2026 Double Materiality Assessment Statement

In 2026, Wison Engineering Services Co. Ltd. (the “Company”) conducted a double materiality assessment. Drawing on the strategies, management measures, and performance results disclosed in the 2025 Environmental, Social and Governance (ESG) Report, the Company identified sustainability issues that are material in terms of their impacts on sustainable development and corporate value creation.

Assessment Methodology and Management Approval

The Company assessed sustainability issues from two perspectives:

1. The impacts that the Company may have on the economy, environment, and society;
2. The potential impacts of related risks and opportunities on business development, costs, revenue, operational efficiency, and financial performance.

Building upon the 36 issues identified in the 2025 impact materiality assessment, the Company conducted a financial materiality assessment. The assessment incorporated stakeholder feedback and was reviewed by management and the finance function, to derive the final double materiality assessment results.

Following comprehensive analysis and internal validation, the assessment results were reviewed, endorsed, and approved by the Company's management.

Material Issues, Material Impacts, and Company Responses

Material Issues	Impact Type	Material Impacts	Company Response and 2025 Progress
Compliance and Regulatory Adherence	Risk / Cost / Revenue	Compliance failures may result in fines, investigation costs, customer loss, or restrictions on bidding opportunities. Effective compliance management helps maintain the trust of international clients and secure contract opportunities.	The Company adheres to a zero-tolerance approach to corruption and conducts anti-corruption training, third-party integrity management, and whistleblowing follow-up investigations. The anti-corruption training coverage rate for directors and employees reached 100%.
Corporate Governance	Risk / Cost / Opportunity	Effective governance and internal controls help reduce decision-making errors, project cost overruns, and financing risks, while strengthening investor and client confidence in the Company's management capabilities.	The Company has established a three-tier governance structure consisting of the Board of Directors, the Social Responsibility Executive Committee, and departmental coordinators, integrating sustainability into governance and risk management processes.
Supply Chain Management	Risk / Cost / Operational Efficiency	Supplier quality, delivery, or compliance issues may result in rework, project delays, and claims. Effective supply chain management helps ensure project delivery, control costs, and enhance supply chain resilience.	The Company strengthened supplier qualification, evaluation, and audit processes, health, safety, and environmental requirements, and green procurement practices. Second-party quality system audits were conducted on 15 key suppliers.
Research, Development, and Technological Innovation	Revenue / Opportunity / Cost	Research and development and intellectual property capabilities support differentiated technical solutions, reduce dependence on external technologies, and enhance new business opportunities, project efficiency, and long-term competitiveness.	The Company focused on diversified power-to-hydrogen conversion, biomass conversion, and carbon capture and utilization technologies. R&D expenditure amounted to RMB 231.4 million, and the Company was granted 15 new patents.
Opportunities in Clean Technologies	Revenue / Opportunity / Operational Efficiency	The global low-carbon transition is driving demand for green hydrogen, green ammonia and methanol, and carbon capture and utilization solutions. Standardized and modularized solutions can shorten delivery timelines and expand opportunities for new contracts.	The Company launched the MegaFlex Large-Scale Green Hydrogen Integrated Solution and continued advancing green methanol and carbon capture and utilization projects.

Application of Assessment Results

The Company uses the assessment results to determine ESG disclosure priorities, support risk identification, management actions, business development, and resource allocation, and continuously monitor progress on material issues.

As business operations, regulatory requirements, and stakeholder expectations evolve, the Company will review and update the assessment results as appropriate.

Approved by: Management of Wison Engineering Services Co. Ltd.