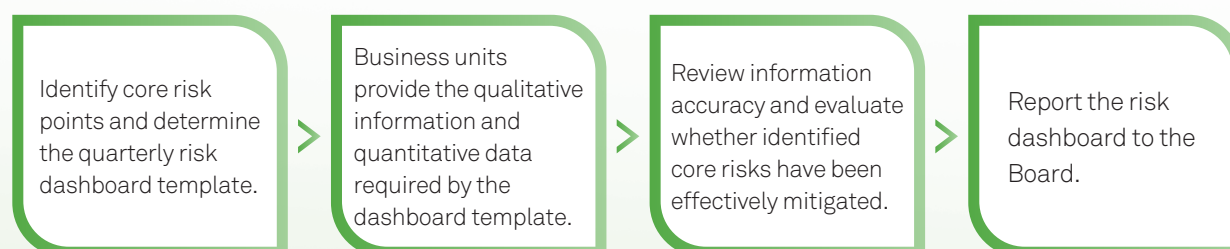
Building on a robust risk management system and processes, Angelalign has established a three lines of defense framework for effective compliance risk management. Business units and other departments with general management functions serve as a key safeguard for the coordinated and effective operation of the compliance management system, forming the first line of defense against compliance risks. Together with the second line of defense (the compliance management departments and other departments with compliance management responsibilities) and the third line of defense (the internal audit departments), this framework creates an effective cycle of planning, execution, monitoring, and auditing for compliance management.



Three Lines of Defense in Risk Management

• **Closed-loop Risk Management Process**

Focusing on closed-loop risk management, Angelalign has established a full-lifecycle risk control mechanism that forms an “identify-report-mitigate” management cycle, continuously improving risk management efficiency and effectiveness. Through a risk dashboard system, we map risk points across core modules including: finance/tax, procurement, quality, sales/customer satisfaction, legal compliance, public opinion, human resources, information systems and data privacy, and overseas operations, ensuring comprehensive and accurate risk identification and classification. Through a bottom-up reporting mechanism, heads of each business unit report identified risks and mitigation measures to the Board, ensuring timely mitigation of potential risks. The Company also conducts specialized training on key risk areas to strengthen employees’ awareness and practical capabilities in risk prevention.



Risk Dashboard Implementation Process

- **Internal Control**

Senior management is responsible for designing, implementing, and maintaining the effectiveness of the internal control system. The Board, with assistance from the Audit Committee, oversees and supervises management's execution of the internal control system to ensure its proper and effective functioning.

The internal control system clearly defines the roles and responsibilities of all relevant parties, as well as the authorizations and approvals required for the Company's major activities. We have established policies and procedures for key business processes, communicated them clearly to employees, and implemented them to ensure the effectiveness of internal control. The policies establish control standards for business processes across financial, legal, and operational areas, which all employees are required to comply with strictly.

Internal Audit

To ensure that audit activities are conducted in a standardized and orderly manner, the Company has established the *Internal Audit Charter*, providing systematic and standardized audit procedures to continuously improve corporate governance and responsible operations.

Upholding the principles of independence and objectivity, we require internal auditors to exercise professional diligence, proactively avoid conflicts of interest, and strictly maintain confidentiality. Internal operational and management information obtained during audits must not be disclosed without authorization, and the misuse of such information for personal gain is strictly prohibited. Meanwhile, the Company clearly defines that the Internal Audit Department executes audits under the authorization of the Audit Committee, and that the head of the Internal Audit Department reports directly to the Chair of the Audit Committee, ensuring the independence of the audit function without interference.

We have developed an annual audit plan based on actual business operations, specifying the audit scope, frequency, key risk areas, methodologies, procedures, and resource allocation. We conduct audits in strict compliance with applicable laws, regulations, regulatory requirements, and internal corporate policies in the jurisdictions where the Company operates. The plan can only be implemented after approval by the Audit Committee. Based on the above, we have established a reporting mechanism combining regular quarterly reporting and ad hoc reporting to the Audit Committee on key matters such as the internal audit system, the implementation progress of the annual audit plan, and the safeguarding of audit authority. This ensures comprehensive audit coverage, responsiveness to operational needs, and the effective performance of the internal audit function. In addition, to ensure the effective implementation of audit findings, audit results are reported immediately to management, the Audit Committee, and relevant responsible departments upon completion of the audit. Audited departments are required to submit remediation plans within the prescribed timeframe. The Internal Audit Department conducts follow-up reviews of remediation measures or incorporates them into the following year's audit plan to ensure continuous improvement. Management assesses the performance of responsible personnel based on factors such as cooperation during audits, the severity of audit findings, and the effectiveness of remediation measures.

During the Reporting Period, we conducted several specialized internal audits. Through systematic inspections and evaluations, these audits were aimed at identifying weaknesses in risk management and advancing corrective actions for identified issues, thereby optimizing internal control processes and enhancing operational efficiency and overall risk management capability.

Business Ethics

We strictly comply with business ethics-related laws and regulations in all jurisdictions where we operate. Through multidimensional initiatives, we continuously cultivate a “zero-tolerance” culture of integrity and participate in market activities in a lawful and compliant manner.

Business Ethics and Anti-corruption

- **Business Ethics Management Framework**

We have formulated and continuously refined internal management policies, including the *Management Conflict of Interest Policy*, the *Sunshine Practice Management Policy*, and the *Compliance Manual*. These policies aim to clarify potential internal and external conflict-of-interest scenarios faced by employees and the corresponding handling procedures, define responsibilities across departments, and foster an organizational environment characterized by integrity, honesty, fairness, and impartiality.

The *Management Conflict of Interest Policy* clearly defines the core types of conflicts of interest applicable to management and the boundaries of disclosure requirements, covering key scenarios such as employment of relatives, external employment, business investments, and customer cooperation. Each year, the Company requires members of management to submit conflict-of-interest declaration forms. Where potential conflicts are identified, the relevant individuals are required to take timely recusal measures, thereby preventing conflict-of-interest risks at the governance level.

In addition, the *Compliance Manual* clearly defines fraud, commercial bribery, monopolistic conduct, and conflicts of interest, lists types of non-compliant conduct, and strictly prohibits employees from engaging in such activities. The Board serves as the highest authority of Angelalign responsible for business ethics management. Through principle-based top-level design, it addresses the allocation of authority in business ethics governance and makes decisions on significant matters. Management is responsible for executing strategies related to business ethics and anti-corruption, approving relevant policies, providing recommendations for decision-making, and leading the work of the designated responsible departments. During the Reporting Period, the Company was not involved in any litigation cases related to corruption, conflicts of interest, money laundering, or insider trading.

Definition of fraud

Any act in which internal or external personnel use deception or other illegal or non-compliant means to obtain improper benefits for themselves or a small group, thereby harming the Company's legitimate economic interests; or acts intended to obtain improper economic benefits for the Company while potentially securing improper personal gains.

Definition of commercial bribery

Directly or indirectly offering, promising, giving, accepting, or soliciting any undue advantage of value, in violation of applicable laws in any jurisdiction, for the purpose of inducing or rewarding a person to act or refrain from acting by abusing their position. Acceptable gifts are limited to widely distributed promotional items or customary gifts of nominal value. No employee may offer or accept any gift for the purpose of exerting, or attempting to exert, improper influence over any decision of the Company.

Definition of monopolistic conduct

The conclusion of monopoly agreements, abuse of dominant market position, or concentrations of undertakings that have or may have the effect of eliminating or restricting competition.

Definition of conflict of interest

Any situation in which an individual's personal interests conflict, in any form, with the interests of Angelalign. Conflicts of interest may arise in any area of the Company's operations.

- **Business Ethics Audit**

The Company incorporates business ethics and anti-corruption content into its annual compliance audit plan and ensures business ethics audits are conducted for all business units at least once every three years. Through these audits, we identify ethical risks and integrity vulnerabilities within business processes in a timely manner, effectively strengthening the Company's anti-corruption safeguards.

- **Integrity Culture Building**

The Company places high importance on cultivating an internal culture of integrity. We establish clear codes of conduct and launch regular integrity education and training, continuously reinforcing integrity awareness both within our operations and across the value chain.

**Operational
Level**

The Company requires all employees to sign the *Employee Integrity Commitment*, which explicitly prohibits any form of bribery, including offering, soliciting, or accepting bribes, and emphasizes the proper management and resolution of potential conflicts of interest. In addition, we conduct annual anti-corruption training for the Board and all global employees, ensuring that employees fully understand and comply with the Company's business ethics requirements and thereby strengthening the overall ethical awareness of our workforce.

**Value Chain
Level**

We provide suppliers with guidance on business ethics and require them to sign the *Sunshine Agreement*, working together to build a robust anti-corruption barrier across the value chain.

Complaints and Reporting

The Company has established internal monitoring, whistleblowing, and complaint channels, providing multiple avenues for employees, suppliers, customers, and other third parties to report concerns. The Company encourages all relevant parties to contact its compliance management departments via email, telephone, or written correspondence to report any suspected violations of the *Code of Business Conduct and Ethics*.

Email address: jubao@angelalign.com (for use within China) compliance@angelaligner.com (for use outside China)

Confidential hotline: +86-021-56561919

Mailing address: 7th Floor, Building 7, Chuangzhi Tiandi Enterprise Center, No. 500 Zhengli Road, Yangpu District, Shanghai, China

The Company has also established full-lifecycle management standards for handling and investigating compliance reports in the *Compliance Manual*, ensuring the effectiveness and timeliness of internal compliance management while protecting the interests of both the Company and its employees. The standards stipulate that the Legal Department is responsible for receiving reports and recording the content, time, and submission method. If a report does not fall within the scope of compliance matters or cannot be addressed, the reasons must be explained to the reporter. Reporters may request that their reports be treated confidentially, and the Legal Department shall respect such requests and implement appropriate confidentiality measures. Cases determined by the Legal Department to constitute violations will be handled according to severity: violations not involving illegal conduct may result in warnings, internal notices, financial penalties, or termination of employment; legal violations will be reported to the relevant regulatory authorities for further handling in accordance with the law.

The Company strictly protects the legitimate rights and interests of whistleblowers. The *Compliance Manual* includes provisions on whistleblower protection and anti-retaliation measures, adopts a zero-tolerance policy toward retaliation, and takes prompt remedial actions if retaliation occurs. The Company also requires reporters to ensure the authenticity and accuracy of the information submitted. Any individual who intentionally submits fabricated or malicious reports will be subject to immediate disciplinary action.

Responsible Marketing

In the global promotion and marketing process, the Company strictly complies with the marketing laws and regulations of the countries and regions in which we operate. We also align closely with the compliance requirements specific to the medical device industry, resolutely prevent misleading practices such as exaggerated product claims or false advertising, and consistently provide accurate and objective product information. These measures effectively safeguard customers' legitimate rights and continuously shape a compliant, ethical, and professional global brand image. During the Reporting Period, the Company was not involved in any litigation related to false or misleading marketing claims.

- **Responsible Marketing Policies and Guidelines**

The Company closely monitors the latest regulatory policies related to global brand identification and, in line with operational realities, dynamically updates the *Brand and Product Identification Guidelines* and *Technical Label Application Specifications* to ensure compliant and efficient brand usage and orderly brand management. In addition, to promote standardized marketing practices and ethical business conduct, we clearly define marketing content review requirements, marketing activity supervision rules, and accountability mechanisms in the *Marketing and Promotion Management Specifications*.

- **Marketing content review rules**

All externally released advertisements and promotional materials must strictly comply with content review rules, with particular attention to the special advertising regulations governing the medical device industry, ensuring that illegal, non-compliant, or inappropriate content is effectively filtered out. Medical device advertisements must also undergo regulatory review and approval prior to publication and may not be released without such approval.

- **Marketing activity supervision rules**

During marketing activities, the Company strictly prohibits any actions that violate applicable laws and regulations, contain inappropriate content, or constitute false or misleading advertising. We also prohibit the use of medical personnel's identities to recommend products, as well as the unauthorized promotion of third-party products and services. All marketing activities must be reported to and approved by the Company in advance (including materials review, budget applications, and approval procedures). No individual or department may conduct marketing activities in the name of the Company without prior authorization.

- **Marketing accountability**

The Company implements comprehensive supervision and compliance auditing of marketing activities. All activities must obtain prior approval and submit detailed activity information, be subject to on-site supervision during implementation, and cooperate with regular or ad hoc compliance audits after completion. All related materials must be properly retained and transferred during employee departure procedures. Marketing materials must be reviewed by the Legal Department and revised according to its feedback. The Company reserves the right to conduct spot checks and require the immediate suspension of activities that have not undergone compliance review by the Legal Department or have not been rectified in accordance with its recommendations. Any marketing activity conducted without prior reporting and approval will be immediately suspended, and the responsible personnel will bear corresponding accountability, including potential contract termination.

- **Responsible Marketing Training**

The Company places great emphasis on building a responsible marketing training system, promoting compliant marketing practices through standardized management and systematic training. During the Reporting Period, we delivered training to employees on responsible marketing standards and compliance requirements, strengthened employees' awareness of compliant marketing practices, and ensured that marketing activities were conducted in a lawful, compliant, and ethical manner.

Information Security

We regard information and data security as a long-term priority of the Company. In strict compliance with domestic and international information security and cybersecurity laws and regulations, we have established a scientific and robust information security management system, focusing on full-lifecycle data security and the in-depth protection of user privacy, thereby building a solid and resilient information security defense system. We have successfully obtained the ISO/IEC 27001 Information Security Management System certification and the ISO/IEC 27701 Privacy Information Management System certification. Our core business systems have also obtained China's National Information System Security Protection Level III certification, ensuring information security through standardized system development and management.



ISO/IEC 27001 Information Security Management System Certification



ISO/IEC 27701 Privacy Information Management System Certification

• Information Security Management Structure

We have established a top-down information security management structure, composed of the decision-making layer, execution layer, and compliance representatives across various jurisdictions, enabling comprehensive management and control of cybersecurity risks.

Decision-making Level

The Board bears overall responsibility for information security governance. The Chairman and CEO serve as joint group leaders, with members including the Data Compliance Officer, Information Security Officer, and DPO. It is responsible for approving the implementation of information security management systems, operational mechanisms, annual plans and audit plans, and for making strategic decisions on organizational management and technical implementation plans proposed by the execution layer.

Execution Level

The execution level is composed of the Legal Department, Information Security Department, IT Department, and security representatives from various business units. It is responsible for liaising on legal and regulatory matters related to data compliance, promoting the development of technical capabilities for information and data security, and integrating security management systems into business processes, with monthly reporting to the decision-making layer.

Global Compliance Representatives

Compliance representatives are appointed in various jurisdictions worldwide to liaise with local regulatory authorities on data security and privacy matters, enabling globally coordinated security governance and oversight.

• Information Security Management Systems

We continuously optimize our information security management policies and systems to ensure that information security management is conducted in accordance with clearly defined standards and procedures. During the Reporting Period, we revised a number of information security-related policies, including the *Data Security Management Regulations* and the *Information Security and Privacy Management Manual*, covering data security, privacy management, and information asset security management. These policies clarify the principles of lawful and compliant data collection, strictly adhering to the requirements of data minimization, voluntary choice, and informed consent, so as to prevent excessive or unreasonable collection of personal information, safeguard data subjects' rights to be informed and to give consent, and maximize the protection of personal information and commercial data of customers, employees, the Company, and its partners. Additionally, the *Compliance Manual* clearly stipulates that all employees must strictly implement the Company's policies on data security and privacy protection. We also conduct data governance and supervision through data processing and transmission agreements with relevant data processing parties, ensuring the maximum compliance of medical data processing. The *Information Security and Privacy Management Manual* also stipulates that an information security risk assessment and a privacy impact assessment must be conducted annually, enabling dynamic monitoring and response to information security threats.

- **Information and Data Security Assurance Measures**

We regard information and data security as the lifeline of our global operations. In 2025, we continued to strengthen our efforts across multiple dimensions, including employee security awareness enhancement, access control and technology upgrades, information security assessments, and supplier security management, thereby further reinforcing the foundation of our global information security assurance system.

Enhancement of Employees' Security Awareness

The Company regularly organizes company-wide security awareness training and assessments, focusing on common security risks encountered in daily work, including phishing emails, endpoint protection, office document management, and social engineering threats. Through in-depth analysis of real-world cases combined with post-training assessments, we enhanced employees' understanding and practical application of security knowledge. We have developed the *Phishing Email Attack Prevention Guide* and conducted regular global phishing email simulation drills to further improve employees' information security awareness and threat prevention capabilities.

Access Control and Technology Upgrades

We perform regular permission reviews of internal accounts, promptly identifying redundant accounts and accounts with inconsistent permissions and responsibilities, thereby maintaining the security of internal account management. Meanwhile, we also conduct audits of information system access control modules to verify the effectiveness of information security control mechanisms. For overseas operations, we have strengthened network isolation and data center security protection, deployed a Security Information and Event Management (SIEM) system for centralized monitoring, and enforced Multi-Factor Authentication (MFA) for all core internet-facing systems.

Information Security Assessment

We regularly conduct security assessments across all application systems, covering areas such as data security, access control, and log monitoring, effectively identifying and mitigating potential medium – and high-risk issues. To ensure the security and stability of our information systems, during the Reporting Period, we performed penetration testing and vulnerability scanning across the IT environment. We identified and remediated potential security risks promptly through routine monitoring, strengthening the security protection framework of our information systems.

Supplier Security Management

Furthermore, we have integrated third-party information security requirements into our overall information security management framework. Prior to onboarding new suppliers, we conduct information security and data protection due diligence, evaluating their corporate qualifications, information security capabilities, and the security of the application systems they provide. Upon confirmation of cooperation, we sign confidentiality agreements and data processing agreements with suppliers to ensure data security throughout the entire data lifecycle.

- **Data and Privacy Security Assurance Measures**

We attach great importance to data and privacy security governance. Through a series of policies, including the *Data Security Management Regulations*, *Data Subject Rights Response Management Specifications*, and *Privacy Compliance Governance Organization Specifications*, we clearly define the legal and compliance principles governing data collection. We strictly adhere to the principles of “minimum necessity”, “independent choice” and “authorized consent,” avoiding excessive or unreasonable collection of personal information, protecting data subjects’ right to information and consent, and reducing the risk of privacy breaches at the source of data collection. On the technology front, we continuously strengthen global privacy protection capabilities through the implementation of data anonymization techniques and strict access control mechanisms. During the Reporting Period, we deployed data loss prevention solutions on company devices for all domestic and overseas employees, further reinforcing the security of endpoints and protecting data privacy. In parallel, we applied technical measures such as anonymizing patient information and removing non-essential personal data fields unrelated to clinical care, effectively reducing privacy exposure risks and comprehensively safeguarding patients’ privacy rights.

- **Information Security Emergency Response**

We have established a comprehensive information security incident response mechanism. Employees who discover suspected privacy or data security incidents must immediately report them to the department’s privacy compliance contact for assistance. The privacy incident emergency response team conducts investigations, evidence collection, analysis, and assessments within the specified timeframe, and implements necessary containment and control measures to prevent further damage to business operations and information systems. The Company regularly conducts data breach emergency drills across all regions where we operate, effectively achieving timely response, standardized handling, continuous optimization, and comprehensive coverage. These efforts robustly protect user privacy and corporate data security while ensuring compliance with global business operations. In addition, we carry out annual data recovery drills and enhance high-availability measures to ensure that system Recovery Time Objective (RTO) and Recovery Point Objective (RPO) remain within the Company’s controllable limits. During the Reporting Period, no violations related to information security or privacy breaches occurred.

Intellectual Property Protection

We have further strengthened our intellectual property compliance and innovation management. On the basis of strict compliance with the intellectual property laws and regulations of the jurisdictions in which we operate, we have established a comprehensive intellectual property protection framework to standardize the entire lifecycle of IP application, maintenance, and rights protection. Meanwhile, we have actively expanded our intellectual property portfolio in overseas markets, leveraging high-quality IP innovation to enhance the core competitiveness of our global business operations.

- **Intellectual Property Protection System**

We have formulated internal policies and procedures including the *Intellectual Property Application and Management Process*, *Intellectual Property Maintenance Guidelines*, *Intellectual Property Dispute Resolution Mechanism* and *Trademark Management Regulations*, thereby promoting standardized, institutionalized, and refined intellectual property management. During the patent application stage, we conduct forward-looking strategic deployment of core technologies to improve the quality and efficiency of patent filings. During the patent protection stage, we establish a global intellectual property protection framework to strengthen risk monitoring, early warning, and preventive mechanisms. During the dispute response stage, we implement a professional response mechanism to safeguard innovation rights and interests in accordance with applicable laws, thereby achieving closed-loop management across the entire intellectual property lifecycle. As of the end of 2025, we had filed over 700 patents globally, successfully registered 638 trademarks, obtained 283 granted patents, 23 software copyrights, and 23 domain name registrations worldwide.

- **Intellectual Property Risk Management and Control**

Angelalign is committed to protecting the intellectual property rights and trade secrets of both the Company and its business partners. We require employees to strictly comply with their obligations to safeguard and lawfully use trade secrets during their employment. Upon resignation, employees are required to return all documents, data, equipment, and other tangible or intangible assets containing trade secrets. With respect to trade secrets provided by external partners, Angelalign strictly complies with non-disclosure agreements and internal confidentiality policies, ensuring that such information is used strictly within the authorized scope. To further prevent intellectual property infringement risks and support the advancement of our R&D projects, we have completed potential risk assessments. In addition, we conduct regular IP risk assessments for ongoing R&D projects and formulate appropriate response measures based on assessment outcomes.

- **Overseas Intellectual Property Protection**

We have established a decision-making and approval process for overseas patent filings, clearly defining the procedures and requirements for expanding international patent protection following domestic filings in China, thereby providing robust institutional support for global IP protection. In 2025, we successfully filed nearly 40 overseas patents and nearly 20 overseas trademarks, covering regions including Europe, the Americas, Australia and Southeast Asia. Meanwhile, we continued our cooperation with leading domestic insurance providers, providing strong protection and risk coverage for the intellectual property rights of our products in global markets.

- **Intellectual Property Incentives**

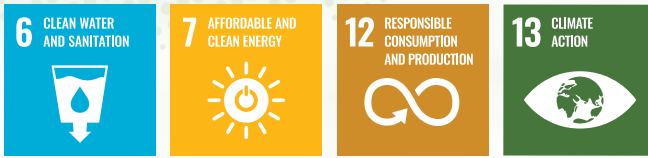
We have formulated the *Intellectual Property Reward Measures* to encourage employee innovation, and award incentive bonuses to inventors who contribute to invention patents, utility model patents and design patents. During the Reporting Period, the total amount of intellectual property incentive bonuses issued reached nearly RMB700,000, benefiting approximately 70 employees.

- **Intellectual Property Training**

We carefully organized a series of specialized intellectual property training programs to empower employees and strengthen innovation capabilities. During the Reporting Period, we organized “patent mining workshops”, providing detailed guidance on patent application procedures, inventor remuneration policies, and the preparation of invention disclosure documents. These initiatives comprehensively enhanced employees’ intellectual property awareness and literacy, providing strong support for the Company’s innovation strategy and the protection of intellectual property achievements.

FORGING SYNERGY – ADVANCING GREEN DEVELOPMENT

Alignment with United Nations Sustainable Development Goals (UN SDGs):



2025 Performance Highlights

- Greenhouse gas emission intensity (Scope 1 + Scope 2) decreased by **9.6%** compared with 2024
- Total water consumption decreased by **28.8%** compared with 2024
- **100%** compliance with emission standards for waste gas, wastewater and noise; **100%** compliant treatment of solid waste and hazardous waste

Against the backdrop of global climate change, green development has become a shared consensus and collective direction of action across industries and societies worldwide. Adhering to the concept of sustainable low-carbon development, Angelalign deeply integrates energy conservation and emission reduction into its entire value chain management. By optimizing energy management and identifying climate-related risks and opportunities, we promote the development of a low-carbon transition pathway. We are committed to improving energy and resource efficiency, enhancing corporate climate resilience and operational robustness, and acting as an active participant and contributor to global ecological sustainability.

Climate Change Response

Climate change has become a central issue of global sustainable development, exerting a profound impact on the Company's operations and its upstream and downstream industrial chains. Angelalign recognizes the opportunities and challenges brought by climate change, and consistently integrates climate change response into the core of its corporate strategy. We actively respond to China's national strategies of "carbon peaking" and "carbon neutrality," as well as the global trend toward low-carbon transition. With reference to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and the climate-related disclosure requirements under the HKEX *ESG Code*, we clarify governance responsibilities for climate-related matters, proactively identify physical risks, transition risks and potential opportunities, and assess their material impacts on the Company's business operations. Based on these assessments, we formulate targeted response strategies to mitigate the negative impacts of climate change, drive green transformation through energy conservation and emissions reduction, and strengthen the Company's climate resilience and adaptive capacity.

Governance

We attach great importance to climate-related matters, continuously improving our internal management system and steadily enhancing the effectiveness of climate governance. We integrate climate-related governance into the overall ESG governance framework to ensure that climate-related issues are managed and supervised in a scientific and systematic manner.

Climate-related Governance Responsibilities

The Board

Oversees the progress of the Company's climate governance strategy and climate-related targets; ensures ESG topics (including climate-related matters) are integrated into the Company's operational decision-making; evaluates, prioritizes and manages material climate-related risks and opportunities; annually reviews management's climate governance reports, gaining insights into the latest trends in climate risks and opportunities, and adjusts strategies based on target achievement and performance.

Management

Responsible for the overall deployment and systematic implementation of climate-related initiatives; assesses climate risks and formulates risk response strategies and measures; supervises the implementation of key initiatives, and coordinates, deploys, guides and oversees climate management across all departments; regularly reports climate-related progress to the Board.

ESG Working Group

Implements the Company's climate-related development plans; monitors existing and emerging climate-related regulations; refines climate action plans and promotes implementation of key initiatives; reports on the effectiveness of climate-related initiatives to support the achievement of climate targets.

Relevant Business Departments and Production Facilities

Relevant departments, including supply chain management, administration, and other functional units, together with global production facilities, are responsible for implementing climate adaptation and mitigation strategies, and developing and executing operational and practical measures on climate-related topics.

We plan to invite external experts in the future to provide regular climate change training and knowledge-sharing sessions for Board members, enabling the Board to better understand climate governance trends and strengthen its capability to fulfill climate oversight responsibilities. During the Reporting Period, climate-related considerations had not yet been integrated into the Company's remuneration policy. The Company plans to gradually incorporate climate-related factors into the directors' remuneration and incentive framework in the future.

Strategies

We have recognized that climate change presents potential risks and opportunities throughout the value chain, which may influence our business strategy formulation, daily operations and financial performance. Based on China’s macroeconomic environment, industry characteristics and our own business model, we conducted a comprehensive assessment of climate-related risks and opportunities across the short-, medium-, and long-term horizons, including physical risks and transition risks, and developed corresponding response strategies. With reference to industry practices and our business characteristics, we define the short-term horizon as 1 year, the medium-term horizon as 2-5 years, and the long-term horizon as more than 5 years.

Climate Risks

Type	Name	Description	Financial Impact Assessment	Impact Level of Risks/Opportunities on Business			Value Chain Segment	Response Measures	
				Short-term	Medium-term	Long-term			
Physical risk	Acute risk	Typhoons, floods, heavy rainfall	The increasing severity and frequency of extreme weather events may affect the Company’s business continuity and resource costs.	Increased operating costs, such as higher prices for energy, water, and raw materials.	Medium	Medium	Low	Upstream Operation	Continuously monitor weather conditions, conduct safety inspections, and pre-deploy necessary protective and emergency equipment. Formulate emergency response plans for extreme weather events, clearly defining the emergency organizational structure, responsible personnel, and responsibilities to ensure rapid response.
	Chronic risk	Rising average temperatures	Higher average temperatures may lead to increased energy consumption for temperature regulation at production facilities and a higher likelihood of heat-related illnesses such as heatstroke among employees.	Higher operating costs for utilities and infrastructure and additional employee health protection subsidies during high-temperature periods.	Low	Medium	Medium	Operation	Develop peak electricity demand management plans and adjust work schedules during high-consumption periods. Upgrade to energy-efficient equipment, continuously monitor energy consumption, and implement improvements where necessary. Prepare heatstroke prevention supplies during summer and reduce outdoor work where possible.

FORGING SYNERGY – ADVANCING GREEN DEVELOPMENT

Type	Name	Description	Financial Impact Assessment	Impact Level of Risks/Opportunities			Value Chain Segment	Response Measures	
				Short-term	on Business Medium-term	Long-term			
Transition risk	Policy and regulatory risks	Increased carbon emission rights pricing, strengthened environmental regulation.	China has implemented a carbon emission rights trading mechanism, and the pharmaceutical industry may be included in the national carbon emission trading system in the future. The government has strengthened environmental supervision and imposed new requirements on corporate low-carbon transition.	Increased operating costs due to the potential need to purchase emission allowances and comply with stricter environmental regulations.	Low	Medium	High	Operation	Monitor the latest national policies and regulations and assess their impact on our operations. Track relevant policy development and strategically plan business development in alignment with the Company's operational activities
	Technology risk	Cost of low-carbon technology transition	Industrial technologies are shifting toward high-efficiency, energy-saving, and emerging low-carbon technologies.	Potential challenges in maintaining traditional technologies and market expansion. Increased capital investment and R&D expenditure for energy-efficient and low-carbon production technologies.	Low	Medium	High	Operation Downstream	Consider environmental impact and energy efficiency during equipment procurement, prioritizing low-emission equipment. Promote technological innovation, including the development and application of clean energy.
	Market risk	Changes in customer behavior, market volatility	Customers are increasingly concerned about the carbon footprint of the value chain and tend to use environmentally friendly products and services. Climate change and dual-carbon policies may also lead to sudden market disruptions, such as power rationing, water supply restrictions, or electricity price fluctuations.	Increased production costs to meet customers' environmental expectations. Operating cost fluctuations caused by volatility in energy and resource prices.	Medium	Medium	High	Operation Downstream	Strengthen communication with customers to timely understand customer preferences in the market. Improve data collection and information disclosure levels to ensure transparency of environmental performance.
	Reputation risk	Increased stakeholder attention to corporate reputation	Stakeholders are paying increasing attention to climate change and low-carbon development, and are becoming more focused on the Company's environmental and climate-related performance.	Failure to meet stakeholder expectations may increase operating costs and negatively affect the Company's valuation.	Low	Medium	High	Operation Downstream	Strengthen stakeholder engagement and proactively respond to inquiries regarding the Company's climate strategy. Comprehensively improve ESG governance level and enhance corporate brand value.

Climate Opportunities

Type	Name	Description	Financial Impact Assessment	Impact Level of Risks/Opportunities on Business			Value Chain Segment	Response Measures
				Short-term	Medium-term	Long-term		
Resource efficiency	Energy-saving technologies, resource recycling and reuse	Continuously promote green operational practices, improving resource and energy efficiency through infrastructure, technological, and process optimization.	Reduced operating costs.	Medium	Medium	High	Operation	Promote advanced intelligent manufacturing technologies and optimize production processes. Expand resource recycling initiatives, including waste recycling and reclaimed water reuse, to improve resource efficiency.
Energy substitution	Clean and renewable energy, participation in carbon market	With the successive introduction of renewable energy policies and incentive measures, adopt clean and renewable energy and participate in the carbon trading market.	Reduced energy costs. Lower greenhouse gas emission risks, thereby reducing exposure to carbon price fluctuations.	Low	Medium	High	Operation	Explore opportunities for the use of clean energy such as photovoltaic power to optimize the Company's energy structure. Continuously promote clean production and reduce greenhouse gas emissions to enhance potential future gains from carbon market participation.
Products and services	Consumer preferences, new product development	Under the trend of sustainable development, public demand for green products and services is increasing. The Company can align with market trends by developing low-carbon products and services, thereby gaining a competitive advantage.	Increased revenue, improved corporate reputation, and growing demand for products and services.	Low	Medium	High	Downstream	Closely monitor evolving market preferences and prioritize green and low-carbon product development.

FORGING SYNERGY – ADVANCING GREEN DEVELOPMENT

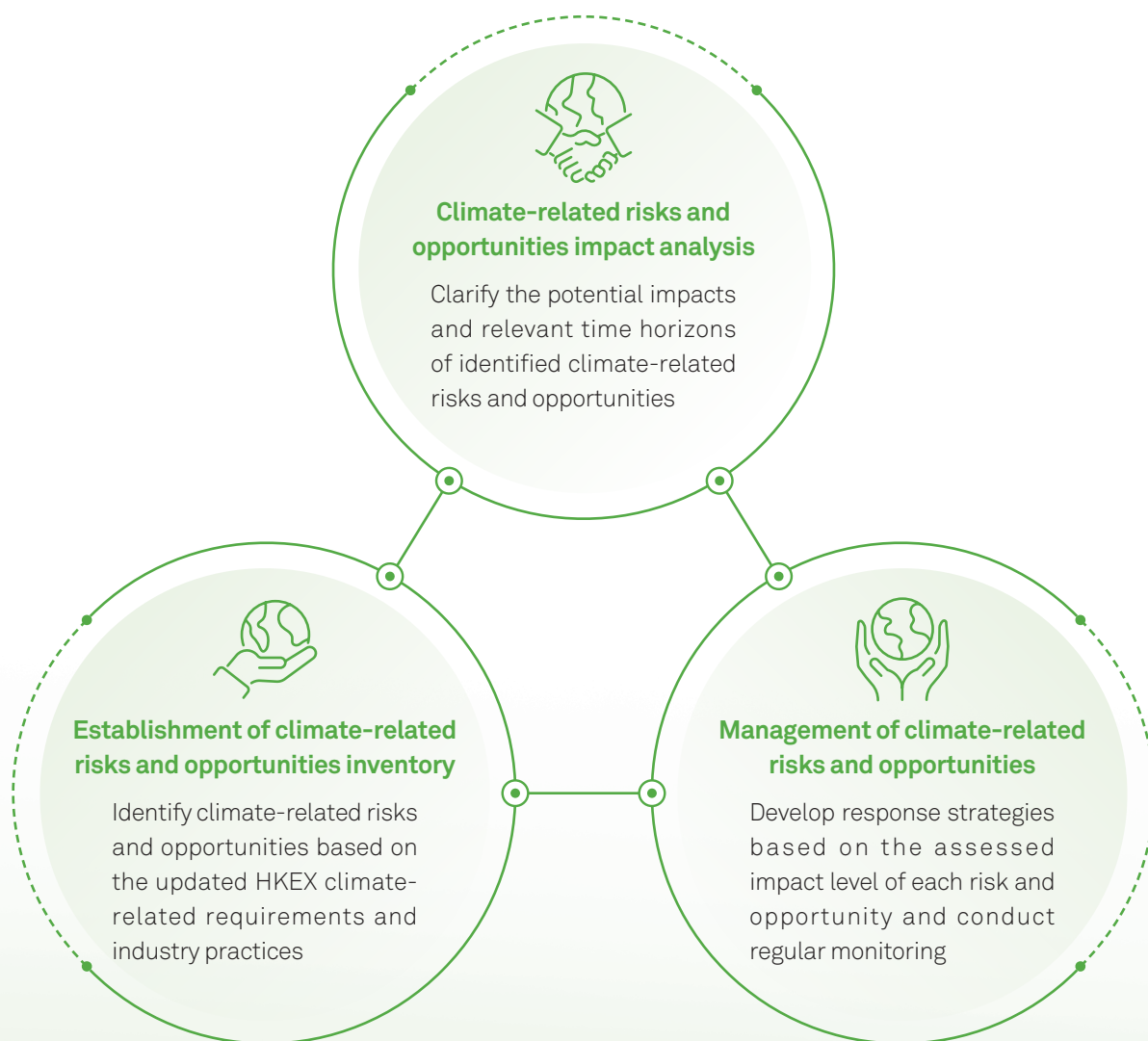
Type	Name	Description	Financial Impact Assessment	Impact Level of Risks/Opportunities on Business			Value Chain Segment	Response Measures
				Short-term	Medium-term	Long-term		
Market opportunities	Government incentives and subsidies	Policies related to carbon neutrality, renewable energy, and environmental subsidies provide strong market guidance, creating opportunities for the Company to develop new markets and business segments.	Increased operating revenue through entry into new markets.	Low	Medium	High	Downstream	Continuously monitor emerging markets and actively plan expansion into climate-driven business opportunities. Strengthen cooperation with partners in low-carbon solutions and product R&D.
Resilience	Energy-saving project improvement, sustainable supply chain	As the Company strengthens its climate risk response capability and explores new opportunities, energy-saving initiatives improve operational performance under different conditions. At the same time, these initiatives enhance supply chain reliability and strengthen suppliers' climate resilience.	Improved corporate market valuation through resilience planning, and reduced operating costs through enhanced supply chain stability.	Low	Medium	High	Upstream Operation	Continue implementing energy-saving initiatives and promote green office and green operations, enhancing the Company's long-term market value. Promote low-carbon practices across the entire value chain, encouraging suppliers and customers to act together to enhance operational resilience.

Note:

1. Angelalign has not identified any climate-related risks or opportunities that may have a material impact on its existing business operations, financial position and cash flows in the short and medium term. Therefore, during the Reporting Period, in accordance with Appendix D of the HKEX ESG Reporting Code – the “comply or explain” principle, we are not required to conduct quantitative analysis on climate-related transition risks, climate-related physical risks or climate-related opportunities.
2. Given that the expected financial impacts cannot be reliably quantified at this stage, the Company has adopted the “Financial Effects Relief” for the Reporting Period, and the relevant financial impacts are disclosed qualitatively.
3. Following assessment, we confirm that the Company’s current strategy is adaptable to the climate-related risks and opportunities identified at this stage, and therefore no dedicated climate transition plan has been formulated at present. The Company will continue to monitor changes in the internal and external operating environment. Should significant climate-related risks or opportunities arise in the future, we will promptly adjust our strategy and develop corresponding climate transition plans.
4. Given the Company’s current level of preparedness in terms of relevant data availability and analytical capabilities, conducting climate scenario analysis would require a disproportionate investment of costs and efforts. Therefore, the Company has adopted the “Reasonable Information Relief” for the disclosure of climate scenario analysis during the Reporting Period. We will continue to promote energy conservation and emission reduction initiatives and increase the proportion of photovoltaic energy use to enhance the Company’s climate resilience.

Risk Management

Angelalign has established a comprehensive risk management system, clarifying the roles and responsibilities of all parties as well as relevant risk management policies and procedures. It addresses the complex and evolving risk landscape through a dynamic risk management process, regularly identifying and assessing risk factors that may affect the achievement of corporate objectives and developing targeted response measures. In addition, the Company fully recognizes the importance of climate-related risks and opportunities within the overall corporate risk management framework, and has established a full-cycle risk management mechanism covering three key stages: identification of climate-related risks and opportunities, impact analysis of climate-related risks and opportunities, and management and control of climate-related risks and opportunities. This ensures that risks remain within manageable levels, continuously reduces their potential impacts on the Company and its stakeholders, and steadily enhances the Company’s climate resilience. Compared with the previous fiscal year, our climate risk management process remained unchanged.



Angelalign Climate Change Risk Management Process

Metrics and Targets

To actively respond to climate change and reduce the environmental impact of our business operations, we have continued to advance the accounting and management of greenhouse gas (GHG) emissions. This report discloses our Scope 1, Scope 2 and partial Scope 3 greenhouse gas emissions. Among these, Scope 1 GHG emissions mainly arise from gasoline consumption; Scope 2 GHG emissions are primarily generated by purchased electricity; and Scope 3 GHG emissions currently cover employee business travel only. Furthermore, during the Reporting Period, in order to gain a comprehensive understanding of carbon emissions across the entire product life cycle, we completed the product carbon footprint verification of our non-bracket clear aligners, enabling us to accurately identify key emission sources and potential areas for emission reduction.



Product Carbon Footprint Verification Certificate for Bracket-free Clear Aligners

In addition, we are committed to reducing greenhouse gas emissions by improving the efficiency of end-to-end energy management. By strictly controlling unnecessary energy consumption, continuously optimizing energy efficiency, and actively expanding the application of renewable energy, we strive to achieve coordinated reductions in energy consumption and greenhouse gas emissions, fulfilling our commitment to green and low-carbon development.

During the Reporting Period, our key performance indicators for greenhouse gas emissions are presented as follows:

Greenhouse Gas Emissions	Unit	As of December 31, 2025
Scope 1 Greenhouse Gas Emissions	tCO ₂ e	37.8
Scope 2 Greenhouse Gas Emissions	tCO ₂ e	13,212.6
Scope 3 Greenhouse Gas Emissions – Employee Business Travel	tCO ₂ e	1,599.7
Total Greenhouse Gas Emissions (Scope 1+ Scope 2)	tCO ₂ e	13,250.4
Greenhouse Gas Emission Intensity (Scope 1+ Scope 2)	tCO ₂ e/total revenue (USD million)	35.8

Note:

1. The reporting boundary covers the Company's Shanghai Operations Headquarters, Wuhan Office, Beijing Office, Wuxi Chuangmei Base, Huishan Production Center, and Aditek in Brazil.
2. Greenhouse gas emissions are presented in terms of carbon dioxide equivalent, and the calculation standards applied are based on the *GHG Protocol*. The carbon dioxide emission factors for purchased electricity in respect of the Company's business operations in China are derived from the national grid average emission factors specified in the *Announcement on Issuing the 2023 Power Sector Carbon Dioxide Emission Factors* issued by the Ministry of Ecology and Environment.
3. Our Scope 1 greenhouse gas emissions arise from gasoline consumed in business operations; Scope 2 emissions result from purchased electricity consumption; and Scope 3 emissions only include emissions from employee business travel, corresponding to Category 6: Business Travel under the *GHG Protocol*. Given the current data availability of the Company, calculating other Scope 3 categories is not feasible without incurring undue cost or effort, and therefore the "Reasonable Information Relief" has been applied to other Scope 3 emission categories.
4. We have not identified climate-related risks and opportunities that have a material impact on the Company's operational decisions in the short and medium term, and therefore we have not made separate capital expenditure, financing or investment arrangements for climate-related matters.
5. The Company would incur significant costs to obtain all reasonable and supportable information when calculating cross-industry and industry-specific climate-related disclosure metrics, and thus the "Reasonable Information Relief" is adopted for the Reporting Period.
6. During the Reporting Period, the Company did not apply an internal carbon pricing mechanism in operational decision-making, nor did it incorporate climate-related considerations into the remuneration policy, or set quantified greenhouse gas emission reduction targets. Going forward, the Company will continue to monitor developments in climate-related disclosure requirements based on regulatory requirements, business development and internal preparedness, and will review the relevant disclosure arrangements in a timely manner.

Environmental Management

Angelalign strictly complies with applicable domestic and international environmental management laws and regulations. The Company continuously optimizes its environmental management system, establishes a clear environmental governance structure with defined responsibilities, sets measurable environmental objectives, and conducts environmental management training to comprehensively consolidate the foundation of environmental management and promote green and sustainable development.

- Environmental Management System**

Angelalign has established an Environment, Health and Safety (EHS) Department to implement environmental management responsibilities. Environmental protection compliance requirements are clearly defined in the *Compliance Manual*. Through strengthened routine inspections, the timely identification of environmental issues, and the implementation of corrective measures, the Company ensures that environmental compliance requirements are integrated throughout the entire operation process. In addition, we have formulated the *Environmental Protection Policy*, committing to conducting business operations worldwide through green and low-carbon production and operation practices. Angelalign’s Wuxi Chuangmei Base and Huishan Production Center have obtained ISO 14001 Environmental Management System certification. The Wuxi Chuangmei Base has also obtained ISO 50001 Energy Management System certification.







ISO 14001 Environmental Management System Certification



ISO 50001 Energy Management System Certification

• **Environmental Management Objectives**

In 2025, we formulated environmental management objectives based on the Company’s operational conditions, and all objectives were successfully achieved.

 <p>Full compliance with discharge standards for waste gas, wastewater and noise</p>	 <p>100% compliant treatment and disposal of solid waste and hazardous waste</p>	 <p>Zero environmental pollution incidents</p>	 <p>Reduction of hazardous waste by more than 50 tons (with 2024 as the base year)</p>
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Angelalign 2025 Environmental Management Objectives

• **Environmental Management Training**

The Company attaches great importance to enhancing the environmental awareness of all employees and strengthening environmental management capabilities. In August 2025, Wuxi Chuangmei Base and Huishan Production Center jointly conducted “daily environmental management training”. Through regular environmental training for production employees, the Company strengthened employees’ environmental compliance awareness and practical operational capabilities, promoting the effective integration of environmental requirements into all aspects of production and operations.



Environmental Management Training

Resource Use

We attach great importance to the management of energy and resource consumption. The Company has established the Energy and Water Conservation Management System, forming a standardized, orderly and comprehensive management system for energy and resource use. Through initiatives aimed at improving resource efficiency, we are committed to achieving the core objectives of resource conservation and efficient utilization.

- **Resource Conservation Measures**

In terms of green office practices, the Company launched the “Green Office, Low-carbon Life” initiative to foster a culture of energy conservation and reduced consumption and to promote the development of green operations. The initiative covers eight key actions, including promoting energy-efficient lighting, reducing office paper consumption, encouraging green travel and commuting, and implementing green procurement practices. As an important measure for green procurement, the online office supplies procurement and requisition mini-program was officially launched during the Reporting Period. The system optimizes procurement and requisition processes through digital management, reduces the waste of office resources, and encourages employees to act as advocates, practitioners, and supervisors of environmental protection. In terms of low-carbon production, in 2025 automatic timing controls were installed for corridor lighting systems in the production workshops at the Wuxi Chuangmei Base, and the operation of air-conditioning and ventilation systems in the workshops during the spring and autumn seasons was optimized. These two initiatives reduce electricity consumption by approximately 120 MWh annually, helping the Company reduce operating costs, improve energy efficiency and enhance environmental performance.

During the Reporting Period, a photovoltaic power generation system was officially put into operation at Wuxi Chuangmei Base. With an installed capacity of 15.12 kW and an estimated annual power generation of approximately 18,000 kWh, the system further supports the low-carbon transition of the Company’s energy structure.

In addition, with the goal of water conservation, we have adopted a series of water resource management measures to ensure the rational and sustainable use of water resources.

During the Reporting Period, our key performance indicators for resource use are presented as follows:

Resource use	Unit	As of December 31, 2025
Total Direct Energy Consumption	MWh	148.4
Gasoline	MWh	62.5
Diesel	MWh	85.9
Total Indirect Energy Consumption	MWh	26,190.0
Electricity Purchased	MWh	26,190.0
Total Energy Consumption	MWh	26,338.4
Energy Consumption Intensity	MWh/total revenue (USD million)	71.1
Total Water Consumption	Tons	91,409.0
Total Water Consumption Intensity	Tons/total revenue (million USD)	246.9
Total Packaging Materials	Tons	573.1
Carton	Tons	543.2
Plastic	Tons	29.9
Packaging Material Intensity	Tons/total revenue (million USD)	1.5

Note:

1. The Company's water sources are entirely derived from municipal water supplies, ensuring access to adequate and suitable water resources.
2. The Company's direct energy consumption arises from gasoline and diesel used in business operations, while indirect energy consumption arises from purchased electricity consumed in operations.
3. As the Company's operations do not involve other significant environmental or natural resources, Aspect A3 (Environment and Natural Resources) and Indicator A3.1 (Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them) are considered not applicable.
4. The reporting boundary covers the Company's Shanghai Operations Headquarters, Wuhan Office, Beijing Office, Wuxi Chuangmei Base, Huishan Production Center, and Aditek in Brazil.

Pollution Prevention and Control

Angelalign strictly adheres to the requirements of relevant laws and regulations on pollution prevention and control, and implements full-lifecycle management across key environmental aspects, including air emissions, wastewater, solid waste, and noise. We regularly engage qualified third-party testing organizations to conduct compliance monitoring and assessments to ensure that all pollutant treatment processes meet statutory standards. We also continuously strengthen our pollution prevention and control system and optimize pollution control measures to reduce the total amount of pollutant emissions, demonstrating our dual commitment to compliant emission reduction and sustainable operations.

Wastewater Management

We place importance on wastewater discharge management, ensuring that all production bases strictly comply with the relevant laws, regulations, and standards of the operating locations during operations. Wastewater is treated to meet required quality parameters before being discharged into municipal sewer networks. We have achieved the recycling of ultrasonic cleaning wastewater, effectively reducing wastewater discharge volume. In addition, we have fully automated the non-rinsing process and eliminated the use of propylene carbonate, significantly reducing the generation of spent cleaning liquids.

During the Reporting Period, our KPIs for wastewater are as follows:

Discharge	Unit	As of December 31, 2025
Amount of Wastewater	Tons	57,604.0

Air Emissions Management

We continuously invest in and upgrade the collection and treatment facilities for air pollutant emission sources, effectively controlling and reducing air emissions. At the Huishan Production Center, the original activated carbon adsorption process was upgraded to a combined water scrubbing + activated carbon adsorption system, improving air emissions treatment efficiency by approximately 20% and further strengthening emissions control performance.

During the Reporting Period, our KPIs for air emissions are as follows:

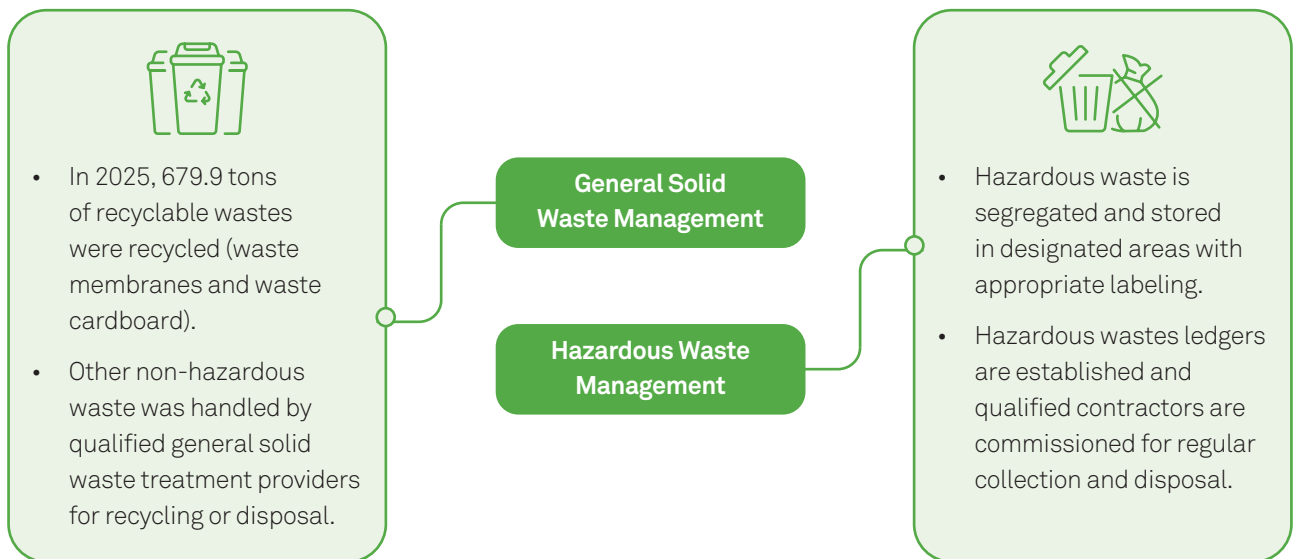
Emissions	Unit	As of December 31, 2025
Non-methane Hydrocarbons	Tons	0.5
Particulate Matter	Tons	0.2

Note:

1. Total emissions of non-methane hydrocarbons and particulate matter are calculated as the emission rate multiplied by the operating time of the air emissions treatment facilities during the Reporting Period. Emission rates are tested by qualified third-party monitoring organizations.
2. The reporting boundary covers the Company's Shanghai Operations Headquarters, Wuhan Office, Beijing Office, Wuxi Chuangmei Base, and Huishan Production Center.

Waste Management

We continuously update and optimize systems for waste management, such as the *Solid Waste Management System* and the *Solid Waste Operation Guidelines*, which serve as the Company’s core governance documents for waste management and control. These frameworks aim to minimize the environmental impacts of waste on surrounding areas. During the Reporting Period, we have included waste lubricating oil within the scope of hazardous waste management. We also introduced specific management requirements for general solid waste, stipulating that all transfers of general solid waste must be initiated through system-generated transfer manifests, with the regular waste declaration system being strictly enforced. These measures standardize solid waste disposal management and reinforce our environmental responsibilities. In addition, we implement compliant collection, classification, storage, and transfer procedures for different waste categories to prevent soil and environmental contamination from improper disposal, thereby strengthening our waste management controls in support of green and sustainable development.



FORGING SYNERGY – ADVANCING GREEN DEVELOPMENT

During the Reporting Period, our KPIs for hazardous and non-hazardous waste are as follows:

Waste	Unit	As of December 31, 2025
Total Hazardous Waste	Tons	373.6
Cleaning Waste Liquid	Tons	186.0
Activated Carbon	Tons	62.2
Packaging Drums	Tons	51.1
Spray Tower Waste Liquid	Tons	62.0
Waste Gloves	Tons	7.4
Waste Filling Materials	Tons	1.0
Others	Tons	3.8
Hazardous Waste Intensity	Tons/total revenue (million USD)	1.0
Total Non-hazardous Waste	Tons	457.7
Photochemical Model	Tons	433.9
Gypsum Model	Tons	5.3
Others	Tons	18.4
Non-hazardous Waste Intensity	Tons/total revenue (million USD)	1.2

Note:

1. The types and emissions of hazardous wastes are sourced from the Transfer Manifest of Hazardous Wastes.
2. The reporting boundary covers the Company's Shanghai Operations Headquarters, Wuhan Office, Beijing Office, Wuxi Chuangmei Base, Huishan Production Center, and Aditek in Brazil.

Noise Management

We regularly monitor plant boundary noise to ensure compliance with the emission limits specified in the *Emission Standard for Industrial Enterprises Noise at Boundary (GB 12348-2008)*. During the Reporting Period, to mitigate the noise impact from the operation of compressed air pipelines in the laser cutting process, the Company installed targeted noise-reduction silencers. This reduced workplace noise levels by approximately 3 decibels and improved the acoustic comfort of the working environment.

BEING SINCERE – GIVING BACK TO SOCIETY

Alignment with United Nations Sustainable Development Goals (UN SDGs):



2025 Performance Highlights

- R&D investment: RMB **194.26** million
- Customer satisfaction: **97%**
- Women in management positions: **35%**
- Angel E-Learning has cumulatively launched **1,399** online courses, with total learning time of **56,718** hours

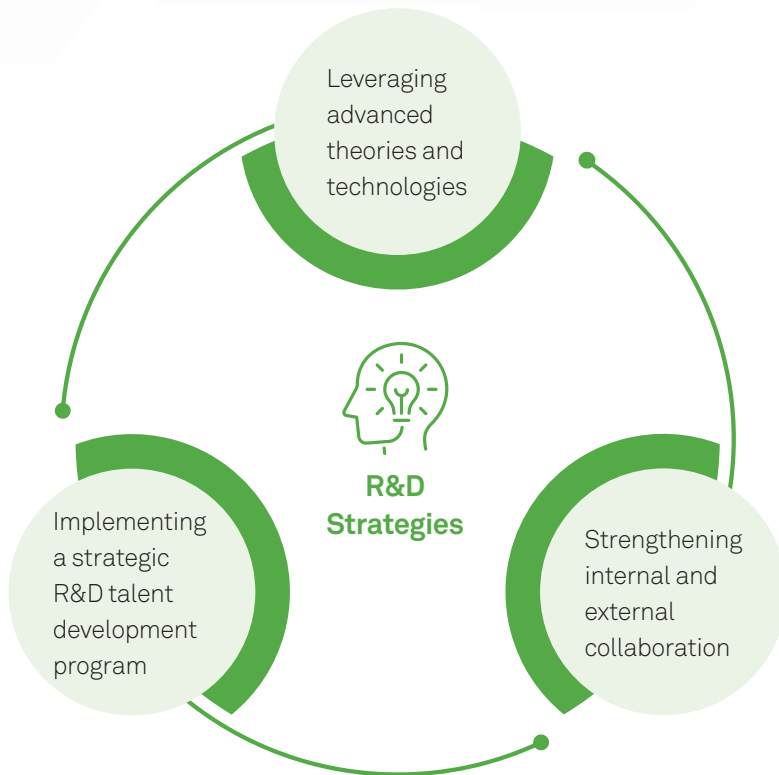
Being sincere, Angelalign integrates corporate development with social contribution. Grounded in cutting-edge R&D innovation, we drive continuous product upgrades and ensure safety throughout the product lifecycle through end-to-end quality control. We regard talent as our core asset and foster an inclusive growth platform that unleashes team potential. Besides, we translate our professional expertise into social responsibility through initiatives such as oral health education and support for vulnerable groups, giving back to communities and creating positive societal impact. We firmly believe that this multi-dimensional and multifaceted commitment to responsibilities forms the solid foundation for our sustainable development and represents our pledge to all our stakeholders.

R&D Innovation

Angelalign recognizes that research and development (R&D) innovation is fundamental to technological advancement and industry evolution. The Company continues to increase investments in technological R&D and attract world-class technical talent to promote technological breakthroughs and product upgrades. These efforts strengthen our competitive position in the evolving industry landscape and drive the iterative upgrading of the oral health industry chain.

R&D System

We are committed to improving the R&D system of the Company and continuously promoting innovation mechanisms in product R&D. To better address the diverse needs of doctors and patients worldwide, we have established global “Product Committees” and “Medical Committees.” Our goal is to develop more diversified and locally adapted products aligned with treatment protocols and patient needs across different countries and regions, thereby expanding our presence in specialized market segments.



Three Major R&D Strategies of Angelalign

Innovation Strength

We actively pursue innovative solutions. During the Reporting Period, we launched a series of orthodontic auxiliary products, including the Angel Curved Turbo and X Turbo, to enhance clinical outcomes and patient experience across diverse orthodontic treatment scenarios.

<p>Angel Curved Turbo</p>	<p>Used for an adjunctive treatment for deep bite, increased overjet, Temporomandibular Disorders (TMD), and orthodontic adjunctive treatment in patients undergoing occlusal reconstruction, the Angel Curved Turbo innovatively adopts a vertical and horizontal curved surface design to address issues such as mandibular retrusion in traditional deep bite treatments. It provides mechanical support for the anterior vertical dimension while creating space for posterior extrusion.</p>
<p>X Turbo</p>	<p>As an innovative interactive occlusal guide specifically designed for malocclusions, the X Turbo automatically adapts to the bite without the need for bite ramps, simplifying the operation. It leverages natural biting forces for precise vertical control, thereby optimizing the orthodontic experience.</p>
<p>Angel Palatal Expander</p>	<p>The Angel Palatal Expander is a clear arch expansion device for orthodontic treatment, combining a rigid-flexible design with personalized adjustments. This design enhances the expansion force and retention to improve expansion efficiency, while remaining thin and comfortable, making it easy to wear and remove.</p>
<p>Angel Activator HG</p>	<p>Used for Class-II high-angle orthodontic treatment in children and adolescents during or before their peak growth spurt, the Angel Activator HG integrates the functions of clear aligners and headgear activators. Through an integrated buckle design and external J-hook, it achieves three-dimensional control. Wearing it day and night can promote mandibular development and improve facial profile.</p>

R&D Highlight Products of Angelalign in 2025

The Company continuously improves its talent incentive mechanisms, utilizing initiatives like the “Golden idea contest” and “End-to-end design contest” to foster innovation. Through design skill exchanges and process comparisons, we have established a platform for employee innovation and exchange, strengthening the accumulation of design experience and idea iteration, thereby stimulating the innovation vitality of employees.



Golden Idea Contest



End-to-end Design Contest

BEING SINCERE – GIVING BACK TO SOCIETY

- **Industry-academia-research Cooperation**

Furthermore, we actively advance collaborative innovation across industry, academia, and research institutions. Since 2015, we have implemented the “Lianchuang A+” program, which is dedicated to cultivating industry experts and high-caliber innovation teams with international competitiveness. In recent years, we have continued to build a diversified collaboration ecosystem by partnering with leading dental hospitals, universities, professional institutions, and other cutting-edge research organizations to jointly explore innovative technologies and application solutions in the field of clear aligner therapy.

- **Standardization**

The Company actively participates in the development and revision of industry standards and is committed to promoting standardized industry development. We have contributed our professional expertise to the establishment of a comprehensive, science-based, and reliable industry standards framework. We also played a key role in developing China’s first industry standard for membrane-type non-bracket orthodontic aligners (clear aligners), *Dental Membrane-type Non-bracket Orthodontic Aligners (YY/T 1932-2024)*, further enhancing professionalism and safety in the clear aligner field.

Intelligent Manufacturing

Angelalign regards intelligence as a key pathway to enhancing production quality and operational efficiency. We continuously upgrade our intelligent production system and drive productivity improvements through advanced manufacturing concepts and technologies. We deepen our transformation across key aspects including process R&D, automation upgrades, and the digital and intelligent management of the supply chain, steadily improving the scalable mass production efficiency of customized products and strengthening our globally competitive intelligent manufacturing capabilities. During the Reporting Period, the “Angelalign Clear Aligner Smart Factory” project was recognized as a “2025 Jiangsu Province Advanced Smart Factory.” The Company was also included in the Jiangsu Province Five-Star Cloud Enterprise list, receiving the highest provincial cloud-enterprise rating in recognition of our strong digital capabilities and continued leadership in intelligent manufacturing innovation within the clear aligner industry.

Production Process	Intelligent Manufacturing Initiatives	Quantified Benefits
Aligner thermoforming	Introduced a layout and printing strategy based on intelligent prediction of dental model dimensions combined with a dynamic membrane-forming mechanism	Thermoforming efficiency increased by over 90%, and roll material utilization increased by over 15%.
Aligner cutting	Introduced a more advanced robotic system	Single-cycle cutting time increased by over 30%, and overall line efficiency increased by over 90%.
3D printing	Optimized dental model structure	3D printing resin consumption reduced by over 18%

Case: Automated bonding of angelLink system attachment features

In connection with the launch and market introduction of new products, we have developed and adapted automated processes to support large-scale manufacturing. We successfully implemented automated bonding for angelLink system attachment features, replacing manual operations with intelligent equipment. This transition significantly enhanced production efficiency while ensuring product stability, consistency, and quality reliability.

Angelalign is accelerating the transition from automated production to intelligent production, driving a strategic transformation from “traditional manufacturing” to “intelligent manufacturing.” In the future, the Company will continue to increase investments in intelligent manufacturing. Guided by a people-centered and efficiency-driven development philosophy, we will focus on building green and smart factories and continuously improving our overall intelligent manufacturing capabilities.

Product Quality

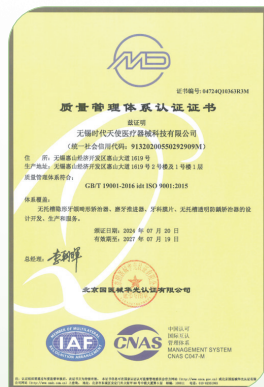
Angelalign is committed to the pursuit of excellence in quality. We have established and continuously improved a process-based, end-to-end quality control system to ensure that the quality of our products and services complies with regulatory requirements, international industry certifications, and customer needs, thereby comprehensively enhancing product and service quality. In 2025, Wuxi Angelalign Medical Device Co., Ltd. was awarded as “2025 Jiangsu Province Quality Credit AAA Enterprise (Highest Rating).”

Quality System

Based on our globalization strategy, we have established an end-to-end quality control system with the Shanghai company serving as a R&D center and the Wuxi company serving as a manufacturing base. This system integrates global regulatory requirements and standards for medical device quality management systems, including but not limited to ISO 13485:2016, China GMP, EU MDR, US CFR820, Korea KGMP, and MDSAP. In 2025, we obtained the ISO 13485 Group Quality Management System Certification issued by TÜV SÜD. In addition, the Wuxi Huishan Factory and the Wuxi Chuangmei Base have obtained ISO 13485, ISO 9001, and MDSAP Quality Management System Certification for their production systems respectively.



ISO 13485:2016: Quality Management System Certification



ISO 9001:2015 Quality Management System Certification

MDSAP: Medical Device Single Audit Program Quality System Audit

• **Quality Management Architecture**

We have established a global quality management architecture under which the Group Chief Executive Officer (CEO) is designated as the primary person responsible for the quality of Angelalign medical device products. The CEO is responsible for organizing the formulation of the Company’s quality policy and quality objectives and ensuring that the quality management department and personnel effectively fulfill their duties. Under the overall coordination of management and the collaborative participation of all employees, the Company continuously iterates and optimizes its management system, progressively enhancing system effectiveness and compliance.

• **Quality Objectives**

In adherence to our quality policy and commitment to excellence, we continuously improve our products and services to comprehensively respond to and meet the diverse needs of our customers. In 2025, taking into account the production specifications of each product line, the Company established clear and quantifiable quality objectives, and implemented a regular tracking and evaluation mechanism to implement full-lifecycle control. All established quality objectives were achieved during the Reporting Period.



Quality Control

Focusing on full-lifecycle quality control, we refine our quality management model across three dimensions: resource management, product realization, and continuous improvement, building a comprehensive lifecycle quality assurance framework. At the same time, we conduct thorough material research and product testing during the R&D stage, and have established a routine full-performance testing mechanism following mass production to comprehensively ensure the safety and effectiveness of products and materials.



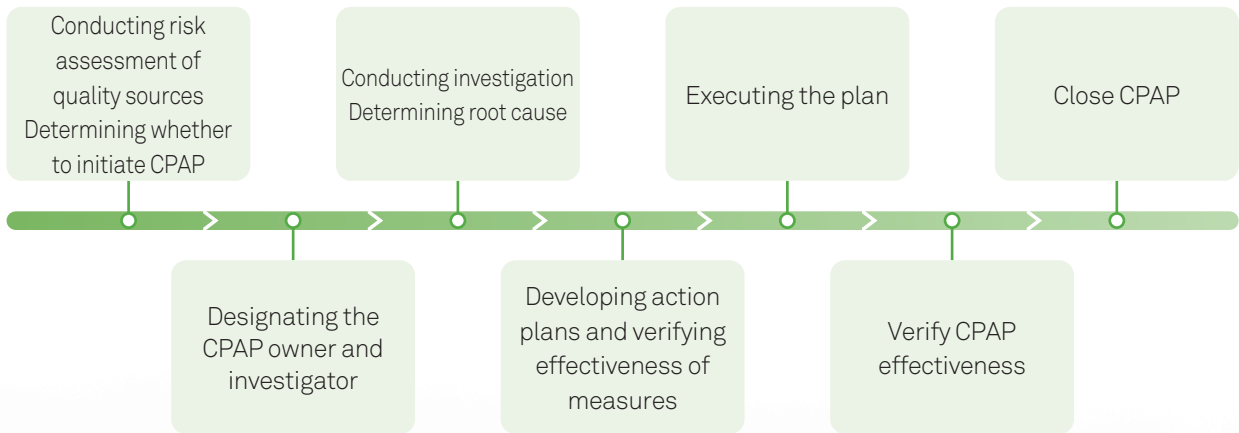
Product Lifecycle Quality Management

- **Quality Risk Management**

In accordance with standards including ISO 14971:2017 and ISO/TR-24971:2020, and the regulatory transformation requirements of countries and regions where our products are marketed, the Company has established a *Product Risk Management Procedure*. This procedure systematically identifies potential product hazards, and implements full-lifecycle risk assessment, control, and effectiveness supervision of risk control measures. We have also established an annual risk management process review mechanism to verify plan implementation, ensure effective collection of production and post-market risk information, and evaluate the suitability and effectiveness of the process through dedicated review reports. Risk management requirements are fully integrated into all business processes, including complaint handling, nonconformity and corrective and preventive actions, and post-market surveillance and vigilance, thereby achieving timely risk identification and precise risk mitigation.

- **Corrective and Preventive Actions**

The Company has established a *Corrective and Preventive Action Procedure (CPAP)* and fully implemented standardized corrective and preventive actions across its operations. For product quality defects and quality risks identified during the production process, we conduct in-depth root cause analysis and implement closed-loop management to prevent recurrence at the source, ensuring sustained and stable effective operation of the quality management system.



Corrective and Preventive Action Procedure of Angelalign

- **Quality and Safety Audit**

The Company conducts quality audits in accordance with its *Internal Auditing System*. In addition to routine weekly supervision audits, the Company plans no fewer than two comprehensive quality management system (QMS) audits annually. These audits cover all processes, business activities, functional areas, and regions included within the management system. The Company appoints qualified professionals who have completed ISO 13485 internal auditor training to conduct internal audits. Non-conformities identified during audits are rectified by the heads of the audited departments, and internal auditors are responsible for follow-up and verification of corrective action effectiveness.

During the Reporting Period, the Company conducted a total of 5 quality and safety system audits and 3 mock inspections, and responded to 7 audits from regulatory authorities and third-party certification bodies.

- **Quality Culture Construction**

The Company emphasizes the guiding role of quality culture, strengthens employees' understanding of qualification requirements for quality-related roles, and enhances quality awareness and competencies through comprehensive quality training, case sharing, and quality culture promotion activities, thereby fostering and embedding a quality culture. In 2025, we provided quality-related training to all employees, including MDR training, GMP clause training, ISO 13485 & KGMP training, FDA regulatory training, and interpretation of national regulatory inspection case studies.

Product Recall

The Company conducts product recall management in accordance with domestic and international laws and regulations to effectively safeguard customer rights. Through management systems such as the *Product Recall Procedure* and the *Market Action Procedure*, the Company clearly defines and strictly implements requirements for handling non-conforming products after delivery, including recalls and advisory notices as market corrective actions. During the Reporting Period, no product recalls occurred for safety or health-related reasons.

- **Post-Market Surveillance System**

The Company is committed to establishing a post-market surveillance system that aligns with global regulatory requirements. A series of normative documents, including the *Post-Market Surveillance Procedure*, *Vigilance System Procedure*, and *Market Action Procedure*, have been formulated. The Company has established a dedicated Global Post-market Surveillance System (PMS) team to conduct post-market surveillance activities and ensure the continued safety and effectiveness of marketed medical devices. For all countries and regions where our products are sold, we maintain a comprehensive database of authorized representatives/agents and vigilance contact information to support dynamic global safety information monitoring. We strictly submit post-market surveillance reports to market regulatory authorities of every country according to the stipulated cycles.

- **Adverse Event Reporting Procedure**

To strengthen post-delivery and post-use surveillance of medical devices, we have established the *Adverse Event Monitoring and Re-evaluation Procedure* and the *Vigilance System Procedure*. We have established a Medical Device Adverse Event Monitoring Leadership Group to further standardize the full lifecycle of adverse event monitoring, handling, and control, and to institutionalize and normalize periodic risk assessment and re-evaluation activities.

We prominently disclose contact information such as telephone numbers, mailing addresses, email addresses, fax numbers, and designated contacts on product instructions for use (IFU), outer packaging, and the Company's official website, establishing open, transparent, convenient, and efficient channels for medical device business operators and end-users to report adverse events. Furthermore, in accordance with medical device adverse event reporting standards, we conduct dedicated screening of suspected adverse event information identified through customer complaints and feedback. Through the National Medical Device Adverse Event Monitoring Information System, we verify relevant information reported by user institutions and ensure timely implementation of necessary response measures to maximize customer interests and safe use.

Customer Satisfaction

The Company strictly complies with applicable laws and regulations in the countries and regions where it operates. We have established standardized systems and procedures, including the *Customer Service Management System* and the *Complaint Handling Procedure*, to systematically regulate the entire process of customer complaint handling and after-sales service management, ensuring timely and smooth response to customer demands and enhancing the overall customer experience.

- **Listening to the Voice of Customers**

The Company actively broadens customer feedback channels, utilizing multiple platforms such as WeChat groups, customer communication systems, corporate hotlines, and customer service email to comprehensively collect customers' evaluations and feedback.

To gain deeper insight into customers' needs and identify potential areas for improvement, the Company has established a multi-dimensional customer satisfaction survey system. We conduct annual satisfaction surveys covering various modules such as the iOrtho software, customer representative services, customer service responsiveness, aligner products, and training support. In 2025, the overall satisfaction rate was 97%. In addition, we conduct monthly satisfaction surveys for newly onboarded doctors. Feedback related to medical design, product quality, and service experience is promptly communicated to the relevant responsible departments for follow-up and improvement.

Case: "Voice of Customers" (VOC) drives service upgrade

In 2025, the fourth year of the "VOC" initiative, the Company actively promoted the implementation of multiple service improvements. To address recurring issues, we adjusted the design scheme cycle from "working days" to "calendar days" and launched the "Real-time Proposal Generation" function for all doctors. We also introduced the "Self-service Appointment" function on the iOrtho web platform and APP, effectively enhancing treatment flexibility and design efficiency and providing doctors with more flexible communication options. In addition, to meet personalized needs, we have implemented a one-on-one "In-depth Service Model" to precisely identify root causes of issues and develop tailored solutions, delivering a more efficient and convenient experience for both doctors and patients.

- **Customer Complaint Handling Process**

The Company has established a *Complaint Handling Procedure* that clearly defines the process for receiving, recording, evaluating, investigating, and resolving customer complaints related to software products, medical design services, and physical products. Depending on the circumstances, corrective and preventive actions are taken, and an assessment is conducted to determine whether reporting to regulatory authorities is required. We collect customer feedback through multiple channels, including customer service teams, sales teams, and distributors in our headquarters and in countries/regions where our business operates. We implement closed-loop complaint management until customer satisfaction is achieved. Furthermore, we strengthen control through regular complaint analysis meetings and email monitoring, continuously optimizing product and service quality, and enhancing customer trust.

- **Customer Service Capability Enhancement**

The Company focuses on improving customer service competencies. In 2025, a total of 6 specialized training sessions and corresponding assessments were conducted for the customer service team. Training content covered core business modules including retention aligner adjustment strategies, CBCT procedures related to root evaluation, pre-order functions, and iOrtho system operations. Through a “training + assessment” model, we reinforced knowledge retention and application, supporting customer service personnel in strengthening their professional expertise and improving service effectiveness.

Win-Win Cooperation

Upholding the philosophy of win-win cooperation, Angelalign systematically builds a sustainable industry ecosystem. Based on green and transparent supply chain management, we deepen collaborative innovation within the industry chain. Through industry platform construction and professional exchanges, we continue to promote technological advancement and ecosystem collaboration, achieving high-quality sustainable development.

Sustainable Supply chain

We have established a robust supplier onboarding and performance management system. Quality, delivery performance, and sustainable development serve as the core evaluation criteria. Through this framework, we promote the transformation of our supply chain toward greener, more efficient, and more transparent operations.

- **Supplier Management**

The Company has developed and continuously optimized management documents, such as the *Procurement Procedure*, the *Supplier Management Procedure*, and the *Supplier Code of Conduct*, to implement full-lifecycle supplier management across four stages: supplier onboarding, supplier categorization, regular audits and pre-evaluation, and change and exit management.

Supplier Onboarding

- Potential production suppliers are required to provide relevant qualification documentation, including business licenses and quality certifications. Preference is given to suppliers with a strong industry reputation and demonstrated environmental responsibility.
- For all key suppliers whose products directly impact the final product's quality, core functions, and performance indicators, stringent on-site audits are conducted to ensure their capability to deliver products and services that meet specified requirements.

Supplier Categorization Management

- Supplier files are established for qualified suppliers, and relevant documentation is regularly updated and maintained.
- Suppliers are categorized and managed based on material type, service type, and the degree of impact on the final product.

Regular Audits and Performance Evaluations

- The Company regularly conducts supplier audits and performance evaluations.
- Annual supplier evaluations are performed in accordance with the Supplier Performance Evaluation Form, reviewing and analyzing the quality, technical capability, and delivery performance of supplied materials and services.
- For suppliers receiving low overall performance scores, supplier development plans are formulated to require corrective action within a specified timeframe.

Change and Exit Management

- Suppliers are required to initiate change notifications in accordance with the Change Notification Procedure prior to implementing any changes that may affect the product's ability to meet specified procurement requirements.
- If material defects affecting the quality of procured items are identified during supplier evaluation, procurement suspension and exit review will be considered. At the same time, risks associated with already-utilized procured materials will be promptly assessed.

Supplier Lifecycle Management

- **Supplier Empowerment**

To comprehensively enhance quality control, cost efficiency, and delivery assurance within the procurement process, we continuously promote supplier capability development programs and provide targeted support actions through proactive collaboration. For small-scale medical device model suppliers with development potential and technical capabilities, we alleviate their cash flow pressure by sharing product model data, providing full prepayment of sampling fees, and committing to a certain procurement volume upon achievement of quality standards. By offering predictable business support, we strengthen supply chain collaboration efficiency and improve overall supply chain resilience.

- **Sustainable Procurement**

Angelalign places a high priority on green development and the fulfillment of social responsibility across its supply chain, systematically promoting green and low-carbon transformation. We have formulated and implemented the *Angelalign Green Procurement Policy (Trial)*, incorporating environmental protection, resource conservation, safety and health, circular low-carbon practices, and recycling requirements into procurement decisions. We prioritize the selection of energy-efficient, water-saving, and material-efficient raw materials, products, and services, embedding green principles throughout the product lifecycle and actively building a supply chain system that balances economic development with environmental protection.

In supplier management, the Company continuously strengthens audits on labor rights and occupational health and safety. Suppliers that fail to meet required standards are mandated to implement on-site corrective actions. These measures effectively safeguard employees' legitimate rights and interests and promote the construction of a responsible supply chain. In addition, through the *Compliance Manual*, we clearly define requirements for business ethics and integrity in procurement activities and require them to sign the *Sunshine Agreement*, reinforcing suppliers' ESG-related compliance performance.

Through collaborative engagement with suppliers, Angelalign works to enhance environmental performance across the supply chain. By optimizing packaging volume, strengthening material requisition monitoring, and implementing other efficiency measures, we effectively reduce resource waste. In 2025, the Company, in collaboration with all suppliers, processed a total of 645 metric tons of production waste through environmentally sound disposal methods. Furthermore, backpacks made from RPET (Recycled-PET) fabric derived from recycled mineral water bottles were used as Mid-Autumn Festival gifts for employees. Both the outer fabric and lining are made of recycled polyester, and the materials are certified under the Global Recycled Standard (GRS) full-chain certification. This initiative extends the lifecycle of virgin plastics and helps avoid environmental impacts associated with landfill disposal. In addition, the Company continues to promote localized procurement within the supply chain, significantly enhancing supply stability and risk management capabilities, while improving overall supply chain sustainability and collaborative efficiency.

Industry Cooperation

The Company actively leverages its industry influence and has long been committed to building a closer, more efficient and sustainable industry ecosystem. Through strong collaboration with industry partners, we support industry-wide innovation and promote mutually beneficial development. During the Reporting Period, the Company's independently developed innovative product, "angelButton," received the "Best New Product Award" at the Second Annual North American Orthodontic Awards.



The Second Annual North American Orthodontic Awards "Best New Product Award"

- **External Engagement**

We actively participate in various industry associations and professional forums, sharing the Company’s experience and achievements in clear aligner technology research and development, clinical practice, and digital services. Through these engagements, we promote knowledge exchange and collaborative industry advancement. In 2025, we participated as a collaborating unit in the compilation of the *White Paper on the Development of the Clear Aligner Orthodontics Industry in China (Innovation Drives New Progress, Quality Leads the Future)*, contributing professional expertise to support high-quality industry development.



International Forum on Innovative Solutions for Malocclusions in Children and Adolescents



The 24th Annual Meeting of the Chinese Orthodontic Society, Chinese Stomatological Association



Angelalign Early Orthodontics International Forum



2025 Taihu Bay Biomedicine Industry Expo

Case: Tracing the Origin, Reaching the World – The 11th A-TECH Conference of Angelalign

In June 2025, Angelalign hosted the 11th A-TECH Conference in Shanghai under the theme “Tracing the Origin, Reaching the World.” The conference convened industry experts and scholars to focus on cutting-edge technologies, innovative developments, and clinical applications in orthodontics. At the conference, we released six major innovative achievements covering full-lifecycle early orthodontic solutions, efficient treatment approaches for complex cases, and advancements in digitalization and artificial intelligence. We also presented clinical case studies centered on the application of “angelButton,” highlighting its flexible application and clinical value in complex orthodontic treatments. Furthermore, the conference featured dedicated sessions on complex cases and early orthodontics, providing a high-caliber academic exchange platform for orthodontic practitioners. The event received widespread acclaim, underscoring Angelalign’s benchmark influence within the orthodontics field.

**The 11th A-TECH Conference**

Case: Walking with Light, Co-authoring the Future – The 2nd Angelalign CEO Forum

In December 2025, the 2nd Angelalign CEO Forum was successfully held in Hangzhou, with participation from more than 700 managers of leading dental institutions nationwide. Under the theme “Walking with Light, Co-authoring the Future,” the forum featured 16 keynote presentations and 3 high-level dialog sessions. Discussions focused on key industry trends, including the increasing penetration of clear aligner treatment and the growing demand for early orthodontic care in children. In collaboration with Rednote, we released the *2025 China Children’s Early Orthodontics Trend Report*, aiming to support the improvement of industry standards and service quality. The forum also provided structured support for industry partners and contributed to the high-quality development of the oral healthcare sector.



The 2nd Angelalign CEO Forum

Case: Angelalign and Rednote jointly launch the “Angel KiD Star” program

In June 2025, Angelalign and Rednote jointly launched the “Angel KiD Star” Program, dedicated to building a professional, interactive, and credible public education ecosystem for early orthodontic treatment in children. In response to increasing public interest in children’s early orthodontics and a relative shortage of professional educational content, this program includes initiatives such as the release of the *2025 China Children’s Early Orthodontics Trend Report*, collaborating with medical experts, and co-creating “user smile stories.” These efforts are intended to help parents access scientific and reliable oral health information and enhance public awareness of early orthodontic care. This program encourages users to share their children’s smile stories and photos. Participants may receive incentives including educational courses developed in collaboration with Olympic champions. The initiative aims to strengthen our engagement with consumers while supporting public education and addressing gaps in professional content related to children’s oral health.

**Angel KiD Star Program**

Focusing on Talent

Angelalign is committed to fostering an inclusive and caring corporate culture, creating a healthy and safe working environment, and supporting employees in achieving their personal and professional aspirations. The Company also seeks to contribute positively to society by leveraging its influence to participate in community development and build a better future together.

Equality and Inclusion

Angelalign is dedicated to cultivating a diverse, equitable, and inclusive workplace. We are committed to providing equal employment and career development opportunities to all job applicants and employees globally. By attracting and retaining talent from diverse regions and backgrounds, we aim to strengthen the Company through broader perspectives and professional expertise. In 2025, we received the Certification of Great Place to Work™, an internationally recognized authority, in Spain, France, Italy, and the United Kingdom, recognizing our efforts to build high-standard and inclusive workplace environments globally.

Case: We Are Angel! 2026 Angelalign Overseas Employee Conference

In January 2026, hundreds of employees from over 60 countries gathered in Wuxi to attend the 2026 Overseas Employee Conference. Teams from five major regions – China; Europe, EMEA; North America; Asia Pacific; and South America – representing Marketing, Sales, Clinical Support, and Operations functions participated in the conference. Through business discussions, roundtable dialogs, and team-building activities, cross-regional collaboration was strengthened. The conference also invited long-tenured employees to reflect on the Company’s 23-year development history and reinforce the core value of “Customer First,” fostering shared understanding and alignment among employees from diverse cultural backgrounds.



2026 Angelalign Overseas Employee Conference

- **Gender Equality**

The Company places gender equality at the core of its diverse, equitable, and inclusive corporate culture. We adhere to the principle of equal pay for equal work, ensuring fair compensation based on job requirements, employee performance, and individual capabilities. Male and female employees with the same position, experience, and work performance receive equivalent remuneration. We also support the development of leadership among female employees. Women account for more than 40% of middle-level and above management, reflecting the Company's progress in advancing gender equality and supporting the career development of female employees.

- **Human Rights Protection**

The Company strictly complies with applicable human rights laws, regulations, and standards and follows the principles of international human rights instruments, including the UN's *Universal Declaration of Human Rights* and the ILO's *Declaration on Fundamental Principles and Rights at Work*. We have established and published a *Human Rights Statement*, promoting high-standard human rights practices globally and ensuring that our business activities, policies, and practices align with internationally recognized human rights norms and standards.

We consistently uphold the core principle of respect for individual dignity and fundamental rights and firmly oppose all forms of human rights violations, including discrimination, exploitation, abuse, and forced labor. The Company is committed to regularly reviewing operations and human rights practices across the entire value chain to ensure alignment with internationally recognized human rights standards. For any non-compliant behavior identified, corrective measures will be implemented promptly. We also disclose progress and challenges related to human rights in a transparent manner.

In addition, we require all employees, business partners and suppliers to strictly adhere to internationally recognized human rights standards. We actively engage with governments and broader society to build consensus and collaborate in promoting human rights advancement, contributing to the development of a just, equitable, and inclusive sustainable development environment.

- **Anti-discrimination and Anti-harassment**

The Company's *Employee Handbook* and *Code of Business Conduct and Ethics* clearly establish a zero-tolerance policy toward discrimination and harassment. All forms of workplace harassment (including sexual and non-sexual harassment), as well as discrimination based on race, gender, color, religion, ethnicity, age, military status, disability, etc., are strictly prohibited. For confirmed cases of discrimination or harassment, severe disciplinary action is imposed on all involved individuals, including perpetrators and participants. Disciplinary measures include, but are not limited to, termination of labor contracts, and individuals involved will also bear corresponding civil or criminal liability in accordance with applicable laws. We are also committed to providing equal employment and development opportunities for persons with disabilities and to creating an accessible, inclusive, and supportive workplace environment.

The Company conducts regular employee conduct training to reinforce core workplace principles such as equality, respect, and anti-harassment standards. These programs help employees understand behavioral boundaries and jointly safeguard a healthy workplace environment.

Labor Rights

The Company complies with applicable labor laws and regulations and provides employees with competitive compensation and benefits. We also organize diverse employee engagement activities to support dignity at work and promote work-life balance.

- **Compliant Employment**

The Company respects and protects the lawful rights and interests of all employees. In strict compliance with the laws and regulations of the countries and regions in which we operate, we have established the *Recruitment Management System* and *Employee Handbook* to standardize recruitment, hiring, and separation processes, ensuring that employee rights are protected. Relevant policies are disclosed externally in a timely manner.

We firmly prohibit illegal and non-compliant employment practices, including child labor and forced labor. To ensure compliance with the *Regulations on the Prohibition of Child Labor*, we rigorously verify applicants' valid identification documents during recruitment to confirm that they meet the legal working age. If any individual below the legal working age were identified as employed by the Company, we would conduct investigations in accordance with internal policies and handle the matter in compliance with applicable laws and regulations, while implementing measures to prevent recurrence. During the Reporting Period, the Company had no incidents of child labor or forced labor.

- **Remuneration and Benefits**

The Company continuously optimizes its compensation structure and incentive framework to ensure fair, reasonable, and compliant compensation management. We adhere to the principle of equal pay for equal work. In addition to ensuring that employee income meets and exceeds basic living needs, we provide market-competitive compensation to attract and retain high-performing talent.

Employee remuneration comprises base salary, position-based salary, allowances, and performance bonuses. Compensation is adjusted based on job level, work experience, competency level, individual performance, and the Company's overall performance. To address the development needs of core talent, the Company continuously improves its long-term incentive mechanisms and implements equity-based incentive plans, empowering employees to achieve long-term career development.

The Company provides all employees with statutory leave, including bereavement leave, marriage leave, maternity leave, personal leave, and sick leave. Employees are also enrolled in legally required social insurance and housing fund programs, as well as paid annual leave, in accordance with applicable laws and regulations. To promote work-life balance, the Company offers a range of non-monetary benefits to all employees based on employee needs, including holiday gifts, birthday gifts, health check-ups, team-building activities, and company-provided refreshments. These initiatives embody our commitment to employee well-being and aim to enhance overall employee satisfaction in both professional and personal life.

Employee Treatment Discount Program

We have developed a global *Angelalign Employee Discounted Treatment Plan*, with implementation guidelines tailored to different regions. Oral healthcare products are incorporated into the employee benefits framework. This benefit covers employees and their children, offering discounts on orthodontic aligners and treatment plan design fees. All employees may conveniently apply through online channels.

Health Protection

The Company provides all employees with supplementary commercial insurance coverage, including employer liability insurance, critical illness insurance, and commercial medical insurance. Through this multi-layered protection framework, we strengthen employee welfare and risk protection.

Flexible Working

In overseas regions including EMEA, APAC, and North America, the Company implements a flexible remote working policy. Employees may apply in accordance with applicable local regulatory and business compliance requirements. This mechanism reduces geographic constraints and allows employees to plan their work schedules flexibly based on their time zones and personal circumstances, supporting improved work-life balance.

Employee Welfare Initiatives

As the Company's internationalization continues to advance, we have strengthened global employee support and improved human resources service efficiency. During the Reporting Period, the Company developed an overseas HR Portal platform to provide more convenient and streamlined HR services to global employees. The platform offers self-service system access, policy and guideline inquiries, leave calendar viewing, and access to practical documentation, enabling employees to manage HR-related matters efficiently.

- **Employee Communication**

The Company has established open, transparent, and accessible communication channels to enhance employee engagement and improve feedback and grievance management processes. Multiple communication channels are available, including DingTalk, telephone, email, the HR platform, lunch dialogs, employee interviews, forums, and workshops. Through these channels, we address employee concerns across all regions and organizational levels in a timely and appropriate manner. Internal communication platforms such as the Angel Gazette, national digital display screens, DingTalk announcements, and company-wide emails are used to continuously strengthen information sharing between the Company and employees.

We conduct annual employee satisfaction surveys. During the Reporting Period, survey dimensions included new employee satisfaction, cafeteria satisfaction, voting on holiday gift options, and feedback on office renovation initiatives. These surveys help gather employee input, improve satisfaction levels, and support the Company's sustainable development. During the Reporting Period, new employee satisfaction exceeded 97%.

To continuously optimize employee relations and improve internal management mechanisms, the Company has established a standardized and efficient grievance handling process. Employees may raise concerns or submit grievances to their direct supervisor, higher management, or the Human Resources department through appropriate channels and procedures. The *Employee Handbook* clearly defines the employee grievance procedure, processing timelines, and communication and mediation mechanisms. All employee grievances are resolved within two weeks, and the entire grievance process and related information are handled with strict confidentiality.

- **Employee Engagement Activities**

The Company enriches employees' extracurricular lives by organizing a variety of engagement activities and providing facilities such as basketball courts, football fields, and billiards rooms. These initiatives enhance the employee experience while strengthening organizational cohesion and employer attractiveness.



Dragon Boat Festival activities



Family Day



22nd Anniversary Celebration



Traditional Chinese Medicine Wellness Activities

Talent Development

Angelalign has established a comprehensive and systematic talent training and development framework and has initiated the development of an *Employee Development Policy*. Through the recruitment of high-quality talent, structured training programs, and clear career development pathways, we aim to attract and retain talent while supporting the Company's long-term and sustainable growth.

- ***Talent Attraction and Cultivation***

The Company places strong emphasis on the recruitment and development of specialized talent. In compliance with applicable laws and regulations, we conduct social recruitment, campus recruitment, and internal recruitment to attract qualified talent globally. The Company actively promotes university-enterprise cooperation. During the Reporting Period, we partnered with 30 universities across 16 provinces in campus recruitment programs, hiring a total of 551 graduates, thereby deepening our talent reserve. At the same time, we provide employees with more internationally oriented career opportunities and have expanded recruitment channels for overseas business units, supporting the globalization of the Company's human resources strategy.

- ***Employee Training and Empowerment***

The Company focuses on employee professional development needs. Based on the *Training Management Procedure*, we have established an efficient talent training and development system and developed multi-level, personalized training plans to unlock employee potential and support career progression.

General skills training

- For all employees, we offer ESG-related training courses on business ethics and anti-corruption, compliance, health and safety, and environmental protection.
- We also organize lunch exchange sessions for all employees, incorporating skills Q&A and thematic sharing discussions.

Professional skills training

- For general employees, we offer the “Angel Workplace Vitamin” training series, comprising 15 courses across eight thematic areas: time management, project management, workplace communication, positive mindset, cross-cultural communication, AI-enabled productivity, work review and reflection, and work reporting and presentation.
- For technical personnel, we conduct workshops on upward and downward communication skills and succession planning. We have also established a training “dojo” model integrating “theoretical instruction, practical training, skill assessment, and technical research” to provide employees with simulated production environment training aligned with real operational scenarios.

International talent development

- The Company has launched a company-wide English proficiency improvement initiative for all employees. Based on role requirements and individual proficiency levels, we implement tiered training strategies. For key personnel, we provide targeted programs such as the Angel English Growth Camp.
- For management personnel, we offer cross-cultural integration courses to enhance cross-cultural management effectiveness.
- For overseas employees, we organize experience-sharing workshops and learning activities to facilitate cross-regional exchange.

New employee training

- We provide “Angel New Employee Training” for new employees, including three key components: an onboarding learning package and 30-day growth roadmap with live training, offline intensive training camps and a mentoring program for new sales employees.c

Management talent development

- For management personnel, we offer programs such as “Angel Management Pit Stop” and “Angel Business School,” covering macro-level vision, strategic planning, and management skills development.

Internal trainer development

- For certified Angel internal trainers, we have established a comprehensive development pathway, including foundational trainer workshops, AI-based course design live sessions, and course incubation workshops. Through a dual selection mechanism of “senior personnel recommendation” and “high-potential talent nomination,” the first cohort of 168 employees completed systematic training and formally obtained the qualification of “Certified Angel Internal Trainer.”

External training cooperation

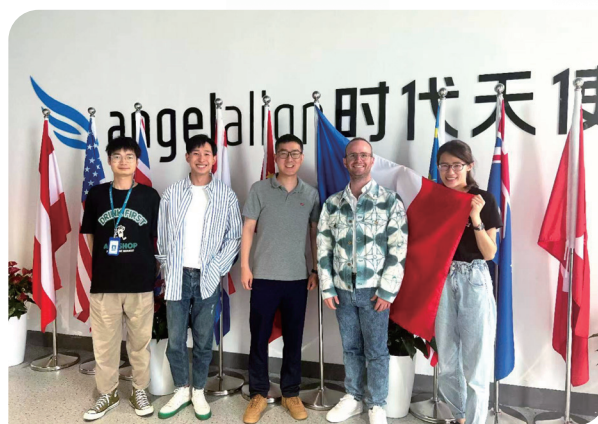
- For employees in specialized roles, we encourage participation in external training programs relevant to their positions and reimburse course and examination fees to support professional development.

Angelalign's Talent Development System

The Company leverages digital technologies to operate the Angel e-Learning Platform, which integrates diverse learning resources and functionalities to provide employees with comprehensive training content and flexible learning channels. In 2025, in connection with World Oral Health Day, World Book Day, and Christmas, we organized four company-wide learning activities using questionnaires and gamification formats. These included the “Smart ‘Tooth’ Challenge: Safeguarding Oral Health” knowledge competition, “My Comfortable Reading Circle” book recommendation campaign, and “Jingle Movie” English movie guessing game. These activities attracted over 1,800 participants, enhancing learning engagement and interactivity. As of the end of the Reporting Period, Angel e-Learning has launched 1,399 online courses, with a total of 60,530 learning participations. Total learning hours reached 56,718 hours.



Receptionist Training Camp



Overseas Employee Exchange

Case: Angel Management Pit Stop

In May 2025, we officially implemented the “Angel Management Pit Stop” program, focusing on the systematic development of frontline managers. The program delivers training across four core management scenarios: business planning, talent identification and empowerment, coaching and feedback, and execution, aimed at enhancing managers’ role awareness, collaboration, and leadership skills. As of the end of the Reporting Period, we had organized and delivered three in-person training sessions, successfully covering 80 core managers. The program supported the implementation of 12 practical projects and produced a standardized project management toolkit and a corporate project management checklist. Participant satisfaction reached 9.52 out of 10, contributing to improved team collaboration and management effectiveness.

Case: Angel Business School

To address market challenges and strengthen organizational capabilities, Angelalign established the “Angel Business School” in 2024, focusing on the structured development of high-potential talents. Developed in collaboration with the School of Management at Fudan University, the program comprises 100 hours of in-person instruction across seven themes, including macro-level perspective and strategic decision-making. It also incorporates applied components such as executive sharing and business simulations, helping break down cross-functional silos and build strategic alignment. The first cohort concluded in May 2025, with all 47 participants completing the program. Seven project outcomes were produced, and participant satisfaction reached 9.5 out of 10, significantly enhancing participants’ strategic thinking and complex business problem-solving abilities.



Angel Business School

Case: Training dojo construction and application project

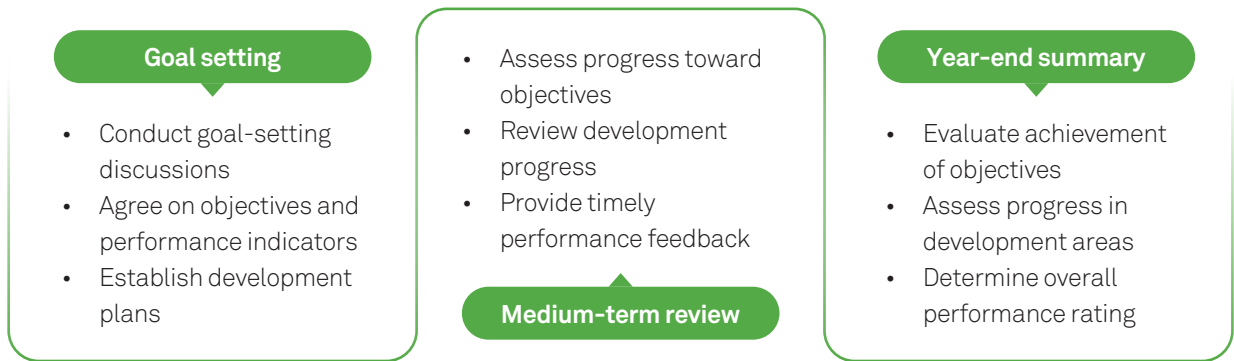
To address the limitations of traditional training approaches that emphasize theory over practice, the Company's Production Center established a hands-on training dojo integrating instruction, practice, assessment, and applied research. To ensure efficient operation, we have also developed the *Training Dojo Management Measures*, which define procedures for facility use, equipment maintenance standards, and roles and responsibilities. A dedicated administrator oversees daily operations and coordination to ensure standardized management. The dojo applies a closed-loop training model ("theory → demonstration → hands-on practice → assessment"), enabling participants to rapidly develop skills in simulated real-world scenarios and improving job-specific technical capability and training effectiveness.



The training Dojo in the Production Center

• **Performance Management and Career Development**

To ensure objective and equitable evaluation of employee performance and contributions, the Company has established the *Performance Management System* and the *Management Measures for Performance Assessment and Bonus Administration*, and continuously refines its performance evaluation framework and indicators. During the Reporting Period, we have also added management-level Objectives and Key Results (OKR) assessments to strengthen alignment and cascading of strategic priorities across the organization. We conduct performance reviews every six months and maintain structured processes for performance coaching and results communication. Through regular performance evaluation and feedback, we support employee growth and career development. 100% of Angelalign employees receive regular performance reviews.



Individual Performance Management Process of Angelalign

The Company has established a dual-track job grading framework for management and professional career paths, aligning role requirements with employees' career development aspirations and enabling individuals to realize their full career potential. To ensure equitable promotion opportunities and career development pathways, we designate an annual promotion window each April. During this cycle, high-performing employees demonstrating strong potential, aligned values, and outstanding capabilities are considered for advancement. Additionally, we conduct quarterly promotion activities and recognize employee mentors through certified mentor designations, reinforcing a closed-loop talent development system.



Quarterly Promotion Activities

Health and Safety

Angelalign upholds a people-first principle that prioritizes the protection of life and wellbeing, integrating safety considerations across all aspects of operations. We continuously strengthen our occupational health and safety (OHS) management system, enhance employee safety awareness, and protect employee health and safety in the workplace.

- **Occupational Health and Safety Management System**

The Company strictly adheres to applicable occupational health and safety (OHS) laws and regulations and has established internal policies and systems, including the *Work Safety Responsibility System* and the *Safety Hazard Investigation and Management System*, to ensure the continual improvement and effective operation of its OHS framework. In 2025, Huishan Production Center and Wuxi Chuangmei Base obtained ISO 45001 Occupational Health and Safety Management System certification.



ISO 45001 Occupational Health and Safety Management System Certification

The Company has established a top-down OHS structure, with the General Manager serving as the ultimate responsible person for OHS. Health and safety responsibilities are embedded in the duties and oversight scope of both management and operational levels. An Occupational Health and Safety Committee, comprising the Vice President, the Environmental Health and Safety (EHS) function, and departmental managers, oversees OHS decision-making and supervision to ensure effective implementation of OHS measures.

During the Reporting Period, a total of 143 lost workdays were recorded due to work-related injuries, including 55 lost workdays attributable to commuting-related traffic accidents.

- **Operational Safety**

To implement the principle of “safety first, prevention foremost, and comprehensive risk management,” the Company has developed work safety management systems, such as the *Emergency Management System for Work Safety* and the *Reward, Punishment, and Assessment Management System for Work Safety*, ensuring timely identification and mitigation of safety hazards in production processes, thereby safeguarding employees’ safety and health.

The Company has established a long-term accident prevention and management mechanism. During the Reporting Period, we issued the *EHS Accident/Incident Management System*, which systematically classifies accident hazard types, assesses risk characteristics and severity levels, and defines response procedures and departmental responsibilities following any EHS incident. The system also requires dedicated personnel to conduct hazard inspections and remediation in production and critical control areas, implement corrective and preventive actions, and reduce the likelihood and impact of EHS incidents.

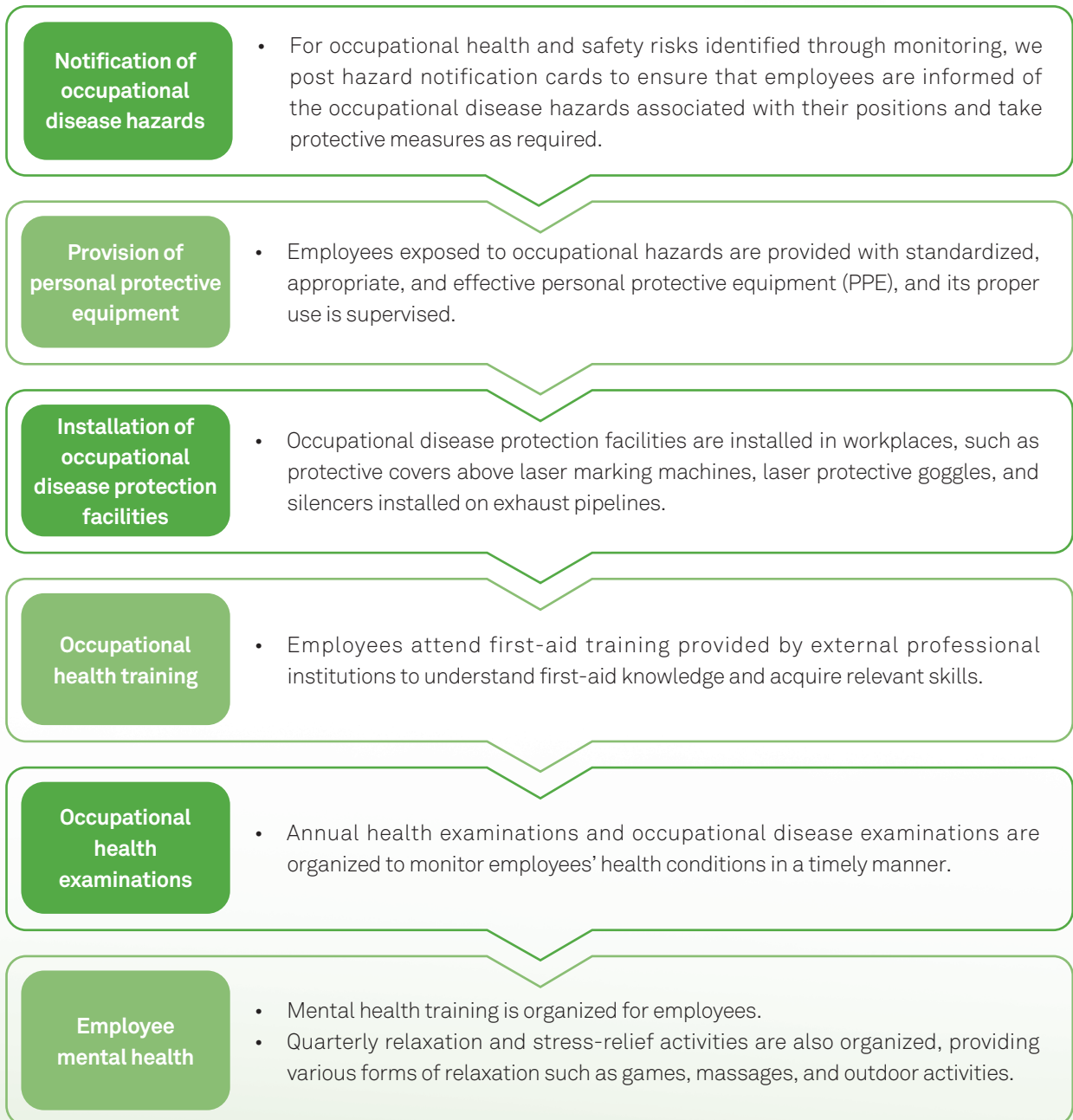
The Company promotes a strong safety culture through regular safety training and emergency drills. We operate a three-tier safety education and training framework at the plant, department, and team levels, with clear and defined safety training requirements for principal responsible persons, safety management personnel, special equipment operators, and other employees. We also maintain emergency response teams and supplies in accordance with regulatory requirements and conduct comprehensive fire drills to strengthen emergency preparedness and response capability. In October 2025, we organized the training on “Work Safety and Emergency Response,” covering approximately 206 employees.



Fire Drills

• **Occupational Health**

The Company standardizes its occupational health management and continues to improve the management level of occupational disease hazard prevention and control. We conduct monitoring of occupational disease hazard factors to ensure that all occupational hazards are effectively identified and controlled. We also closely monitor hazard factors and employees' health conditions and implement a series of occupational health protection measures to prevent and control occupational hazards in the workplace and occurrence of occupational diseases among employees. As of the end of the Reporting Period, there were no new cases of occupational diseases within the Company.



Occupational Health Protection Measures

Public Welfare Initiatives

Angelalign embraces responsibilities to give back to and contribute to society. Leveraging our business characteristics and resource advantages, we engage in community development and public welfare and charity activities to promote harmonious development between the Company and society.

Case: “Smiling Angels, Voice of the Future” 2025 Guangdong Radio and Television Young Hosts Competition

From July to August 2025, the “Smiling Angels, Voice of the Future” 2025 Guangdong Radio and Television Young Hosts Competition, exclusively sponsored by Angelalign, supported youth development through a public welfare initiative. The competition recruited young participants from across the Guangdong-Hong Kong-Macao Greater Bay Area and, through the “Starry Smile Fund,” provided participants with professional oral health assessment packages to support their health and encourage them to express their aspirations. The competition encouraged participants to create works conveying positive values. Outstanding works were promoted on platforms such as Xuexi.cn. The derivative “Voice of the Future” Young Hosts Growth Class entered rural schools, providing language skills training and cultural enrichment to help address gaps in rural educational resources, conveying warmth and hope through voice and practicing the public welfare mission of aesthetic education.

Case: “Meeting a Wonderful You” the 2nd Public Welfare Walk for the Visually Impaired

In April 2025, Wuxi Production Center of Angelalign participated in the 2nd “Meeting a Wonderful You” Public Welfare Walk for the Visually Impaired, held at Gonghuwan Wetland Park in Wuxi. The event was jointly organized by multiple institutions including the Wuxi Charity Federation and the Lingshan Charity Foundation, and brought together government representatives, more than 100 individuals with visual impairments, and over 300 volunteers. During the event, the Angelalign team walked hand in hand with participants with visual impairments, providing companionship and support throughout the activity. Together, they experienced the beauty of spring outdoor activities, creating a warm and inclusive social experience. This event demonstrates the Company’s firm commitment to building an inclusive society and showcases its sense of responsibility and care.



“Meeting a Wonderful You” The 2nd Public Welfare Walk for the Visually Impaired

Since 2017, Angelalign has partnered with the Training Bureau of the General Administration of Sport of China to implement the “Champion Smile Program,” continuously providing professional oral care services to national team athletes and coaches. The program has supported major international events including the Jakarta Asian Games, Hangzhou Asian Games, and Paris Olympics. Through the establishment of “Chinese Champion Smile Guarantee Team” and the provision of cloud-based support services, the Company has delivered oral examinations, personalized diagnosis and treatment, and orthodontic follow-up services, benefiting more than 400 individuals cumulatively. During the 2024 Paris Olympic Games, the Company implemented a flexible scheduling system to support athletes’ oral health needs during competition and operated the Smile Bus initiative. The program received a letter of appreciation from the Training Bureau of the General Administration of Sport of China. Through its professional services, the Company supported athletes in presenting confident smiles on the international stage.

APPENDIX 1: KEY PERFORMANCE INDICATORS

Environmental indicators	Unit	2025
Emissions and discharge		
Total GHG emissions	tCO ₂ e	13,250.4
GHG emission intensity	tCO ₂ e/million USD	35.8
Wastewater	Tons	57,604.0
Non-methane hydrocarbons	Tons	0.5
Particulate matter	Tons	0.2
Total hazardous waste	Tons	373.6
Total non-hazardous waste	Tons	457.7
Hazardous waste intensity	Tons/million USD	1.0
Non-hazardous waste intensity	Tons/million USD	1.2
Resource use		
Total energy consumption	MWh	26,338.4
Direct energy consumption	MWh	148.5
Indirect energy consumption	MWh	26,190.0
Energy consumption intensity	MWh/million USD	71.1
Total water consumption	Tons	91,409.0
Total water consumption intensity	Tons/million USD	246.9
Total packaging material consumption	Tons	573.1
Packaging material intensity	Tons/million USD	1.5

APPENDIX 1: KEY PERFORMANCE INDICATORS

Social indicators	Unit	2025
Product responsibility		
Number of complaints received	Cases	1,927
Complaint resolution rate	%	100
Product recalls due to safety and health reasons	Cases	0
Supply chain management		
Total number of suppliers	/	745
East China	/	487
South China	/	39
North China	/	47
Other countries and regions	/	172
Number of suppliers for annual audit	/	241
Employment		
Total number of employees	Persons	4,312
Number of employees by employment type		
Full-time	Persons	4,312
Part-time	Persons	0
Number of employees by gender		
Female	Persons	2,266
Male	Persons	2,046
Number of employees by job level		
Senior management	Persons	5
Middle management	Persons	80
Junior management	Persons	212
General staff	Persons	4,015
Number of employees by region		
Wuxi	Persons	1,886
Shanghai	Persons	629
Other cities in Chinese Mainland	Persons	833
Overseas and Hong Kong, Macao, and Taiwan Regions	Persons	964
Number of employees by age		
Under 30 years old	Persons	2,162
30-39 years old	Persons	1,834
40 years old and above	Persons	316
Number of employees by ethnicity		
Han Chinese	Persons	2,864
Tujia	Persons	7
Zhuang	Persons	10
Manchu	Persons	23
Miao	Persons	8
Hui	Persons	10
Other ethnic groups	Persons	1,390

APPENDIX 1: KEY PERFORMANCE INDICATORS

Social indicators	Unit	2025
Percentage of female employees	%	53
Percentage of women in all management ¹ positions	%	35
Percentage of women in junior management	%	32
Percentage of women in senior management	%	33
Percentage of women in management positions in revenue-generating functions	%	30
Percentage of women in STEM-related ² positions	%	54
Employee turnover³		
Total employee turnover rate	%	16
Employee turnover rate by gender		
Female	%	16
Male	%	15
Employee turnover rate by region		
Wuxi	%	17
Shanghai	%	24
Other cities in Chinese Mainland	%	16
Overseas and Hong Kong, Macao, and Taiwan Regions	%	6
Number of employees by age		
Under 30 years old	%	20
30-39 years old	%	11
40 years old and above	%	7
Development and training		
Total training hours during the year	Hours	131,904
Average training hours by gender		
Female	Hours	28
Male	Hours	26
Average training hours by job level		
Management ⁴	Hours	85
General staff	Hours	23
Health and safety		
Number of work-related fatalities ⁵	Persons	2
Number of lost workdays due to work-related injuries	Days	143
Traffic accidents	Days	55
Factory work-related injuries	Days	88

¹ Including junior management, middle management and senior management

² STEM: Science, Technology, Engineering and Mathematics

³ Employee turnover rate = the number of departed employees during the Reporting Period/(the number of departed employees during the Reporting Period+ number of employees at the end of the Reporting Period), and the statistical range of the number of departed employees include those who terminate their employment relationship due to voluntary resignation and retirement.

⁴ Including junior management, middle management and senior management

⁵ In 2023-2024, there were no employee fatalities due to work-related incidents. In 2025, all work-related fatalities were investigated and analyzed in accordance with applicable regulation, and relevant rectification measures have been completed.

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Part C: “Comply or Explain” Provisions

Aspect	Description	Section Title
A1	Emissions	Forging Synergy – Advancing Green Development
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: Air emissions include NO _x , SO _x , and other pollutants regulated under national laws and regulations. Hazardous wastes are those defined by national regulations.	Forging Synergy – Advancing Green Development
A1.1	The types of emissions and respective emissions data.	Forging Synergy – Advancing Green Development > Pollution Prevention and Control
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Forging Synergy – Advancing Green Development > Pollution Prevention and Control
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Forging Synergy – Advancing Green Development > Pollution Prevention and Control
A1.5	Description of emission target(s) set and steps taken to achieve them.	Forging Synergy – Advancing Green Development > Pollution Prevention and Control
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Forging Synergy – Advancing Green Development > Pollution Prevention and Control
A2	Use of Resources	Forging Synergy – Advancing Green Development > Resource Use
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	Forging Synergy – Advancing Green Development > Resource Use
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Forging Synergy – Advancing Green Development > Resource Use
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Forging Synergy – Advancing Green Development > Resource Use
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Forging Synergy – Advancing Green Development > Resource Use
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Forging Synergy – Advancing Green Development > Resource Use
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Forging Synergy – Advancing Green Development > Resource Use

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Aspect	Description	Section Title
A3	The Environment and Natural Resources	Forging Synergy – Advancing Green Development
General Disclosure	Policies on minimising the issuer’s significant impacts on the environment and natural resources.	Forging Synergy – Advancing Green Development
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Forging Synergy – Advancing Green Development
B1	Employment	Being Sincere – Giving Back to Society > Focusing on Talent
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Being Sincere – Giving Back to Society > Focusing on Talent
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Appendix 1: Key Performance Indicators
B1.2	Employee turnover rate by gender, age group and geographical region.	Appendix 1: Key Performance Indicators
B2	Health and Safety	Being Sincere – Giving Back to Society > Focusing on Talent
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Being Sincere – Giving Back to Society > Focusing on Talent
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Being Sincere – Giving Back to Society > Focusing on Talent
B2.2	Lost days due to work injury.	Being Sincere – Giving Back to Society > Focusing on Talent
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Being Sincere – Giving Back to Society > Focusing on Talent

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Aspect	Description	Section Title
B3	Development and Training	Being Sincere – Giving Back to Society > Focusing on Talent
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	Being Sincere – Giving Back to Society > Focusing on Talent
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Appendix 1: Key Performance Indicators
B3.2	The average training hours completed per employee by gender and employee category.	Appendix 1: Key Performance Indicators
B4	Labour Standards	Being Sincere – Giving Back to Society > Focusing on Talent
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	Being Sincere – Giving Back to Society > Focusing on Talent
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Being Sincere – Giving Back to Society > Focusing on Talent
B4.2	Description of steps taken to eliminate such practices when discovered.	Being Sincere – Giving Back to Society > Focusing on Talent
B5	Supply Chain Management	Being Sincere – Giving Back to Society > Win-win Cooperation
General disclosure	Policies on managing environmental and social risks of the supply chain.	Being Sincere – Giving Back to Society > Win-win Cooperation
B5.1	Number of suppliers by geographical region.	Appendix 1: Key Performance Indicators
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Being Sincere – Giving Back to Society > Win-win Cooperation
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Being Sincere – Giving Back to Society > Win-win Cooperation
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Being Sincere – Giving Back to Society > Win-win Cooperation

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Aspect	Description	Section Title
B6	Product Responsibility	Being Sincere – Giving Back to Society > Product Quality
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	Being Sincere – Giving Back to Society > Product Quality
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Being Sincere – Giving Back to Society > Product Quality
B6.2	Number of products and service related complaints received and how they are dealt with.	Being Sincere – Giving Back to Society > Product Quality
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Being Sincere – Giving Back to Society > Product Quality
B6.4	Description of quality assurance process and recall procedures.	Being Sincere – Giving Back to Society > Product Quality
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Practicing Together – Enhancing Governance > Information Security
B7	Anti-corruption	Practicing Together – Enhancing Governance > Business Ethics
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Practicing Together – Enhancing Governance > Business Ethics
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Practicing Together – Enhancing Governance > Business Ethics
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Practicing Together – Enhancing Governance > Business Ethics
B7.3	Description of anti-corruption training provided to directors and staff.	Practicing Together – Enhancing Governance > Business Ethics
B8	Community Investment	Being Sincere – Giving Back to Society > Public Welfare Initiatives
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Being Sincere – Giving Back to Society > Public Welfare Initiatives
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Being Sincere – Giving Back to Society > Public Welfare Initiatives
B8.2	Resources contributed (e.g. money or time) to the focus area.	Being Sincere – Giving Back to Society > Public Welfare Initiatives

Part D: Climate-related Disclosures

Climate-related Disclosures	Description	Section Title
Governance	(a) The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities.	Forging Synergy – Advancing Green Development > Addressing Climate Change
	(b) Management’s role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	Forging Synergy – Advancing Green Development > Addressing Climate Change
Strategies	Climate-related risks and opportunities	Forging Synergy – Advancing Green Development > Addressing Climate Change
	Business model and value chain	Forging Synergy – Advancing Green Development > Addressing Climate Change
	Strategy and decision-making	Forging Synergy – Advancing Green Development > Addressing Climate Change
	Financial position, financial performance and cash flows	Quantifying Anticipated Financial Effects and Implementing the “Reasonable Information” Relief for Quantifying Anticipated Financial Effects
	Climate resilience	Implementing the “Reasonable Information” Relief due to Current Capability Limitations in Conducting Climate Scenario Analysis

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Climate-related Disclosures	Description	Section Title
Risk management	(a) The processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks	Forging Synergy – Advancing Green Development > Addressing Climate Change
	(b) The processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	Forging Synergy – Advancing Green Development > Addressing Climate Change
	(c) The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer’s overall risk management process.	Forging Synergy – Advancing Green Development > Addressing Climate Change
Metrics and targets	Greenhouse gas emissions	Forging Synergy – Advancing Green Development > Addressing Climate Change
	Climate-related transition risk	Reasonable information relief
	Climate-related physical risks	Reasonable information relief
	Climate-related opportunities	Reasonable information relief
	Capital deployment	Forging Synergy – Advancing Green Development > Addressing Climate Change
	Internal carbon prices	Not yet implemented. The Company will closely monitor industry developments
	Remuneration	Not yet implemented. The Company will consider incorporating climate factors into the remuneration policy in the future
	Industry-based metrics	Reasonable information relief
	Climate-related targets	Forging Synergy – Advancing Green Development > Addressing Climate Change
	Applicability of cross-industry metrics and industry-based metrics	Not applicable

APPENDIX 3: GRI STANDARDS INDEX

GRI Standards	Disclosed Item	Section Title
The organization and its reporting practices	2-1 Organizational details	About the ESG Report
	2-2 Entities included in the organization's sustainability reporting	About the ESG Report
	2-3 Reporting period, frequency and contact point	About the ESG Report
	2-4 Restatements of information	/
	2-5 External assurance	/
Activities and workers	2-6 Activities, value chain and other business relationships	About the ESG Report
	2-7 Employees	Being Sincere – Giving Back to Society
	2-8 Workers who are not employees	Being Sincere – Giving Back to Society
Governance	2-9 Governance structure and composition	Practicing Together – Enhancing Governance
	2-10 Nomination and selection of the highest governance body	Please refer to the Company's Annual Report
	2-11 Chair of the highest governance body	Please refer to the Company's Annual Report
	2-12 Role of the highest governance body in overseeing the management of impacts	Practicing Together – Enhancing Governance
	2-13 Delegation of responsibility for managing impacts	/
	2-14 Role of the highest governance body in sustainability reporting	About the ESG Report
	2-15 Conflicts of interest	Please refer to the Company's Annual Report
	2-16 Communication of critical concerns	ESG Management
	2-17 Collective knowledge of the highest governance body	/
	2-18 Evaluation of the performance of the highest governance body	Please refer to the Company's Annual Report
	2-19 Remuneration policies	Please refer to the Company's Annual Report
2-20 Process for determining remuneration	/	
2-21 Annual total compensation ratio	/	

APPENDIX 3: GRI STANDARDS INDEX

GRI Standards	Disclosed Item	Section Title
Strategy, policies and practices	2-22 Statement on sustainable development strategy	ESG Management
	2-23 Policy commitments	Forging Synergy – Advancing Green Development
	2-24 Embedding policy commitments	/
	2-25 Processes to remediate negative impacts	/
	2-26 Mechanisms for seeking advice and raising concerns	/
	2-27 Compliance with laws and regulations	Strict Compliance with Relevant Laws and Regulations in All Countries/Regions
	2-28 Membership associations	/
Stakeholder engagement	2-29 Approach to stakeholder engagement	ESG Management
	2-30 Collective bargaining agreements	/
GRI 3: Material Topics	3-1 Process to determine material topics	ESG Management
	3-2 List of material topics	
	3-3 Management of material topics	
GRI 101: Biodiversity	101-1 Policies to halt and reverse biodiversity loss	Not applicable
	101-2 Management of biodiversity impacts	
	101-3 Access and benefit-sharing	
	101-4 Identification of biodiversity impacts	
	101-5 Locations with biodiversity impacts	
	101-6 Direct drivers of biodiversity loss	
	101-7 Changes to the state of biodiversity	
	101-8 Ecosystem services	
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	About the ESG Report
	201-2 Financial implications and other risks and opportunities due to climate change	Forging Synergy – Advancing Green Development
	201-3 Defined benefit plan obligations and other retirement plans	/
	201-4 Financial assistance received from government	/

GRI Standards	Disclosed Item	Section Title
GRI 202: Market Presence	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	/
	202-2 Proportion of senior management hired from the local community	/
GRI 203: Indirect Economic Impacts	203-1 Infrastructure investments and services supported	Being Sincere – Giving Back to Society
	203-2 Significant indirect economic impacts	
GRI 204: Procurement Practices	204-1 Proportion of spending on local suppliers	/
GRI 205: Anti-corruption	205-1 Operations assessed for risks related to corruption	Practicing Together – Enhancing Governance
	205-2 Communication and training about anti-corruption policies and procedures	
	205-3 Confirmed incidents of corruption and actions taken	
GRI 206: Anti-competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Practicing Together – Enhancing Governance
GRI 207: Tax	207-1 Approach to tax management	/
	207-2 Tax governance, control and risk management	/
	207-3 Stakeholder engagement and management of concerns related to tax	/
	207-4 Country-by-country reporting	/
GRI 301: Materials	301-1 Materials used by weight or volume	Forging Synergy – Advancing Green Development
	301-2 Recycled input materials used	
	301-3 Reclaimed products and their packaging materials	

APPENDIX 3: GRI STANDARDS INDEX

GRI Standards	Disclosed Item	Section Title
GRI 302: Energy	302-1 Energy consumption within the organization	Forging Synergy – Advancing Green Development
	302-2 Energy consumption outside of the organization	
	302-3 Energy intensity	
	302-4 Reduction of energy consumption	
	302-5 Reductions in energy requirements of products and services	
GRI 303: Water and Effluents	303-1 Interactions with water as a shared resource	/
	303-2 Management of water discharge-related impacts	No such water sources
	303-3 Water withdrawal	Forging Synergy – Advancing Green Development
	303-4 Water discharge	
	303-5 Water consumption	
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	Forging Synergy – Advancing Green Development
	305-2 Energy indirect (Scope 2) GHG emissions	
	305-3 Other indirect (Scope 3) GHG emissions	
	305-4 GHG emissions intensity	
	305-5 Reduction of GHG emissions	
	305-6 Emissions of ozone-depleting substances (ODS)	
	305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	
GRI 306: Waste	306-1 Waste generation and significant waste-related impacts	Forging Synergy – Advancing Green Development
	306-2 Management of significant waste-related impacts	
	306-3 Waste generated	
	306-4 Waste diverted from disposal	
	306-5 Waste directed to disposal	

GRI Standards	Disclosed Item	Section Title
GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	Being Sincere – Giving Back to Society
	308-2 Negative environmental impacts in the supply chain and actions taken	
GRI 401: Employment	401-1 New employee hires and employee turnover	Being Sincere – Giving Back to Society
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	
	401-3 Parental leave	
GRI 402: Labor/Management Relations	402-1 Minimum notice periods regarding operational changes	Strict Compliance with Relevant Laws and Regulations in All Countries/Regions
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system	Being Sincere – Giving Back to Society
	403-2 Hazard identification, risk assessment, and incident investigation	
	403-3 Occupational health services	
	403-4 Occupational health and safety matters: worker participation, consultation, and communication	
	403-5 Worker training on occupational health and safety	
	403-6 Promotion of worker health	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	
	403-8 Workers covered by an occupational health and safety management system	
	403-9 Work-related injuries	
	403-10 Work-related ill health	
GRI 404: Training and Education	404-1 Average hours of training per year per employee	Being Sincere – Giving Back to Society
	404-2 Programs for upgrading employee skills and transition assistance programs	
	404-3 Percentage of employees receiving regular performance and career development reviews	
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	Practicing Together – Enhancing Governance
	405-2 Ratio of basic salary and remuneration of women to men	

APPENDIX 3: GRI STANDARDS INDEX

GRI Standards	Disclosed Item	Section Title
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	Being Sincere – Giving Back to Society
GRI 407: Freedom of Association and Collective Bargaining	407-1 Operations and suppliers at risk regarding freedom of association and collective bargaining	/
GRI 408: Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	No such operations or suppliers
GRI 409: Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	No such operations or suppliers
GRI 410: Security Practices	410-1 Security personnel trained in human rights policies or procedures	/
GRI 411: Rights of Indigenous Peoples	411-1 Incidents of violations involving rights of indigenous peoples	Not applicable
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	Forging Synergy – Advancing Green Development
	413-2 Operations with significant actual and potential negative impacts on local communities	No such operations
GRI 414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	Being Sincere – Giving Back to Society
	414-2 Negative social impacts in the supply chain and actions taken	/
GRI 415: Public Policy	415-1 Political contributions	/
GRI 416: Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	Being Sincere – Giving Back to Society
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	
GRI 417: Marketing and Labeling	417-1 Requirements for product and service information and labeling	Being Sincere – Giving Back to Society
	417-2 Incidents of non-compliance concerning product and service information and labeling	
	417-3 Incidents of non-compliance concerning marketing communications	
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Practicing Together – Enhancing Governance

APPENDIX 4: SUMMARY TABLE OF LAWS AND REGULATIONS

Operational Site	Section	Name of Law or Regulation
Chinese Mainland	Practicing Together – Enhancing Governance > Business Ethics	Anti-Unfair Competition Law of the People’s Republic of China
		Criminal Law of the People’s Republic of China
		Anti-Monopoly Law of the People’s Republic of China
		Advertising Law of the People’s Republic of China
	Practicing Together – Enhancing Governance > Information Security	Law of the People’s Republic of China on the Protection of Consumer Rights and Interests
		Civil Code of the People’s Republic of China
	Practicing Together – Enhancing Governance > Intellectual Property Protection	Cybersecurity Law of the People’s Republic of China
		Data Security Law of the People’s Republic of China
		Personal Information Protection Law of the People’s Republic of China
	Being Sincere – Giving Back to Society > Product Quality	Measures for the Administration of Information Security Classified Protection
Trademark Law of the People’s Republic of China		
Forging Synergy – Advancing Green Development > Environmental Management	Patent Law of the People’s Republic of China	
	Anti-Unfair Competition Law of the People’s Republic of China	
Forging Synergy – Advancing Green Development > Resource Use	Law of the People’s Republic of China on the Protection of Consumer Rights and Interests	
	Measures for the Administration of Medical Devices Recalls	
Forging Synergy – Advancing Green Development > Pollution Prevention and Control	Good Manufacturing Practice (GMP)	
	Environmental Protection Law of the People’s Republic of China	
	Law of the People’s Republic of China on Environmental Impact Assessment	
Being Sincere – Giving Back to Society > Focusing on Talent	Environmental Protection Tax Law of the People’s Republic of China	
	Energy Conservation Law of the People’s Republic of China	
Being Sincere – Giving Back to Society > Focusing on Talent	GB/T 2589-2020 General Principles for Calculation of Comprehensive Energy Consumption	
	Guidelines for Accounting and Reporting of Greenhouse Gas Emissions for Enterprises in Other Industrial Sectors (Trial)	
Being Sincere – Giving Back to Society > Focusing on Talent	Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste	
	Law of the People’s Republic of China on the Prevention and Control of Atmospheric Pollution	
Being Sincere – Giving Back to Society > Focusing on Talent	Law of the People’s Republic of China on the Prevention and Control of Environmental Noise Pollution	
	GB 12348 – 2008 Emission Standard for Industrial Enterprises Noise at Boundary	
Being Sincere – Giving Back to Society > Focusing on Talent	Labor Law of the People’s Republic of China	
	Labor Contract Law of the People’s Republic of China	
Being Sincere – Giving Back to Society > Focusing on Talent	Regulations on the Prohibition of Child Labor	
	Law of the People’s Republic of China on Work Safety	
Being Sincere – Giving Back to Society > Focusing on Talent	Law of the People’s Republic of China on Prevention and Control of Occupational Diseases	

APPENDIX 4: SUMMARY TABLE OF LAWS AND REGULATIONS

Operational Site	Section	Name of Law or Regulation
Other operational sites	Practicing Together – Enhancing Governance > Business Ethics	Foreign Corrupt Practices Act (FCPA) of the United States Bribery Act 2010 of the United Kingdom
	Practicing Together – Enhancing Governance > Information Security	EU General Data Protection Regulation (GDPR) U.S. Health Insurance Portability and Accountability Act (HIPAA)
	Practicing Together – Enhancing Governance > Intellectual Property Protection	Defend Trade Secrets Act of 2016 of the United States Economic Espionage Act of 1996 of the United States Uniform Trade Secrets Act of the United States Directive (EU) 2016/943 on the Protection of Undisclosed Know-how and Business Information (Trade Secrets Directive)
	Forging Synergy – Advancing Green Development > Resource Use	Energy Policy and Conservation Act of 1975 of the United States Clean Water Act of the United States
	Forging Synergy – Advancing Green Development > Pollution Prevention and Control	Resource Conservation and Recovery Act (RCRA) of the United States Clean Air Act of the United States
	Being Sincere – Giving Back to Society > Focusing on Talent	Fair Labor Standards Act (FLSA) of the United States Universal Declaration of Human Rights (United Nations) International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work
	Being Sincere – Giving Back to Society > Focusing on Talent	Occupational Safety and Health Act (OSHA) of the United States Tennessee Occupational Safety and Health Act of the United States Article 153 of the Treaty on the Functioning of the European Union Council Directive 89/391/EEC of the European Union Part IV of the French Labor Code: Health and Safety at Work Italian Legislative Decree No. 81/2008 (Consolidated Act on Occupational Health and Safety)