



宁波迦南智能电气股份有限公司  
NINGBO JIANAN ELECTRONICS CO., LIMITED

**20** NINGBO JIANAN ELECTRONICS CO., LTD.  
**25** Sustainability Report

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# About the Report

This report is the first sustainability report publicly released by Ningbo Jianan Electronics Co., Ltd. (hereinafter referred to as "JIANAN ELEC" or the "Company"). It aims to disclose the Company's environmental, social, and governance ("ESG") investments and results for 2025 in a transparent and open manner, responding to the concerns and expectations of stakeholders regarding the Company's sustainable development management.

## Reporting Scope

This report follows the Company's fiscal year as the reporting period (Stock Code: 300880.SZ), covering the period from January 1, 2025, to December 31, 2025 (hereinafter referred to as the "reporting period"). Some content is appropriately extended to include information from the preceding and subsequent years.

The scope of the report covers Ningbo Jianan Electronics Co., Ltd. and its subsidiaries. Unless otherwise specified, the scope is consistent with the Company's consolidated financial statements for the same period. The full names and abbreviations of the companies included within the scope of this report are listed in the table below.

Full Company Names and Abbreviations

Abbreviation	Full Company Name	Abbreviation	Full Company Name
JIANAN ELEC or the Company	Ningbo Jianan Electronics Co., Ltd. and its subsidiaries	Yaochuang Electronic	Cixi Yaochuang Electronic Technology Co., Ltd.
Ningbo Zhongrui	Ningbo Zhongrui Electric Power Technology Co. Ltd.	Jiachen New Energy	Zhejiang Jiachen New Energy Co., Ltd.
Jiachen Smart Electric	Zhejiang Jiachen Zhidian Technology Co.Ltd.	Jiachuang Investment	Zhejiang Jiachuang Self Owned Fund Investment Co. Ltd
Jianeng International	Zhejiang Jianeng International Power Co., Ltd.	Hangzhou Branch	Ningbo Jianan Electronics Co., Ltd. Hangzhou Branch
JIANAN Hong Kong	Ningbo Jianan Electronics Co., Limited, a wholly-owned subsidiary of Ningbo Jianan Electronics Co., Ltd., registered in Hong Kong		
Ruishi Jiachuang	Jiaxing Ruishi Jiachuang Equity Investment	Gansu Ruida	Gansu Ruida Electrical Technology Co., Ltd.

## Basis for Preparation

This report is prepared based on the *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation)* (hereinafter referred to as the "Guidelines"), with reference to the *Self-Regulatory Guidelines No. 3 for Companies Listed on Shenzhen Stock Exchange—Guidelines for the Preparation of Sustainability Reports*.

## Source of Data

The data and cases in this report are derived from the Company's official operational records. Financial data are denominated in RMB. In case of any discrepancy with the Company's annual financial report, the annual financial report shall prevail.

## Publication and Availability

This report is available in both Simplified Chinese and English. In case of any discrepancies between the two versions, the Chinese version shall prevail. The electronic version of this report can be accessed and downloaded from the designated information disclosure platform of the Shenzhen Stock Exchange or the Company's official website ([www.nbjianan.com](http://www.nbjianan.com)).

## Preparation Principles

### Materiality

The Company identifies material topics relevant to its operations that are of concern to stakeholders, which form the focus of this report. While reporting on these material topics, the report also considers the characteristics of the industry and the Company's business. The process and results of the materiality analysis are detailed in the "Materiality Assessment" section of this report.

### Balance

This report reflects objective facts, and both positive and negative information involving the Company is disclosed impartially. No negative incidents that should have been disclosed were omitted during the reporting period.

### Quantitative

This report discloses key quantitative metrics, which are detailed in the "ESG Data Tables and Notes" section.

### Completeness

The scope of entities covered by this report is consistent with that of the Company's consolidated financial statements.

### Timeliness

This is an annual report covering the period from January 1, 2025, to December 31, 2025. The Company publishes the report within four months after the end of each fiscal year to provide stakeholders with timely information for decision-making.

## Contact Information

Address: 315 Kaiyuan Road, Cixi City, Zhejiang Province  
 Tel: 0574-63080571  
 Email: [ir@nbjzn.com](mailto:ir@nbjzn.com)

### Accuracy

This report seeks to ensure the accuracy of information to the greatest extent possible and has been assured by a third party. The calculation of quantitative data includes explanations of the data standards, calculation basis, and assumption conditions to ensure that any margin of error does not mislead the users. Quantitative data and notes are detailed in the "ESG Data Tables and Notes" section of the report.

### Clarity

This report is published in both Simplified Chinese and English. It also includes tables and diagrams to help stakeholders better understand the content. To facilitate quicker access to information by stakeholders, the report provides a table of contents and an indicator index aligned with ESG standards.

### Comparability

The Company maintains consistency in the statistical and disclosure methodology for the same quantitative metrics across different reporting periods. Where there are changes to the data collection, measurement or calculation methods, the relevant data are retrospectively adjusted, and the adjustments and the reasons for them are explained in the notes to the report, so as to enable stakeholders to conduct meaningful analysis and assess trends in the Company's ESG performance.

### Verifiability

The cases and data in this report are derived from the Company's original operational records or financial reports. The Company uses the HiESG Environmental, Social and Governance Performance Management System to manage ESG data. The sources of the disclosed data and the calculation process are fully traceable and can support third-party assurance.

Postcode: 315336  
 Fax: 0574-63080569



## Chairman's Statement

As the 14th Five-Year Plan came to a successful close, 2025 saw JIANAN ELEC move ahead with a sharper focus on intelligent development and innovation, opening a new chapter in high-quality development. Throughout the year, we remained steadfast in bringing our vision of "Make Energy Visible" to life. By staying deeply committed to the intelligent metering industry, we used digital and intelligent technologies to turn energy from an abstract concept into a source of value that can be perceived, analysed and optimised. We also extended our metering capabilities from individual devices to the wider energy ecosystem across a full range of application scenarios, delivering a step-change in intelligent manufacturing under the momentum of new quality productive forces and adding another strong chapter to our sustainability story.

**Building a stronger ESG foundation for steady, long-term progress.** Supported by an ESG governance structure with clearly defined authorities and responsibilities and efficient operation, we have embedded the sustainability philosophy deeply in our corporate vision and operating principles. We put in place and continue to refine our ESG management measures to address risks and seize opportunities, while working with stakeholders in a spirit of harmony, mutual benefit and shared progress towards a sustainable future.

**Bringing together green energy and intelligent solutions to enable circular and symbiotic development.** As a steadfast implementer of China's dual carbon strategy (carbon peaking and carbon neutrality), we actively pursue energy-saving and carbon-reduction initiatives. Through our Energy & Carbon Platform and our Energy Platform, we use real-time energy data to pinpoint potential energy issues, optimise the energy mix more scientifically, and support the transition to green and low-carbon operations through digital tools. We also put the principle of circular economy into practice by continuously advancing standardised waste treatment and resource recovery, while exploring green packaging solutions that reduce material use, support reuse and improve recyclability, so that our environmentally friendly operations can help safeguard ecological sustainability.

**Innovating for better products and enhancing quality for a stronger value chain.** Guided by a "Technology-led, Service-oriented" business approach and by our belief that "quality is the foundation and a driver of value creation", we remain committed to innovation and to deepening intelligent manufacturing. Our closed-

loop management approach has helped us ensure product and service safety and quality. We also maintain rigorous information security controls, strengthen customer privacy protection, and support the safe and stable operation of the power grid. Building on our strengths as a core supplier in smart metering and electricity usage data collection, we further advance sustainable supply chain development, bring the value chain more closely together, and support the upgrading of the intelligent metering industry.

**Valuing talent and creating shared prosperity through responsible action.** We strengthen our talent development system, uphold fair and compliant employment practices, fully safeguard employees' lawful rights and interests, and reinforce protections for occupational health and safety. Supported by a training system tailored to different employee groups and levels, we have systematically enhanced the professional expertise and overall capabilities of our workforce. Guided by a strong sense of corporate social responsibility, we also actively carry out public welfare initiatives, support vulnerable groups, and contribute to rural revitalization through practical action, thereby playing our part in promoting social harmony and development.

**Building trust on strong foundations and operating with integrity and compliance.** Guided by our business philosophy of "integrity first", we adhere to compliance standards, carry out regular risk management, and improve our disclosure mechanisms, so as to safeguard shareholders' rights and interests through sound governance and transparent operations. Committed to "fair competition based on effective competition and mutual benefit", we maintain "zero tolerance" towards bribery and corruption. By enhancing institutional norms, conducting promotional and educational campaigns, and strengthening internal supervision and control, we are working to build a clean and upright JIANAN ELEC and to help foster a well-regulated, orderly and healthy market environment.

**Using ESG as our compass and embarking on a new journey in the "15th Five-Year Plan" period.** In 2026, the Company will stay focused on strengthening fundamentals, advancing technology, expanding application scenarios and driving transformation. We will accelerate our transition into a comprehensive energy solutions service provider, with a strategic focus on the new power system ecosystem spanning solar power generation, energy storage, charging and distribution. We will also embed our ESG governance system throughout the entire business chain and continue to share green and intelligent JIANAN solutions with the world.



# About Us

## Company Profile

Ningbo Jianan Electronics Co., Ltd. (Stock Code: 300880.SZ), founded in 1999, is a high-tech enterprise, and also a "Little Giant" enterprise recognized by the Ministry of Industry and Information Technology of the People's Republic of China, which specializes in the R&D, manufacturing, and sales of smart metering and systems, power distribution equipments and components, and new energy equipment and system integration.

As a high-quality long-term partner in power grid operations, the Company is committed to building a global technology innovation center for low-carbon, zero-carbon and negative-carbon energy solutions, and strives to become a customer-trusted, sustainable, and globally-oriented public technology company.

## Business Portfolio

During the reporting period, the Company was primarily engaged in the R&D, manufacturing, and sales of smart metering and systems, power distribution equipments and components, and new energy equipment and system integration, with its products being widely used in the power industry.

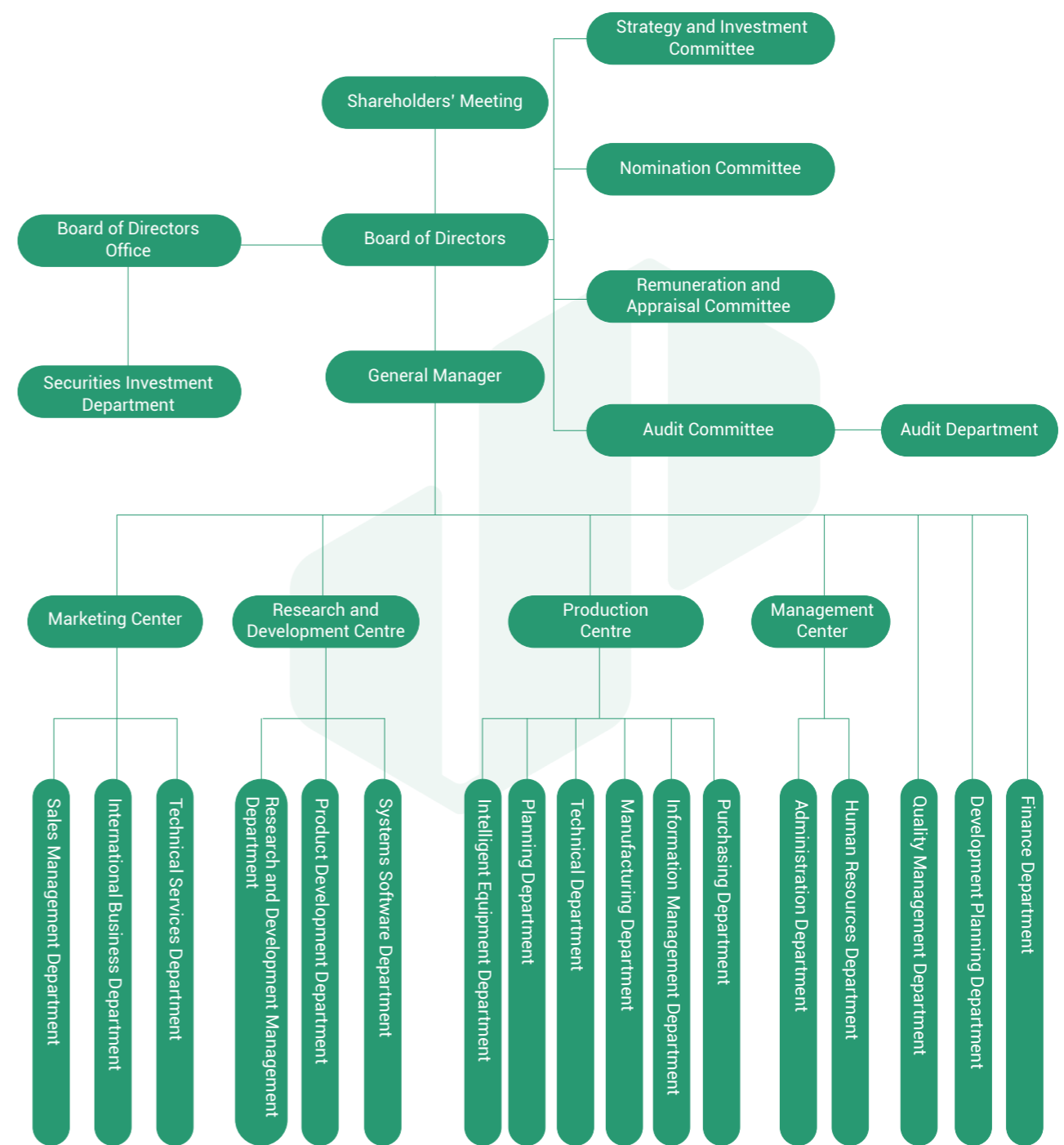
All software and hardware products related to the measurement, collection, billing, and charging of electrical energy, including smart electricity meters, power consumption data collection terminals, IoT modules, collection system and billing-system software, and operation and maintenance services.

Protective enclosures (housings) and components for products and equipment related to electricity metering and control. This includes metering boxes (high/medium/low voltage), meter housings and terminal enclosures, as well as internal components (such as terminals, switches, locks, etc.).



Hardware products for new energy equipment and the system integration business centered around these equipment, including charging equipment, energy storage equipment, and system integration projects.

## Organizational Structure



## Corporate Culture

### Values

Unity of knowledge and action

### Mission

Paving the way of energy measurement, exploiting the diversification of energy

### Vision

Make Energy Visible

### Spirit

Be responsible, Be accountable, Make achievements, Be dedicated

### Philosophy

Create value for shareholders and opportunities for employees



## Honours in 2025

**Approved in the 2025 Review for 'Little Giant' Status**  
Ministry of Industry and Information Technology of the People's Republic of China

**National Green Factory**  
Ministry of Industry and Information Technology of the People's Republic of China

**Zhejiang Advanced Smart Factory (JIANAN ELEC Smart Electricity Meter and Collection System Smart Factory)**  
Department of Economy and Information Technology of Zhejiang Province

**Zhejiang Industrial Design Center**  
Department of Economy and Information Technology of Zhejiang Province

**"Zhejiang Excellent Industrial Product" (Precision Instrument Group: High-Protection Smart Electricity Meter)**  
Department of Economy and Information Technology of Zhejiang Province

**National High-tech Enterprise (Jiachen New Energy, a controlled subsidiary)**  
Office of the National Leading Group for the Administration of High-tech Enterprise Accreditation

**Cixi Top 20 Industrial Enterprises 2024**  
CPC Cixi Municipal Committee and Cixi Municipal People's Government

**Cixi Zero-Carbon (Near-Zero-Carbon) Factory 2025**  
Cixi Municipal Economic and Information Technology Bureau

**Cixi Top 100 Taxpayers 2024**  
CPC Cixi Municipal Committee and Cixi Municipal People's Government



## Sustainability Governance

### Sustainability Philosophy

JIANAN ELEC regards "through technology and quality, we create opportunities for customers, employees, shareholders and society to realise aspirations" as the core of its corporate philosophy. The Company is committed to promoting the coordinated development of its business alongside the economy, the environment and society, working with stakeholders for mutual benefit and shared progress, and pursuing a sound and sustainable path of development through a strong sense of responsibility.

#### Sustainability Philosophy of JIANAN ELEC



## Sustainability Governance Structure

The Company has established and continuously improved a sustainability governance structure with clearly defined authorities and responsibilities and efficient operation. By defining the respective roles of the decision-making, management and execution levels, it integrates ESG philosophy throughout both its strategic development and day-to-day operations, thereby strengthening the foundation for sustainability governance. As of the end of the reporting period, the Company had obtained certification under the GB/T 39604-2020 Social responsibility management systems standard.

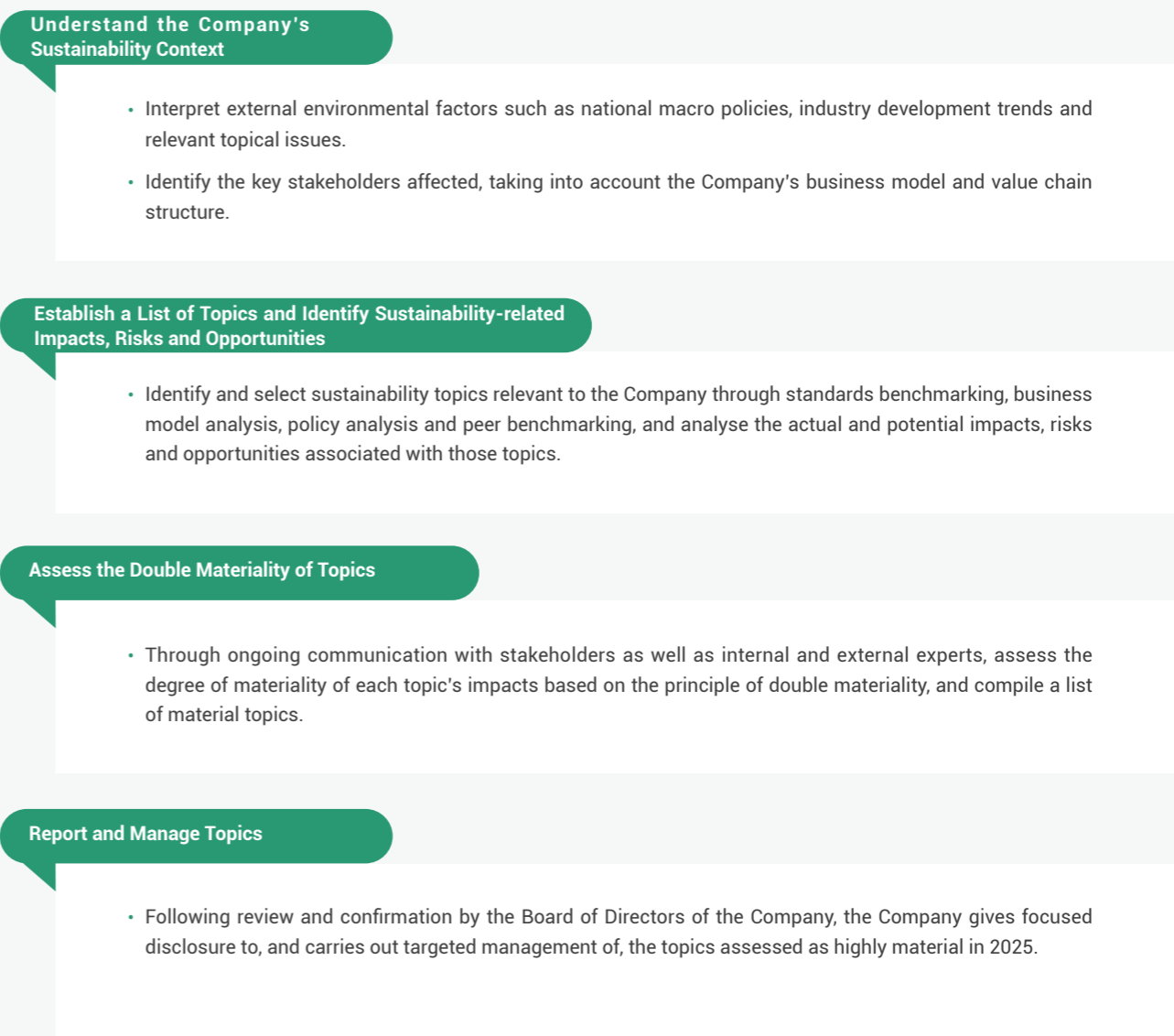


## Materiality Assessment

### Double Materiality Analysis Process

The identification of topics from the perspectives of financial materiality and impact materiality (collectively, "double materiality") is a core part of the Company's sustainability management. In 2025, in accordance with the requirements for materiality analysis set out in the Shenzhen Stock Exchange's *Guidelines*, the Company carried out the identification, assessment, prioritisation and reporting of material topics.




#### Double Materiality Analysis Process of JIANAN ELEC






## Stakeholder Engagement and Due Diligence

The Company identifies its key stakeholders and has established a regular communication mechanism. Through regular and ad hoc engagement, it seeks to gain an in-depth understanding of stakeholders' concerns and actively responds to their needs and expectations, thereby continuously enhancing its ESG management performance.

让能源看得见  
MAKE ENERGY  
VISIBLE

Key Stakeholders	Topics of Concern	Response Channels
 <b>Shareholders and investors</b>	<ul style="list-style-type: none"> <li>• Corporate Governance</li> <li>• Risk and Compliance Management</li> <li>• Anti-Commercial Bribery and Anti-Corruption</li> <li>• Climate Response</li> </ul>	<ul style="list-style-type: none"> <li>• Shareholders' Meeting</li> <li>• Annual reports</li> <li>• ESG reports</li> <li>• Investor briefings and roadshows</li> </ul>
 <b>Government and regulatory authorities</b>	<ul style="list-style-type: none"> <li>• Environmental Compliance Management</li> <li>• Pollutant Discharge</li> <li>• Waste Disposal</li> <li>• Water Resources Utilization</li> <li>• Energy Utilization</li> <li>• Fair Competition</li> <li>• Social Contributions and Rural Revitalization</li> </ul>	<ul style="list-style-type: none"> <li>• Special reports</li> <li>• Regular data reporting</li> <li>• Thematic communication meetings</li> <li>• Policy implementation</li> <li>• Volunteer activities</li> <li>• Public welfare and charity</li> </ul>
 <b>Customers</b>	<ul style="list-style-type: none"> <li>• Product and Service Safety and Quality</li> <li>• Data Security and Customer Privacy</li> <li>• Innovation</li> </ul>	<ul style="list-style-type: none"> <li>• Customer satisfaction surveys</li> <li>• Product descriptions</li> <li>• Official website and social media</li> <li>• On-site communication</li> </ul>

Key Stakeholders	Topics of Concern	Response Channels
 <b>Employees</b>	<ul style="list-style-type: none"> <li>• Employees</li> <li>• Occupational Health and Safety</li> </ul>	<ul style="list-style-type: none"> <li>• Employee meetings</li> <li>• Training activities</li> <li>• Satisfaction surveys</li> <li>• Employee Representative Congress</li> <li>• Daily face-to-face communication</li> </ul>
 <b>Suppliers and partners</b>	<ul style="list-style-type: none"> <li>• Supply Chain Security and Sustainable Management</li> <li>• Fair Competition</li> <li>• Anti-Commercial Bribery and Anti-Corruption</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier conferences</li> <li>• Contractual requirements</li> <li>• Capacity-building training</li> <li>• Day-to-day communication</li> </ul>
 <b>Communities and the public</b>	<ul style="list-style-type: none"> <li>• Energy Utilization</li> <li>• Pollutant Discharge</li> <li>• Waste Disposal</li> <li>• Circular Economy</li> <li>• Raw Materials and Packaging Materials Management</li> <li>• Ecosystem and Biodiversity Protection</li> <li>• Rural Revitalization</li> <li>• Social Contributions</li> </ul>	<ul style="list-style-type: none"> <li>• Community forums</li> <li>• ESG reports</li> <li>• Information disclosure on the official website</li> <li>• Volunteer activities</li> <li>• Public welfare and charity</li> </ul>

To strengthen the identification, assessment, and impacts, risks, and opportunities management in daily operations, the Company coordinates relevant departments to carry out due diligence through interviews, discussions and other means. By listening to stakeholders' feedback, opinions and recommendations, it enhances the identification and management of material topics, establishes response and management procedures for ESG-related adverse impacts or risks, and continuously refines and improves its management and practices to support the Company's steady operations.

## Conclusions of Materiality Analysis

In 2025, based on standards benchmarking, policy analysis and industry benchmarking, JIANAN ELEC identified and screened a total of 22 highly relevant topics, comprising 9 environmental topics, 7 social topics and 6 sustainability-related governance topics.

### List of Topics of JIANAN ELEC for 2025

Environmental	Social	Sustainability-related Governance
<ul style="list-style-type: none"> <li>Environmental Compliance Management</li> <li>Climate Response</li> <li>Energy Utilization</li> <li>Water Resources Utilization</li> <li>Pollutant Discharge</li> <li>Waste Disposal</li> <li>Circular Economy</li> <li>Raw Materials and Packaging Materials Management</li> <li>Ecosystem and Biodiversity Protection</li> </ul>	<ul style="list-style-type: none"> <li>Social Contributions and Rural Revitalization</li> <li>Innovation</li> <li>Product and Service Safety and Quality</li> <li>Data Security and Customer Privacy</li> <li>Supply Chain Security and Sustainable Management</li> <li>Employees</li> <li>Occupational Health and Safety</li> </ul>	<ul style="list-style-type: none"> <li>Due Diligence</li> <li>Stakeholder Engagement</li> <li>Anti-Commercial Bribery and Anti-Corruption</li> <li>Fair Competition</li> <li>Corporate Governance</li> <li>Risk and Compliance Management</li> </ul>

Following analysis and assessment by internal and external experts, of the 22 topics identified and screened by the Company, 5 were found to be of double materiality, 3 were of financial materiality only, 13 were of impact materiality only, and 1 was of neither financial materiality nor impact materiality.

### JIANAN ELEC's List of Topics by Materiality for 2025

Type of Materiality	Topic
Topics with both financial materiality and impact materiality	<ul style="list-style-type: none"> <li>Product and Service Safety and Quality</li> <li>Climate Response</li> <li>Innovation</li> <li>Employees</li> <li>Occupational Health and Safety</li> </ul>

Type of Materiality	Topic
Topics with only financial materiality	<ul style="list-style-type: none"> <li>Supply Chain Security and Sustainable Management</li> <li>Corporate Governance</li> <li>Risk and Compliance Management</li> </ul>
Topics with only impact materiality	<ul style="list-style-type: none"> <li>Data Security and Customer Privacy</li> <li>Energy Utilization</li> <li>Pollutant Discharge</li> <li>Waste Disposal</li> <li>Raw Materials and Packaging Materials Management</li> <li>Environmental Compliance Management</li> <li>Stakeholder Engagement</li> <li>Water Resources Utilization</li> <li>Circular Economy</li> <li>Anti-Commercial Bribery and Anti-Corruption</li> <li>Fair Competition</li> <li>Due Diligence</li> <li>Social Contributions and Rural Revitalization</li> </ul>
Topics with neither financial materiality nor impact materiality	<ul style="list-style-type: none"> <li>Ecosystem and Biodiversity Protection</li> </ul>

The Board of Directors of the Company reviewed and confirmed the list of topics by materiality for the year. At the same time, the Company conducted an in-depth analysis and assessment of the risks and opportunities related to ESG topics, with targeted management measures put in place for topics considered of financial materiality. In this report, the Company provides focused disclosures under the four pillars of Governance, Strategy, Impacts, Risks, and Opportunities Management, and Metrics and Targets, demonstrating its ability to manage ESG-related risks and opportunities and laying a solid foundation for sustainable development.



## Deepening Environmental Governance and Advancing Circular Development

Closely aligned with China's strategic agenda for ecological civilisation, JIANAN ELEC has made green and low-carbon development a core priority in its pursuit of high-quality growth and embedded it throughout the full lifecycle of its production and operations. Grounded in its environmental management system, the Company has taken a coordinated approach in three key areas: effective carbon emissions control, efficient resource utilization and waste reduction. Through practical measures such as expanding into photovoltaic power generation, promoting water recycling and optimising green packaging, it has continued to strengthen the foundations of its environmental governance and enhance its green development performance.

### Environmental Compliance Management

JIANAN ELEC strictly complies with the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on Environmental Impact Assessment*, and other applicable laws, regulations and policy requirements. On this basis, the Company has established a series of environmental management systems, including the *Environmental Information Disclosure System*, the *Waste management System*, the *Energy and Resource Management System*, the *Noise Management System*, and the *Greenhouse Gas Emissions Information Management System*. Environmental management is overseen by a Deputy General Manager, while the Administration and Human Resources Department is responsible for implementation across all related aspects of environmental work. As of the end of the reporting period, the Company and its subsidiary Jiachen New Energy had obtained certification to GB/T 24001-2016/ISO 14001:2015 Environmental management systems.



GB/T 24001-2016/ISO 14001:2015 Environmental Management System Certificate



GB/T 24001-2016/ISO 14001:2015 Environmental Management System Certificate (Jiachen New Energy)

As a manufacturing enterprise, the Company's direct environmental impacts arise mainly from value chain processes such as production, logistics and office operations. These impacts primarily relate to the consumption of energy and resources, including petrol, electricity and water, as well as the generation of emissions and waste such as greenhouse gases, air emissions, wastewater, noise and solid waste.

### Environmental Impact Analysis of JIANAN ELEC

Value Chain Process	Environmental Inputs	Environmental Outputs
<b>Production</b>	<ul style="list-style-type: none"> <li><b>Energy:</b> Purchased electricity</li> <li><b>Raw materials:</b> Electronic components, metal housings, plastic housings, conformal coating, thinner, flux and other materials</li> </ul>	<ul style="list-style-type: none"> <li><b>Air emissions:</b> Soldering emissions and coating emissions</li> <li><b>Noise:</b> Noise generated by the operation of equipment such as air compressors, chillers, fans, and water pumps</li> <li><b>Non-hazardous waste:</b> Waste iron, waste aluminium, plastic packaging boxes for auxiliary materials, etc.</li> <li><b>Hazardous waste:</b> Waste activated carbon, waste scrubbing liquid, waste cloths, empty waste raw material barrels, waste filter cotton, waste solder dross, waste batteries, lamps, ink cartridges, etc.</li> </ul>
<b>Logistics</b>	<ul style="list-style-type: none"> <li><b>Energy:</b> Petrol consumed by transport vehicles</li> <li>Packaging materials</li> </ul>	<ul style="list-style-type: none"> <li><b>Non-hazardous waste:</b> Packaging cardboard, etc.</li> </ul>
<b>Office operations</b>	<ul style="list-style-type: none"> <li><b>Energy:</b> Natural gas used in the canteen and petrol used by official vehicles</li> <li><b>Water resources:</b> Domestic water and canteen water</li> </ul>	<ul style="list-style-type: none"> <li><b>Air emissions:</b> Cooking fume emissions from the canteen</li> <li><b>Wastewater:</b> Oily wastewater from the canteen and domestic sewage</li> <li><b>Non-hazardous waste:</b> Municipal solid waste and food waste from the canteen</li> </ul>

In 2025, the Company continued to strengthen its environmental management system by carrying out environmental risk assessments and promoting environmental compliance. It also refined its emergency response plans for environmental incidents, enabling the effective identification and control of environmental risks.

### JIANAN ELEC's Major Actions and Achievements in Environmental Compliance Management in 2025

- Awareness raising**
  - Organised special training sessions on environmental protection to systematically explain environmental regulations and the Company's systems, enhancing employees' environmental awareness and professional capabilities.
  - Incorporated environmental briefings into pre-shift meetings for production teams, embedding environmental thinking into routine operations and encouraging frontline employees to put it into practice.
  - Used electronic display screens to show environmental knowledge on a rolling basis, fostering a culture in which everyone pays attention to environmental protection and puts it into practice in every aspect of work.
- Risk management and control**
  - Conducted regular environmental risk assessments to systematically identify environmental risk points across all stages of operations and ensure that risks remain preventable and controllable.
  - Developed and dynamically updated environmental emergency response plans, and carried out regular drills to improve the Company's ability to respond swiftly to and handle environmental incidents.

### In 2025, the Company

recorded no material environmental violations or non-compliance incidents;

achieved **100%** coverage of environmental awareness training.

## Climate Response

Guided by customer needs and dedicated to continuous innovation, JIANAN ELEC remains committed to its vision of "Make Energy Visible" and its mission of "Paving the way of measurement, exploiting the diversification of energy". With green transformation as its goal, the Company has developed a climate change management system with reference to the recommended framework set out in the IFRS Sustainability Disclosure Standard S2 – Climate-related Disclosures (IFRS S2) issued by the International Sustainability Standards Board ("ISSB"). In doing so, the Company seeks to manage climate-related risks effectively while capturing climate-related opportunities, continuously improve its management and minimise the carbon footprint of its products to the greatest extent possible.

### Governance

To systematically advance the Company's climate response management, the Company has established and improved a long-term management mechanism through systems such as the *Corporate Greenhouse Gas Management System* and the *Greenhouse Gas Emissions Information Management System*. Emissions reduction targets have also been incorporated into departmental performance appraisals to help ensure the effective delivery of the Company's energy-saving and emissions-reduction goals. Taking into account its existing organizational structure and business characteristics, the Company has put in place a climate change governance structure with clearly defined authorities and responsibilities and implementation at every level.

#### Climate Response Governance Structure of JIANAN ELEC

Level	Organization	Composition and Responsibilities
<b>Decision-making Level</b>	<ul style="list-style-type: none"> <li>Board of Directors</li> </ul>	<ul style="list-style-type: none"> <li>Serves as the highest decision-making and oversight body, and regularly reviews progress reports.</li> </ul>
<b>Management Level</b>	<ul style="list-style-type: none"> <li>Greenhouse Gas Management Leading Group</li> </ul>	<ul style="list-style-type: none"> <li>Is primarily responsible for approving relevant policies, providing overall oversight, and coordinating and directing cross-functional efforts.</li> </ul>
<b>Execution Level</b>	<ul style="list-style-type: none"> <li>Sales Management Department</li> </ul>	<ul style="list-style-type: none"> <li>Promotes the application of energy-saving technologies and is responsible for the procurement and inspection of energy-use and metering equipment.</li> </ul>
	<ul style="list-style-type: none"> <li>Administration and Human Resources Department</li> </ul>	<ul style="list-style-type: none"> <li>Implements applicable laws and regulations and participates in the formulation of company-level policies.</li> </ul>
	<ul style="list-style-type: none"> <li>System and Software Department</li> </ul>	<ul style="list-style-type: none"> <li>Promotes the application of energy-saving technologies and is responsible for energy consumption analysis and data consolidation.</li> </ul>
	<ul style="list-style-type: none"> <li>Greenhouse Gas Administrator</li> </ul>	<ul style="list-style-type: none"> <li>Acts as the coordinator for day-to-day implementation, assisting departments in carrying out management policies and conducting routine oversight, data collection and implementation checks.</li> </ul>
	<ul style="list-style-type: none"> <li>Production teams</li> </ul>	<ul style="list-style-type: none"> <li>The person with primary responsibility for production in each team serves as the accountable person for greenhouse gas management under the tiered management mechanism.</li> <li>As frontline implementation units, production teams are mainly responsible for following operating procedures, meeting energy-saving targets, and completing and retaining original consumption records.</li> </ul>

### Strategy

The Company integrates climate response into its strategy and operations, systematically identifies climate-related risks and opportunities, and develops targeted response strategies to support steady and long-term green transformation.

#### Risks and Opportunities Related to Climate Response and Response Strategies of JIANAN ELEC

Risks and Opportunities	Impact Analysis	Time Horizon of Impacts <sup>1</sup>	Financial Impact	Response Strategies	
<b>Physical risks</b>					
<b>Acute risk</b>	The likelihood of extreme weather events such as typhoons, torrential rain, floods, droughts and extreme heat (heatwaves) may increase in the future.	Extreme weather events may threaten the safety of production bases and the stability of the supply chain, leading to production disruptions and delays in order delivery, thereby affecting operating revenue.	Short term	Decrease in operating revenue	<ul style="list-style-type: none"> <li>Set a clear target of carbon peaking by 2030 and incorporate emissions reduction targets into departmental performance appraisals to ensure effective management.</li> </ul>
<b>Chronic risk</b>	Climate change may lead to sea level rise, rising average temperatures and greater pressure on water resources.	For the Company's manufacturing operations, this may affect the normal water supply for fire protection facilities and increase the operating load of air-conditioning systems, thereby raising operating costs.	Long term	Increase in operating costs	<ul style="list-style-type: none"> <li>Continue to increase investment in green technology R&amp;D, including the development of low-power products and full-chain digital energy platforms, in order to address climate change through technological innovation.</li> </ul>
<b>Transition risks</b>					
<b>Policy and legal risk</b>	China's dual carbon policies may continue to tighten, potentially resulting in increasingly stringent policy and legal regulatory requirements for the Company in areas such as carbon emissions.	If the Company fails to effectively manage its energy consumption and emissions and does not comply with the latest policy and legal requirements, it may face increased compliance costs, penalties for non-compliance, or constraints related to carbon quotas. In addition, in order to meet policy and legal requirements, the Company may need to improve and optimise its climate governance structure and management measures, resulting in increased capital expenditure.	Medium to long term	Increase in compliance costs; increase in capital expenditure	<ul style="list-style-type: none"> <li>Establish a greenhouse gas emissions accounting and monitoring system and regularly publish ESG reports to ensure compliant operations.</li> <li>Incorporate carbon management requirements into supplier evaluations, prioritise products from suppliers with environmental certifications and products made from recyclable or biodegradable materials, develop alternative supplier resources, diversify geographically concentrated supply chain risks, and reduce the impact of extreme weather events in any single region.</li> </ul>
<b>Technology risk</b>	Growing market demand for green and low-carbon products and services is increasing expectations for the Company to adopt low-carbon technologies.	If the transformation of traditional business lags behind, or the research and development of green technologies falls short of expectations, product competitiveness may decline, and market share may be lost.	Medium to long term	Decrease in operating revenue	

Risks and Opportunities	Impact Analysis	Time Horizon of Impacts <sup>1</sup>	Financial Impact	Response Strategies	
<b>Opportunities</b>					
<b>Market opportunity</b>	The green and low-carbon transition is creating new market segments and business growth opportunities, such as digital energy platforms.	The Company's accumulated expertise in digital energy and smart grids positions it to capture growth opportunities in new energy and energy-saving markets and create new growth drivers.	Medium to long term	Increase in operating revenue	<ul style="list-style-type: none"> <li>Leverage certifications such as green manufacturing and carbon management systems, together with the honour of being named a "Cixi Zero-Carbon (Near-Zero-Carbon) Factory 2025", to enhance brand image and turn governance strengths into growth momentum.</li> </ul>
<b>Resource efficiency opportunity</b>	Improving the efficiency of energy, water and other key resources can deliver cost savings and efficiency gains in operations through better management and technological application.	Through systematic energy conservation and carbon reduction, the Company can reduce energy consumption and energy costs per unit of output while improving resource utilization efficiency.	Short, medium, and long term	Decrease in operating costs	
<b>Product and service opportunity</b>	The environmental performance of products and services, together with the Company's ESG performance, is becoming increasingly relevant to brand image and market competitiveness.	The Company has the opportunity to develop differentiated green products and services, strengthen brand appeal and customer loyalty, and thereby open up new revenue streams and increase market share.	Medium to long term	Increase in operating revenue	

<sup>1</sup>The time horizons for risks and opportunities referred to in this report are defined with reference to the Ministry of Finance of the People's Republic of China's Enterprise Sustainability Disclosure Standards – Basic Standards (for Trial Implementation) and the Company's actual operating conditions. "Short term" refers to within one year (inclusive) after the end of the reporting period; "medium term" refers to one to five years (inclusive) after the end of the reporting period; and "long term" refers to more than five years after the end of the reporting period. These definitions apply throughout the remainder of this report unless otherwise stated.

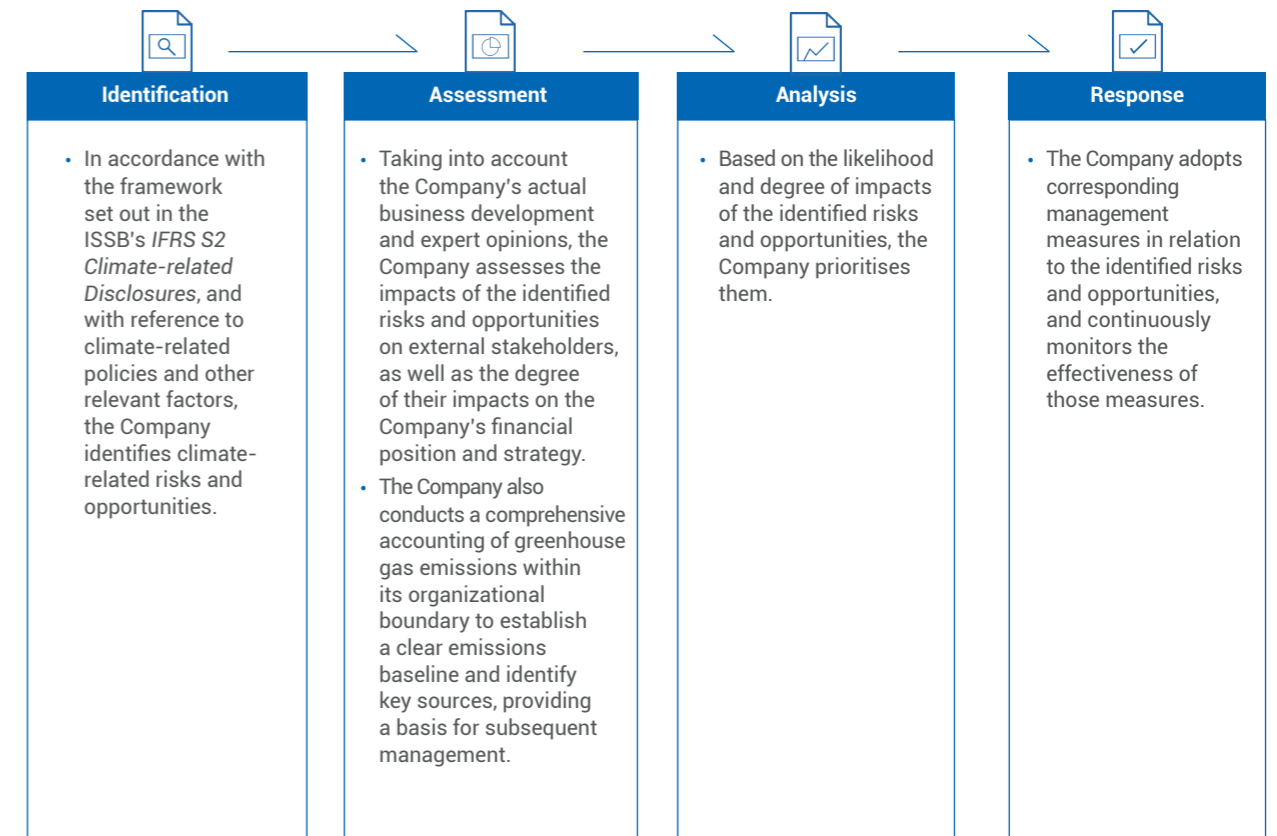
The Company has obtained certifications in green manufacturing management systems, digital and intelligent green and low-carbon management systems, greenhouse gas emissions management systems and future factory management systems, providing a solid basis for the effective implementation of its low-carbon initiatives. In addition, the Company was recognised as a "Cixi Zero-Carbon (Near-Zero-Carbon) Factory 2025", becoming the first enterprise in Cixi City to receive this honour.



### Impacts, Risks, and Opportunities Management

The Company has established a full-process climate response management mechanism covering identification, assessment, analysis and response. This provides a systematic pathway from establishing a clear emissions baseline at the source to implementing emissions reduction measures by category, thereby providing solid support for the achievement of the Company's carbon peaking target and the enhancement of its green governance capabilities.

### JIANAN ELEC's Climate Response Management Process



Actively responding to China's dual carbon strategy and guided by the philosophy of green development, the Company has systematically advanced its climate response across three dimensions: technology, operations and management.



JIANAN ELEC's Major Actions and Achievements in Climate Response in 2025



**Green technological upgrades:** The Company used low-VOC conformal coating and adopted a lightweight design for enclosure components. See the section headed "Innovation" for details.

**Low-power product development:** The Company developed low-power products such as IoT meters, waterproof meters and anti-tampering prepayment meters, and built a full-chain digital energy platform to enable real-time monitoring and intelligent analysis of energy consumption data.

**Clean energy deployment:** A 0.69 MW photovoltaic power station was installed on the roof of the Company's plant, generating approximately 720,000 kWh of electricity annually. This has effectively replaced part of the purchased grid electricity and improved the energy mix. See the section headed "Energy Utilization" for details.



**Green packaging:** The Company used biodegradable cartons, paper trays and reusable wooden pallets, and promoted packaging reduction and recycling to improve the recovery rate of packaging materials and reduce packaging waste, in compliance with RoHS environmental requirements. See the section headed "Raw Materials and Packaging Materials Management" for details.

**Green warehousing and transportation:** The Company optimised transport routes, promoted the use of new energy vehicles for short-distance transportation, and implemented intelligent control of warehouse lighting and air-conditioning, thereby effectively reducing energy consumption in warehousing operations. See the section headed "Energy Utilization" for details.



**Internal audit:** The Company carried out regular internal audits to track progress against targets, identify areas for improvement, and ensure the suitability and effectiveness of the management system.

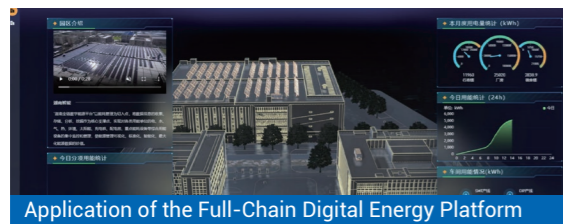
**Supply chain carbon management:** Carbon management was extended to suppliers, with priority given to recyclable and biodegradable materials, thereby promoting greener upstream practices, extending the boundary of carbon management, and reducing environmental risks in the supply chain. See the section headed "Supply Chain Security and Sustainable Management" for details.

**Energy-saving awareness and training:** The Company carried out company-wide energy-saving awareness initiatives, posted visual reminders and organised training sessions to foster green office habits and create a culture of saving every kilowatt-hour of electricity and every drop of water. See the section headed "Water Resources Utilization" for details.

Building a Full-Chain Digital Energy Platform and Launching the "Energy and Carbon Platform"

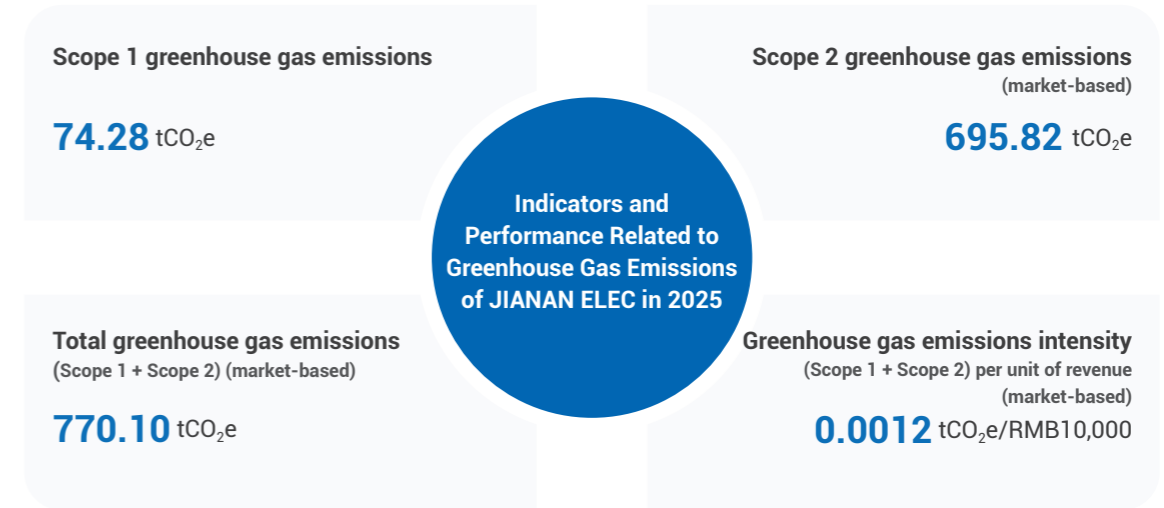
The Company has consistently embedded green development into its corporate DNA and has built a full-chain low-carbon management system through technological innovation. It took the lead in developing an industrial digital energy platform covering more than 1,000 IoT monitoring points across energy, environment, fire safety and other areas. The platform enables real-time monitoring of park-wide dynamics and is integrated with video surveillance and vehicle access control systems, creating an efficient and coordinated smart management ecosystem.

In 2025, the Company launched the Energy and Carbon Platform, the first of its kind in the industry. By connecting with the Energy Platform, MES and ERP systems, the platform enables product carbon accounting based on real-time energy data. This allows the Company to track carbon emissions throughout the full product lifecycle with precision and provides end-to-end data support for green product development and low-carbon manufacturing.



Metrics and Targets

With the strategic goal of achieving carbon peaking before 2030, the Company continues to strengthen its greenhouse gas data management and regularly tracks greenhouse gas emissions indicators in order to monitor and assess the effectiveness of its climate-related measures and track progress towards its target.



## Energy Utilization

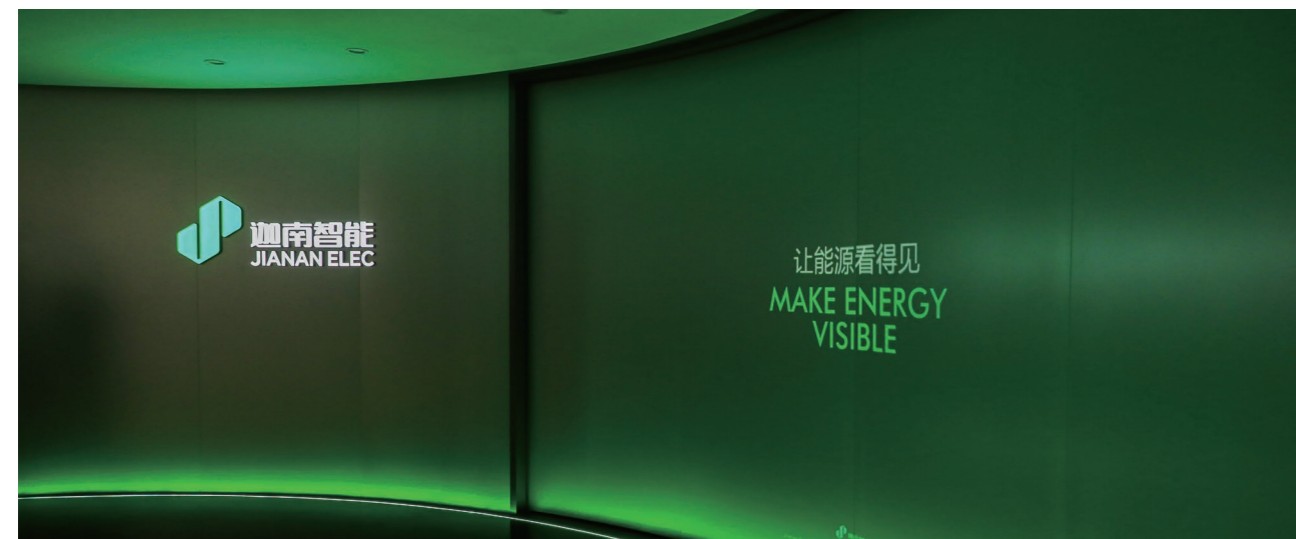
JIANAN ELEC's energy consumption is mainly electricity, sourced primarily from purchased electricity and its self-built photovoltaic power generation system. In addition, a small amount of petrol is used for official vehicles to support business travel.

The Company complies with the *Law of the People's Republic of China on Energy Conservation* and other applicable laws, regulations and policy requirements. In accordance with the *Energy Management Systems—Requirements with Guidance for Use* (GB/T 23331-2020/ISO 50001:2018) and the *Energy Management Systems—Certification Requirements for Machinery Enterprise* (RB/T 119-2015), it has formulated internal documents such as the *Energy Management Manual to standardise energy utilization* and management in a systematic manner. Each year, the Administration and Human Resources Department compiles and analyses electricity consumption data, continuously identifies opportunities for energy savings, and improves energy efficiency. As of the end of the reporting period, the Company and its subsidiary Jiachen New Energy had obtained certification to GB/T 23331-2020/ISO 50001:2018 Energy management systems.



GB/T 23331-2020/ISO 50001:2018 Energy Management System Certificate

GB/T 23331-2020/ISO 50001:2018 Energy Management System Certificate (Jiachen New Energy)



## JIANAN ELEC's Major Actions and Achievements in Energy Utilization in 2025

### • Use of renewable energy

- The Company continued to purchase green electricity certificates to support the development of renewable energy and optimise the energy mix.
- The Company installed photovoltaic power stations on factory rooftops, reducing purchased electricity consumption and carbon emissions effectively.

### • Electricity consumption control

- The Company fully adopted LED lighting and implemented zone-based control, with lights in unoccupied areas switched off automatically, effectively reducing lighting-related energy consumption.
- Air-conditioning operations were flexibly regulated based on overtime staffing levels and weather conditions to avoid energy waste.
- A "lights off when leaving" policy was implemented to eliminate unnecessary lighting and foster energy-saving habits among employees.

### • Energy-saving awareness promotion

- Prominent energy-saving signs were posted in office areas to foster a culture of energy conservation and consumption reduction.
- The Company regularly shared energy-saving knowledge and promotional images through online platforms to continuously raise employees' environmental awareness.

### • Digital energy management

- The Company independently developed an energy management platform to achieve real-time monitoring and recording of energy consumption data.
- The Company used the platform to publish departmental energy consumption targets and indicators, promoting accountability for energy conservation at every level.
- The Company conducted an annual statistical analysis of electricity consumption data and put forward targeted optimisation recommendations, providing sound support for continuous energy-saving efforts.

## Building a Green Electricity Supply System

The Company invested over 3 million RMB to construct an approximately 10,000-square-meter rooftop distributed photovoltaic power generation project, with a total installed capacity of 0.69 MWp, utilizing 2,160 photovoltaic modules and six 110 kW inverters. All electricity generated was fed into the grid through a cooperation agreement, and the green electricity was fully absorbed. In 2025, the power generation reached 720,000 kWh. In addition, the Company purchased 2,463 MWh of green electricity certificates, significantly increasing the proportion of renewable energy. Furthermore, through its industrial digital energy platform, the Company monitors energy consumption data in real time and optimizes energy dispatch, achieving a notable reduction in energy consumption per unit of output value.



Rooftop Photovoltaic Power Station at JIANAN ELEC's Plant



Green Electricity Certificate Transaction Vouchers

## Water Resources Utilization

JIANAN ELEC's water resources utilization is concentrated mainly in office operations, including water for daily office use and for the canteen. The Company's water supply is sourced primarily from the municipal water supply network, and its water withdrawal has no material impact on the local ecological environment.

The Company strictly complies with the *Water Law of the People's Republic of China* and other applicable laws, regulations and policy requirements relating to water resources management in the places where it operates. It has formulated the *Implementation Plan for Water Conservation*, under which the Administration and Human Resources Department is responsible for compiling and analysing water inflow and outflow data at least once a year. If any abnormalities are identified, the Company promptly inspects the water system and investigates potential leaks to ensure safe and controlled water use.

### JIANAN ELEC's Major Actions and Achievements in Water Resources Utilization in 2025

- Water conservation awareness promotion**
  - Permanent "Save Energy and Water" signs were posted at prominent positions in public areas to foster a positive culture of company-wide participation in water conservation.
- Technological transformation**
  - Most water dispensers, squat toilets and taps in workshops and offices have been replaced with water-saving fixtures, with estimated water savings of 20% to 50%.
  - The Company proactively procured variable-frequency centrifugal chillers, which feature an optimized supporting cooling system that helps reduce cooling water makeup.
- Recycled and reused**
  - Rainwater collection tanks and pipelines were used to collect rooftop rainwater for watering plants, cleaning vehicles and floor cleaning, thereby improving the efficiency of unconventional water resources utilization.



## Pollutant Discharge

The main pollutants generated at the Company's plant fall into three categories: air emissions, wastewater and noise. Air emissions arise from production processes such as soldering and coating, as well as cooking fumes from the canteen; wastewater comes mainly from domestic sewage and canteen discharge; and noise is generated by the operation of equipment such as air compressors, chillers, fans and water pumps.

The Company strictly complies with the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, the *Water Pollution Prevention and Control Law of the People's Republic of China* and other applicable laws, regulations and policy requirements. In accordance with standards such as the *Integrated Emission Standard of Air Pollutants (GB 16297-1996)*, it has established corresponding pollution prevention and control management systems. Overall administrative management is overseen by a Deputy General Manager, who is specifically responsible for the day-to-day compliance management of pollutant discharge, supervision over the operation of environmental protection facilities, and liaison with regulatory authorities. The Company adopts differentiated treatment measures and discharge methods based on the characteristics of different pollutants to ensure stable compliance with applicable discharge standards.

### Pollutant Treatment and Discharge Methods of JIANAN ELEC in 2025

Pollutant Category	Source	Treatment and Discharge Methods
 Air emissions	Soldering fumes	Collected and treated through a flame-retardant filter screen and activated carbon adsorption system, then discharged in compliance with applicable standards through a tall exhaust stack.
	Coating emissions	Collected and consolidated, then treated through a water scrubbing, filter cotton dehumidification and activated carbon adsorption system, and discharged in compliance with applicable standards through a tall exhaust stack.
	Cooking fumes from the canteen	Collected and treated through a fume purification unit, then discharged through an exhaust stack extending above roof level.
 Wastewater	Oily wastewater from the canteen	Pre-treated in a grease trap and then treated together with domestic sewage in a septic tank before being discharged into the municipal sewer network.
	Domestic sewage	Treated in a septic tank before being discharged into the municipal sewer network.
 Noise	Noise from equipment operation	<ul style="list-style-type: none"> <li>Selected low-noise equipment;</li> <li>reasonably arranged operating hours; and</li> <li>strengthened routine maintenance of equipment.</li> </ul>

### In 2025, the Company

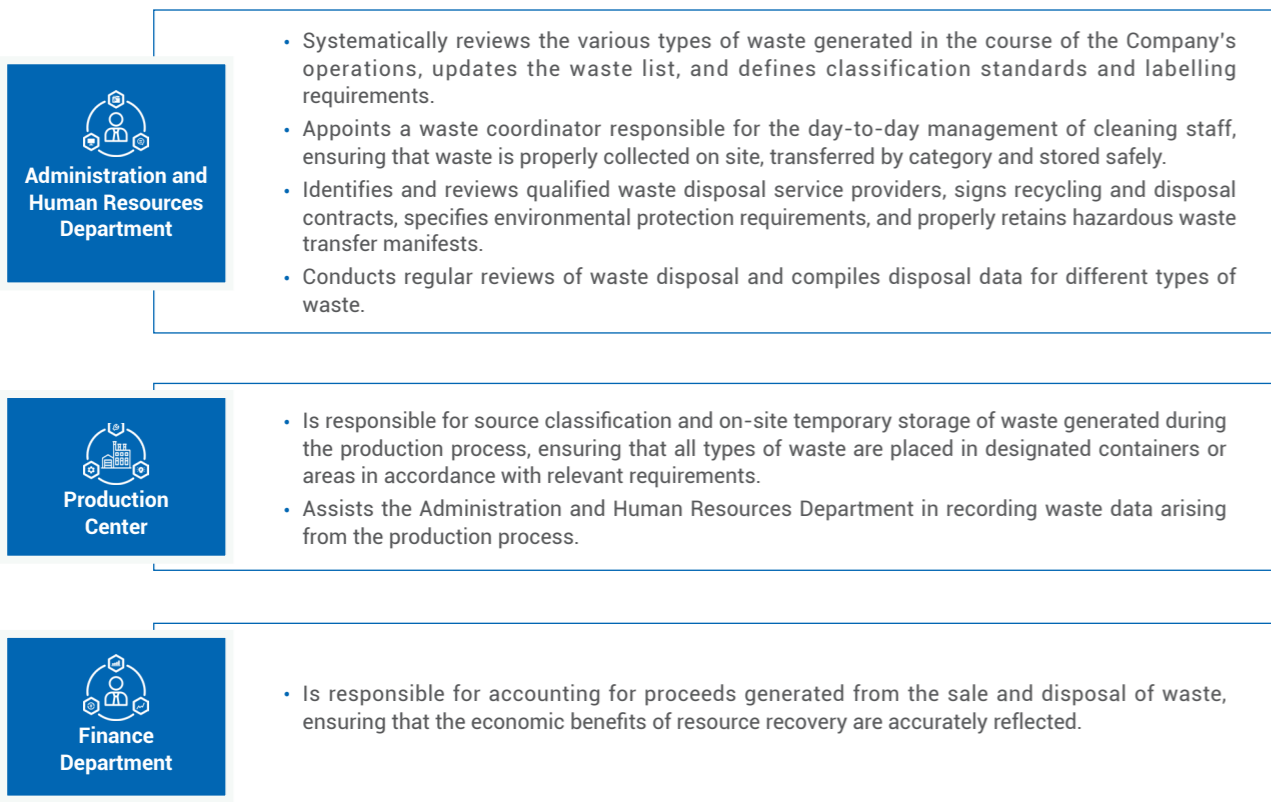
recorded no non-compliant air emissions, wastewater discharge or noise emissions incidents.

## Waste Disposal

In its day-to-day office operations, JIANAN ELEC generates non-hazardous waste such as paper, plastics and office consumables, as well as hazardous waste such as waste batteries, waste lamps and waste ink cartridges. In the production process, the Company also generates general industrial solid waste such as waste tape materials from the SMT process, waste metal shavings and solder dross, as well as hazardous waste such as waste chemical raw materials and air containers generated in production.

In accordance with the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes* and other applicable laws, regulations and policy requirements, the Company has established the *Waste Management System* to systematically define waste management responsibilities across departments and comprehensively promote waste reduction, resource recovery and harmless treatment. In 2025, the Company recorded no incidents of non-compliant waste disposal.

### Responsible Departments and Duties for Waste Management at JIANAN ELEC



For the recycling and disposal process, the Company has established a full-process waste sorting and disposal mechanism and implements refined classification and closed-loop management for solid waste. Hazardous solid waste is entrusted to qualified third parties for centralised harmless treatment. At the same time, the Company reduces the generation of waste by optimising production processes, strengthening incoming inspection of raw materials, and implementing a first-in, first-out inventory control system, thereby effectively reducing the volume of production waste generated.

### Types and Disposal Methods of Solid Waste of JIANAN ELEC in 2025

Waste Type	Solid Waste	Disposal Methods
<b>Metal waste</b>	Waste iron, waste aluminium, waste copper, taps, steel rulers, iron clips, and waste metal parts from equipment maintenance	Recyclable, entrusted to qualified institutions for recycling and reuse
<b>Waste plastics</b>	Waste tape materials from the SMT process	Industrial waste, transferred by a third party
	Plastic packaging boxes for auxiliary materials, plastic sign plates, plastic caps, etc.	Recyclable, entrusted to qualified institutions for recycling and reuse
<b>Waste cardboard</b>	Packaging cardboard, etc.	Recyclable
<b>General industrial solid waste</b>	Adhesive tape, towels, rubber tape, paper scraps, sweeping waste, plant leaves, mops, brooms, etc.	Collected by category and disposed of by qualified third parties in compliance with regulations
<b>Hazardous waste</b>	Waste empty containers of chemical raw materials used in production	Entrusted to qualified institutions for recycling and reuse
	Waste batteries, lamps, etc.	Regular storage
	Ink cartridges, etc.	Recycled by suppliers
	Photocopier photoconductor drums, toner, etc.	Disposed of by maintenance service providers
<b>Other</b>	Solder dross	Recycled and reused
	Electronic components	Recycled by suppliers



## Circular Economy

As the depletion of non-renewable resources intensifies and pressure on the ecological environment continues to grow, accelerating the shift from the traditional linear model of “take–use–dispose” to a circular economy model of “manufacture–use–collect–remanufacture” has become a global consensus and an inevitable choice.

JIANAN ELEC carries out green recycling assessments and maintains management records such as the *Green Recycling Assessment Report*. Adhering to the basic principle of “100% waste recovery”, the Company systematically advances the implementation of the circular economy through three main pathways: technological improvement, resource recycling and cultural advocacy.

In 2025, the Company achieved 100% recycling and reuse of waste, marking phased progress in its circular economy practices.

### JIANAN ELEC’s Major Actions and Results in the Circular Economy in 2025

Technological enhancement	Resource recycling	Cultural advocacy
<ul style="list-style-type: none"> <li>The Company continued to optimise production processes. Through process improvements and refined management, it reduced the waste generated, thereby minimising resource consumption at the source.</li> </ul>	<ul style="list-style-type: none"> <li>Damaged components arising during assembly were promptly returned to suppliers for repair.</li> <li>Surplus raw materials that still retained use value, such as solder paste, were recycled on a regular basis and reused in subsequent production batches, maximising resource utilization.</li> </ul>	<ul style="list-style-type: none"> <li>Resource-saving slogans were displayed in office areas, and waste sorting reminders were placed at collection points to encourage employees to reduce waste generation and dispose of waste in the proper categories.</li> </ul>

### Organising Special Training on Green Recycling

In 2025, JIANAN ELEC organised *Special Training on Green Recycling*, covering all functional departments of the Company.

The training focused on explaining the latest requirements of national recycling regulations, the Company's annual green recycling targets, and the current operation status of the recycling management system. Drawing on actual production practices, it also highlighted frontline practice priorities such as solid waste sorting standards and recycling measures. Participants included production team leaders, workshop supervisors, equipment maintenance personnel, and administrative and logistics staff from various departments.

To reinforce the effectiveness of the training, interactive Q&A sessions and case discussions were arranged on site, enabling participating employees to exchange views on environmental issues encountered in their day-to-day work.



On-site Special Training on Green Recycling at JIANAN ELEC

## Raw Materials and Packaging Materials Management

The raw materials used in JIANAN ELEC's production include a wide range of categories such as electronic components, metal structural parts and plastic parts.

The Company strictly complies with the *Cleaner Production Law of the People's Republic of China* and other applicable laws, regulations and policy requirements. It implements category-based management for different types of raw materials and continuously works to reduce the environmental impact of raw material use.

### JIANAN ELEC’s Major Actions and Achievements in Raw Materials Management in 2025

Category	Raw Materials	Major Actions and Achievements
Electronic components	Semiconductor chips, magnetic components, relays, etc.	• The Company required suppliers to provide test reports on toxic and hazardous substances such as RoHS and REACH, thereby ensuring environmental compliance at the source.
Metal structural parts	Enclosures, bottom covers, terminals, etc.	• The Company promoted reduction-oriented design optimisation, reducing the amount of raw material used for enclosures; and required suppliers to use environmentally friendly materials.
Plastic parts	Plastic components, meter casings, terminal housings, etc.	• The Company required suppliers to use recyclable raw materials such as PC (polycarbonate) and GF (glass fibre), ensuring that the materials are degradable and environmentally friendly.
Soldering materials	Solder paste, solder bars, etc.	• The Company promoted the use of lead-free solder paste and lead-free solder bars in place of conventional solder paste and solder bars.
Coating materials	Conformal coating, thinner, etc.	• The Company selected products with RoHS test reports and low-VOC coatings.

While maintaining strict control over production raw materials, the Company has also extended its green principles to product packaging and continues to reduce the environmental impact of packaging waste through measures such as packaging design optimisation.

### Composition and Environmental Characteristics of JIANAN ELEC's Packaging Materials in 2025

Cartons	Paper trays	Pallets
<p><b>Material Composition</b></p> <ul style="list-style-type: none"> <li>Made by bonding outer linerboard, corrugated paper and inner linerboard, and produced through processes such as cutting, slotting, printing and stitching.</li> </ul>	<p><b>Material Composition</b></p> <ul style="list-style-type: none"> <li>Made from waste paper and virgin fibre through pulping, moulding, drying and stamping.</li> </ul>	<p><b>Material Composition</b></p> <ul style="list-style-type: none"> <li>Made from natural wood through cutting and binding processes, with sizes customisable as required.</li> </ul>
<p><b>Environmental Characteristics</b></p> <ul style="list-style-type: none"> <li>Recyclable and reusable multiple times; a degradable green packaging material.</li> </ul>	<p><b>Environmental Characteristics</b></p> <ul style="list-style-type: none"> <li>Recyclable and reusable; can be customised in shape as needed; a degradable green packaging material.</li> </ul>	<p><b>Environmental Characteristics</b></p> <ul style="list-style-type: none"> <li>Strong and durable, reusable many times, and continuously improving recycling rates and promoting circular use.</li> </ul>

As of the end of the reporting period, all packaging materials used by the Company were renewable, environmentally friendly and non-polluting, and complied with the requirements of the RoHS Directive.



"Green Packaging Enterprises" Certificate of JIANAN ELEC

## Ecosystem and Biodiversity Protection

JIANAN ELEC's production base is located in an industrial park and does not involve ecologically sensitive areas. Its production and operating activities, therefore, have only a limited impact on ecosystems and biodiversity.

The Company upholds the principle of harmonious coexistence with ecosystems. It strictly complies with the *Environmental Protection Law of the People's Republic of China*, the *Wild Animal Conservation Law of the People's Republic of China*, and other applicable laws, regulations and policy requirements in the places where it operates. In its day-to-day operations, the Company proactively identifies and assesses potential impacts on the ecological environment, and raises employees' awareness of biodiversity through communication and training, encouraging them to fulfil their shared responsibility for ecological protection.

### JIANAN ELEC's Major Actions and Achievements in Biodiversity Protection in 2025

#### Planning stage

- The Company strictly complied with the management requirements of relevant government authorities in relation to species impacts, nature reserves and drinking water source protection areas, and did not encroach on ecological protection red line areas.
- For operating sites requiring environmental impact assessments, the Company completed the assessments in accordance with the law.

#### Construction phase

- The Company gave full consideration to ecological protection requirements and adopted effective measures such as noise reduction and dust control, while arranging construction timing and methods appropriately to minimise impacts on the surrounding ecological environment.

#### Landscaping design stage

- The Company planted a diverse range of trees and vegetation around and within the plant area to create ecological buffer zones and provide suitable habitats for local species.

#### Operation phase

- The Company monitored light pollution and noise pollution in real time and reduced disturbance to surrounding life through measures such as optimising lighting layouts and selecting low-noise equipment.

## Innovation Leading the Future, with Quality as the Foundation

JIANAN ELEC upholds the development philosophy of “technology leadership, quality as the foundation, and responsibility as a priority”. Guided by its goal of building an intelligent equipment manufacturing system that is comprehensive, technologically advanced, scientifically managed and highly efficient, the Company drives product iteration through innovation, strengthens customer trust through quality, safeguards value delivery through data security, and extends its responsibility boundaries through a sustainable supply chain. Together, these efforts reinforce the Company’s core competitiveness and lay a solid foundation for high-quality development.

### Product and Service Safety and Quality

JIANAN ELEC is principally engaged in the R&D, manufacturing, and sale of products such as smart metering products and systems, power distribution equipments and components, as well as new energy equipment and system integration, and is committed to providing higher-value solutions for power grid enterprises and users of metering services. The safety and quality of the Company’s products and services directly affect three major areas: social well-being and equity, public safety and grid stability, and data security and energy management.

### Governance

The Company strictly complies with the *Product Quality Law of the People’s Republic of China*, the *Law of the People’s Republic of China on the Protection of Consumer Rights and Interests*, and other applicable legal and regulatory requirements. It fully implements national and industry standards for products such as electricity meters and data collection terminals, actively responds to the specific technical specifications of power customers such as State Grid and China Southern Power Grid, and proactively draws on advanced international technical standards, including IPC standards for electronic assembly, IEC standards and EN standards, in order to continuously improve its internal systems.

The Company has established a comprehensive internal quality management documentation system, led by the *Quality Manual* and supported by the *Incoming Inspection Policy for Components*, *Finished Product Inspection Procedures*, *Non-conforming Product Management Policy*, and *Defective and Recalled Product Handling Policy*, thereby continuously strengthening its closed-loop quality control capabilities. In addition, the Company has formulated customer service systems such as the *Customer Relationship Management System*, the *After-Sales Service Management Measures*, and the *Customer Complaint Handling Procedures*, providing comprehensive institutional support to continuously enhance the safety and quality of the Company’s products and services.

The Company has established a product and service safety and quality management framework featuring “three-tier coordination and full-process coverage, ensuring that “every matter is clearly assigned and every stage is governed by standards”. The Board of Directors bears ultimate responsibility for product and service safety and quality, with authority to approve quality strategies and policies and final decision-making power over the allocation of key resources. Within the scope of its authority, Senior Management is responsible for the overall planning of key quality and service matters. At the execution level, the Administration and Human Resources Department is responsible for quality management system certification, the Quality Management Department is responsible for implementing quality control and improvement measures, and the Technical Service Department is responsible for after-sales service. Through close coordination among R&D, production, procurement, quality management and other departments, the Company ensures that product and service safety and quality requirements run through the entire course of its operations.

### Strategy

In managing product and service safety and quality across the full lifecycle, the Company systematically identifies potential risks and opportunities and develops response strategies from three dimensions: prevention at the source, customer-driven improvement and appraisal-driven implementation. In doing so, it deeply embeds the sustainability philosophy into its product and service safety and quality management system and strengthens the foundations for its long-term development through the competitiveness of product and service quality.

**Risks and Opportunities Related to Product and Service Safety and Quality and Response Strategies of JIANAN ELEC**

Risks and Opportunities	Time Horizon of Impacts	Financial Impact	Response Strategies
<b>Risks</b>			
<b>Reputational risk</b>	As market requirements for product quality, operational reliability and delivery responsiveness continue to rise, failure to keep pace with these demands could lead to metering inaccuracies, operational abnormalities and other issues, thereby harming residential electricity users’ rights and interests, damaging the Company’s reputation and causing economic losses.	Short, medium, and long term	Decrease in operating revenue
<b>Opportunities</b>			
<b>Product opportunity</b>	By continuously strengthening product validation performance under extreme conditions, the Company can reinforce customer trust and brand reputation through its leading reliability and enhance its core competitiveness in both domestic and overseas markets.	Medium to long term	Increase in operating revenue
<b>Quality process</b>	Leveraging a quality management model of “intelligent manufacturing + full-process traceability”, product quality is managed in a closed-loop and controlled manner from design to delivery, enhancing product quality and customer satisfaction.	Medium to long term	Increase in operating revenue

- **Prevention at the source:** Shift quality management from a reactive approach to prevention at the source, and strengthen risk identification and control at the front end of product and service management.
- **Customer-driven improvement:** Internalise customers’ high standards as a driver of management upgrading, translate market demand into product and service quality control requirements in a timely manner, and continuously improve product performance and service experience.
- **Appraisal-driven implementation:** Incorporate core quality indicators such as market failure rates and customer satisfaction into the performance appraisal of departments and personnel, using performance

### Impacts, Risks, and Opportunities Management

The Company takes a responsible approach to risk by emphasising proactive identification, transparent disclosure and systematic response. It continues to place product and service safety and quality at the heart of its strategy, systematically identifies and assesses the related impacts, risks and opportunities, and effectively addresses risks and captures opportunities through closed-loop management measures, thereby continuously strengthening product competitiveness and reinforcing the foundation of customer trust.

## Product Safety and Quality

Guided by its business philosophy of “integrity first” and its value orientation that “quality is the foundation and a driver of value creation”, the Company implements end-to-end quality management across the full product lifecycle to ensure that product quality remains safe and stable and continues to meet customer needs.

### JIANAN ELEC's Major Actions and Results in Product Safety and Quality Management in 2025

#### System strengthening

- **Closed-loop management:** The Company formulated and revised core policies including the *Incoming Inspection Policy for Outsourced Parts*, *Non-conforming Product Management Policy* and *Defective and Recalled Product Handling Policy*, thereby strengthening the management system.
- **Standards upgrade:** In response to new business development needs and higher quality requirements, the Company systematically revised inspection standards and procedures for 28 types of core components and test specifications for 13 categories of devices, and newly developed test specifications for six categories of new devices, thereby reinforcing its quality foundations at the source.
- **Process standardisation:** The Company updated in parallel its in-process inspection requirements and finished product monitoring standards, making the operational basis for each stage clearer and more precise and enabling quality to remain under control throughout the process.

#### Reliable design

- **Safety by design:** The Company strengthened safety and reliability considerations in product design and reinforced the quality foundation at the source through design reviews, failure mode analysis, and rigorous prototype reliability testing.

#### Procurement quality

- **Prior control:** The Company implemented rigorous supplier onboarding reviews to screen high-quality suppliers with sound qualifications and stable quality at the source.
- **In-process control:** The Company carried out strict incoming material inspections, with a total of 13,234 batches inspected in 2025. Control measures such as suspending the use of problematic materials were adopted to ensure material quality remained under control.
- **Post-event handling:** For supplier quality issues identified during inspection, the Company drove suppliers to conduct root cause analysis and improve their processes, thereby achieving closed-loop quality management.

#### Process quality

- **Process control:** The Company strictly implemented first-article confirmation, patrol inspection and statistical process control, with a total of 119,761 units subject to patrol inspection in 2025, ensuring stable and controllable quality during production.
- **Risk prevention:** The Company installed video surveillance at process stages prone to physical damage, shifting process risk management from post-event traceability to in-process prevention.
- **Quality training:** Through external certification training such as the Total Quality Management Bootcamp and IPC-A-610, as well as internal skills enhancement and pre-job/on-the-job training, the Company comprehensively improved employees' quality awareness, professional competence and ability to implement standards.

#### Finished product quality

- **Finished product sampling:** The Company conducted rigorous spot checks of finished products, with a total of 2,487 batches sampled in 2025, ensuring that products leaving the factory met quality standards.
- **Efficient testing:** Leveraging its CNAS-accredited laboratory, the Company completed product testing and reliability testing for 116 batches, effectively preventing recurring defects from reaching the market.

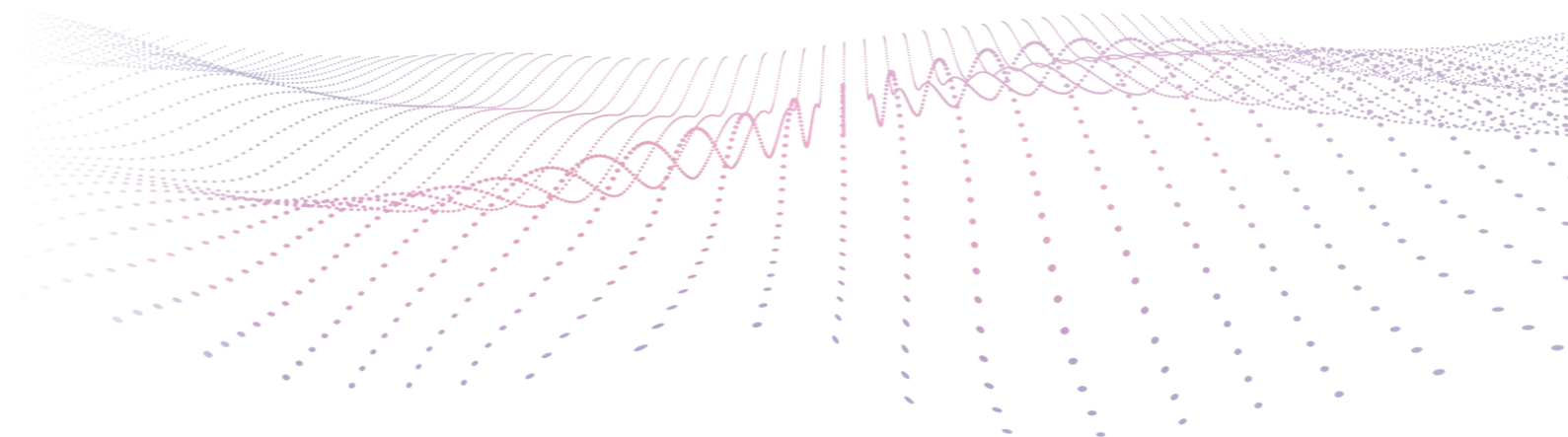
#### Recall mechanism

- **Closed-loop recall:** The Company established a full-process recall management mechanism covering issue identification, plan formulation, approval and execution, and closed-loop improvement, ensuring that major quality abnormalities can be responded to rapidly and handled effectively.

### In 2025,

- ✓ the Company and its principal subsidiaries, Jiachen New Energy and Zhongrui Power, obtained ISO 9001 Quality management systems certification.
- ✓ the Company obtained ISO 10012 Measurement management systems certification.
- ✓ the Company's CNAS-accredited laboratory successfully passed re-evaluation and added 15 new testing capabilities.
- ✓ the Company drove and closed out 189 improvement actions through its quality management system, while organising dedicated improvement initiatives for 73 typical quality issues.

The Company has established a quality control system across the full value chain, covering R&D, production, delivery and after-sales service. During the reporting period, no formal product recall event requiring notification to regulatory authorities occurred.



### Customer Management and Service

By establishing a full-process service mechanism covering pre-sales, in-sales and after-sales stages, the Company is able to respond precisely to customer needs, provide proactive technical support and ensure closed-loop issue resolution, thereby continuously enhancing customer experience and service quality through end-to-end service delivery.

#### JIANAN ELEC's Major Actions and Achievements in Customer Management and Services in 2025

##### Pre-sales customer management and needs alignment

- The Company established clear customer classification standards and implemented an account manager responsibility system, under which dedicated account managers are assigned to key customers and are responsible for providing full-lifecycle services.
- For core power grid customers, at least one on-site or video communication session was conducted each month, with weekly follow-up during major projects. For general customers, one follow-up visit was conducted each quarter, with immediate response provided for urgent matters, ensuring accurate alignment with customer needs.

##### In-sales technical support and efficient communication

- The Company provided on-site guidance for product installation and commissioning, as well as remote video training, and prepared standardised installation manuals to ensure metering accuracy and stable system integration of electricity meters.
- The Company launched a customer relationship management ("CRM") system to achieve full-process digital management of customer information, communication records, and service work orders, thereby improving service efficiency and traceability and shortening response times by 30%.

##### After-sales customer complaint response and closed-loop handling

- The Company accepted customer requests through multiple channels, including the 400 hotlines, the official website, the WeChat official account and account managers, while implementing a first-contact responsibility system under which major issues are promptly escalated to management.
- The Company optimised the customer complaint handling process and established a closed-loop feedback mechanism to ensure responses within 24 hours, resolution of general issues within 48 hours, and issuance of solutions for major issues within 72 hours, thereby continuously improving customer satisfaction.

##### Customer feedback and service optimisation

- Through monthly, quarterly, and half-yearly customer visits, the Company gained an in-depth understanding of customer needs, and regularly convened customer needs review meetings to incorporate customer feedback into product iteration and service optimisation processes.
- The Company conducted quarterly after-sales satisfaction surveys and incorporated the survey results into the performance appraisals of relevant departments, using appraisals to drive service improvement.

GB/T 27922-2011 Five-Star After-Sales Service Certificate



### Carrying Out the Technical Service Training and Skills Assessment Programme

From April 27 to April 30, 2025, the Company carried out a four-day skills training and assessment programme under the theme of "Technology-led, Service-oriented". Senior R&D experts were invited to serve as trainers and provided systematic instruction on both product theory and practical on-site fault handling, effectively strengthening the technical service personnel's ability to independently identify and resolve on-site issues

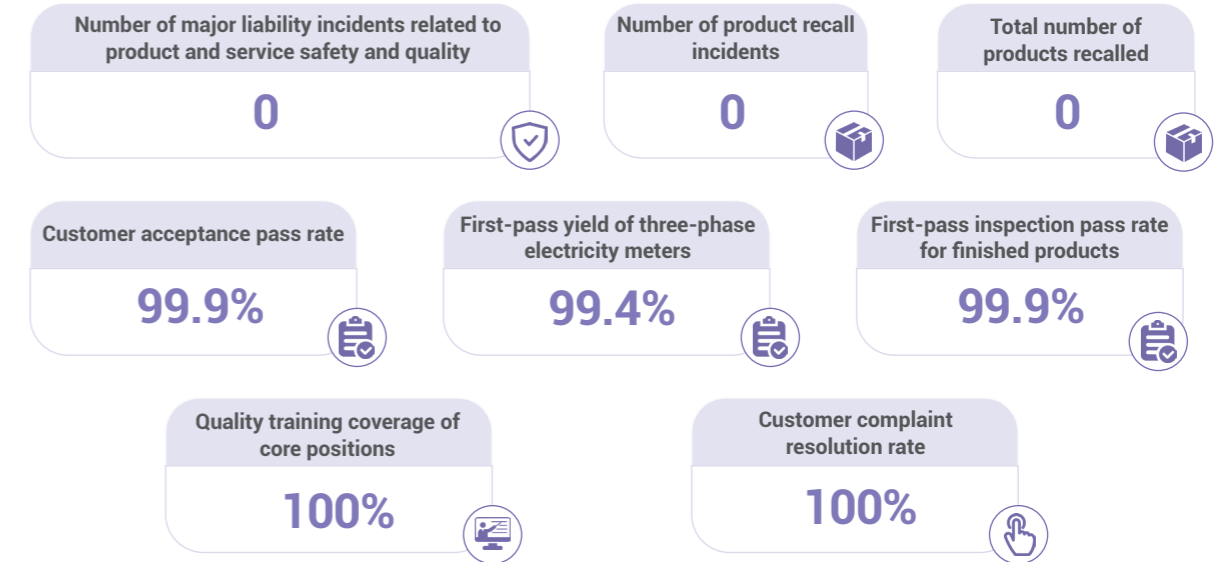


On-site Skills Training and Assessment

### Metrics and Targets

The Company has established a quality indicator management system. Guided by its vision of "zero defects, zero incidents and zero recalls", it has set annual management targets for product and service safety and quality and broken them down into measurable and assessable quality indicators at each level, ensuring the effective implementation and continuous improvement of its quality strategy.

#### Metrics and Performance Related to Product and Service Safety and Quality of JIANAN ELEC in 2025



In addition, by strengthening service support throughout the entire process, equipping teams with digital management systems, and carrying out professional technical empowerment, the Company has achieved remarkable operating results in overseas market expansion and service response.

#### In 2025, the Company:

- achieved a **38.87%** increase in overseas revenue to RMB34,505,415.57, with the customer renewal rate for the domestic market staying above **95%**.
- handled customer complaints in an average of 2.1 days, with customer satisfaction with the handling results reaching **96.8%**.

## Innovation

JIANAN ELEC has built deep expertise in the smart metering sector over many years and continues to advance innovation in new products, new technologies and new processes. At the same time, it has proactively expanded into new energy charging piles and integrated solutions spanning solar power generation, energy storage, charging and distribution, building a diversified business portfolio and continuously deepening its industrial footprint.

### Governance

The Company has continued to improve its internal innovation policy framework across such areas as technical standards, R&D management, innovation incentives and talent development. It has formulated and implemented technical specification documents such as the *Standardization Specification for Component Symbols and Naming in Schematic Diagrams*, *Standardization Specification for Net Naming and Hierarchical Design in Schematic Diagrams*, as well as internal management regulation documents including the Product Lifecycle Management Procedure, Test Data Specification, Overseas Requirements Transfer Specification, and R&D Center Training Management System.

The Company has established an innovation management mechanism that combines strategic guidance, organizational coordination, and process control. By clearly defining the responsibilities of each department and carrying out full-process monitoring of project progress and risks, it ensures that innovation activities are conducted efficiently and in an orderly manner.

#### Innovation Governance Structure of JIANAN ELEC



### Strategy

The Company remains committed to innovation and to deepening its presence in intelligent manufacturing. It actively pursues a diversified development strategy, identifies relevant risks and opportunities, and formulates response strategies accordingly.

#### Risks and Opportunities Related to Innovation and Response Strategies of JIANAN ELEC

Risks and Opportunities	Time Horizon of Impacts	Financial Impact	Response Strategies
<b>Risks</b>			
<b>Risk of new product development</b> During the R&D and promotion of new products such as charging and energy storage equipment, the Company faces ongoing challenges arising from rapid technological iteration, as well as price competition triggered by industry overcapacity. If innovation proves insufficient and product competitiveness declines, profit margins may come under further pressure.	Short, medium, and long term	Decrease in operating revenue	<ul style="list-style-type: none"> <li>Continue to strengthen core technology R&amp;D and quality control to ensure accurate product metering and reliable operation, thereby effectively safeguarding the rights and interests of residents.</li> <li>Give full consideration to product versatility, advancement, reusability, cost-effectiveness, and scalability, so as to adapt to market changes and reduce the risks of new product development and promotion.</li> </ul>
<b>Opportunities</b>			
<b>Technological opportunity</b> There are abundant business opportunities in overseas markets. Leveraging its technological expertise in smart electricity meters and charging piles, the Company is deepening its presence in key markets and, while consolidating its existing market position, is well-placed to continue expanding the scale of its overseas business.	Medium to long term	Increase in operating revenue	<ul style="list-style-type: none"> <li>Keep abreast of technological trends in the industry, prevent infringement risks, and focus R&amp;D efforts on technologically advanced fields.</li> <li>Accelerate the expansion of technology overseas, actively carry out overseas market research, and provide differentiated products with strong price-performance advantages.</li> <li>Through the diversified strategy of "stabilising the meter business, expanding beyond the grid business and entering the new energy sector", proactively respond to challenges, reduce dependence on any single market and disperse demand fluctuation risks.</li> <li>Pursue both structural cost reduction and hardware cost reduction to enhance the Company's product competitiveness in overseas markets.</li> </ul>
<b>Overseas market opportunity</b> In expanding its overseas business, the Company can, through continuous technological innovation, respond rapidly to the diverse needs of customers in different markets. By leveraging its technological strengths to maintain a multidimensional balance between product quality and price competitiveness, it can create additional room for profit growth.	Medium to long term	Increase in operating revenue	

### Impacts, Risks, and Opportunities Management

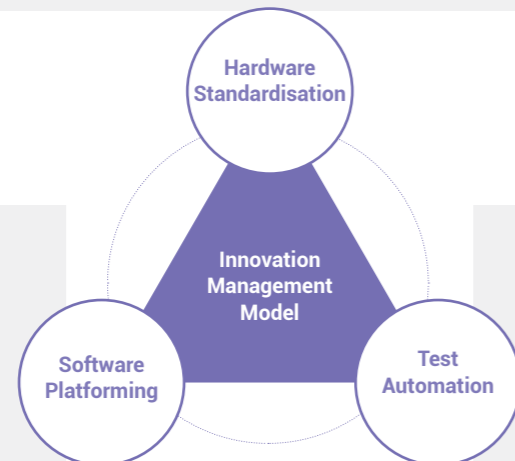
To effectively address uncertainties in the innovation process, the Company systematically carries out risk management and proactively seizes innovation opportunities. By regularly reviewing technology roadmaps, R&D progress and changes in the external environment, it dynamically identifies and assesses innovation-related risks, implements closed-loop management across R&D processes, continuously reinforces the foundations of its innovation system, and vigorously advances the development of intelligent manufacturing, thereby ensuring that innovation activities are carried out efficiently in a controllable risk environment.

### Technological Innovation Management

Guided by continuous innovation, the Company has, in recent years, introduced an integrated technological innovation management model featuring software platforming, test automation, and hardware standardisation in order to systematically enhance the effectiveness of its R&D system. After customer requirements have been analysed, reviewed and approved, product design is initiated, enabling improvements in both efficiency and quality and thereby delivering cost reduction and efficiency gains.

#### JIANAN ELEC's Integrated Technological Innovation Management Model

Through the reuse of component symbol and net naming standards, standard package libraries and standard circuits, the Company achieves standardised hardware design, improving both development efficiency and design quality.



Through the application of software platforming, the Company reduces repetitive development, accelerates software design and improves both development efficiency and design quality.

By using automated testing software to carry out testing, the Company reduces manual intervention and enhances both testing efficiency and quality.

Through this integrated technological innovation management model, the Company uses its Product Lifecycle Management ("PLM") System to implement closed-loop management of its R&D processes across the full cycle of project initiation, planning, execution, monitoring and closure, thereby driving the efficient commercialisation of R&D outcomes.

### JIANAN ELEC's R&D Workflow in 2025



Guided by an innovation framework centered on free exploration, development leadership and industrial support, the Company benchmarks itself against leading enterprises and continues to strengthen its efforts in four key areas: innovation platform development, talent and team building, industry-university-research collaboration, and integration into the industry ecosystem. Through these efforts, it has systematically enhanced its technological innovation capabilities and core competitiveness.

### JIANAN ELEC's Major Actions and Achievements in Innovation in 2025

#### Innovation platform development

- **Innovation platform development:** In 2025, the Company was recognised as a Zhejiang Provincial Industrial Design Center. Its existing innovation platforms, including the Zhejiang Provincial High-tech Enterprise R&D Center, Zhejiang Provincial Enterprise Research Institute, Zhejiang Provincial Postdoctoral Workstation, and Ningbo Municipal Engineering Technology Center, continued to operate efficiently.
- **R&D environment enhancement:** The Company established a component reliability laboratory and a product reliability laboratory, equipped with facilities for functional testing, EMC testing, electrical performance testing, and simulated operation testing, providing solid support for product R&D and quality verification.

#### Talent and team building

- **R&D team development:** A technical team comprising hardware engineers, embedded software engineers, structural engineers, system software engineers, test engineers and others has been established, covering key areas such as hardware development, software design, structural design, system platform development, testing and validation, and project management, with end-to-end R&D capabilities.
- **Innovation incentives and assessment:** The Company placed equal emphasis on incentives and restraints, rewarding and annually recognising departments and employees that delivered R&D tasks efficiently and to a high standard, while also incorporating delays at key project milestones into departmental and individual performance appraisals.
- **Technical talent development:** Adopting a project-based approach to talent development, the Company cultivated employees through hands-on practice and regularly organised technical sharing and training sessions to exchange product development experience and professional knowledge, continuously empowering its technical team.

#### Industry–university–research collaboration

- **University collaboration network:** The Company established partnerships with universities such as Southeast University and carried out technical exchanges and joint R&D around areas such as smart metering and the energy IoT.
- **Joint research project breakthroughs:** The Company also deepened cooperation with Ningbo University on joint research projects, leveraging the research strengths of the university to advance technological innovation and the commercialisation of research outcomes.

#### Integration into the industry ecosystem

- **Participation in standards formulation:** As an important member of authoritative domestic and international industry Organizations such as the DLMS User Association, the STS Association, the China Instrument Manufacturer Association, and the Standardisation Technical Committee for Electric Vehicle Charging Facilities of the Energy Industry, the Company deeply participated in discussions on industry standards and technical collaboration.
- **International conference exchanges:** The Company actively participated in domestic and international conferences related to standards and technologies, showcased smart metering and digital energy solutions, and continuously advanced global technical exchanges and market presence.

#### In 2025, the Company:

- ✓ had participated in the development of a total of **71** standards as of the end of the reporting period, including **51** national standards, **6** industry standards and **14** group standards.
- ✓ completed the acceptance of **1** Cixi dual carbon technology project and applied for a new major science and technology project.
- ✓ organised **30** internal training sessions covering hardware, embedded software, testing and system software, while the R&D Department and the Technical Support Department jointly delivered **1** dedicated technical sharing session to enhance the capabilities of R&D and technical support personnel.

#### Intelligent Manufacturing Upgrade

JIANAN ELEC is actively embracing the wave of digital transformation, leveraging digital technologies to empower business innovation and integrated development, and accelerating its strategic transformation from an intelligent equipment manufacturer to a smart energy service provider.

The Company continues to deepen technological innovation and system integration in the field of intelligent manufacturing. By building an information-based middle platform, the Manufacturing Operations Management System ("MOM System"), and an industrial internet architecture, the Company has promoted the deep integration of equipment interconnectivity, data-driven operations and flexible production, achieving intelligent scheduling and dynamic optimisation of the production process. Driven by technological innovation, the Company has upgraded its manufacturing capabilities, continuously enhancing production flexibility, responsiveness and quality consistency, and building a solid smart manufacturing foundation for large-scale customisation and agile delivery.

#### Exploring New Opportunities in Digital Workshops and Energy Transition Together

On February 19, 2025, Holger Bingmann, Vice Chairman of the International Chamber of Commerce ("ICC") Global Executive Board and Chairman of ICC Germany, together with Ming Yue, General Manager of Beijing Techeng Science & Technology Co., Ltd. under CNOOC, and his delegation, visited JIANAN ELEC for a research visit. The delegation focused on the Company's smart electricity meter and charging pile production workshops and spoke highly of its technological capabilities in intelligent manufacturing and new energy. The two parties agreed to pursue in-depth follow-up exchanges on product technologies relating to smart electricity meter terminals and charging piles for new energy vehicles.

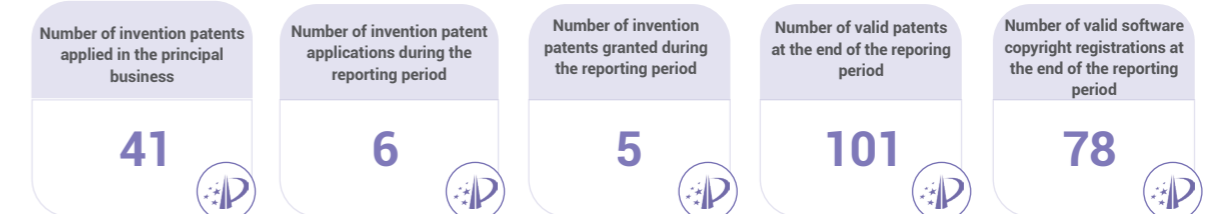


The Delegation Visiting the Company's Exhibition Hall and Production Workshops

#### Metrics and Targets

In 2025, in alignment with its annual innovation strategy, the Company strategically shifted its management focus towards quality enhancement, structural optimisation and the commercialisation of innovation outcomes. With objectives including the continued advancement of smart factory development, the establishment of data-driven decision-making mechanisms, and the shortening of new product application cycles, the Company set clear monitoring indicators and continued to drive their implementation.

#### Metrics and Performance Related to Innovation of JIANAN ELEC in 2025



## Data Security and Customer Privacy

The data involved in JIANAN ELEC's business operations mainly include customer information, supplier information, financial and operational data, and corporate management information. Of these, customer information involves commercial information and private data of key customers such as State Grid.

The Company complies with the requirements of the *Data Security Law of the People's Republic of China*, the *Cybersecurity Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China* and other applicable laws and regulations. It has established and continuously improved its information security management system, and clearly stipulates the confidentiality obligations of suppliers and customers through contractual arrangements, thereby strengthening the legal safeguards for data security and privacy protection.

By optimising the development of its information protection systems, the Company applies hierarchical and category-based management to production data, customer information and other information, while adopting necessary technical measures such as encrypted storage and access control. The Company ensures that data circulation, approval and processing are lawful and compliant, thereby continuously safeguarding data security and protecting customers' privacy rights. In 2025, the Company did not experience any incidents of penalties imposed by relevant authorities for violations of laws and regulations related to information security and privacy protection.

### JIANAN ELEC's Major Actions and Achievements in Data Security and Customer Privacy in 2025



- **Unified platform development:** The Company established an information-based middle platform, the MOM System, that complies with the requirements of national information technology security standards for the industry. The system enables cross-system interconnection and comprehensive data capture, while centrally strengthening cybersecurity controls and data access permission management, thereby reinforcing the foundation for data security protection.



- **Perimeter security hardening:** In 2025, the Company deployed next-generation firewalls and intrusion monitoring systems, extending information security controls to branches and subsidiaries. It also implemented logical segregation between production and office network segments and enforced stringent network access control policies to restrict unauthorised external access and prevent internal unauthorised operations.
- **Dual-layer security mechanism:** The Company strengthened the dual safeguards of "data backup and recovery + perimeter security protection". On the one hand, it implemented daily scheduled automatic backups for core business systems such as Enterprise Resource Planning ("ERP") and Product Lifecycle Management ("PLM") systems to ensure data recoverability and business continuity. On the other hand, it reduced the external attack surface by disconnecting external network access outside working hours and, together with internal information boundary controls, built a robust and coordinated information security defence.
- **Business system encryption:** The Company continued to strengthen the security performance settings of its procurement and sales platform. Information and data throughout the entire bidding process were encrypted using technical means to avoid human manipulation.



Data security management and control

- **Intranet storage control:** Under its traditional make-to-order operating model, core data was stored in internal information systems such as ERP, Manufacturing Execution System ("MES") and Warehouse Management System ("WMS"), and circulated only on the intranet without direct connection to the internet, thereby reducing data exposure risks at the source.
- **Segregation of information access rights:** Customer information was primarily stored in the sales order module of the ERP system. Access was controlled through a tiered permission structure: the sales department can view detailed customer information, while other departments can access only order numbers. This internal access segregation mechanism effectively protected customer privacy and commercially sensitive information.



System certification

- **System certification assurance:** With Capability Maturity Model Integration ("CMMI") Level 3 certification and ISO/IEC 27001 Information security management systems certification, the Company has developed systematic capabilities in data governance, standardised software development and end-to-end information security management.

ISO/IEC 27001:2022 Information Security Management System Certificate



CMMI-DEV V3.0 Maturity Level 3 Certificate



## Supply Chain Security and Sustainable Management

The main raw materials and core components required for JIANAN ELEC's operations are concentrated in the electronic components sector, including chips, plastic parts, relays, transformers, etc.

### Governance

The Company strictly complies with the requirements of the *Law of the People's Republic of China on Bid Invitation and Bidding* and other applicable laws and regulations. It has formulated and implemented internal management policies, including the *Supplier Management Policy*, *Supply Chain Risk Management Policy*, *Emergency Supply Assurance Policy for Procurement and Supply Chain*, and *Green Supply Chain Management Policy*, using institutionalised and standardised management to support value creation and risk prevention across the supply chain.

To ensure the effective implementation of these policies, the management, under the authorisation of the Board of Directors, assumes overall responsibility for supplier management and procurement execution. Clear internal division of responsibilities and coordination mechanisms have been established. The leader in charge of the Production Center (Procurement Department) oversees key matters including supplier identification and assessment, procurement demand analysis, planning and contract management, while dedicated supplier management and procurement management personnel are responsible for day-to-day implementation.

### Strategy

In developing its supply chain, the Company actively implements risk management measures, systematically analyses the potential impacts of relevant management measures, and identifies associated risks. By optimising supplier management mechanisms and promoting the development of a sustainable supply chain, the Company effectively responds to various risk challenges while also capturing potential development opportunities.

#### Risks Related to Supply Chain Security and Sustainable Management and Response Strategies of JIANAN ELEC

Risks	Time Horizon of Impacts	Financial Impact	Response Strategies
<b>Compliance risk</b> Non-compliant internal transactions with suppliers or non-transparent procurement procedures may expose the Company to legal liability and regulatory penalties arising from commercial bribery or improper benefit transfer.	Short, medium, and long term	Increase in operating costs	<ul style="list-style-type: none"> <li>During cooperation with suppliers, adhere to lawful, compliant and transparent transactions and strictly observe business ethics and regulatory requirements.</li> <li>Apply rigorous supplier onboarding controls to safeguard supply chain security and stability at the source.</li> <li>Improve the supplier management mechanism, regularly implement performance evaluation and appraisal mechanisms, and urge suppliers to make timely rectifications.</li> <li>Continue to advance the development of a responsible and sustainable supply chain, and build a supply chain ecosystem that is safe and stable, green and transparent, and mutually beneficial and prosperous.</li> </ul>
<b>Reputational risk</b> Negative ESG incidents involving suppliers may be transmitted to the Company through the supply chain, triggering public concern and media attention, and causing associated damage to the Company's image, which is not conducive to the development of a sustainable brand.	Short, medium, and long term	Decrease in operating revenue	
<b>Supplier management model risk</b> If supplier onboarding, evaluation and exit mechanisms are not properly implemented, and classified and tiered management remains inadequate, the stability of supply of core materials may be weakened, and quality controllability may decline. This may in turn affect production continuity and product delivery quality, thereby reducing overall supply chain resilience.	Medium to long term	Decrease in operating revenue	
<b>Supply chain security risk</b> Global events such as conflict minerals issues and disruptions in the supply of critical minerals may directly affect upstream suppliers' ability to secure the supply and quality of raw materials such as electronic components, structural parts and battery materials. This may, in turn, affect the safety and quality of the Company's products and services and result in direct economic losses.	Short to medium term	Decrease in operating revenue	

## Impacts, Risks, and Opportunities Management

The Company always adheres to the trading principles of voluntariness, equality, fairness, honesty, and good faith, and places emphasis on mutual support and shared growth. By establishing a full-process supplier management system covering supplier identification and evaluation, foundational supplier management, supplier list management, evaluation and overall coordination, the Company continuously enhances the operational efficiency of the supply chain and optimises the collaborative ecosystem, thereby providing solid support for high-quality development.

### Supply Chain Security and Sustainable Management Process of JIANAN ELEC



Committed to “fair competition based on effective competition and mutual benefit”, the Company has actively responded to the State Grid Green Supply Chain initiative’s “One Evaluation System” and “Five Guiding Directions”, and has continued to advance sustainable supply chain development through transparent procurement, green procurement, innovative procurement, digital and intelligent procurement, and quality-oriented procurement.

### JIANAN ELEC's Major Actions and Results in Sustainable Supply Chain Development in 2025

Transparent procurement

- Upholding the principles of openness, fairness and impartiality, the Company strictly fulfilled procurement requirements in accordance with laws and regulations, followed a market-oriented mechanism featuring open market access, open pricing and open supplier participation. It disclosed detailed, specific and non-discriminatory procurement requirements to all suppliers, thereby ensuring that the entire procurement process is lawful, compliant, fair and equitable.
- The Company established a supplier integrity and performance management system to regulate the transaction behaviour of both parties in terms of contract management, honest operations, quality management, anti-monopoly and anti-unfair competition. It also took action against suppliers that violated the principles of integrity.

Green procurement

- The Company incorporated the principle of environmental protection into materials procurement and supplier management, guiding suppliers to fulfil social responsibilities relating to environmental protection and resource conservation, and encouraging them to develop green technologies and products.
- The Company obtained certification for its green supply chain management system, and its green supply chain management practices received authoritative recognition.

Innovative procurement

- The Company communicated its product technology iteration requirements to suppliers and encouraged them to upgrade their process standards accordingly, so as to ensure that the technical indicators of core materials remain aligned with the Company's product roadmap.
- For key materials such as relays and power management chips, the Company worked with technical departments to verify domestic substitution solutions. Domestic components that pass testing were given priority for inclusion in the procurement catalogue, with market-based purchase orders used to support the technical maturity and production ramp-up of domestic suppliers.

Digital and intelligent procurement

- Leveraging the MOM system, the Company integrated data flows covering orders, materials, production and quality, enabling intelligent matching of procurement needs, online supplier collaboration and real-time tracking of material progress, thereby improving procurement efficiency and supply chain flexibility.

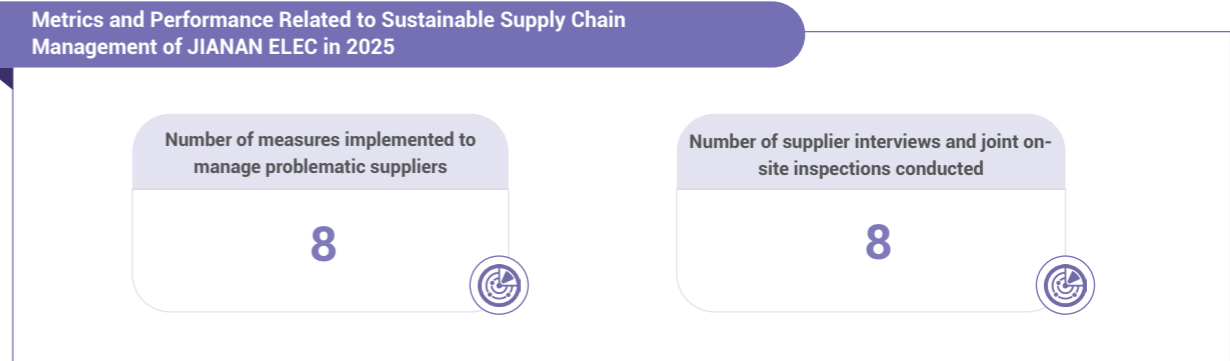
Quality-oriented procurement

- The Company strictly implemented incoming material inspection procedures. Based on the raw material specifications and quality standards provided by suppliers, it carried out specification checks, quality inspections and inspection results record-keeping to ensure that all incoming materials meet production requirements, thereby safeguarding smooth production at the source.

To safeguard supply chain security, the Company has established a supply assurance mechanism centered on risk management, supplier evaluation, and cost optimisation. By closely tracking market dynamics and establishing diversified supply channels for key materials, the Company has effectively reduced the risk of over-reliance on any single supplier. At the same time, based on a comprehensive assessment of suppliers' product quality, fulfilment capability, breach records and service responsiveness, the Company dynamically updates its supplier list. Through measures such as identifying alternative materials, expanding procurement channels and improving procurement procedures, it continues to enhance procurement efficiency and economic value while ensuring supply stability.

### Metrics and Targets

With sustainable supply chain development as a core objective, the Company has established key performance indicators across such dimensions as green development, compliance and resilience, and has fully embedded them into the entire supplier management process, including supplier onboarding, evaluation, appraisal and exit, so as to ensure the effective implementation and continuous optimisation of its sustainable development strategy across the supply chain.



## Nurturing a People-Centered Culture and Fulfilling Social Responsibility

JIANAN ELEC places people at the heart of its values and responsibility at the core of its actions. Beginning with care for the smallest units of society and extending to the broader community, the Company remains committed to its people-centered principles. It works to safeguard employees' lawful rights and interests, support their growth and development, and protect their occupational health and safety, while also extending its sense of responsibility to wider areas of society. Through active participation in public welfare and rural revitalization initiatives, the Company brings together small but meaningful actions for the greater good.

### Employees

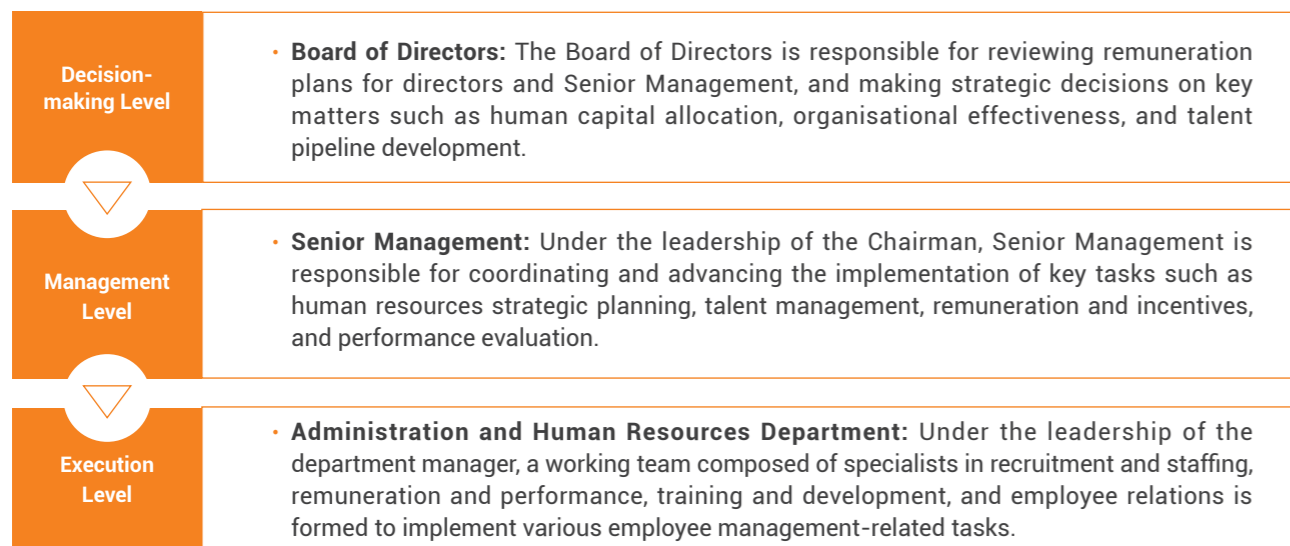
JIANAN ELEC adheres to a people-centered approach and strives to create a workplace where employees can build fulfilling careers. The Company is dedicated to fostering a fair, inclusive and warm working environment, continuously improving remuneration and benefits as well as career development pathways, and paying close attention to employees' physical and mental well-being and work-life balance, so as to advance employee value creation alongside corporate growth.

### Governance

The Company strictly complies with the requirements of the *Labor Law of the People's Republic of China*, the *Labor Contract 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 Minors*, the *Provisions on the Prohibition of Child Labor* and other applicable laws and regulations. It has formulated and implemented employee management policies, including the *Talent Development Plan and the Human Resources Management Policy*, thereby establishing a sound institutional foundation to support the shared growth of employees and the Company.

By establishing a human capital governance structure with clearly defined authorities and responsibilities and coordinated collaboration across different levels, the Company advances talent recruitment, cultivation, incentives and employee protection in an integrated manner, continuously enhances organizational effectiveness, and provides strong talent support for high-quality development.

#### Employee Governance Structure of JIANAN ELEC



### Strategy

Focusing on the entire recruitment and employment process, the Company systematically identifies potential risks and opportunities and implements targeted response strategies to ensure compliant employment and talent stability, thereby providing human capital support for the sustainable development of the Company.

#### Risks and Opportunities Related to Employees and Response Strategies of JIANAN ELEC

Risks and Opportunities	Time Horizon of Impacts	Financial Impact	Response Strategies
<b>Risks</b>			
<p><b>Compliance risk</b></p> <p>If the Company breaches relevant laws and regulations or becomes involved in labour disputes or improper employment incidents, it may face labour inspection penalties, legal proceedings and financial compensation liabilities, thereby damaging its image as a law-abiding and compliant business.</p>	Short, medium, and long term	Decrease in operating revenue	<ul style="list-style-type: none"> <li>• <b>Standardise personnel recruitment:</b> Strictly comply with national laws and regulations, establish an open, fair and impartial recruitment and hiring mechanism, and ensure that employees enjoy equal opportunities and lawful rights and interests from the start of their employment.</li> <li>• <b>Improve the remuneration and benefits system:</b> Formulate a scientific remuneration and benefits protection system to ensure that wages are paid in full and on time.</li> <li>• <b>Strengthen employee training and development:</b> Establish a multi-level training system covering new employee induction, job skill enhancement and management capability development, and provide continuous support for employees' career development.</li> <li>• <b>Improve the performance appraisal mechanism:</b> Build a scientific, transparent and quantifiable performance appraisal system, link appraisal results to remuneration adjustments, position promotion, excellence awards and incentives, and stimulate employee motivation and creativity.</li> </ul>
<p><b>Employee employment risk</b></p> <p>If the Company violates relevant laws, regulations, or internal policies in areas such as recruitment, hiring, contract execution, salary payment, social insurance contributions, working hours management, or termination of employment relationships, it may give rise to labour disputes, administrative penalties, and reputational damage, resulting in economic losses.</p>	Short, medium, and long term	Decrease in operating revenue	
<b>Opportunities</b>			
<p><b>Talent team development opportunity</b></p> <p>By building a scientific talent recruitment, cultivation and incentive system, the Company is able to cultivate a workforce that is well-structured, highly capable, stable and reliable, thereby supporting its sustainable development.</p>	Medium to long term	Increase in operating revenue	<ul style="list-style-type: none"> <li>• <b>Optimise the working environment and employee care mechanism:</b> Continuously improve the office and production environment, pay attention to employees' physical and mental health, establish smooth communication channels and care mechanisms, and foster a harmonious, inclusive, and positive working atmosphere.</li> </ul>

## Impacts, Risks, and Opportunities Management

To effectively address potential risks in the employee management process, the Company regularly reviews key areas such as recruitment and allocation, training and development, remuneration and benefits, performance appraisal, and labour relations, dynamically identifies and assesses risks and opportunities throughout the entire employment process, and has established and improved corresponding response mechanisms.

### Employee Employment and Rights and Interests

The Company adheres to the principle of equal employment and implements an employment philosophy centered on responsibility, accountability, proactivity, and dedication. It has established fair and transparent procedures for hiring, recruitment and termination, and, through the continuous optimisation of its employment management, effectively safeguards employees' rights and interests while fostering harmonious labour relations.

### JIANAN ELEC's Major Actions and Achievements in Employee Employment and Rights and Interests in 2025



Compliant employment

- **Fair and transparent recruitment:** The Company established an open, fair, and impartial recruitment and hiring mechanism. Through standardised recruitment procedures, clear job standards, and transparent selection processes, it ensured that all candidates enjoyed equal employment rights.
- **Scientific and impartial employment:** The Company adhered to the use of scientific and systematic methods and tools for talent selection and equal employment, and prevented employment decisions from being affected by discriminatory practices related to gender, region, ethnicity, religion, or other factors.
- **Employment compliance review:** The Company strictly reviewed employees' onboarding information to ensure that employees were employed voluntarily, and resolutely prohibited the employment of child labour and any form of forced labour.



Equal employment

- **Equal pay for equal work:** The Company adhered to the principle of equal pay for equal work for all categories of employees, ensuring that all employees enjoyed fair remuneration under equal conditions.
- **Protection for flexible workers:** The Company attached importance to protecting the rights and interests of flexible workers, ensuring that they received equal treatment in remuneration, benefits, occupational safety, and other aspects.
- **Diversity and inclusion development:** The Company worked to build an inclusive and diverse workforce, respected employee diversity, and promoted the integration and development of employees from different backgrounds.



Remuneration and benefits

- **Sound remuneration system:** The Company implemented a diversified remuneration system primarily based on position-based and performance-based pay. Wages were paid in full and on time in accordance with the law, safeguarding employees' basic rights to remuneration.
- **Statutory social insurance coverage:** In accordance with the law, the Company contributed to pension, medical, work-related injury, unemployment and maternity insurance for employees, and also provided housing fund contributions, enterprise annuity plans and supplementary commercial insurance, offering comprehensive and standardised social security support.
- **Working hours and leave management:** The Company strictly implemented the national working hours system and ensured that employees enjoyed all statutory holiday, rest, and leave entitlements in accordance with the law, thereby supporting work-life balance.
- **Special benefits protection:** In addition to statutory benefits, the Company provided special insurance coverage and maternity-related protection for female employees.



Communication and care

- **Workplace environment development:** The Company actively fostered a fair, just, harmonious and inclusive workplace atmosphere, respected employee diversity and enhanced employees' sense of belonging.
- **Care for female employees:** The Company regularly organised discussion sessions for female employees to listen to their views, understand their career development aspirations and address their specific needs. It also provided facilities such as women's health rooms and mother-and-baby rooms.
- **Cultural and sporting activities:** The Company regularly organised team-building activities, sports events, film screenings and other cultural and sporting activities to enrich employees' lives outside work and strengthen team cohesion.
- **Democratic communication mechanism:** The Company promoted open communication through the establishment of the Employee Representative Congress, which convened regular annual meetings. This helped maintain open channels for collecting and responding to employee feedback, promote the effective implementation of reasonable suggestions, and foster harmonious labour relations.
- **Assistance for employees in need:** The labor union provided care and support to employees in difficulty, donating RMB200,000 to those with serious illnesses and financial hardship.

### A Full Moon at Mid-Autumn, Lanterns Aglow at Dusk—Mid-Autumn Festival-Themed Event

On September 30, 2025, JIANAN ELEC organised a Mid-Autumn Festival-themed event under the theme "A Full Moon at Mid-Autumn, Lanterns Aglow at Dusk". Employees took part in activities such as solving lantern riddles and making decorative lanterns. The event not only offered an opportunity to learn traditional crafts and relax, but also deepened employees' understanding of traditional culture through hands-on participation, while enhancing their sense of belonging and well-being.



Mid-Autumn Festival-Themed Event

### Employee Training and Development

The Company implements a talent development policy of centralised recruitment, training and placement. By establishing dual career development pathways for technical and management talent, and refining an incentive mechanism that combines short-term and long-term incentives, it aligns employee objectives with organizational goals and promotes the coordinated advancement of employee value and corporate development.

On this basis, the Company continues to deepen the implementation of its talent strategy, innovate talent selection and development models, and establish three talent pools, namely a "High-Calibre Talent Pool", a "Reserve Pool for Middle Management", and a "Young Key Talent Pool". By developing a tiered and categorised employee training system, the Company systematically enhances the professional capabilities and overall competence of its workforce.

In accordance with the patterns of talent development, the Company has further built and refined professional, differentiated and progressive career development pathways for three categories of talent: operational management personnel, professional and technical personnel, and skilled operational personnel. In doing so, it fully stimulates employees' vitality in innovation, initiative and value creation. For graduates recruited from various universities each year, the Company formulates tailored training plans and development pathways to support their rapid growth.

### JIANAN ELEC's Talent Pool Development Model



High-Calibre Talent Pool

- Focusing on the Company's core technical experts and business leaders, this programme places emphasis on strengthening their strategic vision and industry influence. Training mainly includes high-level advanced programmes, key technical research projects and external benchmarking-based learning, while supporting participation in the formulation of national standards and research into frontier technologies. In terms of career development, participants may progress through the technical pathway to positions such as President of the Research Institute, or transition into management roles, and are also included in long-term incentive schemes such as equity incentives.



Reserve Pool for Middle Management

- This pool draws participants from outstanding frontline talent and is designed to strengthen their integrated management capabilities and cross-functional collaboration skills. Through annual management training programmes and job rotation practices, participants are accelerated towards roles such as department heads or project managers. Annual evaluations and dynamic adjustments are conducted, and high-performing participants are given priority for promotion, thereby opening up integrated advancement pathways combining professional and managerial development.



Young Key Talent Pool

- Targeting high-potential employees with one to three years of service, this pool is designed to strengthen professional foundations and reinforce identification with the Company. Through on-the-job training, mentor guidance, and cross-departmental secondments, participants rapidly improve their practical capabilities. Depending on individual strengths, they may pursue either technical or management pathways, while outstanding performers may be admitted early to the reserve management pool to accelerate their development.

### JIANAN ELEC's Employee Training System

#### Routine training

- Safety training, new employee training, job knowledge training, and statistical techniques training

#### System and procedure development

- Training on the Company's quality management system, internal policies, and standardised system operation

### Employee Training System

#### Professional skill enhancement

- Training on production technologies, testing skills, R&D technologies, and new products and business

#### Cultural training

- Training on work-related injury knowledge and handling procedures, and anti-fraud awareness training

By continuously improving the rank management system, promotion mechanism, incentive and restraint mechanism, and skills training system, the Company systematically advances employee training and development, fully stimulates talent vitality, and provides strong human capital support for high-quality development.

### JIANAN ELEC's Major Actions and Achievements in Employee Training and Development in 2025

#### Improve internal rank management

- The Company continued to improve the internal rank system management measures by further refining and clarifying the conditions for promotion, demotion, and exit for personnel at each rank.
- The Company regularly organised the Professional Title Evaluation Committee to complete the review of junior, intermediate, and senior professional titles in the engineering series, thereby continuously improving employees' professional titles.

#### Ensure fair and transparent promotion

- The Company adopted a competitive appointment system. By publicly releasing information on vacant positions, it allowed all eligible employees to apply for the competition.
- If employees have any objections to the appointment results, they may provide feedback during the announcement period through suggestion boxes, telephone or email.

#### Ensure alignment between incentives and accountability

- The Company improved the mechanism linking the job rank and remuneration system with performance appraisal results, and signed the Annual Organizational Performance Target Responsibility Agreement to ensure that incentives are effectively aligned with contributions.
- The Company implemented dynamic management and ongoing evaluation for all personnel included in the talent cultivation plan, continuously optimising the effectiveness of talent cultivation.

#### Encourage employees to participate in skills training

- The Company organised employees to participate in training for skill grade advancement, encouraged employees to obtain skill certificates, and granted rewards to eligible employees upon certification.
- The Company carried out specialised training for employees at all levels and across professional fields, strengthened the pipeline of reserve talent, and actively recommended outstanding employees for high-level programmes, thereby comprehensively enhancing workforce quality.

### Metrics and Targets

In 2025, with compliant employment and the protection of employee rights and interests as its core foundational objectives, the Company set annual performance indicators and dynamically tracked their implementation, while focusing on enhancing employee communication and care and improving training and development pathways, so as to continuously optimise its employee management system.

#### Metrics and Performance Related to Employee Management of JIANAN ELEC in 2025

Employee labour contract signing rate

100%



Number of Employee Representative Congress meetings held

1



Employee training coverage rate

100%



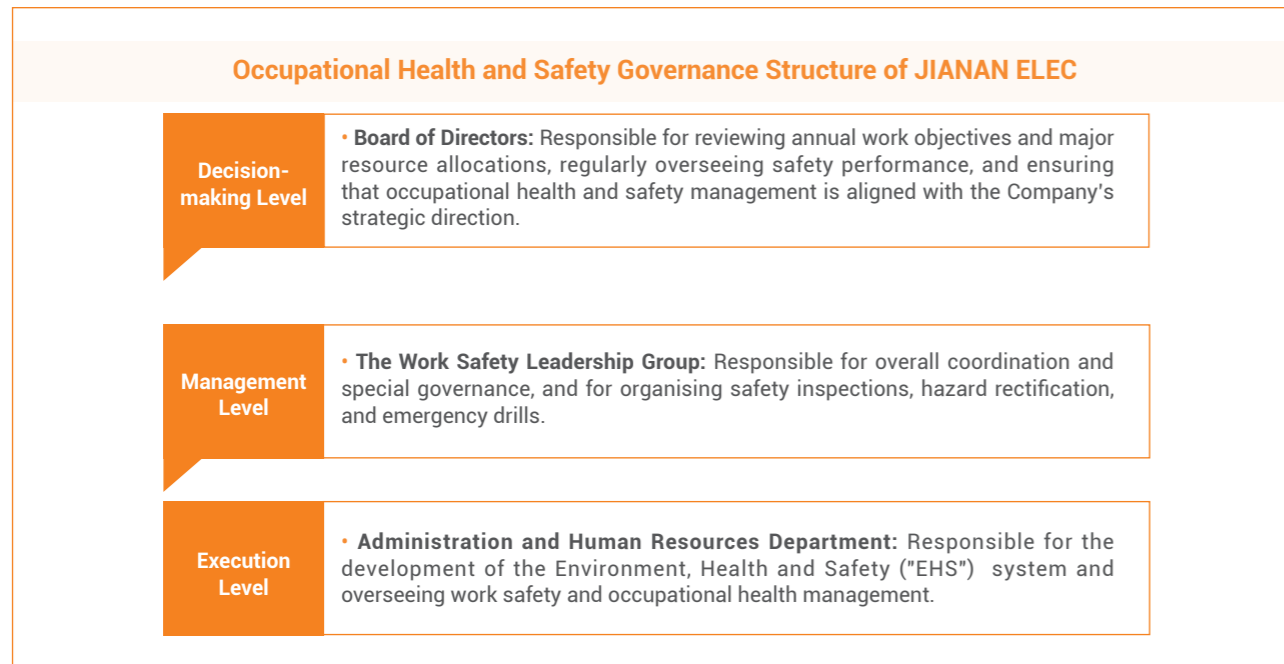
## Occupational Health and Safety

JIANAN ELEC upholds the core philosophy that “all risks can be controlled, and all incidents can be prevented”. Guided by the principles of “putting people first, focusing on prevention, pursuing continuous improvement and fostering harmony”, the Company continues to strengthen its occupational health and safety management. It reinforces management foundations, consolidates safety responsibility, addresses major hazards, and takes a range of measures to strengthen its occupational health and safety defences.

### Governance

The Company strictly complies with the requirements of the *Work Safety Law of the People's Republic of China*, the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases* and other applicable laws and regulations. It has translated external legal and regulatory requirements into internal management policies, including the *Safety Education Management Policy*, *Fire Safety Management Policy*, *Electrical Safety Management Policy* and *Work-Related Injury Incident Management Policy*. Through the formulation and implementation of work safety management policies, together with the establishment and continuous improvement of an accountability system for the prevention and control of occupational disease hazards and an occupational health management system, the Company effectively safeguards employees' occupational health and safety.

The Company has established and improved an occupational health and safety governance structure with clearly defined authorities and responsibilities and efficient coordination, systematically advancing the implementation of its management system and providing a strong safeguard for employees' occupational health and work safety.



### Strategy

By identifying occupational health and safety risks, the Company systematically puts in place response measures across four dimensions: system enhancement, risk prevention and control, emergency preparedness and culture building. In doing so, it seeks to ensure compliant operations, reduce the likelihood of incidents, and safeguard employee health and stable production.

## Risks Related to Occupational Health and Safety and Response Strategies of JIANAN ELEC

Risks	Time Horizon of Impacts	Financial Impact	Response Strategies
<p><b>Compliance risk</b></p> <p>If occupational health and safety management fails to comply with applicable laws and regulations, or if a major work safety incident or occupational disease event occurs, the Company may face regulatory penalties, suspension of operations for rectification, or even legal proceedings, thereby affecting normal production and operations.</p>	Short, medium, and long term	Increase in operating costs	<ul style="list-style-type: none"> <li>• <b>System support:</b> By improving the occupational health and safety management system, the Company strengthens safety responsibilities, ensures compliant operations, and prevents regulatory penalties and legal risks.</li> <li>• <b>Risk control:</b> The Company systematically identifies and prevents occupational health and safety risks, reducing the likelihood of incidents at source, and mitigating the impact of production disruptions on operational stability.</li> <li>• <b>Emergency response:</b> The Company strengthens its emergency management mechanisms and enhances its capability to respond to unexpected incidents, thereby minimising the impact of accidents on schedules and delivery.</li> <li>• <b>Culture building:</b> The Company promotes full employee participation in safety management and fosters a strong culture of health and safety, helping to prevent reputational risks arising from management lapses.</li> </ul>

## Impacts, Risks, and Opportunities Management

The Company continues to improve its occupational health and safety management system and has established a safety management mechanism that combines corporate oversight and management with the proactive participation of all employees. By establishing a “Zero Violations” communication and feedback mechanism, the Company encourages employees to actively participate in safety management and put forward suggestions for improving day-to-day safety management, and, in accordance with the relevant rules and regulations, rewards employees whose feedback and suggestions are effective. In this way, the Company promotes the implementation of safety responsibilities at both the post and individual levels, and continues to strengthen the foundations of its occupational health and safety management. As of the end of the reporting period, the Company and its subsidiary Jiachen New Energy had obtained ISO 45001 Occupational health and safety management systems certification.



JIANAN ELEC's Major Actions and Achievements in Occupational Health and Safety Management in 2025

<b>Management system improvement</b>	<ul style="list-style-type: none"> <li>The Company reinforced safety responsibilities. With reference to graded and categorised safety duty lists, the Company revised its "role-based dual-responsibility" list, improved its performance appraisal plan, and linked safety responsibilities to individual performance appraisals.</li> <li>The Company established and continuously improved occupational health records, systematically documenting key information such as the testing and evaluation of occupational disease hazard factors, occupational health examinations, and the maintenance of protective facilities, to ensure that the records are complete, accurate, and effective, thereby providing standardised support for occupational health management.</li> </ul>
<b>Safety risk prevention</b>	<ul style="list-style-type: none"> <li>The Company established a dual prevention system for the hierarchical management and control of safety risks and the investigation and remediation of hidden hazards, and improved its risk prevention and mitigation mechanisms.</li> <li>The Company organised internal and external experts to carry out concentrated investigations into work safety hazards, placed major accident hazards under designated oversight, and conducted monthly follow-up supervision.</li> <li>The Company included chemical hazardous substances and noise generated by machinery and equipment in the management of occupational disease hazard factors.</li> <li>The Company carried out surveys of occupational disease protection facilities, implemented measures for dust prevention, toxic substance prevention, noise prevention, and heatstroke prevention and cooling, and conducted regular inspection and maintenance of protection facilities.</li> </ul>
<b>Occupational health monitoring</b>	<ul style="list-style-type: none"> <li>The annual regular occupational disease examination and testing for workplace hazard factors were conducted, with a 100% occupational disease examination coverage rate for hazard-exposed positions.</li> <li>The Company provided all employees in operational roles with qualified personal protective equipment, promoted and supervised its proper use, and distributed labour protection supplies on a regular basis.</li> </ul>
<b>Physical and mental health care</b>	<ul style="list-style-type: none"> <li>The Company established a psychological counselling room and carried out psychological assessments, employee assistance programmes and mental health training, maintaining continued attention to employees' mental well-being.</li> <li>The Company improved employee fitness venues and facilities and regularly organised fitness activities suited to different workplaces and working arrangements.</li> </ul>
<b>Emergency response capacity building</b>	<ul style="list-style-type: none"> <li>The Company organised special drills such as fire drills, lift shutdown drills, and Red Cross first-aid training to strengthen employees' emergency response capabilities in handling unexpected incidents.</li> <li>The Company conducted fire and emergency evacuation drills, signed fire safety responsibility statements, and improved its fire safety management system.</li> </ul>
<b>Health awareness enhancement</b>	<ul style="list-style-type: none"> <li>The Company regularly organised health lectures and carried out health awareness and promotion activities.</li> </ul>



Organising a Free Traditional Chinese Medicine Consultation to Support Employee Health

From March 31, 2025 to April 3, 2025, JIANAN ELEC, together with the Company's trade union, invited traditional Chinese medicine health management practitioners from the Translational Application Base of the Shanghai Research Center for Acupuncture and Meridians to provide health consultations and on-site diagnosis and treatment services for more than 100 employees. During the event, the practitioners used traditional diagnostic methods to offer advice on diet, emotional well-being and exercise, and also provided therapies such as cupping and tuina massage. The event enabled employees to experience the traditional Chinese medicine culture and enhanced their awareness of personal health management.



Traditional Chinese Medicine Health Management Practitioners Guiding Employees Through Stretching Exercises on Site

### Safety Month Awareness Campaign

On June 26, 2025, JIANAN ELEC, together with the Company's trade union, organised and carried out an online safety knowledge competition. Participants were given one minute to complete the quiz. All employees who took part received a participation prize, while the ten highest scorers were awarded the "Safety Excellence Award". Through this quiz-based activity, the Company helped employees reinforce their awareness of the non-negotiable importance of work safety, while strengthening their capabilities in hazard identification and emergency response. The event also injected fresh momentum into the Company's efforts to build a safety management system characterised by "full employee participation and whole-process control".



Scene from the Quiz Event

### Metrics and Targets

With the objectives of advancing hazard rectification, reducing work-related injuries, and enhancing the effectiveness of safety training, the Company has set annual occupational health and safety indicators and promoted the effective implementation of various measures.

#### Metrics and Performance Related to Occupational Health and Safety of JIANAN ELEC in 2025



### Social Contributions and Rural Revitalization

Guided by the philosophy of "create opportunities for society to realise aspirations", JIANAN ELEC strictly complies with the Charity Law of the People's Republic of China, the Law of the People's Republic of China on the Promotion of Rural Revitalization and other applicable laws, regulations and policy requirements, while actively fulfilling its social responsibilities in areas including poverty alleviation, education and community environment improvement.

Since its establishment, the Company has continuously carried out targeted assistance and charitable donations, built volunteer teams, and regularly organised Party member volunteer service activities for the public good. Leveraging its professional strengths in the electrical industry, it has also conducted public-interest educational activities for local communities, including electricity-related knowledge dissemination and safe electricity use awareness programmes.

#### Safety Volunteers in Action - JIANAN ELEC Supports Community Safety Governance

On November 26, 2025, the Party Branch of JIANAN ELEC joined hands with the Changhe Town Office for Safety and Rule of Law to organise a themed Party-member activity, "Safety Volunteers—JIANAN ELEC in Action". The activity focused on two priorities: traffic safety and food safety, and more than 30 people participated in the activity. As part of the food safety outreach, volunteers worked alongside market regulation officials to inspect food establishments and conduct on-site spot checks for pesticide residues in raw ingredients, helping safeguard food safety at the source. During the evening rush hour, volunteers also served as traffic safety advocates, advising e-bike riders against unsafe practices such as riding without helmets and travelling against traffic, while raising awareness of the risks associated with traffic violations. Through this combination of Party building and volunteer service, the initiative helped channel corporate support into community safety governance.



Party Members Taking Part in Volunteer Service Activities

The Company also thoroughly implements the national rural revitalization strategy by focusing on both talent and ecology. Through practical measures such as providing skills training for rural employees, giving priority to the recruitment of rural labour, and developing a zero-carbon factory, the Company has systematically supported villages in the areas surrounding Cixi, giving back to local communities through concrete actions and contributing to coordinated regional development.

#### Launching Rural Employee Training Programme

In 2025, the Company provided full-coverage vocational skills training more than 100 employees with rural household registration, covering job skills, work safety, equipment maintenance and other content, with a cumulative total of **600** training hours for the year. Among them, **57** employees passed and obtained the Low-voltage Complete Set Inspector Certificate, **24** employees passed and obtained the IPC-A-610 Standard Certificate, and **9** employees passed the intermediate professional title evaluation and obtained certificates.

## Deepening Governance Effectiveness and Reinforcing the Compliance Baseline

JIANAN ELEC closely monitors changes in the internal and external environment, as well as industry trends, strictly complies with national laws and regulations, and continues to strengthen its practices in business ethics, fair competition and compliance management. By improving its internal audit mechanisms, enhancing its accountability system for violations, and deepening promotion and implementation of compliance culture, the Company has reinforced employees' awareness of integrity while consolidating its risk prevention and control system. Governance has advanced in a coordinated manner across multiple dimensions, laying a solid foundation for the Company's sustainable development.

### Corporate Governance

JIANAN ELEC upholds the philosophy of standardised operations and honest business conduct, and continuously improves its modern corporate governance structure. The Board of Directors operates efficiently, maintains transparent and high-quality information disclosure, and strengthens the foundation for development through scientific governance, thereby safeguarding the Company's high-quality development.

### Governance

In accordance with the *Securities Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies*, the *Measures for Administration of Information Disclosure of Listed Companies* and other applicable laws, regulations and document requirements, the Company has formulated internal policies including the *Articles of Association*, the *Rules of Procedure for the Shareholders' Meeting* and the *Working Rules for Independent Directors*, in order to safeguard its sound operations.

#### Corporate Governance Structure of JIANAN ELEC



### Strategy

The Company systematically identifies the key impacts, potential risks and development opportunities relating to corporate governance, and has formulated corresponding response strategies aimed at translating governance strengths into management effectiveness and market competitiveness.

#### Risks and Opportunities Related to Corporate Governance and Response Strategies of JIANAN ELEC

Risks and Opportunities	Time Horizon of Impacts	Financial Impact	Response Strategies
<b>Risks</b>			
<b>Operational risk</b> An incomplete governance structure, non-standardised decision-making procedures, and ineffective implementation of internal controls may lead to poor decision-making and reduced operational efficiency.	Short to medium term	Increase in compliance costs	<ul style="list-style-type: none"> <li>The Company strictly complies with regulatory requirements and implements standardised operations, information disclosure and investor relations management to a high standard.</li> <li>The Company ensures that decision-making procedures are compliant and internal controls are effectively executed. By continuously optimising governance systems, strengthening the supervisory functions of independent directors, safeguarding the rights and interests of minority shareholders, and implementing prudent cash dividends, the Company enhances its governance standards.</li> </ul>
<b>Information disclosure risk</b> Failure to report material matters in a timely and complete manner may lead to abnormal share price fluctuations, affect investor relations, or trigger regulatory enquiries.	Short to medium term	Increase in compliance costs	
<b>Opportunities</b>			
<b>Investment opportunity</b> Efficient and transparent communication can strengthen investor loyalty, reduce irrational fluctuations in the share price, and create a favourable environment for capital operations such as refinancing and mergers and acquisitions.	Medium to long term	Decrease in financing costs	

## Impacts, Risks, and Opportunities Management

The Company continuously deepens the philosophy of standardised operations and integrity in business conduct, while steadily advancing key priorities such as institutional development, standardised operations, improvements in the quality of information disclosure, and investor relations management, thereby further strengthening the foundation of corporate governance.

### JIANAN ELEC's Major Actions and Achievements in Corporate Governance in 2025

#### Ongoing enhancement of the institutional system

- **Revision of the Articles of Association and core governance policies:** The Company revised 35 governance policies, including the *Articles of Association*, the *Rules of Procedure for the Shareholders' Meeting* and the *Rules of Procedure for the Board of Directors*. These revisions included adding employee representative directors, and refining the functions and powers of the Audit Committee, thereby ensuring that the governance structure remains aligned with the latest regulatory requirements.

#### Truthful and accurate information disclosure

- **On-schedule report disclosures and announcement updates:** In 2025, the Company disclosed its 2024 Annual Report and its first-quarter, interim and third-quarter reports for 2025 on schedule, and issued a total of 121 announcements during the year. All periodic reports were reviewed and approved by the Audit Committee before being submitted to the Board of Directors for approval and disclosure, while all other announcements underwent the necessary review procedures in accordance with applicable regulations, effectively safeguarding investors' right to know.
- **Strengthened quality control over financial information:** The annual financial report was audited by an accounting firm that meets the requirements of the *Securities Law of the People's Republic of China*. Periodic reports were subject to a multi-level review mechanism comprising preparation by the Finance Department, review by the Audit Committee, deliberation by the Board of Directors, and written confirmation by Directors and Senior Management, ensuring that the data disclosed was true and accurate.

#### Deepened investor relations management

- **Establishment of a regular communication mechanism:** In 2025, the Company held its annual results presentation, during which the Senior Management team addressed investor questions. Throughout the year, the Company also hosted more than ten site visits with institutional investors and analysts. All such engagements were conducted in accordance with the required reception procedures and incorporated into a centralised institutional information database, ensuring that the process remained fair, transparent and traceable.
- **Maintaining smooth online communication channels:** The Company responded promptly to investor enquiries through the irm.cninfo.com.cn platform, with an average response time of no more than two trading days. It also maintained a dedicated "Investor Relations" section on its official website to centrally publish announcements, roadshow materials, governance documents and other relevant information.
- **Establishment of dedicated communication channels:** The Company established a dedicated investor hotline and email address, both managed by designated personnel responsible for accepting and responding to enquiries, thereby protecting investors' right to know in accordance with the law and ensuring smooth communication channels.

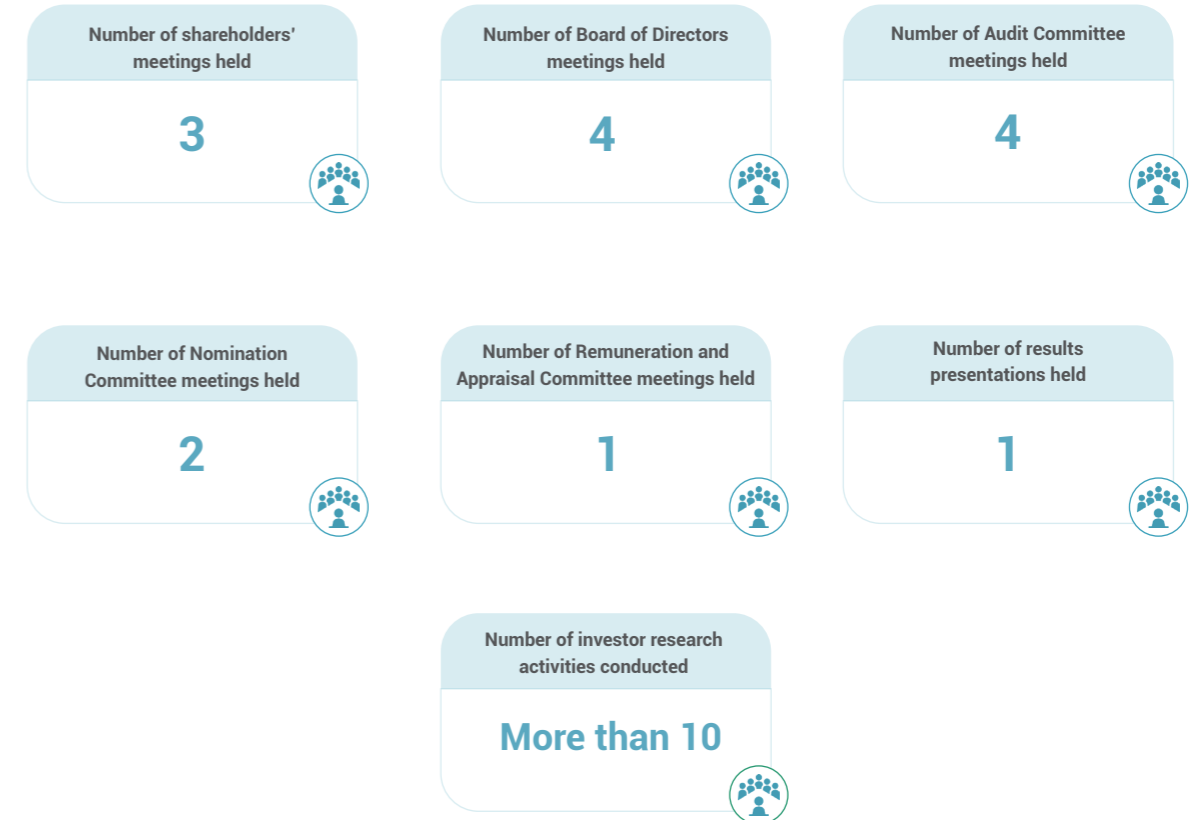
#### Shareholder returns and protection of shareholder rights and interests

- **Protection of minority shareholders' rights:** For matters including related-party transactions and profit distribution, the Company conducted separate vote counting for minority shareholders and disclosed the voting results. A dedicated exchange session for minority shareholders was also arranged at Shareholders' Meetings to respond to shareholder questions on site.
- **Optimisation of the profit distribution mechanism:** In 2025, the Company implemented the 2024 annual profit distribution plan. Based on a total share capital of 195,137,280 shares, it distributed a cash dividend of RMB4.5 (tax inclusive) for every 10 shares held by all shareholders, with no capitalisation of reserves or bonus share issue. Total cash dividends amounted to RMB87,811,776.00, representing 100% of the total profit distribution for the period, thereby delivering tangible returns to investors.

## Metrics and Targets

With governance compliance, integrity and transparency, and becoming a listed company worthy of long-term trust as its core objectives, the Company continuously enhances governance effectiveness and market credibility, guided by transparent information disclosure and a strong commitment to protecting investors' rights and interests.

### Metrics and Performance Related to Corporate Governance of JIANAN ELEC in 2025



For more details on the management of corporate governance topics, please refer to the section "Corporate Governance, Environmental and Social" of the Ningbo Jianan Electronics Co., Ltd. 2025 Annual Report.

## Risk and Compliance Management

JIANAN ELEC adheres to the business principle that “compliance is the foundation and integrity is the cornerstone”, regarding both as essential to the Company’s long-term development. By establishing and improving its compliance governance structure, strengthening risk identification and management, and refining its internal disciplinary mechanism, the Company has developed a systematic approach to compliance and risk management to ensure continued standardised and prudent operations.

### Governance

The Company strictly complies with the *Company Law of the People’s Republic of China*, the *Securities Law of the People’s Republic of China* and other applicable laws and regulations, while continuing to build and improve its risk and compliance governance system in line with relevant requirements such as the *Basic Standard for Enterprise Internal Control*.

#### Risk and Compliance Management Governance Structure of JIANAN ELEC in 2025



### Strategy

Non-compliant conduct by any business unit or employee may expose the Company or the individuals concerned to compliance risks, including regulatory penalties, legal disputes, business disruption, economic losses, reputational damage, personal injury or death, or even criminal liability. To address these risks, the Company regularly identifies and dynamically manages compliance-related impacts, risks and opportunities, with a view to safeguarding the Company’s sound reputation and stable operations.

#### Identification of Risks Related to Risk and Compliance Management and Response Strategies of JIANAN ELEC

Risks and Opportunities	Time Horizon of Impacts	Financial Impact	Response Strategies
<b>Public opinion management risk</b> Failure to respond promptly and accurately to sudden negative public opinion.	Short term	Decrease in operating revenue	<ul style="list-style-type: none"> <li>Conduct regular Company-level risk identification and formulate and update response strategies.</li> <li>Establish the Policy for the Management System for Registration of Persons with Access to Insider Information, and strictly implement the registration and penalty mechanisms for persons with access to insider information.</li> <li>Monitor public opinion trends in real time, and ensure timely reporting and response following analysis and assessment.</li> </ul>
<b>Insider trading risk</b> The disclosure by informed persons of unpublished material operational, financial or M&A information may result in such information being used for insider trading.	Short to medium term	Increase in operating costs	

For other sustainability-related risks and opportunities, please refer to the relevant sections of this report.

### Impacts, Risks, and Opportunities Management

To effectively prevent compliance risks, the Company has established a full-process compliance management mechanism covering compliance communication and promotion, public opinion management and control, and insider information management.

#### JIANAN ELEC’s Major Actions and Achievements in Risk and Compliance Management in 2025

- Compliance communication and awareness enhancement**
  - The Company regularly conducted departmental briefings and special meetings, along with the communication of compliance systems and the dissemination of risk knowledge.
- Public opinion management mechanism**
  - The Company collected public opinion and media information.
  - The Company tracked changes in the trading prices of shares and derivatives.
  - Public opinion matters with a material impact on the Company were analysed and verified.
  - Relevant information and the handling of such matters were promptly reported to the Board Secretary and the Chairman.
- Insider information management**
  - Persons with access to insider information were registered, and the authenticity and accuracy of the information were verified.
  - Heads of departments and subsidiaries are responsible for confidentiality management and the reporting and transmission of information.
  - The Board Office is responsible for daily management and serves as the executing department.
- Risk identification and contingency planning**
  - Compliance risks were identified and assessed on a regular basis, and the risk list was updated dynamically.
  - Risk response plans were formulated and refined, with responsible departments and handling procedures clearly defined.

For different types of non-compliance, the Company has established a tiered accountability mechanism under which disciplinary action is determined fairly in light of the nature of the misconduct, the severity of its impact and the degree of intent, so as to ensure that penalties are proportionate and appropriate. In cases involving the disclosure or trading of insider information, matters of a less serious nature are subject to internal investigation and disciplinary action by the Company and reported to regulatory authorities for the record, while cases resulting in serious impact or losses are dealt with rigorously in accordance with policies, and suspected criminal offences are referred to the judicial authorities. For information disclosure violations, less serious cases may result in criticism, warnings or demotion, while cases causing serious impact or losses may lead to demotion, removal from office or dismissal. Directors who commit violations are subject to disciplinary measures depending on the circumstances, ranging from criticism and warnings to proposals for replacement submitted to the Shareholders’ Meeting or the Employee Representative Congress.

### Metrics and Targets

With “zero material compliance violations” as its core objective, the Company strengthens its compliance management system through ongoing compliance communication and awareness-raising initiatives. In 2025, the Company had no major violations of laws or regulations.

## Anti-Commercial Bribery and Anti-Corruption

JIANAN ELEC adopts a “zero tolerance” approach to commercial bribery and corruption, and strictly complies with the requirements of laws, regulations, and documents such as the *Interim Provisions on Prohibiting Commercial Bribery*, with the aim of comprehensively regulating its business conduct and reinforcing the safeguards that protect its interests.

### JIANAN ELEC's Major Actions and Achievements in Anti-Commercial Bribery and Anti-Corruption in 2025

#### Corruption risk prevention and control

- The Company established a dedicated procurement system, under which every procurement matter, regardless of amount, requires approval by the General Manager, and records are automatically retained in the system to ensure transparency in the use of funds.
- All procurement projects were subject to quotations and quality comparisons from at least 3 suppliers to ensure fair pricing and a compliant process.
- Each year, the Company conducts supervision and identification of bribery and corruption risks, carries out systematic risk assessments based on its anti-corruption policies and historical risk points, and dynamically updates its risk list.
- The Audit Department performed both regular and special audits, with a focus on high-risk areas such as financial receipts and expenditures, procurement procedures and contract performance.
- The Company organised regular anti-corruption training and integrity warning education sessions for personnel in key positions such as procurement, sales and finance, in order to strengthen employees' awareness of integrity in business conduct.

#### Reporting channels

- The Company established five reporting channels: by letter, in person, online, by telephone and via WeChat.
- The Audit Department is responsible for investigating reports. Where bribery or corruption is identified, it shall report the matter immediately to the Audit Committee, impose disciplinary measures on the personnel concerned in accordance with the Company's internal policies, circulate typical cases across the Company, and carry out warning education to prevent similar issues from recurring.

#### Corrective actions

- Depending on the severity of the circumstances, recommendations for penalties such as warnings, demotion, and dismissal are proposed.
- Where a crime is suspected, the case is transferred to the judicial authorities for criminal liability to be pursued in accordance with the law.
- If an audit institution or audit personnel are involved, the Company will deal with the matter strictly in accordance with internal rules, and any suspected criminal offence will likewise be referred to the judicial authorities.

During the reporting period, the Company did not have any incidents of commercial bribery or corruption. The Company will continue to keep reporting channels open and strengthen its integrity supervision mechanism.

### JIANAN ELEC Organised Special Training on Anti-Commercial Bribery and Anti-Corruption

In 2025, JIANAN ELEC continued to deepen its culture of integrity in the workplace. Through multi-level governance and communication platforms, including Board of Directors meetings, General Manager's Office Meeting and Employee Representative Congress, the Company systematically communicated its anti-commercial bribery and anti-corruption requirements and, together with internal training materials on anti-corruption and integrity, carried out warning education. During the year, the training covered a total of more than 50 participants, and the participation rate of Board members reached 100%.

The training covered interpretation of policies, analysis of typical non-compliance cases, as well as legal consequences and key prevention points in business scenarios such as bidding and tendering, channel cooperation, and customer visits. Through Senior Management-led communication and warnings illustrated by cases, the Company strengthened the compliance awareness of all employees and promoted the integration of a culture of integrity into daily operations.

## Fair Competition

Fair competition is the cornerstone of the healthy operation of the market and a safeguard for the sustainable development of enterprises. The Company strictly complies with laws and regulations such as the *Anti-Unfair Competition Law of the People's Republic of China*, and systematically advances fair competition efforts centered on two key directions: protecting innovations and regulating market conduct. On the one hand, the Company safeguards its technological achievements and brand value through intellectual property protection, thereby strengthening its core competitiveness; on the other hand, it prevents unfair competition practices such as commercial bribery and false advertising through responsible marketing management.

### Intellectual Property Protection

The Company strictly complies with the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China* and other applicable laws, regulations and regulatory requirements, and lawfully protects its core intellectual property rights, including patents, technical know-how and trade secrets, to ensure that its innovations are not infringed.

### JIANAN ELEC's Major Actions and Results in Intellectual Property Protection in 2025

#### Identification and exploration

- Through internal technical seminars and patent analysis, the Company accurately identified key technologies requiring priority protection.

#### Assessment and planning

- The Company conducted patentability assessments of identified key innovations, determined the appropriate form of protection, such as invention patents, utility models or design patents, and formulated filing strategies in accordance with the GB/T 39551 *Patent navigation guide*.
- For general products and technologies, the Company gave priority to publicly available standardised or open-source software, technologies and materials, and used keyword searches to analyse comparable products, thereby proactively avoiding patent infringement risks.

#### Application and maintenance

- In collaboration with technical experts and professional institutions, the Company carried out technical analysis and background research to ensure the quality of intellectual property applications for key new products and new business.
- The Company also proactively monitored potential infringement of its intellectual property rights. Where suspected infringement was identified, it gathered evidence through measures such as purchasing product samples and collecting public documentation, and actively defended its intellectual property rights through legal channels.

### Responsible Marketing

The Company strictly complies with the *Advertising Law of the People's Republic of China* and other applicable laws and regulations, and has formulated internal policies such as the *Compliance Guidelines for Marketing Conduct* and the *Administrative Measures for Tendering and Bidding* to regulate its communication and promotional activities.

In 2025, the Company conducted 2 special compliance inspections on marketing operations and organised 3 fair competition training sessions, achieving a training coverage rate of 100% and continuously consolidating the foundation of marketing compliance.

### JIANAN ELEC's Major Actions and Achievements in Responsible Marketing in 2025

#### Risk assessment

- The Company carried out quarterly compliance risk assessments of its marketing activities, with a focus on key processes such as tendering and bidding, channel cooperation and client visits.

#### Internal inspection

- Regular special compliance inspections of marketing conduct were conducted across all marketing regions, and any issues identified were required to be rectified within a specified timeframe.

#### Training and education

- The Company organised fair competition training for all employees, covering all key positions in marketing, tendering and bidding, and related functions.


**ESG Data Tables and Notes**
**Environmental Data Table**
**Environmental Compliance Management**

Disclosures	Unit	2025
Number of incidents of penalties imposed for violations of environmental protection laws and regulations	cases	0
Amount of major administrative penalties imposed by ecological and environmental and other relevant authorities in relation to environmental incidents during the reporting period	RMB10,000	0.00

**Climate Response**

Disclosures	Unit	2025
Scope 1 greenhouse gas emissions <sup>1</sup>	tCO <sub>2</sub> e	74.28
Scope 2 greenhouse gas emissions (location-based) <sup>2</sup>	tCO <sub>2</sub> e	2,327.75
Scope 2 greenhouse gas emissions (market-based) <sup>1</sup>	tCO <sub>2</sub> e	695.82
Total greenhouse gas emissions (Scope 1 + Scope 2) (location-based) <sup>1,2</sup>	tCO <sub>2</sub> e	2,402.03
Total greenhouse gas emissions (Scope 1 + Scope 2) (market-based) <sup>1,2</sup>	tCO <sub>2</sub> e	770.10
Greenhouse gas emissions intensity (Scope 1 + Scope 2) (per unit of operating revenue) (location-based)	tCO <sub>2</sub> e/RMB10,000	0.038
Greenhouse gas emissions intensity (Scope 1 + Scope 2) (per unit of operating revenue) (market-based)	tCO <sub>2</sub> e/RMB10,000	0.012

Note 1: Scope 1 greenhouse gas emissions mainly comprise direct greenhouse gas emissions generated from the consumption of natural gas, petrol and diesel. The relevant emission factors used in the calculation were all sourced from *China Energy Statistical Yearbook (2023)* and *Guidelines for the Preparation of Provincial Greenhouse Gas Inventories (Trial) (2011)*.

Note 2: Scope 2 greenhouse gas emissions mainly comprise indirect greenhouse gas emissions generated from purchased electricity. The relevant emission factor used in the calculation were sourced from the *Announcement on the Release of 2023 Electricity Carbon Dioxide Emission Factors* issued by the Ministry of Ecology and Environment of the People's Republic of China and the National Bureau of Statistics of China, as well as the *Notice on Adjusting the Method for Accounting for Carbon Emissions from Purchased Green Electricity by Carbon Trading Enterprises in This City (2023)*.

**Energy and Water Resources Utilization**

Disclosures	Unit	2025
Comprehensive energy consumption <sup>1</sup>	tce	578.40
Comprehensive energy consumption intensity (per unit of operating revenue)	tce/RMB10,000	0.0091
Direct energy consumption <sup>1,2</sup>	tce	38.85
Indirect energy consumption <sup>1,2</sup>	tce	539.55
Electricity consumption	MWh	4,387.01
<i>By electricity type:</i>		
Purchased renewable electricity consumption <sup>3</sup>	MWh	782.57
Purchased non-renewable electricity consumption	MWh	3,604.44
Purchased Green Electricity Certificates <sup>4</sup>	MWh	2,463
Petrol consumption of official vehicles	L	19,443.25
Diesel consumption of official vehicles	L	3,821.37
Natural gas consumption	m <sup>3</sup>	9,733.00
Clean energy consumption <sup>5</sup>	tce	412.11
Percentage of clean energy consumption in comprehensive energy consumption	%	71.25
Water consumption <sup>6</sup>	m <sup>3</sup>	27,278.00
Water consumption intensity (per unit of operating revenue)	m <sup>3</sup> /RMB10,000	0.43
Water recycling volume	tonnes	30

Note 1: The unit conversion factors for comprehensive energy consumption, direct energy consumption and indirect energy consumption were calculated with reference to GB/T 2589-2020 *General Rules for Calculation of the Comprehensive Energy Consumption*, the *China Energy Statistical Yearbook (2023)*, the US DOE/EIA, GB 17930-2016 *Gasoline for Motor Vehicles* and GB 19147-2016 *Automobile Diesel Fuels*.

Note 2: The Company's direct energy consumption mainly includes petrol for official vehicles, diesel for official vehicles and natural gas. Indirect energy consumption primarily consists of purchased electricity.

Note 3: The rooftop photovoltaic power station at the Company's plant has been connected to the grid. However, all the electricity generated by the station is externally consumed off-site under a power purchase agreement. The green electricity used by the Company itself is actually entirely sourced from external procurement, thereby increasing the proportion of renewable energy used.

Note 4: In 2025, the Company purchased a total of 2,463 Green Electricity Certificates, each representing 1 MWh of green electricity. These certificates were applied to offset electricity consumption for the period from January 1, 2025 to December 31, 2025.

Note 5: The clean energy used by the Company mainly includes natural gas, purchased renewable energy, and the green electricity corresponding to the Green Electricity Certificates purchased.

Note 6: The Company's water consumption covers municipal water supply consumption only.

### Pollutant Discharge and Waste Disposal

Disclosures	Unit	2025
Domestic wastewater discharge <sup>1</sup>	m <sup>3</sup>	24,550.20
Total waste generated <sup>2</sup>	tonnes	75.56
Total hazardous waste generated	tonnes	1.76
Hazardous waste intensity (per unit of operating revenue)	tonnes/RMB10,000	0.000028
Total non-hazardous waste generated	tonnes	73.80
Non-hazardous waste intensity (per unit of operating revenue)	tonnes/RMB10,000	0.0012
Waste recycled <sup>3</sup>	tonnes	15

Note 1: The Company's wastewater mainly comprises domestic wastewater. In line with the charging method commonly adopted for water services in many cities, domestic wastewater discharge was estimated at 90% of water consumption. A small amount of waste arising from machine wiping was treated as hazardous waste and therefore did not result in industrial wastewater.

Note 2: The Company's non-hazardous waste mainly includes paper, plastics and office consumables generated in office operations, as well as general industrial solid waste generated in production, such as waste tape materials from the SMT process, waste metal shavings and solder dross. Hazardous waste includes waste batteries, waste lamps and waste ink cartridges generated in office operations, as well as waste chemical raw materials and empty waste container generated in production.

Note 3: Waste recycled mainly includes oily cloth and paper, cleanroom wipes and stencil wiping paper.

### Social Data Table

#### Product and Service Safety and Quality

Disclosures	Unit	2025
Amount of damage arising from major liability incidents related to product and service safety and quality that occurred during the reporting period	RMB10,000	0.00

#### Data Security and Customer Privacy

Disclosures	Unit	2025
Amount involved in data security incidents	RMB10,000	0.00
Amount involved in customer privacy breach incidents	RMB10,000	0.00

### Innovation

Disclosures	Unit	2025
Number of R&D personnel	persons	145
Percentage of R&D personnel	%	27.83
R&D expenditure	RMB10,000	4656.43
R&D expenditure as a percentage of revenue from the principal business	%	7.30
Number of invention patents applied in the principal business	/	41
Number of invention patent applications during the reporting period	/	6
Number of invention patents granted during the reporting period	/	5
Number of valid patents at the end of the reporting period	/	101
Number of valid software copyright registrations at the end of the reporting period	/	78

### Employee Employment and Training

Disclosures	Unit	2025
Total number of employees	persons	521
<i>By gender:</i>		
Male employees	persons	290
Female employees	persons	231
<i>By age:</i>		
Employees aged under 30	persons	153
Employees aged 30 to 50	persons	317
Employees aged above 50	persons	51
Total number of management employees	persons	25
<i>By gender:</i>		
Male management employees	persons	22
Female management employees	persons	3
Total expenditure on employee training	RMB10,000	43
Number of employee training sessions	sessions	65
Employee training coverage rate	%	100.00

### Occupational Health and Safety

Disclosures	Unit	2025
Expenditure on employees' work-related injury insurance	RMB10,000	12.37
Employee coverage rate for work-related injury insurance <sup>1</sup>	%	93.86
Number of employees covered by employer liability insurance for work safety <sup>2</sup>	persons	45
Expenditure on employer liability insurance for work safety	RMB10,000	0.57
Employee coverage rate for employer liability insurance for work safety	%	8.64
Total number of work-related injuries <sup>3</sup>	cases	3

Note 1: As the Company employs certain retired personnel on a re-engagement basis, and those employees chose not to participate in work-related injury insurance following consultation, such insurance does not cover all employees.

Note 2: Pursuant to the Measures for the Implementation of Employer Liability Insurance for Work Safety (Y.J. [2025] No. 27), the industry in which the Company operates does not fall within the scope of mandatory coverage. Based on risk management needs, the Company voluntarily purchased employer liability insurance for work safety for 45 employees engaged in high-risk positions in order to strengthen protection for key roles.

Note 3: According to the Regulations on Work-Related Injury Insurance, a traffic accident that occurs during commuting and for which the employee is not primarily at fault can be recognised as a work-related injury. The three work-related injuries recorded by the Company during the reporting period all fell under this category. The Company will strengthen commuting safety awareness campaigns and training to continuously enhance employee safety awareness.

### Rural Revitalization and Social Contributions

Disclosures	Unit	2025
Expenditure on rural revitalization and charitable donations <sup>1</sup>	RMB10,000	19
Number of beneficiaries of rural revitalization and charitable initiatives <sup>2</sup>	persons	237
Volunteer service participations by employees	participations	15
Duration of volunteer activities conducted	hours	25

Note 1: Of the Company's expenditure on rural revitalization and charitable donations, RMB100,000 was donated to the Cixi General Institution of Charity, and RMB90,000 was used for targeted support to Tanhe Village and Cangtian Village, demonstrating the Company's commitment to charitable causes and rural development through concrete actions.

Note 2: The number of beneficiaries of rural revitalization and public welfare/charitable initiatives is an estimate made by the Company.

### Economic and Governance Data Table

#### Anti-Commercial Bribery and Anti-Corruption

Disclosures	Unit	2025
Number of employees receiving anti-commercial bribery and anti-corruption training	persons	521
Percentage of employees covered by anti-commercial bribery and anti-corruption training	%	100.00
Number of directors receiving anti-commercial bribery and anti-corruption training	persons	6
Percentage of directors covered by anti-commercial bribery and anti-corruption training	%	100.00
Number of management employees receiving anti-commercial bribery and anti-corruption training	persons	25
Percentage of management employees covered by anti-commercial bribery and anti-corruption training	%	100.00

#### Fair Competition

Disclosures	Unit	2025
Amount involved in litigation or major administrative penalties arising from the Company's unfair competition practices during the reporting period	RMB10,000	0.00

**Cross-reference Index**

Index to the Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation)

Dimension	Topic	Corresponding Section(s) of this Report/Other Notes
Environment	Climate response	Climate Response ESG Data Tables and Notes
	Pollutant discharge	Pollutant Discharge ESG Data Tables and Notes
	Waste disposal	Waste Disposal ESG Data Tables and Notes
	Ecosystem and biodiversity protection	Ecosystem and Biodiversity Protection
	Environmental compliance management	Environmental Compliance Management ESG Data Tables and Notes
	Energy utilization	Energy Utilization ESG Data Tables and Notes
	Water resources utilization	Water Resources Utilization ESG Data Tables and Notes
	Circular economy	Circular Economy ESG Data Tables and Notes
Community	Rural revitalization	Social Contributions and Rural Revitalization ESG Data Tables and Notes
	Social contributions	Social Contributions and Rural Revitalization ESG Data Tables and Notes
	Innovation	Innovation ESG Data Tables and Notes

Dimension	Topic	Corresponding Section(s) of this Report/Other Notes
Community	Ethics of science and technology	The Company does not engage in scientific research, technology development or other activities in science and technology ethics-sensitive fields such as life sciences or artificial intelligence.
	Supply chain security	Supply Chain Security and Sustainable Management ESG Data Tables and Notes
	Equal treatment of SMEs	Supply Chain Security and Sustainable Management
	Data security and customer privacy	Data Security and Customer Privacy
	Employees	Employees Occupational Health and Safety ESG Data Tables and Notes
	Product and service safety and quality	Product and Service Safety and Quality ESG Data Tables and Notes
Sustainability-related governance	Due diligence	Materiality Assessment: Due Diligence and Stakeholder Engagement
	Stakeholder engagement	Materiality Assessment: Due Diligence and Stakeholder Engagement
	Anti-commercial bribery and anti-corruption	Anti-Commercial Bribery and Anti-Corruption ESG Data Tables and Notes
Voluntarily disclosed topics	Fair competition	Fair Competition ESG Data Tables and Notes
	Corporate governance	Corporate Governance
	Risk and compliance management	Risk and Compliance Management
	Raw materials and packaging materials management	Raw Materials and Packaging Materials Management

## ASSURANCE STATEMENT



### To The Management and Stakeholders of Ningbo Jianan Electronics Co., Ltd.

Leverage Limited (referred to as "LVG") was engaged by Ningbo Jianan Electronics Co., Ltd. (referred to as "Jianan Electronics" "the Company" ) to provide limited and independent third-party assurance for the Sustainability Report ("the Report") with the reporting period of 1 January to 31 December, 2025. The LVG assurance team strictly adhered to the terms outlined in the contract with Jianan Electronics and conducted the assurance work in accordance with the mutually agreed terms of reference.

This assurance statement is based on information and materials provided by Jianan Electronics, and the scope is limited to the content of this information. Jianan Electronics is responsible for the authenticity and completeness of the data provided.

### SCOPE OF THE ASSURANCE

#### The time scope of the assurance:

- The scope of our work covers the information contained in the full version of the Sustainability Report, including governance, environmental, and social information and data for the reporting period of 1 January to 31 December, 2025, the management approach to thematerial issues and the action measures, and the organization's key performance indicators during the reporting period.

#### The physical scope of the assurance:

- The site selected for on-site verification is No. 315, Kaiyuan Road, Cixi, Zhejiang.

#### The data and information scope of the assurance:

- The scope of assurance is limited to the data and information of the business/production sites owned or operationally controlled by Jianan Electronics in the Report.

#### The following information and data are not within the scope of this assurance:

- Any information and content outside the reporting period of the report.
- The data and information of Jianan Electronics' suppliers, partners, and other third parties.
- The information disclosed in the report that has been audited by an independent third-party organization.

### LIMITATION OF ASSURANCE

- Given the fact that there is no general framework for the evaluation and measurement of non-financial data, the varied methodologies might impact the comparability of such data among different companies.
- During the assurance process, Leverage Limited has utilized a sampling approach to verify the data and information presented within the report.
- Engagement (Interview) with stakeholders within the organization has been conducted solely on a sampling basis.
- The position and views of the reporting organization, forward-looking statements, predictive information and historical data and information prior to 1 January 2025 are outside the scope of this assurance.

### ASSURANCE METHODOLOGY

The assurance process for this verification was conducted by a team of experts at Leverage Limited with multiple experience in governance, environmental, and social topics, among other relevant areas, to draw conclusions. The assurance referenced the following standards and criteria:

- The assurance was conducted in accordance with AA1000AS v3, Type 2, Moderate Level
- Self-Regulatory Guidelines No.17 for Companies Listed on Shenzhen Stock Exchange—Sustainable Development Report (Trial)

To ensure thorough assurance activities in accordance with the contract and to provide limited assurance for the conclusions, the assurance team primarily conducted the following assurance activities:

- Conducted initial research activities on relevant information before assurance work starts.
- Ensured that material issues and performance have been adequately presented in the report.
- Conduct on-site assurance of all supporting documents, data, and other information provided by Jianan Electronics, and perform sampling assurance for key performance indicator data.
- Interviews with Jianan Electronics's management and employees involved in the collection, collation, and reporting of disclosure information.
- Other procedures deemed necessary by the assurance team.

### CONCLUSIONS

Upon completion of our assurance, we have determined that this report is in accordance with the AA1000AS v3. The data disclosed for the year 2025 is deemed accurate and reliable, with no significant systematic or material issues identified. Stakeholders can confidently rely on this information.

The specific conclusions are outlined below:

<b>Inclusivity</b>	Jianan Electronics takes as its core philosophy: "To create opportunities for customers, employees, shareholders, and society to realise their aspirations through technology and quality." The Company is committed to achieving the coordinated development of business operations with the economy, environment, and society, fostering mutual benefit and harmonious progress with its stakeholders, and pursuing a healthy and sustainable development path through responsible commitment. The stakeholders of Jianan Electronics include shareholders and investors, government and regulatory authorities, customers, employees, suppliers and partners, as well as the community and the public.
<b>Materiality</b>	Jianan Electronics has set out in the report the process for identifying double materiality topics, including understanding the company's sustainable development context, establishing a topic list and identifying sustainability-related impacts, risks and opportunities, assessing the double materiality of topics, and topic reporting and management. Through a combination of benchmarking against standards, policy analysis, and industry comparative research, the Company conducts an in-depth analysis and assessment of risks and opportunities related to ESG topics, demonstrating its capability to manage such ESG-related risks and opportunities, thereby laying the foundation for achieving sustainable development.
<b>Responsiveness</b>	The Company is committed to establishing a regular communication mechanism. Through regular or ad-hoc exchanges, it coordinates with relevant departments to conduct due diligence by means such as interviews and panel discussions, gaining an in-depth understanding of stakeholder concerns, listening to feedback, suggestions, and opinions from stakeholders, actively responding to stakeholder demands and expectations, continuously improving management practices and making adjustments and optimisations, and promoting the stable operation of the Company.
<b>Impact</b>	The Company integrates ESG principles into the entire process of its corporate strategic development and daily operations. By establishing and continuously improving a sustainable development governance structure featuring clearly defined roles and responsibilities as well as efficient operation, it clarifies the division of duties among the decision-making level, management level, and executive level. Through a transparent accountability mechanism and the comprehensive implementation of its strategy, the Company strengthens the foundation of its sustainable development governance.

### STATEMENT OF INDEPENDENCE AND COMPETENCE

Leverage Limited is an international third-party company, committing to providing services with attitudes of integrity, transparency, and accountability. Our services include training, inspection, certification, audit, and report assurance. Leverage is the professional organization approved by the General Administration of China Customs, the ISO 17020 accredited inspection body by CNAS, and the certification body licensed by CNCA, SA8000 certification body accredited by SAI, and AA1000AS licensed assurance service provider. Leverage has established a comprehensive management system to ensure that all project implementation processes are rigorous and transparent.

Leverage affirm our independence from Jianan Electronics, being free from bias and conflicts of interest with the organization, its subsidiaries and stakeholders. The assurance team was formed based on their knowledge, experience and qualifications for this assignment, they have no business relationship with the company. All data and information in the report were provided by Jianan Electronics, and Leverage Limited was not involved in the preparation and writing of the report, except for conducting the verification and issuing the assurance statement.

Team Leader  
Signed:



Authority  
Signed:



Leverage Limited  
Shanghai, China  
16 April, 2026



AA1000  
Licensed Report  
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Stock Code: 300800.SZ

## **Ningbo Jianan Electronics Co., LIMITED**

Address: 315 Kaiyuan Road, Cixi City, Zhejiang Province

Postcode: 315336

Tel: 0574-63080571

Fax: 0574-63080569

Email: [ir@nbjzn.com](mailto:ir@nbjzn.com)