

Environmental, Social and Governance Report 2024

HELI



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About the Report

The Environmental, Social, and Governance Report (hereinafter referred to as "this Report") offers an authentic portrayal of Anhui Heli's active commitment to fulfilling its economic, social, and environmental responsibilities, along with its responses to material ESG topics focused by stakeholders. Its purpose is to foster sustainable development while maintaining fidelity to stakeholder interests. This report is reviewed by the Company's Board of Directors, who bear responsibility for ensuring the accuracy and validity of the information presented herein.



Time Scope

This report covers the period from January 1, 2024, to December 31, 2024. In order to maintain consistency in the information presented, certain content has been backdated and extended.



Reporting Scope

This Report covers Anhui Heli Co., Ltd. and its subsidiaries.



Source of Data

All information and data are from the Company's official documents, statistical reports, and financial reports, as well as environmental, social, and governance information that has been collected, consolidated, and reviewed by the Company. In case of any discrepancies, the Chinese version of the report shall prevail over the English version. Unless specified otherwise, the currency unit used is Chinese Yuan (CNY).



References

This report is written in accordance with the Global Sustainability Standards Board (GSSB) GRI Standards Core Option requirements and the *Shanghai Stock Exchange's Self-Regulatory Guidelines for Listed Companies No. 14 – Sustainable Development Report (Trial Version)*.



Definitions

For clarity and readability purposes, in this report, references to "Anhui Heli," "the Company," and "we" all pertain to Anhui Heli Co., Ltd. Mentions of "the Group" refer to Anhui Forklift Group Co., Ltd. Moreover, the forward-looking statements concerning business plans, development strategies, and other prospective descriptions in this report do not represent binding commitments from the Company to investors.



Availability

This report is available for download and viewing on the Shanghai Stock Exchange website (www.sse.com.cn) and the Company's website (www.helichina.com/xxgk/qyxx).

Chairman's Message



Dear Esteemed shareholders and friends from all walks of life:

I wish to extend our heartfelt appreciation on behalf of the Board of Directors for your continuous care and support towards Anhui Heli!

Aspire afar, responsibility together. The Paris Agreement has united the world under a shared vision—facing climate challenges together and pursuing a more sustainable future. Over the past two decades, what began as a growing consensus, ESG has become a powerful driver of change—evolving from a concept to a real force that shapes value. As global governance frameworks evolve and social responsibility becomes more deeply woven into the fabric of business, we are seeing a shift in how companies grow and operate. In this changing landscape, Chinese enterprises are drawing from Eastern philosophy to rethink and rebuild the ESG value framework. Through practical steps and collective efforts, we are writing a new chapter and jointly creating a more promising and sustainable future.

The year 2024 marks a Heli's own journey of deepening its focus and driving innovation forward. As a leading player in China's industrial vehicle industry, we continue to live by our mission of "Heli Lifts the Future." We are fueling the "source power" of innovation, igniting the "strong engine" of intelligence, cultivating "new kinetic energy" in services, building an open "big ecosystem," and accelerating the creation of a high-quality development model for the industry. In 2024, we have made solid progress. Our tech capabilities reached new milestones, industrial upgrading gained strong momentum, and global expansion achieved new breakthroughs. Key performance indicators showed steady improvement throughout the year. We sold 340,200 complete machines and recorded operating revenue of RMB 17.325 billion, maintaining a zero-loss record since the factory was established 67 years ago. For 34 consecutive years, our core business metrics have remained at the forefront of the domestic industry.

The year 2024 marked a major step forward—both for China's A-share market, which began mandatory ESG disclosures, and for Heli, as we systematically build an industry-specific ESG strategic management and practice system. We steadily promoted the "BOOST" sustainable development strategy, strengthening ESG management across the board, improving performance, and working with partners to shape a more sustainable industrial future. The Company's annual Wind ESG rating rose from BBB to A, with our environmental, social, and governance scores all exceeding the industry average in China. We were also honored to be included in the "Double Top 100" of China's Listed Companies Value Rankings and listed on the 2024 "ESG·Pioneer 100 Index of State-owned Listed Companies." These recognitions reflect our ongoing commitment to actively contribute to economic prosperity, environmental sustainability, and social equity.

Integrate the strength of integrity to solidify the "ballast stone" of governance and build a trustworthy enterprise. Heli remains focused on improving a modern enterprise system with Chinese characteristics. In 2024, we continued to strengthen the role of the Board, enhance compliance and internal controls, reinforce our "three lines of defense" for managing risk and compliance, and deepen efforts to build a clean and honest Party culture. We continuously promote the "Three Non-Corruptions" mechanism to create a healthy, transparent workplace. As the only grassroots contact point for state-owned enterprise reform in Anhui Province designated by the nationality we continued to promote the deep integration of risk control, internal control, and compliance in our daily operations, thoroughly implementing the initiative to deepen reform among state-owned enterprises. Our commitment to excellence was also recognized. Heli's plan to build a world-class, specialized enterprise received the highest national rating—an "A+." Meanwhile, Yufeng Intelligence Technology Sub-center was successfully selected as a "Science and Technology Reform Demonstration Enterprise" by the SASAC, making the Company one of the provincial enterprises with "dual science and technology reform" qualifications.

Unite the power of innovation to polish the "new green business name card" and forge crafted products. Guided by our core values of being "people-oriented, rewarding society with quality products," Heli continues to grow through a dual focus on product excellence and service reliability.

In 2024, we launched a company-wide initiative to strengthen quality across all operations. Every site maintained ISO 9001 quality certifications, and many of our products received international quality certificates. Centering on "high-end leadership, intelligent drive, and green transformation," the Company accelerated the establishment of a full-chain innovation system covering "basic research + technological breakthroughs + achievement transformation." Our investment in R&D exceeded 6% of total revenue for the year. The counterbalanced AGV won the Silver Award at the International Design Excellence Award (IDEA). Simultaneously, we accelerated our transition from internal combustion to electric power, and from conventional fuels to cleaner energy sources, successfully delivering the world's largest 55-ton lithium battery forklift. At the same time, we completed the full lithiation of our heavy-duty product line, pushing our overall product electrification rate beyond 65%. As a recognized industry leader, we continued to shape and contribute to standard-setting efforts. In 2024, we led or took part in drafting and updating 17 international and domestic standards. We also advanced our intellectual property strategy by implementing a formal management system, and listed among the Top 100 Invention Patent Enterprises in Anhui Province for 2024. In the field of responsible supply chain construction, the Company formulated the *Supplier Management Measures* and *Supplier Code of Conduct*, reinforcing ESG standards across our partnerships. Through resource-sharing and collaborative innovation, we are working with our suppliers to build a more sustainable, resilient supply chain for the future of Chinese industrial vehicles.

Combining the strength of employees to write a "chapter of humanistic care" and build a harmonious team. Upholding the humanistic philosophy of "putting people first," we continue to refine our talent development systems and incentive programs, aiming to create more meaningful growth opportunities for our employees. Across all our global locations, we promote diversity and localization, respect local cultures, and foster an inclusive, welcoming work environment. In 2024, we invested RMB 5.4633 million in employee training and development, averaging 22.03 training hours per person. At the same time, we strengthened our focus on workplace safety and well-being. Through ongoing safety improvements and the promotion of a healthy workplace culture, we accelerated the modernization of our safety governance systems. In 2024, we invested RMB 33.6039 million in occupational health and safety initiatives, and were honored with the title of "Healthy Enterprise in Hefei City."

Harnessing the power of ecology to weave a "network of ecological responsibility" and forge a sustainable enterprise. In response to China's "Dual Carbon Goals" Strategy, we have made green transformation a key focus and are working to be a pioneer in low-carbon development. In 2024, the Company initiated the "*Three-Year Action Plan for Further Improvement of Environmental Compliance Management*," optimized the management of all three types of waste emissions, and met our annual energy-saving and emission reduction goals ahead of schedule, achieving our five-year environmental targets ahead of schedule. The Company deepened energy and water conservation renovations, carrying out 17 energy-saving technology transformation projects. These efforts led to a 1.85% year-on-year reduction in unit energy consumption for forklift production at our headquarters. Simultaneously, we expanded our use of green electricity trading and constructing photovoltaic power stations. During the reporting period, we had procured a total of 48,003,000 kWh of green electricity. Our photovoltaic power station has a construction capacity exceeding 20 MWh, generating 18,881,300 kWh annually, reducing an estimated 43,000 tons of CO₂ emissions.

Pooling the strength of society to jointly draw a "circle of shared development" and build a prosperous homeland. Guided by the spirit of volunteerism—"dedication, friendship, mutual support, and progress"—we see giving back as part of our core responsibility and aim to lead by example in public welfare. In 2024, we supported rural revitalization through a "sales-driven assistance + procurement-driven support" model, contributing a total of RMB 5.5606 million toward rural development and charitable donations. At the same time, the Company organized a wide range of volunteer initiatives, such as the promotional talks by Anhui Province's model workers in workshops, "Learn from Lei Feng, Shine in Your Role" Volunteer Initiative and the freshman registration. The spirit of service also extended beyond borders, as our teams actively joined local volunteer efforts at overseas sites, helping build stronger connections with local communities. Additionally, we also strengthened our cultural engagement by deepening our partnership with the Chinese National Weightlifting Team. Through events like the "Inheriting the Olympic Spirit" Lecture and sponsorship of international sports competitions, we helped promote a sense of shared vitality, resilience, and warmth across the broader social landscape.

"A group of Heli people dedicated a lifetime to doing one thing well." With a clear focus on our ESG mission—"integrating strengths to enhance a sustainable industrial future"—we will continue to strengthen the "addition" of strategies, refine the "subtraction" of carbon emissions, explore the "multiplication" of new values, and grasp the "division" of practical efficiency. We are committed to driving green transformation through innovation, shaping a responsible global value chain, and leading with strong governance. With this vision, we aim to become a world-class enterprise with global reach and lasting impact. Let us move forward together, inspired by the spirit of the times—"Making the World More United with Heli"—and work hand in hand to build a better, more sustainable future for all!

Anhui Heli Co., Ltd.

Chairman **Yang Anguo**

About Heli

Company Profile

Anhui Heli Co., Ltd., is a core holding subsidiary of Anhui Forklift Group Co., Ltd., with a registered capital of 891 million yuan. It was built in 1958, and listed on the Shanghai Stock Exchange in 1996 (Stock Code: 600761). The Company is a leading industrial vehicle research, development, manufacturing, and export base in China. Known for its expansive scale, complete industrial chain, comprehensive strength, and impressive economic performance, Anhui Heli Co., Ltd. is home to both a national-level enterprise technology center and a national-level industrial design center. It has garnered recognition as a national innovative enterprise, a key high-tech enterprise under the Torch Program, and a leading enterprise in the construction of engineering machinery in the Anhui Province (Hefei) base.

Upholding principles of industrial excellence, product intelligence, and international business expansion, Anhui Heli Co., Ltd. independently develops a wide range of products, including electric forklifts, internal combustion forklifts, heavy-duty forklifts, and special vehicles, to meet diverse market demands. Domestically, the Company has established an independent marketing network, comprising 28 provincial marketing networks and over 500 sales and service outlets. Internationally, it has set up 8 marketing service centers and more than 300 overseas agencies, with products sold in over 180 countries and regions. The Company prioritizes high-quality development, accelerates adjustments in its product structure, and transitions towards a service-oriented manufacturing transformation and upgrade. Its ultimate goal is to emerge as a leading global industrial vehicle company and intelligent logistics system integrator.



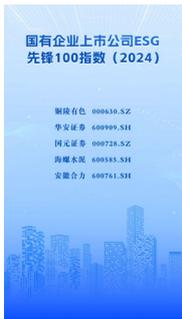
Awards and Honors

Anhui Heli is committed to sustainable development and has been awarded multiple ESG-related honors during the reporting period.

In 2024, Wind ESG rating rising from BBB to **A**



The ESG practices of Anhui Heli have been included in the **Anhui Provincial State-Owned Enterprises Social Responsibility (ESG) Blue Book (2024)**



Selected as the **"ESG Pioneer 100 Index for State-Owned Listed Companies"**



"Third Xinhua Credit Jinlan Cup" **Top Ten Outstanding ESG Cases**



Selected as the Second Guoxin Cup **"ESG Golden Bull Award Top 100"**



Shanghai Securities News **Golden Quality Award**



The First Sino-European Corporate ESG Best Practice Conference in Frankfurt 2024 – **Excellent Case for Technological Innovation**



The First Sino-European Corporate ESG Best Practice Conference in Frankfurt 2024 – **Gold Partner**

Key Performance

Integrity management, reputation first

In 2024, the Company compiled the number of specialized legal and regulatory databases

4

Developed the number of compliance management guidelines on anti-commercial bribery and labor employment

2

organized the number of legal and regulatory documents related to key business

160

developed the number of compliance management guidelines on corporate governance and overseas investment

2



In 2024, the Company completed the number of audit projects

49



In 2024, the Company's compliance management training covered all company levels, with total participants

500+

total hours

60



In 2024, the Company's Business ethics training fully covered board members, senior executives, and employees, with total participants

7,019

In 2024, the Company conducted the number of information security training sessions

3

with participants

200+

total class hours

25



 **Ingenuity, Quality First**

In 2024, the Company's suppliers signed the Quality Service Agreement

100%

Signed the *Integrity Agreement*

100%



In 2024, the Company's investment in innovation and R&D is

RMB **1.086** billion

The number of R&D employees is

1,340

Including the number of high-level technical professionals is

67

The number of employees holding doctoral degrees is

3

In 2024, the number of the Company carried out technical R&D projects is

54

The number of completed project planning and designs is

86

And the number of received third prize for Anhui Provincial Science and Technology Progress is

1

The number of second prizes for China Machinery Industry Science and Technology Progress is

2

The number of third prize for China Machinery Industry Science and Technology Progress is

1



In 2024, the number of the Company participated in standard platform projects is

6

The number of the Company contributed to the formulation and revision of international standard is

1

The number of the Company led or participated in the development of domestic standards is

16

During the reporting period, the number of the Company filed patent applications is

131

The number of the Company granted invention patents is

134

And the Company was listed among the Top 100 Invention Patent Enterprises in Anhui Province for 2024. It was also recognized as an Anhui Provincial Intellectual Property Advantage Enterprise.

During the reporting period, the Company obtained ISO 9001 Quality Management System certification, with the rate of covering its operational locations is

100%



The electrification rate of all products is

>65%

In 2024, the Company achieved its quality targets, with the score of customer satisfaction is

92

Care employees, People-Centered

During the reporting period, the investment of the Company in employee training and development is

RMB **5.4633** million

With an average of 22.03 training hours per employee

22.03 hours

The number of trained employees is

10,173



We sent out welfare items to

all employees

of the company

And the total expenditure exceeds

RMB **10** million



The number of the Company organized safety, health, and environmental training sessions for production departments is

616

The total time of the Company's training is

1,643 hours

The number of trained employees is

33,687 person-time

Environmental Protection, Place Green Development as a Foundation

By the end of the reporting period, **100%** of the Company's operations were certified under the ISO 14000 Environmental Management System.

The Company's green factory has been rated as **Grade A**

The Company's cumulative green electricity procurement in 2024 reached

48.003 million kWh

The installed photovoltaic power station capacity totaled

20.65 MWh

With **18.5928** million kWh of self-consumed photovoltaic power

288,500 kWh fed into the grid.

This resulted in a reduction of approximately **43,000** tCO₂ missions, contributing significantly to energy conservation and emission reduction

Social Prosperity, Well-being as the Foundation

In 2024, Anhui Heli donated a total of

RMB **5.5606** million

to public welfare causes

Employees contributed a total of

555

volunteer service hours

The collective economic income of designated assistance

1 million

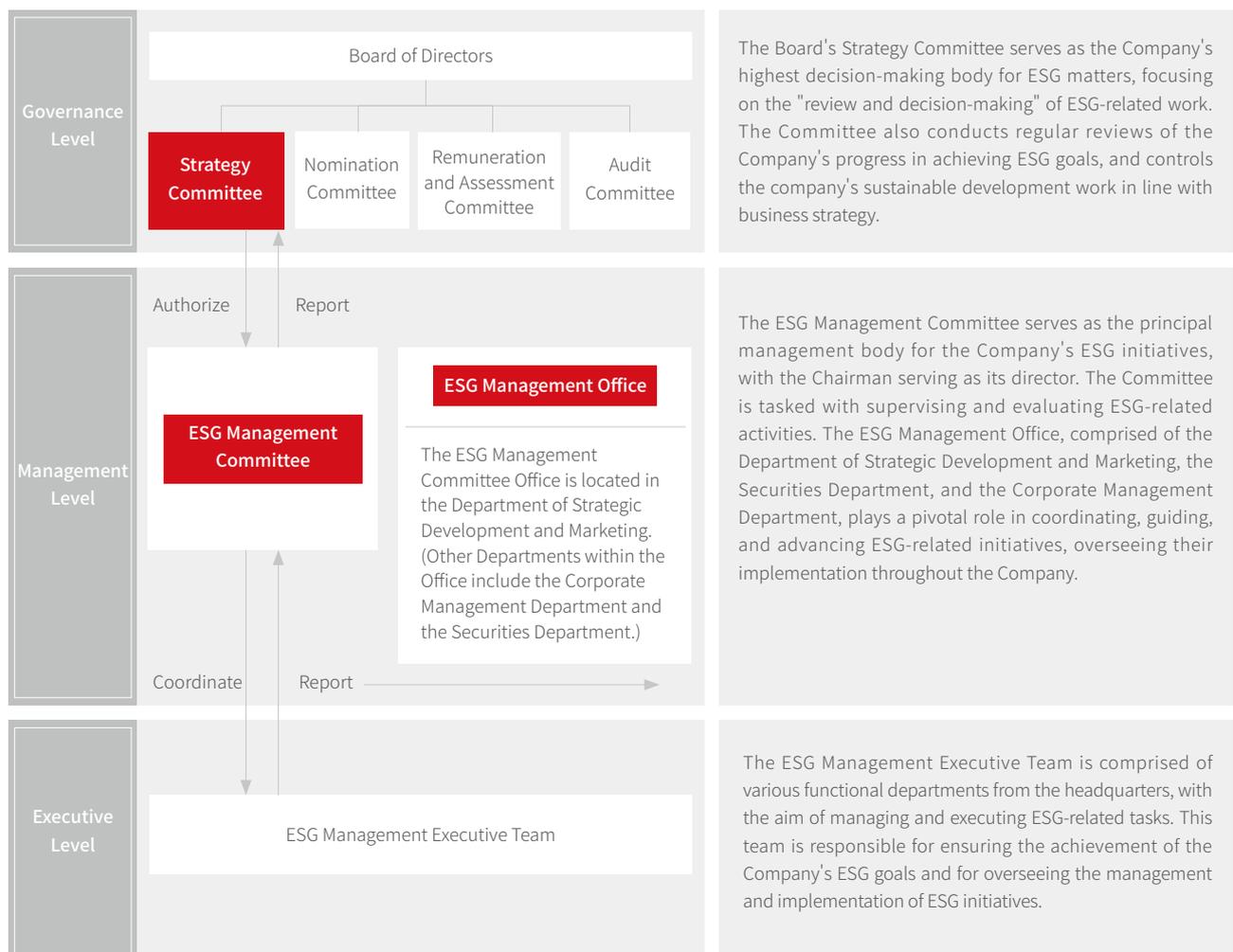
Sustainable Development Management

At Anhui Heli, we firmly advance the "BOOST" sustainable development strategy, specifically focusing on environmental, social, and governance aspects. Our dedication is to emerge as a globally influential provider of material handling solutions, collaborating closely with value chain partners to drive the sustainable future of the industrial sector.

Sustainable Development Governance

At Anhui Heli, we comply with the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)* and other stakeholders' expectations. We have established the *Measures on Environmental, Social, and Governance Management of Anhui Heli Co., Ltd.* to establish a sustainable development management system that encompasses all business units. Focusing on institutionalizing and streamlining ESG matters, the ESG Management Committee and its office take the lead, providing ongoing guidance to all functional departments and subsidiaries to enhance corporate governance and drive sustainable business development more systematically. To continuously improve our management practices in sustainable development, we have established a well-structured, clearly defined, and efficient governance system. This system comprises decision-making, supervision, and management bodies primarily composed of the Board of Directors, the Strategy Committee, the ESG Management Committee, and the ESG Management Office. It coordinates with the ESG Management Executive Team, which includes departments within the Company, to collaboratively implement ESG management initiatives.

Anhui Heli's ESG Governance Structure



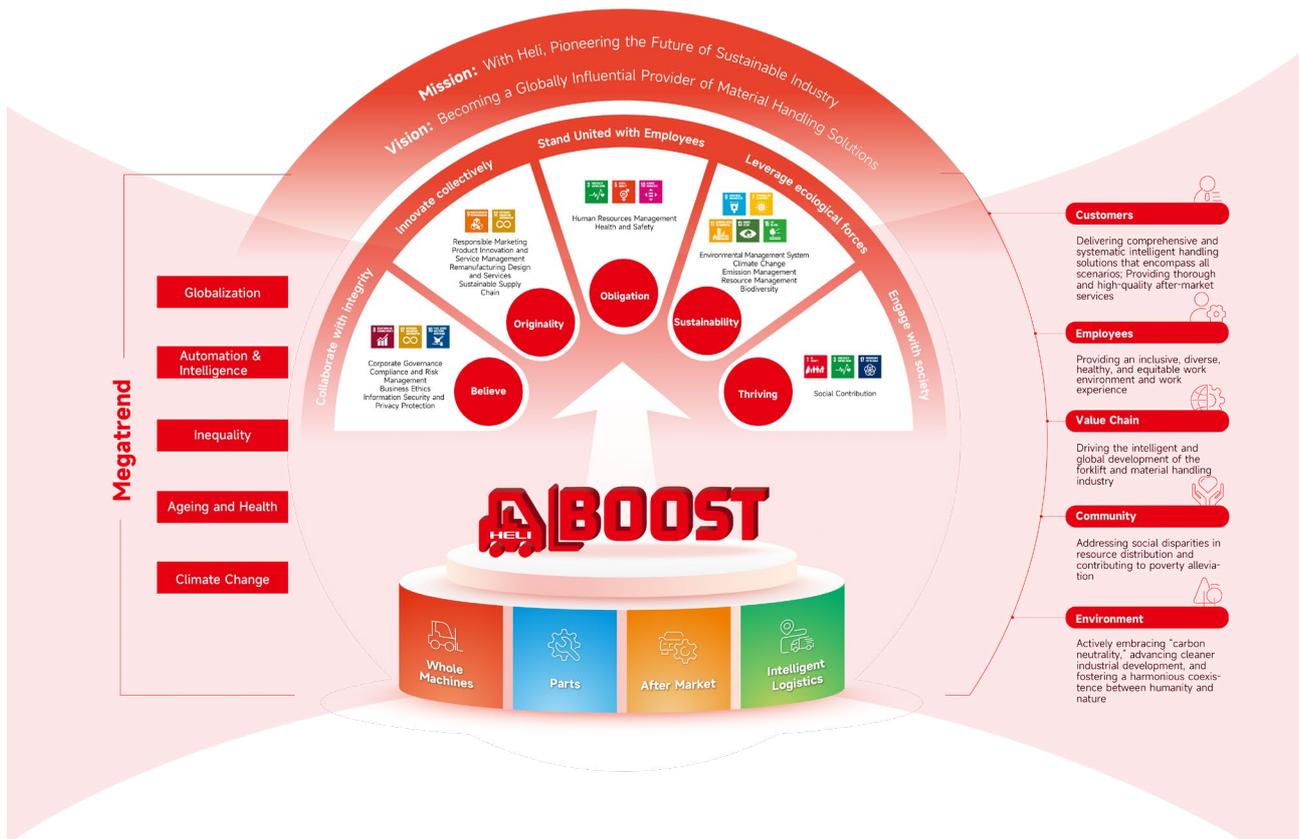
Sustainable Development Strategy and Commitment

Technological innovation is a key driver of modern progress. During his 2024 visit to Anhui, President Xi Jinping emphasized the importance of accelerating technological innovation and industrial transformation, leveraging national development strategies, advancing reforms, and turning scientific advancements into real-world applications. These efforts aim to develop globally competitive advanced manufacturing clusters, drive a broad green transformation in economic and social development, and further deepen reform and opening-up with solid support and momentum.

As a leading enterprise in the industrial vehicle sector in China and a globally recognized brand in industrial vehicles, Anhui Heli continues to advance its "BOOST" Sustainable Development Strategy in 2024, to guide us in our relentless pursuit of excellence. Guided by the Company's vision and mission objectives, this strategy aims to unite the entire organization in understanding and committing to sustainable development initiatives, ultimately advancing our progress. The Anhui Heli "BOOST" strategy actively aligns with the United Nations Sustainable Development Goals by integrating corporate development strategies and business positioning. It thoroughly identifies and analyzes current global trends and dynamics, establishing the mission goal of "Uniting Strength with Heli, Pioneering the Future of Sustainable Industry" and the development vision of "Becoming a Globally Influential Provider of Material Handling Solutions." We start by addressing long-term global social and environmental challenges and exploring corporate responsibility and value. We stand united with employees to demonstrate humanity, innovate collectively to produce artisanal products, collaborate with integrity to establish a trustworthy enterprise, leverage ecological forces to develop a sustainable business and engage with society to promote a prosperous community. Our goal is to positively influence various stakeholders, including customers, employees, communities, value chains, and the environment, as we collaborate with them to forge a sustainable future for the industrial sector.

Anhui Heli will embark on a new journey with the "BOOST" sustainable development strategy as the overarching goal for all business activities. We will continue to lead innovative development in industrial vehicles, and establish a modern logistics system that is safe, efficient, intelligent, and green, consistently contributing our wisdom to the high-quality development of the industry and the preservation of the Earth, our shared home.

Anhui Heli Sustainable Development Strategy



Stakeholder Communication

At Anhui Heli, we highly value the input of stakeholders from diverse sectors of society. By adopting diverse communication channels, we gain a better understanding of stakeholders' expectations and promptly address their concerns and integrate significant feedback into the Company's sustainable development initiatives.

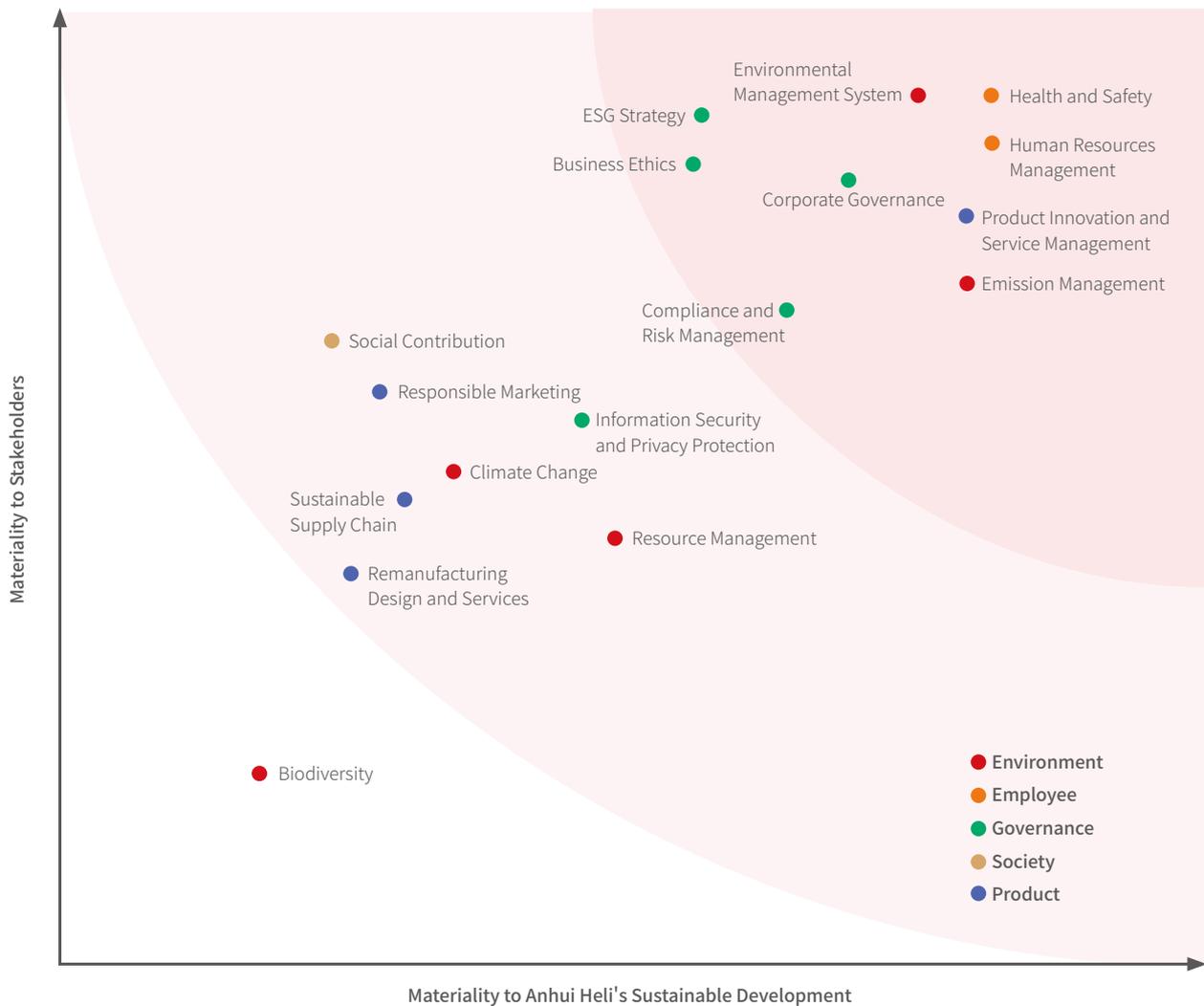
Stakeholders communication

Stakeholders	Expectations and Requirements	Communication Channels	Corresponding Measures
Shareholders/ Investors 	Corporate governance Anti-corruption Returns and performance	Performance briefing Shareholders' meeting Company roadshow Regular reports and ad-hoc announcements	Disclosing announcements, shareholder meeting resolutions, and financial reports as required by regulations Public disclosure of ESG reports Striving to promote profitability
Customers 	Product innovation and service management Remanufacturing design and services Responsible marketing	Customer satisfaction surveys Multi-channel optimization for complaints and suggestions	Innovating product types and performance Enhancing the quality and capabilities of sales personnel Ensuring prompt responses to after-sales service Implementing all requirements for customer privacy protection
Employees 	Employee rights protection Equal and diverse employment opportunities Employee training and development Occupational health and safety	Workers' congress Internal and external training for employees Employee activities	Safeguarding employees' legitimate rights and interests Promoting the variety and methods of employee training Organizing diverse cultural and sports activities Providing a healthy and safe work environment
Government/ Regulatory Authorities 	Compliant employment Safety emergency management Adherence to business ethics	Institutional inspections Reporting on work progress Daily communication Information disclosure	Operating in a legal and compliant manner Accepting government inspections and examinations Disclosing truthful and accurate information
Suppliers and Partners 	Sustainable supply chain management Industry collaboration	Supplier negotiation meetings Daily communication Strategic cooperation	Public tendering Fulfilling contractual obligations
Environment 	Energy and resource utilization Emission management Climate change response	Environmental impact assessment Climate change response forum	Prioritizing the electric vehicle category Implementing resource conservation practices Ensuring compliance with waste disposal regulations
Community 	Rural revitalization Social welfare	Designated assistance Volunteer activities	Deepening philanthropic endeavors Building positive relationships with the community
Media 	Transparent information Smooth communication	Press conferences Media project visits Executive interviews	Inviting the media to participate in Heli's various conferences Updating business developments on our website Responding to media inquiries

Material ESG Topics

Anhui Heli regularly conducts sustainability topics management based on its business scope and stakeholder expectations, aligning with domestic and international ESG standards. Through a structured process—identifying key topics, assessing stakeholder concerns, evaluating operational impact, and prioritizing critical issues—the Company determines the most relevant ESG areas requiring action. This ensures that significant environmental, social, and governance (ESG) challenges are comprehensively considered and addressed in business operations.

ESG Topics Materiality Matrix of Anhui Heli



01

Integrity Management, Reputation First

Anhui Heli upholds the principle of "integrity in business," strengthening corporate governance, risk management, ethical practices, and information security. These efforts ensure a transparent, fair, and reliable management system, supporting long-term sustainable growth.

Material ESG Topics Addressed in This Chapter

- Corporate Governance
- Compliance and Risk Management
- Business Ethics
- Information Security and Privacy Protection

SDGs Addressed in This Chapter

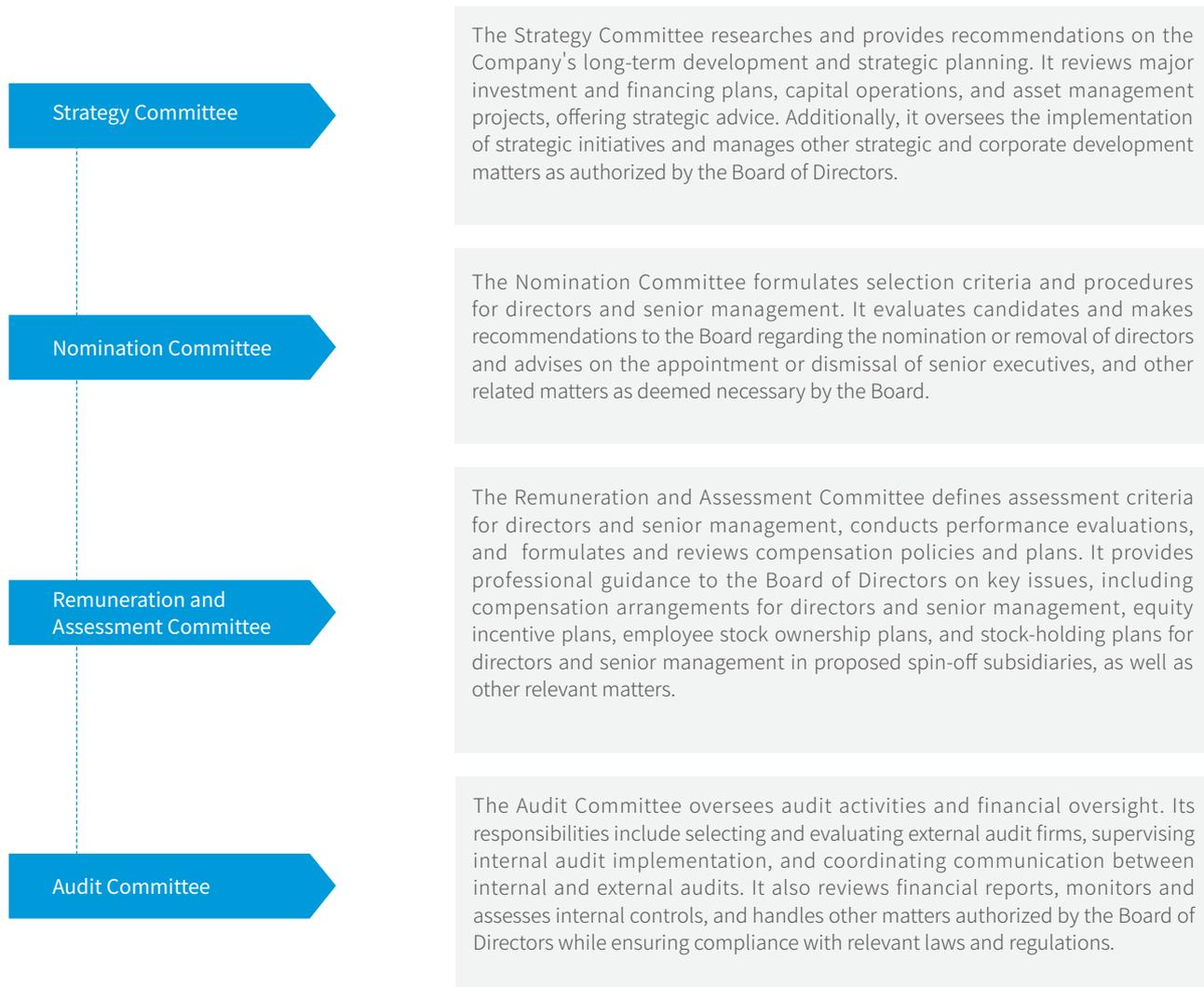


Improve Corporate Governance

Anhui Heli strictly complies with laws and regulations such as the *Company Law of the People’s Republic of China*, the *Securities Law of the People’s Republic of China*, the *Code of Corporate Governance for Listed Companies*, and the *Shanghai Stock Exchange Listing Rules*. The Company continuously strengthens its management system, aiming to build a modern corporate governance structure that ensures clear responsibilities, informed decision-making, and effective oversight. This approach enhances compliance, transparency, and operational efficiency.

The Board of Directors oversees business decisions, strategic planning, and corporate governance. It has established the Strategy Committee, Nomination Committee, Remuneration and Assessment Committee, and Audit Committee to standardize management practices. In 2024, Anhui Heli revised the implementation rules for all Board committees, further optimizing its governance framework. In 2024, the Board of Directors consisted of nine directors, including three independent directors and one female director. The members of the Company’s Board of Directors possess professional backgrounds and expertise in various fields, including engineering machinery, corporate management, legal consulting, and financial auditing. Their diverse experience and knowledge bring multifaceted perspectives to the Company, enhancing the scientific rigor and accuracy of the Board’s decision-making.

Responsibilities of Anhui Heli’s Board Committees



Deepen Risk Prevention and Control

Anhui Heli continuously improves its risk management system by establishing internal regulations, including the *Procedures for Reporting Major Operational Risk Events*, the *Comprehensive Standards and Implementation Details for Risk Assessment*, and the *Management Regulations on Comprehensive Risks*. These measures enhance the refinement and standardization of risk management, and enhance the quality of internal control and risk management. In 2024, Anhui Heli restructured the Risk and Compliance Committee and its working groups, establishing a three-line system for risk and compliance management. The Company integrated risk management and compliance efforts to better respond to complex market conditions and internal operational challenges.

The "Three Lines of Defense" in Anhui Heli's Compliance Management

Management Structure	Members	Major Duties
<p>First Defense Line</p>	All business departments	<p>In terms of compliance management, each business department designates a compliance liaison and compliance officer, typically key staff or department leaders, to oversee compliance implementation and ensure business activities align with Company requirements.</p> <p>In terms of risk management, each business department has appointed a risk liaison to coordinate risk management efforts, identify and evaluate risks, reports issues promptly, and support the development of response measures.</p>
<p>Second Defense Line</p>	<p>Risk and Compliance Management Working Group: The working group is led by a company executive overseeing risk and compliance operations, with members including leaders from the Enterprise Management Department, Marketing Headquarters, and Financial Assets Department, among other risk-related departments.</p>	<p>The Risk and Compliance Working Group executes decisions from the Executive Committee and drives the development and evaluation of internal control, risk, and compliance management systems. It prepares monitoring reports, reviews risk reports and risk incident reporting, conducts regulatory training to foster a compliance culture, drafts annual work reports, guides subsidiary management, and handles other internal control, risk, and compliance tasks assigned by senior management.</p>
<p>Third Defense Line</p>	<p>Risk and Compliance Management Committee: The committee is chaired by the company's chairman, with relevant senior executives serving as committee members.</p>	<p>The Risk and Compliance Management Committee is in charge of the Company's legal governance, internal control, risk, and compliance management. It leads overall planning and execution, promotes legal education and compliance culture, addresses key management challenges, and submits annual management reports to the Board of Directors. It also handles other matters as authorized by the Board.</p>
	<p>Risk and Compliance Management Committee Office</p>	<p>The Risk and Compliance Management Committee Office manages day-to-day internal control, risk, and compliance operations, and co-located with the legal governance leadership organization to ensure business activities comply with laws, regulations, and internal policies.</p>

At the implementation level, Anhui Heli has established a comprehensive risk management system covering six categories: strategic, market, operational, financial, legal, and other risks, with 180 sub-items. The Company employs both qualitative and quantitative methods to monitor potential risks, tracking major risks quarterly and conducting a full risk assessment every six months to maintain stable operations. In 2024, following a review by the Board of Directors, eight annual major risk tracking items were approved, and designated responsible departments to tracking management them on a quarterly basis.

Compliance Operations

Anhui Heli's compliance management system is built on the *Regulations on Compliance Management*, which define compliance objectives, departmental responsibilities, operational mechanisms, evaluation standards, supervision methods, and other key items. This system provides a solid framework for the Company's compliant operations. In 2024, the Company developed a series of policies, including the *Corporate Governance Compliance Guidelines*, *Overseas Investment Compliance Management Guidelines*, *Overseas Subsidiary Compliance Guidelines*, and the *Employee Compliance Handbook*. These policies reinforce adherence to domestic and international regulations, mitigating compliance risks. In 2024, Anhui Heli did not face any major lawsuits, regulatory penalties, or serious violations of trust.

In 2024, Anhui Heli

Number of specialized legal and regulatory databases compiled

4

Number of compliance management guidelines on anti-commercial bribery and labor employment developed

2

Number of legal and regulatory documents related to key business areas organized

160+

Number of compliance management guidelines on corporate governance and overseas investment developed

2

Number of compliance violation cases involving the Company, peer industries, and similar enterprises summarized

78



Anhui Heli prioritizes compliance awareness by providing targeted training on key areas such as "Compliance Essentials and Risk Prevention in Bidding and Procurement," "Laws and Regulations on Anti-Unfair Competition," and "Anti-Monopoly Compliance for Key Enterprises." The Company also encourages employees to participate in external compliance training programs organized by government agencies and industry regulators. The content covered anti-monopoly compliance-related laws and regulations, potential anti-monopoly compliance issues that the Company may face, and how to effectively implement anti-monopoly compliance practices. These initiatives strengthen employees' compliance knowledge and professional capabilities, ensuring the Company remains adaptable and compliant in a complex regulatory environment.

In 2024, Anhui Heli

Compliance management training covering all company levels, with total participants

500+

total hours

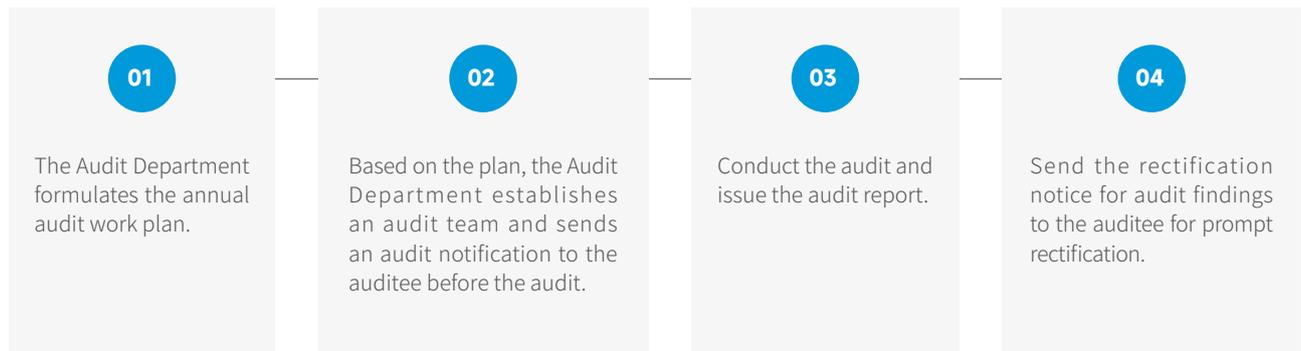
60



Internal Audit and Control

Anhui Heli has established internal management systems, including the *Internal Audit Issues Rectification Measures* and the *Internal Audit Regulations*, to standardize audit procedures and follow-up actions. In 2024, the audited entities developed or improved a total of 50 systems during the rectification process. The Company requires that the audit department issue reports and rectification notices after each audit. Identified issues are forwarded to the responsible management departments. Auditees must submit rectification results for review before the deadline, with outcomes incorporated into performance evaluations. During the reporting period, the Company completed 49 audit projects, covering areas such as commitment fulfillment, economic responsibility, and marketing subsidiary operations. The Company formed an evaluation team to conduct a focused inspection of the rectification status of internal control self-assessment issues from the previous year at 22 subsidiaries, as well as to sample-check the implementation of internal controls for key business activities and critical operations.

Internal Audit Process of Anhui Hel



Strengthen Ethical Standards

Anhui Heli strengthens its corporate governance by leveraging initiative "Four Alls¹ as the Foundation, Integrity Safeguarding the Enterprise" and advancing the "Three Non-Corruptions²" mechanism. The Company strictly adheres to the *Anti-Unfair Competition Law of the People's Republic of China*, the *Criminal Law of the People's Republic of China*, the *Anti-Monopoly Law of the People's Republic of China*, and relevant national and local laws and regulations. Anhui Heli continuously enhances its integrity management system to establish a strong ethical foundation for the Company. In 2024, the Company further optimized its organizational structure for discipline inspection and supervision, and formulated the *Code of Business Ethics*³ to standardize the business conduct of all employees. The Company strictly prohibits corruption, bribery, unfair competition, and conflicts of interest.

In 2024, Anhui Heli maintained its internal supervision mechanism of "one body, three dimensions, and four integrations". The Company issued the *Notice on Conducting the Centralized Rectification of Unhealthy Practices and Corruption Issues Among Employees*, optimized the position integrity risk assessment forms and the "Micro-Power" list templates, and guided eight business divisions and fifteen functional departments in re-evaluating position integrity risks. This effort strengthened the management of "Micro-Power".

The Internal Supervision Mechanism of "One Body, Three Dimensions, and Four Integrations"

One Body

Under the leadership of the Group, the internal supervision mechanism is managed and coordinated by the Internal Supervision Committee, which focuses on addressing vulnerabilities within the Company's development. The Company researches rectification strategies and builds a vertically integrated and horizontally coordinated supervision system for business and functional alignment. This system includes a vertical chain of supervision, organized by business divisions, and horizontal coordination among functional supervision departments. By implementing proactive prevention measures, real-time monitoring, and post-incident response protocols, the system effectively highlights the critical role of supervision in alerting, preventing, rectifying, enhancing, and ensuring compliance. This strategic approach is designed to significantly improve the efficiency of supervision and governance within the Company.

Three Dimensions

Specialized Supervision: Focuses on research, audits, inspections, evaluations, and reviews of critical issues, key areas, and crucial points.

Front-line Supervision: Each business department, guided by the core supervision list from the Group, ensures accountability for their own supervision, improving internal management with a top-down approach.

Functional Supervision: Departments such as audit, finance, and legal, focusing on its key priorities, utilized their expertise to handle prevention, supervision, investigation, and rectification tasks either independently or together.

Four Integrations

Disciplinary Supervision: Adhering to laws and regulations to advance strict governance through supervision.

Supervisory Oversight: The Supervision Commissioner's Office and Supervision Commissioner stationed at the Forklift Group by the Provincial Supervision Commission oversee the legality and compliance of state-owned enterprise management personnel's duties in accordance with relevant regulations.

Supervisory Assignment: The Group Discipline Inspection Committee deploys a disciplinary inspection team to conduct "top-down" political supervision, focusing on organizations that do not have dedicated supervisory bodies.

Inspection Supervision: The Group conducts routine internal inspections in line with higher-level organizations' requirements, ensuring comprehensive inspection coverage of all subsidiaries, holding companies, and branches within each term.

In 2024, Anhui Heli worked with multiple departments to conduct inspections, including the "Three Public Expenses"⁴ inspection, and mid-year reviews. It also supported the Group in inspecting twelve affiliated departments. It created a *Centralized Rectification Supervision Checklist* and formed five inspection teams to address issues with secondary-level discipline inspection commissions. The Company oversaw the rectification of commission and intermediary fee issues in overseas projects and updated relevant regulations. At the same time, the Company appointed integrity officers in seven overseas centers to strengthen international oversight.

¹ Four Alls refers to the four aspects of full participation: all employees supervising, all employees handling cases, all employees reviewing cases, and all employees promoting awareness.

² Three Non-Corruptions refers to "Daring Not to Corrupt, Being Unable to Corrupt, and Not Wanting to Corrupt."

³ *Code of Business Ethics*: <https://www.helichina.com/material/kcx/syxwzz.pdf>

⁴ Three Public Expenses refers to expenses for official overseas (or cross-border) trips, procurement and operation of official vehicles, and official receptions.

Reporting Mechanism

Anhui Heli strictly complies with relevant regulations and effectively implements internal management systems such as *Procedures for Handling Reports and Complaints*, *Confidentiality Measures for Discipline Inspection and Supervision Work*, the *Safety Measures for Discipline Enforcement and Investigation*, and the *Management Measures for Issue Clues*. These systems standardize the management procedure for complaints and issues. At the same time, the Company places high importance on protecting whistleblowers, improving complaint channels, ensuring the confidentiality of reported information, and safeguarding the rights of whistleblowers.

Reporting Channel of Anhui Heli

- 📞 **Reporting Hotline:** Landline number: 0551-63689106 Telephone number: 13865250734
- 👤 **WeChat Public Account:** the Supervision and Reporting section of the Heli qingfeng WeChat public account
- ✉️ **Reporting Email:** ahccjtjw@126.com
- 📧 **Mailbox:** Heli Online Quick Entry
- 📍 **Postal Address:** Anhui Forklift Group Co., Ltd. Discipline Inspection and Supervision Office, Room 2105, Heli Building, Wangjiang West Road, Shushan District, Postal Code: 230601

Promoting a Culture of Integrity

At Anhui Heli, we are committed to implementing the *Opinions on Strengthening the Construction of a Culture of Integrity* and establishing a Clean Heli. The Company actively promotes the "Clean Heli" culture. We integrate integrity into corporate management through various online and offline training activities and practical projects. These initiatives help deepen employees' understanding of anti-corruption and integrity, strengthen their sense of responsibility, and ensure they maintain high ethical standards in all their work. This creates a corporate culture of transparency and integrity.

In 2024, Anhui Heli

Business ethics training fully covering board members, senior executives, and employees, with total participants

7,019



Specialized Training for Discipline Inspection Cadres



Bringing in Expertise:

- Organized comprehensive training for all discipline inspection cadres, using diverse teaching methods and inviting experts to deliver lectures.
- Conducted 12 interactive "micro-classes," where senior staff from the Group Discipline Inspection Commission and secondary-level commissions took turns teaching, with over 400 participants.

Sending Cadres Out:

- Selected cadres to participate in case handling with provincial discipline inspection commissions, enhancing their practical case-handling skills.
- Arranged for 10 cadres to attend discipline inspection training programs both within and outside the province, broadening their perspectives and updating their knowledge.

Promoting Anti-Corruption and Integrity Culture



On-Site Education and Promotion:

- Led the "Five Deliveries to the Grassroots⁵" warning education campaign, conducting 13 on-site sessions to screen warning education videos and deliver integrity-themed lectures for key personnel, with over 800 participants.
- Local units integrated regional culture and company characteristics into integrity education. Examples include Hengyang Heli's "Qingfeng Pavilion" Integrity Culture Base and Anhui He'an Electromechanical Co., Ltd. "Qinglian Project."

Media Promotion:

- Produced a warning education film, with over 3,000 views. All cadres and employees in sensitive positions have watched it.
- Compiled and printed the *Lessons from Past Mistakes* case collection and sections on integrity construction from the Heli Cultural Talent Center. Additionally, the *Integrity Messenger* is issued monthly.
- Leveraged new media to release "Heliqingfeng", totaling 34 issues with 89 posts.



Anhui Heli Integrity Culture Promotion Activity



⁵ Five Deliveries to the Grassroots refers to deliveries made to project sites, subsidiaries, government agencies, functional departments, and production workshops.

Ensure Information Security

Anhui Heli recognizes the importance of cyber-space security and data protection. The Company strictly complies with the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, and the *Personal Information Protection Law of the People's Republic of China*. It has established internal policies, including the *Network Security and Information Asset Management Measures*, *Network Security Management Measures*, and *Cybersecurity Emergency Plan*, to regulate and safeguard information security. In 2024, Heli revised the *Technical Center Network Security Management Guidelines* to enhance the confidentiality and availability of R&D and innovation data.

To effectively advance the company's information security initiatives, Anhui Heli has established a comprehensive information security management framework. The Cybersecurity and Informatization Committee oversees and coordinates cybersecurity efforts, while the Cybersecurity and Informatization Promotion Office handles daily operations. Guided by the principle of "One Center, Three Dimensions of Protection," Anhui Heli has built a Security Management Center. Security measures are designed across three dimensions: secure computing environments, secure communication networks, and secure regional boundaries. Data security governance is implemented through measures such as local data backups and R&D encryption technologies, ensuring the company's data security.

"One Center, Three Dimensions of Protection" Management

One Center

- **Establishing the Network Security Management Center**

Building an integrated security management center for risk control and incident response. Dividing network zones to deploy situational awareness, log management, and threat analysis systems. Integrating security logs and network traffic data, enabling quick detection and tracking of security incidents, thus ensuring continuous monitor and rapid response to cybersecurity threats.

Three Dimensions of Protection

- **Enhancing Communication Network Security Protection**

Dividing security network zones to protect core business areas and reduce exposure to risks at network boundaries. Using hardware redundancy to maintain high availability even under high loads or failures. For data transmission over unreliable networks, encryption technologies are implemented to safeguard data confidentiality and integrity.

- **Strengthening Area Boundary Security Protection**

Implementing measures like authorized access and intrusion prevention at network boundaries to safeguard the internal network. Including to deploy access control devices to filter and monitor traffic, develop access control policies, optimize rules, and ensure boundary isolation and cross-boundary access control.

- **Enhancing Computing Environment Security Protection**

Focusing on security requirements such as authenticating host identities, preventing intrusions, protecting against viruses, and ensuring data security. Including to strengthen the network account management system to ensure secure and unique user identities, deploy host security software for real-time threat detection. Encouraging R&D personnel to use encryption software to protect the processing and storage of sensitive data.

In 2024, Heli focused on enhancing its digital capabilities. It accelerated data security efforts by completing the construction of a same-city backup data center to ensure the safety and integrity of core data. The Company also advanced its global secure networking project, segmenting its network into seven key areas to enhance global business coordination. The Company conducts a security risk assessment for secondary record-keeping systems every two years and collaborates with security firms for regular vulnerability scans on high-risk applications. The IT department also leads periodic inspections of interconnection technologies across subsidiaries. Additionally, to mitigate IT system disruptions and cyberattack risks, Heli has established a robust cybersecurity emergency response plan. It categorizes incidents based on severity, defines response procedures, conducts network failure emergency drills, and clarifies the roles and responsibilities of relevant personnel. In 2024, the Company's ERP system⁶ and OA-BPM system⁷ successfully passed a Level 2 security reassessment, with no information security breaches occurring.

Meanwhile, Anhui Heli actively promotes the development of an information security culture. In 2024, the Company adopted a "online + offline" approach to offer training sessions

for IT leaders, department heads, and liaison officers across subsidiaries. The training covered security regulations, network security design, and software engineering, strengthening management's cybersecurity skills, enhancing employee awareness, and safeguarding the Company's information assets.



In 2024, Anhui Heli

Number of information security training sessions

3

with participants

200+

total class hours

25



Anhui Heli's Employees Participating in an On-Site Information Security Training Session

⁶ ERP system: Enterprise Resource Planning.

⁷ OA-BPM system: Office Automation - Business Process Management System.

02

Ingenuity and Quality First

Anhui Heli uphold the core values of being "people-oriented, giving back to society with high-quality products." The Company focuses on optimizing supply chain management, driving technological innovation, and delivering high-quality products and top-tier customer service. These efforts help build a stable, healthy, and sustainable industry chain ecosystem, ensuring customers receive innovative and reliable products and services.

Material ESG Topics Addressed in This Chapter

- Product Innovation and Service Management
- Responsible Marketing
- Remanufacturing Design and Services
- Sustainable Supply Chain

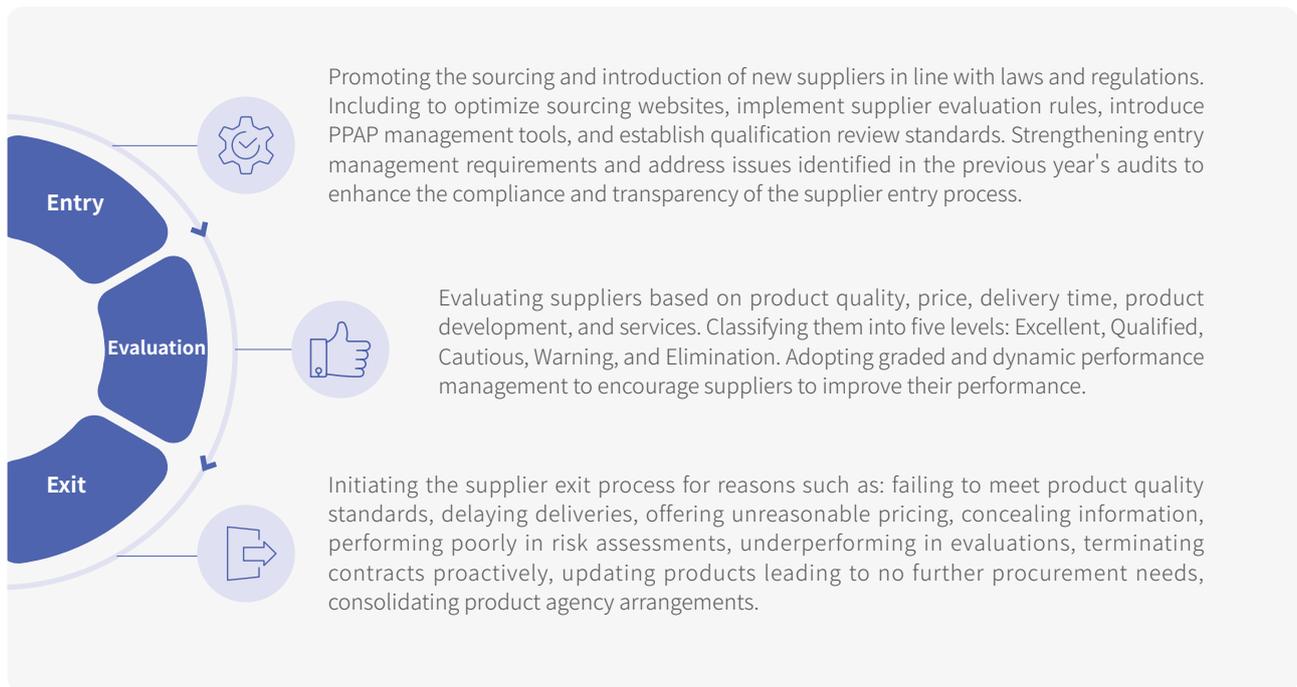
SDGs Addressed in This Chapter



Stable and Continuous Supply

Building a stable supply chain management system is a crucial part of the Company's long-term development. Anhui Heli has formulated relevant management institutions such as the *Supplier Sourcing Management Measures*, *Supplier Management Measures* and *Supplier Performance Evaluation and Assessment Measures*. These systems improve supplier entry, evaluation, and exit processes, continuously improving the effectiveness of supply chain management.

Anhui Heli Supplier Management Mechanism



Anhui Heli total suppliers

322

Domestic suppliers

292

Hong Kong, Macao, Taiwan and overseas suppliers

30

In 2024, 100% of suppliers signed *Quality Service Agreement* and obtained ISO 9001 (Quality Management System), ISO 14000 (Environmental Management System), and ISO 45001 (Occupational Health and Safety Management System) certifications.

To ensure supply chain stability, Anhui Heli conducts annual second-party audits of suppliers, prepares quarterly supplier risk assessment forms, and issues monthly risk monitoring reports. All suppliers are classified into high, medium, and low-risk levels based on stability factors. The Company closely monitors these risks and adjusts procurement strategies as needed. If necessary, it revises order allocations or seeks alternative suppliers to ensure the continuous supply of critical materials.

Supplier Sustainable Management

Anhui Heli is committed to building a sustainable supply chain, focusing on source control and active engagement throughout each stage to ensure a green, efficient, and transparent process. For new suppliers, the Company has introduced reviews covering environmental and social issues to ensure compliance with environmental protection and social responsibility standards. Suppliers exporting to the European Union must meet lithium battery regulations and provide relevant certifications to ensure alignment with international ESG standards.

Anhui Heli integrates environmental and social responsibility indicators into the comprehensive supplier evaluation system and provides recognition and incentives. Suppliers that employ disadvantaged groups, such as individuals with disabilities, receive long-term cooperation support. Additionally, all suppliers are required to sign an *Integrity Agreement*. In 2024, we established the *Supplier Code of Conduct*⁸, which regulates suppliers' sustainable management practices in areas such as human rights and labor, environmental management,

and business ethics. All suppliers are required to sign the code to clarify their responsibilities and obligations. Anhui Heli also conducts regular supplier visits and checks, offering communication and guidance to understand how suppliers manage environmental and labor practices, while supervising and rectifying identified issues. Additionally, the Company provides training on the "Supplier Code of Conduct" for procurement staff to promote clean procurement, standardize behavior, and ensure integrity throughout the procurement process.

In 2024, Anhui Heli

Suppliers signed the *Integrity Agreement*

100%



Supplier Empowerment

Under the principle of open cooperation, Anhui Heli actively fosters collaboration and communication with suppliers to promote mutual benefit and coordinated development. In 2024, the Company completed visits and exchanges with 14 key component suppliers and hosted over 120 supplier visits.

To strengthen supplier capabilities, Anhui Heli organized training activities and launched a supplier assistance program.

This program provided tailored support to help suppliers address challenges related to risk management, product development, process capabilities, product and process, and quality management systems, aiming to enhance their overall supply capabilities.



Provide Assistance for Lithium Battery Integration System Supplier

In 2024, Anhui Heli launched an assistance program for a power lithium battery integration system supplier. Based on a second-party audit, the Company supported the supplier in improving its quality management system documentation, enhancing testing and inspection capabilities, and acquiring relevant testing equipment. The program also optimized process management documents, clarified acceptance standards from raw materials to shipment, and standardized the management of equipment, tooling, and measurement instruments. As a result, the supplier significantly improved its management standards and made notable progress in product development and process technology.

⁸ *Supplier Code of Conduct*: <https://www.helichina.com/material/kcx/gysxwzz.pdf>

In 2024, Anhui Heli

Number of suppliers receiving improvement activities

41

Number of suppliers receiving assistance program

4

Number of supplier communication and training sessions

54

Cumulative hours

108



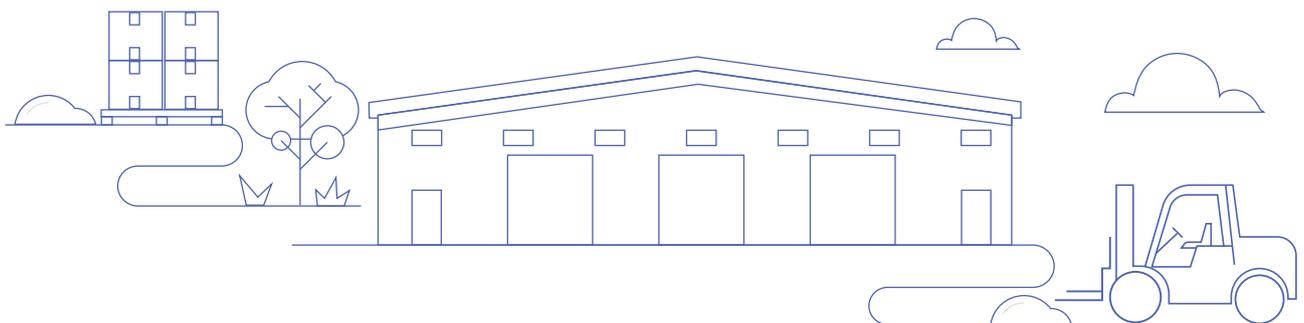
Anhui Heli Supplier Conference

On November 9, 2024, Anhui Heli held its annual supplier conference with the theme "Unite the Chain, Win Globally" at the industrial park building's auditorium. Over 130 suppliers from both domestic and international markets, totaling more than 300 guests, attended the event to strengthen cooperation between the Company and suppliers, fostering exchanges and collaboration in technology, quality, and market aspects.

During the conference, the Company took the opportunity to invite Xue Bai, the Vice General Manager of the Group, and the Vice Chairman of the Shareholding Company, to explain Anhui Heli's ESG mission, goals, strategic vision, and its practical significance. He also introduced the key practices in the environmental, social, and governance (ESG) dimensions, focusing on the core issues of sustainable supply chain management. and provided suppliers with concrete action plans and reference frameworks, further advancing Anhui Heli's ESG management within the supply chain.



Anhui Heli Supplier Conference

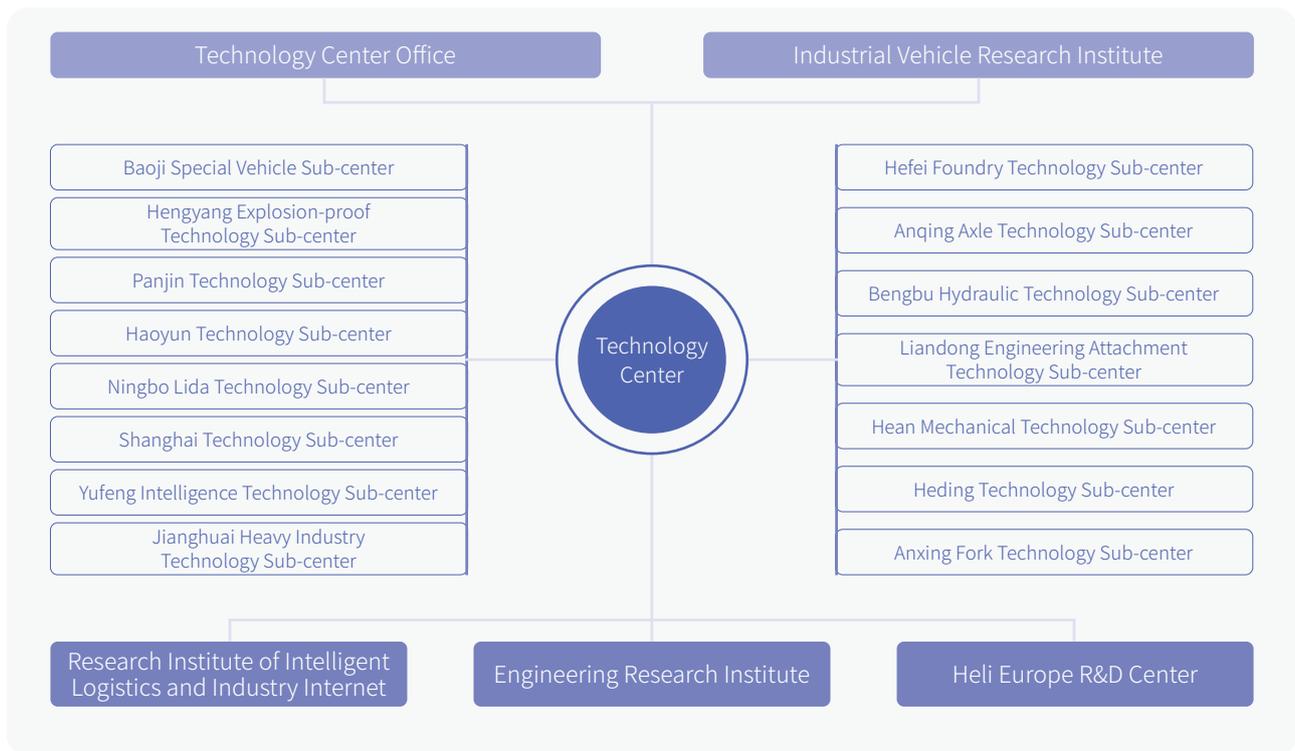


Enhance Innovation and R&D

Anhui Heli focuses on three key innovation goals: electrification, digital intelligence, and green transformation. The Company continuously optimizes its R&D management system and mechanisms, strengthens investment in talent development and resources, and introduces competitive, innovative products.

The Company's R&D structure is built around the "Three Institutes and One Office"⁹, supported by 15 technical sub-centers and an overseas R&D center under its Technology Center. In 2024, Anhui Heli further optimized its Integrated Product Development (IPD)¹⁰ system, by revising three regulations and improving project templates. These efforts aim to enhance product design quality and reduce development cycles. In 2024, Anhui Heli allocated RMB 1.086 billion towards innovation and R&D. The Company employs 1,340 R&D personnel, including 67 high-level technical experts, with three individuals with doctoral degrees.

R&D and Innovation Governance Structure of Anhui Heli



To foster innovation and creativity, the Company has established a R&D incentive mechanism that empowers key personnel to lead projects through the "talent leads the team" initiative. During the reporting period, we conducted research on the 6-10t heavy-duty high-efficiency distributed electric drive system, 2-3.5t four-wheel balanced electric steering system, 2-3.5t mechatronics integrated electric drive system, and innovative designs solutions to improve mast visibility, driving breakthroughs in key technologies.

In terms of technology, Anhui Heli continues to invest in R&D, promoting the innovative use of digital technologies in production sites. Efforts include developing new process technologies, establishing advanced testing methods, and creating simulation models, initiatives that have notably enhanced production and operational efficiency. In 2024, the Company completed 54 technical R&D projects and designed 86 process solutions. The Company received one third prize for technological progress in Anhui Province, two second prizes, and one third prize for technological progress from the China Machinery Industry.

⁹ Three Institutes and One Office: three research institutes and one technology center.

¹⁰ IPD: Integrated Product Development.

In terms of products, Anhui Heli has made significant progress in the three key areas of electrification, digitalization, and greening.

Anhui Heli's R&D and Product Highlights in the Three Major Areas of Electrification, Digitalization, and Greenization



Electrification

High-Efficiency Distributed Electric Drive Technology:

Achieved breakthroughs in high-efficiency distributed electric drive technology and launched the world's largest lithium battery forklift (55 tons), with the entire heavy-duty product line fully electrified with lithium batteries.

Low-Temperature Model Development:

Successfully developed 42 low-temperature vehicle models, including standard models for -30° C and ultra-low temperature models for -55° C, breaking the foreign monopoly in the market.

Layout of Type II and Type III Warehouse Vehicles:

Improved the layout of Type II and Type III warehouse vehicles, further expanding their range and configurations, with 26 models developed and launched.

During the reporting period

the electrification rate of all products is

>65%



The largest lithium battery forklift in the world



H4 Ultra-low temperature cold storage



Digitalization

Self-Developed Models and Key Application Scenarios:

Successfully developed 9 self-designed models with unique configurations and features, improving the product portfolio. Focused on industrialization goals, and tackled 4 key technologies for critical application scenarios.

Self-Developed Systems and Intelligent Components:

Launched the updated V1.1 system and introduced 7 self-developed intelligent components, strengthening logistics equipment with "independent core technologies."

International Design Award:

The Heli i-Series 1-3.5 ton counterbalance AGV (Automated Guided Vehicle ¹¹) won the American International Design Excellence Award (IDEA) for the first time, one of the world's four major industrial design awards.



Anhui Heli's i-Series Counterbalanced AGV Wins Silver Award at the International Design Excellence Awards (IDEA) in the U.S.A

¹¹ AGV: Automated Guided Vehicle.



Greenization

New Machine Development:

Independently developed the second-generation hybrid stacker, improving fuel efficiency by 68.9% and operational efficiency by 25%. Developed the G3 series standard model and K2 series 4-10t internal combustion forklift power expansion, achieving full power iteration coverage for the new platform.

Hydrogen Energy Vehicle Development:

Developed a 45-ton hydrogen fuel powered tractor for heavy-duty applications like ports, and a 3-3.5-ton solid-state hydrogen storage hydrogen forklift for cold regions.

Domestic Production of Special Vehicles:

Achieved the domestic development of the system for special vehicles, meeting 100% self-reliant requirements.



G3 series standard model



004 Hybrid Power Stacker



25-ton Hybrid Power Stacker



Anhui Heli Hydrogen Fuel Product

At the same time, Anhui Heli adheres to a dual R&D strategy that combines independent innovation with open collaboration. The Company actively partners with universities and research institutions to build innovation platforms, promotes industry-academia-research cooperation, and enhances its R&D capabilities. In 2024, the Company launched 58 industry-academia-research projects, including collaborations with institutions like Shanghai Jiao Tong University and enterprises across the industrial chain. These collaborations focused on advancing key areas such as intelligent driving algorithms, charging supervision systems, and electric forklift domain modules, driving breakthroughs in critical technologies and product development.



Industry-Academia-Research Cooperation

Remanufacturing Services

Anhui Heli actively responds to market competition by expanding aftermarket operations and strengthening remanufacturing capabilities.

In order to enhance remanufacturing competitiveness, the company deeply focuses on the "oil-to-electric conversion" business in the aftermarket, optimized system configurations for oil-to-electric models and complete multiple model modification. At the same time, the company developed diverse business models, collaborating with regional marketing departments, and dispatching technicians for on-site guidance to reduce costs. Moreover, the company shipped non-convertible vehicles to remanufacturing centers for upgrades. By Organizing diverse training programs, the company rapidly enhanced employee skills in remanufacturing processes and products. In 2024, the company fulfilled 110 oil-to-electric conversion orders, assisted marketing departments in completing 63 conversions at repair facilities.



"Oil-to-Electric" Targeted Client Visit and Exchange

On October 21, 2024, Anhui Heli's remanufacturing subsidiary invited nine targeted "Oil-to-Electric" client from Anhui, Hebei, and other places to conduct visit and exchange. Clients visited production facilities to better understand conversion advantages, processes, and quality controls. Moreover, this visit helped the company deepen communication with clients to better understand their needs.



Anhui Heli remanufacturing company workshop

Promote Industry Progress

Anhui Heli is committed to supporting industry standardization through active participation in external collaborations. The Company plays an active role in several industry associations and committees. During the reporting period, we organized the ISO/TC110/SC5 Sustainability Subcommittee's annual meeting. We also took part in the National Industrial Vehicle Standardization Committee's annual meeting and Workshop on the Compilation of the "Standards for Data Collection and Management of Greenhouse Gas Emissions in Construction Machinery Enterprises" and five other group standards of carbon footprint guidelines. Additionally, the Company manages six standard platforms and has contributed to the development and revision of one international standard and 16 domestic standards.

Anhui Heli's Partial Engagement in the Development of Industry Standards in 2024 (Portion)

GB/T 43657.1-2024	Industrial Vehicle Energy Efficiency Testing Methods Part 1: General Provisions
GB/T 43657.2-2024	Industrial Vehicle Energy Efficiency Testing Methods Part 2: Operator-controlled Self-propelled Vehicles, Tractors, and Transport Vehicles
GB/T 43657.3-2024	Industrial Vehicle Energy Efficiency Testing Methods Part 3: Container Handling Vehicles
GB/T 43756-2024	Forklift Design Specifications
GB/T 43923-2024	Industrial Vehicle Operator's Manual
GB/T 43909-2024	Forklift Attachments Safety Requirements



The ISO/TC110/SC5 Sustainability Subcommittee annual meeting/ The National Industrial Vehicle Standardization Committee Annual Meeting.

Intellectual Property Protection

Anhui Heli values the protection of its innovative achievements and has established a robust intellectual property (IP) management system. The Company has implemented the 2024 *Technical Center Patent Management Guidelines*, and a patent reward system to encourage internal innovation. During the reporting period, the Company filed 131 patent applications and was granted 134 invention patents. It was also listed among the Top 100 Invention Patent Enterprises in Anhui Province for 2024 and recognized as an Anhui Provincial Intellectual Property Advantage Enterprise.

Categories and Quantities of Patents Obtained by Anhui Heli (Unit: Pieces)

Patent Category	Number of Applications in 2024	Number of Grants in 2024	Cumulative Number of Applications	Cumulative Number of Grants
Invention Patents	131	134	1,247	462
Utility Model Patents	288	187	3,640	2,732
Industrial Design Patents	30	23	1,099	351
Software Copyrights	37	17	99	72
Overseas Patents	10	2	25	11

At the same time, the Company actively combats counterfeiting to safeguard its brand reputation. Product verification services are offered through the Company's WeChat official account, website, and 400 customer service hotline. The Company also provides professional opinions to support rights protection and collaborates closely with law enforcement to address counterfeit issues. During the reporting period, the Company handled 19 counterfeit identification cases, involving 5 counterfeit machines and over 1,000 counterfeit parts.

To continuously enhance employees' awareness of intellectual property protection, the Company conducts regular training for middle and senior management, as well as all staff in the technical center. Training is delivered through monthly briefings and quarterly offline sessions. In 2024, the Company organized four training sessions for R&D personnel on topics such as high-value patent mining.

Ensure Product Quality

Anhui Heli regards product quality as the lifeline of its development. The Company is committed to maintaining high standards across all stages of production, striving to deliver reliable products that earn market recognition and customer trust.

Our quality management is guided by internal systems such as the Quality Manual and Quality System Procedure Documents. In 2024, we introduced the *Quality Management Measures for Critical and Important Components*, implementing tiered control measures and standardizing quality management throughout the product lifecycle. A structured quality management system was also established, with the General Manager overseeing quality management and responsibilities clearly defined at all levels. Regular quality reporting and evaluations are conducted to monitor progress and drive continuous improvement. During the reporting period, the Company obtained ISO 9001 Quality Management System certification, covering 100% of its operational locations. Additionally, several products also received international quality certifications, including CE, UKCA, and North American EE certifications, with 100% coverage for type testing certifications of all special equipment products.



Anhui Heli ISO 9001 Quality Management System certification



Anhui Heli Products Regional Certifications



CNAS Laboratory Certification

Anhui Heli maintains product quality through a series of comprehensive quality management measures. These include quality inspection and evaluation at every stage, regular meetings, quality management assessments, and quality awareness training. In 2024, Anhui Heli did not encounter any product recalls.

Anhui Heli Quality Management Measures

 <h3>Comprehensive Product Quality Inspection and Evaluation</h3> <ul style="list-style-type: none"> By utilizing multi-dimensional evaluation methods such as routine inspections, specialized inspections, periodic inspections, commercial inspections, and internal standards inspections, the company enhances process quality control and improves quality inspection across all stages. 	 <h3>Quality Meeting Management</h3> <ul style="list-style-type: none"> Regular quality meetings are held to address issues. Problems are resolved, verified, documented, and archived to form a closed-loop process. 	 <h3>Quality Assessment</h3> <ul style="list-style-type: none"> Quarterly assessments evaluate the quality management of each business division and subsidiary, covering aspects such as product quality, process discipline, and standard operating procedures. A reward and penalty system is also in place.
 <h3>Quality Training</h3> <ul style="list-style-type: none"> Quality Month activities and multi-level training programs are conducted to strengthen quality awareness. During the reporting period, the company organized 148 product quality training sessions, totaling 1,105,958 hours. 	 <h3>Quality Review</h3> <ul style="list-style-type: none"> The company applied for three proficiency testing projects under the China National Accreditation Service for Conformity Assessment (CNAS), all of which passed review with a 100% success rate. 	

We set the goal of customer satisfaction higher than 90 points to promote the continuous improvement of the company's quality management level, and achieved a good result of 92 points in customer satisfaction during the reporting period.

Completion Status of Customer Satisfaction for 2024

Target

Completion

≥ 90

92

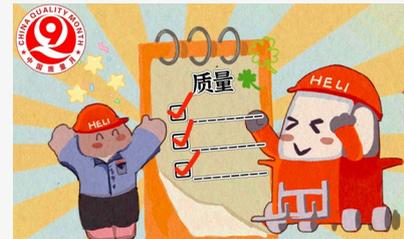


Youth Leading Quality Improvement Driving High-Quality Company Development

In September 2024, Anhui Heli, during "Quality Month", organized a series of "Youth Leading Quality Improvement" activities. These included 25 events such as quality-themed workshops, "One Day as a Quality Inspector" role-playing experiences, speech contests, training courses, and knowledge competitions. Additionally, 31 quality-themed cultural works were collected and compiled to foster an atmosphere where "everyone cares about quality, and everyone values quality." The initiative aimed to enhance young employees' awareness of quality.



"Youth Leading Quality Improvement" activity



Anhui Heli "Quality Month" Poster



"Quality Lecture" Training Program

In November 2024, Anhui Heli hosted a "Quality Lecture" training session in the auditorium, attracting over 500 participants, including front-line employees, middle management, and senior leadership. The training achieved a 100% pass rate. Centered on the theme of "Enhancing Total Quality Management" the session provided an in-depth analysis of the transformation of quality concepts, mechanisms, and practices driven by the new wave of technological revolution. Aligning with the company's operational situation, Anhui Heli shared core strategies into business quality development and brand quality planning. Through classic case studies, the training illustrated the critical role and implementation methods of total quality management in company operations.



Main Venue for Quality Training Lecture

Anhui Heli Partial Quality Honors and Awards in 2024



Anhui Heli Management System and Product Quality
CQC Excellent Quality Award
China Quality Certification Center



Improve the Qualification Rate of Key Dimensions of the Transmission Bracket
Third Prize for Anhui Provincial Quality Technology Achievement
Anhui Quality Management Association



Innovative Welding Technology for Sheet Cab Side Doors
Third Prize for Anhui Provincial Quality Technology Achievement
Anhui Quality Management Association



Anhui Provincial Quality Brand Knowledge and Innovation Skills Competition

- One First Prize and two Third Prizes for Trustworthy Teams;
 - One Second Prize and one Third Prize for Quality Innovation Achievements;
 - One Second Prize and one Third Prize for On-Site Management;
 - One Third Prizes for QC Achievements;
 - Two Team Second Prize (55 Individual Online Awards)
- Anhui Intellectual Property, Quality, and Standardization Management Committee and Market Supervision Administration, etc.



Reduce Production Cycle for 12-16t Gantry
Third Prize for Anhui Provincial Quality Technology Achievement
Anhui Quality Management Association



Supplier Quality Management

Anhui Heli focuses on ensuring product quality at the source by formulating its Supplier Management Measures. The Company conducts comprehensive audits and evaluations of suppliers throughout the entire process to improve supplier product quality. In 2024, we optimized the supplier quality management model and established a digital supply chain platform (SRM) for dynamic monitoring. We also renewed quality management agreements and *Zero-Kilometer Assessment Method Agreements* with 100% of our suppliers, clearly defining failure rate requirements and establishing a reward and penalty system to ensure quality standards are met. Additionally, the Company revised the *Supplier Second-Party Audit Guidelines* to promptly identify and resolve supplier quality issues through second-party audits. During the reporting period, the Company completed second-party audits for 42 suppliers and conducted quality visits to 12 suppliers.

Anhui Heli Supplier Second-Party Audit Process



Optimize Customer Service

Anhui Heli adheres to a customer-centered philosophy, continuously improving its customer management system and service measures across the entire lifecycle—from pre-sales, in-sales, and after-sales. The Company promotes responsible marketing to enhance customer satisfaction and build a strong market reputation.

Customer Management

The Company has established internal regulations such as the *After-Sales Service Management Measures* and the *After-Sales Information Management Measures*, and newly introduced the *Self-Manufactured Parts After-Sales Quality Management Measures*. These policies form a framework for after-sales service, and service management and technical support teams as the core. The Company offers regular training to its service teams to ensure they can respond to customer needs quickly and effectively. Additionally, the Company has implemented a Customer Relationship Management (CRM)¹² system to improve efficiency. To protect customer data, Anhui Heli has signed *Customer Information Security Confidentiality Agreements* with IT suppliers and uses a tiered access control system to safeguard information. In 2024, there were no incidents of customer privacy information security breaches.

Customer Service Procedure



Anhui Heli has established a comprehensive customer communication and feedback mechanism through diversified channels. The Company conducts regular client meetings and phone interviews to collect feedback, ensuring timely responses to customer dynamics. It responds promptly to customer needs, implements tailored solutions for specific issues, assigns clear responsibilities and deadlines, and tracks progress to improve satisfaction. For customer complaints, the Company responds immediately by conducting internal investigations to identify root causes and propose corrective solutions. In 2024, the Company received two customer complaints, both of which were verified and resolved effectively.

In 2024

The number of we received customer complaints is

2

Following effectiveness verification

All identified issues have been properly addressed



¹² CRM: Customer Relationship Management (CRM, C-Customer, R-Relationship, M-Management). By segmenting markets, optimizing processes, and building customer databases, the Company achieves customer-centered lifecycle management, maximizing profits, revenue, and customer satisfaction as part of its strategic approach.



"Deliver Training to the Frontline" – Enhance After-Sales Personnel Skills

In 2024, Anhui Heli continued its "Delivering Training to the Frontline" initiative to refine after-sales service processes and enhance employee service quality. For after-sales service staff, the company organized 11 business skill training sessions, totaling 66 training hours, with 419 participants. Additionally, 30 instructional repair videos were released to help after-sales staff learn. This initiative not only strengthened the technical expertise of after-sales employees but also boosted customer service efficiency and quality through practical exchanges and knowledge sharing.



Anhui Heli After-Sales Personnel Training Program

In 2024, we commissioned a third party to conduct a user satisfaction survey covering all product lines. The survey evaluated at eight key metrics, including brand image, user expectations, product quality, service quality, and perceived value. The results showed a customer satisfaction score of 92 and a loyalty score of 92.1, both increased by 0.5 points from 2023.

To build stronger connections with customers, Anhui Heli organized events, provided product training, and provided on-site technical support in real work environments. These efforts not only improved customer satisfaction but also strengthened customer loyalty. In 2024, the Company organized after-sales maintenance training for eight major clients, totaling 120 training hours and training 646 individuals.



Anhui Heli Customer Exchange

Anhui Heli continues to strengthen its presence in overseas markets by empowering local agents and offering comprehensive, end-to-end support to customers.

North American Market

In North America, we established an overseas after-sales service center and launched a 24-hour after-sales service hotline to offer professional support to North American customers, ensuring timely resolution of issues. We also conducted multilingual training for employees and provided comprehensive training support for operators.



The First Overseas After-Sales Service Center in North America



The First 24-Hour After-Sales Service Hotline in North America



The First Multilingual Training in North America

European Market

In the European Market, we expanded our footprint by opening a European headquarters and global R&D center in Germany, as well as a subsidiary in France. Our hydrogen-powered forklifts were showcased at the German International Logistics Exhibition, with product sales now covering 40 countries across Europe.



Grand Opening Ceremony of Anhui Heli's European Headquarters and European R&D Center



Unveiling Ceremony of Anhui Heli's European R&D Center

Responsible Marketing

Anhui Heli complies with laws and regulations such as the *Advertising Law of the People's Republic of China*, the *Consumer Rights Protection Law of the People's Republic of China*, and the *Interim Provisions on Regulating Promotional Activities*. The Company has established the *Responsible Marketing Policy*¹³, the *Marketing Company Service Business Management Measures*, and the *Basic Construction and Management Requirements for After-Sales Service of Domestic Marketing Subsidiaries* to standardize marketing practices, avoid false advertising or excessive marketing, and provide users with the most genuine product experience. During the reporting period, the Company strengthened its marketing management system by establishing a marketing headquarters office responsible for disciplinary supervision. It also added three provincial marketing companies, expanding its network to 28 provincial offices and eight core functional departments, laying a solid foundation for market expansion and service upgrades.

To ensure compliance and effectiveness of marketing strategies, Anhui Heli carried out internal audits and provided regular training for sales teams. These efforts aimed to enhance employees' understanding of responsible marketing, ensure adherence to Company policies, and help teams provide clear and accurate product and service information to customers. In 2024, the Company organized 11 domestic marketing system training sessions, covering product knowledge, marketing skills, marketing management, repair techniques, and digital business exchanges, with a total of 8,630 participants.

¹³ *The Responsible Marketing Policy*: <https://www.helichina.com/material/kcx/fzryxzc.pdf>

03

Care Employees, People-Centered

Anhui Heli adheres to a people-centered approach, placing a strong emphasis on protecting employee rights and interests. The company has refined its talent management system to promote equality, inclusion, and diversity in the workplace, focusing on employee development by offering targeted training programs. To enhance employees' sense of achievement, well-being, and security, Anhui Heli works to improve the overall work experience, foster open communication, and prioritize health and safety. These efforts establish a solid foundation for the company's long-term, sustainable development.

Material ESG Topics Addressed in This Chapter

- Human Resources Management
- Health and Safety

SDGs Addressed in This Chapter



Focus on Employee Rights and Interests

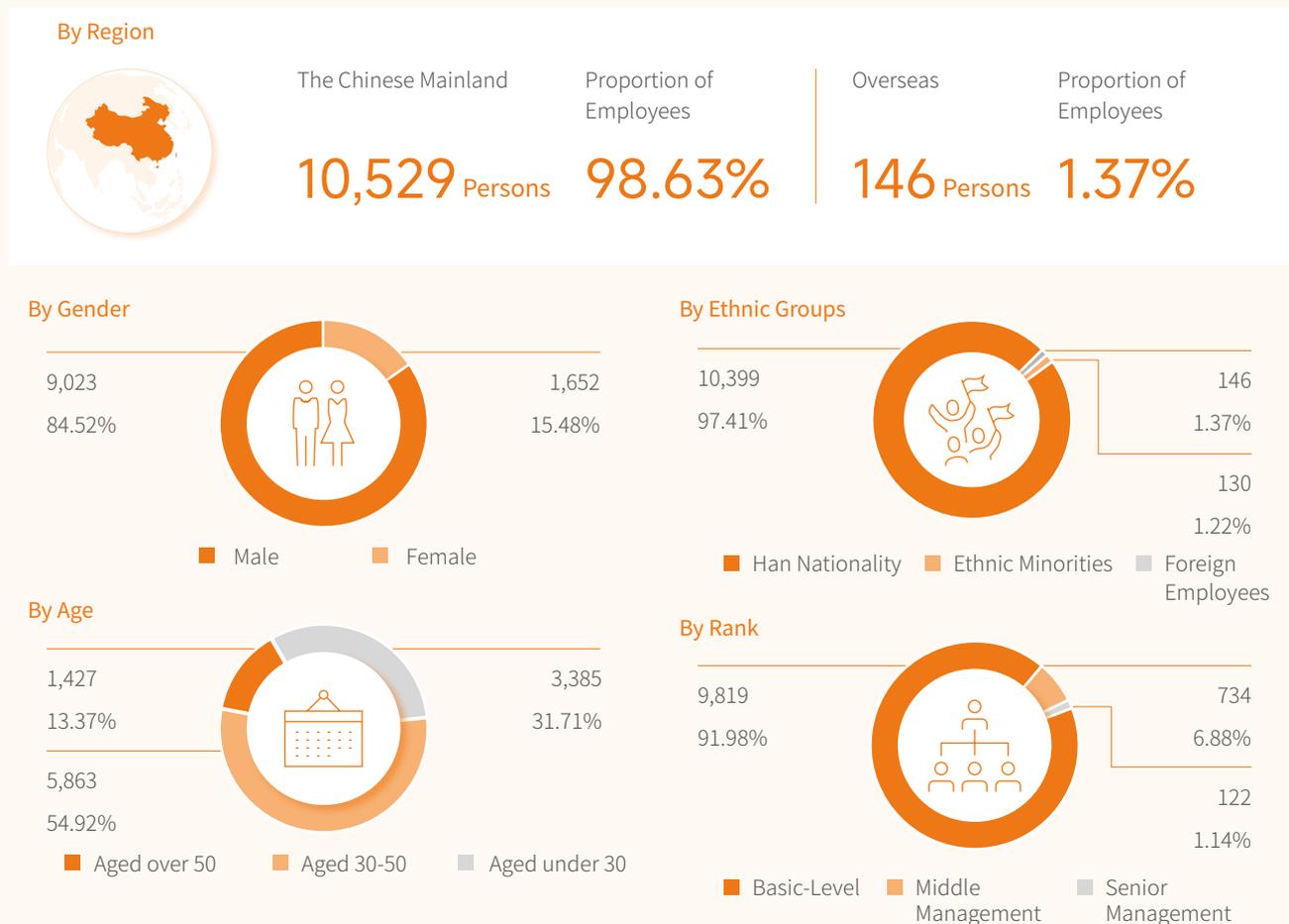
Anhui Heli is committed to creating a harmonious, fair, and efficient work environment. Through various initiatives, the Company seeks to protect employee rights, attract top talent, and drive its long-term, high-quality development.

Compliant Employment

Anhui Heli follows local laws and regulations, formulating management systems such as the *Management Measures on Recruitment*, the *Handbook on Labor Management*, and the *Protection Policy on Labor Rights and Interests*¹⁴. The Company respects labor rights in every stage of employment, from recruitment to daily operations. It strictly prohibits child labor, eliminates all forms of forced labor, and ensures there is no discrimination based on age, gender, race, religion, or other factors. The Labor Management Handbook details essential policies regarding labor contracts, attendance, leave entitlements, and overtime compensation, ensuring that employment practices are compliant and fair. In 2024, Anhui Heli expanded its operations to North America, opening offices in New York and Mexico. To ensure U.S. employees are informed and empowered, the Company regularly organizes training on legal, tax, and labor regulations. These sessions help employees understand their rights and foster a workplace that values fairness and justice.

During the reporting period, Anhui Heli employed a total of 10,675 regular employees, 275 interns, and 516 contracted employees.

Anhui Heli Employee Employment Status¹⁵



¹⁴ *The Protection Policy on Labor Rights and Interests*: <https://www.helichina.com/material/kcx/lgyqzz.pdf>.

¹⁵ The Number of Employees: Only regular employees are included; interns and contracted employees are excluded.

To improve employee exit management, the Company has established the *Standardized Labor Exit Management Measures*. Each department is required to submit a monthly *Exit Personnel Detailed Register*, creating a system for dynamic monitoring and regular analysis. This approach helps the Company track turnover trends, providing valuable data for human resource planning and decision-making, ultimately enhancing overall management quality. During the reporting period, 614 employees voluntarily resigned from the Company¹⁶.

Voluntary Employee Turnover by Region, Gender, and Age

Category	Number (Persons)	Proportion of Employees in This Category (%)
By Gender		
Male	500	5.54
Female	114	6.90
By Region		
The Chinese Mainland	614	5.83
Overseas	0	0
By Age		
Aged under 30	286	8.45
Aged 30-50	189	3.22
Aged over 50	139	9.74

Talent Attraction

Anhui Heli has positioned talent cultivation as its core driver, implementing a diversified talent strategy to propel high-quality corporate development. In 2024, the Company enhanced its talent attraction and development efficiency through innovative initiatives and optimized mechanisms.

To address talent demands, Anhui Heli broadened recruitment channels and established differentiated hiring systems tailored to various talent categories. The Company organized talent engagement programs such as "JOB SHOW" and "Heli Talent Initiative", effectively attracting high-end professionals and skilled technicians. During the reporting period, the number of graduates from "211 Project" universities or higher joining the Company increased by 35.9% year-on-year. Additionally, the Company recruited seven doctoral candidates in high-demand specialties, jointly trained one engineering doctoral candidate with universities, and onboarded one postdoctoral researcher.

During the reporting period, the Company proactively implemented talent support measures, securing subsidies totaling RMB 7.77 million for employees, benefiting 666 individuals. It successfully obtained official recognition for 178 high-level talents in Anhui Province and 89 newly designated high-level talents in Hefei City, including 18 newly classified as Category D or above. Building on this, the Company provided tailored healthcare services to 52 high-level talents and initiated a self-assessment mechanism for talent certification, securing four self-assessment quotas for enterprises in key industries. Additionally, the Company facilitated applications for government special allowances, with one employee awarded the State Council Special Allowance and three receiving provincial government special allowances. To further improve housing conditions, the Company secured 58 public rental apartments to address the housing needs of recent university graduates.

In the area of professional title evaluations, the Company implemented a hybrid online-offline evaluation model for employees, streamlining processes to enhance the incentive-driven mechanism of professional titles. In 2024, we submitted applications for two professorial-level senior engineers, 32 senior engineers, four senior accountants, four political engineers, and seven assistant political engineers on behalf of employees. Additionally, the Company conducted evaluations for 36 engineers with a 75% pass rate and 201 assistant engineers achieving a 100% pass rate.

¹⁶ Based on S&P DJSI's definition of voluntary turnover, which includes employees who voluntarily offer to leave and retired employees, the number of voluntary turnovers in Anhui Heli in 2024 is mainly composed of retirements.

Equality, Inclusion, and Diversity

Anhui Heli adheres to the principles of equality, inclusion, and diversity, as well as democratic management. The Company ensures fair working conditions and benefits, actively prohibits workplace violence and harassment, and promotes respect for female employees, ethnic minority groups, and individuals with disabilities. Equal employment opportunities are a core focus. We have improved the union system, and signed collective agreements such as the *Collective Contract*, the *Special Collective Agreement for the Protection of Female Employees' Rights and Interests*, and the *Wage Negotiation Collective Agreement*, effectively safeguarding employees' rights and interests. During the reporting period, the Company's collective agreement signing rate was 100%. In the year, the Company employed 1,652 female employees (358 in revenue-generating roles¹⁷ and 181 in STEM¹⁸ positions), 130 ethnic minority employees, and 52 employees with disabilities.

Globally, Anhui Heli promotes diversity by respecting regional cultural customs in places like the Middle East and Oceania. The Company recognizes local holidays, encourages cross-cultural celebrations, and supports multilingual communication to foster an inclusive and welcoming work environment.

In 2024

The total number of female employees reached

1,652

The number of female employees in revenue-generating roles

358

The number of female employees in STEM positions

181



The number of ethnic minority employees

130

The number of employees with disabilities

52



Cross-Cultural Exchange and Team Integration

In 2024, Anhui Heli organized multiple cultural exchange activities and invited foreign employees to participate. The Company invited U.S. employees to a multinational training and exchange event to deepen their understanding of Chinese and Heli corporate culture, promoting integration between Chinese and American teams. At the same time, the Company held team-building activities in the U.S. to ignite employees' enthusiasm. Foreign employees won awards in the 2nd Anhui Story Sharing Contest for Foreigners, injecting new vitality into the Company's international development.



U.S. Employees Participated in Factory Training Exchange



China-U.S. Team Building Activities

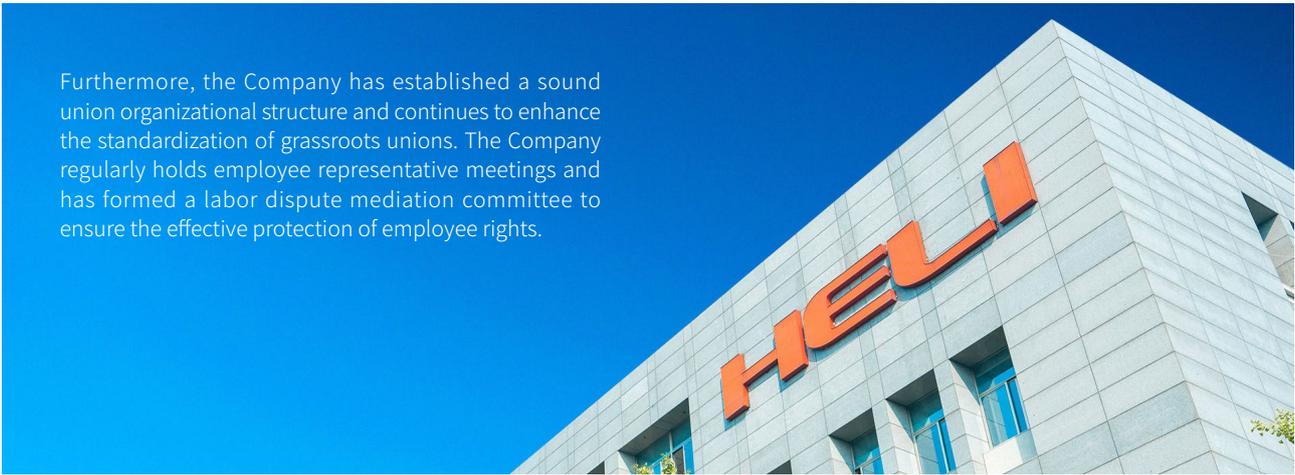


Foreign Employees Awarded Excellent Prize in the 2nd Anhui Story Sharing Contest for Foreigners

¹⁷ Revenue-generating roles refers to positions within line management, such as those in sales or roles that directly contribute to the production of products or delivery of services. They do not include support functions such as human resources, IT, and legal affairs. They are often accountable for profits or costs.

¹⁸ STEM is an acronym for the four disciplines of Science, Technology, Engineering, and Mathematics.

Furthermore, the Company has established a sound union organizational structure and continues to enhance the standardization of grassroots unions. The Company regularly holds employee representative meetings and has formed a labor dispute mediation committee to ensure the effective protection of employee rights.



Anhui Heli Hosted the 4th Session of the 9th Workers' and Union Members' Congress

On March 16, 2024, Anhui Heli held the 4th session of the 9th Workers' and Union Members' Congress, which was attended by nearly 300 employees. During the meeting, outstanding managers, advanced teams, and individuals were honored, further enhancing employees' sense of achievement and happiness.



The Opening Ceremony of the 4th Session of the 9th Workers' and Union Members' Congress

Employee Development Cultivation

Anhui Heli incorporates employee career development into its corporate strategy, building a sound talent development system and implementing targeted training programs to help employees improve their skills and advance their careers. At the same time, through science compensation management, smooth promotion channels, and rich incentive mechanisms, the Company provides strong support for both corporate and employee growth.

Training and Development

Anhui Heli is committed to building a comprehensive and efficient talent development system to support employees' career growth and the Company's strategic objectives. Through the "Morning Star" and "Taurus Star" programs, the Company has built a systematic process for selecting, training, evaluating, and motivating young talent. Talent development is also integrated into Party-building initiatives and departmental performance assessments. The Company has also set up the Talent Management Committee, encompassing Technology, Marketing, Management, and Skills, to nurture and develop talent with different capabilities.

Talent Development Management Structure at Anhui Heli



In 2024, the Company further improved its "654321" talent training system, focusing on the "Two New"¹⁹, "Two Highs"²⁰, and "Two Sales"²¹. Through a 3C²² integrated operation model. By adopting the 3C21 integrated operation model and leveraging a digital learning platform, the Company has achieved more precise talent profiling and development, creating a "treasure trove" for talent cultivation. The Company offers a range of training programs, including induction training for new employees, professional skill enhancement for current staff, and leadership programs for reserve and newly promoted middle-level managers. Additionally, the Company encourages internal talent exchanges by revising the *Management Measures on Overseas Employee Deployment*. This supports overseas assignments and long-term exchanges within subsidiaries and marketing networks, helping employees develop skills in technology, marketing, management, and service areas. During the reporting period, the Company conducted 53 short-term exchanges and 74 long-term exchanges for employees.

During the reporting period

The number of short-term exchanges is

53 Person-time

The number of long-term exchanges

74 Person-time



6 "6" Talent Categories

- 6 Talent Matrix Roles

5 "5" Level Matrix Role Profiles

- Corresponding role profiles for each level

4 "4" Knowledge Areas

- Ideological Awareness Enhancement
- Essential Institutional and Regulatory Knowledge
- Business Capability Enhancement
- Quality and Professionalism Improvement

3 "3" Competencies

- General Competencies
- Professional Competencies
- Managerial Competencies

2 "2" Path "Knowledge Tree" Course System

- Path Knowledge Tree Course System
- Integrated Internal and External Course Resources

1 "1" "Grand Training" Model

- Heli's unique "Grand Training" Model

¹⁹ Two New: New employees, and newly promoted & high-potential managers.

²⁰ Two Highs: High-tech talents, and high-skilled talents.

²¹ Two Sales: Domestic sales talents and overseas sales talents.

²² 3C: Coach, course and class.

Focus of Anhui Heli Talent Training Work in 2024

Two
New

Target Audience: New employees, newly promoted and reserve cadres

- Provide 6 months of training program for 248 new graduates from 35 colleges and universities, including 128 hours of training, 17 thematic activities, and 4 task activities.
- Organize 8 days and 96 hours of closed business management training to enhance the management ability of reserve cadres.

Two
Highs

Target Audience: High-tech talent, high-skilled talent

- Conduct 11 vocational and 37 skill improvement training sessions, covering nearly 800 trainees.
- Organize 8 "2+3" welding and processing center specialized classes, attended by 52 trainees.
- Establish one national-level and two municipal-level Master Technician Workstations, driving the development of CNC machining, cutting, trial assembly, and new energy training bases.

Two
Sales

Target Audience: Domestic sales talent, overseas sales talent

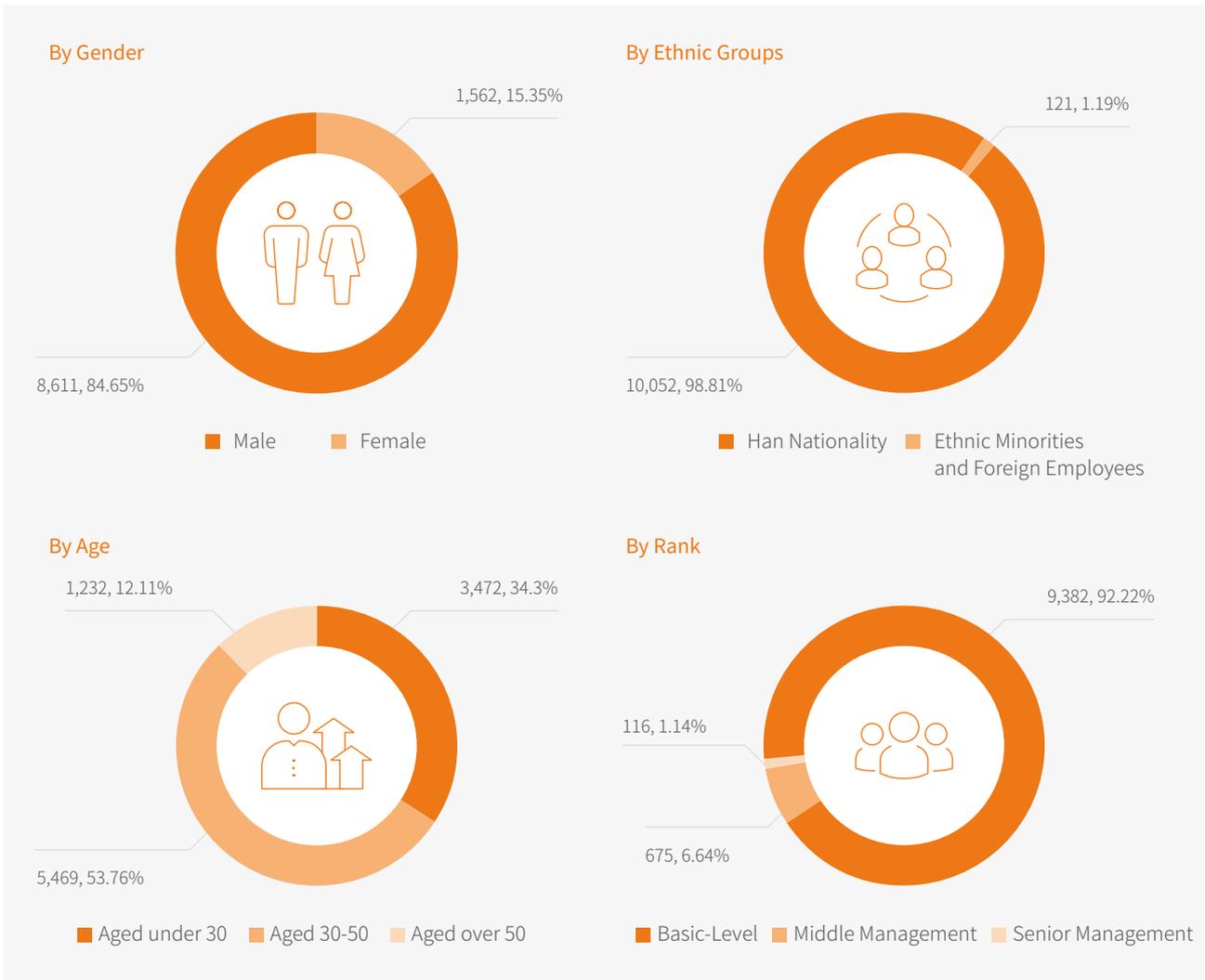
- Implement a 10-month, 9-phase overseas service engineer training program, introducing innovative activities such as comprehensive fault simulation and diagnostic explanation sessions, successfully dispatching 20 service engineers to overseas markets.
- Assist in organizing domestic marketing system business management training classes to enhance the professional capabilities of both domestic and overseas sales talent.

Anhui Heli actively cooperates with colleges and universities to promote talent development. In 2024, the Company collaborated with Hefei University of Technology for the first time to train outstanding engineers as doctoral candidates. This partnership successfully cultivated one engineering doctor and led to the establishment of the "Anhui Heli Award Teaching Fund", with a total investment of RMB 1 million. The Company also partnered with Anhui Open University to launch a continuing education platform, helping employees enhance their skills and further their education. To support stable production, Anhui Heli collaborated with recruitment agencies and internship platforms, filling 154 urgently needed frontline roles.

During the reporting period

<p>the Company's investment a total of in employee training and development</p> <p style="font-size: 24px; font-weight: bold; color: #f4a460;">RMB 5.4633 million</p>	<p>the average time of training per employee</p> <p style="font-size: 24px; font-weight: bold; color: #f4a460;">22.03 hours</p>	<p>the total number of trained employees</p> <p style="font-size: 24px; font-weight: bold; color: #f4a460;">10,173</p>
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Employee Training Participation by Gender, Ethnicity, Age, and Rank



Anhui Heli Held the New Employee Training Camp for New College Graduates

On July 31, 2024, Anhui Heli successfully held the closing ceremony of the "New Employee Training Camp for New College Graduates". 248 new employees showcased their learning achievements through report presentations. The training program covered 128 hours, including classroom teaching, physical training, outdoor expansion, and study tours, with 33 internal and external experts conducting the sessions.



The Closing Ceremony of the New Employee Training Camp

Safeguard Employee Well-Being

Anhui Heli remains committed to creating a harmonious corporate culture. The Company adopts a people-centered approach through an employee care system, open communication channels, and regular employee satisfaction surveys. These efforts provide not only material support but also enrich employees' overall well-being, strengthening team spirit and cohesion. Employee feedback is also a key focus. The Company actively listens to concerns, gathers suggestions, and holds inquiry meetings to address issues and promote shared growth.

Employee Welfare

To ensure that employees receive necessary support and care, Anhui Heli has established a comprehensive employee welfare system based on documents such as the *Management Measures on Employee Meal Subsidy*, the *Management Measures on Public Rental Housing*, and the *Management Measures on Employee Housing, Rental, and Transportation Subsidies*. To enhance healthcare support, the Company has also formulated the *Supervision and Management Measures on Internal Supplementary Medical Insurance Fund*, ensuring proper fund management and timely reimbursement of medical expenses. In addition to basic welfare, Anhui Heli enriches employees' lives through holiday benefits, health programs, condolence support, and assistance programs. Cultural and recreational activities are also organized to promote work-life balance.



The Company Provides Accident Mutual Insurance for Employees

During the reporting period

We sent out welfare items to

all employees

of the company

The total expenditure exceeds

RMB **10** million



Welfare Activities Conducted by Anhui Heli in 2024

	<p>Distributing Agricultural Products</p> <ul style="list-style-type: none"> • Distributed RMB 1,646,600 worth of Qianshan rice, black peanuts, and vegetable oil from Wanjiang County.
	<p>Holiday Welfare</p> <ul style="list-style-type: none"> • Issued "Dragon Boat Festival" and "Mid-Autumn Festival" vouchers to 3,042 employees and birthday cake vouchers to 3,021 employees.
	<p>Consolation Activities</p> <ul style="list-style-type: none"> • Provided 266 instances of consolation for weddings, funerals, and other life events, distributing RMB 307,800 in consolation funds; • Delivered physical consolation items to 168 hospitalized employees, and issued condolence payments to 102 people, totaling RMB 39,500.
	<p>Employee Assistance</p> <ul style="list-style-type: none"> • Assisted 39 employees in need, providing RMB 78,500 in aid; • Helped 6 employees apply for financial aid from the Provincial Workers' Service Center, totaling RMB 71,300; • Delivered RMB 31,000 in daily necessities and aid to those in hardship.

"Summer Coolness" - Putting People First, Caring for Employees

On July 25, 2024, Anhui Heli launched the "Summer Coolness" welfare event, distributing summer cooling products to all employees, including items such as Yan Zhi Fang, milk, yogurt, and mineral water. The event benefited over 2,700 employees, including contracted employees, interns, retirees, and newly hired college graduates, with an average benefit of RMB 120 per person, totaling RMB 322,630.



"Summer Coolness" Distribution

Anhui Heli organizes a variety of cultural and recreational activities to enrich employees' cultural experiences and strengthen team cohesion. These include sports competitions, cultural heritage events, and legal education sessions, such as the Spring Festival fun activities, staff sports meetings, and cultural exhibitions.

► Cultural and Recreational Activities Organized by Anhui Heli in 2024

Employee Fun Sports Meeting

From January 9 to 11, the 14th Fun Sports Meeting was successfully held, with 775 employees participating.



The Closing Ceremony of the 14th Fun Sports Meeting

"Welcoming the New Year—Writing and Gifting Spring Festival Couplets"

On February 14, calligraphy enthusiasts wrote couplets for 16 units, adding a festive atmosphere.



Group Photo of the "Welcoming the New Year – Writing and Gifting Spring Festival Couplets" Activity

Diverse New Year Cultural and Sports Activities

In February 2024, branch unions organized 109 activities, with 3,114 participants, enriching employees' holiday cultural life.

Interest Group Training Programs

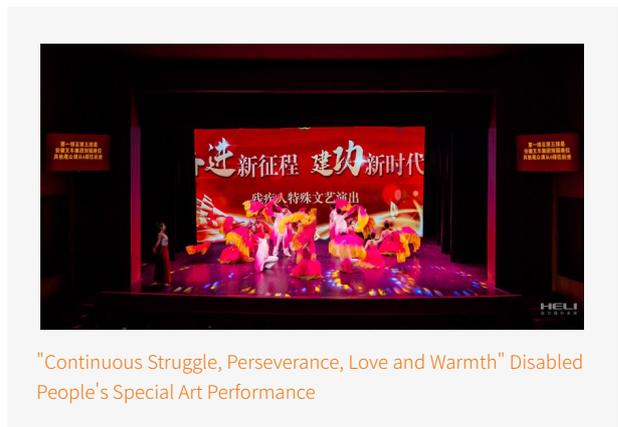
In May 2024, the Company organized tennis, table tennis, and badminton training sessions, with 900 participants, enriching employees' leisure lives.



The First Session of the Tennis Training Program

Disabled People's Art Performance

On July 25, 2024, the Company organized employees to watch a special performance by disabled people to support public welfare and promote national culture.



"Continuous Struggle, Perseverance, Love and Warmth" Disabled People's Special Art Performance

The 16th Basketball League

In December 2024, the 16th Basketball League was held with 32 participating teams, stimulating employees' enthusiasm for sports and teamwork.

Anhui Heli pays attention to the needs of female employees and has organized a series of care activities, including psychological health lectures to alleviate employee stress. The company is dedicated to creating a warmer and more inclusive work environment for female employees.



180 Female Employees Participate in the Award Presentation Ceremony and Women's Day Walk



Female Employees Attend a Mental health seminar, Learning Stress and Emotional Regulation



Female Employees Participate in a Health Seminar, Learning about the Prevention and Treatment of Gynecological Diseases



Reading Area



Panorama

Lactation Room in the Heli South 7 Building

Employee Communication

Anhui Heli actively listens to employee feedback. To ensure easy and efficient communication, the Company has established various channels such as the "Heli Mailbox" online platform, factory bulletin boards, suggestion boxes, and employee representative inquiry meetings. During the reporting period, the "Heli Mailbox" received a total of 122 messages, and 2,252 suggestions. The Company responded to employee concerns, improving overall employee satisfaction.

During the reporting period

The total number of "Heli Mailbox" received messages

122

and the total number of received suggestions

2,252



Factory Bulletin Board and Suggestion Box



The "Face-to-Face" Employee Inquiry Meeting

On November 27, 2024, Anhui Heli held the 4th session of the 9th Employee Representative "Face-to-Face" Inquiry Meeting. Employee representatives inquired about 12 issues related to production and employee welfare, and relevant departments provided detailed responses and solutions, fostering mutual understanding and communication.



The 4th session of the 9th Employee Representative "Face-to-Face" Inquiry Meeting

Anhui Heli is dedicated to enhancing the employee experience. Every two years, the Company conducts an employee satisfaction and engagement survey, along with exit interviews for departing employees, to identify areas for improvement in human resources management. The latest employee satisfaction and engagement survey included 8,143 employees from 22 subsidiaries and seven marketing offices, with an overall satisfaction rate of 81.5%.

The number of employees who participated in the satisfaction and engagement survey

8,143

overall satisfaction rate reached

81.5%

Health and Safety Care

Anhui Heli prioritizes employee health and safety, by strengthening its management framework, enforcing responsibilities, and gathering feedback to improve health and safety practices. The Company is committed to creating a safe, healthy production and office environment to safeguard employee well-being.

Safety Management

Anhui Heli has established a structured approach to safety through "the Safety and Environmental Protection Occupational Health Committee-The Committee Office". The Committee oversees production safety and occupational health, and convenes quarterly meetings to review past performance and plan for future improvements. The Committee Office, part of the Company's Safety and Environmental Protection Department, is responsible for implementing safety directives, executing specific safety measures, and supporting the Company in maintaining scientifically regulated and safe operations. In 2024, the Company formulated the *Three-Year Action Plan for Fundamental Safety Production Enhancement (2024-2026)*, establishing the "3+18" overall safety production framework. This framework focuses on three key work tasks: tackling safety hazards, strengthening safety foundations, and enhancing operational efficiency.

During the reporting period, the Company revised several safety policies. The *Measures on Work Safety Risk Grading and Control* and the *Investigation and Treatment Measures on Work Safety Accident Hazards* were revised to include statistical analysis, ledger management, and reporting systems for better risk control and hazard management. The *Management Measures on Abnormal Work Status* were introduced to clarify approval processes and evaluation standards, aiming to reduce abnormal operation tasks and enhance dual-prevention systems.

Anhui Heli's Risk Factors of Occupational Health and Safety and Prevention Measure

Work Process	Potential Consequences	Preventive Measures
Painting Line	Impact, Fire, Poisoning and Asphyxiation, Other Explosions	<p>Personnel Management: Ensure compliance with safety operating procedures, personal protective equipment is worn correctly, and prohibit eating or drinking on-site</p> <p>Equipment Management: Utilize explosion-proof electrical equipment; ensure reliable anti-static devices are installed on spraying equipment and conveyance pipelines; maintain complete fire-fighting facilities and effective emergency equipment, and conduct regular inspections to ensure the integrity of equipment and facilities</p> <p>Material Management: Avoid using iron tools for opening and stirring diluents</p> <p>Method Management: Ensure compliance with paint storage requirements</p> <p>Environmental Management: Maintain good ventilation in the workplace</p>
Gas Station Oil Tank Area	Fire, Poisoning and Asphyxiation, Container Explosion	<p>Personnel Management: Ensure on-site employees are proficient in safety operating procedures and emergency response plans</p> <p>Equipment Management: Tanks, rubber oil transfer pipes, and other components must have reliable lightning protection grounding and anti-static grounding</p> <p>Material Management: Ensure that safety attachments (such as level gauges, breather valves, flame arresters, etc.) are sensitive and reliable</p> <p>Method Management: Ensure that safety operating procedures, MSDS, fire facilities, and emergency material signs are prominently displayed in the workplace. During the refueling of oil tank trucks, they must be connected to the anti-static grounding point of the oil depot, and hazardous operations should be subject to the approval process</p> <p>Environmental Management: Maintain adequate spacing between tanks as well as other structures, pipelines, and access roads</p>

Work Process	Potential Consequences	Preventive Measures
Hazardous Chemicals Warehouse	Fire, Poisoning or Asphyxiation, Other Explosions	<p>Equipment Management: Electrical facilities utilize appropriate grades of explosion-proof electrical appliances</p> <p>Material Management: Ensure that safety attachments (such as level gauges, breather valves, flame arresters, etc.) are sensitive and reliable. Tools used within the storage area must comply with fire and explosion prevention requirements, with relevant warning signs complete and prominently displayed</p> <p>Method Management: Classify, segregate, and store hazardous chemicals according to their hazards. Handle waste materials or packaging containers based on the characteristics of the hazardous chemicals. Display emergency plans and MSDS prominently in appropriate locations, and conduct regular emergency plan drills</p> <p>Environmental Management: Implement measures such as insulation, cooling, and ventilation</p>
Liquid Gas Cylinder	Fire, Poisoning or Asphyxiation, Container Explosion	<p>Personnel Management: Prohibit the use of tools and gloves that may introduce oil when handling operations on liquid oxygen tanks, and ensure that exposed clothing items (including shoes and clothing) have anti-static or conductive properties</p> <p>Equipment Management: Production units susceptible to static electricity build-up should implement measures such as controlling flow rates, eliminating static electricity, and bonding flanges</p> <p>Material Management: Ensure that safety attachments (such as level gauges, breather valves, flame arresters, etc.) are sensitive and reliable</p> <p>Method Management: Conduct regular equipment inspections and ensure there are no combustible materials within a 5-meter radius of the liquid oxygen tank</p>
Transformer Substation, Voltage Reduction Station	Electric Shock, Fire	<p>Personnel Management: Smoking is strictly prohibited in the distribution room, and bringing flammable and explosive hazardous materials into the distribution room is also strictly prohibited</p> <p>Equipment Management: Ensure that electrical cabinet doors are kept closed at all times</p> <p>Material Management: Provide a full range of firefighting equipment, safety warning signs, high voltage insulation tools, and protective gear. Ensure they are neatly arranged and regularly inspected to maintain effectiveness. Prominently display emergency plans on-site; Strictly comply with the safety operating procedures of automated equipment</p> <p>Environmental Management: Adhere strictly to the safety operating procedures of automated equipment; Ensure proper ventilation in high and low voltage distribution rooms; Implement measures for lightning protection, rain protection, fire prevention, and prevention of small animals in the distribution room; Verify that the ground insulation rubber mat is intact and functional</p>
Powder Coating Line	Fire, Poisoning or Asphyxiation, Other Explosions	<p>Personnel Management: Operators must strictly adhere to safety procedures, wear appropriate personal protective equipment, and refrain from eating or drinking on-site. During electrostatic spraying, operators must stay at their workstations and be away from the automatic powder coating equipment. Smoking and bringing open flames or sources of ignition are strictly prohibited in the electrostatic spraying room, and unauthorized personnel are not allowed to enter the spraying area</p> <p>Equipment Management: Ensure that all electrical equipment and facilities in the painting area comply with explosion-proof requirements</p> <p>Method Management: Ensure that all fire-fighting facilities are complete and effective, and that relevant safety warning signs are prominently displayed in visible locations</p> <p>Environmental Management: Ensure that all isolation measures, fire separation distances, and ground conditions at the work site comply with the necessary requirements</p>
Automated Equipment	Mechanical Injury, Electric Shock	<p>Personnel Management: Ensure strict compliance with the safety operating procedures of automated equipment</p> <p>Equipment Management: Ensure that exposed rotating parts are equipped with reliable protective covers; All protective barriers and screens should be securely installed with the required strength; Implement safety measures such as safety pins, locks, optical protection, safety laser scanners, and other sensitive and effective protection devices; Ensure that various travel limits and anti-interference shielding are sensitive and reliable, with protective stop and independent emergency stop functions; The executive mechanism should be accurately positioned, provide secure gripping, and have sensitive and reliable automatic locking devices to prevent accidents and inadvertent operations</p> <p>Method Management: Ensure that comprehensive documentation is provided for the equipment, auxiliary facilities, and safety protection devices; Display warning signs prominently in the work area; When making adjustments, conducting inspections, or performing repairs in hazardous areas, the equipment or related safety devices should have mechanisms in place to prevent accidental startup; Additionally, relevant signs should be prominently displayed in external locations</p>

In 2024, Anhui Heli continued to strengthen its occupational health and safety system. The Company conducted internal audits and identified 130 areas for improvement. At the same time, we advanced its digital management by introducing a special equipment management module, inspecting 1,333 units and resolving 240 potential hazards. Additionally, we invited external auditors and industry associations to review its management systems and production sites, receiving over 220 suggestions for optimization. During the reporting period, Anhui Heli did not experience any major safety accidents or fatalities, and all safety management objectives were achieved.

Safety Management Objectives and Achievements

Indicators	Objectives	Achievements
The number of work-related accidents	≤ 13 case	Completed
Injury rate per thousand employees	< 2.00	Achieved an injury rate per thousand employees of 0.98
Accidents leading to serious injuries or higher	0 case	No serious injuries or more severe safety incidents occurred.
The rectification rate of general hazards	≥ 99%	100%
Dynamic elimination of major hazards	100%	Identified 24 hazards, achieving a rectification rate of 100%

Anhui Heli has comprehensively strengthened its safety management by implementing annual plans, conducting inspections, and organizing safety training to improve employee safety awareness and emergency response skills. In 2024, the Company developed a total of 28 annual safety measures, including equipment and facility upgrades, with an investment of approximately RMB 6.77 million. The Safety, Environmental, and Health Management Committee held three quarterly meetings to review risk investigations, develop response strategies, and set rectification plans. An inspection team was also formed to oversee safety and health operations across 15 subsidiary companies. Moreover, the Company organized 616 safety, environmental, and health training sessions for production departments, totaling 1,643 hours of training, benefiting 33,687 participants. The Company invited external experts to conduct training and examinations for explosion-proof electrical operators, with 131 employees successfully passing. The Company also engaged external professional institutions to conduct safety production standardization reviews for four subsidiaries, and organized 51 environmental management staff to take and pass environmental standardization exams.



In 2024

The number of annual safety measures which developed by the company

28

The investment of approximately

RMB 6.77 million

 The "Company Leadership Safety Inspection" Activity

In 2024, the Company's headquarters organized 20 sessions of the "Company Leadership Safety Inspection" activity, and the main heads of the subsidiaries led 44 sessions of inspections. As of November 30, a total of 40 special inspections were completed, with an additional 4 sessions focusing on weak points, achieving an overall completion rate of 113%.



The "Company Leadership Safety Inspection" Activity



 The "Safety Dialogue in 10,000 Enterprises" Activity

In 2024, Anhui Heli launched the "Safety Dialogue in 10,000 Enterprises" campaign, where Yang Anguo, Chairman of the Group, gave a special lecture on the *Regulations for Safety Production of Anhui Province*. Key safety department heads and safety management personnel actively participated. During the campaign, a total of 415 safety training sessions were held, accumulating 585 hours of training, benefiting 14,080 people.



Speech and Lecture by Yang Anguo, Chairman of the Group, and Director of the Safety, Environmental, and Health Management Committee



The "Safety Dialogue in 10,000 Enterprises" Activity

To strengthen its ability to handle safety emergencies, Anhui Heli formulated the *Emergency Response Plan for Workplace Safety Accidents*. This plan improved the Company's emergency procedures, strengthened organizational systems, set up rescue teams, restocked essential supplies, and standardized how information is reported and managed. The emergency management structure includes the Emergency Command Center, On-site Emergency Command Center, Emergency Office, and Emergency Response Teams. Response procedures are divided into three levels, based on the type, severity, and impact of an incident. Each level has specific teams and processes assigned to ensure an effective response. During the reporting period, the Company completed nine company-level emergency drills, including its first-ever evacuation drill for the Heli Building and a joint drill for sudden environmental incidents. Each unit carried out 147 on-site disposal plan drills, and RMB 250,000 was invested to replenish emergency supplies such as AEDs.

Safety Culture Building

Anhui Heli attaches great importance to building a safety culture, and enhancing employee safety awareness and operational skills through systematic training plans, rich learning resources, and innovative activities.

Anhui Heli's 2024 Safety Culture Building Achievements

Formulating Training Plan	Compiled the <i>2024 Environmental Occupational Health and Safety Education and Training Plan</i> , providing clear guidance for annual safety training.
Enriching Learning Resources	Added 72 new videos and 12 safety training courseware, providing diverse learning resources.
Organizing Training Activities	Organized 616 training sessions for production departments, totaling 1,643 hours, covering 33,687 participants, significantly enhancing employee safety awareness and operational skills.
Innovating Activity Forms	Held a safety production "micro-video" competition with 17 units submitting 51 videos, with outstanding works broadcasted within the Group, enhancing the safety culture atmosphere.
Safety Photography Contest	Held a safety photography contest in June 2024, collecting 566 works, improving employee safety awareness and emergency response capabilities.



Anhui Heli Launches Various Safety Production Culture Building Practices

In 2024, Anhui Heli integrated team-building activities with safety production and business operations. We conducted the "Safety Production, Youth Leading the Way" activity; during "Safety Month", various teams organized more than 30 activities, including safety knowledge learning, special training, micro-video filming, environmental protection practice, emergency drills, and "I am the Safety Officer for a Day". Additionally, 19 employees were mobilized to establish the "Youth Safety Production Demonstration Posts" for 2024-2025, and at the semi-annual work exchange meeting, we summarized and awarded the 2023-2024 demonstration posts.



The "Safety Production, Youth Leading the Way" Activity

Occupational Health and Safety

Anhui Heli has established a comprehensive occupational health and safety management system, formulating policies such as the *Environmental, Health, and Safety (EHS) Policy*²³, the *Management and Assessment Measures on Occupational Health and Safety*, and the *Regulations on Occupational Disease Prevention and Control Responsibilities*, which clarify the management processes and responsibilities. The Company has set up the Safety, Environmental, and Health Management Committee to establish a multi-level management structure that extends from the Group level to its subsidiaries, ensuring the effective implementation of safety management systems and measures. 100% of the Company's production units have obtained ISO 45001 Occupational Health and Safety Management System certification.

Anhui Heli has set multiple occupational health-related management goals and is pushing forward a three-year action plan for building a healthy enterprise. Through regular physical examinations, testing and mitigating occupational health hazards, and providing targeted health training, the Company strives to meet its occupational health goals and objectives. In 2024, the Company arranged annual physical examinations and re-examinations for 347 employees working in toxic and harmful environments. Furthermore, the Company organized a standardized re-education campaign on occupational health, with all 458 participants passing the exam. During the reporting period, the Company organized all 1,836 employees to sign individual commitments for the prevention of occupational diseases, achieving full coverage for frontline employees.



Occupational Health and Safety Management System Certification

In 2024

the Company arranged annual physical examinations and re-examinations for employees working in toxic and harmful environments, including

347 Person-time

Anhui Heli's 2024 Occupational Health Objectives

Indicators and Objectives	Progress in the Reporting Period
Prevent the Occurrence of Occupational Diseases	No Occurrence of Occupational Diseases
100% Medical Examination Rate for Hazardous Job Categories	100%
100% Job Transfer Rate for Occupational Restrictions	100%
Sufficient Procurement of Labor Protection Supplies	Sufficient
Effective Implementation of Projects Related to Occupational Health and Safety Measures	Completed
100% Completion Rate for Addressing Issues Identified in Occupational Health Evaluation	100%

²³ *The Environmental, Health, and Safety (EHS) Policy*: <https://www.helichina.com/material/kcx/ehszc.pdf>



Occupational Health Awareness Enhancement Training

In 2024, Anhui Heli conducted an occupational health awareness campaign, holding 52 sessions of the *History of Occupational Disease Prevention in China* training, covering 1,836 employees. Additionally, promotional videos were circulated, with 13,265 check-ins, and 3,200 copies of promotional materials were distributed.



The Publicity Week on the Law on the Prevention and Treatment of Occupational Diseases

From April 25 to May 1, 2024, Anhui Heli conducted the Publicity Week on the *Law on the Prevention and Treatment of Occupational Diseases*. The Company invited the Director of the Anhui Prevention and Treatment Center for Occupational Diseases to lecture the occupational health management personnel, enhancing their management ability regarding occupational disease hazards; organized frontline employees to sign individual commitments and participate in warning education check-ins, strengthening preventive awareness and responsibility; conducted special inspections of occupational disease protection equipment, eliminating hazards, and strengthening the occupational health defense line.



The Launch Ceremony of the Publicity Week



Individual Commitments and Video Check-ins



04

Environmental Protection, Place Green Development as a Foundation

Anhui Heli is committed to environmental responsibility, taking concrete actions to address climate change and ecological protection. The Company has established a comprehensive environmental management system to oversee and manage key areas such as greenhouse gas emissions, energy conservation, environmental compliance, and resource efficiency. Through responsible practices, Anhui Heli helps protect biodiversity and actively promotes green development, contributing to the balance and stability of ecosystems.

Material ESG Topics Addressed in This Chapter

- Environmental Management System
- Climate Change
- Emission Management
- Resource Management System
- Biodiversity

SDGs Addressed in This Chapter



Address Climate Change

Anhui Heli actively responds to global climate change by identifying climate-related risks and opportunities associated with it. This enables the establishment of risk management strategy and objectives to address climate change. The Company continuously manages these risks and opportunities throughout its business operations to enhance its resilience to risks and its ability to seize opportunities.

Climate Governance and Strategy

Anhui Heli attaches great importance to climate change governance, continuously improves its internal management mechanisms and methods, and enhances the effectiveness of climate strategies. During the reporting period, the ESG Management Committee and ESG Management Office oversaw the Company's climate risk management efforts. The Chairman, as the highest responsible authority, leads the team in identifying and accessing climate risks and opportunities, monitoring and recording energy consumption and greenhouse gas emissions, and evaluating trends and data changes. Climate management strategies are adjusted as needed, with annual assessments ensuring continuous improvement. During the reporting period, Anhui Heli included climate response measures in its three-year management improvement plan, setting clear climate change mitigation targets to ensure effective and consistent implementation of initiatives each year.

Climate Risk Management

Anhui Heli integrates climate change-related risks into its overall enterprise risk management process. By implementing a closed-loop management system that covers the identification, assessment, and management of climate risks, the Company strengthens its resilience to climate-related challenges and ensures sustainable and stable operations.

Climate Change Risks

Types of Risks	Risks	Risk Description	Risk Mitigation
Transition Risks	Policy and Regulatory Risks	<ul style="list-style-type: none"> The State Council has released the <i>China's Green Development in the New Era</i>, which emphasizes accelerating the development of a green transportation system. The industrial vehicle sector is undergoing a structural transformation, with a strong push toward new energy forklifts to comply with increasingly stringent environmental standards; The EU's <i>New Battery Regulation</i> imposes strict carbon footprint requirements, mandating carbon footprint declarations for each battery model, with initial measures targeting electric vehicle batteries; Failing to promptly disclose relevant environmental information in accordance with applicable laws, regulations, and policy requirements could expose the Company to significant compliance risks. 	<ul style="list-style-type: none"> Proactively research relevant policies and regulations, strengthen communication with regulatory authorities and stakeholders, and respond to the demands of all stakeholders; Track and stay informed about carbon emission disclosure standards set by regulatory and investment bodies, ensuring compliance with these guidelines; Understand and comply with all applicable regulatory laws and regulations, working closely with the supply chain to meet requirements for products and raw materials.
	Technological Risks	<ul style="list-style-type: none"> In line with China's national goals of achieving "carbon peak and carbon neutrality," the forklift industry faces the technical demands of "electrification and decarbonization."; Failing to promptly explore and implement new technologies, devise product development strategies, and actively advocate for the adoption of innovations like lithium batteries and hydrogen fuel cells could expose the Company to the risk of product obsolescence due to technological advancements. 	<ul style="list-style-type: none"> Leverage industry-academia-research collaborations and technological innovation incentives to accelerate the development and application of innovative environmental technologies. Focus on enhancing efforts in research and development of new energy products, such as lithium batteries and hydrogen fuel, alongside advancing green internal combustion products.

Types of Risks	Risks	Risk Description	Risk Mitigation
Transition Risks	Market Risks	<ul style="list-style-type: none"> Climate change may exacerbate the scarcity of natural resources, disrupt supply chain stability, and increase the prices of related commodities. The key raw materials required for the Company's production, such as steel, pig iron, batteries, and engines, may face supply disruptions. Failing to identify the impact of climate risks on the supply chain and raw material costs, it could lead to higher procurement costs and potentially disrupt production operations. 	<ul style="list-style-type: none"> Establish long-term agreements with upstream suppliers of bulk commodities to mitigate price fluctuations; Explore material technologies and adopt lean production and smart manufacturing practices to reduce raw material usage or increase the use of recycled materials without compromising performance; Diversify the supply chain to reduce reliance on single sources, ensuring continuity of production and operations through a multi-sourced supply network.
	Reputation Risk	<ul style="list-style-type: none"> As public demand shifts towards low-carbon consumption, failing to develop low-carbon products or reduce carbon emissions during production could lead to a decline in customer demand, ultimately affecting revenue. 	<ul style="list-style-type: none"> Monitor and participate in recognized green certifications and initiatives to improve industry competitiveness; Integrate energy conservation and environmental protection as key product attributes, driving related R&D, design, and implementation, while focusing on value communication and promotion; Promote electric and new energy forklifts, upgrade emission standards for internal combustion forklifts, and enhance the green and low-carbon attributes of products to support the industry's green transformation.
Physical Risks	Acute Risks	<ul style="list-style-type: none"> Extreme weather events, such as typhoons, heavy rainfall, and other climate phenomena, could lead to severe precipitation and flooding, potentially affecting our production facilities and warehouses. Flooding could damage equipment, inventory, and production lines, resulting in operational disruptions and logistical challenges. Additionally, extreme temperatures—either high or low—could impact forklift performance, as cold temperatures may cause mechanical equipment to freeze or sustain damage. 	<ul style="list-style-type: none"> Assess the potential risks posed by extreme climate events, developing emergency response plans for severe weather conditions (e.g., typhoons, floods, and freezing rain) and ensuring preparedness for such emergencies; Integrate early warnings for extreme weather (e.g., typhoons, heavy rainfall, and floods) with pollution alert systems. Emergency response plans will be activated in accordance with government pollution warning levels, involving timely reporting to leadership and implementing measures like production halts as needed.

Types of Risks	Risks	Risk Description	Risk Mitigation
Physical Risks	Chronic Risks	<ul style="list-style-type: none"> Located in the central-eastern part of China, Anhui Province experiences a typical subtropical monsoon climate with high summer temperatures. Prolonged heatwaves could increase the risk of heat-related illnesses among employees and negatively impact production efficiency. 	<ul style="list-style-type: none"> Monitor high-temperature warnings and develop heatstroke prevention plans in advance. To meet customer delivery requirements, the Company will reduce production or schedule overtime during cooler periods, adjusting working hours appropriately; In 2024, the Company provided all employees with one paid high-temperature leave day, avoiding penalty costs. The total cost for response measures, including overtime payments, amounted to RMB 180,000.

While enhancing resilience to climate change risks, Anhui Heli is continuously exploring opportunities to improve management efficiency and unleash the potential for business transformation.

Climate Change Opportunities

Opportunity Type	Opportunity Description
 <p>Technological Innovation</p>	<ul style="list-style-type: none"> With the growing global focus on climate change, the forklift manufacturing industry is facing increased demand for green technologies. This creates opportunities for innovation in electric and hydrogen fuel cell forklifts, which offer zero-emission and low-noise advantages. By investing in R&D, companies can reduce carbon emissions, enhance product competitiveness, explore new market segments, and meet the demand for green forklifts, ultimately building customer trust and laying a foundation for sustainable development.
 <p>Market Expansion</p>	<ul style="list-style-type: none"> As societal focus on climate change grows, industries are increasingly prioritizing environmentally friendly forklifts. Forklift manufacturers can take advantage of this trend by offering low-carbon-compliant forklifts, attracting more environmentally conscious clients. Additionally, the rise of green industries, such as renewable energy and eco-friendly logistics, is driving higher demand for forklifts, providing new market opportunities and creating a win-win scenario for both economic and social benefits.
 <p>Policy Support</p>	<ul style="list-style-type: none"> Governments are promoting the development of green industries through supportive policies. Forklift manufacturers can benefit from financial incentives such as R&D subsidies, tax breaks, and low-interest loans. Additionally, policy guidance is also steering market demand toward environmentally friendly forklifts, creating a favorable market environment and enabling companies to make steady progress on their green development path.

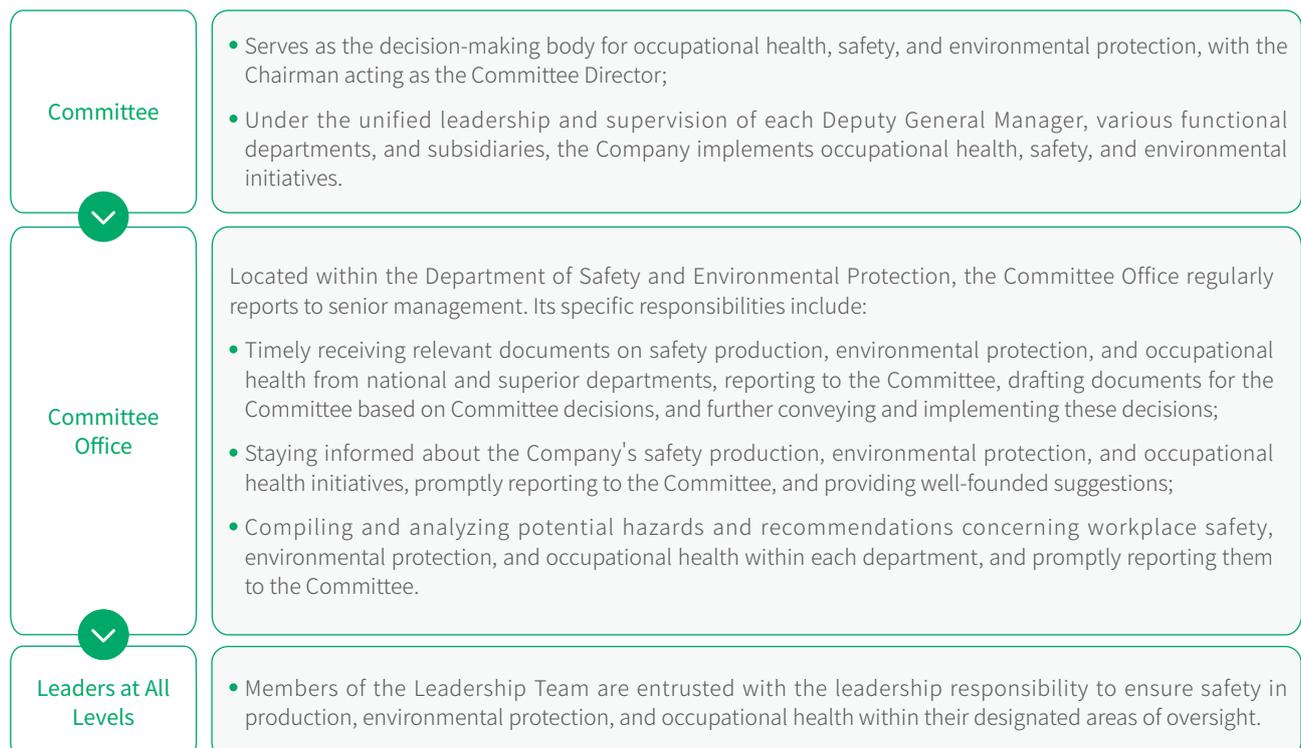
Improve Environmental Management

Anhui Heli adheres to environmental protection laws and regulations, formulating internal policies such as the *Environmental, Health, and Safety (EHS) Policy* and the *Work Guide on Environmental Protection Standardization*. Leveraging the ISO 14000 Environmental Management System, the Company continuously enhances environmental management practices across production and operations. By the end of the reporting period, the Company achieved 100% coverage for ISO 14000 Environmental Management System certification.



Under the supervision of the Occupational Health and Safety/Environmental Management Committee, Anhui Heli effectively implements management tasks related to safety production, environmental protection, and occupational health. The Committee, chaired by the Chairman of the Board, is the highest administrative body responsible for enhancing the Company's environmental protection efforts.

Structure of the Occupational Health and Safety/Environmental Management Committee



Anhui Heli has established internal regulations such as the *Management and Assessment Measures on Occupational Health and Safety AC* and the *Regulations on Accountability for Production Safety, Environmental Pollution, and Occupational Disease Hazards AC*, clearly defining the evaluation and incentive system for safety, environmental protection, and occupational health. The Company conducts annual and quarterly assessments based on the principle of "tiered and function-based management", with results reported to the Safety, Environmental Protection, and Occupational Health Committee for corrective actions. Employees who meet or exceed assessment targets are eligible for quarterly bonus incentives, ensuring that objectives are consistently achieved.

The Company enhances its management practices through internal and external audits of the environmental management system. During the reporting period, 16 comprehensive inspections were conducted by superior environmental regulatory authorities, covering key areas such as environmental protection equipment, monitoring devices, pollution discharge permits, pollutant control, and environmental management software data. These efforts ensure that Anhui Heli remains compliant and efficient in its environmental protection efforts. In 2024, the Company had no environmental non-compliance incidents.

Environmental Goals and 2024 Accomplishments

Indicators and Objectives	Completion Status
Compliant Emissions	
Three Wastes Compliant Emissions	Achieved
No Environmental Regulatory Penalties	Achieved
Environmental Safety	
Hazard Rectification Rate of $\geq 99\%$	100%, Achieved
Completion Rate of 100% for Environmental Emergency Plan Drills	Achieved
Emission Reduction Target	
Hazardous Waste Quota Reduction ²⁴	7.757 tons of paint residue and paint buckets reduced in 2024
Hazardous Waste Challenge Reduction ²⁵	14 tons of sludge reduced in 2024
Environmental Goals and Achievements of the Five-Year Plan	
By the end of the 14th Five-Year Plan period, all types of pollutant emissions will comply with standards, solid waste disposal will be in accordance with regulations, and incidents of environmental regulatory penalties and pollution will be eradicated, ensuring that the overall environmental protection efforts align with the goals of the Company's development.	During the reporting period, no relative non-compliance incidents occurred

²⁴ 2024 Quota Coefficient = 2023 Actual Coefficient * 98%, where the coefficient refers to hazardous waste generated per unit of production.

²⁵ 2024 Challenge Target = 2023 Actual Coefficient * 90%, where the coefficient refers to hazardous waste generated per unit of production.

In 2024, to effectively enhance environmental compliance standards, Anhui Heli formulated the "Three-Year Action Plan for Further Improvement of Environmental Compliance Management" along with corresponding incentive measures. The plan is divided into three phases to enhance environmental management: The first phase (August 2024 to December 2024) focuses on establishing an environmental management platform. The second phase (2025) aims at achieving significant improvements in environmental compliance management. The third phase (January 2026 to June 2026) will focus on solidifying the results of the environmental improvements. This approach divides the environmental management process into annual goals, ensuring gradual and systematic development. By the end of the reporting period, the Company had completed the first phase, creating a key environmental checklist within the environmental management platform. Future management actions will be based on this checklist.

At the same time, the Company has placed significant emphasis on building environmental expertise and practical skills by strengthening its environmental talent management. During the reporting period, the training and exchange activities under the "Three-Year Action Plan" achieved 100% coverage, with a total of 332.2 annual training hours dedicated to improving environmental capabilities.

"Three-Year Action Plan" achieved

100%

with a total of

332.2

annual training hours dedicated to improving environmental capabilities



On-site Activities of the "Three-Year Action Plan" Training and Exchange

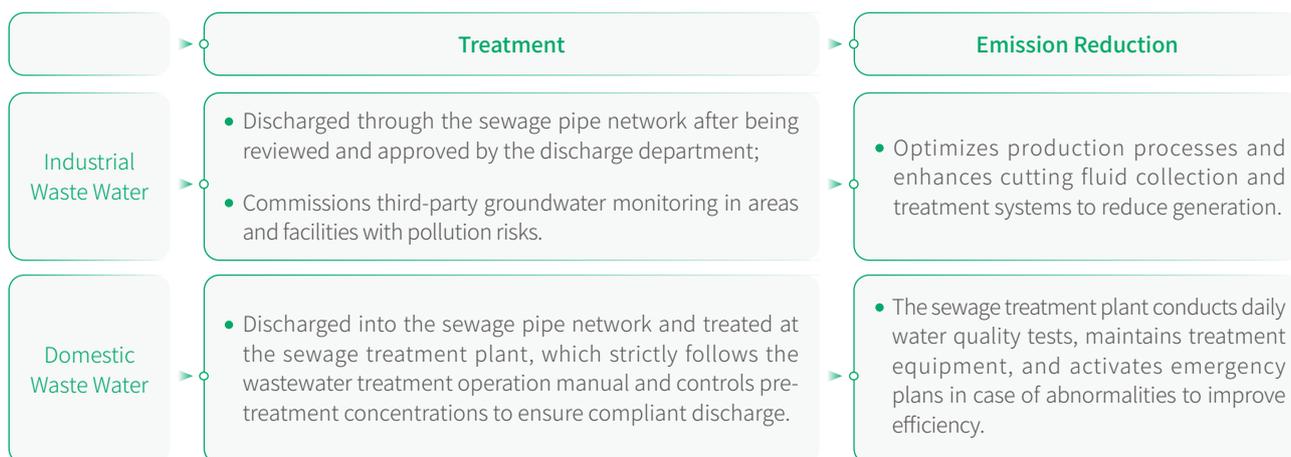
Optimize Three Wastes Discharge

Anhui Heli continuously optimizes its pollution prevention and control management system, establishing comprehensive emission management regulations and disposal procedures. The Company standardizes the management and prevention of wastewater, exhaust gases, and solid waste during production and is committed to implementing emission reduction measures to reduce pollutants at the source.

Wastewater Management

The Company's wastewater consists of industrial wastewater, such as painting, cleaning, and cutting wastewater, and domestic wastewater, including residential sewage, cafeteria wastewater, floor cleaning wastewater, and laundry wastewater. To manage this wastewater and prevent water pollution, the Company has formulated the *Water Pollution Prevention and Control Management Regulations of Heli Industrial Park* to ensure that all wastewater is treated properly. During the reporting period, the Company constructed and completed the acceptance of rainwater and sewage pipe networks in accordance with national standards. The construction was carried out with a focus on separating rainwater from sewage, ensuring it was planned and implemented alongside the main projects to avoid cross-contamination. By the end of the reporting period, 100% of the Company's wastewater was discharged in compliance with standards.

Wastewater Treatment and Emission Reduction



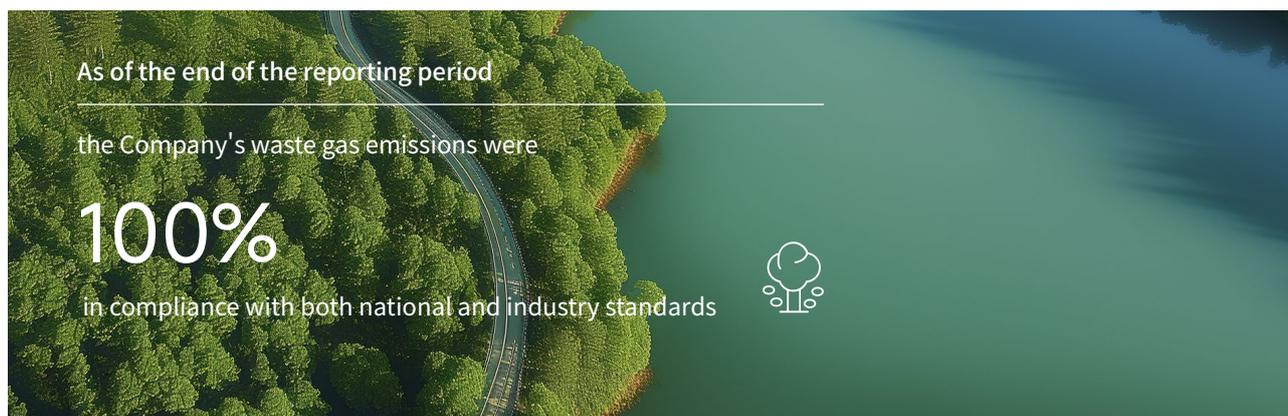
At the same time, the Company developed an emergency plan for abnormal sewage discharge in compliance with the *Management Procedures on Emergency Preparedness and Response*, enhancing its capability to respond to sudden environmental incidents. In 2024, the Company constructed an emergency response pool in the industrial park, equipped with precision control valves. In the event of abnormal discharge, the pool activates quickly to contain harmful substances, preventing their spread and minimizing impact on the ecosystem and operations.

Wastewater Discharge Volume of Anhui Heli

Category	Unit	2022	2023	2024
Total Volume of Discharged Wastewater	Tons	395,467.25	451,821.26	388,452.50
Chemical Oxygen Demand (COD) Emissions	Tons	23.05	29.95	32.50
Ammonia Nitrogen Emissions	Tons	2.22	5.17	4.00
Total Nitrogen Emissions	Tons	6.98	6.97	8.40
Total Phosphorus Emissions	Tons	0.43	0.42	0.59

Waste Gas Management

The primary atmospheric pollutants emitted by the Company include sulfur oxides, nitrogen oxides, particulate matter, and volatile organic compounds (VOC), which are generated during production processes like painting and welding. We conduct environmental impact assessments in accordance with the *Management Procedures on Environmental Occupational Health and Safety of Construction Projects* and implement specialized treatment measures for various gaseous pollutants, effectively reducing emissions. As of the end of the reporting period, the Company's waste gas emissions were 100% in compliance with both national and industry standards.



New Powder Coating Process Aids Emission Reduction, Selected for Central Ecological Fund Project²⁶

In 2024, the Company launched an upgrade project for the forklift mast painting line, introducing a new powder coating process as part of its efforts to reduce waste gas emissions. The project focused on two critical areas: raw material selection and process optimization. By switching to low-VOC (volatile organic compound) powder coatings to fully replace the traditional solvent-based coatings, the project significantly reduced the generation and emission of volatile organic compounds. By the end of the reporting period, the upgraded process had cut annual particulate matter emissions by 1.753 tons and slashed annual VOC emissions by 9.074 tons. As a result, the project was included in the Central Ecological Environment Fund Project Reserve Pool.

Waste Gas Emission Volume of Anhui Heli

Category	Unit	2022	2023	2024
Nitrogen Oxide Emissions	Tons	6.85	4.47	3.27
Sulfur Oxide Emissions	Tons	3.28	6.09	4.10
Particulate Matter (PM) Emissions	Tons	111.85	134.93	112.90
Volatile Organic Compound (VOC) Emissions	Tons	67.97	66.96	81.70

²⁶ Specialized for managing and screening projects applying for Central Ecological Environment Funds, only those making significant contributions to ecological improvement are included in the reserve database, demonstrating the quality and feasibility of the company's upgrading projects.

Waste Management

Anhui Heli fully recognizes the importance of waste management in protecting the environment. The Company adheres to laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* and the *Pollution Control Standards for Hazardous Waste Storage*. Given the high potential risks of hazardous waste, the Company has formulated the *Hazardous Waste Management Regulations (Trial) of Heli Industrial Park* to ensure compliance with waste classification, labeling, and documentation standards.

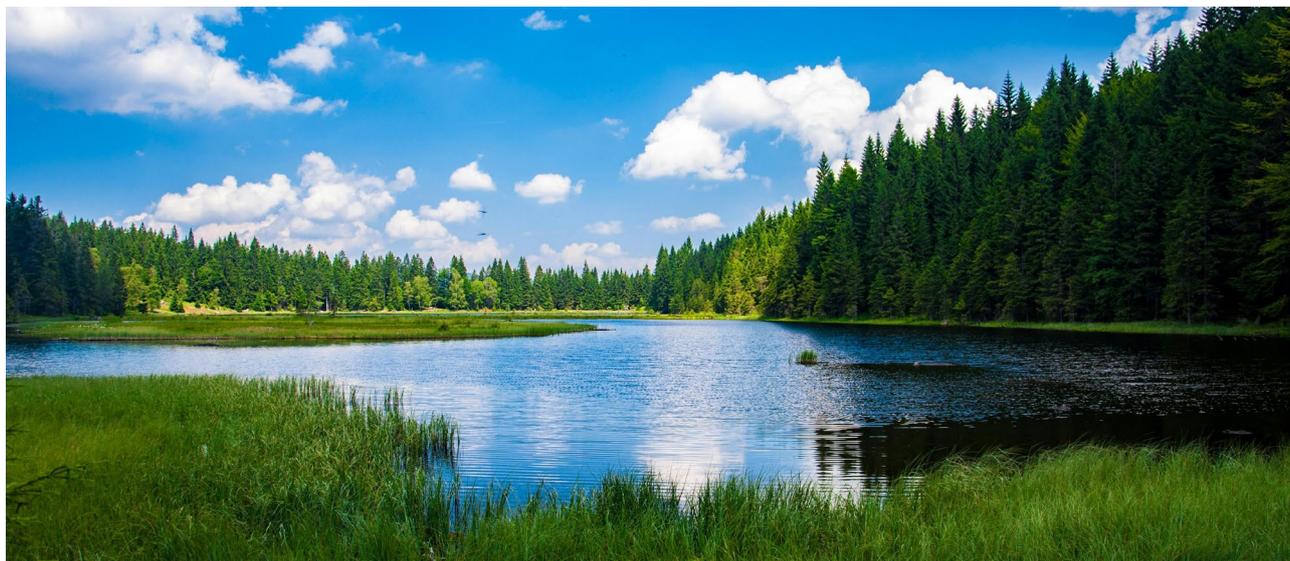
In 2024, Anhui Heli advanced its "Zero-Waste Factory" initiative, promoting the "Zero-Waste Concept" among employees and partners. This fostered collaboration in waste management practices and supported the shift to a Zero-Waste model. As of the end of the reporting period, the Company had no environmental pollution or safety incidents related to improper waste disposal.

To further standardize waste management, the Company implemented multiple measures to reduce hazardous waste emissions in accordance with the *Technical Specifications for Collection, Storage, Transportation of Hazardous Waste (HJ2025-2012)*. These measures include waste classification, recycling, outsourcing disposal to qualified entities, and regular inspections to ensure safe handling. The Company also improved hazardous waste labeling and management ledgers for compliance.

For non-hazardous waste, the Company focused on scientific management and resource utilization. By optimizing processes, Anhui Heli maximized waste reduction, resource recovery, and safe disposal, fulfilling its environmental responsibilities and promoting sustainable development. In 2024, the Company upgraded the materials of evaporators and condensers in the wastewater treatment station, improving efficiency and reducing waste from equipment wear and tear, with total recycled waste reaching 63,266.8 tons.

Waste Discharge Volume of Anhui Heli

Category	Unit	2022	2023	2024
Total Amount of Hazardous Waste	Tons	1,689.77	1,982.84	2,413.50
Total Amount of Non-recyclable Waste ²⁷	Tons	399.05	1,177.99	1,466.71



²⁷ The data in 2022 only covers the headquarters of Anhui Heli Co., Ltd. Starting from 2023, the statistical scope has been expanded to the full consolidation basis of Anhui Heli Co., Ltd., with corresponding retroactive adjustments made to the 2023 data.

Enhance Resource Utilization

Anhui Heli has implemented various energy-saving and consumption-reduction measures in daily operations and production to minimize the use of energy and water resources, reducing the environmental impact of its activities.

Energy Management

The Company complies with policy requirements such as the *Industrial Energy Efficiency Improvement Plan for Anhui Province (2023-2025)*, and the *Energy Efficiency Limits and Grades for Power Transformers*. It has established internal management systems and documents, including the *Energy Management Measures*, the *Energy Management System Manual*, and the *Energy Management System Procedure Files*, to effectively standardize energy-saving and consumption-reduction efforts. As of the end of the reporting period, the Company's ISO 50001 Energy Management System Certification²⁸ remains valid. Bengbu Yili and Baoji Heli, the Company's subsidiaries, have established energy management system and have been awarded the ISO 50001 Energy Management System Certification in 2024.

In 2024, Anhui Heli held an Energy Management Committee meeting to set annual energy-saving targets for reducing product unit energy consumption. The Company implemented measures like energy metering, data analysis, and online monitoring platforms to track performance and achieve its energy-saving and emission-reduction goals. By conducting evaluations at both headquarters and the casting and forging plant, we effectively reduced energy consumption in production.

Target: Annual Reduction in Product Unit Energy Consumption

Baseline Year: 2023
>>>
Target Year: 2024

Target Achievement: In 2024, the product unit energy consumption was 0.0878 tons of standard coal per unit, a decrease of 3.46% compared to the baseline year. At the Hefei Casting and Forging Plant, the product unit energy consumption was 0.1115 tons of standard coal per ton, a decrease of 0.45% compared to the baseline year



Energy Management System Certification Certificate

In 2024

the product unit energy consumption was

0.0878 tons of standard coal per unit

a decrease of

3.46%

compared to the baseline year



the product unit energy consumption was

0.1115 tons of standard coal per unit

a decrease of

0.45%

compared to the baseline year



²⁸ The scope of the Anhui Heli Energy Management System Certification covers the North and South areas of the Industrial Park, the Hefei Casting and Forging Factory, the Electric Vehicle Division, and the Tractor Division.

In 2024, Anhui Heli continued to reduce energy consumption by expanding green electricity trading, constructing photovoltaic power stations, obtaining green factory certification, and optimizing equipment.

Highlights of Energy Consumption Management Initiatives

 <p>Photovoltaic Power Station</p>	 <p>Green Electricity Trading</p>	 <p>Equipment Optimization</p>	 <p>Green Factory</p>
<p>Adopting the "self-power, self-consumption, and residual grid-connected model", the photovoltaic power station has a construction capacity of 20.65 MWh. As of the reporting period, the self-consumption of photovoltaic power reached 18.5928 million kWh, with 288,500 kWh fed into the grid, reducing greenhouse gas emissions by approximately 11,000 tCO₂.</p>	<p>The Company continues to engage in green electricity trading. In 2024, the cumulative procurement of green electricity reached 48,003,000 kWh, reducing greenhouse gas emissions by approximately 32,000 tCO₂.</p>	<p>The Company has implemented linked control for air compressors, automatically turning some compressors on or off based on air usage, achieving energy-saving effects. This initiative saves approximately 160,000 kWh of electricity annually, equivalent to 20 tons of standard coal, and reduces greenhouse gas emissions by about 97 tCO₂.</p>	<p>The Company has achieved dynamic management of its green factory through an industrial energy-saving and green development management platform. As of the end of the reporting period, the Company's green factory has been rated as Grade A, reflecting the factory's achievements in comprehensive energy-saving and emission reduction.</p>

Energy Volume of Anhui Heli²⁹

Category		Unit	2022	2023	2024
Direct Energy ³⁰	Diesel ³¹	Litre	1,384,010.88	3,964,868.12	4,519,504.71
	Gasoline	Litre	/	1,141,933.98	1,244,486.42
	Natural Gas ³²	10,000 cubic meters	311.00	547.49	637.68
Indirect Energy	Total Purchased Electricity ³³	Megawatt-hours	250,041.27	305,063.30	384,654.89
Energy Consumption	Comprehensive Energy Consumption	Tons of standard coal	/	/	47,148.61
	Comprehensive Energy Consumption Intensity	Tons of standard coal / RMB 1,000,000 revenue	/	/	2.72
Greenhouse Gas Emissions	Direct Emissions (Scope 1) ³⁴	Tonne (CO ₂ e)	10,487.00	22,324.06	26,131.29
	Indirect Emissions (Scope 2) ³⁵	Tonne (CO ₂ e)	142,599.00	168,512.08	206,405.81
	Total Greenhouse Gas Emissions	Tonne (CO ₂ e)	153,086.00	190,836.14	232,537.10
	Greenhouse Gas Emission Intensity	Tonne (CO ₂ e)/RMB 1,000,000 revenue	/	10.92	13.42

Water Management

Anhui Heli prioritizes the conservation and efficient utilization of water resources. The Company has formulated a series of internal management systems, including the *Water Use Management Regulations*, the *Water Metering Management Regulations*, the *Water Use Inspection and Maintenance Regulations*, the *Position Responsibility System for Water Conservation Management*, and the *Water Conservation Strategy and Action Plan*. Moreover, we have established a water resource management framework to regulate water intake during production and operations. We have upgraded production equipment to reduce water consumption and efficiency.

In 2024, Anhui Heli implemented a water balance test project to optimize water management efficiency. We systematically inspected the Company's water pipe network and conducted leakage detection tests on each section. Based on the results, a qualified water balance test report was compiled, providing data and analysis to support the Company's water resource management.

²⁹ The 2022 environmental data covered only the Anhui Heli Co., Ltd. Headquarters. Starting from 2023, the statistical scope has been expanded to encompass the full operational scope of Anhui Heli Co., Ltd.

³⁰ The 2024 statistical scope of diesel and gasoline includes the volume transported with vehicles, and this portion of energy consumption is not included in the company's calculations.

³¹ The diesel consumption reported under other processes in 2023 has been adjusted to the administrative process diesel consumption category in 2024.

³² The data has increased compared to 2023 due to business growth and the expansion of the statistical scope in 2024.

³³ Including the purchase of green electricity.

³⁴ Greenhouse gas emissions (Scope 1) come from the consumption of fuel from stationary sources (liquefied natural gas, diesel) and from transportation vehicles (gasoline), with emission factors derived from the *Accounting Methods and Reporting Guide of Greenhouse Gas Emissions of Machinery Equipment Manufacturing Enterprises (Trial)* issued by the National Development and Reform Commission of the People's Republic of China.

³⁵ Greenhouse gas emissions (Scope 2) arise from the consumption of purchased electricity, with the emission factors sourced from the *Announcement on the Release of Power Carbon Footprint Factor Data in 2023* issued by the Ministry of Ecology and Environment of the People's Republic of China.

Water Consumption Volume at Anhui Heli

Category	Unit	2022	2023	2024
Total Water Consumption	Tons	559,537	196,292	199,705
Water Consumption Intensity	Tons/Unit	/	2.53	2.70
Recycled Water Utilization	Tons	/	110,000	150,000

Water-Saving Approach at Anhui Heli

Water Management

Enforcing quota management, establishing comprehensive guidelines for water use incentives and penalties, and strictly monitoring per capita water consumption based on secondary water meters.

Data Analysis

Planning to establish a remote transmission platform for facilitating the analysis of water meter data and identifying the root causes of high water consumption.



Rainwater Harvesting

The collection of rainwater serves to diminish the water usage in office facilities, thereby effectively lowering the per capita water consumption in office settings.

Water Conservation Promotion

The posting of water-saving slogans, implementation of water conservation awareness activities, distribution of water conservation survey questionnaires, and other initiatives are aimed at fostering a culture of proactive water conservation.

Green Office Practices

Anhui Heli actively promotes green office practices and environmental programs across all employees. The aim is to raise environmental awareness, promote energy conservation and emission reduction in the office, and create a sustainable working environment. As of the end of the reporting period, the Company had conducted 332.2 hours of environmental training, with 2,554 participants.



Series of Environmental Protection Trainings

During the reporting period, the company increased its investment in environmental protection training and carried out a series of trainings with multiple roles, scenarios and forms.

- **In May 2024** — the Large Equipment Business Division carried out environmental protection equipment training and special inspections to further standardize the daily operation and management of equipment, eliminating the operation risks and potential hazards of environmental protection equipment.
- **On June 5, 2024** — the Environmental Day, environmental protection officers from various units in the industrial park were organized to participate in a special World Environment Day meeting. They watched the promotional video of the June 5th Environmental Day together to raise environmental awareness, promote green actions, and convey the concept of the construction of a beautiful China. Xi Jinping Thought on Ecological Civilization and the promotion and training of waste-free factories were interpreted, aiming to thoroughly implement the philosophy of green development. At the end of June, a re-learning and training on environmental protection standardization was organized within the company to ensure that personnel in environmental protection-related positions possess the necessary knowledge and skills and can correctly execute the operation procedures.
- **In December 2024** — a training session was organized within the company to interpret the *Integrated Emission Standard for Volatile Organic Compounds from Stationary Sources in Anhui Province* and the *Work Plan on Substitution of Raw and Auxiliary Materials with Low Volatile Organic Compounds Content in Anhui Province*, so as to advocate that the company actively responds to the policy call and strive to improve the company's environmental management level.

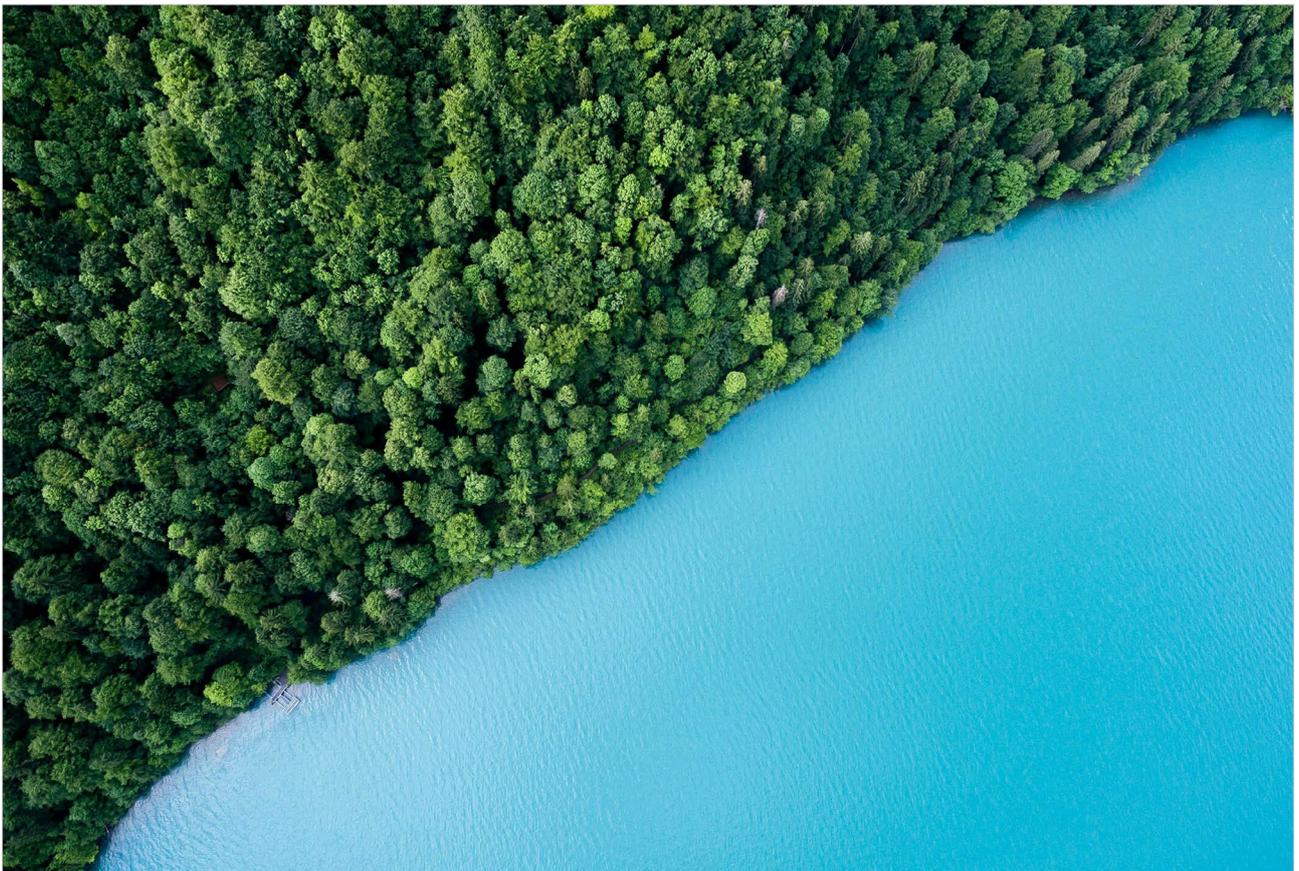
Biodiversity Conservation

Anhui Heli recognizes biodiversity as a core value of the Earth's ecosystem and adheres to local laws and regulations. Since the factory land is for industrial use, the Company's operations do not affect biodiversity. Additionally, the Company conducts soil and groundwater monitoring to mitigate potential risks of ecosystem degradation, such as pollution impacts on wetlands and rivers, ensuring ecosystem stability. By the end of the reporting period, the Company had achieved significant results in biodiversity conservation, with no incidents causing harm to biodiversity.



Environmental Impact Follow-up Assessment for New Projects

In 2024, Anhui Heli adhered to the *Report on the Follow-up Environmental Impact Assessment of the Hefei Economic and Technological Development Area Planning* and related guidelines in the "Upgrade Project for the New Powder Coating Process on the Forklift Mast Painting Line". This ensured the project aligned with the Yangtze River Economic Belt's principle of "stepping up conservation and stopping overdevelopment." The project prioritized the coordination of high-quality development and ecological environmental protection, implemented environmental management systems, minimized impacts on regional ecosystems, supported biodiversity conservation, and enhanced the quality of living environments, thereby striking a balance between industrial growth and ecological preservation.



05

Social Prosperity, Well-being as the Foundation

Anhui Heli actively engages in philanthropy, giving back to society through concrete actions and demonstrating its corporate social responsibility. By leveraging its resources and advantages, the Company supports rural revitalization, contributes to community development, and helps build a more harmonious society.

Material ESG Topics Addressed in This Chapter

- Social Contribution

SDGs Addressed in This Chapter



Promote Rural Revitalization

Anhui Heli proactively takes on the responsibility of social assistance, enhancing the quality and efficiency of social assistance. We adopted models such as "sales-driven assistance" and "procurement-driven support," facilitating the sale of agricultural products, offering consumer support, and promoting distinctive industry support to deliver effective solutions. This approach has upgraded "poverty alleviation through consumption" to "assistance through consumption," boosting income for people lifted out of poverty.

Furthermore, the Company integrates the value concepts and practical experience accumulated during its long-term development into the construction of villages and towns, and deeply participates in and assists in the implementation of various activities. Through these measures, we promote rural spiritual and cultural advancement, optimizing resource allocation, and jointly driving comprehensive rural revitalization.

In 2024, Anhui Heli had allocated a total of 5.56 million yuan to rural revitalization and charitable donation initiatives.

Key Performance Indicators in Rural Revitalization:

- Donated 1.734 million yuan in philanthropic donations to support higher education development in underdeveloped regions;
- Invested 2.2716 million yuan in support funds for industrial revitalization, talent development, and ecological, organizational, and cultural revitalization, including 1.6476 million yuan dedicated to consumer support;
- Conducted sales support activities for unique agricultural and sideline products in Xizang and Xinjiang, with special consumer support funds reaching 1.44 million yuan;
- Donated 115,000 yuan to Niansha Village and Xiaru Village, the paired assistance villages of the Shannan City Bureau of Economy and Information Technology in the Xizang autonomous region, for local infrastructure development;
- The annual collective income of our designated assistance recipient Yinliu Community and Yonghe Village reached 1.479 million yuan and 1.46 million yuan respectively, representing year-on-year growth of 33% and 59%.



Anhui Heli Strengthens Assistance to Xizang and Xinjiang

Anhui Heli has continuously advanced consumer support initiatives for unique agricultural and sideline products from Xizang and Xinjiang. Leveraging the strengths of labor unions, we mobilized multiple resources to actively promote and distribute unique products from these regions, fully implementing the spirit and policies of assistance programs. In 2024, we distributed 2,123 Xizang products and 5,082 Xinjiang products to headquarters departments and subsidiaries in Anhui, with a total investment of 1.44 million yuan in assistance funds. This effort demonstrates our unwavering commitment and support for the development of Xizang and Xinjiang.

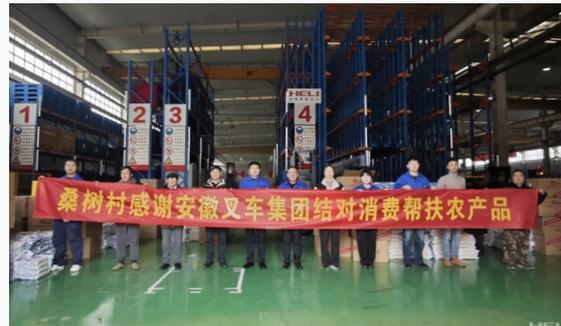
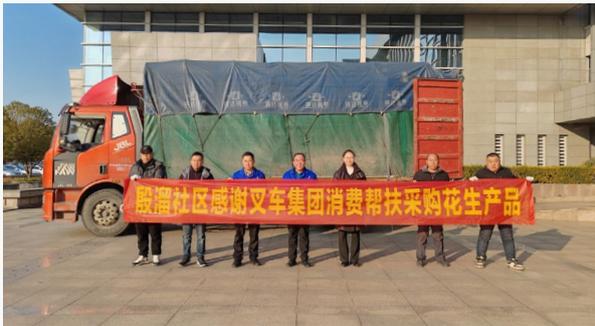


Consumer Support Initiatives for Xizang and Xinjiang



Anhui Heli Promoted Assistance Initiatives through Unique Industrial Models

Tailored to the unique industrial conditions of Yinliu Community (Zhoupeng Subdistrict, Yingquan District, Fuyang) and Sangshu Village (Youba Township, Anqing), we implemented consumer support initiatives of special agricultural products, expanding the circulation and sales channels for agricultural products, and establishing a distinctive industrial model centered on "farmers + agricultural product cooperatives". In 2024, over 7,200 packages of peanuts and rice were distributed directly to employees, with a total investment of 790,000 yuan, making high-quality agricultural products part of employees' welfare benefits.



Agricultural Product Support Initiatives in Yinliu Community and Sangshu Village



Anhui Heli Improved Living Environments for Ecological Revitalization

In 2024, Anhui Heli continued to implement targeted assistance, supporting Liuzhuang Village in Yinliu community to consolidate the achievements of poverty alleviation. Through the form of targeted assistance funds, it continuously carried out rural revitalization work and adopted multiple measures in rural industrial revitalization, talent revitalization, cultural revitalization, ecological revitalization, and organizational revitalization. It drove farmers' income growth through industrial assistance, cultivated rural talents with educational support, built civilized rural customs by relying on cultural positions, improved ecological livability through environmental remediation, thus constructing a sustainable rural revitalization system that transforms from "blood transfusion" to "hematopoiesis" and contributing to the effective connection between consolidating and expanding the achievements of poverty alleviation and rural revitalization.

During the comprehensive inspection in 2024, no instances of returning to poverty were found, indicating that the outcomes of poverty alleviation have been fully consolidated.



Village-based Cadres Conduct Household Visits and Inspections

Devoted to Philanthropy

To strengthen our engagement in social welfare and community development, we established the Public Welfare Support Management Committee and set up a Public Welfare Activities Office to guide and promote various initiatives. To further regulate the Company's external donation activities, we have formulated the *External Donation Management System* to enhance the transparency and effectiveness of public welfare donations, ensure that public welfare activities truly benefit recipients, and maximize the value of public welfare. In 2024, Anhui Heli dedicated 555 volunteer hours with 72 participants engaging in community service.



Anhui Heli Launched "Learn from Lei Feng, Shine in Your Role" Volunteer Initiative

To effectively advance volunteer service activities, Anhui Heli engaged young volunteers through a variety of initiatives, promoting volunteerism. In March 2024, we organized the "Learn from Lei Feng, Shine in Your Role" Volunteer Program, sending 50 volunteers to the Heli Community to provide community services. New programs, including "Gas Safety Campaigns," "Electricity Safety Campaigns," and "Chess Competitions," were introduced to better serve residents and enrich cultural activities. Furthermore, grassroots organizations of CYLC conducted more than 30 Lei Feng-themed volunteer activities, tailored to their roles and responsibilities, demonstrating the passion and responsibility of young volunteers.



"Learn from Lei Feng, Shine in Your Role" Volunteer Event



Anhui Heli Volunteer Team Supported Diverse Activities

In 2024, Anhui Heli formed volunteer service teams to participate in and support a number of social and cultural projects. These included the "International Women's Day" hiking event, the Staff Congress, the lecture on "Inheriting the Olympic Spirit", the Supplier Conference, the freshman registration, and the promotional talks by Anhui Province's model workers in workshops. Over 70 people participated in volunteer services in total. This further promoted the volunteer service spirit of "dedication, friendship, mutual assistance and progress", and demonstrated the good demeanor and sense of responsibility of the Company's employees.



"International Women's Day" Hiking Event



"Inheriting the Olympic Spirit" Lecture



Freshman Registration Volunteer Activity

While deeply cultivating domestic public welfare undertakings, Anhui has actively practiced the responsibility of global corporate citizenship, and continued to carry out diversified public welfare activities in overseas markets such as Australia and the United States to convey the warmth of Chinese enterprises.



Anhui Heli Sponsored Australian Formula Ford Championship

Anhui Heli actively supports international sports events. In 2024, the Company sponsored Australian Formula Ford racing series, contributing financial support to ensure the smooth execution of the event. This sponsorship not only enhanced Anhui Heli's brand influence in the international sports arena but also demonstrated the company's commitment to motorsport and its encouragement of young racing talents.



Anhui Heli Sponsors Sports Events



Participation in the "Volunteer Day" of a Charity Organization

In the context of globalization, Heli America, a national brand enterprise hailing from Anhui, China, is not only dedicated to promoting its Heli brand forklifts but also actively embraces local social responsibilities. On August 29, 2024, Heli America took part in the Hope Atlanta volunteer event in Atlanta, where they prepared and served meals to impoverished families and the homeless. This endeavor not only showcased the warmth and concern of a Chinese enterprise but also facilitated cultural exchange and integration between China and the United States, leaving a positive impact on the local community.



Participation in the "Volunteer Day" of a Charity Organization

Appendix

ESG Performance Table

Environment				
Indicators		Unit	2023	2024
Environmental Management System	Environmental Management System Certification	%	100	100
	Total Hours of Environmental Training	Hours	170	332
	Percentage of Environmental Training Coverage	%	59.04	78
	Number of Environmental Non-Compliance Incidents	Case	0	0
Waste	Total Volume of Non-Recyclable Waste	Tons	1,177.99	1,466.71
	Total Volume of Hazardous Waste	Tons	1,982.84	2,413.50
Wastewater Discharges	Total Wastewater Discharge Volume	Tons	451,821.26	388,452.50
	COD Emissions	Tons	29.95	32.50
	Ammonia Nitrogen Emissions	Tons	5.17	4.00
	Total Nitrogen Emissions	Tons	6.97	8.40
	Total Phosphorus Emissions ³⁶	Tons	0.42	0.59
Waste gas Emissions	Nitrogen Oxide Emissions ³⁷	Tons	4.47	3.27
	Sulfur Oxide Emissions	Tons	6.09	4.10
	Particulate Matter (PM) Emissions	Tons	134.93	112.90
	Volatile Organic Compound (VOC) Emissions	Tons	66.96	81.70
Water Resource Consumption	Total Water Consumption	Tons	196,292	199,705
	Circulated Water Usage	Tons	110,000	150,000
	Water Consumption Intensity	Tons/Unit	2.53	2.70
Energy Consumption	Gasoline Consumption in Production Processes	Liters	44,710	51,685
	Gasoline Consumption for Forklift Sales ³⁸	Liters	22,018	25,555
	Gasoline Consumption in Administrative Processes	Liters	1,075,196.09	1,167,226.42
	Gasoline Consumption in Other Processes ³⁹	Liters	9.89	20
	Total Gasoline Consumption ⁴⁰	Liters	1,141,933.98	1,244,486.42
Energy Consumption	Diesel Consumption in Production Processes	Liters	1,632,486.04	1,697,679.82
	Diesel Consumption for Forklift Sales ⁴¹	Liters	778,518.47	843,158.01

³⁶ In 2024, three new subsidiaries (Haoyun, Anxin, Yufeng) were included in the statistical scope of the Company.

³⁷ In 2024, three new subsidiaries (Haoyun, Anxin, Yufeng) were included in the statistical scope of the Company.

³⁸ This part of energy consumption is not included in the Company's Scope 1 calculation.

³⁹ In 2024, Ningbo Lida replaced the lawn mowing equipment, increasing the power.

⁴⁰ The statistical scope of total gasoline consumption includes gasoline consumption in production processes, gasoline consumption for forklift sales, gasoline consumption in administrative processes, and gasoline consumption in other processes.

⁴¹ This part of energy consumption is not included in the Company's Scope 1 calculation.

Environment				
	Indicators	Unit	2023	2024
Energy Consumption	Diesel Consumption in Administrative Processes	Liters	1,509,711.31	1,978,666.88
	Diesel Consumption in Other Processes ⁴²	Liters	44,152.3	0
	Total Diesel Consumption ⁴³	Liters	3,964,868.12	4,519,504.71
	Natural Gas Consumption for Production Operations	10,000 Cubic Meters	523.20	593.66
	Natural Gas Consumption for Canteens ⁴⁴	10,000 Cubic Meters	7.34	11.42
	Natural Gas Consumption in Other Processes ⁴⁵	10,000 Cubic Meters	16.95	32.60
	Total Natural Gas Consumption	10,000 Cubic Meters	547.49	637.68
	Purchased Electricity for Production Operations	10,000 Kilowatt-hours	29,547.97	33,469.76
	Purchased Electricity for Canteens	10,000 Kilowatt-hours	158.36	195.43
	Purchased Green Electricity	10,000 Kilowatt-hours	800.00	4,800.30
	Total Purchased Electricity	Megawatt-hours	305,063.30	384,654.89
	Carbon Dioxide Shielding Gas Consumption	Tons	1,035.94	1,111.45
	Photovoltaic Power Generation	10,000 Kilowatt-hours	1,385.87	1,888.13
	Photovoltaic Self-Consumption	10,000 Kilowatt-hours	1,273.36	1,859.28
	Other Sources ⁴⁶	Liters	1,200	2,000
	Comprehensive Energy Consumption	Tons of Standard Coal	/	47,148.61
	Comprehensive Energy Consumption Intensity	Tons of Standard Coal/ Million Yuan Revenue	/	2.72
Greenhouse Gas Emissions	Total Greenhouse Gas Emissions in Scope 1 ⁴⁷	Tons of Carbon Dioxide Equivalent	22,324.06	26,131.29
	Total Greenhouse Gas Emissions in Scope 2 ⁴⁸	Tons of Carbon Dioxide Equivalent	168,512.08	206,405.81
	Total Greenhouse Gas Emissions	Tons of Carbon Dioxide Equivalent	190,836.14	232,537.10
Greenhouse Gas Emissions	Total Greenhouse Gas Emission Density	Tons of Carbon Dioxide Equivalent/ Million Yuan Revenue	10.92	13.42

⁴² The diesel consumption in other processes reported in 2023 was adjusted to administrative process diesel consumption in 2024.

⁴³ The statistical scope of total diesel consumption includes diesel consumption in production processes, diesel consumption for forklift sales, diesel consumption in administrative processes, and diesel consumption in other processes.

⁴⁴ Due to business growth in 2024, natural gas consumption for canteens increased significantly.

⁴⁵ Due to the expansion of the statistical scope, the data in 2024 has changed significantly compared to 2023.

⁴⁶ Due to the upgrade and renovation of canteen cooking utensils carried out by Tianjin Heli in 2023, the use of fuel - oil stoves led to a relatively large increase in the data.

⁴⁷ Greenhouse gas emissions (Scope 1) come from the consumption of fuel from stationary sources (natural gas, diesel) and from transportation vehicles (gasoline). The relevant emission factors are referenced from the *Guidelines for Calculating and Reporting Greenhouse Gas Emissions of Industrial Other Industry Enterprises (Trial)* issued by the National Development and Reform Commission of the People's Republic of China.

⁴⁸ Greenhouse gas emissions (Scope 2) arise from the consumption of purchased electricity. The emission factors for purchased electricity are sourced from the Announcement on *the Release of Electricity Carbon Emission Factors in 2022* by the Ministry of Ecology and Environment of the People's Republic of China.

Social				
Indicators		Unit	2023	2024
Employee Total	Number of Regular Employees	Persons	8,734	10,675
	Number of Interns	Persons	288	275
	Number of Outsourced Workers	Persons	467	516
Number of Disabled Employees		Persons	54	52
Employee Numbers by Gender	Number of Male Employees	Persons	7,315	9,023
	Number of Female Employees	Persons	1,419	1,652
Employee Numbers by Region	Number of Employees in Chinese Mainland	Persons	8,669	10,529
	Number of Overseas Employees ⁴⁹	Persons	65	146
Employee Numbers by Ethnicity	Number of Han Employees	Persons	8,554	10,399
	Number of Ethnic Minority Employees	Persons	180	130
	Number of Foreign Employees	Persons	65	146
Employee Numbers by Age	Number of Employees Under 30 Years Old	Persons	2,597	3,385
	Number of Employees Aged 30-50	Persons	4,966	5,863
	Number of Employees Aged 50 and Above	Persons	1,171	1,427
Employee Numbers by Rank	Number of Frontline Employees	Persons	8,025	9,819
	Number of Middle Management Employees	Persons	602	734
	Number of Senior Management Employees	Persons	107	122
Number of Female Employees by Rank	Number of Female Frontline Employees	Persons	1,350	1,561
	Number of Female Middle Management Employees	Persons	67	86
	Number of Female Senior Management Employees ⁵⁰	Persons	2	5
Number of Female Employees in Revenue-Generating Roles ⁵¹		Persons	111	358
Number of Female Employees in STEM Positions		Persons	172	181
Employee Turnover Data ⁵²	Total Number of Voluntary Employee Turnovers	Persons	620	614
	Number of Voluntary Male Employee Turnovers	Persons	474	500
	Number of Voluntary Female Employee Turnovers	Persons	146	114

⁴⁹ Due to the establishment of a new European headquarters and a global R&D center in Germany by Anhui Heli in 2024, the number of overseas employees has increased rapidly.

⁵⁰ The current number of female employees in the senior management level includes female executives from Anhui Heli's subsidiaries (Axle, Haoyun, Hengyang, Yufeng, Shaanxi Marketing Company).

⁵¹ In 2024, the statistical scope of the number of female employees in revenue - generating positions was expanded to include data on female employees in production positions, so the number increased significantly.

⁵² Based on the definition of voluntary turnover by S&P DJSI, which includes employees who voluntarily resign and retired employees, the number of voluntary turnovers in Anhui Heli in 2024 was mainly composed of retirements.

Social				
Indicators		Unit	2023	2024
Employee Turnover Data	Number of Voluntary Turnovers of Employees in Chinese Mainland	Persons	620	614
	Number of Voluntary Turnovers of Overseas Employees	Persons	0	0
	Number of Voluntary Turnovers of Employees Under 30 Years Old	Persons	258	286
	Number of Voluntary Turnovers of Employees Aged 30-50	Persons	193	189
	Number of Voluntary Turnovers of Employees Aged 50 and Above	Persons	169	139
Employee Training Data ⁵³	Total Investment in Training and Development	Yuan	4,974,391.72	5,463,251.41
	Number of Employees Participating in Training	Persons	8,354	10,173
	Average Training Hours per Employee	Hours	15.63	22.03
	Number of Male Employees Participating in Training	Persons	6,988	8,611
	Number of Female Employees Participating in Training	Persons	1,366	1,562
	Average Training Hours per Male Employee	Hours	15.87	22.06
	Average Training Hours per Female Employee	Hours	14.43	21.89
	Number of Han Employees Participating in Training	Persons	8,183	10,052
	Number of Ethnic Minority Employees Participating in Training	Persons	171	121
	Average Training Hours per Han Employee	Hours	15.7	21.98
	Average Training Hours per Ethnic Minority and Foreign Employees ⁵⁴	Hours	12.49	25.98
	Number of Frontline Employees Participating in Training	Persons	7,646	9,382
	Number of Middle Management Employees Participating in Training	Persons	596	675
	Number of Senior Management Employees Participating in Training	Persons	112	116
	Average Training Hours per Frontline Employee	Hours	15.96	21.78
Average Training Hours per Middle Management Employee	Hours	12.51	24.85	
Average Training Hours per Senior Management Employee	Hours	10.02	25.65	
Number of Employees Under 30 Years Old Participating in Training	Persons	2,601	3,472	

⁵³ In 2024, Anhui Heli attached great importance to employee development and training, so the training hours increased significantly.

⁵⁴ The training time for ethnic minority employees and foreign employees among the workforce cannot be separated.

Social				
Indicators		Unit	2023	2024
Employee Training Data	Number of Employees Aged 30-50 Participating in Training	Persons	4,727	5,469
	Number of Employees Aged 50 and Above Participating in Training	Persons	1,026	1,232
	Average Training Hours per Employee Under 30 Years Old	Hours	16.82	20.73
	Average Training Hours per Employee Aged 30-50	Hours	15.78	23.84
	Average Training Hours per Employee Aged 50 and Above	Hours	11.94	17.68
Collective Agreement Signing Rate		%	100	100
Occupational Health and Safety Performance	Total Hours of Health and Safety Training ⁵⁵	Hours	3,596	9,534.8
	Total Number of Participants in Health and Safety Training	Person-time	63,569	68,514
	Number of Work Safety Accidents	Cases	9	10
	Investment in Occupational Health and Safety ⁵⁶	Yuan	9,096,441.87	33,603,875.00
	Employee Physical Examination Coverage Rate	%	100	100
	Number of Work-Related Fatalities - Employees	Persons	0	0
	Number of Work-Related Fatalities - Contractors	Persons	0	0
	Employee Injury Frequency	/	0.65	0.54
Products and Services	Innovation Investment	100 Million Yuan	8.92	10.86
	Number of R&D Personnel	Persons	1,375	1,340
	Invention Patents	Pieces	66	134
	Utility Model Patents	Pieces	293	187
	Design Patents ⁵⁷	Pieces	104	23
	Software Copyrights	Pieces	3	17
	Overseas Patents	Pieces	4	2
	Coverage of Product Quality Certification	%	100	100
	Total Number of Product Quality Training Sessions ⁵⁸	Sessions	79	148

⁵⁵ This data represents the actual number of hours of health and safety training carried out by Anhui Heli. In 2024, three new subsidiaries (Haoyun, Anxin, and Yufeng) of Anhui Heli were included in the statistical scope of the company, and the training duration of some subsidiaries increased in 2024.

⁵⁶ In response to government and corporate management requirements, safety-related investments have been significantly increased; three new subsidiaries (Haoyun, Anxin, and Yufeng) have been incorporated into the equity statistics.

⁵⁷ This year, the Technology Center of Anhui Heli adjusted the patent application structure, focusing on high - value patents. Therefore, the number of design patents has decreased.

⁵⁸ This year, Anhui Heli has increased the intensity of quality training to enhance the awareness of quality red lines and improve business skills. As a result, the number of product quality training sessions, the number of participants, and the training duration have all increased rapidly.

Social				
	Indicators	Unit	2023	2024
Products and Services	Total Number of Participants in Product Quality Training	Person-time	1,484	2,758
	Total Duration of Product Quality Training	Hours	487,494	1,105,958
	Number of Product Recalls	Cases	0	0
	Customer Satisfaction Rate	%	91.5	92.0
	Customer Complaint Resolution Rate	%	100	100
Supply Chain Management	Proportion of Suppliers with ESG Clauses Signed	%	99	100
	Coverage Rate of Sustainable Procurement Training	%	100	100
	Number of Suppliers Participating in Annual Audits	Suppliers	59	41
	Total Number of Supplier Exchanges and Training Sessions	Suppliers	83	54
	Number of Suppliers in Chinese Mainland	Suppliers	318	292
	Number of Suppliers in Hong Kong, Macao, and Taiwan	Suppliers	0	0
Philanthropy	Number of Overseas Suppliers	Suppliers	26	30
	Community Donation Amount	Yuan	4,073,840	5,560,600
	Participation Time in Public Welfare Activities	Hours	450	555
	Total Number of Employees Participating in Volunteer Services	Persons	/	72

Index Table of Shanghai Stock Exchange

Disclosure Requirement	Chapter
Address Climate Change	Environmental Protection, Place Green Development as a Foundation
Pollutant emissions	Environmental Protection, Place Green Development as a Foundation
Waste management	Environmental Protection, Place Green Development as a Foundation
Ecosystem and biodiversity protection	Environmental Protection, Place Green Development as a Foundation
Environmental compliance management	Environmental Protection, Place Green Development as a Foundation
Energy use	Environmental Protection, Place Green Development as a Foundation
Water resource use	Environmental Protection, Place Green Development as a Foundation
Circular economy	Environmental Protection, Place Green Development as a Foundation
Rural revitalization	Social Prosperity, Well-being as the Foundation
Social contribution	Social Prosperity, Well-being as the Foundation
Scientific and technological innovation	Ingenuity and Quality First
Science and technology ethics	Not a Material ESG Topic for the Company
Supply chain security	Ingenuity and Quality First
Fair treatment of SMEs	Ingenuity and Quality First
Safety and quality management of products and services	Ingenuity and Quality First
Data security and customer privacy protection	Integrity Management, Reputation First Ingenuity and Quality First
Employees	Care Employees, People-Centered
Due diligence	Integrity Management, Reputation First
Stakeholder communication	Sustainable Development Management
Anti-commercial bribery and anti-corruption	Integrity Management, Reputation First
Anti-unfair competition	Integrity Management, Reputation First

(If the relevant topics are not disclosed, they shall be fully explained in accordance with Article 7 of the Guidelines)

GRI Content Index

Statement of use	Anhui Heli Co., Ltd. has reported in accordance with the GRI Standards for the period [January 1, 2024 to December 31, 2024].
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Section Index	Page	
GRI 2: General Disclosures 2021	2-1 Organizational details	Company Profile	P06	
	2-2 Entities included in the organization’s sustainability reporting	About the Report	P03	
	2-3 reporting period, frequency and contact point	About the Report	P03	
	2-4 Restatements of information	About the Report	P03	
	2-6 Activities, value chain and other business relationships	About the Report	P03	
	2-7 Employees		Focus on Employee Rights and Interests	P41-P61
			Employee Development Cultivation Safeguard Employee Well-Being Health and Safety Care	
	2-8 Workers who are not employees		Focus on Employee Rights and Interests	P41-P61
			Employee Development Cultivation Safeguard Employee Well-Being Health and Safety Care	
	2-9 Governance structure and composition	Sustainable Development Governance	P11	
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainable Development Governance	P11	
	2-13 Delegation of responsibility for managing impacts	Sustainable Development Governance	P11	
	2-14 Role of the highest governance body in sustainability reporting	Sustainable Development Governance	P11	
	2-16 Communication of critical concerns	Sustainable Development Governance	P11	
	2-22 Statement on sustainable development strategy	Sustainable Development Strategy and Commitment	P12	
2-25 Processes to remediate negative impacts	Optimize Customer Service	P37-P39		
2-26 Mechanisms for seeking advice and raising concerns	Safeguard Employee Well-Being	P51-P54		
2-27 Compliance with laws and regulations	Improve Corporate Governance	P16		
2-29 Approach to stakeholder engagement	Stakeholder Communication	P13		
GRI 3: Material Topics 2021	2-30 Collective bargaining agreements	Focus on Employee Rights and Interests	P43	
	3-1 Process to determine material topics	Material ESG Topics	P14	
	3-2 List of material topics	Material ESG Topics	P14	
	3-3 Management of material topics	Material ESG Topics	P14	

GRI Standard	Disclosure	Section Index	Page
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	Chairman's Message	P04-P05
	201-2 Financial implications and other risks and opportunities due to climate change	Address Climate Change	P63-P65
	201-3 Defined benefit plan obligations and other retirement plans	Safeguard Employee Well-Being	P50-P53
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Promote Rural Revitalization	P77-P78
	203-2 Significant indirect economic impacts	Promote Rural Revitalization	P77-P78
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Strengthen Ethical Standards	P20-P22
	205-2 Communication and training about anti-corruption policies and procedures	Strengthen Ethical Standards	P20-P22
	205-3 Confirmed incidents of corruption and actions taken	Strengthen Ethical Standards	P20-P22
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Enhance Resource Utilization	P73
	302-3 Energy intensity	Enhance Resource Utilization	P73
	302-4 Reduction of energy consumption	Enhance Resource Utilization	P72-P73
	302-5 Reductions in energy requirements of products and services	Enhance Resource Utilization	P72-P73
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Enhance Resource Utilization	P73-P74
	303-2 Management of water discharge-related impacts	Enhance Resource Utilization	P73-P74
	303-3 Water withdrawal	Enhance Resource Utilization	P73-P74
	303-4 Water discharge	Enhance Resource Utilization	P73-P74
	303-5 Water consumption	Enhance Resource Utilization	P73-P74
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	Biodiversity Conservation	P75
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Enhance Resource Utilization	P73
	305-2 Energy indirect (Scope 2) GHG emissions	Enhance Resource Utilization	P73
	305-4 GHG emissions intensity	Enhance Resource Utilization	P73
	305-5 Reduction of GHG emissions	Enhance Resource Utilization	P73
	305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	Optimize Three Wastes Discharge	P70
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Optimize Three Wastes Discharge	P71
	306-2 Management of significant waste-related impacts	Optimize Three Wastes Discharge	P71
	306-3 Waste generated	Optimize Three Wastes Discharge	P71
	306-4 Waste diverted from disposal	Optimize Three Wastes Discharge	P71
	306-5 Waste directed to disposal	Optimize Three Wastes Discharge	P71
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Stable and Continuous Supply	P26-P28
	308-2 Negative environmental impacts in the supply chain and actions taken	Stable and Continuous Supply	P26-P28
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Focus on Employee Rights and Interests	P41-P42
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Safeguard Employee Well-Being	P50-P53

GRI Standard	Disclosure	Section Index	Page
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health and Safety Care	P60
	403-2 Hazard identification, risk assessment, and incident investigation	Health and Safety Care	P55-P58
	403-3 Occupational health services	Health and Safety Care	P60-P61
	403-4 Worker participation, consultation, and communication on occupational health and safety	Health and Safety Care	P60-P61
	403-5 Worker training on occupational health and safety	Health and Safety Care	P60-P61
	403-6 Promotion of worker health	Health and Safety Care	P55-P61
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety Care	P60-P61
	403-8 Workers covered by an occupational health and safety management system	Health and Safety Care	P60
	403-9 Work-related injuries	Health and Safety Care	P57
	403-10 Work-related ill health	Health and Safety Care	P55-P61
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Employee Development Cultivation	P47
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Development Cultivation	P46-P49
	404-3 Percentage of employees receiving regular performance and career development reviews	Employee Development Cultivation	P49
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Focus on Employee Rights and Interests	P43
GRI 406: Non- discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Focus on Employee Rights and Interests	P41
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Stable and Continuous Supply	P26-P28
	414-2 Negative social impacts of supply chains and actions to be taken	Stable and Continuous Supply	P26-P28
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Ensure Product Quality	P34-P36
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Ensure Product Quality	P34
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Optimize Customer Service	P37

Reader Feedback Form

Dear readers:

We appreciate your interest and support for the sustainable development of Anhui Heli Co., Ltd. To provide you with more professional and valuable environmental, social, and governance information and to enhance the quality of our sustainability report, we invite you to provide feedback on the relevant questions in the feedback form.

1. Are you satisfied with the report? Please share your assessment.

2. Do you find our disclosure of social responsibility performance comprehensive?

3. Has the information that you seek been comprehensively disclosed in the report?

4. What recommendations do you have for improving the report?

Your Information

Name _____

Fax _____

Employer _____

Contact Number _____

Position _____

Email _____

National Service Hotline

4001-600761

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