

**COSTONE ASSET
MANAGEMENT CO., LTD**

**2023 Environmental
Social and Corporate
Governance
(ESG) Report**

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About the Report

Description of the Report

CoStone Asset Management Co., Ltd. ("CoStone Capital" , "CoStone" , "the Company" or "we") has officially released its 2023 Environmental, Social and Corporate Governance Report (the 'Report'), which is designed to demonstrate CoStone Capital's sustainability-focused performance and practices for the year 2023 to all stakeholders in an open and transparent manner.

Reporting Standards and Principles

The Report is compiled in accordance with the GRI Standards issued by the Global Reporting Initiative, the United Nations 2030 Agenda for Sustainable Development, the ISO 26000:2010 Guidelines for Social Responsibility issued by the International Organization for Standardization, and other relevant documents, and in conjunction with the actual situation of the Company. The domestic standards refer to the People's Bank of China and other organisations. Domestic standards refer to the 'Guiding Opinions on Building a Green Financial System' issued by the People's Bank of China and other organisations, the 'Green Finance Guidelines for the Banking and Insurance Industry' issued by the China Banking and Insurance Regulatory Commission (CBIRC), the 'Guidelines on Green Investments (Trial)' issued by the China Funds Association, the 'Shenzhen Special Economic Zone Green Finance Regulations', the 'Environmental, Social and Governance Reporting Guidelines' and the 'Social Responsibility Guidelines' issued by the Hong Kong Stock Exchange Limited. Reporting Guidelines, "Social Responsibility Guidelines" (GB/T 36000), etc. for preparation.

Reporting Scope

The Report covers the results of Costone Capital's ESG work for the period from 1 January 2023 to 31 December 2023 (hereinafter referred to as 'the Reporting Period'), with some references to previous years' investment projects and progress updates.

Description of the Data

All data cited in the Report are derived from official documents, statistical and financial reports of CoStone Capital, as well as public information from investees.

Access to the Report

The Report is published electronically and can be accessed by contacting the contact details on the CoStone Capital website.

Disclaimer

The investment case studies cited in the 'Responsible Investment for a Changing Future' section of the Report are intended only to illustrate CoStone Capital's sustainable investment practices and are not intended to be indicative of the current or future CoStone portfolio. The information on sustainable investment case studies was obtained from publicly available sources or provided by CoStone Capital. While such information may be deemed reliable, CoStone Capital does not guarantee the completeness or accuracy of the information, and likewise does not guarantee that such investments will be profitable now or in the future. The information provided in this section is for informational purposes only, and the opinions expressed therein, as well as any descriptions thereof, are not to be relied upon in any way as a recommendation, purchase, or sale of funds, equity products, or other underlying assets that may be invested in.

The investment case images in the Report are from the investee's official website, and the rest of the images have been purchased through professional channels for use of copyright.

The Report has been prepared by China Lianhe Credit Rating Co., Ltd as a consultant.

Chairman's Statement



In 2023, the rapid progress of the artificial intelligence industry officially opens the door to the fourth industrial revolution. As the technology continues to mature, AI will deeply empower all industries and drive a once-in-a-century productivity change. The Singularity is coming, the future is here.

The arrival of the intelligent era requires us to look at the relationship between ourselves and the environment in a new light. On the one hand, AI has greatly increased the efficiency of energy use. For example, AI helped Google's data centre cooling system reduce energy consumption by 40%. On the other hand, AI has also greatly increased energy consumption. According to The New Yorker, ChatGPT consumes more than 500,000 kWh of electricity per day, which is equivalent to 17,000 average American homes.

The age of intelligence also requires us to look at our relationship with society and with others in a new light. We have seen that AI has greatly boosted productivity - for example, over the past half century, humans have only parsed roughly 200,000 protein structures, while AlphaFold has predicted hundreds of millions in

just a few years. But at the same time, AI may fundamentally replace the vast majority of human labour, and will have an unprecedented impact on human employment like never before, and profoundly test how humans can get along with something that is smarter than they are: 'Suppose the frog created mankind, is it the man or the frog that now has control?' (Geoffrey Hinton)

People and their environment shape each other. The way we treat the environment, society, and others will be the way the environment, society, and others treat us; the way we treat AI will be the way AI treats us. The AI of the AGI era will care about our freedom, equality and dignity only if we care about human freedom, equality and dignity.

The ESG philosophy, centred on Responsibility, Impact and Sustainability, provides us with a compass to sail into the future.

In 1954, Peter F. Drucker, the father of modern management, first proposed the concept of "corporate social responsibility" in his classic book The Practice of Management. He defined three equally important tasks of "management" : setting specific goals and missions of the organization; ensuring that work is productive and that employees' work can lead to achievements and benefits; managing the social impact and social responsibilities of the organization. Drucker believed that business enterprises are organs of society and community, and they exist to fulfill a specific social purpose.




We believe that investment is a force for good. In more than 20 years of development, CoStone Capital has always adhered to the direction of Drucker's philosophy, actively practiced ESG concepts, and balanced good financial returns with positive social impacts in its investments and operations. We also believe that science and technology is a force for good. We are committed to promoting technological progress through investment, we also work hand-in-hand with enterprises to ensure that the fruits of scientific and technological progress benefit the community. We believe that science and technology is a force for good.

About CoStone Capital

Corporate Overview

CoStone Asset Management Co., Ltd. has more than 20 years of investment management experience and is among the first tier venture capital institutions in China. We have long been committed to equity investment in Chinese innovative enterprises in initial & growth stage, and closely track key industries such as advanced manufacturing, medical services, consumer services, cultural media, green & environmental protection, and agriculture. In recent years, our investment has been focused more on technology and medical care, giving birth to a series of industry leaders and sub-industry leaders. The asset types managed by CoStone Capital cover the entire equity investment industry chain, including angel, VC, PE, M&A, PIPE, securities market and other types of investment funds. The investment stages cover the entire life cycle of the enterprise. Headquartered in Shenzhen, CoStone Capital has 9 offices across the country, which are located in Shenzhen, Beijing, Shanghai, Nanjing, Hefei, Changsha, Wuhan, Hong Kong and Silicon Valley, respectively, providing professional asset management services for investors and investee companies.





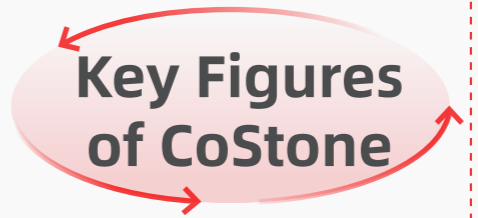







CoStone's Philosophy

 Mission To be the organiser of the industry chain, to construct entrepreneurial society, and to contribute national innovation power	 Vision To empower partners, to invest in technology promoting social good, and to become a respected Chinese venture capital institution	 Values To gain foresights in dedication, and to present generous returns for trust
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ESG Visions

1 Sustainable investment Create lasting social value with financial returns, and promote scientific and technological progress and long-term high-quality social and economic development	2 Human capital Protect the rights and interests of employees, attach importance to the development of employees' ability, and create a simple and happy corporate culture	3 Operation management Operate in compliance with laws and regulations and strengthen investor management and digital construction to build the core competitiveness of enterprises	4 Public welfare Practice corporate social responsibility and actively participate in social welfare undertakings	5 Operation management Operate in compliance with laws and regulations and strengthen investor management and digital construction to build the core competitiveness of enterprises
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Highlighted Performance

 AUM Over RMB 65 billion	 Investment profile in the green field 107 projects in total	 with a total investment scale of nearly RMB 10.12 billion	
 Distributions to investors a total of RMB 32 billion	 Key Figures of CoStone		 Investment profile in the primary market 338 equity projects in total
 Has nurtured 75 listed companies	 Capital markets, mergers and acquisitions, transfers and other exit options 122 projects in total	 Global Capital Markets IPO Rates 61%	
 Male to female ratio of employees 1:1	 Annual training hours per employee 88 hours	 Annual greenhouse gas emissions 364.61 tonnes of carbon dioxide equivalent	

¹The types of companies and projects we invest in are based on the Catalogue of Green Industries (2019) issued by the National Development and Reform Commission, the People's Bank of China and other authorities.

Qualifications and Honours

ESG Related Awards



Professional Awards



Members of the Association

1. The member of the Private Equity and M&A Committee of AMAC
2. Member of the Equity Investment Committee of Insurance Asset Management Association of China



3. The member of the Shenzhen Green Finance Association



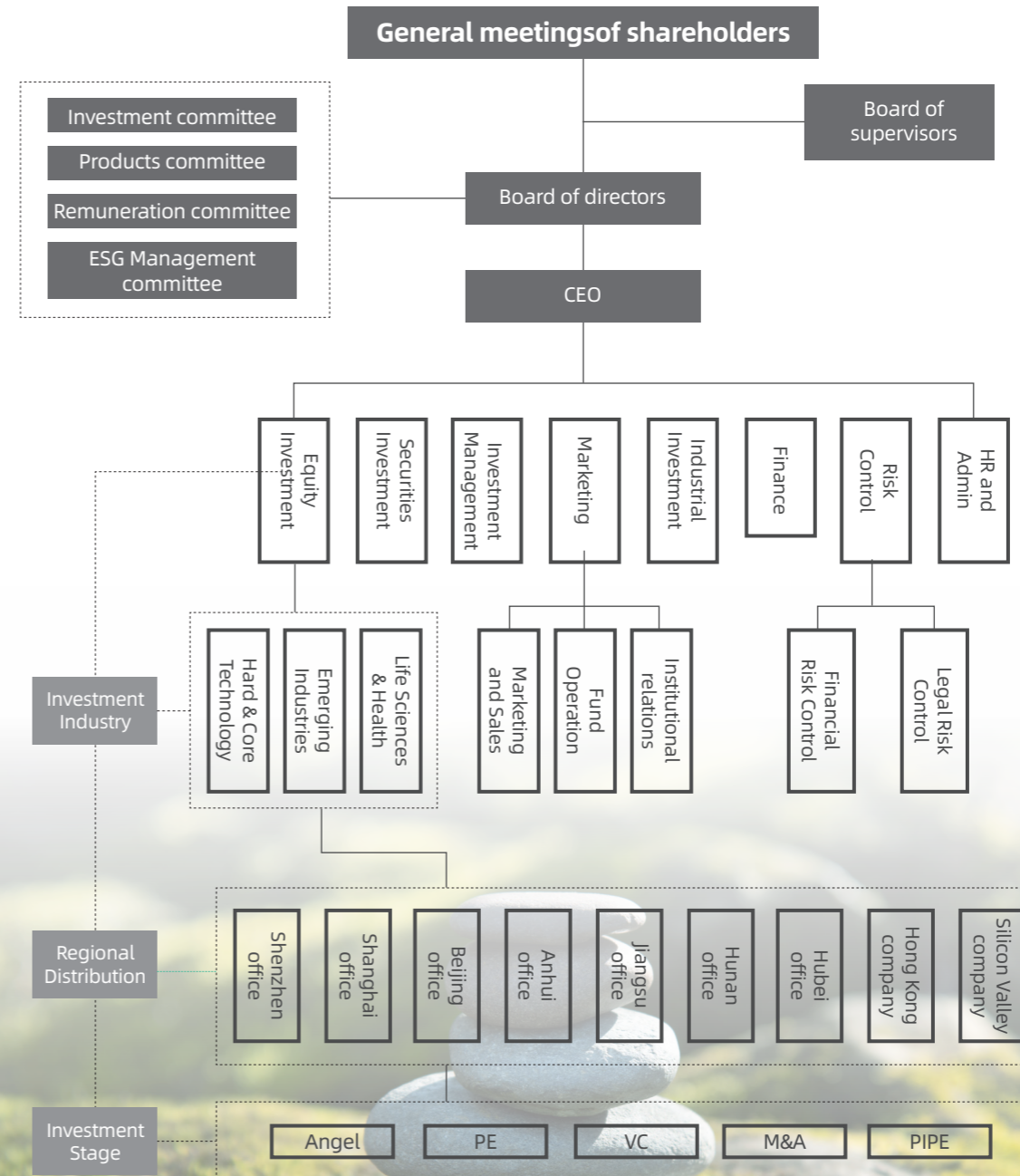
4. The director of Equity Investment Professional Committee of Shenzhen Private Equity Funds Association



5. Shenzhen Investment Consultant (Zhang Wei, Chairman of CoStone Capital)

Organisational Structure

Environmental and social responsibility are woven into the fabric of how we invest and operate businesses. Through proper strategies and policies, we actively advocate and practice the concept of sustainable development to fulfill long-term value for the company and sustainable returns for our investors.



Focus on Sustainable Development with a View to the Future

ESG Management

Supporting UN Sustainable Development Goals

In September 2015, the United Nations' 193 member states adopted Sustainable Development Goals (SDGs) on behalf of the international community, including 17 individual SDGs and their 169 sub-goals. These goals lay out a path for major work on sustainable development by 2030, as a universal call to action, in areas vital to mankind and the earth, to end poverty, protect our planet and improve the lives and prospects of everyone, everywhere. The realisation of 17 SDGs and 169 sub-goals entails the involvement of all countries, non-governmental organisations, enterprises and investors.

Recently, in active response to UN SDGs, CoStone Capital pays constant attention to sustainable investment opportunities in strategic emerging industries including intelligent manufacturing, semiconductor, new energy resources, IT, digital economy, biomedicine, medical equipment and medical service, and the fund investment projects under management have covered 11 SDGs. CoStone Capital integrates the SDGs into its day-to-day management and operations, covering a total of 11 SDGs issues through specific measures such as environmental protection, energy conservation and efficiency, responsible hiring, and social co-construction.

Sustainable Development Philosophy

CoStone Capital actively advocates and practices the concept of sustainable development, with the goal of creating long-term value and sustainable returns for the Company, formulating relevant strategies and implementing corresponding systems, and integrating environmental, social responsibility and corporate governance into the Company's day-to-day operations and investment decisions, with the aim of better controlling risks, creating long-term sustainable returns, and bringing positive benefits to the environment and the society, so as to realise the everlasting investment and the everlasting enterprise.

Sustainable Development management framework

CoStone Capital understands that the establishment of a management structure and the implementation of management responsibilities are the foundation of sustainable development. In 2022, CoStone Capital formally set up a sustainable development management structure, establishing a three-tier management structure with the Board of Directors as the highest decision-making body, the ESG Management Committee composed of the heads of each department, and each management department as the ESG Working Group. The Board of Directors coordinates and grasps the overall direction of the Company's ESG and supervises the implementation of major ESG matters; the ESG Management Committee fully identifies and studies ESG-related risks and opportunities through scientific, professional and systematic methods, and advises the Board of Directors upwards and propose management strategies to the ESG Working Group downwards and supervise their implementation; the ESG Working Group actively implements the strategies and reports the implementation status to the ESG Management Committee on a regular basis, so as to systematically implement the ESG strategies. The ESG Working Group actively implements various strategies and regularly reports to the ESG Management Committee on the implementation status, thus systematically improving the Company's sustainable development governance capability and being responsible for investment decisions, employee rights and interests, environmental protection and other related performance, and guaranteeing the smooth implementation of CoStone Capital's ESG work.

Sustainability management framework








Board of Directors: Highest decision-making body of ESG management	Chairman of the Board of Directors: Zhang Wei	<ul style="list-style-type: none"> Participate in the deliberation and decision-making of major ESG matters of the company; Developing the Company's ESG management philosophy and objectives, and regularly checking and reviewing the implementation.
ESG Management Committee: Practise ESG strategies and formulate ESG systems	Partner and CEO: Wang Qiwen Partner: Tao Tao Secretary of the board and GM of Investment Management department: Song Jianbiao Executive director of Marketing department Wu Lishan(Female) Deputy-GM of HR department: Ma Yami (Female)	<ul style="list-style-type: none"> Identify ESG-related risks and opportunities of the Company; Consider ESG management policies and work plans; Oversee the implementation of the company's ESG affairs; Provide ESG management advice to the Board of Directors.
ESG Working Group: Implement ESG targets and action plans	ESG Working Group: Professionals in Investment, Public relations, HR and administration, Risk control and Finance Departments	<ul style="list-style-type: none"> Carry out strategies and policies initiated by the ESG Management Committee; Prepare ESG reports; Report to the ESG Management Committee on developments of ESG activities;and Manage costs and resources incidental to the Company's ESG commitments.



Stakeholder Engagement

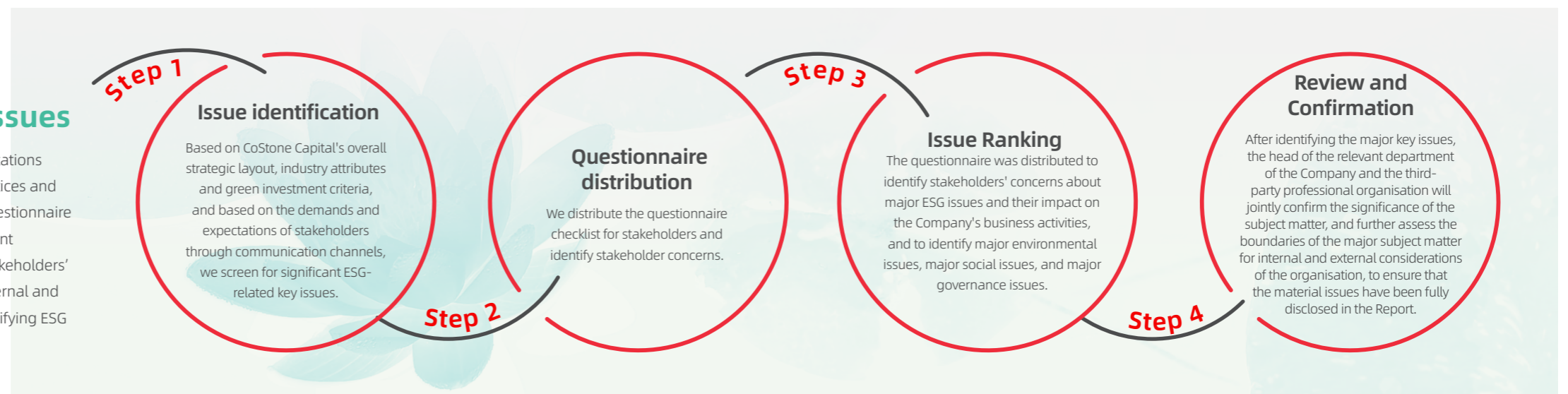
Stakeholder Communication

CoStone Capital places weights on communication with stakeholders and maintains active communication with governments and regulators, shareholders, investors, employees, investees and their regulators, suppliers and partners, community and public welfare organisations, trying to turn stakeholders' expectations and demands into its own goals and actions for sustainable development and establishing multi-level and all-around communication channels. Meanwhile, it leverages the news media and the Internet to understand and address the concerns of stakeholders in a timely manner, ensuring smooth communication with all stakeholders.

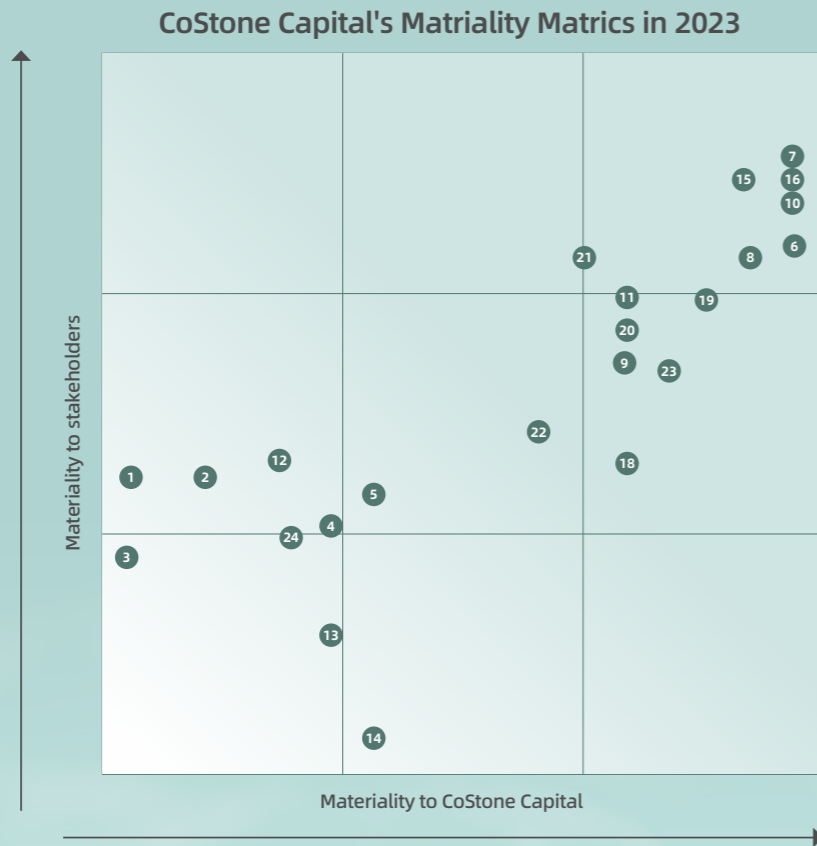
Stakeholders	 Governments and regulators	 Shareholders	 Investors	 Employees	 Investees and regulators	 Suppliers and partners	 Communities and public welfare organisations
Concerns	<ul style="list-style-type: none"> Employee compensation & benefits Employee health & safety Employee development & training 	<ul style="list-style-type: none"> Investment return and growth Information disclosure Company value 	<ul style="list-style-type: none"> Returns on performance Public disclosure Investor education Investor protection Creditor relationship management Sustainable investment 	<ul style="list-style-type: none"> Employee compensation & benefits Employee health & safety Employee development & training 	<ul style="list-style-type: none"> Assistance and empowerment Segregation of duties Legal employment Environment protection 	<ul style="list-style-type: none"> Honest co-operation Abide by business ethics Win-win co-operation Supplier management Governance strategy and process management 	<ul style="list-style-type: none"> Public welfare and charity Community development
Major communication channels	<ul style="list-style-type: none"> Government conferences E-mails Reports and surveys 	<ul style="list-style-type: none"> General meetings Regular reports and company announcements 	<ul style="list-style-type: none"> Regular/Interim investor meetings Informal communication and consultation Investors education activities 	<ul style="list-style-type: none"> Democratic management channel Escalation of special matters to higher level Employee care and welfare activities Employee training and development system 	<ul style="list-style-type: none"> Shareholders' meetings/ Board of Directors/Board of Supervisors Regular visits, researches and seminars CoStone Lecture Daily management 	<ul style="list-style-type: none"> Cooperation agreement Contract performance Daily business communication and visits 	<ul style="list-style-type: none"> Public welfare activities New media platforms Support to public welfare organisations

Assessment for Material Issues

To truly understand and respond to stakeholders' expectations and demands, as well as to clarify the focus of ESG practices and information disclosure, CoStone Capital conducted a questionnaire survey to identify ESG-related issues that reflect significant environmental impacts or have a material impact on stakeholders' assessment and decision-making. At the same time, internal and external stakeholders were invited to participate in identifying ESG issues and conducting materiality assessments.



CoStone Capital has fully carried out the identification and assessment of materiality issues in conjunction with its sustainability management system and business development. The Company has distributed research questionnaires to internal and external stakeholders (e.g., government regulators and industry self-regulatory organisations, shareholders, financial or service providers, investors, investee companies, social organisations or communities, and employees), and a total of 74 responses to the questionnaires from the stakeholders were returned. The 24 material issues were analysed to determine the importance and priority of the issues, resulting in a matrix of substantive issues. We gained an in-depth understanding of stakeholders' concerns about the issues, and gradually improved the Company's sustainable development management and practice.



Materiality	Environmental issues	Social issues	Governance issues
Highly important		6 Compensation and benefits 7 Employee health & safety 8 Employee development & training 9 Supplier management 10 Customer service quality 11 Customer satisfaction	15 Customer privacy protection 16 Data security management 17 Governance strategy 19 Clean culture construction 20 Creditor relationship management 21 Investor rights protection 23 Risk management mechanism
Important	4 Environmental protection inputs 5 Green action	12 Government policy response	18 Fair competition 22 Sustainable investment 24 ESG management
Normal	1 Resource consumption management 2 Solid waste 3 Greenhouse gas emissions	13 Community contribution 14 Public charities	

ESG Investment

ESG Investment Criteria

Sustainable investment constitutes the fundamental purpose, long-term strategy and solid foundation for the investment business of CoStone Capital. CoStone Capital always upholds the values of free market and human civilisation, devotes itself to advocating entrepreneurship and fostering the entrepreneurial society, sticks to angel investing and New Philanthropy and investments in technological innovation, SMEs development, industrial upgrading, low carbon and environmental protection, so as to facilitate the establishment of a national economic system featuring green, low-carbon and circular development as a pioneer of sustainability.

ESG investment concepts

Targeted guidance

We believe that private economy is an internal driving force for promoting innovation, employment and sustainable economic growth. As part of the private economy, we should offer targeted guidance and take the responsibility to manage social capital of diverse sources, such as state-owned capital, support high-quality private enterprises, develop emerging industries, and foster balanced regional economic development to align with national strategies.

Concentrated investment

We practise ESG ideas in investment, with a focus on premium projects of new energy, environmental protection, carbon neutrality, biomedicine, synthetic biology, etc. that are characterised by state-of-the-art technologies, and strike a balance of social, ecological and economic benefits through influencing ESG practice of enterprises in the investment portfolio and relevant ESG risks.

Customised services

We proactively get involved in the strategy formulation and operations of investees, constantly and precisely introduce advanced management thinking, empower enterprises in terms of corporate operation, management and capital operation, encourage the formulation and implementation of corporate governance standards for sustainable value creation, and offer sustained support to leading companies to generate more value and go from Good to Great.

ESG Investment decision-making criteria

To advance responsible investment in an orderly manner, CoStone Capital leverages its extensive investment experience over the years to set up an indicator system for ESG investment decision-making centring on environmental, social and governance aspects, and incorporates the system into industrial analysis, preliminary screening, due diligence, risk management and other links related to underlying investment, for the purpose of making final investment decisions. In selecting the underlying investments, we attach great importance to industries highly relevant to ESG concepts and enterprises with positive contribution to the society, and keep abreast of ESG rating and related changes of underlying investments. We will consider avoiding or removing investments that exert significant negative impact on ESG indicators after prudent assessment, in an effort to avert investment risks and create economic benefits while generating more social benefits and discovering long-term investment value in enterprises.

CoStone Capital is comprehensively reinforcing the building and management of the sustainable investment system and refining the indicator system for ESG investment decision-making. As part of the pre-investment due diligence, we gradually cover all investees' ESG performance and get an overall understanding of ESG awareness among management of enterprises; in the investment phase, we include investee information disclosure, ecological environment protection, labour safety in investment agreement terms; as for post-investment management, we actively carry out due diligence management practices. We actively participate in the ESG governance of portfolio companies through proxy voting and company participation, creating value for investors while urging and assisting portfolio companies to enhance their ESG management awareness and level and promote green and sustainable development.

ESG Investment Flow

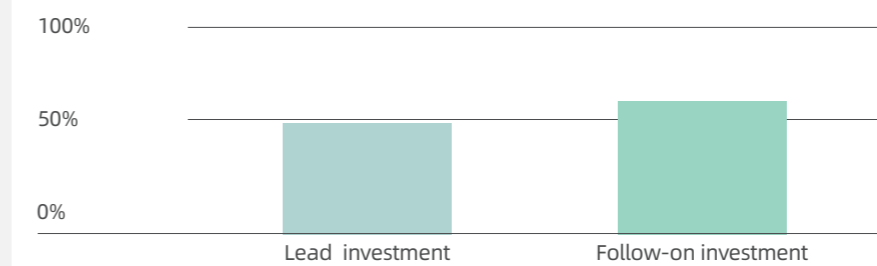
At CoStone Capital, we actively integrate ESG ideas with management operations and constantly embed ESG considerations into our investment circle of “Fundraising, Investment, Post-investment management and Exit” through optimisation of processes and formulation of rules and systems.

Fundraising phase	
Rigorous compliance	We rigorously follow financial regulatory requirements, proactively discharge responsibilities of risk warning and anti-money laundering, conduct specific target identification, investor appropriateness review and eligible investor certification. In the course of fund raising, we take initiative to reach investors showing preference for sustainable investment, fully reveal the corresponding investment risks, provide practical investment opportunities, avoid excessive marketing and offer a cooling-off period.
Investment decision-making	
Interests alignment	In market-oriented funds we established, CoStone Capital implement strict co-investment policy, with the average co-investment ratio over 10% from General Partner and management team, to ensure the interests alignment of GP and LPs and to forestall ethical risks of investment professionals.
Research ahead	We implement ESG investment decision-making criteria with a focus on entrepreneurship of enterprises' actual controllers and regard environment, society, economic growth and other sustainability factors as key considerations for project selection and evaluation; we, on the basis of in-depth industrial analysis and professional due diligence, take a closer look at industries from top to bottom, and accurately predict where the industries will go to make arrangements early.
One person one vote	Each fund of CoStone Capital owns a standalone investment decision-making committee which makes decisions based on independent opinions of risk control and internal audit departments. The investment decision-making committees closely follow the rule of “one person, one vote” and strive to refine decision-making and governance structure of the funds.
Post-investment management	
Risk management	We keep a close eye on compliance of our projects, focus on ESG progress of businesses and their sustainable development performance, encourage active disclosure of annual performance and contribute to the goal of climate change responses.
Value-added	Post-investment management and investment businesses are equally important to us. In this regard, we send personnel to the board of directors and board of supervisors of nearly 60% investees to optimise their corporate governance structures, advice on ESG matters to be improved, and upgrade capabilities of corporate compliance governance; with the aid of “CoStone Lecture”, “CoStone Book club”, and external advisers, we share cutting-edge management experience and step up enterprises' abilities of sustainable development; we assist in business expansion and financing, help expand enterprises' network, drive the building of investor networks and partner relationship, and facilitate high quality M&A and outbound investments.
Project exit	
Diverse channels	We continuously offer all-around advice and help to enterprises regarding corporate management, business expansion, sustainable development, etc. The project exit methods are primarily public offerings in China or abroad, supplemented by diverse methods such as M&A, transfer and redemption.

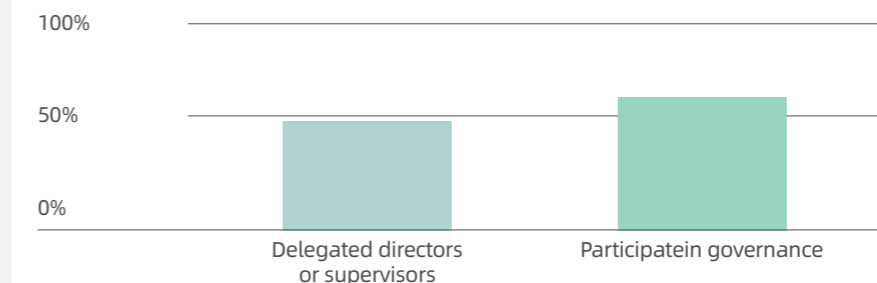
ESG Risk Management

To actively practice the concept of sustainable development and effectively prevent and mitigate ESG-related risks, the Company has implemented a dedicated risk control department, which independently performs ESG risk control and supervision functions before, during and after the projects in accordance with the division of labour. CoStone Capital pays special attention to environmentally sensitive industries such as energy, agriculture, biodiversity, climate change, forestry, mining, oil and gas, etc., in terms of project risk control standards, industry concentration, due diligence requirements, and audit processes, avoids projects with large potential negative impacts on the environment, controls the concentration of high-risk industries, and raises the due diligence requirements of the relevant projects, and provides special explanations of the relevant issues in the project audit process. The Company will strictly verify whether the projects comply with the national regulations. The Company will strictly verify whether the projects comply with the industrial policies of the country and the location of the projects, and prevent the funds from being used in the areas of backward production capacity prohibited by laws and regulations.

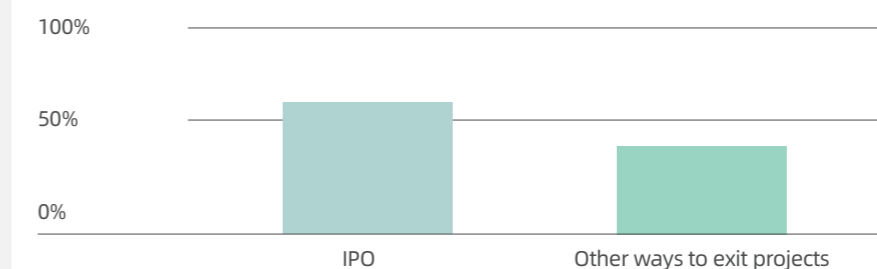
Lead the investment in nearly 50% of projects



Delegated directors or supervisors in nearly 50% of projects



Achieving IPO for nearly 60% of exit projects



1. Caring for the Environment, Building Colourful Pictures

CoStone Capital closely follows the national green development strategy and implements the concept of green and low-carbon development. From green operation to green investment and financing, from resource use to emission management, we continue to raise our employees' awareness of low carbon and environmental protection, focus on key areas of concern, and continue to invest in green areas, so as to promote the harmonious coexistence of human beings and nature in an all-round way.



Adherence to Green Operations

Resource Consumption Management

As a financial institution, CoStone Capital's main resource consumption is purchased electricity, water and office paper in its operations. We actively advocate electricity and water conservation, paperless office and green procurement, and integrate environmental and social responsibility into our daily operations and employee responsibility training.

Upgrade the information system and advocate paperless office:



The Company went online with the financial reimbursement system platform, switching offline reimbursement in the form of paper invoices and slips to online submission in the form of electronic invoices to reduce the use of paper; and encouraging double-sided printing and photocopying to save paper and ink.

Advocating water conservation and improving water efficiency:



The Company advocates reducing the use of bottled water for meetings and paper cups for daily use; and enhances the awareness of water conservation among all employees.

Scientific conservation of electricity, advocating green office:



The Company clearly stipulates in the Employee Code that the last colleague to leave the office area needs to turn off the lights, air conditioners and other energy-consuming equipment; the Company gives priority to the use of energy-saving and environmentally friendly materials during the office renovation period, and chooses energy-saving equipment such as air conditioners, computers, and so on.

CoStone Capital² 2023 Resource Consumption in Operating Activities

Purchased electricity	Purchased electricity	Printing paper usag	Energy-saving lamps in offices
228,358.28 (kWh)	251.74(tonnes)	1.12 (tonnes)	873

² The 2023 environmental data covers the Shenzhen, Beijing, Shanghai, Hefei, Nanjing, Changsha and Sanya offices, and a comparison between the 2022 and 2023 environmental data is not supported due to the increased scope of environmental data calculation in 2023.

Emissions Management

CoStone Capital's sources of waste are non-hazardous waste such as food waste, office paper, and courier boxes, as well as hazardous waste such as discarded old computers and toner cartridges. We have clear rules and regulations on waste classification and disposal, low carbon travelling, etc., and handle them in a standardised way to reduce the generation of emissions.

- Unified and standardised management to avoid polluting the environment: for non-hazardous waste, we classify it according to the 'Regulations on the Classification and Management of Municipal Living Waste', and then collect and treat it through the property; for hazardous waste such as used printers and toner cartridges, we entrust qualified companies to carry out recycling and treatment.

- Encourage green travelling and promote the realization of "dual carbon" : we encourage employees to travel by carpooling, give priority to high-speed rail for daily travel, and give priority to public transport for travelling within the city; we advocate the purchase and use of new energy vehicles by our employees.

CoStone Capital GHG Emissions in 2023

Indicators (unit)	Data
Direct emissions (Scope 1) ³ (tonne)	0
GHG emissions per capita (Scope 1) (tonne /person)	0
Indirect emissions (Scope 2) ⁴ (tonne)	103.04
GHG emissions per capita (Scope 2) (tonne /person)	0.84
Indirect GHG emissions from other operating activities (Scope 3) ⁵ (tonne)	261.57
GHG emissions per capita (Scope 3) (tonne /person)	2.12
Total GHG emissions (Scope 1、2&3) (tonne)	364.61
GHG emissions per capita (Scope 1、2&3) (tonne /person)	2.96

Developing Green Finance

Sustainable investment is an important financial topic worldwide, as addressing climate change and propelling sustainable development are in the fundamental interests of the entire human race. Globally, European and American countries have a wealth of advanced experience in green and sustainable financial development and China also takes a leading position in this regard.

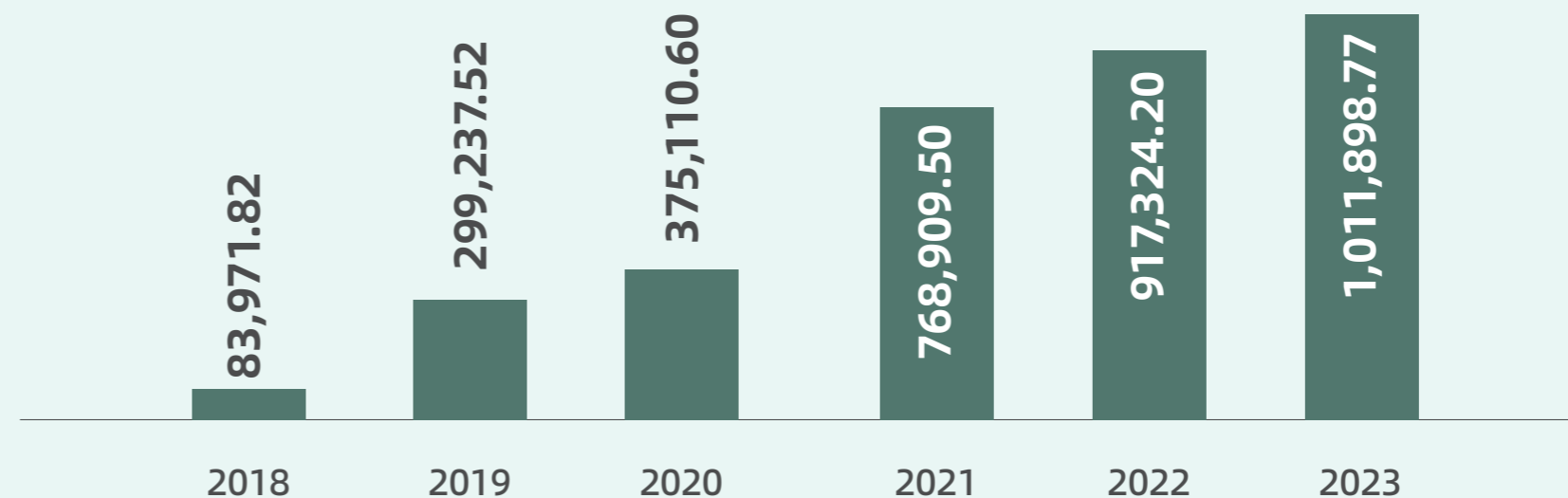
In 2020, General Secretary Xi Jinping proposed in the Seventy-fifth session of the United Nations General Assembly a national strategy to have CO2 emissions peak before 2030 and achieve carbon neutrality before 2060. In 2021, in the report on the work of government and "14th Five-Year Plan", it was suggested that relevant action plans should be drawn up. In the same year, China pledged to achieve the core targets of "green

³ Direct emissions (Scope 1) are zero as the Company has no petrol (diesel) consumption for its own transport and no gas use for office activities.
⁴ Indirect emissions (Scope 2) include electricity use for operating office activities.
⁵ Indirect GHG emissions from other operating activities (Scope 3) includes water consumption, printing paper usage, employee travel (high-speed rail, airplane) and accommodation.

transformation” in the UN Climate Change Conference (COP26).

Financial investment institutions are main players in social and economic activities and people’s daily lives. Green investment, as a key component of green finance, plays a leading role in meeting “dual-carbon” goals and ensuring social and economic sustainability. At the same time, the ability to follow this trend gives investment institutions an edge in ESG investment and more new opportunities. CoStone Capital actively implements national and local green finance development strategy, avoids investing in sectors featuring “High Pollution, High Energy Consumption, and Overcapacity”, prioritises strategic emerging industries beneficial to “dual-carbon” goals and key areas underpinning the transition to low-carbon economy, such as clean energy, energy conservation and environmental protection, ecological environment. Since 2016, CoStone Capital has witnessed an exponential growth in green investment. As of 30 December 2023, the cumulative number of investment projects in the green sector reached 107, with an investment scale of 10.12 billion.

Total green investment (RMB 10 thousand)



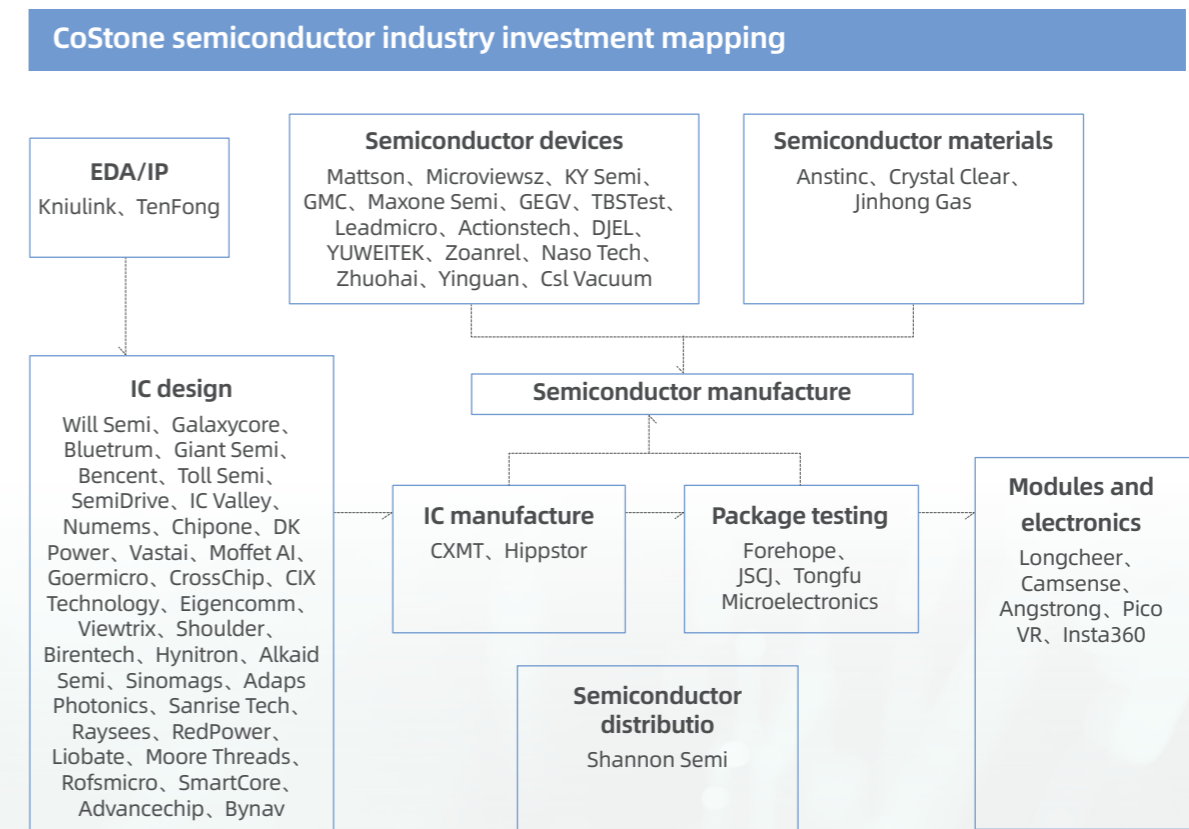
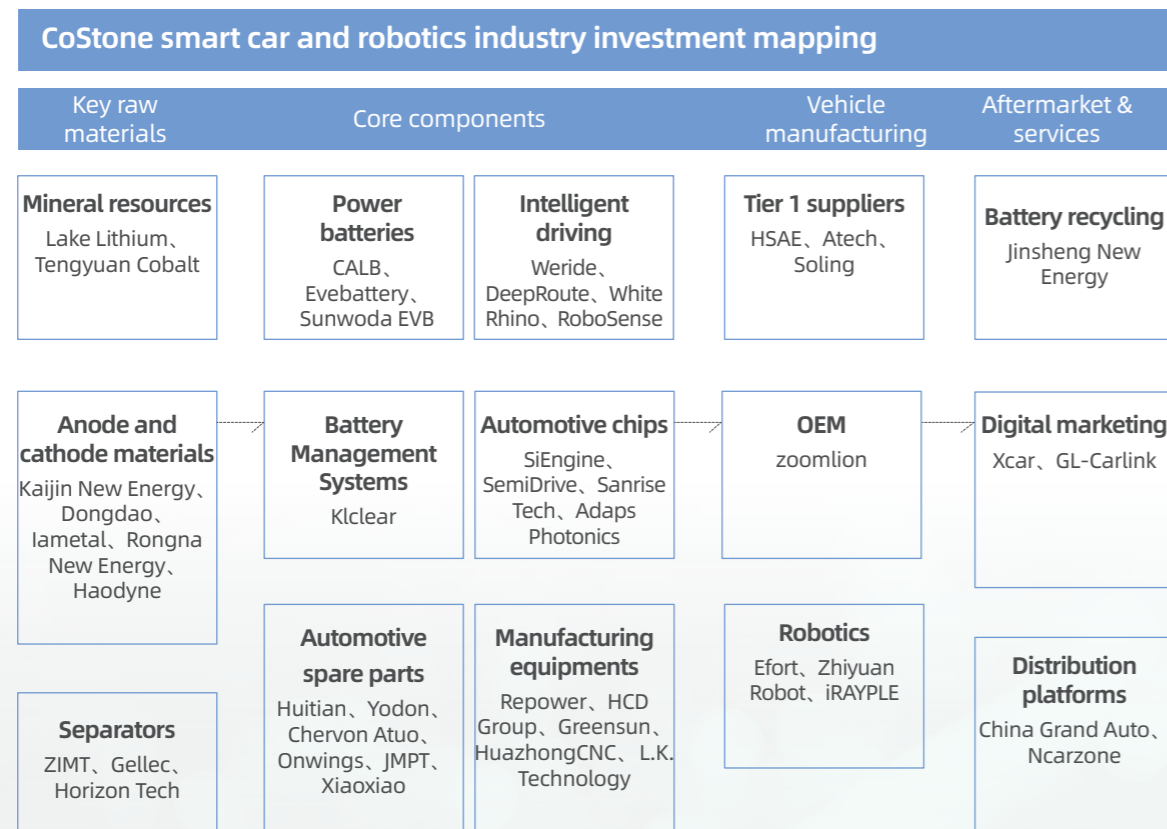
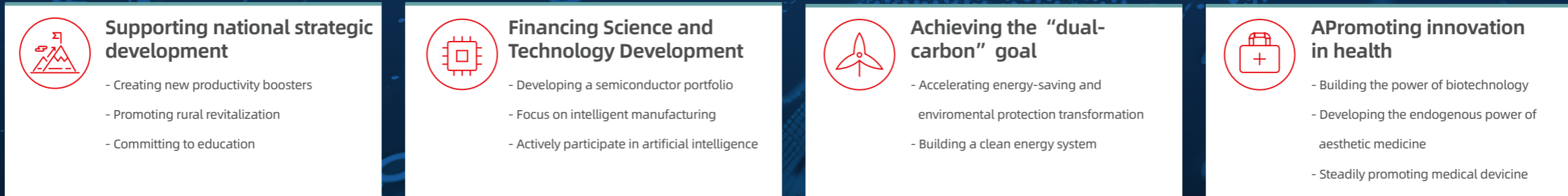


ESG

2 Responsible Investment for a Changing Future

CoStone Capital actively seizes the related opportunities, focuses on areas that provide the driving forces behind technological change, and actively seeks for industry “disruptors”. We uphold the three major concepts of sustainable investment, closely track the sub-sectors of new energy, medical & health, artificial intelligence, semiconductor, intelligent manufacturing, etc, and identify industry-leading enterprises with robust sustainable development, wide market space, smart industry positioning and excellent competitiveness. In addition, we understand the core development logic of each subdivision track on the basis of in-depth research, continue to optimise our investment layout based on industrial value, and constantly seek and find outstanding business leaders and entrepreneurs. In doing so, we have identified and cultivated a series of outstanding enterprises, including New Hope Liuhe, OmniVision, MGI, Huaheng Biotech and so on.

As of the end of 2023, we have successfully incubated 75 listed companies, driving the improvement of social production efficiency, accelerating energy conservation and consumption reduction and industrial low-carbon transformation, and promoting social welfare and talent development. We are gradually becoming an organiser and enabler of sustainable value creation in the equity investment industry chain.



Supporting National Strategic Development

Creating New Productivity Boosters

CoStone Capital is an industrial investment platform focusing on investing in new power and new intelligence. In response to national and governmental strategies, CoStone Capital has not only invested in a number of hard science and technology enterprises with core technologies and market competitiveness to help China's scientific and technological innovation and industrial upgrading, but also invested in a number of emerging industry enterprises with local characteristics and development potential to help the development of the enterprises and industries. With the market-oriented venture capital mechanism, CoStone Capital has provided strong support and promotion for national and governmental strategies.

Supplier of key components and modules of commercial satellite CoStone Capital invested in Spacetube in 2023



Founded in December 2016, Spacetube is an innovative enterprise focusing on industrial batch satellite communication products, supplying satellite measurement and control core components, communication payload modules, and satellite IoT solutions.

New life derives from technology CoStone Capital invested in Coretechmed via two funding rounds in 2022 and 2023



Coretechmed was founded in 2016, focusing on active implantable and interventional artificial heart series products, including the world's smallest size and lightest weight magnetic levitation artificial heart Corheart 6, the original axial in vivo motor solution of the interventional artificial heart pVAD, the company's goal is oriented towards the treatment of heart failure, to provide a series of products and solutions.

ITS is applies to many kinds of Manufacturing industries around world CoStone Capital invested in Golytec Automation in 2021



Golytec Automation was founded in October 2015, the company is currently the only domestic enterprise with magnetic levitation flexible line research and development manufacturing capabilities. The key technology of magnetic levitation flexible line in the software control algorithm and supporting hardware design capabilities. Golytec Automation's main creative team is mainly from SMEE, with many years of photolithography equipment research and development experience, which grafts the magnetic levitation technology in the photolithography machine industrially, forming a high-speed, high-efficiency, high-precision flexible manufacturing loop line, compared with the similar products of Germany Pefo, Begale, and Rockwell of the United States. The company's customers include mainstream equipment integrators of Apple, Ningde Times and BOE.

Be the world first-class commercial space company Capital invested in Hongqing Technology in 2023



Established in October 2021, Shanghai Lanjian Hongqing Technology Company is the only fully independent and controllable satellite power system solution provider in China, and it is the first/only company that independently carries out industrial operation and capital operation after being incubated internally by LandSpace. The company's main product is satellite power system-electric propulsion system, relying on the industrial synergy resources, industry chain resources and talent resources of LandSpace, to carry out satellite whole star platform manufacturing business. The satellite industry is about to enter a period of rapid development after years of exploration.

Creator of Commercial SpaceTransportation Systems Capital invested in LandSpace in 2020



Founded in June 2015, LandSpace Technology Co., Ltd. is a leading private enterprise in the creation and operation of space transport systems, focusing on small and medium-sized commercial space applications, and is committed to the development of fully reusable launch vehicle systems. As the earliest private launch vehicle company established in China, the company dares to be a pioneer, courageous breakthroughs, and has always driven itself as an industry pathfinder, opened up the policy path, established the industry ecology, and with the independent independent research and development of the engine and rocket system, it has accumulated valuable experience in the whole process of engineering, and created a number of industry firsts. In the process of independently developing engines and rockets, the company has overcome a series of key technologies, many of which are the first of their kind in China.

In 2023, the company's independently developed ZQ-2 LOX/LCH4 Launch Vehicle was launched from the Jiuquan Satellite Launch Centre in China, and the test mission was a complete success. ZQ-2 became the world's first LOX/LCH4 launch vehicle to successfully enter orbit, marking a breakthrough in the application of new low-cost liquid propellants for China's launch vehicles. As an independently developed medium-sized liquid launch vehicle, ZQ-2 is a two-stage configuration with independently developed liquid-oxygen methane engines for the power system, making it China's first liquid-oxygen methane launch vehicle.



Promoting Rural Revitalization

Following the pace of national rural revitalization, CoStone Capital understands the significance of agricultural economic development for rural revitalization, and actively undertakes corporate social responsibility, relying on its own industrial strengths to support the development of the agricultural economy, and empowering enterprises to grow and achieve common development. The Company strengthens its investment in agricultural enterprises and promotes the transformation of agricultural production methods to be efficient, green and sustainable.

Making every meal fresh

CoStone Capital invested in Qdama in 2019



Qdama International Holding Ltd. was established in May 2014, the company is headquartered in Guangzhou, is located in the "nearby vegetable market", serves customers within 1 kilometer of the community, the average store area of 68 square meters. The stores cover an area of 68 square meters and offer five categories of fresh meat, vegetables, cooked food, aquatic products and fruits, with more than 500 basic ingredients to meet the needs of residents for three meals a day. "No overnight meat" is Qdama's business philosophy, all stores fresh meat and vegetable products are required to be sold out on the same day, the store starts to discount 10% at 19:00 every day, and every half an hour another discount, until free delivery, never overnight sales. The image of high quality, freshness and convenience has been formed in the minds of consumers.



The reward of the cultivator, the welfare of the feaster

CoStone Capital invested in Shandong Liuhe in August 2003



New Hope Liuhe (000876.SZ) is the largest agricultural and pastoral food segment of New Hope Group. It is mainly engaged in processing and trading of feed, breeding, ready-to-eat food and meat products. Its business stretches across nearly 20 countries and regions.

- In response to the actual needs of farmers, a number of high-quality training programs on rural revitalisation have been developed.
- With the support of various government poverty alleviation policies, New Hope Liuhe took active part in targeted poverty alleviation. In 2020, New Hope Liuhe invested RMB 1.34 billion for the development of 10 industrial projects, which helped 83,551 people to increase income and get rid of poverty.

Changing the traditional production model in rural areas and striving to develop high-quality and efficient agriculture and husbandry

CoStone Capital invested in Shennong Group in 2019



Shennong Group (605296.SH), established in 1999, is a national key leading enterprise in agricultural industrialisation, integrating feed processing and sales, hog breeding and sales, hog slaughtering, and fresh pork food sales. Up to now, the company has 30 wholly-owned subsidiaries, and the sales of its products cover Yunnan, Guangxi, Guangdong and other regions.

The Group always adheres to the bottom line of food safety, environmental protection and personal safety, and takes changing the traditional production mode in rural areas as the company's vision. The Group continues to focus on building a leading enterprise in the integration of the pig industry chain, further increasing the number of farms, expanding the capacity of slaughtering business, and enhancing the scale of production of piglets, fattening pigs and fresh pork food by leveraging the existing advanced breeding technology, slaughtering technology and management experience, so as to assist the development of high-quality and high-efficiency agriculture and animal husbandry industry. The Group is committed to building a green pork industry chain from land to table, creating a modernised, large-scale and biosecurity pig industry chain, providing consumers with safe, nutritious and tasty meat food, and creating more value for the partners in each link of the industry chain.

Committing to Education

As a major national project, education must be prioritized. Adhering to the philosophy of being a responsible enterprise, CoStone Capital actively invests in education to help build a social environment for citizens to receive education on an equal footing and to cultivate talents in diverse fields.

Reading lights up the life

CoStone Capital invested in Fanshu Club in 2019



Fanshu (Spiritual Wealth Club) was established in February 2015 by Dr. Fan Deng, a former CCTV host. It is an enterprise dedicated to providing knowledge services such as book interpretation, high quality courses and learning communities. Its products and businesses involve content production, publishing cooperation, online e-commerce, offline book stores and other fields.

- Helping rural education: In 2021, for the purpose of assisting rural revitalisation, Fanshu APP called on its nationwide operation centres to carry out interactions. It donated 100 "love reading rooms", 104 schools, and more than 100,000 books for rural schools.
- Broadening Employment Channels: Fanshu has created five flexible employment channels, including "storyteller", "flipped classroom coach", "knowledge consultant", "Fanshu shop owner" and "knowledge anchor", providing more than 360,000 people with flexible employment channels.

Committed to the construction of production platforms for Internet content and the development of quality content

CoStone Capital invested in Beijing MEWE Culture Media Co., Ltd in 2016



MEWE Media was founded on 31 August 2015 by Ma Dong, a well-known host, producer and former Chief Content Officer of Iqiyi, as a new generation content media company engaged in the production of Internet variety shows and their dissemination over the Internet, and its ace shows are "I Can I bibi", "The Big Band", "Super Sketch Show" and "Amazing Night".

Financing Science and Technology Development

Developing a Semiconductor Portfolio

As one of the important investors in China's technology industry investment, CoStone Capital has transformed from a provider of innovation capital in the past to a cultivator of core technology. When building our own high-quality ecosystem, we are also constantly helping to improve the semiconductor industry chain and assist in connecting upstream and downstream resources of the industrial chain. The Company has continued to make a large number of investment layouts in the semiconductor field since 2015, and has invested in more than 50 semiconductor industry enterprises, covering enterprises in various industrial chain segments from semiconductor design, manufacturing, equipment, materials, sealing and testing, distribution, and so on. The Company actively carries out the layout of the semiconductor field from point to line to surface, and endeavors to build a sustainable and developable semiconductor industry ecosystem.

Establishing a new ecology of world-leading semiconductor industry chain CoStone Capital invested in Shannon Semi in 2019



Shannon Semi (formerly known as Julong Technology, SZ300475) was founded in September 1998. In the early days, the company was mainly engaged in R&D, production and sales of deceleration clutches for new, high-efficiency and energy-saving washing machines. In 2019, CoStone Capital initiated to merge Julong Technology and restructured its Board of Directors. In 2021, Julong Technology's traditional manufacturing business was divested and renamed as Shannon Semi. Subsequently, CoStone Capital assisted Shannon Semi to acquire UFCT, a well-known chip distributor in China, and successfully transformed Shannon Semi into a semiconductor investment and distribution company with the capabilities to supply electronic components such as data storage devices, master control chips, integrated circuits, modules, and DAC cables. In 2023, Shannon Semi was ranked No. 5 in local electronic component distributors with sales revenue of 11.268 billion, according to the ESM China.

- Sound corporate governance: At the early stage of the acquisition, CoStone Capital actively participated in corporate governance. It successively designated a number of partners with backgrounds in technology, investment banking, and investment to serve as directors, and invited financial experts to serve as independent directors, so as to improve corporate governance.
- Clear transformation direction: As competition in the traditional main business market intensifies and it's difficult for the company to achieve major breakthroughs, in order to effectively protect the interests of small and medium shareholders of listed companies, optimise the company's business structure, and improve sustainable profitability, CoStone Capital actively uses its own advantages to help the company seek new business growth points in the semiconductor field.
- Business innovation and optimisation: After the acquisition, CoStone Capital conducted strategic transformation of its business. With the distribution of electronic components as the pillar, CoStone Capital gradually penetrated the semiconductor industry chain, invested in leading companies involving design, packaging and testing, equipment and applications of semiconductors, and promoted the ecological development and upgrading of the semiconductor industry chain. This brought advanced semiconductor computing power to fields such as autonomous driving, finance and intelligent manufacturing.

- Explore the second growth curve in the industry chain: Shannon Semi, together with Junhai Capital, Dapu Stor and other partners, jointly set up a controlling subsidiary, Hipp Stor, which is mainly engaged in the design, production and sales of enterprise-class solid state storage (SSD). Hipp Stor through the integration of the world's top resources in the industry, the design of enterprise-class SSD equipped with domestic main control chip and domestic firmware and industrialization, medium and long term through the accumulation of technology to build domestic enterprise-class storage technology standards and establish a localized brand, break the technological monopoly, and promote the process of domestic substitution of China's enterprise-class SSD.

Become a top semiconductor supplier of automotive and medical mixed-signal chips

CoStone Capital invested in Indiemicro in 2023



Indiemicro, founded on 3 August 2017, focuses on the research, development and sales of digital-analog hybrid chips, the products are mainly used in the automotive market, the automotive-grade chip shipments are in the forefront of the domestic market, and also in the high-end glucose meter market. The company currently employs a total of 133 people, and is one of the few teams in China with automotive-grade digital-analog hybrid chip R&D, operation and mass production capabilities.

We are committed to creating greater industry value for the information and communication sectors

CoStone Capital invested in Liobate in 2023



Liobate Technologies Limited's main business is the design, manufacture and sale of optical chips and optical devices based on thin-film lithium niobate (TFLN) materials. In the future, with the breakthrough in the underlying technology, lithium niobate will enter the thin film era. Thin-film lithium niobate as a functional material can be made with smaller loss, lower modulation voltage, larger bandwidth, smaller size electro-optical modulator, there is an opportunity to replace indium phosphide and silicon optical modulator; at the same time, thin-film lithium niobate is also the next generation of photonics integration platform material is also a strong contender, and is expected to lead the photonics industry revolution, the relevant application scenarios are rich, the market has a huge space. The domestic thin film lithium niobate industry is a global leader, and has the opportunity to realise the bend in the field of optical chip.

Integrating research and development, production, packaging, testing, sales, and services of power semiconductor devices

CoStone Capital invested in BYSM in 2023



BYSM is a national high-tech enterprise integrating power semiconductor device R&D, production, packaging, testing, sales and service. The sales network covers most of the provinces and cities in China, and is widely used in the fields of welding machine, induction heating, industrial frequency conversion, servo motor drive, switching power supply, UPS, industrial robots, light and wind power generation, and new energy.

Leader of high-end power device

CoStone Capital invested in Sanrise Tech in 2022



Shenzhen Sanrise Technology Co., Ltd. was founded in June 2014, is China's semiconductor integrated circuit industry focusing on industrial-grade and automotive-grade advanced power device chip design company, the company focuses on high-performance semiconductor power device research and development, design and sales, has become a leading high-performance power device chip design enterprise. Sanrise Technology adheres to the new energy economy as the guide, and strongly promotes the domestic substitution of high-end power device chips, at present, Sanrise Technology's products are widely used in new energy, automotive charging piles and new energy vehicles and other application areas and related markets.

Become a world-class analogue device and digital-analogue hybrid chip company

CoStone Capital invested in Alkaidsemi in 2022



Founded in August 2019, Alkaidsemi is dedicated to the research, development, production and sales of power devices and smart sensor chips, with two major product lines of power devices and MEMS+ signal chain, and continues to layout third-generation semiconductors and other products. In the field of power devices, the company's silicon-based and silicon carbide-based products are widely used in consumer electronics, industrial control, automotive and other fields, with products covering the entire field of high school and low-voltage; in the field of MEMS + signal chain, the company's a number of products into the mass production stage.

Empowering the technology, and feeling the infinite

CoStone Capital invested in OmniVision in 2018. In August 2019, Will Semi (603501.SH) acquired OmniVision.



OmniVision, founded in 1995, OmniVision provides sensor solutions, simulation solutions, touch screen and display solutions to help customers address technical challenges in the fields such as wearable devices, communications, computers, consumer electronics and medical treatment, and to meet the growing demands for AI and green energy. In the field of digital imaging, the company has world-class technology and ranks among the top three in the world along with Sony and Samsung, with an annual shipment of more than 12.3 billion units. CoStone Capital invested in OmniVision in 2018. In August 2019, Will Semi acquired OmniVision. In January 2022, the company launched OVB0B, the world's smallest 0.61µm pixel size 200MP resolution image sensor for the high-end smartphone market. In February 2022, OmniVision announced a further breakthrough, the world's smallest 0.56µm pixel technology.

Focus on Intelligent Manufacturing

Intelligent manufacturing can improve production efficiency and product quality, reduce operating costs and resource and energy consumption, and is an important means to serve the transformation and upgrading of the manufacturing industry. CoStone Capital focuses on the investment opportunities brought by the development process of the national high-end manufacturing industry, and selects high-quality enterprises in the high-end manufacturing industry for investment. By investing in high-end manufacturing industry, it strongly promotes the transformation and upgrading of high-tech industry. Chip manufacturing, as an important field of high-end manufacturing, has a far-reaching impact on the development of national economy and international competitiveness, and is the engine that leads scientific and technological progress and innovation. The Company actively lays out various segments of the chip industry, from R&D and design, manufacturing and production as well as marketing and sales, realizing comprehensive development and control of the whole industry chain, providing strong support for the country's technological progress and economic growth.

Dedication to industrial software feast

CoStone Capital invested in Tenfong in 2022



CAE software has a very high technical threshold and relies heavily on talent and financial support. In terms of talent introduction, Academician Chen Shiyi is the founder of turbulence theory and one of the inventors of LBM algorithm, and enjoys top reputation and appeal in CAE field in the world. Under the leadership of Academician Chen Shiyi, Tenfong has set up a top CAE software team, and more and more top CAE talents will join Tenfong in the future, adding bricks and mortar to the localisation of CAE software. From the financial level, Tenfong has the top investor background, strong ability of continuous financing, "unicorn" can be expected. Taking the foreign company ANSYS as a benchmark, Tenfong is determined to become a global industrial software company with leading technology. In the long run, Tenfong intends to take CAE software as the entry point, and may involve in industrial digital twin, intelligent operation and maintenance system and other business fields which are well orientated to CAE software, so the development space is imaginative.

Vision creates future

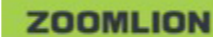
CoStone Capital invested in Zoomlion in 2019



Founded in 1992, Zoomlion is mainly engaged in the R&D and manufacturing of construction machinery, agricultural machinery and other high-tech equipment as well as new construction materials, with its leading products covering 18 categories, 105 product series and 636 models. Zoomlion is an enterprise incubated from a national research institute, and is an industry standard setter. The company's crane technological innovation team has been awarded the honor of the National Team of Engineers of Excellence; and the company has taken the lead in, and participated in, the formulation and revision of more than 460 national and industry standards and regulations. The company has led and participated in the formulation and revision of more than 460 national and industry standards and 27 international standards, standing on the high point of global industry technology.

Vision creates future

CoStone Capital invested in Zoomlion Intelligence Access Machinery Co., Ltd. in 2021



Zoomlion Intelligence Access Machinery Co., Ltd. is a holding subsidiary of Zoomlion Heavy Industry Science&Technology Co., Ltd. and is mainly engaged in the R&D and manufacturing of aerial work platforms and other businesses.

Digital Transformation - Focusing on "Internet+" and Industry 4.0, Zoomlion Intelligence Access Machinery promotes manufacturing through the combination of mobile Internet, cloud computing, big data, Internet of Things, etc. with the construction machinery manufacturing industry, so as to achieve the fusion of informatisation and industrialisation. In terms of product design, the company has established a PLM enterprise cloud think tank, which is capable of collaborating with nearly 3,000 engineers from Asia, Europe and America to participate in product development.



Leading Motion Control Manufacturer in China

CoStone Capital invested in Googoltech Group in 2021



Googol Technology, founded in 1999 by a group of internationally renowned scholars and experts in the fields of robotics, microelectronics and motion control from the Hong Kong University of Science and Technology, which is an excellent representative of China's "industry-academia-research" mode of innovation. Googol Technology is the first high-tech company in Asia Pacific region specializing in R&D, production, marketing, and support of motion controllers and controller based systems. Googol Technology provides a technological innovation platform for machine manufacturers, focusing on the four core technology research - motion control technology, servo drive technology, machine vision technology and mechanical design optimization.

The company's technology, products and system solutions are widely used in semiconductor equipment, industrial robots, CNC machine tools, 3C automation and testing equipment, printing and packaging equipment, textile equipment and other high-end equipment manufacturing field. Meanwhile, the company has built a "core technology platform for equipment manufacturing", which provides China's equipment manufacturing industry with the underlying, basic and core technologies required for the transformation and upgrading of digitisation, networking and intelligence, and helps the high-end equipment industry make a breakthrough in localisation. The company will be listed on the Shenzhen Stock Exchange in 2023.

As a one-stop hardware innovation platform for PCB design, PCB manufacturing

CoStone Capital invested in Edadoc Technology in 2018



Edadoc Technology was established in March 2003, focusing on high-speed PCB design technology services, R & D prototype and batch PCBA production services. The company's wholly-owned PCBA main factory is located in Shenzhen, and set up branch factories in Zhuhai, Shanghai, Chengdu, Changsha, equipped with new imports of Fuji NXT3 multifunction mounter, XPF multifunction mounter, AIMEX III high-speed mounter, automatic solder paste printing machine, ten / twelve temperature zone lead-free (nitrogen) reflow oven, wave soldering and other high-end equipment.

Edadoc Technology is committed to building a first-class hardware innovation platform, accelerating the hardware innovation process of electronic products and improving product quality.

LK, strives for your success

CoStone Capital invested in L.K. Technology in 2023



L.K. Technology Holdings Limited has been focusing on die casting machine manufacturing since the early stage of its establishment, and has successively researched and developed the first cold chamber die casting machine in Hong Kong, the first magnesium alloy die casting machine in China, and the first instant-control cold chamber die casting machine, which have filled a number of gaps in the domestic market. Since 1999, L.K. Technology has grown to become the largest die casting machine manufacturer in China, and its production and sales of die casting machines are among the first in the world. 2019, L.K. Technology is the first in the world to launch a 6,000T super-large die casting machine, and in 2020, L.K. Technology will cooperate with Tesla to realise the integration of the rear body panels for the first time with the use of the equipment, and will become a transformational leader in the integration of the die casting technology. In 2023, L.K. Technology will officially release a 16,000 tonne super intelligent die casting unit. At present, Lijin Group is developing a super large die casting machine with the highest clamping force of 20,000T, leading the industry in terms of die casting area and clamping force.

Creating intelligent robot intelligently, liberating human productivity

CoStone Capital invested in EFORT via two funding rounds in 2017 and 2018



Founded in 2007, EFORT (688165.SH) is a well-known industrial robot group company with leading technology in the entire industry chain. Its main business includes: R&D, manufacturing and sales of articulated robots, industrial robot production system assembly, etc.

In 2017, after 9 months of due diligence work, CoStone Capital fuelled the acquisition of the Italian WFC group by EFORT, and assisted EFORT in post-acquisition integration and capital operations. This effectively accelerates the industrial upgrading of effort in the high-end robot system integration industry chain on a global scale.

- EHS production--Strictly promote the implementation of the enterprise EHS production responsibility system, formulate a series of systems such as the "Safety Production Management System", "Environmental Protection Management System" and "Occupational Health Management System", and properly handle, comprehensively utilize and effectively implement the company's solid waste and wastewater management.

For a smarter future

CoStone Capital invested in Smartmore via two funding rounds in 2020 and 2021



Smartmore is a standard software-hardware integration products and solutions provider with "optical, mechanical, electrical, computational and soft" full-stack leading capabilities, was founded at the end of 2019 by the Chinese University of Hong Kong life professor, IEEE academician Jiajia led the founding of the core team of more than 20 years of deep ploughing into the field of computer vision. At present, Smartmore has been through the self-developed intelligent industrial platform, intelligent sensor products and intelligent integrated equipment, services, Carl Zeiss, Airbus, Bosch, Canon, Continental, Schaeffler and other global more than 200 well-known enterprises, to technology to promote the development of a more efficient, more flexible, more advanced manufacturing; In addition, Smartmore continue to broaden the extension of the smart manufacturing, based on the "Smart+" platform and digital intelligence. Based on the "Smart+" platform and digital intelligence solutions, Smartmore has independently developed a digital manufacturing management system, covering application scenarios from production lines to factories, and providing customers with comprehensive, high-quality products and service solutions globally. 2021 June, Smartmore completed the B round of financing, and became the world's leading unicorn in the field of intelligent manufacturing in just 18 months after its establishment. In 2022, Smartmore completed its Series B+ financing.

To help people capture and share their lives

CoStone Capital invested in Insta360 in 2019



Insta360 was founded in 2015, the company's brand "Insta360" is the world's first panoramic camera market, sports camera market leading smart image brand, its product line covers professional-grade VR panoramic camera, consumer-grade panoramic camera and sports camera, products in more than two hundred countries and regions around the world, the hardware, the number of users more than two million, and has reached long-term cooperation with Apple, Leica, Google and other international brands. The number of users exceeds two million, and has reached long-term strategic cooperation with Apple, Leica, Google and other international brands.

From 2018-2020, Insta360 Innovation's revenue will grow from RMB 258 million to RMB 850 million, with a CAGR of 81.42%, while net profit attributable to the mother will grow from RMB 18 million to RMB 120 million, with a CAGR of 156.61%.

In September 2021, Insta360 Innovation's application for initial public offering was approved and passed by the Listing Committee of the Technology and Innovation Board.

One of the world's largest wind lidar OEM

CoStone Capital invested in Movelaser in 2022



Founded in May 2015, Movelaser is a science and technology enterprise incubated by Shanghai Institute of Optics and Fine Mechanics, Chinese Academy of Sciences, which is mainly engaged in the research,

development, production and sales of Doppler wind measurement Lidar, and it is the only industrial Lidar manufacturer in China to achieve industrialised application in the field of wind power. The company has successfully developed five wind measurement radar products, including ground-based radar, nacelle radar, offshore lidar, 3D scanning lidar, buoy lidar, two sensing devices, including headroom lidar MolasCL and load sensor MolasFD, as well as particulate radar, ozone radar, trace gas detector and other derivatives, which are widely used in the fields of wind power, meteorology, civil aviation.

Actively Participate in Artificial Intelligence

Building a better world with artificial intelligence is the greatest expectation that artificial intelligence technology brings to mankind. Today, artificial intelligence is promoting the rapid implementation of modern emerging technologies and applications such as autonomous driving, metaverse, and robots. In factories and manufacturing bases, artificial intelligence technology is rapidly promoting industrial upgrading and digital transformation; in wind farms and solar power plants, artificial intelligence technology is improving the efficiency of power generation; in the field of electric vehicles, artificial intelligence technology monitors the working state of the battery and continuously improves the energy consumption of the battery. CoStone Capital formally entered the field of Artificial Intelligence in 2017, actively competing to be a participant in this technological revolution and industrial change.

Bringing together the world's knowledge to create something wonderful

CoStone Capital invested in Baichuan AI in 2023



Baichuan AI was founded in April 2023 by Wang Xiaochuan, former CEO of Sogou. With the mission of helping the public to easily and universally access the world's knowledge and professional services, the company is committed to building China's best big model base through language AI breakthroughs. The company's core team consists of top AI talents from Sogou, Baidu, Huawei, Microsoft, Bytedance, Tencent and other well-known technology companies. Baichuan Intelligence was founded less than 100 days ago, and released Baichuan-7B and Baichuan-13B, two open-source and free commercial Chinese big models, which have topped several authoritative evaluation lists, and the number of downloads has exceeded one million.

Explore new business models powered by AI-driven decision making

CoStone Capital invested in 4Paradigm via two funding rounds in 2019 and 2020



Founded in September 2014, 4Paradigm is a leading artificial intelligence technology and service provider, an innovator of data technology-driven industry applications. The company's main business is to use machine learning technology and experience to help enterprises improve efficiency, reduce risk, and gain greater business value through accurate prediction and mining of data to reveal the laws behind the data. The Prophet Platform it developed is an enterprise-level AI platform. The company is committed to lowering the threshold of AI application, empowering customers and partners from all industries, and realising "AI for all". 4Paradigm has been listed on the Main Board of the Hong Kong Stock Exchange since September 2023.

Create unlimited productivity via intelligent machines

CoStone Capital invested in AGIBOT in 2023



Founded in February 2023, AGIBOT is a high-tech enterprise focusing on the development of general-purpose humanoid robots, and is committed to the deep integration of AI and robotics, and long-term investment to build competitive robot products and ecology. Robotics sector has a lot of market space, the existing robots are dominated by rule-based, fixed robots, even with this status quo, the penetration of robots over the past few years is increasing rapidly, especially in the context of a large manufacturing country such as China, factories have a high demand for robots, the track has a great industry market potential.

Make autonomous driving safer, more reliable and more intelligent

CoStone Capital invested in DeepRoute in 2021



Founded in 2019, DeepRoute is a domestic company that focuses on the R&D and application of L4 autonomous driving technologies. The company is comprised of two product lines, DeepRoute-INJOY (Robotaxi, autonomous driving passenger vehicle) and DeepRoute-LINK (Robotruck, autonomous driving medium-duty truck) for the mobility service and urban logistics.

- “DeepRoute-INJOY” Robotaxi develops accessibility functions for adaptation to and voice interaction with the visually-challenged to provide them with convenient mobility services.

Adhering to originality, and letting AI lead human progress

CoStone Capital has made three rounds of investment in SenseTime since 2017.



Founded in 2014, SenseTime is a technology innovation company dedicated to leading breakthroughs in the core “deep learning” technology of artificial intelligence and building solutions for the artificial intelligence and big data analysis industries. As a world-leading AI platform company, SenseTime is a national new-generation AI open innovation platform awarded by the Ministry of Science and Technology of the People’s Republic of China (MOST) for “Intelligent Vision”. The company has independently developed and established the world’s leading deep learning platform and supercomputing centre, and launched a series of advanced AI technologies, including face recognition, image recognition, text recognition, medical image recognition, video analytics, unmanned driving and remote sensing. SenseTime has become China’s head AI algorithm provider, with a leading market share in a number of verticals, covering smart cities, smartphones, internet entertainment, and a wide range of industries such as advertising, automotive, finance, retail, education, and real estate. Currently, SenseTime has established cooperation with world-renowned companies and organisations at home and abroad, including MIT, Qualcomm, NVIDIA, Honda, SNOW, Alibaba, Suning, China Mobile, OPPO, vivo, Xiaomi, Weibo, Vanke, Sunac, and so on.

Provide customers with high quality products and solutions

CoStone Capital invested in HuaRay Technology in 2023



Founded in February 2016, HuaRay Technology is a subsidiary of Dahua Technology Company Limited (Dahua SZ.002236), located in Binjiang District, Hangzhou. Based on the vision algorithm technology accumulated over a long period of time, the company focuses on the research, development, production and sales of machine vision core components (2D face/line array cameras, 3D industrial cameras, intelligent cameras, intelligent code readers, etc.) and mobile robots (latent lifting/shifting/fork picking mobile robots).

Global leading autonomous driving technology company

CoStone Capital invested in WeRide in 2021



Established in 2017, WeRide is a leading, commercial-stage global company that develops autonomous driving technologies from Level 2 to Level 4. WeRide is the only tech company in the world that holds driverless permits in China, the US, the UAE and Singapore, conducting autonomous driving R&D, tests and operations.

WeRide aims to develop safe and reliable driverless solutions to make mobility and transportation safer, more affordable, and accessible. As the pioneer in autonomous driving technologies and applications, WeRide has the highest revenue among all players in this industry, offering an all-rounded product mix of Robotaxi, Robobus, Robovan, Robosweeper and Advanced Driving Solution, providing smart services in online ride-hailing, on-demand transport, urban logistics, environmental sanitation, and advanced driving solution.

With a rich experience in autonomous driving R&D, commercialization, and operation, WeRide has formed partnerships with renowned global OEMs and Tier 1 including Renault-Nissan-Mitsubishi Alliance, Yutong Group, GAC Group, BOSCH, etc.

WeRide was ranked 8th in 2023 Change the World list released by Fortune magazine.

A global leader in the LiDAR and perception solutions

CoStone Capital invested in RoboSense in 2022



Founded in August 2014, RoboSense is a global leader in the LiDAR and perception solutions market. Through the integration of hardware and software, the company is different from most LiDAR hardware-only vendors in the market. The company is based around chip-driven LiDAR hardware, and at the same time laying out artificial intelligence perception software technology to form a solution, pushing the market to explore the boundaries of application and leading the industry to achieve large-scale commercialisation. The company’s leading market position, customer demand-focused technology and products, and mass production capabilities make the company a global leader in LiDAR and perception solutions.



Achieving the “Dual-carbon” Goal

As a responsible investment institution, CoStone Capital actively responds to national climate-related strategies, integrates sustainable development and lowcarbon concepts into our investment layout, and keep increasing the focus on clean energy, energy conservation and environmental protection, synthetic biology and other green fields. Through capital to promote corporate ESG practice, we strive to promote the green transformation of the economy and build a world in which humans and nature coexist in harmony. CoStone Capital is optimistic about the development of the new energy industry, and has continued to take positions in the future of China’s new energy industry. As of December 31, 2023, CoStone Capital has invested in 23 projects in the new energy sector, with a cumulative investment amount of approximately RMB 2.7 billion.

Accelerating Energy-saving and Environmental Protection Transformation

The energy conservation and environmental protection industry features a huge industrial chain and countless industrial links. Accelerating the development of this industry is an inherent requirement for adjusting the economic structure and changing the economic development mode, and represents a strategic choice to promote energy conservation and emission reduction, develop recycling economy, protect the ecological environment, and actively respond to climate change. CoStone Capital has invested in a number of outstanding enterprises in the field of energy conservation and environmental protection, such as Ouyeel, Huaheng Biotech, Zhongkekele, etc. CoStone Capital has supported the investee enterprises to implement energy conservation reforms, improve energy efficiency, and reduce emissions, and contributed to the realization of both economic benefits and social benefits.

Jointly building a green, low-carbon and high-quality metal renewable resource ecosystem

CoStone Capital invested in Ouyeel via two funding rounds in 2021 and 2022



Ouyeel was established in 2011. The company takes steel scrap procurement, inspection, warehousing, processing and distribution as the core, and extends the development of automobile dismantling, ship dismantling and specialised metal recycling of recycled non-ferrous metals and other renewable resources recycling business.

- Exploring the mode of “base + platform”, realising the trinity of “trading, service and supervision”, and building a public service platform for China’s renewable resources, by building a large online and offline scrap steel trading market.

- Ouyeel promotes the “14th Five-Year Plan” for the Yangtze River Protection Action, formulates a plan to promote the use of clean energy, reduces the use of fossil energy, encourages the use of rooftop construction of photovoltaic power generation projects, and increases the proportion of green energy use. At present, the photovoltaic power generation projects of Ouyeel Maanshan Chengxing and Shanxi Ruisaige have been connected to the grid, which are expected to reduce 5,307 tonnes of carbon dioxide emissions.

High-level polyolefin localisation

CoStone Capital invested in Zhongkekele in 2023



Founded in 2022, based on the technical support of Professor Chen Changle’s group in the School of Chemistry and Materials Science of the University of Science and Technology of China, the Institute of Material Science and Information Technology of Anhui University and other colleges and research institutes, Zhongkekele is a company that takes the development of high-end polyolefin catalysts and the research and development of high-end polyolefin materials as the target direction of development. The company has already established good and close cooperation with many domestic universities and factories through a variety of cooperation methods, and its products involve polyolefin elastomers, photovoltaic encapsulation materials, cyclic olefin copolymers and ultra-high molecular weight polyethylene and other fields.

Explore the infinite possibilities of biotechnology

CoStone Capital invested in Huaheng Biotech in 2018



Huaheng Biotech (688639.SH) was established on 13 April 2005 and listed on 22 April 2021. It is a high-tech enterprise with synthetic biology as the core of its businesses, mainly engaged in the R&D, production and sales of amino acids and their derivatives. Its products are widely used in daily chemicals, medicine and health products, food additives, feed and many other fields, and the production scale of alanine series products ranks in the forefront of the world. Huaheng Biotech implements the core idea of “replacing nonrenewable petrochemical resources with renewable biological resources, high-energyconsumption and high-polluting petrochemical processes with green and clean biological manufacturing processes, and planting and extraction with biotechnology”, and advocates “environmental protection is also competitiveness”, so as to practice its commitment to building a “resource-saving, environmental-friendly” enterprise.

Independent research and development has successfully realized the large-scale production of anaerobic fermentation of microorganisms, which significantly reduces energy consumption and product costs, and achieves zero carbon dioxide emission in the fermentation process. At the same time, Huaheng Biotech has successfully constructed a biological enzyme that can efficiently catalyze specific reactions under mild conditions, which avoids the environmental pollution caused by the use of highly polluting and corrosive organic solvents in the traditional chemical synthesis method, and makes the production process safer, more energy-saving, and more environmentally friendly.

Building a Clean Energy System

The national energy strategy is an important part of achieving the dual-carbon goal. The scale of the clean energy industry is growing rapidly, among which hydropower, wind power and photovoltaic power generation have huge potential for future growth. We are deeply involved in the field of clean energy and have been making extensive deployments in the new energy industry chain. With our new energy business, we hope to help enterprises gain strong market competitive advantages in the green and low-carbon transformation. Over the past ten years, based on the carbon cycle of the industry and the social positive externalities, we have made a comprehensive investment layout in the power battery, NEVs and clean energy (photovoltaic and wind power) industries according to forward-looking ESG performance surveys, forming a relatively complete investment chain for the clean energy industry.

Photovoltaic Industry-leading manufacturer of photovoltaic silicon wafer diamond wire

CoStone Capital invested in Yuanshi Advanced in 2021



Yuanshi Advanced was established in 2015 and is committed to independent innovation, R&D and production of diamond wire saws. This kind of wire saw has the advantages of high-speed cutting, environmentally friendly production, and low cost, and is widely used in the photovoltaic industry. Yuanshi Advanced products break the monopoly by foreign companies and create a road to the revival of national brands of domestic high-performance new materials.

In the context of global warming and the depletion of fossil energy, the development of renewable energy has become the consensus of all countries in the world. Benefiting from the PV 2019 “parity” trend, “dual-carbon” strategic goal drive, the company by virtue of the technical level, product quality, professional services and other aspects of the advantages, the company successfully entered the monocrystalline silicon leading manufacturers TCL Central supply system and become its Diamond wire strategic supplier.

Photovoltaic Becoming a first-class packaging functional film enterprise in future

CoStone Capital invested in Sinopont in 2022



Founded in 2006, Zhejiang Sinopont Technology Co., Ltd. established in 2006, is committed to the research, development, production and sales of photovoltaic module encapsulation adhesive film, with POE photovoltaic adhesive film as the main product, while covering the full range of EPE, white film, EVA, etc., and provide customers with customised adhesive film products.

Compared with the traditional adhesive film, the newly developed POE adhesive film has the features of low water vapour permeability, high volume resistivity and high weather resistance, which can improve the safety of PV module operation in high temperature and high humidity environments as well as long term aging resistance, enabling the module to be used more efficiently for a longer period of time, and contributing to the high-quality sustainable development of the photovoltaic industry.

Photovoltaic Leader of optical storage and charging smart energy solutions

CoStone Capital invested in Sofarsolar in 2021



Founded in 2013, Sofarsolar is a national high-tech enterprise whose main business is the R&D, production and sales of serial PV inverters, PV-storage integrated inverters, energy storage batteries and related software systems. The company provides inverter products and related solutions for household and commercial “photovoltaic power generation + energy storage” systems in many countries.

In June 2013, CoStone Capital’s investee, Sofarsolar, was established to enter the field of photovoltaic inverters. Sofarsolar has always focused on the field of solar power equipment, taking scientific and technological innovation as the core driving force for business development, and continuously investing in research and development in the conversion, storage and management of new energy power, which has resulted in an experienced R&D team and a series of competitive core technologies and R&D achievements.

Photovoltaic Become a global leader in photovoltaic equipment and solution

CoStone Capital invested in Laplace in 2022



Founded in 2016, Shenzhen Laplace Renewable Energy Technology Co., Ltd. is a high-tech equipment R&D and manufacturing enterprise founded by a number of high-end talents in the field of semiconductor equipment at home and abroad. The main products cover high-end manufacturing equipment such as low-pressure horizontal diffusion system (including boron diffusion, phosphorus diffusion, oxidation/annealing), low-pressure chemical vapour deposition (CVD) horizontal coating system, plasma-enhanced chemical vapour deposition (CVD) horizontal coating system, as well as related supporting automation systems and industrial internet cloud platform.

The company’s technical team had developed the first high-yield horizontal inserted low-pressure diffusion oxidising furnace and vertical horizontal inserted plasma-enhanced chemical vapour deposition equipment in the field of photovoltaic manufacturing, which have filled a number of gaps in the field of domestic high-efficiency photovoltaic cell high-end equipment technology, especially in the new generation of TOPCon cell core equipment. The company is in the forefront of the new generation of TOPCon cell core equipment.

Separator World-class manufacturer of lithium-ion battery separators

CoStone Capital invested in Horizon in 2021



Jiangsu Horizon New Energy Technology Co., Ltd. was established in November 2017 and is a world-class lithium-ion battery separator manufacturer. The microporous separators are used in lithium ion batteries ranging from new energy vehicles, energy storage, consumer electronics and other fields.

With the ambition of conquering the market with technology, the company has developed its base film and coating products independently and has complete intellectual property protection.

Separator Dedicated to becoming a manufacturer of advanced li-ion battery materials and a professional service provider of technological solutions to battery material application system



CoStone Capital invested in Gellec in 2021

Hebei Gellec New Energy Science & Technology Co.Ltd was established in February 2010, is a comprehensive enterprise of lithium battery wet diaphragm R & D, production, sales and service, with a total planned capacity of 6.1 billion square metres/year, and a capacity of 1 billion square metres/year in 2021, and three major production bases in Handan, Hebei, Maanshan, Anhui, and Tianjin. The company adopts ultra-high molecular weight polyethylene (UHMWPE) as the raw material, and produces high-performance lithium battery diaphragm by thermotropic phase separation wet process.

The company takes “eco-friendly, advanced technology, sustainable development” as the corporate strategy, the company has a research institute, has the core independent intellectual property rights of lithium battery diaphragm, has been authorised a number of patents for invention, selected as “national small giants enterprise of speciality and new”, and “National Intellectual Property Rights Advantageous Enterprise”.

New Energy Battery Committed to becoming a global leader in sodium anode



CoStone Capital invested in Rongna New Energy in 2023

Rongna New Energy was founded in August 2022. It is a developer of hard carbon anode materials for sodium ion batteries. The company insists on choosing large-scale plant-based biomass as the raw material, and prepares hard carbon products that meet customers’ needs in multiple batches in a stable manner with a very competitive cost advantage in the market.

New Energy Battery Innovation comes from technology, quality casting service



CoStone Capital invested in Shenzhen Tsingyan Electronic in 2023

Shenzhen Tsingyan Electronic Technology Co., Ltd. was founded in August 2020, which is an innovative enterprise incubated by the Research Institute of Tsinghua University in Shenzhen (RITS). Its innovative technology comes from the Laboratory of Advanced Energy Storage Materials and Devices (AESD Lab.) of RITS. The company focuses on dry electrode technology research, and has already achieved mass production and shipment in the field of dry electrode for supercapacitor. At present, the company is focusing on the field of dry electrode for power battery, which is expected to overturn the existing industrial pattern.

New Energy Battery Innovation drives the progress of new energy world



CoStone Capital invested in Sunwoda EVB in 2022

Sunwoda EVB is a holding subsidiary of Sunwoda (300207.SZ). The company has established a complete R&D and manufacturing capability in the field of battery pack for electric vehicles, and owns a battery management system (BMS) with completely independent intellectual property rights, and a highly automated production line for cell sorting, modular assembly, and battery packaging and distribution. The company has established in-depth cooperation relationship with many famous automobile manufacturers, providing a complete set of solutions for the R&D and manufacturing of pure electric/hybrid battery systems for vehicles at home and abroad.)

With the mission of “innovation drives the progress of new energy world”, Sunwoda EVB is committed to contributing wisdom and strength to achieve the goal of “double carbon”, and to provide competitive and scenario-based power battery solutions and energy storage battery cells for the new energy industry.



New Energy Battery Creating the future with creators



CoStone Capital invested in Shanghai Electric Energy Storage in 2023

Shanghai Electric Energy Storage was incubated in Shanghai Electric Central Research Institute in 2011, and started independent operation in 2019, which is a holding subsidiary of Shanghai Electric. The company’s main business is the research and development, production and sales of all-vanadium liquid current battery energy storage system, mastering the design of all-vanadium liquid current battery heap, electrolyte technology, circulatory system technology, BMIS and other aspects of the technology, with liquid current battery heap and system product design, manufacturing and engineering delivery capabilities, in the market open bidding projects, has been implemented in a number of MW-level projects, the company’s competitive advantage is obvious, is the head of the field of liquid current energy storage enterprises. The company has obvious competitive advantages and is the head enterprise in the field of liquid current energy storage.

New Energy Battery Committed to producing high-quality, low-cost products through technological innovation to provide customers with the most valuable services



CoStone Capital invested in Tengyuan Cobalt in 2019

Founded in March 2004, Tengyuan Cobalt is mainly engaged in the research and development, production and sales of cobalt and copper products, and is one of the most competitive cobalt salt producers in China. The core products of the company are cobalt salts such as cobalt chloride, cobalt sulphate and associated copper electrowinning. The company is a high-tech enterprise with outstanding technical capability, advanced process equipment and excellent product quality, and is one of the leading cobalt salt production enterprises with the largest scale strength and technical level in China at present.

New Energy Equipment To promote the development of new energy



CoStone Capital invested in RePower in 2020

Founded in 2003, RePower Technology Co., Ltd is a high-tech enterprise specialising in the research, development, production and sales of battery test systems, and providing battery automation production line design and construction services. Always adhere to independent innovation, has a number of invention patents and utility model patents, through the national high-tech and dual-soft enterprise certification. The company focuses on battery safety testing and energy conversion technology, is a member of the Li-Battery Manufacturing Equipment Standard Project which organized by MIIT, participating in the development of battery industry standards and technical specifications for battery charging and discharging test equipment. Our products have been widely used in battery production lines and laboratories of major battery factories, new energy vehicle factories, energy storage battery supporting enterprises, national testing institutions, scientific research institutions.

Promoting Innovation in Health Science and Technology

The social value of CoStone Capital is not only to create wealth and appreciation, we cultivate and strengthen enterprises through investment and empowerment. We are committed to cultivating industry leaders, improving social well-being, and jointly creating a better life. We focus on biotechnology, medical aesthetics and medical devices to fundamentally promote industrial transformation and improve access to health.

Building the Power of Biotechnology

Making innovative therapies the backbone therapy to cure patients



CoStone Capital invested in IASO Bio in 2021

IASO Bio is a biopharmaceutical company focused on the discovery, development, manufacturing and commercialization of novel cell therapies. The company takes the development of cell therapies on blood cancers as its innovation cornerstone and expands to autoimmune diseases and biologics. It possesses a full process drug

development capability, from early discovery to clinical development, registration and commercial production.

- IASO Bio's five major self-developed technology platforms include a fully human antibody development platform, an immune cell drug development platform, a full-flow production and validation technology platform, a pharmacological efficacy platform and a clinical development platform.

- Igiboranser injection (fully human BCMA chimeric antigen receptor autologous T-cell injection), has been approved by the National Medicines Control Administration (NMPA), and has been approved by the U.S. FDA for registration for the treatment of relapsed/refractory multiple myeloma, and has been included in the "Breakthrough Therapeutics" category by the NMPA, and has also been approved by the U.S. FDA.

"The product has been approved by NMPA and approved by FDA for clinical registration for the treatment of relapsed/refractory multiple myeloma, and has been included in the "Breakthrough Therapeutic Drugs" category by NMPA.

One-stop solution for medical devices



CoStone Capital invested in Hochuen in 2022

Founded in 2016, Hochuen is a national high-tech enterprise focusing on in vitro diagnostics, especially instant diagnostics, microfluidic devices and non-standard consumables OEM manufacturing, and is one of the leading technology and product developers in the field of microfluidics worldwide.

We provide customers with one-stop services, including medical device development, mould manufacturing, prototyping and professional services for small and large volume production, as well as a series of customised services such as assembly, quality control, packaging and sterilisation, etc. We continue to innovate and upgrade our production system, and provide high-quality CDMO services to customers at home and abroad.

Green technology healthy life



CoStone Capital invested in Readline in 2022

Founded in 2017, Readline is a high-tech enterprise focusing on the research, development and production of functional health raw materials with synthetic biotechnology as the core and multidisciplinary cross-application technology platform as the backing. The company is committed to building a "ReBioHub" covering the whole industry chain, and promoting the integration and innovation of synthetic biology, chemistry, information technology, engineering and other cutting-edge technology fields.

Co-create a "New Era of Biology"



Capital invested in Shineking Biotech in 2021

Shineking Biotech was established in April 2010, the company has set up Nanjing Engineering Technology Research Centre, provincial engineering research centre, Jiangsu Province Plant Biostimulant Engineering Technology Research Centre and other R & D and industrialization platform, based on industrial biotechnology R & D and industrialization, the main products are bio-adjuvant products and biological products, for the field of plant nutrition, the field of daily life to form a series of biologically based products, and gradually expand to the field of animal nutrition, food, pharmaceuticals. And gradually expand to animal nutrition, food, medicine field.

Using biotechnology to create unlimited possibilities

CoStone Capital invested in Synceres in 2023



Founded in May 2019 and led by Xiaozhou Luo, Executive Director of the Biochemical Synthesis Centre at the Shenzhen Institutes of Advanced Technology of the Chinese Academy of Sciences (SIAT) and a post-doctoral fellow at UC Berkeley, Synceres Biosciences utilises high-throughput synthetic biotechnology, applies innovative bioscience solutions, and draws on the concepts of engineering science from the combination of enzyme-directed evolution, optimisation of gene regulatory networks, and amplification of the fermentation process, through the induction of microorganisms and utilising cellular artificial design to revolutionise large-scale, low-cost synthetic bio-substrates. Our products are used in a wide range of applications from biopharmaceuticals and new tobacco to cosmetics, fragrances, fuels, solvents, agriculture and more.

BT-IT Dual Core Driven Innovation Platform for Biomaterials

CoStone Capital invested in Pam2l in 2022



Founded in 2021, Pam2l Biotechnologies is a platform synthetic biology company dedicated to the development of bio-based materials and related products with the core technology of synthetic biology and machine learning (BT-IT) dual-core technology drive to provide customers with safe, efficient, and green solutions, whose innovative products are widely used in the fields of healthcare, skincare, food, and industry. Through the innovative materials and adhesive proteins developed by synthetic biology technology, Pam2l provides brand-new solutions in the fields of renewable energy, biomedicine, environmental treatment, new materials, and space exploration.

Developing the Endogenous Power of Aesthetic Medicine

Pursue beauty and health with scientific and technological innovation

CoStone Capital invested in Winkey in 2023



Founded in 2011 and registered in Nanshan District, Shenzhen, Winkey Technology is the first innovative company in China focusing on the research of skin-active bio-small molecule peptides. The company's main business is independent research and development, production and sales of active peptides as the core of the skin active ingredients, and covers the non-peptide active ingredients, as well as cosmetic products ODM production, customised development of raw materials, third-party testing and other services.

Steadily Promoting Medical Devices

Leading life technology through innovative intelligent manufacturing

CoStone Capital invested in MGI in 2020



MGI Tech Co., Ltd. (688114.SH), founded in 2016 and listed on the Science and Technology Board of the Shanghai Stock Exchange in September 2022, focuses on the field of life sciences and biotechnology, with the research and development, production and sales of instruments, equipment, reagents and consumables and other related products as its main business, providing real-time, panoramic and whole life-cycle life digitalisation equipment and systems for precision medicine, precision agriculture and precision health industries. Technological innovations have driven the commercial application of gene sequencers, helping early tumour screening, tumour diagnosis and precision treatment.



3 Solid Governance for High-quality Development

CoStone Capital continues to optimise its own governance structure, build a systematic system of compliance and internal control management, strictly supervise and prohibit the occurrence of connected transactions, violations of business ethics and money laundering. We efficiently implement a standardised risk management mechanism, grasp the bottom line of risk at the levels of operational risk, business risk and financial risk, and promote the smooth and high-quality development of the Company.



Improvement of Governance Structure

CoStone Capital strictly complies with the requirements of the Company Law of the People's Republic of China and other relevant laws, regulations and regulatory documents, formulates and improves the Articles of Association, Rules of Procedure of the General Meeting of Shareholders, Rules of Procedure of the Board of Directors and other regulatory documents and internal systems. CoStone establishes a modern corporate governance structure with three layers of the General Meeting of Shareholders, the Board of Directors, the Board of supervisors, and the operational management, and has continuously improved its internal management to ensure the independent operation, supervision, scientific decision-making and efficient operation of each governance body.

The directors' backgrounds in education, professional fields, and experience cover law, economics, accounting, and finance. This diversity allows them to provide professional advice from different perspectives, thereby enhancing the level of corporate governance and ensuring scientific and efficient decision-making. In addition, the Board of Directors conducts training on sustainable development to enhance the common knowledge, skills and experience of the Board of Directors on sustainable development, ensuring the formulation of strategic decisions related to sustainable development.

Compliance and Internal Control Management

Institutional System Construction

CoStone Capital has established a series of policies and systems to build an interest protection system, standardise the Company's workflow, effectively prevent risks and protect shareholders' rights and interests. The Company has formulated the 'System Management Measures' to regulate the procedure of formulating rules and regulations, improve the quality and execution of rules and regulations, and clarify the responsibilities of each department in managing rules and regulations, so as to realise the governance of the enterprise in accordance with the law and safeguard the realisation of the Company's strategic objectives.

CoStone Capital has formulated the 'CoStone Capital Internal Control System', 'CoStone Capital Fund Business Internal Control Guidelines', 'Management System for Preventing Insider Trading and Conflict of Interest' and 'Private Investment Fund Information Disclosure Management System' in accordance with the 'Guidelines for Internal Control for Private Investment Fund Managers' and other relevant laws and regulations and industry self-regulation rules to strengthen the internal control system of CoStone Capital in the areas of investor management, fund raising, clean practice and information disclosure.

The Company has formulated the Information Disclosure Management System to urge multiple departments to co-operate in completing information disclosure, and to make true, accurate and complete information disclosure to investors in accordance with the laws, administrative regulations, regulations of the China Securities Regulatory Commission (CSRC) and the Asset Management Association of China (AMAC), as well as the fund contract and partnership agreement.

Good internal control is an important pillar for private equity fund managers to effectively prevent and resolve risks, ensure the legal and compliant operation of all businesses and achieve orderly operation. Based on full consideration of the internal and external environments, the private equity fund manager shall set up a perfect organisational system, internal control system and process measures to identify, evaluate and manage risks in the course of operation.

Management of Connected Transactions

The Company has formulated the 'Management System of Connected Transactions', the 'Conflict of Interest Prevention System', the 'Management System for Prevention of Insider Trading and Conflict of Interest' and the 'Practitioners' Investment Declaration System (Securities)' to regulate the behaviour of investments and transactions by connected parties. The regulations are to prevent the emergence of insider trading and conflict of interest, to prevent the conflict of employees' and shareholders' personal interests with the Fund, and to prevent the improper behaviour in investment transactions by connected parties from affecting the Company's reputation and business activities or pose significant compliance risks to the Company, and prohibit improper behaviour such as misappropriation of fund property and disclosure of undisclosed information. Meanwhile, in order to strengthen the effective management of related parties, the Company relies on the Risk Management Department to be responsible for the implementation and supervision of the provisions of the Management System for Prevention of Insider Trading and Conflicts of Interest, and to report to the Company in a timely manner if irregularities of related parties are found.

Anti-money Laundering

Internal control system over anti-money laundering is established to make sure that all aspects of fund sales business comply with laws and regulations concerning anti-money laundering. Compliance risk management measures in this area mainly include:

- Build a risk-oriented prevention and control system for anti-money laundering to allocate resources reasonably;
- Develop strict and effective account opening procedures, to comply with legal duties under KYC standards to prevent money-laundering and terrorism financing, filing investor's identities material in system;
- Strictly monitor the modification of investors' core information, and non-trading transfer;
- Strictly follow the fund clearing system to control and monitor cash payments;
- Establish an investor risk identification and suspicious transaction analysis mechanism that is in line with industry characteristics.

Adherence to Business Ethics

CoStone Capital has formulated the Practitioner Management System, the Fair Trading System and other systems to regulate the behaviour of its employees, to ensure prudence and due diligence, and to give priority to the protection of the interests of fund shareholders. The Company strictly abides by the relevant provisions on fair trading, treats different investment portfolios fairly in its investment management activities, and strictly prohibits the transfer of benefits between different investment portfolios, either directly or through trading arrangements with third parties.

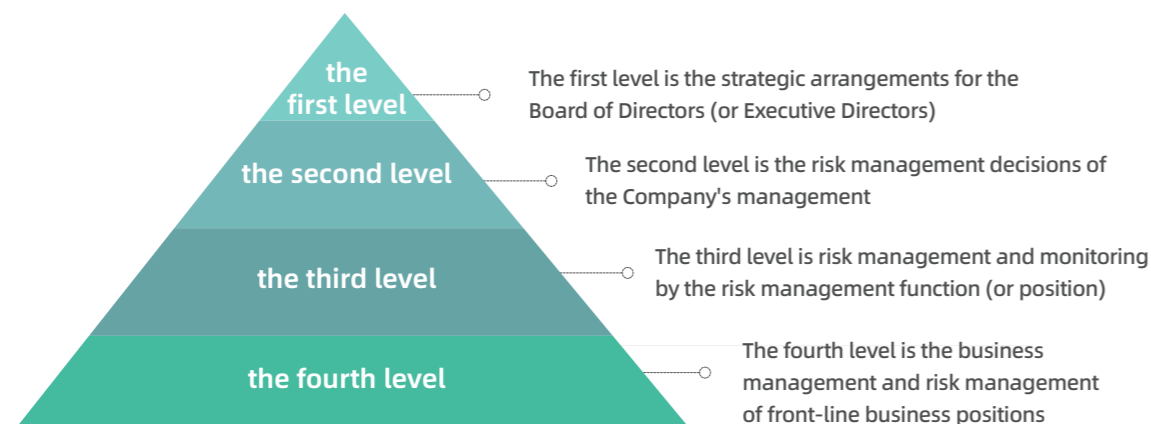
Emphasis on Integrity

CoStone Capital has 'zero tolerance' for suspected insider trading, bribery and other corrupt behaviours, and has cultivated its employees to fully establish their professional ethics of integrity, diligence and self-discipline by formulating and requiring them to sign the 'Commitment on Employee's Professional Conduct', and carrying out special activities and education on the theme of integrity and anti-corruption, etc. In 2023, CoStone Capital actively anti-corruption training and activities, **a total of 2 special activities on the theme of integrity and anti-corruption were carried out, with a total of 123 employees participating in the activities, and the average training time per capita was 2 hours.**

Regulatory Risk Management

Operation Risk Management

CoStone Capital strictly abides by the Securities Investment Fund Law of the People's Republic of China, Interim Measures for the Supervision and Administration of Private Investment Funds, Measures for the Registration of Private Investment Fund Managers and Fund Filing (for Trial Implementation), Regulations on Green Finance in the Shenzhen Special Economic Zone and other laws and regulations as well as relevant self-regulatory rules, and has formulated a Risk Control Management System and an Operational Risk Control System. A four-tier structure with the Board of Directors as the highest decision-making body for risk management has been established to safely safeguard the Company's continuous operation:

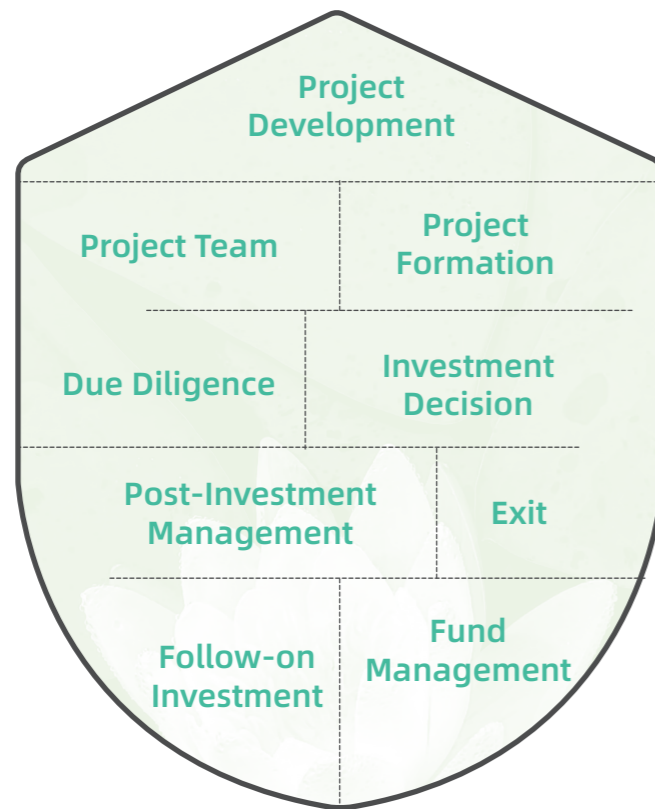


The Company starts from target setting and system formulation to feedback and improvement of risk control system, formulates effective control measures according to different risks, and realises closed-loop management from system foundation to system improvement:

	Goal setting and system development	The Board of Directors sets the overall objectives of risk control, risk appetite and risk tolerance level, decides on the Company's risk control system, and supervises each department to formulate and implement risk control measures.
	Risk identification, analysis and assessment	Each department identifies, analyses and evaluates the risk points in each internal position and business process under the organisation of the Risk Control Department.
	Development and implementation of risk control measures	The risk control department formulates appropriate risk control measures and specific implementation methods, which should be strictly implemented by each department and position.
	Monitoring and checking the implementation of risk controls	The risk control department regularly or irregularly inspects and evaluates the implementation of the Company's business processes and other functional departments on the risk control system and risk control measures and methods, and reports the inspection and evaluation results to the Management and the head of risk control in a timely manner.
	Risk identification, analysis and assessment	Business units and other functional departments summarise the implementation of risk control measures in a timely manner and provide feedback to management and the Risk Control Department; the Risk Control Department, taking into account the results of the supervision and inspection by the Legal Compliance Department, puts forward suggestions for improvement and supervises their implementation.

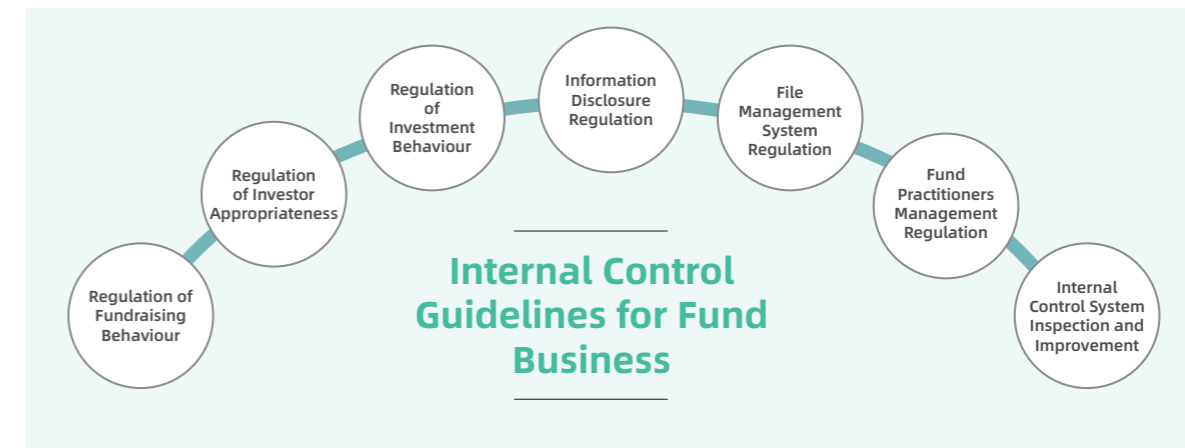
Business Risk Management

In order to achieve efficient management of the Company's investment business and prevent business risks, CoStone Capital has formulated the 'Investment Business Management Measures' to improve the organisation and management efficiency of the Company's investment business. The management team of the investment department is the organisation and manager of the Company's investment business, clearly defines the responsibilities and specific work content of each investment business management link from project development to fund management. The Company strictly controls the standardisation of the investment business, ensures that the investment decisions are made in strict accordance with the laws and regulations, and meet the requirements of the investment objectives, investment scope, investment strategy, investment portfolio and investment restrictions as stipulated in the fund contract.



According to the Securities Investment Fund Law of the People's Republic of China, Regulations on Supervision and Administration of Private Investment Funds, Interim Measures for the Supervision and Administration of Private Investment Funds, Measures for the Registration and Filing of Private Investment Funds, Measures for the Administration of Fund Raising Behaviour of Private Investment Funds, Guidelines for Internal Control of Private Investment Fund Managers, Measures for the Disclosure of Information of Private Investment Funds and Measures for the Appropriateness of Securities and Futures Investors. Laws and regulations and industry self-regulation rules, the 'Internal Control Guidelines for Fund Business' are formulated to ensure the legal and compliant operation of fund business and safeguard the sound operation of the business. The Guidelines have covered various businesses, departments and personnel at all levels, and covered the main links of fund raising, investment research, investment operation, operation guarantee and information disclosure, etc., to

ensure that the organisational structure of CoStone Capital has clear division of powers and responsibilities and mutual constraints, and that the duties of each department and position remain relatively independent, and that the operation of fund property, inherent property of the manager and other property are separated, with the specific details involved as follows:



Financial Risk Management

CoStone Capital has formulated the Financial Management System, Budget Management System and other rules and regulations in accordance with the Company Law of the People's Republic of China, Accounting Law of the People's Republic of China, Accounting Fundamental Standards and other laws and regulations to improve the level of financial management. The Company's financial management work implements the principle of 'unified management and hierarchical responsibility', clarifies the responsibilities of each level and the management of various types of assets, and makes full use of budget management to effectively allocate and control the Company's resources and standardise the financial management work.

CoStone Capital has formulated internal regulations such as 'Capital Adequacy Management System', 'Fund Management Measures' and 'Fund Financial Management System' to standardise the management of the Company's financial risks. The Finance Department ensures the effective operation of the Company in conjunction with the operation situation and business development direction, ensures that the operation and management are legal and compliant, the fund assets are safe, and the financial reports and related information are true, accurate and complete, and continuously improves the operation efficiency to maximise the risk-adjusted return on capital.

The Company strengthens the independence and safety of the property under management, strictly receives and manages the Company's own funds in accordance with the principle of separation of income and expenditure, and carries out independent management and separate bookkeeping for the private equity funds to ensure that the property of the private equity funds under management and the property of the managers are independent of each other and to protect the legitimate rights and interests of the investors. The Company's fund management follows the principles of compliance, safety, liquidity and profitability, and after taking into account the investment progress of the fund project, the expense plan, the fund distribution plan and other factors in an integrated manner. The Company formulates the financial management plan for the idle funds and completes the approval procedures, and then carries out the management and supervision of the fund management on an ongoing basis to safeguard the safety of the fund property.



4 Sunny Workplace, Comprehensive Employee Care

A stable core team and a flexible organisational system are the core elements for CoStone Capital to gain a foothold in the asset management industry. CoStone Capital adheres to the value concept of “people-oriented”, brings together talents from all communities, attaches great importance to the working atmosphere, rights protection, competence developing, and physical and mental health. We are committed to building a diverse and inclusive workplace for a “harmonious, equal and better” CoStone family.

Equal and Standardised Employment

CoStone Capital pays great attention to the legitimate rights and interests of employees, strictly abides by the Labour Law of the People’s Republic of China, the Labour Contract Law of the People’s Republic of China, the Law of the People’s Republic of China on the Promotion of Employment and other relevant laws and regulations, and provides comprehensive protection for employees in terms of recruitment, remuneration and benefits, and occupational health and safety, in order to ensure the smooth operation of the enterprise. The Company signs a standard labour contract with each employee, pays monthly salary on time, pays five social insurances and housing fund and withholds personal tax on behalf of the employee. After the employees reach the legal retirement age, the Company actively cooperate with the employees for retirement procedures. If the Company has business needs and retired employees have the will to continue to work, the Company can support the employees to handle the retirement rehiring.

Standardised Recruitment and Employment

CoStone Capital recruits talents in accordance with the needs of the Company’s business development and adheres to a merit-based approach to ensure the quality of recruitment and the abundance of talents within the Company. The Company strictly abides by the Law of the People’s Republic of China on the Protection of Minors, the Regulations on the Prohibition of Child Labour and other laws and regulations, and strictly examines the background of candidates during the recruitment process to eliminate child labour and forced labour.

CoStone Capital strictly abides by the Law of the People’s Republic of China on the Protection of Rights and Interests of Women and the Law of the People’s Republic of China on the Protection of Persons with Disabilities and other laws and regulations, and follows the principles of fairness, impartiality, and openness in all aspects of the recruitment and hiring process. We oppose all unfair treatments based on factors such as gender, marital status, physical disability, race, and beliefs, etc., and actively protect the legitimate rights and interests of female employees and equal opportunities, and build a harmonious and sunny workplace environment. We actively safeguard the legitimate rights and interests and equal opportunities of female employees, and build a harmonious and sunny workplace environment.

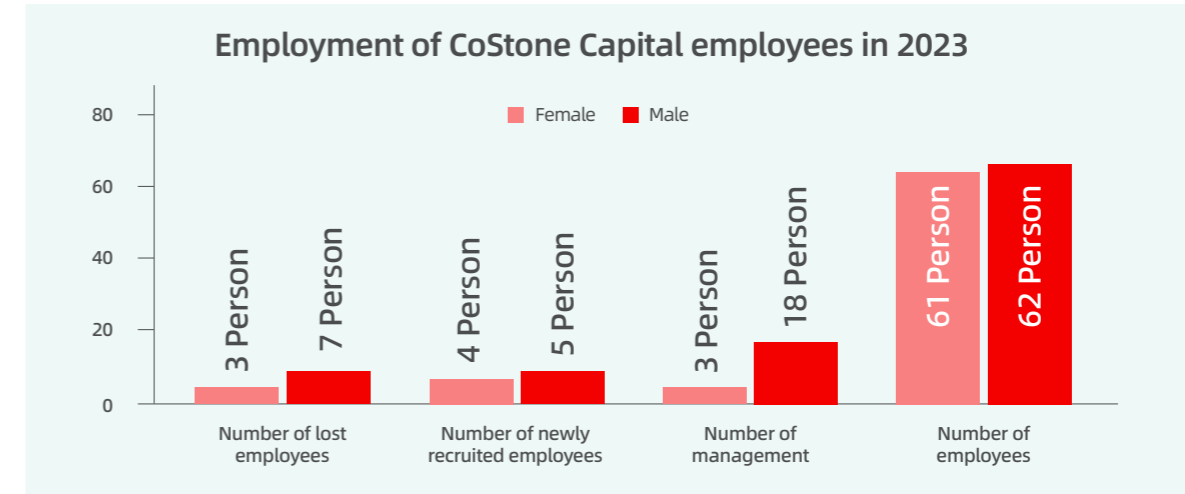
Diversified Employee Composition

Through unremitting efforts, the Company continues to build up a professional team, constituting the CoStone family, which is synonymous with strong professional qualities and youthful vigour. CoStone deeply implements gender equality and protects the legitimate rights and interests of female employees. 2023, the proportion of female employees in CoStone Capital was nearly 50%, and the number of newly recruited employees was 9, of which 44% were female employees. During the Reporting Period, CoStone Capital had 123 employees, with an average age of 36 years old, 68% of the employees with master’s degree or above educational background, 97% of the employees with bachelor’s degree or above educational background, and more than 88% of the employees were qualified as fund practitioners. Most of the newly recruited investment employee are industry talents with more than 5 years of working experience, of which more than 40% have industrial background or composite background, more than 40% have working experience in PE/VC professional investment institutions, and the others include resume backgrounds such as accounting firms and regulatory bodies.

Labour contract signing rate
100%

Social insurance coverage rate
100%

Labour-related injuries and deaths
0



Attention to Occupational Health and Safety

CoStone Capital has always taken the physical and mental health of its employees as its primary concern, and strictly abides by the Labour Law of the People’s Republic of China, the Occupational Disease Prevention and Control Law of the People’s Republic of China, the Social Insurance Law of the People’s Republic of China, the Law of the People’s Republic of China on the Protection of the Rights and Interests of Women and the Supervision and Management of Occupational Health Monitoring in Employing Units to regulate the occupational health and safety management of employees.

Attention to Physical and Mental Health

CoStone Capital pays social insurance and housing provident fund for its employees in accordance with national regulations, and purchases high-value group accident insurance, and renews the Shenzhen “Million Medical Group Insurance” for its employees every year. In order to protect the health of all employees, the Company arranges medical checkup packages for employees from professional institutions every year, and arranges additional medical checkups for employees of different ages and female employees. 2023, the coverage rate of medical checkups in CoStone Capital was 100%, with a total expenditure of RMB173,100 for medical checkups and a per capita medical checkup cost of approximately RMB1,407, and there were no incidents of employees injured or death in the workplace. In order to create a more harmonious working atmosphere, we encourage our employees to actively give feedback on all kinds of opinions and suggestions. Employees can directly give feedback to the chairman of the board of directors on the relevant situation, and listen to the voices of our employees through a vertical and efficient communication mechanism.

Prohibition of Workplace Discrimination and Harassment

CoStone Capital provides a safe and comfortable working environment for its employees, and has set up treadmills, rowing machines, massage chairs and other equipment in office break areas to meet the needs of

employees for exercise and rest after work. The Company has a zero-tolerance attitude towards harassment in the workplace, and is determined to protect the legitimate rights and interests of employees, and is committed to creating a work environment that is respectful, healthy, free of prejudice and harassment. CoStone Capital has a "Misconduct Complaint Box", which provides a channel for victims of any workplace misconduct to file a complaint or report directly to the Chairman of the Board of Directors, the Managing Partner, or the Human Resources and Administration Department.

Empowering Talent Development

A professional, efficient and stable talent team is the core competence that CoStone is proud of. In order to attract and retain professional talents, CoStone Capital has established internal systems such as the Fund Raising Incentive System and the Investment Performance Sharing Incentive System, and provides adequate system briefing activities for employees to ensure that they are informed. We have formulated clear performance appraisal rules to support cross-functional transfer of employees who are competent in the job requirements, and provide flexible promotion channels for outstanding employees with outstanding business.

Clear Remuneration Assessment System

In order to encourage employees to create revenue, the Company calculates bonuses on a semi-annual and annual basis, and provides adequate and timely incentives to teams and individuals who bring management fee income and investment performance share to the Company, fully mobilising employees' motivation and facilitating the rapid promotion of outstanding talents.

CoStone Capital has established a fair and transparent performance appraisal system to evaluate the performance of employees. The business team has set up multi-dimensional quantitative assessment indicators: for investment employees, the quantitative assessment indicators mainly include current investment delivery, past investment project performance and exit, post-investment management work; for fund sales employees, the quantitative assessment indicators mainly include the amount of new contributions, management fee income, and the rate of contributions in place. The performance appraisal system and quantitative indicators will be published on the Company's bulletin board in advance to clarify the work objectives of the employees and evaluate their performance in a scientific and quantifiable manner.

Customised Employee Training

CoStone Capital continues to provide diversified, multi-platform training for employees to actively enhance the breadth and depth of their knowledge. We organise different forms of training activities every year, and have formed a set of comprehensive employee training structure, and the main training activities in 2023 include, but are not limited to:



Orientation training

- Orientation training provides in-depth explanation of company culture, management system, organisational structure, etc. to help new employees quickly adapt to and integrate into the CoStone family.

Professional training

- Employees from multiple departments participate in fund practitioner training to enhance the depth of their professional knowledge and business ability.
- Each department organises business training, with the Finance Department providing in-depth training on financial operations, tax collection and management, and the investment employees participating in training on interpretation of the guidelines of the Management Measures, and updating of regulations and structure.

Investment sharing and forums

- Investment sharing and forums encourage employees to participate in external expert training and experience sharing, helping employees to keep abreast of the latest regulatory requirements and industry trends, and gain insight into the latest trends in key industries.

ESG training

- We invite professional ESG consulting organisations to interpret ESG-related international policies and investment trends for all staff in conjunction with CoStone Capital's ESG Report 2022, so as to raise professional awareness of green investment and learn from the excellent practices of leading international investment institutions.

Proportion of trained employees
100%

Total number of employees who have received training
123 persons

Average training hours per employee
88 hours

Cumulative number of employee training sessions
34

Cumulative training hours of employees
10,629 hours

CoStone Capital Employee Training in 2023

Focus on Female Power

CoStone Capital actively advocates gender equity and pays great attention to the capacity building of female employees, creates an open, inclusive and equal working atmosphere, and continuously improves the training mechanism for female investors. With the continuous efforts of female investors and the support and encouragement of the Company, CoStone Capital has accomplished a number of outstanding female investors, who have been listed on the 2023 Outstanding Female Investors List by Zero2IPO, Global PE Forum and other well-known organisations.

Yiling Huang (Business Partner, CoStone Capital)	2023 PE Daily F40 China Youth Investors	Zero2IPO
	2022-2023 Outstanding Youth Investors in China's Equity Investment Industry	Global PE Forum, Caixin Data
	2022-2023 Outstanding Female Investor	21st Century Business Herald
Wei Ting (Managing Director, CoStone Capital)	2022-2023 Outstanding Female Investor	21st Century Business Herald

Attentive Employee Care

Customised Employee Training

In addition to protecting the basic rights and interests of employees, CoStone Capital provides a wide range of care for employees, creating a warm and inclusive working atmosphere and enhancing their sense of identity and belonging to CoStone Capital:

Welfare system	Main contents
Statutory benefits	"Five social insurances and housing fund", paid annual leave, bereavement leave, marriage leave, pregnancy and maternity leave, parental leave and paternity leave, etc.
Non-statutory benefits	Holiday sympathy allowance, birthday allowance, special allowance for marriage, birth and funeral, etc., monthly meal allowance, computer allowance, communication allowance, annual health check-up, annual travelling, holiday gifts, etc. CoStone thanks the employees for their long-term commitment, in 2023 we have 10 years of service in the staff each issued 50,000 yuan family travel funds and 30,000 yuan to buy clothes.

Protecting the Rights of Female Employees

The Company strongly supports the national "three-child" maternity policy, respects the reasonable maternity requirements of female employees, and provides paid maternity and breastfeeding leave for female employees, 15-day paternity leave for male employees, and generous parental leave for employees with children under the age of 3. At the same time, the Company organises rich festive activities such as bouquet and greeting card presentations on Women's Day, and provides maternity gifts and other benefits.



Passionate about Social Welfare

As a responsible enterprise, CoStone Capital not only provides stable and outstanding financial services to the society, but is also an active participant in the field of social welfare. The Company continues to work in the field of responsible society and endeavours to promote a more mutually supportive social environment. In November 2023, CoStone Capital's subsidiary, Linkshine CoStone⁶, donated 1 million RMB to Anhui Normal University for the purpose of scholarships for the College of Arts and Letters, practice for college students, and public welfare activities in the areas of culture, education, environmental protection, and ecology, with the theme of "Donate, Do Your Duty, and Contribute."

On 14 July 2023, an investment education activity on the theme of "Protecting Pension Money and Enjoying Old Age with Peace of Mind" was held at China Zhaoshang Guanyi Nursing Home (hereinafter referred to as "China Merchants Guanyi Nursing Home"), which is a social affairs centre in Yantian District.

This activity is aimed at better popularising financial knowledge among the elderly, enhancing the cognitive ability and preventive ability of the elderly to illegal financial traps, effectively safeguarding the legitimate rights and interests of the elderly, and guarding the wallets of the elderly with all our heart.

In the donation session, CoStone Capital and Penghua Fund jointly donated dining tables, microwave ovens, sterilisers and other daily necessities to the elderly of China Merchants Guanyi Nursing Home. After the presentation, in conjunction with the "7-1" Party Day, the Company staff sang classic songs for the elderly in the nursing home and invited the retired old party members to participate in the chorus, and the elderly in the nursing home collectively sang "My Motherland and I" in harmony, immersed in the positive and uplifting songs. Finally, in the laughter of the elders, this activity was successfully concluded.



Diversified Team Building Activities

In order to relieve employees' work pressure and promote a healthy and harmonious team atmosphere, CoStone Capital's regional offices regularly organise group building activities and carry out a variety of cultural and sports activities, such as symphony, badminton, basketball, hiking, rowing, etc. We encourage employees to get out of the office and reap the benefits of relaxation and happiness while strengthen their physical fitness and enhance the CoStone team's sense of identity and sense of belonging, so as to build up a harmonious and upward-looking team atmosphere together.

⁶ The full name of the subsidiary is Shenzhen Linkshine CoStone Equity Investment Fund Management Partnership (Limited Partnership).

A bamboo spout in the upper left corner pours a stream of clear water into a pond. In the foreground, a large, fully bloomed lotus flower with white and light purple petals sits on the water's surface. Several smooth, dark grey stones are scattered in the pond. The background is a soft-focus green with bokeh light effects.

5 Responsibility, Contribute to Society

CoStone Capital actively participates in building a better society, carries out responsible supply chain management, builds standardised supplier management, establishes good relationships with investors, actively responds to investor concerns, formulates strict rules and regulations to protect investor rights and interests, actively participates in empowering the industry, promotes the company's digitalisation, and is brave enough to take on social responsibility and contribute CoStone's strength to society.

Responsible Supply Chain Management

Supplier Management System

We have the Selection System for Fund Outsourcing Institutions and Custodian Banks, the Selection System for fundraising agencies, the Procurement System for Professional Services, the Management Measures for Agencies Engagement in Due Diligence and other policies in place, and establish a whitelist system for due diligence service providers. In addition, we form a comprehensive evaluation system centring on supply capacity, service awareness, internal control, integrity, information security, etc. by incorporating ESG factors into the daily management of suppliers, and implement a mechanism where qualified suppliers are selected and unqualified ones are eliminated.

Supplier ESG Risk Management

CoStone Capital attaches importance to ESG management risks, and when selecting and evaluating suppliers, it examines their risk management capabilities in environmental, social and governance aspects, and prioritises cooperation with suppliers that meet ESG standards to promote green, fair and transparent supply chains. In addition, the Company focuses on the management of internal compliance, data and information security, environment and carbon emissions, and protects the interests of enterprises and investors through the establishment of comprehensive systems and mechanisms, while selecting investment targets that are in line with the concept of sustainable development, so as to realise the coordinated development of society, environment and economy.

Internal compliance management	Establishing of a sound internal control system, anti-money laundering, independence, prevention of commercial bribery and other mechanisms;
Data and information security management	Signing a Non-Disclosure Agreement with suppliers to strictly protect private information security;
Environmental and carbon emission management	Priority is given to suppliers with excellent sustainable development performance and outstanding environmental governance and carbon emission management capabilities.

Fundraising Agencies Management

With the selection and evaluation system for fundraising agencies in place, private equity managers are able to conduct stricter inspection, selection and management on these agencies effectively. CoStone Capital has thus established good, long-term and interactive strategic partnerships with many sales and fundraising agencies, managing to maximise the company's interests in a legal and compliant manner. Selection and evaluation processes for fundraising agencies include:



Investor Relations Management

Responding to Investor Concerns

With 20 years of outstanding performance, Costone Capital has gathered a group of fund investors, including government-guided funds, national-level FOFs, banks, insurance, professional FOFs and industry-side investment institutions, as well as high net worth individual investors, mainly entrepreneurs. We highly value how we serve investors, and this is why we collect investors' opinions and suggestions for our businesses and services through opinion box, investor visits, investor conferences, etc. to further improve our service capability and effectively protect investors' legitimate rights and interests.

In 2023, the Company improved the duties and procedures of information disclosure, standardised the Company's information disclosure behaviour, and actively fulfilled its responsibility of fair and transparent information disclosure. Following the release of the first Sustainable Investment and Impact Report in 2022, the 2022 ESG Report was released as scheduled. In terms of investor communication, the Company communicated and exchanged with investors through channels such as the website of AMAC, fund partner meetings, product roadshows, CoStone Lecture, CoStone Forum, and emails sending out quarterly and annual reports of the fund, so as to realise two-way communication and positive interaction with investors.

As of the issuing date of the Report, CoStone Capital had no investor complaints filed with the Asset Management Association of China. Funds under our management ranked among the top in the performance evaluation by government fund of funds (FOF), and won several annual awards granted by government FOF.

Protecting Investors' Rights and Interests

We strictly abide by provisions of regulatory authorities and develop the Risk Disclosure System for Qualified Investors, the Internal Review Process and File Management System for Qualified Investors, the Management System for Investors Suitability, the Promotion and Fundraising Policies for Private Equity and other rules accordingly. We strictly regulate the compliance and legal operation of our business and endeavour to improve the quality of the services. We provide to our investors in order to create long-term sustainable investment returns for them.

Responsible investor adaptability analysis:	The Company actively carries out risk level evaluation of fund products, continuously optimises and improves the identification of qualified investors and appropriateness management through comprehensive and adequate evaluation of investors' risk tolerance, completes the identification and review of qualified investors, and strengthens the protection of the legitimate rights and interests of investors.
Providing diversified investment products and solutions:	The Company provides diversified investment products and solutions to meet investors' different risk preferences and return expectations through continuous innovation and expansion of investment fields, so as to achieve the appreciation and preservation of investors' wealth.
Enhanced risk control and compliance management:	Through the establishment of a sound risk control and compliance management system, the Company is able to effectively identify, assess and respond to various types of risks, comply with laws, regulations and industry norms, protect the legitimate rights and interests of investors, and prevent potential losses and disputes.
Guaranteed investor information management:	Standardised investor identification, investor identity information and transaction records preservation and management, strict protection of investor privacy, preservation of paper and electronic transaction records, and fair treatment of different categories of investors.
Strict Practitioner Competence Requirements:	Practitioners are required to comply with all kinds of laws and regulations, self-regulatory rules and basic business norms, follow professional ethics, master fund professional knowledge, understand the innovative business, theories and technological frontiers, and update their technical knowledge and professional skills in accordance with the new business and new situation, so as to enhance their competence in practice.
Regular and standardised information disclosure mechanism:	The Company's fund managers will regularly disclose information on connected transactions and other information to investors through quarterly reports and financial reports, in order to guarantee that investors can respond to the dynamic risks of connected transactions in a timely manner.
Improvement of Investor Complaint Handling Mechanism:	By improving the investor complaint handling mechanism, the Company is able to collect, handle and respond to investor complaints in a timely manner, and actively improve the quality of services and processes to enhance investor satisfaction and loyalty.

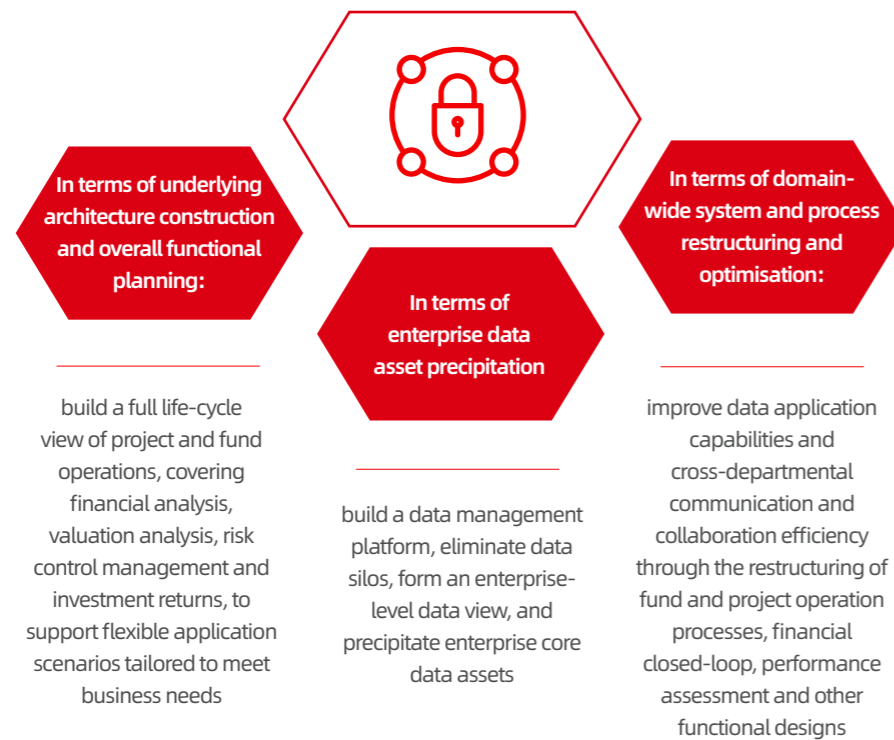
Digital Construction and Data Security Protection

Digital Management System

System Construction Objectives

Combined with the Company's business development and operational enhancement requirements, CoStone Capital launched the planning and implementation of a fund management system in 2023. The objective of the system construction is to establish a comprehensive digital investment management system and an "twenty-four seven" business management platform. Combined with the Company's business development, external environmental requirements and users' demands for system digital upgrading, the focus of the digital system construction has shifted from process governance and functional application to the precipitation and application of data assets and the improvement of the overall operational efficiency of the system. Through the creation of a unified data management platform, the efficient flow and interaction of organisations, processes and data on the management platform is of great significance for the improvement of the Company's operational efficiency and the change of the operation and management style.

System Construction Achievements



System Management Architecture

CoStone Capital's fund management system platform covers the whole life cycle of fundraising, investment, management and withdrawal. By deploying application and management back-office modules to meet internal operation and management needs, and planning external portals such as investee reporting platform and LP business portal, it realises the all-round management of GPs, LPs and investees, establishes efficient internal and external connections, and creates a one-stop office platform that combines application scenarios, data and business fusion, and internal control fusion and landing.



Data Security Governance

In terms of data security, we formulate and promulgate the OA System Permission Management System and the Project Information and File Management System to clarify the daily management of business data, and the business data counterpart management department regularly checks and updates the opening, application and destruction of permissions to ensure the security of business secrets and data security. At the same time, we have refined the granularity of data authority management and created authority matrix according to job personnel, which is used to guide business departments and technical departments in the daily management of data authority.

We also employ a professional security team to carry out security operation and maintenance for the Company's hardware infrastructure, realising the closed loop management of system and data security of "pre-warning

+ in-process monitoring + post-completion”, doing 24-hour automatic security patrols, and issuing day-by-day system security monitoring reports. Backup servers are deployed in the hosting server room and the office headquarters to achieve double backup of data in the same city and in different places, which greatly reduces the risk of data loss. 2023, the Company did not have any confirmed major information security and customer privacy leakage incidents.

In the future, CoStone Capital will further focus on business scenarios, upgrade its technical architecture, and continue to optimise the implementation routes and solutions for digital construction, so as to fully empower business development.



Promoting Social Development

Participate in Industry Development

CoStone Capital takes the responsibility of maintaining a harmonious and stable social environment. While pursuing its own development, CoStone Capital actively cooperates with government agencies, industry associations, leading enterprises, financial institutions, investment platforms, etc., to make progress together and build a win-win cooperation and a harmonious community environment.

CoStone Capital Organises 2023 China Qianhai Entrepreneurs Summit

From 20 to 21 April 2023, 2023 China Qianhai Entrepreneurs Summit was successfully held in Shenzhen under the guidance of Shenzhen Qianhai Authority and hosted by CoStone Capital. With the theme of “Revisiting the Way of Innovation: The Future of the State and Enterprises”, the summit featured a number of high-profile entrepreneurs, scientists, scholars, and investors who gave brilliant speeches and had in-depth discussions on the environment of innovation, the spirit of innovation, and the practice of innovation.

CoStone Lecture: Enjoy a Feast of Ideas from the Top Scholars

CoStone Lecture aims to build a platform for dialogue with masters, inviting top scholars or entrepreneurs in different fields to give lectures in each issue. Since 2014, CoStone Lecture Hall has been successfully held for twenty-five times, and has become a feast for entrepreneurs, scholars and other social elites to exchange and share their thoughts. It is not only a cutting-edge forum for researching economy and finance, and the direction of science and society, but also a hundred schools where humanities converge and ideas collide.

From 15 to 16 June 2023, the twenty-fifth edition of CoStone Lecture- Science and Technology was successfully held in Wuxi. The Lecture was jointly organised by Wuxi Local Financial Supervision Administration, Wuxi Radio and Television Group (Station) and CoStone. A number of famous entrepreneurs, scientists, scholars and investors expressed their brilliant views on the origin and development of science and technology, as well as the technological frontiers such as artificial intelligence and semiconductors.

On 3-4 November 2023, the 26th CoStone Lecture - Hard & Core Technology and Innovation Management was successfully held in Nanchang, Jiangxi Province. The Lecture was jointly organised by Jiangxi State-owned Capital Operation Holding Group Co. and CoStone Asset Management Co. A number of heavyweight entrepreneurs, scientists and management scientists expressed their brilliant views on the development of hard science and technology fields such as semiconductors, quantum science, new energy, artificial intelligence, etc., as well as how science and technology enterprises can carry out innovation management.



Future Outlook

Though valuing environmental protection, green investment places its core at “investment”. To be more specific, it’s not a public welfare project nor a policy-based or emotional investment. It should be market-oriented investment from which a responsible investment institution finds balance between social and economic benefits. The practice of green investment and ESG principles is essential to the investment returns of investors and the long-term sustainable operation of enterprises. Driven by inherent factors, impactful investment aims to not only make money, but also bring positive impact on society and the environment.

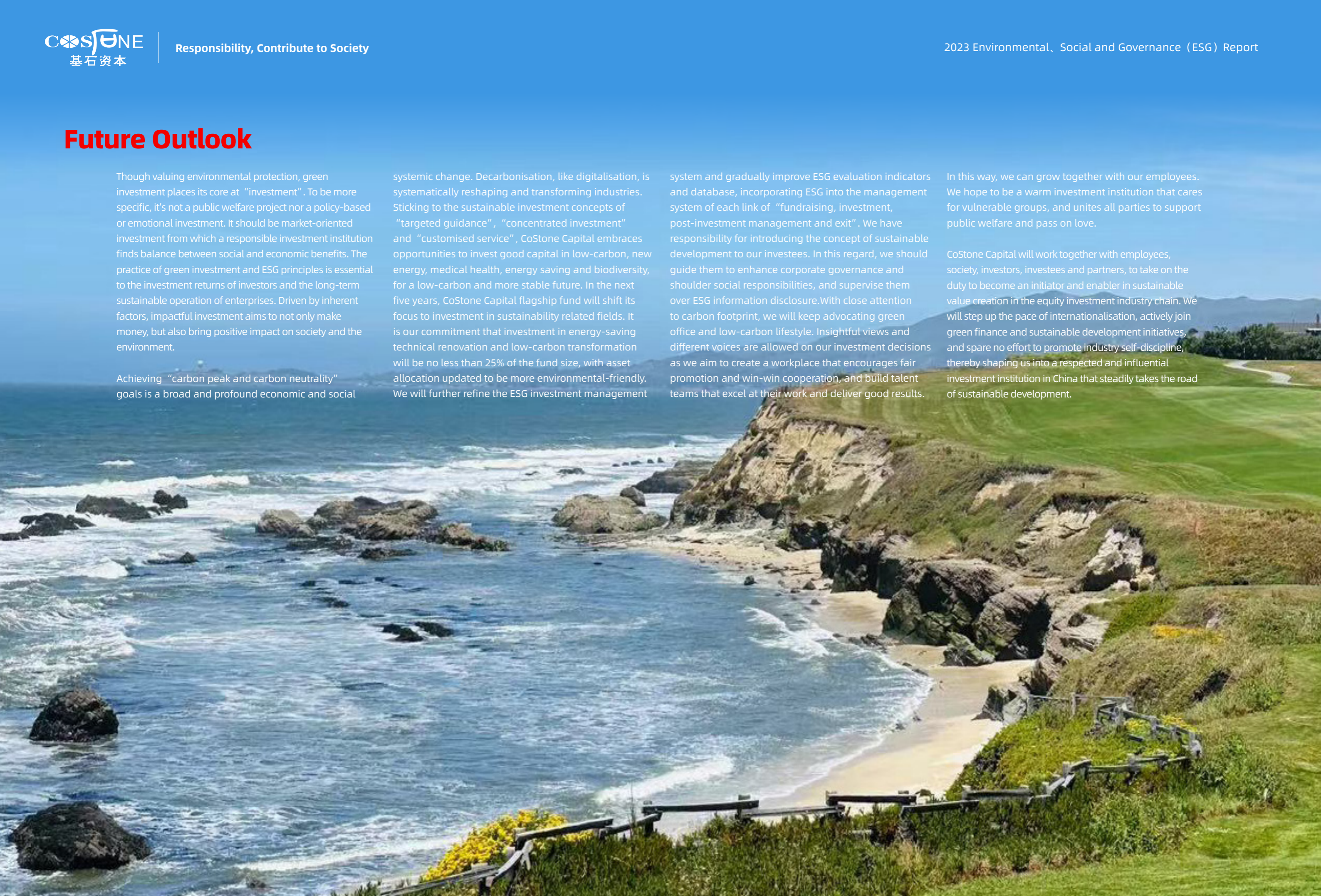
Achieving “carbon peak and carbon neutrality” goals is a broad and profound economic and social

systemic change. Decarbonisation, like digitalisation, is systematically reshaping and transforming industries. Sticking to the sustainable investment concepts of “targeted guidance”, “concentrated investment” and “customised service”, CoStone Capital embraces opportunities to invest good capital in low-carbon, new energy, medical health, energy saving and biodiversity, for a low-carbon and more stable future. In the next five years, CoStone Capital flagship fund will shift its focus to investment in sustainability related fields. It is our commitment that investment in energy-saving technical renovation and low-carbon transformation will be no less than 25% of the fund size, with asset allocation updated to be more environmental-friendly. We will further refine the ESG investment management

system and gradually improve ESG evaluation indicators and database, incorporating ESG into the management system of each link of “fundraising, investment, post-investment management and exit”. We have responsibility for introducing the concept of sustainable development to our investees. In this regard, we should guide them to enhance corporate governance and shoulder social responsibilities, and supervise them over ESG information disclosure. With close attention to carbon footprint, we will keep advocating green office and low-carbon lifestyle. Insightful views and different voices are allowed on our investment decisions as we aim to create a workplace that encourages fair promotion and win-win cooperation, and build talent teams that excel at their work and deliver good results.

In this way, we can grow together with our employees. We hope to be a warm investment institution that cares for vulnerable groups, and unites all parties to support public welfare and pass on love.

CoStone Capital will work together with employees, society, investors, investees and partners, to take on the duty to become an initiator and enabler in sustainable value creation in the equity investment industry chain. We will step up the pace of internationalisation, actively join green finance and sustainable development initiatives, and spare no effort to promote industry self-discipline, thereby shaping us into a respected and influential investment institution in China that steadily takes the road of sustainable development.



Appendix: GRI Index

GRI Standards	Disclosures	Index
GRI 2: General Disclosures	2-1 Organizational details	About CoStone Capital-Corporate Overview
	2-2 Entities included in the organization's sustainability reporting	About the Report-Description of the Report
	2-3 Reporting period, frequency and contact point	About the Report-Reporting Scope/Feedback from Readers
	2-4 Restatements of information	Not applicable
	2-5 External assurance	Not applicable
	2-6 Activities, value chain and other business relationships	About CoStone Capital-Corporate Overview
	2-7 Employees	Sunny Workplace, Comprehensive Employee Care-Equal and Standardised Employment
	2-8 Workers who are not employees	Focus on Sustainable Development with a View to the Future-Stakeholder Engagement
	2-9 Governance structure and composition	Solid Governance for High-quality Development-Improvement of Governance Structure
	2-10 Nomination and selection of the highest governance body	Solid Governance for High-quality Development-Improvement of Governance Structure
	2-11 Chair of the highest governance body	Solid Governance for High-quality Development-Improvement of Governance Structure
	2-12 Role of the highest governance body in overseeing the management of impacts	Solid Governance for High-quality Development-Improvement of Governance Structure
	2-13 Delegation of responsibility for managing impacts	Solid Governance for High-quality Development-Improvement of Governance Structure
	2-14 Role of the highest governance body in sustainability reporting	Focus on Sustainable Development with a View to the Future-ESG Management
	2-15 Conflicts of interest	Focus on Sustainable Development with a View to the Future-Stakeholder Engagement
	2-16 Communication of critical concerns	Focus on Sustainable Development with a View to the Future-Stakeholder Engagement
	2-17 Collective knowledge of the highest governance body	Solid Governance for High-quality Development-Improvement of Governance Structure
	2-18 Evaluation of the performance of the highest governance body	Solid Governance for High-quality Development-Improvement of Governance Structure
	2-19 Remuneration policies	Not applicable
	2-20 Process to determine remuneration	Not applicable
	2-21 Annual total compensation ratio	Not applicable
	2-22 Statement on sustainable development strategy	Focus on Sustainable Development with a View to the Future-ESG Management
	2-23 Policy commitments	Chairman's Statement
	2-24 Embedding policy commitments	About CoStone Capital-CoStone's Investment Commitment
	2-25 Processes to remediate negative impacts	Not applicable
	2-26 Mechanisms for seeking advice and raising concerns	Responsibility, Contribute to Society-Investor Relations Management
	2-27 Compliance with laws and regulations	Full text of the Report
	2-28 Membership associations	Responsibility, Contribute to Society-Promoting Social Development
	2-29 Approach to stakeholder engagement	Focus on Sustainable Development with a View to the Future-Stakeholder Engagement
	2-30 Collective bargaining agreements	Not applicable

GRI Standards	Disclosures	Index
Material issues: ESG management		
GRI 3: Material Topics	3-1 Process to determine material topics	Focus on Sustainable Development with a View to the Future-Stakeholder Engagement
	3-2 List of material topics	Focus on Sustainable Development with a View to the Future-Stakeholder Engagement
	3-3 Management of material topics	Focus on Sustainable Development with a View to the Future-Stakeholder Engagement
Material issues: Clean culture construction Risk management mechanism Governance strategy Creditor relationship management		
GRI 205: Anti-corruption	205-1 Operations assessed for risks related to corruption	Solid Governance for High-quality Development-Compliance and Internal Control Management
	205-2 Communication and training about anti-corruption policies and procedures	Solid Governance for High-quality Development-Compliance and Internal Control Management
	205-3 Confirmed incidents of corruption and actions taken	Solid Governance for High-quality Development-Compliance and Internal Control Management
Material issues: Fair competition		
GRI 206: Anti-competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Solid Governance for High-quality Development-Compliance and Internal Control Management
Material issues: Resource consumption management Green action Environmental protection inputs		
GRI 302: Energy	302-1 Energy consumption within the organization	Caring for the Environment, Building Colourful Pictures-Adherence to Green Operations
	302-2 Energy consumption outside of the organization	Caring for the Environment, Building Colourful Pictures-Adherence to Green Operations
	302-3 Energy intensity	Not applicable
	302-4 Reduction of energy consumption	Caring for the Environment, Building Colourful Pictures-Adherence to Green Operations
	302-5 Reductions in energy requirements of products and services	Caring for the Environment, Building Colourful Pictures-Adherence to Green Operations
GRI 303: Water and Effluents	303-1 Interactions with water as a shared resource	Caring for the Environment, Building Colourful Pictures-Adherence to Green Operations
	303-2 Management of water discharge-related impacts	Not applicable
	303-3 Water withdrawal	Caring for the Environment, Building Colourful Pictures-Adherence to Green Operations
	303-4 Water discharge	Not applicable
	303-5 Water consumption	Not applicable
Material issues: Greenhouse gas emissions		
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	Caring for the Environment, Building Colourful Pictures-Adherence to Green Operations
	305-2 Energy indirect (Scope 2) GHG emissions	Caring for the Environment, Building Colourful Pictures-Adherence to Green Operations
	305-3 Other indirect (Scope 3) GHG emissions	Caring for the Environment, Building Colourful Pictures-Adherence to Green Operations
	305-4 GHG emissions intensity	Caring for the Environment, Building Colourful Pictures-Adherence to Green Operations
	305-5 Reduction of GHG emissions	Not applicable
	305-6 Emissions of ozone-depleting substances (ODS)	Not applicable
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not applicable

Appendix: GRI Index (2)

GRI Standards	Disclosures	Index
Material issues: Solid waste		
GRI 306: Waste	306-1 Waste generation and significant waste-related impacts	Caring for the Environment, Building Colourful Pictures-Adherence to Green Operations
	306-2 Management of significant waste-related impacts	Not applicable
	306-3 Waste generated	Caring for the Environment, Building Colourful Pictures-Adherence to Green Operations
	306-4 Waste diverted from disposal	Not applicable
	306-5 Waste directed to disposal	Not applicable
Material issues: Compensation and benefits		
GRI 401: Employment	401-1 New employee hires and employee turnover	Sunny Workplace, Comprehensive Employee Care-Equal and Standardised Employment
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sunny Workplace, Comprehensive Employee Care-Attentive Employee Care
	401-3 Parental leave	Sunny Workplace, Comprehensive Employee Care-Attentive Employee Care
Material issues: Employee health & safety		
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system	Sunny Workplace, Comprehensive Employee Care-Attention to Occupational Health and Safety
	403-2 Hazard identification, risk assessment, and incident investigation	Not applicable
	403-3 Occupational health services	Sunny Workplace, Comprehensive Employee Care-Attention to Occupational Health and Safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	Sunny Workplace, Comprehensive Employee Care-Attention to Occupational Health and Safety
	403-5 Worker training on occupational health and safety	Sunny Workplace, Comprehensive Employee Care-Attention to Occupational Health and Safety
	403-6 Promotion of worker health	Sunny Workplace, Comprehensive Employee Care-Attention to Occupational Health and Safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sunny Workplace, Comprehensive Employee Care-Attention to Occupational Health and Safety
	403-8 Workers covered by an occupational health and safety management system	Sunny Workplace, Comprehensive Employee Care-Attention to Occupational Health and Safety
	403-9 Work-related injuries	Sunny Workplace, Comprehensive Employee Care-Attention to Occupational Health and Safety
	403-10 Work-related ill health	Sunny Workplace, Comprehensive Employee Care-Attention to Occupational Health and Safety

GRI Standards	Disclosures	Index
Material issues: Employee development & training		
GRI 404: Training and Education	404-1 Average hours of training per year per employee	Sunny Workplace, Comprehensive Employee Care-Empowering Talent Development
	404-2 Programs for upgrading employee skills and transition assistance programs	Sunny Workplace, Comprehensive Employee Care-Empowering Talent Development
	404-3 Percentage of employees receiving regular performance and career development reviews	Sunny Workplace, Comprehensive Employee Care-Empowering Talent Development
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	Sunny Workplace, Comprehensive Employee Care-Equal and Standardised Employment
	405-2 Ratio of basic salary and remuneration of women to men	Not applicable
Material issues: Compensation and benefits		
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	Sunny Workplace, Comprehensive Employee Care-Equal and Standardised Employment
GRI 407: Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Sunny Workplace, Comprehensive Employee Care-Attention to Occupational Health and Safety
GRI 408: Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	Not applicable
GRI 409: Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Sunny Workplace, Comprehensive Employee Care-Equal and Standardised Employment
Material issues: Community contribution Public charities Government policy response		
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	Responsibility, Contribute to Society-Promoting Social Development
	413-2 Operations with significant actual and potential negative impacts on local communities	Responsibility, Contribute to Society-Promoting Social Development
Material issues: Supplier management		
GRI 414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	Responsibility, Contribute to Society-Responsible Supply Chain Management
	414-2 Negative social impacts in the supply chain and actions taken	Responsibility, Contribute to Society-Responsible Supply Chain Management
Material issues: Customer service quality Customer satisfaction Customer privacy protection Investor rights protection Data security management Sustainable investment		
GRI 417: Marketing and Labeling	417-1 Requirements for product and service information and labeling	Responsibility, Contribute to Society-Investor Relations Management
	417-2 Incidents of non-compliance concerning product and service information and labeling	Not applicable
	417-3 Incidents of non-compliance concerning marketing communications	Not applicable
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Responsibility, Contribute to Society-Investor Relations Management

Feedback from Readers

Dear friends: Thank you for reading the 2023 Environmental, Social and Governance Report. In order to provide you and other stakeholders with more valuable information and help us to further enhance our value and impact in the field of sustainable investment, we would appreciate hearing your valuable opinions and suggestions.

Please tick “√” the appropriate box.

1. Your overall assessment of this report:

Very good Good Fair Poor Very poor

2. Do you think this report addresses issues of stakeholders’ concern:

Yes No

3. Do you think this report reflects economic, social and environmental impacts of CoStone Capital:

Yes No

4. What do you think of the information disclosed in this report:

Very good Good Fair Poor Very poor

5. Do you find the structure of this report easy to read:

Very good Good Fair Poor Very Poor

6. Which parts of the report are the most satisfactory to you?

7. Which parts of the report need further disclosure?

8. What opinions and suggestions do you have for CoStone Capital to practice social responsibility?

Please send your opinions and suggestions to our e-mail at ESGTeam@stonevc.com We will take your opinions and suggestions seriously, thanks again for your support!