JST POWER EQUIPMENT

2025

Sustainability Report

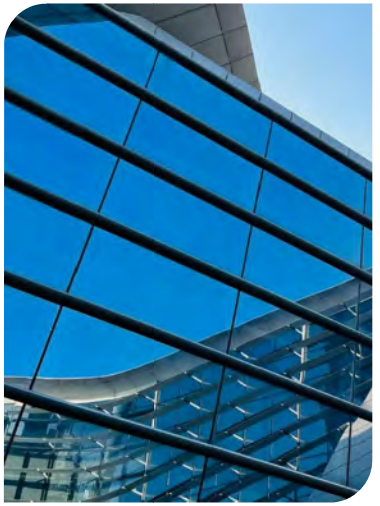
Environmental, Social and Governance

30 years

Production and operating experience

Hainan Jinpan Smart Technology Co., Ltd.
Stock code 688676

CONTENTS



About This Report

This report is the 2025 Sustainability Report, also serving as the Environmental, Social and Governance (hereinafter "ESG") report of Hainan Jinpan Smart Technology Co., Ltd. It aims to disclose the Company's management measures, highlighted practices and achievements with respect to environmental, social and governance aspects for the year 2025.

Report Scope

This report covers Hainan Jinpan Smart Technology Co., Ltd. and its affiliated companies. For the sake of conciseness and clarity, "Hainan Jinpan Smart Technology Co., Ltd." will also be referred to as "Jinpan Smart Technology," "the Company," or simply "We" throughout this Report.

Time Range

This report serves as an annual report, covering the period from January 1, 2025, to December 31, 2025. To ensure continuity and comprehensiveness, certain content may extend beyond this reporting period.

Reporting Guidelines

- Transforming our World: *The 2030 Agenda for Sustainable Development (UN SDGs)*
- *GRI Sustainability Reporting Standards (2021)*
- *Guidelines No. 1 for Self-Regulatory Supervision on STAR Market Listed Companies of the Shanghai Stock Exchange—Normative Operations*
- *Guide No. 13 for Self-Regulatory Supervision on Listed Companies of the SSE STAR Market—Compilation of Sustainable Development Reports*
- *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)*
- *Application Guidelines for the Basic Principles of the Enterprise Sustainable Disclosure Standards (Trial)* released by the Ministry of Finance of the People's Republic of China
- *Corporate Social Responsibility Research Center of the Chinese Academy of Social Sciences' China Corporate Social Responsibility Guide Framework (CASS-CSR 6.0)*
- *Task Force on Climate-related Financial Disclosures (TCFD) Recommendations*

Data Source

The information and data presented in this report are sourced from the Company's annual reports, internal official documents, internal statistical data, and publicly available information. Unless otherwise specified, all amounts herein are denominated in RMB. The Board of Directors is responsible for the authenticity, accuracy, and completeness of the contents contained within this report.

External Verification

The report has undergone independent third-party assurance by a team from TÜV SÜD Certification and Testing (China) Co., Ltd.. The assurance statement is appended hereto.

Report Access

This report is published in both simplified Chinese and English versions. In the event of any discrepancies between the two versions, the Chinese version shall prevail. The report is available for access and download on the official website of Jinpan Smart Technology (http://www.jst.com.cn).

Contact Us

If you have any inquiries, feedback, or suggestions regarding the contents in this report or Jinpan Smart Technology's sustainability initiatives, please contact us via email at info@jst.com.cn.

Chairman's Statement

In the new era of synergy between artificial intelligence and green, low-carbon development, technological innovation is not only a driver of growth but also the force shaping responsibility and the future. Over the past year, Jinpan Smart Technology has remained committed to intelligent manufacturing as its core driver, continuously exploring new pathways for the synergistic development of intelligent and low-carbon manufacturing. We have achieved results in areas such as cutting-edge AIDC technologies and new amorphous alloy materials, while accelerating our global strategy. Amidst steady development and continuous innovation breakthroughs, we are deeply aware that true competitiveness lies not only in our technology, products, and services but also in our ongoing commitment to environmental, social, and governance responsibilities.

- **Driving the Dual Innovation Model, Reshaping the AI+Energy Growth Landscape**

Jinpan Technology deeply grasps the era-defining opportunity presented by the deep integration of artificial intelligence and the energy revolution. Guided by the national strategies of "building a strong energy country" and "accelerating the formation of new quality productive forces," the company proposes its development strategy for the "15th Five-Year Plan" period: to solidify its foundation through incremental innovation, forge the future through leapfrog innovation, and construct a new paradigm for high-quality development "driven by intelligent manufacturing as its core, underpinned by multiple growth curves."

1. Reshaping the Production Paradigm With Intelligent Manufacturing

In 2025, Jinpan Smart Technology proposed the strategic vision of "Advancing from Digitalization to Holistic Intelligent Manufacturing", partnering with advantageous industry peers to embark on a deep, AI-driven transformation. During the "15th Five-Year Plan" period, the company will integrate Artificial Intelligence atop its digital foundation, accelerating the upgrade to intelligent manufacturing. By constructing the AI Factory technical architecture, built on a digital platform base, supported by a computing center, and utilizing AI agents as core tools, it will reshape the entire value chain of R&D, manufacturing, supply chain, and services.

2. Core Growth Curves Anchored in Sustainable Development

- **Full Coverage of the AI Industry Chain, Redefining the AIDC Value Landscape**

During the "15th Five-Year Plan" period, the company will focus on the AIDC industry chain, promoting the expansion of its product matrix from existing power equipment to a comprehensive range of next-generation products, covering key areas such as power modules, solid-state transformers, and high-voltage DC power supplies.

- **Deepening Global Market Presence, Forging Worldwide Competitiveness**

While deeply cultivating the domestic market, we are accelerating our global expansion by leveraging our accumulated technical advantages and brand influence over the years. The company's overseas production bases are now operational, serving as strategic anchors in their respective regions. Our international teams continue to deepen their engagement, fostering close collaboration with global industry partners. We are accelerating penetration into key markets, while continuously improving our localized sales, service, and technical support systems. The company is making steady progress in its transformation, from "product export" to "capability export," and from "Made in China" to "Global Delivery."

- **Achieving High-Performance Materials Breakthroughs, Building Core Upstream Resilience**

The company is strategically positioning itself in the field of amorphous alloy materials—recognized as the next-generation green and energy-efficient material capable of significantly enhancing transformer energy efficiency ratios and serving as a critical cornerstone for future grid upgrades and new nergy integration. The Company has made myriad achievements in this domain, becoming one of the few enterprises in the industry to establish fully independent and controllable capabilities across the entire chain—from materials to products to applications.

3. Co-Creating Value and Driving Progress in Industry and Society

We deeply integrate ESG principles into our strategic operations, promoting resource circulation and ecological protection through full lifecycle environmental management, while working together to build a sustainable future where humanity and nature coexist in harmony. We remain committed to driving technological and product iteration through innovation, fostering platforms for employee growth internally while building a responsible supply chain externally, and giving back to society through tangible actions. We continuously deepen our strategy and refine our governance systems, building upon robust risk management and compliant operations to create long-term, synchronized economic, environmental, and social value for all stakeholders.

Facing the new era of artificial intelligence, Jinpan Smart Technology is firmly committed to driving strategic leaps through a dual-innovation model, reshaping the industrial landscape with intelligent manufacturing, and defining the future of growth with AI + energy and power. We strive to achieve the value symbiosis of economic benefits, social contributions, and ecological responsibility, interpreting the mission of our era in intelligent manufacturing through innovative practices.

Chairman of Jinpan Smart Technology

About Us

Founded in 1997, Hainan Jinpan Smart Technology Co., Ltd. (referred to as "Jinpan Smart Technology", stock code: 688676) is located in the Haikou Integrated Free Trade Zone. It is a national high-tech enterprise integrating research and development, production, sales, and services. On March 9, 2021, the Company conducted an A-shares public offering and was publicly listed on the Science and Technology Innovation Board (STAR Market) of the Shanghai Stock Exchange, becoming the first listed company from Hainan to be listed on the STAR Market.

Jinpan Smart Technology specializes in the research, development, production, and sales of medium- and low-voltage various transformer series, switchgear series, energy storage series, and intelligent industrial robots.

The Company has fully implemented a digital transformation model, consistently providing high-quality power supply solutions and high-end equipment for full scenarios including AIDC modular power equipment, new energy (covering wind energy, photovoltaics, energy storage and other fields), high efficiency and energy conservation, and rail transit. It is dedicated to R&D of energy-saving new materials. The Company's products have obtained a series of authoritative domestic and international certifications, including UL (United States), KEMA (Netherlands), CE (European Union), DNV, CSA (Canada), and China Energy-Saving Product Certification, totaling 332 certifications. Meanwhile, the Company continuously enhances its core competitiveness through a digital manufacturing model. The Company's products and services are distributed across 6 continents and 87 countries.

Jinpan Smart Technology has repeatedly undertaken national, provincial, and municipal science and technology projects, and has been honored with numerous provincial-level Science and Technology Progress Awards and Technology Achievement Transformation Awards. The Company has received honors including National Key High-Tech Enterprise, National Enterprise Technology Center, one of the first Outstanding-level Smart Factories, and Hainan Provincial "Government Quality Award", and has obtained more than 300 patents.

The Company has achieved digital transformation, at the same time working to transition towards smart manufacturing. It continuously enhances its core competitiveness and improves its ability to create value for customers.

2025

- Revenue
  RMB **7.295** billion
- Net profit attributable to shareholders of the listed company
  RMB **660** million
- Total number of employees
  2,286 employees
- Global coverage
  6 continents

With its core product, the dry-type transformer, the Company has been awarded the title of National Manufacturing Industry Single-Product Champion Demonstration Enterprise

China Quality Award Nomination Award

Outstanding Smart Factory

National Enterprise Technology Center

Company Culture

Vision

Build a "Community of Shared Future for Enterprises"

And benefit employees, enterprises, and society.

Mission

Create greater value for customers,

Foster growth opportunities for employees,

And blaze a development path for the Company.

Values

Center on customer value, build on employee value, and aim for social value; Commit to learning and growth, self-transcendence, innovative development, and empower others to succeed.

Business Philosophy

Integrity in operations, green development

Digital leadership, and intelligent manufacturing for the future

Spirit

Be dream-driven, passionate, and wise;

Courage to innovate, strive, and take responsibility.

Corporate Style

Act with integrity, work with meticulousness;

Enjoy work and live a healthy life.

Work Guidelines

Customer Service Guidelines: Put customers at the center and deliver the optimal customer experience.

Quality Guidelines: Rigorous analysis, meticulous operation, and strict inspection.

Safety Guidelines: Abide by rules and regulations, eliminate potential hazards, and prevent accidents.

Efficiency Guidelines: Standardization, automation, and digitalization.

Employee Guidelines: Mutual assistance and care, loyalty and gratitude, dedication and efficiency, integrity and self-discipline.

Leadership Guidelines: Professional competence, professional ethics, professional spirit; Aspirational to act, capable to execute, and results-oriented to deliver.

Honors

National and Provincial-Level Honors

- National Enterprise Technology Center
- The first Outstanding-level Smart Factories
- National Intellectual Property Demonstration Enterprise
- Excellence Cases of Enterprise Historical Records and Annals in the Ministry of Industry and Information Technology of China's "Industrial Strength through Innovation" Campaign
- Amorphous Alloy Dry-Type Transformer has been included in the Recommended Catalogue of Energy-Saving and Carbon-Reduction Technologies and Equipment in the National Industrial and Information Technology Sector (2025 Edition).
- Selected as a National Typical Case of Power Demand-Side Management in the Industrial Sector (2025) – Guilin Juntaifu
- Hainan Provincial Government Quality Award (Third Session)
- Hainan Science and Technology Award –2024 Hainan Provincial Enterprise Innovation Award
- Hainan High-Tech Leading Enterprise
- Guangxi Science and Technology Award – Corporate Scientific and Technological Innovation Award (Guilin Juntaifu)
- Second Batch of Guangxi "AI + Manufacturing" Vertical Domain Models and Typical Cases (2025) – Guilin Juntaifu
- Provincial-Level Specialized and Sophisticated SMEs (Jinpan Yangzhou)
- Provincial-Level Enterprise Technology Center (Jinpan Yangzhou, Wuhan Jinpan Intelligent)
- Provincial-Level Green Factory (Jinpan Yangzhou)
- Second Batch of Advanced-Level Smart Factories and Typical AI Application Scenarios in Hubei Province (2025) – Wuhan Jinpan Intelligent

Industry Honors

- 2025 Best ESG Listed Company on the STAR Market
- 2025 "SSE Eagle · Golden Quality" Awards: Outstanding Entrepreneur, Most Popular Entrepreneur, Most Popular Company, Most Popular IR Director, and ESG Award
- 2025 Cailian Press Zhiyuan Award – ESG Pioneer Enterprise
- List of Best Practices in Sustainable Development by Listed Companies 2025, issued by the China Association for Public Companies (CAPCO)
- DCMM Level 3 Certification for Data Management Capability Maturity Assessment Model (Wuhan Jinpan Intelligent)
- CMMM Level 3 Certification for Capability Maturity Model Integration (Guilin Juntaifu)
- CNAS Accreditation (Registration No. CNASL22834) – Wuhan Branch

Supplier Honors

- Level 5 Green Supplier – Goldwind Sci & Tech (2025)

Jinpan Smart Technology "Numbers Tell" 2025

Economic value

Revenue
RMB **7.295** billion

Net profit attributable to shareholders of the listed company
RMB **660** million

Social contribution per share
RMB **3.21** RMB/share

Revenue per employee
RMB **3.1912** million

Profit per employee
RMB **0.2885** million

Environmental value

Greenhouse gas emissions (Scope I & II)
1,860.56 tons of carbon dioxide equivalent

Total energy consumption
6,125.39 tons of standard coal

Reduction ratio of greenhouse gas emissions in 2025 compared to 2024
60.8%

Number of products with carbon footprint certification
16 items

Energy consumption intensity
8.4 kg of carbon dioxide equivalent

Number of certified zero-carbon factories
4 items

Greenhouse gas emission intensity
0.0026 tons of carbon dioxide equivalent /RMB 10,000 of revenue

Amount of environmental protection investment
RMB **2.2499** million

Clean energy utilization rate
89.17%

Clean energy consumption increased by
45.35% compared to 2024

Social value

Total number of employees
2,286

Employee income increased by
9.61% compared to the previous year

Average training hours per employee
81 hours

Amount of public welfare donations
RMB **463,900**

Amount of R&D investment
RMB **357** million

Total number of patented technologies obtained
356 items

Number of suppliers
1,591

Number of product certifications obtained
332 items

Cultivating Robust Responsibility Management

Jinpan Smart Technology has systematically embedded ESG management into its core corporate governance and daily operational workflows, positioning sustainable development as a core component of its strategic development. To institutionalize this commitment, the Company has continuously refined its ESG management mechanisms, and established a systematic ESG management system aligned with internal and external requirements as well as the Company's development plans. It has formulated internal documents including the *ESG Management Manual and the Environmental, Social and Governance Indicator System Manual (Trial)*, which standardize ESG management processes, optimize resource allocation, and provide guidance for sustainable development decision-making. We have integrated sustainable development concepts into corporate governance to drive our long-term sustainability. By proactively collecting external regulatory information, conducting industry trend analysis, and benchmarking against peers, the Company enhances its ESG management capabilities, identifies material ESG-related risks, and formulates corresponding risk management strategies. Leveraging scientific methodologies and structured processes, the Company continuously improves its ESG risk management standards, providing a solid foundation for stable business operations and sustainable growth.

ESG Management Structure

The Company has established a three-tier governance structure comprising the Board of Directors, the ESG Committee, and the ESG Working Group, and has formulated the *Environmental, Social, and Governance (ESG) Working Group Responsibility Handbook* to ensure clear roles and responsibilities at each level. This structure enables systematic consideration of ESG factors in business decision-making and supports effective management of related risks and opportunities.

Board of Directors

The Board of Directors, as the highest responsible body for the Company's ESG management, is responsible for reviewing and approving the Company's ESG strategies and objectives, monitoring the implementation progress of ESG policies and management work, assessing material ESG risks, guiding stakeholder communication, and approving ESG information disclosure.

ESG Committee

The Board of Directors has established an ESG Committee responsible for formulating and overseeing the implementation of the Company's ESG vision, strategy, and goals. The Committee assesses the effectiveness of the ESG governance structure, monitors ESG trends and risks, guides the management of material issues, reviews the ESG report, and conducts day-to-day oversight of relevant ESG matters. It holds at least two special briefings annually to hear progress updates and trend analyses from the ESG Working Group.

ESG Working Group

- Environmental Working Group
- Social Working Group
- Governance Working Group

The ESG Working Group consists of responsible personnel from various functional departments and is tasked with driving the implementation of the ESG strategy. This includes executing ESG goals and action plans, organizing the preparation and verification of the annual sustainability report, and reporting progress to the Board of Directors and the ESG Committee. The group operates under a mechanism led by a designated leader for overall coordination, with members responsible for specific tasks. Meetings are held bi-monthly in principle.

Jinpan Smart Technology is committed to continuously enhancing its ESG governance capabilities by conducting regular internal ESG training sessions for personnel involved in ESG management. These initiatives aim to deepen employees' understanding of ESG principles. Meanwhile, Jinpan Smart Technology actively engages with partners to exchange insights on industry ESG trends and best practices, jointly promoting sustainable progress across the sector and striving to build a greener, more responsible development ecosystem.

Case **Jinpan Smart Technology conducted specialized ESG training to build an internal sustainability ecosystem**

To fully implement the concept of sustainable development and accelerate the construction of a distinctive ESG management system tailored to Jinpan Smart Technology, the Company has systematically deployed a comprehensive "Governance → Disclosure → Rating" full-cycle enhancement pathway. This approach leverages high-quality ESG practices to drive the Company's sustainable and high-quality development to a new level, thereby deeply empowering business growth, governance upgrading, and brand enhancement.

Stakeholder Communication

Effective and transparent communication with stakeholders is not only a crucial approach to achieving goal management, but also the foundation for collaboratively creating long-term value. To this end, we identify key internal and external stakeholders by integrating the Company's activities, business relationships, and external objective environmental factors, and convey corporate progress in a timely and comprehensive manner through diverse and unimpeded communication channels, while actively soliciting feedback from all parties.

Based on the opinions and expectations of stakeholders, we continuously integrate feedback into our sustainable development strategy, striving to earn understanding, recognition, and support from all sectors, thereby laying a solid foundation for the ongoing advancement of sustainability. To accurately capture diverse stakeholder needs, the Company conducts at least one stakeholder questionnaire survey annually, and refines its communication strategies based on survey outcomes, establishing corresponding regular or ad hoc communication mechanisms aligned with the unique characteristics and requirements of each group.

In addition, we systematically integrate ESG-related initiatives, progress, and outcomes into our annual sustainable development report, disclosing our practice achievements to the public in a transparent and standardized manner, actively accepting oversight and feedback from stakeholders, and driving continuous improvement in the Company's environmental, social, and governance (ESG) domains.

Stakeholders	Employees	Government /regulatory agencies	Shareholders /investors	Customers	Suppliers and other partners	Community and the public
Expectations and demands	• Compliant employment and basic rights protection • Fair promotion and development • Occupational health and safety • Welfare and care	• Compliant operations • Business ethics and anti-corruption management • Driving local economic development	• Corporate governance • Business ethics and anti-corruption management • Continuous and stable returns • Transparent information disclosure	• High-quality products and services • Customer relationship management • Responsible marketing • Win-win cooperation • Technology innovation	• Anti-unfair competition • Integrity in contract performance • Win-win cooperation • Intellectual property protection • Supply chain management	• Public welfare and donations • Emissions management • Resource usage • Operational site biodiversity
Communication channels	• Staff meetings • Management meetings • Employee training • Employee activities	• Government/regulatory agency inspections • Official correspondence • Submission of compliance reports	• Shareholders' meetings • Information disclosure • Roadshows • Investor conference calls	• Customer research • Customer satisfaction surveys • Technological seminars	• Exchange and visits • Industry forums • Suppliers' meetings • Contract negotiations	• Exchange and interviews • Volunteer services • Community activities • Rural revitalization activities
Content of communication	• Corporate strategic objectives • Performance evaluation results • Career development programmes • Health and safety policies • Changes in employee benefits	• Reporting of operating conditions and compliance • Tax payment status • Social responsibility fulfilment • Progress in intelligent transformation	• Financial performance • Dividend distribution policy • Progress of ESG work	• Product and service updates • Customer support services • Introduction to social responsibility programmes • Progress in intelligent transformation	• Terms of cooperation agreements • Delivery schedules • Quality standards and requirements • Procurement policy	• Social impact assessment results • Fulfilment of corporate citizenship responsibilities • Environmental protection measures • Implementation of community contribution projects

Case

Service Investors, Share High-Quality Development | " I Am a Shareholder" Event Comes to Jinpan Smart Technology

The special investor relations event themed "I Am a Shareholder – Exploring Shanghai-listed Companies" was successfully held at Jinpan Smart Technology. This event not only provided small and medium investors with an opportunity for on-site research, but also demonstrated Jinpan Smart Technology's responsible corporate image as an open and proactive listener to investors' voices.

Based on global sustainable development trends, industry characteristics, its own operational and developmental needs, and referencing the Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial) (hereinafter referred to as the "*Guidelines*"), Jinpan Smart Technology has systematically conducted a Double Materiality Assessment on the identification and evaluation of issues, by integrating the key concerns of internal and external stakeholders.

Issue Materiality Assessment Process

01 Establishing the ESG issue list

- Based on the 21 issues outlined in the Shanghai Stock Exchange's *Guidelines*, and in alignment with national policies, ESG-related standards, capital market concerns, industry peer practices and the company-specific conditions, the Company has identified 26 priority ESG issues of the year 2025, and formulated the ESG Issue List accordingly.

02 Materiality assessment

Impact materiality assessment

- Conduct questionnaire surveys among internal and external stakeholders to collect their assessment opinions on the "level of impact" of ESG issues in economic, environmental and social dimensions.

Financial materiality assessment

- Through methods such as expert assessments and internal surveys and interviews, the Company evaluates the risks, opportunities, and magnitude of impact that ESG issues may pose to its business operations, financial condition, results of operations, and cash flows.

03 Double materiality assessment analysis

- Based on the assessment results of impact and financial materiality, prioritize the issues to formulate the Jinpan Smart Technology 2025 Materiality Issue Matrix.

04 ESG issue review and disclosure

- The Board of Directors reviews and confirms the findings of the materiality assessment analysis, and carries out targeted disclosure and practical management enhancement based on the prioritized ESG issues.

Step 1: Establishment of the ESG issue list

Based on the 21 issues outlined in the Shanghai Stock Exchange's Guidelines, and in alignment with national policies, ESG-related standards, capital market concerns, and industry peer practices, the Company, grounded in its industry characteristics, development stage, business model, and future strategy, has identified its priority ESG issues for 2025 across the three key dimensions of environment, social, and governance, ultimately formulating an ESG Issue List covering 26 issues.

In 2025, building on the previous year's issues and aligned with the Company's strategic development, we have introduced two new ESG issues: "AI Empowerment and Technology Ethics" and "Intelligent Transformation", while merging "Responsible Marketing" and "Customer Service" into a single integrated topic: "Marketing and Customer Service".

National regulatory policies

Guidelines No. 1 for Self-Regulatory Supervision on STAR Market Listed Companies of the Shanghai Stock Exchange—Normative Operations, Guidelines No.13 for Self-Regulatory Supervision on Listed Companies of the SSE STAR Market—Compilation of Sustainable Development Reports, Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies— Sustainability Report (Trial), and the Self-Regulatory Guidance No. 4 for Listed Companies of the Shanghai Stock Exchange – Preparation of Sustainable Development Reports (Exposure Draft), etc.

ESG-related standards

GRI Sustainability Reporting Standards, Corporate Social Responsibility Research Center of the Chinese Academy of Social Sciences' China Corporate Social Responsibility Guide Framework (CASS-CSR6.0), Task Force on Climate-related Financial Disclosures (TCFD) Recommendations, etc.

Capital market focus

Key indicators monitored in the EcoVadis Sustainable Supply Chain Rating, etc.

Peer benchmarking analysis

Material ESG issues of leading peer companies with excellent ESG performance

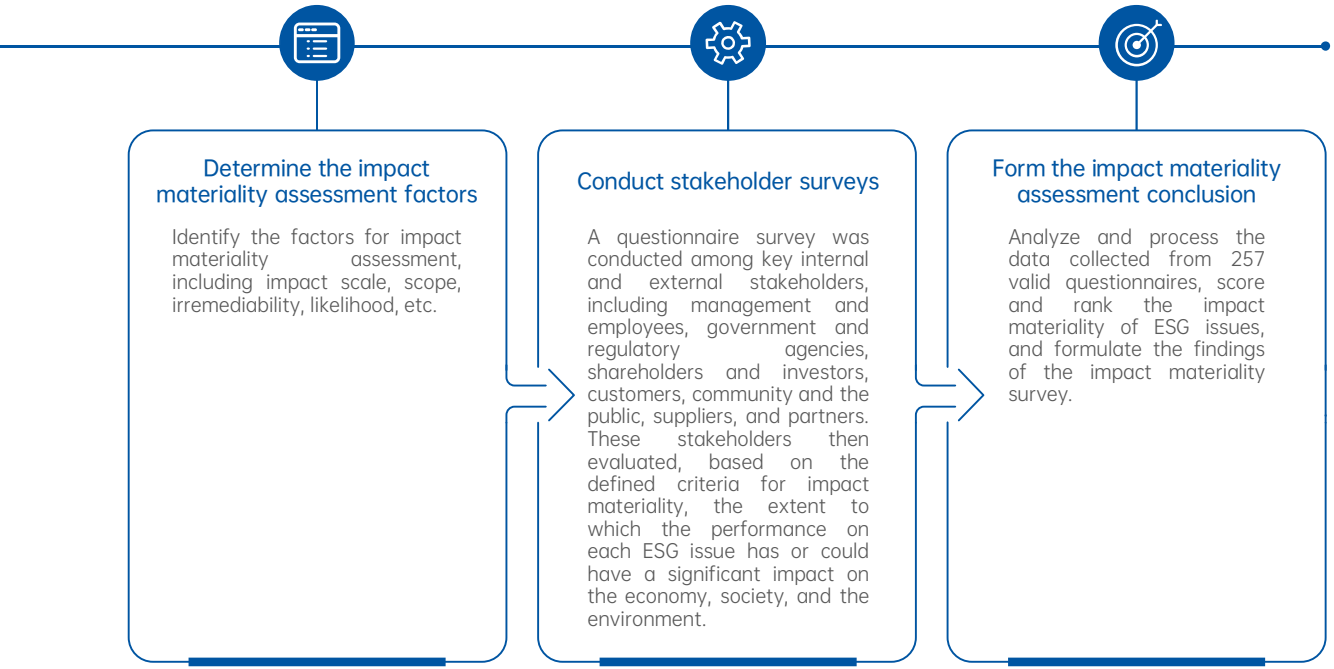
Jinpan Smart Technology's 2025 ESG issue list

Issue dimensions	Issue name	Issue dimensions	Issue name
Environmental	Environmental compliance management	Social	Supply chain management
	Responding to climate change		Product quality and safety
	Emissions management		Marketing and customer service
	Energy management		Customer privacy and information security
	Water resource management		Remuneration and benefits
	Biodiversity protection		Employee employment and human rights
	Green products		Diversity, equity and inclusion
	Circular economy		Employee training and development
Social	Public welfare and charity		Occupational health and safety
	Intellectual property protection	Governance	Stakeholder Communication
	R&D and innovation		Sustainability governance
	Intelligent transformation		Business ethics and anti-corruption
	AI empowerment and tech ethics		Corporate governance

Step 2: Materiality assessment

Impact materiality assessment

The Impact Materiality Assessment aims to respond to stakeholders' concerns regarding the external impacts of the Company's business operations. By conducting questionnaire surveys among internal and external stakeholders, the Company collects evaluations from all stakeholders on the "level of impact" of ESG issues in economic, environmental, and social dimensions. Based on 257 valid questionnaires collected, the Company scores and ranks these issues to form the conclusions of the impact materiality assessment, which will also serve as a key basis for addressing stakeholders' concerns in the future.



Determine the impact materiality assessment factors

Identify the factors for impact materiality assessment, including impact scale, scope, irremediability, likelihood, etc.

Conduct stakeholder surveys

A questionnaire survey was conducted among key internal and external stakeholders, including management and employees, government and regulatory agencies, shareholders and investors, customers, community and the public, suppliers, and partners. These stakeholders then evaluated, based on the defined criteria for impact materiality, the extent to which the performance on each ESG issue has or could have a significant impact on the economy, society, and the environment.

Form the impact materiality assessment conclusion

Analyze and process the data collected from 257 valid questionnaires, score and rank the impact materiality of ESG issues, and formulate the findings of the impact materiality survey.

Ranking of Impact Materiality Assessment Results

No.	Issue	No.	Issue
1	Environmental compliance management	14	Circular economy
2	Supply chain management	15	Public welfare and charity
3	Responding to climate change	16	Customer privacy and information security
4	Remuneration and benefits	17	AI empowerment and tech ethics
5	Water resource management	18	Employee training and development
6	Intelligent transformation	19	Diversity, equity and inclusion
7	Energy management	20	Marketing and customer service
8	Emissions management	21	Occupational health and safety
9	Intellectual property protection	22	Business ethics and anti-corruption
10	R&D and innovation	23	Corporate governance
11	Product quality and safety	24	Green products
12	Employee employment and human rights	25	Sustainability governance
13	Stakeholder Communication	26	Biodiversity protection

Financial materiality assessment

Financial Materiality Assessment primarily evaluates whether ESG issues could have a significant impact on the Company's business model, business operations, development strategy, financial condition, cash flows, and cost of financing over the short, medium, or long term. The assessment is conducted by integrating the likelihood and magnitude of financial impacts, where the magnitude is analyzed from two dimensions: "dependence on/influence over resources" and "dependence on/influence over relationships".

The Company invited internal and external industry and financial experts to participate in the scoring process, supplemented by research interviews with relevant internal departments and management. Ultimately, responding to climate change, intelligent transformation, R&D and innovation, as well as product quality and safety, were identified as financial materiality issues.

Determine the financial materiality assessment factors

Based on the likelihood of financial impact and the extent of financial impact, the degree of financial impact is analyzed from two dimensions: "dependence/impact on resources" and "dependence/impact on relationships."

Ranking of the Financial Materiality of ESG Issues

The Company ranks the financial materiality of ESG issues by inviting relevant experts to score each issue based on the likelihood and magnitude of financial impact, combined with the results of research interviews conducted with the Company's relevant internal departments and management.

Form the financial materiality assessment conclusion

Based on the expert scoring results, the Company derived the findings of the financial materiality assessment, confirming that **responding to climate change**, **intelligent transformation**, **R&D and innovation**, and **product quality and safety** are financial materiality issues.

Step 3: Double materiality analysis

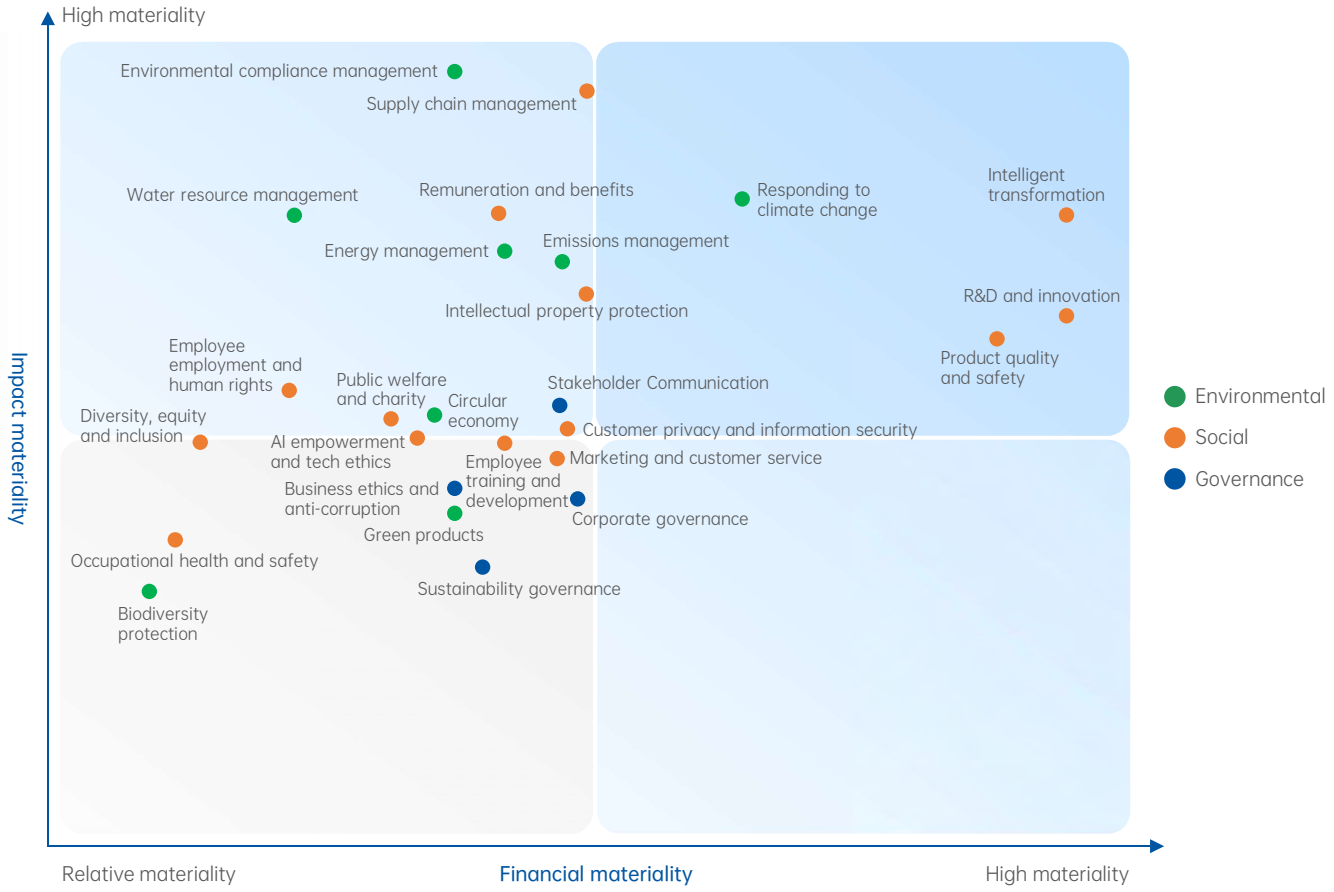
On the basis of the assessment from the two dimensions of "impact materiality" and "financial materiality", the Company prioritized each issue through a matrix approach, forming the 2025 ESG Materiality Matrix. In this matrix, the horizontal axis represents financial materiality, while the vertical axis represents the impact materiality on the economy, society, and the environment.

After assessment, the Company identified **responding to climate change**, **intelligent transformation**, **R&D and innovation**, and **product quality and safety** as issues with double materiality.

Step 4: ESG issue review and disclosure

The Board of Directors has reviewed and confirmed the findings of the 2025 ESG materiality analysis. The Company will prioritize the disclosure of ESG issues with financial materiality in the report and implemented focused management in subsequent operations. Issue materiality assessment serves as the foundation for the Company's sustainable development governance and management, helping to rationally allocate resources and clarify management priorities in different periods.

Jinpan Smart Technology's 2025 ESG Materiality Matrix



Feature I

Computing Power as the Cornerstone Propelling Technology Toward a Grand Vision

We are currently in a profound era of dual transformation. On one hand, the global wave of AI large models has triggered near-limitless demand for computational power, causing electricity consumption in data centers to surge dramatically—infrastructure for power supply is increasingly becoming a bottleneck for artificial intelligence development. On the other hand, the global transition toward renewable energy sources—such as wind, solar, and hydrogen—presents new challenges, demanding smarter, more adaptive grids to accommodate this evolving energy landscape.

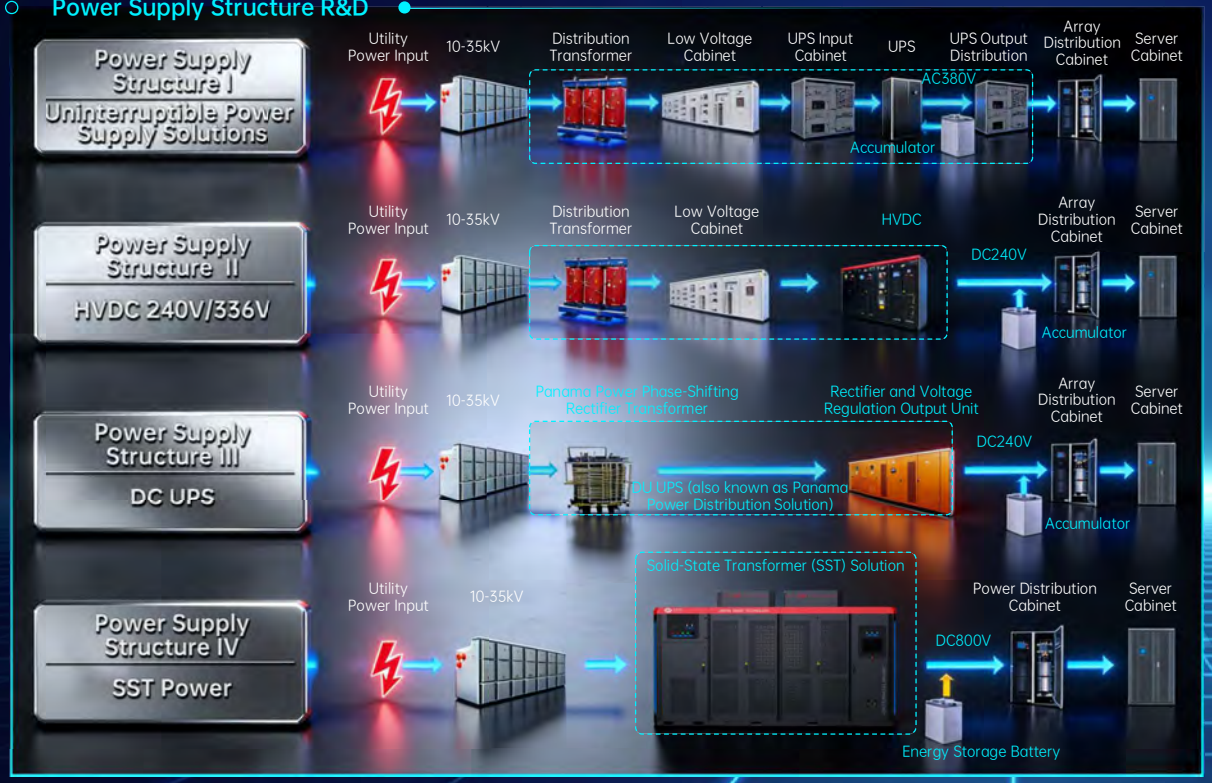
As the global AI large model revolution accelerates, power systems have become a critical bottleneck constraining technological advancement, making Solid-State Transformers (SST) a more efficient choice at the intersection of energy transformation and AI infrastructure innovation.

In October 2025, NVIDIA highlighted SST in its white paper on the next-generation artificial intelligence infrastructure, while Jinpan Smart Technology foresaw the significant strategic importance of SST long before the white paper's release, having begun independently developing SSTs specifically designed for AIDC use.

Pioneering Advanced Technologies to Empower AIDC

We closely align with AIDC's core demands for 'high reliability and high efficiency' in power equipment. On the basis of continuously consolidating our existing advantageous transformer series products, we are expanding our offerings to include intelligent flexible connection power modules and other existing data center power module products. At the same time, we closely track the evolving trends in data center power supply technologies and are actively investing in the R&D of innovative power architectures. In alignment with the data center industry's shift toward HVDC (High-Voltage Direct Current) and SST (Solid-State Transformers), the company has successfully completed the R&D of HVDC 240V systems, as well as the design and prototyping of solid-state transformers. We continue to iteratively refine these technologies and products, striving to deliver more efficient and compact DC power supply solutions for AIDC applications.

Power Supply Structure R&D



Current Advantage Products

Distribution Transformer

Complete Switchgear Equipment

Panama Power Phase-Shifting Rectifier Transformer

Power Module

Iterative Products

SST

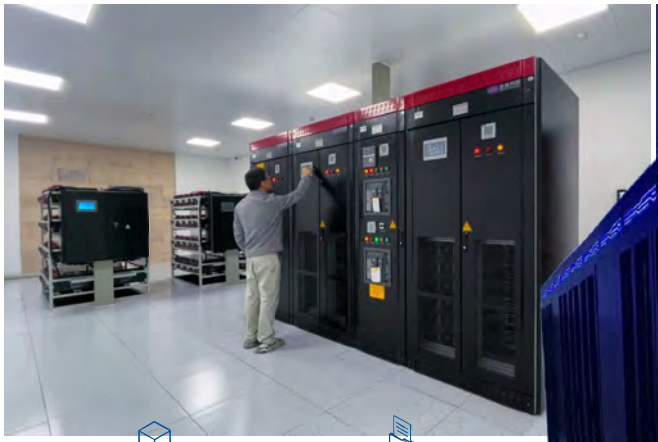
HVDC

Under this strategic vision, we have achieved phased results. The Company has established a dedicated R&D team to advance the development of cutting-edge technologies, including Solid-State Transformers (SST) . The SST system enables direct, high-efficiency conversion from AC grid power to 800V DC, significantly reducing power conversion stages from medium-voltage AC to DC, lowering system losses, and minimizing equipment footprint. This makes it particularly suitable for GW-scale hyperscale green data centers. The Company has completed the prototype of a solid-state transformer (SST), specifically designed for the 800V power supply architecture of high-voltage direct current (HVDC), striving to establish itself as a critical core equipment for ultra-large-scale green data centers.

Strategic Capacity Expansion to Solidify the Foundation for Development

To further expand the production capacity of complete series products such as data center power modules and to meet the rapidly growing demand in the downstream data center sector, the Company issued convertible bonds to unspecified investors. A portion of the proceeds has been allocated to the construction of the Digital Factory Project (Tongxiang) for data center power modules and related complete series products, thereby establishing a solid production capacity foundation for the stable and continuous supply of such products in the AIDC sector.

Case Self-Developed HVDC Solution Powers Jinpan Smart Technology's AI Factory

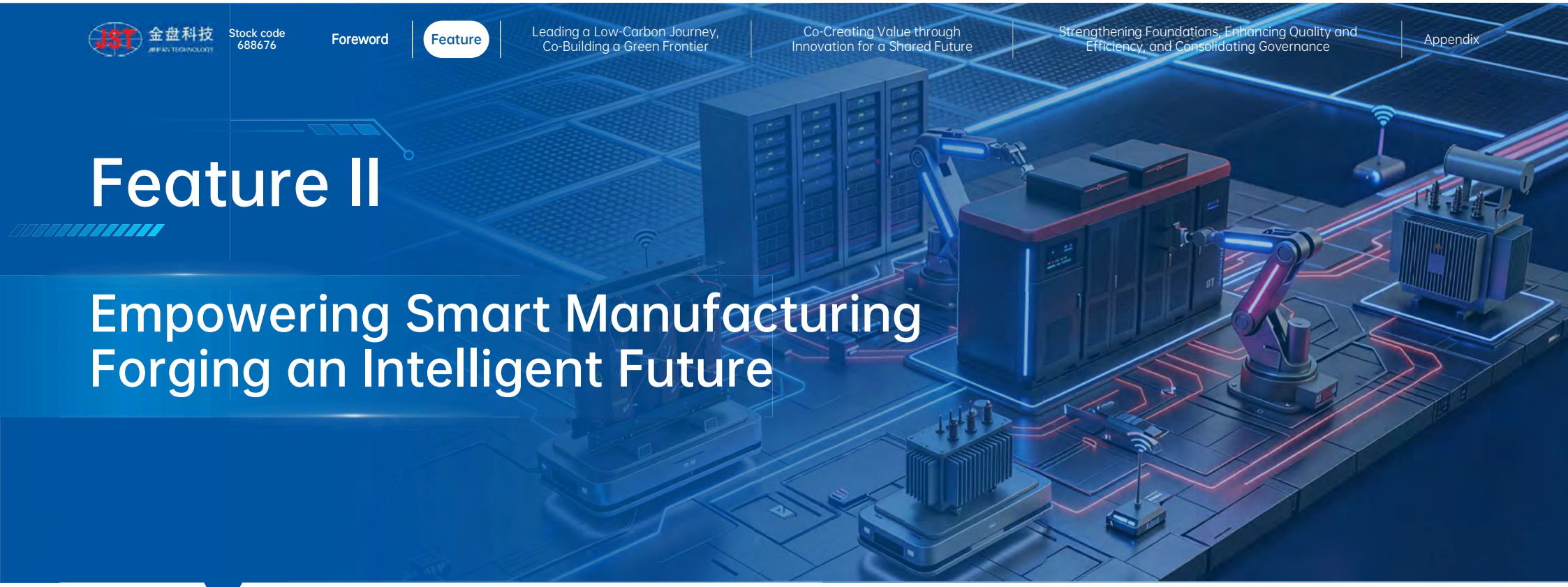


The Jinpan Smart Technology team has officially powered up the AI Factory with its self-developed HVDC products, completing the full-scale deployment of core computing infrastructure. This milestone represents a substantial breakthrough in key technologies across the entire AI product chain for Jinpan Smart Technology, taking the lead in creating a physical model of 'AI+manufacturing' and laying a solid foundation for empowering the industry's green computing development.

Warm congratulations on the official launch of Jinpan Smart Technology AI Factory, empowering the new era of intelligent manufacturing!

Feature II

Empowering Smart Manufacturing Forging an Intelligent Future

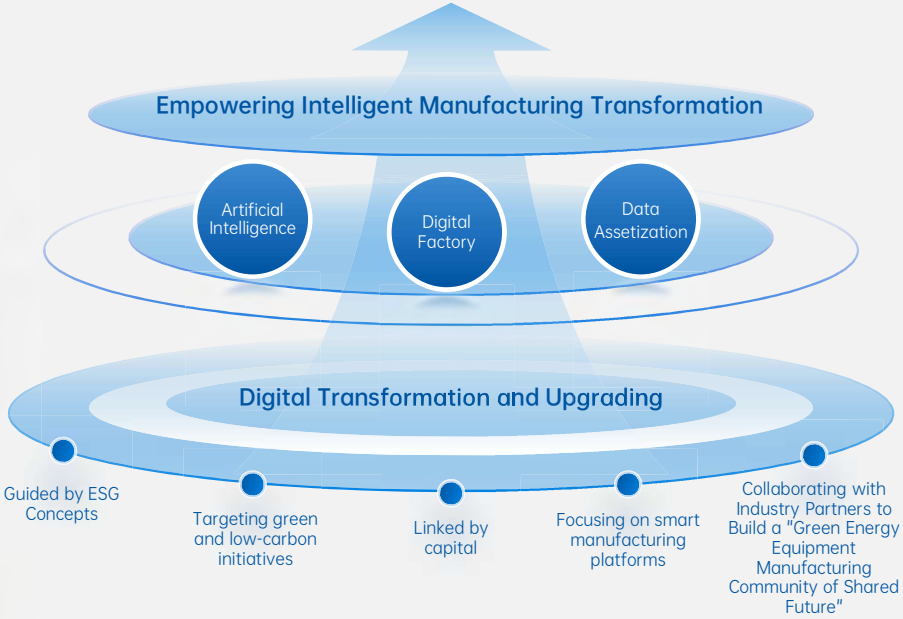


As the tide of data surges through the era and sparks of intelligence illuminate the horizon, a transformative wave reshaping the manufacturing ecosystem is already unfolding. At this historic convergence, Jinpan Smart Technology takes the lead with a visionary initiative—"From Digitalization to Full-Spectrum Intelligent Manufacturing"—leveraging AI technology integrated with digital manufacturing platforms to comprehensively achieve intelligent transformation, expanding into the boundaries of efficiency and value.

Governance

The Company has always adhered to the core philosophy of "technological innovation creates value," and has been deeply committed to product innovation and the transformation and upgrading of intelligent manufacturing technologies. Through decades of steady growth and accumulation, the Company has built an efficient and mature R&D system and organizational structure, with R&D platforms such as the Electrical Research Institute and the Intelligent Technology Research Institute. Guided by the Company's strategic development goals, the institute conducts forward-looking research, while business units across product lines continuously innovate and iterate in close alignment with market demands, driving customer-centric R&D across various application scenarios including energy and power, energy storage, and digital manufacturing model innovation.

Jinpan Smart Technology's "Digital-Intelligence" Logic

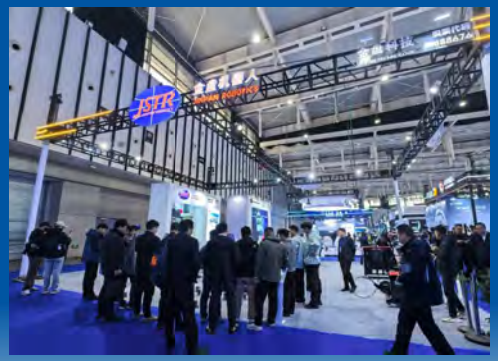


Jinpan Smart Technology's "Digital Intelligence" logic supports and leads various business developments

The Company is actively expanding into the field of intelligent industrial robotics and established Jinpan Robotics (Wuhan) Co., Ltd. in March 2025. Focusing on technological breakthroughs and industrial applications of next-generation collaborative robots and embodied intelligent welding robots, the Company has positioned intelligent collaboration, intelligent welding, and smart factories as the three strategic pillars for Jinpan Robotics' development.

Jinpan Robotics has successfully developed multiple intelligent industrial robots and a next-generation vision-based intelligent welding system, mastering key autonomous technologies. To support future large-scale delivery, the Company is simultaneously advancing the construction of its robotics production line and has completed the production line planning.

As a key practice of the Group's ESG strategy in the field of intelligent manufacturing, the Robotics Division has integrated the principles of green, safe, and efficient operations into the entire process of product design and technology development since its establishment. Upholding the core concept of "responsible innovation," the division has deeply embedded rigorous ethical governance into every stage of R&D. Looking ahead, the division will focus on intelligent applications of robotics in fields such as power transmission and distribution and intelligent manufacturing, delivering high-quality products and customized solutions to global manufacturing clients.



At the WAIE 2025 (6th) China Intelligent Manufacturing Digital Transformation Conference, the Company's intelligent welding robot product was honored with the "OFweek Excellence Award". Meanwhile, Jinpan Robotics made a prominent appearance at the 2025 World Intelligent Manufacturing Expo, showcasing its comprehensive suite of intelligent welding solutions spanning fixed production lines to flexible application scenarios. The exceptional stability and intelligent performance of these solutions demonstrated Jindan Robotics' strength in industrial automation.

Strategy

The company's strategic system is clear and focused: intelligent manufacturing is the core foundation, serving as the source of efficiency, the shield of quality, and the basis of flexibility; full coverage of AI industry chain products and breakthroughs in high-performance new materials are the two major driving forces, horizontally leaping from traditional power equipment to high-end AIDC power modules, and vertically controlling core links in upstream new materials; a dual-innovation model is the foundation for development, with incremental innovation continuously enriching the product matrix and leapfrog innovation leading the manufacturing paradigm; and the global market provides development space, allowing intelligent manufacturing capabilities and high-end products to deeply serve the construction of global AI infrastructure.

Looking towards the "15th Five-Year Plan," the company will firmly adhere to the dual-innovation model to drive strategic leaps, reshape the industrial landscape with intelligent manufacturing, and define the future of growth with AI + energy and power, contributing Jinpan's strength to building a new energy system and promoting the comprehensive green transformation of the economy and society.

Impact, Risks, and Opportunities

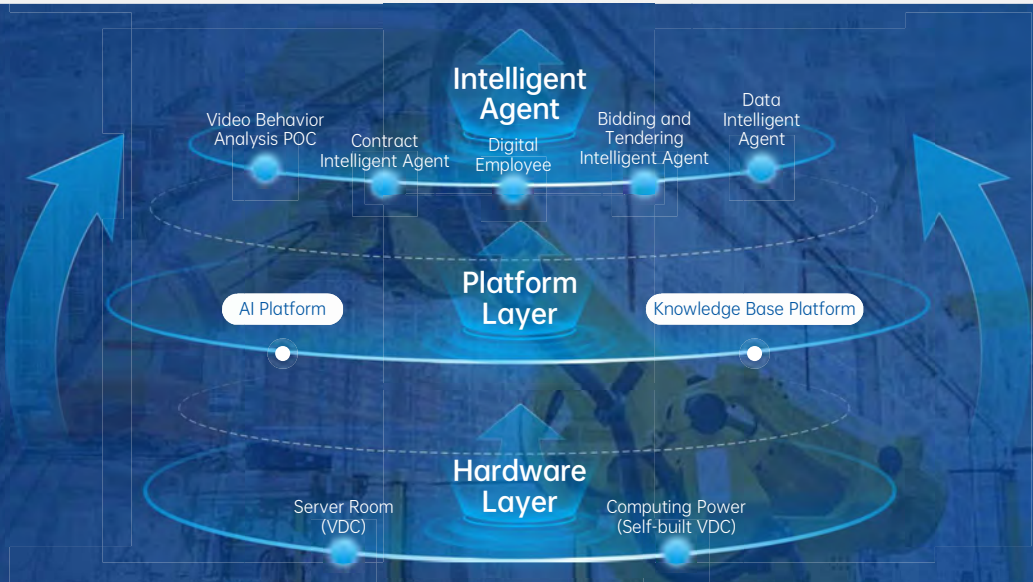
The rise of AI brings significant strategic opportunities to Jinpan Smart Technology. On the one hand, it directly drives an explosive demand for high-reliability power supplies in AIDC. On the other hand, it empowers us to fully transform towards smart manufacturing by integrating AI technology with our digitalized manufacturing platform. At the same time, we face multiple challenges: rapid technological iteration demands sustained high-intensity investment in R&D to maintain our leadership position; issues related to data security and AI ethics impose higher governance requirements on us; and fierce global market competition tests our responsiveness and collaborative capabilities.

While opportunities abound, challenges accompany transformation. During this transition, we face multiple tests: first is the risk of technological iteration —AI evolves rapidly, requiring sustained, high-intensity R&D investment to maintain technological leadership and cutting-edge competitiveness; second is the risk of data security and AI ethics, where end-to-end intelligence demands higher standards for data governance and the fairness, transparency, and controllability of algorithms. The actual size of the AI market may fall short of expectations, or a macroeconomic downturn may lead to a slowdown in AIDC demand growth. Additionally, intense global market competition and the cultivation of scarce talent continue to challenge our adaptability and cross-functional collaboration capabilities.

Facing the dual landscape of opportunities and challenges, Jinpan Smart Technology is proactively responding with forward-looking strategies. We are continuously increasing R&D investment, enhancing data security management systems, and offering competitive compensation and benefits to attract and retain scarce AI talent. Meanwhile, we are collaborating with leading global partners to accelerate the implementation of AI-powered smart factories—transforming challenges into opportunities to strengthen our capabilities to co-create a grand vision for the AI-driven future with customers worldwide.

Digitalization Toward Smart Manufacturing Upgrades

Jinpan Smart Technology has established seven digital factories in China and achieving full-chain coverage across digital R&D, management, marketing services, and production. Building on this foundation, the Company is actively advancing toward comprehensive intelligent transformation by collaborating with global leading partners to build an intelligent data foundation, Building on this foundation, Jinpan Technology leverages NVIDIA technology and collaborates with leading global partners to build an intelligent data foundation. They deploy "intelligent agents" and collaboratively construct a continuously value-creating AI smart factory.

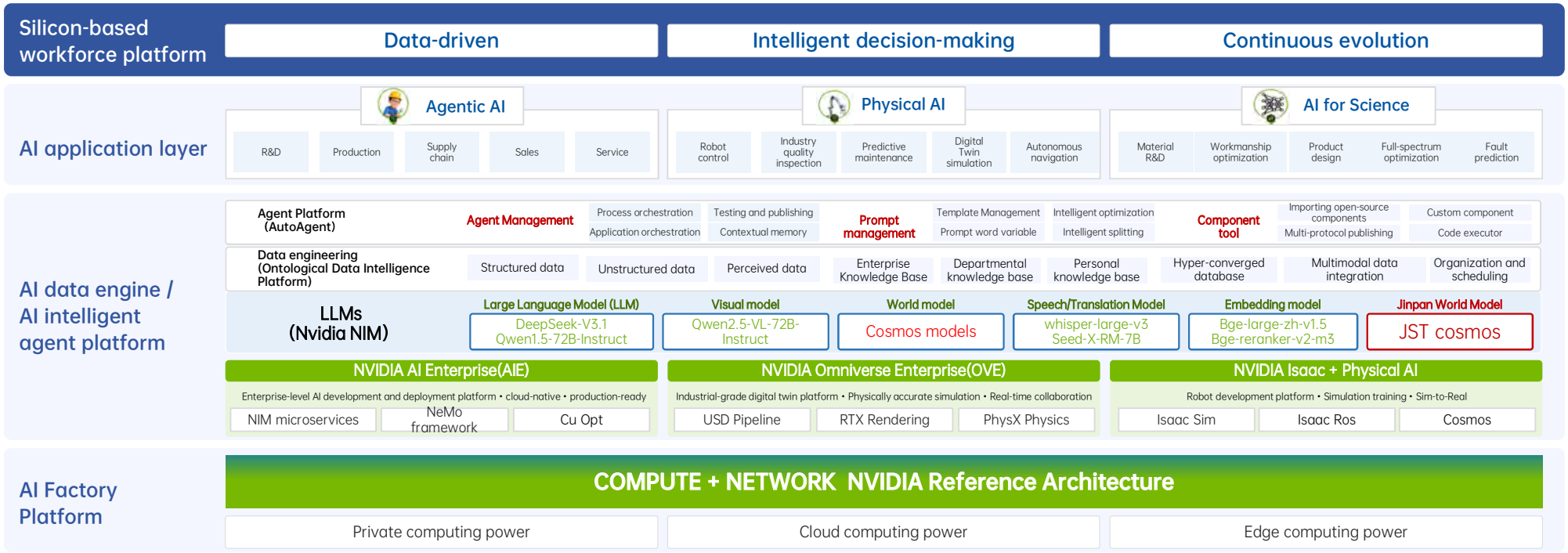


Jinpan Smart Technology's "Hardware Layer-Platform Layer-Intelligent Agent" Intelligent Architecture

Indicators and Targets

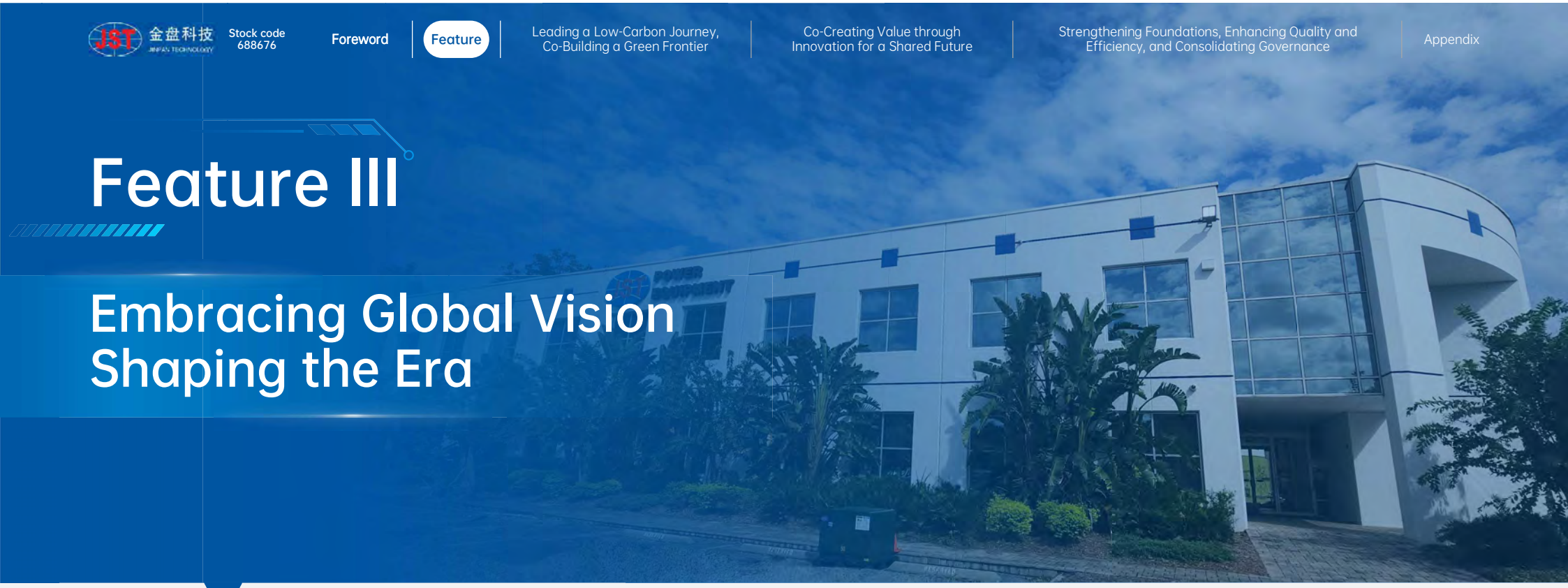
Jinpan Smart Technology AI Factory Blueprint

By leveraging cutting-edge technologies from AI and collaborating with outstanding global partners Jinpan Smart Technology is strengthening its foundational computing power infrastructure to deliver stable and efficient computational support for diverse AI applications. Meanwhile, the Company is accelerating the development of the AI Factory platform, driving the research, innovation, and deployment of key intelligent applications. In the future, Jinpan Smart Technology commits to evolve into a collaborative model of "human employees + silicon-based employees + embodied intelligent equipment." Through the comprehensive implementation of "AI Empowering Power," the Company is advancing human-machine collaboration and process intelligence, committing to continuously enhancing per-capita output and further consolidating and extending its advantaged position in the intelligent manufacturing sector.



Feature III

Embracing Global Vision Shaping the Era



Jinpan Smart Technology, in its mission to drive the global energy system toward green and low-carbon transformation, consistently aligns its development with national strategic directions, leveraging a forward-looking perspective to anticipate industry trends. The company deepens its global operations to promote broader international recognition of China's smart manufacturing brand value.

We remain committed to addressing energy transformation through technological innovation and responding to market dynamics with proactive strategic planning. By offering customized, high-value products and services to global customers, we achieve synergistic growth between domestic and international markets, continuously expanding the Company's global market coverage and business depth.

Global Market

Building on steady growth in the domestic market and accumulated brand influence from years of overseas strategic expansion, Jinpan Smart Technology is accelerating the pace and depth of its global operations, advancing internationalization to a new stage. To date, the Company's products and system solutions have been deployed in over 87 countries and regions across six continents. Core products have obtained 332 authoritative international and domestic certifications, including UL (USA), CE (EU), BV (France), and CSA (Canada). Our products are now widely applied in future-shaping sectors such as renewable energy and artificial intelligence data centers.

Looking ahead, we will further deepen our global market presence and expansion by enhancing multi-channel international engagement, exploring emerging markets and industries, strengthening customer relationships, iterating innovative products, and building strategic partnerships—continuously amplifying our brand's global voice. We remain committed to advancing with determination, focusing on our core business and leveraging continuous technological breakthroughs as the primary engine of growth. We are actively exploring the research, development, and application of new products, processes, and materials, striving to build an internally cohesive and externally open, collaborative industrial ecosystem. By delivering enduring value to our customers, we aim to fuel the long-term vitality and sustainable development of the Company

Global Talent

We are committed to cultivating localized talent pipelines and actively recruiting professionals from around the world, driving the implementation and growth of regional projects. Our internationalized professional teams have laid a solid foundation for Company's deep expansion into overseas markets. We will continue to enhance the global recognition of the "Jinpan Smart Technology" brand, collaborating to build a globally influential brand image.

JST Power Equipment in Florida has been honored with the "Top Work Places 2025" award by Orlando Sentinel Media Group for the third consecutive year

Honored with the **"2025 Top Work Places"** award for the third consecutive year

TOP WORK PLACES 2023-2025 Orlando Sentinel

Market Expansion

Consolidated and Enhanced Market Position

The Group achieved total sales orders of RMB 8.827 billion (excluding tax) for the full year, of which export orders amounted to RMB 3.155 billion, accounting for 35.74% of the Group's total orders, with products covering 87 countries globally. In the wind energy sector, the Company deepened strategic cooperation with global mainstream wind turbine manufacturers, achieving a year-on-year revenue growth of over 39.63%; in the data center sector, by seizing the opportunities in AIDC construction, sales revenue surged by over 196.78% year-on-year, successfully serving great domestic and overseas customers and entering the supply chains of large-scale data centers. Liquid-immersed transformers achieved a milestone breakthrough, completing the overseas delivery of 345kV extra-high voltage large power transformers, and the independently manufactured large-capacity 80MVA/110kV transformer was successfully put into operation, demonstrating the strength of high-end equipment.

Case 60MW Solar Grid-Connected Project in Southern Germany

Jinpan Smart Technology supplied power transformers for a newly constructed high-voltage substation in Eppingen, Germany, for MaxSolar's 56MW photovoltaic power station in Gemmingen.

60MW Solar Grid-Connected Project in Southern Germany

Case Design OD3Mag Outdoor Circuit Breaker to Provide a Powerful Upgrade Solution for Salem Electric's Utility Substation

Salem Electric required a durable and high-performance circuit breaker for its utility substation upgrade. Jinpan Smart Technology delivered the OD3Mag™ outdoor circuit breaker—features a rugged enclosure, reduced external fasteners, and a dynamic sealing system for the top cover bushing to minimize moisture ingress. Its physical dimensions and footprint match existing breakers, enabling seamless integration. As an early adopter of the magnetically driven operating mechanism, OD3Mag not only met all technical requirements but also satisfied the project schedule, ultimately successfully providing continuous power supply for the Salem Electric Company's utility substation.

Environmental

Leading a Low-Carbon Journey, Co-Building a Green Frontier

Amid escalating climate challenges, green transformation has become a global imperative. Jinpan Smart Technology, guided by cutting-edge innovation and a steadfast commitment to responsibility, is resolutely advancing along the path of sustainable development, in alignment with China's dual-carbon strategy goals.

We believe that true industrial progress begins with a commitment to environmental stewardship and is realized through green innovation driven by digitalization and intelligence. Jinpan Smart Technology is not only committed to establishing a low-carbon operational paradigm within its own enterprise, but also dedicated to empowering the industrial ecosystem—collaborating with partners to advance the clean, efficient, and intelligent evolution of the energy system.

Amid the urgent imperative to achieve a zero-carbon future, sustained action and open collaboration are indispensable. Jinpan Smart Technology stands ready to partner with all stakeholders in exploring a harmonious coexistence between industrial advancement and natural ecosystems—leveraging deep technological expertise and systemic responsibility to contribute industrial strength toward a more resilient and sustainable future.

Our Actions

Jinpan Smart Technology continuously strengthens its environmental governance framework, embedding green and low-carbon principles across strategy, operations, and value chains. We systematically identify, assess, and manage climate-related risks and opportunities, advancing measurable emission reduction targets. Multiple zero-carbon factories have been established. Beyond deepening our own operational decarbonization, we actively empower clients and the broader industry through green products, integrated energy systems, and responsible supply chains. From grid modernization and hydropower development to park micro-grids; from eco-friendly packaging and solvent recovery to process innovation—we embody lifecycle environmental management through tangible initiatives that promote resource efficiency, circularity, and biodiversity conservation.

Our performance

Total GHG emissions (Scope 1 and Scope 2)

1,860.56

tons of carbon dioxide equivalent

Scope 1 greenhouse gas emissions

1,369.82

tons of carbon dioxide equivalent

Scope 2 greenhouse gas emissions

490.74

tons of carbon dioxide equivalent

GHG emission reduction ratio compared to the previous year

60.8% ↓

(Greenhouse gas emission data only includes Scope 1 and Scope 2 emissions)

Total energy consumption

6,125.39

tons of standard coal

Building a sustainable enterprise on a carbon-neutral foundation

Jinpan Smart Technology recognizes that climate change constitutes not only a global challenge but also a defining factor in the Company's long-term strategy and industry transformation. Aligned with China's dual-carbon strategy goals, we are continuously exploring diversified low-carbon technologies, embedding sustainability across the entire product lifecycle and producing green products with green energy to co-build a resilient, circular, and sustainable ecological ecosystem.

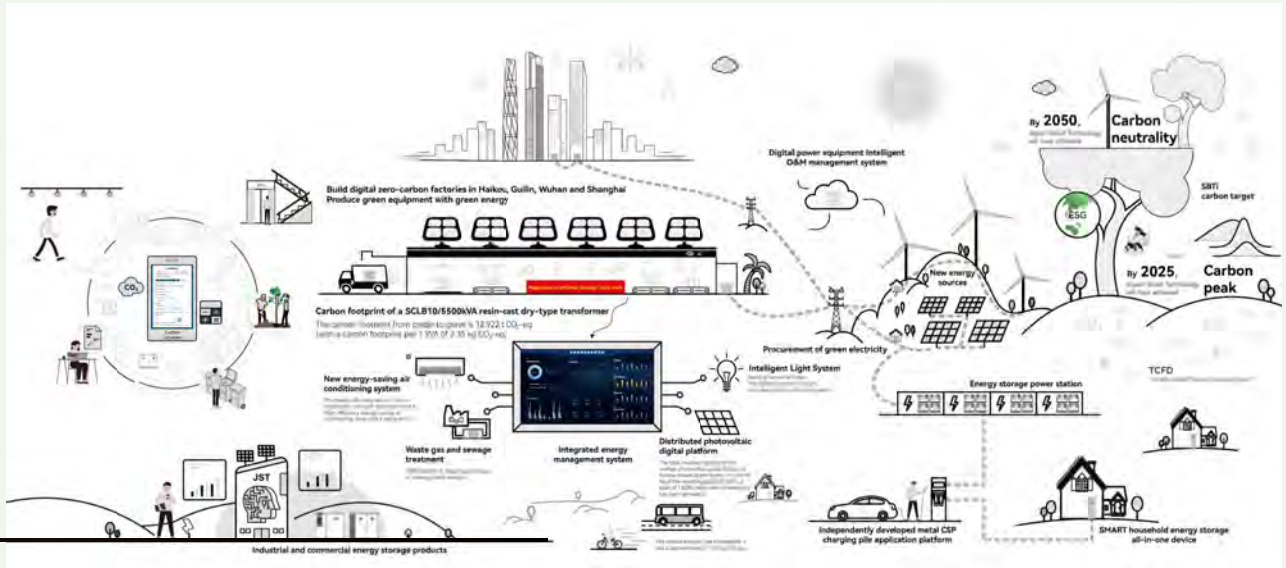
Today, we have ushered in a new chapter of our zero-carbon journey: while advancing our own decarbonization, we are now leveraging digitalization and intelligence to facilitate collaborative emission reduction across upstream and downstream industries in industrial towns, thereby contributing systematic value to society's overall zero-carbon transformation. Guided by the targets of carbon peaking by 2025 and carbon neutrality by 2050, we have established a comprehensive green evaluation framework, set science-based targets validated by the SBTi, and begun disclosing climate-related financial information in accordance with TCFD recommendations. Through R&D and deployment of clean energy products and integrated solutions, we are expanding the application of cleaner energy across key sectors.

Jinpan Smart Technology has developed an integrated energy management system, photovoltaic monitoring and operation & maintenance platform, and renewable energy centralized control system, collectively enhancing environmental risk governance and energy use efficiency. We drive emission reductions through purchasing green electricity and green certificates offsetting. Four zero-carbon factories—in Haikou, Guilin, Wuhan, and Shanghai—are now fully operational, laying a solid foundation for our zero-carbon ambitions.

In green product design and R&D, we implement full lifecycle management and advance circular economy principles. Internally, we empower employees to track and reduce personal carbon footprints via a carbon calculator, promoting low-carbon behaviors such as green commuting, waste sorting, and paperless office practices.

This year, Jinpan Smart Technology continues to advance on its zero-carbon journey, demonstrating sustained commitment across production, operations, and innovation. We are actively engaging ecosystem partners to drive collective decarbonization across the industrial value chain, building a more resilient and sustainable business ecosystem.

"Zero" Carbon Revelation: Digital Leadership, Carbon Exploration for an Infinite Future



Climate-related governance

Jinpan Smart Technology has deeply integrated climate governance into its corporate sustainability governance framework, clearly defining the lead departments and collaborative mechanisms for climate-related initiatives. Through a systematic organizational safeguard, we ensure the effective implementation of our climate strategy and the proactive management of associated risks and opportunities. We focus on the full product lifecycle to conduct carbon footprint accounting and management, committed to continuously improving carbon performance across the entire value chain and reducing the climate impact of both operations and products.

The Company has established a three-tier governance structure: Board of Directors→ESG Committee→ESG Working Group. Each level is assigned clear responsibilities and divisions of labor in climate and sustainability affairs.

Board of Directors

- The Board of Directors integrates climate-related risks into the formulation of major strategic plans, risk assessment systems, and performance evaluation frameworks, ensuring that climate strategy and risk management are fully embedded in the Company's business development.

ESG Committee

- The ESG Committee, as a specialized committee under the Board, is responsible for regularly reviewing and evaluating the implementation of climate-related strategies and targets, making timely adjustments, and providing oversight and guidance on potential climate-related risks and opportunities facing the Company.

ESG Working Group

- The ESG Working Group, as the executive layer, drives the implementation of specific initiatives, conducts periodic assessments of climate-related risks and opportunities, tracks progress on climate-related activities, and ensures the effective delivery of climate-related objectives across all business units.

Jinpan Smart Technology has established a normalized climate and sustainability information reporting mechanism. The ESG Working Group regularly aggregates key information—including progress on climate actions, identified risks, and target achievement rates—prepares special reports, and submits them to the ESG Committee for review and deliberation. The Working Group also provides periodic updates to the Board of Directors on climate-related targets, action plans, and implementation progress.

We also intend to integrate risk management into the performance evaluation framework, thereby enhancing the risk awareness and risk management competencies of all employees.

Climate change response strategy

Jinpan Smart Technology closely monitors national "dual-carbon" policies and climate change developments, as well as extreme weather events. The Company conducts in-depth assessments of the potential impacts of climate change on its business operations. In alignment with its business development plans and referencing international mainstream climate scenario frameworks, the Company systematically identifies climate-related risks and transition opportunities relevant to its operations. Based on this analysis, the Company formulates targeted mitigation and adaptation strategies to enhance business resilience and sustainable competitiveness.

Climate scenario analysis

To assess risks and opportunities under different transition pathways, we reference publicly available scenarios set by the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC), including STEPS (Stated Policies Scenario), APS (Announced Pledges Scenario), SSP (Shared Socioeconomic Pathways), and RCP (Representative Concentration Pathways). We have developed contrasting future scenario models based on these frameworks, serving as the foundation for risk identification.

1.5℃ Scenario

This scenario anticipates stricter energy-saving and low-carbon regulations, widespread use of clean energy, and customer preference for low-carbon products.

4℃ Scenario

In this scenario, energy-saving and low-carbon regulations are fragmented, fossil fuel prices rise, and natural disasters become more frequent.

Stringent Energy-saving/low-carbon regulations →

1.5℃ Scenario

← Preference for Low-carbon product

4℃ Scenario

Fossil Fuel-Dependent Society

- Strict carbon emission management
- Rising carbon prices
- Increase in fossil fuel prices, transitioning towards the use of cleaner energy

Risks Strict requirements for carbon emission management and rising fossil fuel prices lead to increased product prices and reduced sales opportunities.

Opportunities Reduced costs resulting from the early introduction of cleaner energy and leading the market through innovation in low-carbon technologies.

Zero-carbon Society

- Strict carbon emission management
- Rising carbon prices/carbon tariffs
- Widespread use of cleaner energy
- Common use of low-carbon products

Risks Delay in adopting low-carbon technologies and failure to meet carbon emission management standards leads to lost sales opportunities, while also increasing R&D costs.

Opportunities Growing demand for new energy storage, increased sales of products with low carbon emissions throughout their lifecycle.

Society Prone to Natural Disasters

- More frequent warm weather globally
- Frequent natural disasters such as typhoons, floods, earthquakes
- Rising sea levels

Risks High temperatures leading to reduced product performance and shortened lifespan, necessitating higher R&D costs; frequent natural disasters may cause logistics disruptions.

Opportunities Increased demand for energy-related products for large-scale power generation, sales increase for highly durable transformers with low power distribution losses, and energy storage devices.

Low-Carbon Consumption Society

- Delayed or disjointed implementation of energy-saving/low-carbon regulations
- Depletion of fossil fuel resources, leading to widespread use of expensive cleaner energy
- Widespread use of high-priced low-carbon products

Risks Losing opportunities due to late adoption of clean energy, coupled with the need to increase investments in low-carbon technology research and development.

Opportunities Significant increase in demand for new energy storage, along with increased sales of products that have low power distribution losses and low in carbon emissions.

Identifying and assessing climate risks and opportunities

Through a comprehensive assessment of climate-related risks, we have identified both the risks and opportunities associated with climate change. By strengthening our climate resilience, we endeavor to capitalize on the developmental prospects arising from the global energy transition and low-carbon transformation. We use the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) as our primary framework to systematically identify, assess, prioritize, and respond to physical and transition risks. At the same time, we identify opportunities arising from climate change to manage its financial impacts and capture development opportunities in the low-carbon transition.

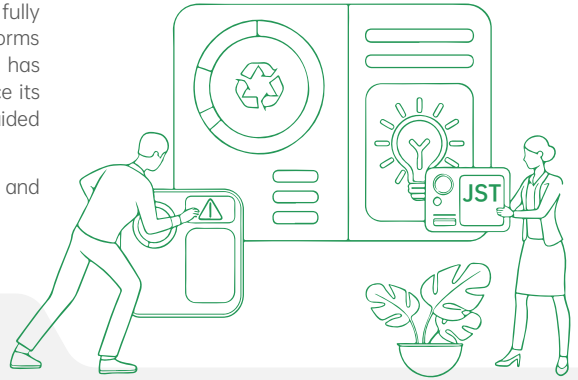
We have defined short-term, medium-term, and long-term time frames for addressing climate-related risks and opportunities. Short-term refers to the next 1-2 years, medium-term refers to 3-5 years, and long-term refers to five years and beyond. Specific climate risks and opportunities are as follows:

		Risk		Opportunity	
Physical risks and opportunity					
Acute risks	Frequent typhoons, rainstorms, etc.	Short-term	Investments in flood prevention and control infrastructure lead to increased capital expenditures, while damage to facilities results in additional costs.	Short-term	Growing market demand for resilient infrastructure and products
	Frequent earthquakes and droughts	Short-term	Disruptions to supply chains can lead to reduced sales, and lower revenue.	Short-term	Increased market demand for disaster preparedness equipment, facilities, and products
Chronic risks	Rising sea levels	Medium to long-term	Some of our operations are located in coastal provinces of China, where rising sea levels may cause facility damage or necessitate relocation, thereby raising corporate infrastructure costs.		
	Increased hot weather	Short-term	Poor employee health conditions can reduce labor productivity and output, thereby impacting revenue.	Medium to long-term	Growing market demand for resilient infrastructure and products
		Medium to long-term	Shortened product lifespan, declining quality and increased maintenance costs		
		Medium to long-term	Electricity consumption restrictions can lead to production halts, reduced output, and revenue loss.		
Transitional risks and opportunity					
Policies and legislation	Increase in carbon taxes	Long-term	Increased costs for energy procurement, leading to increased production and transportation costs	Long-term	Gaining business opportunities through early adoption of clean energy differentiation
				Long-term	Intelligent energy management approaches enable "peak-load shifting," improving energy efficiency and reducing energy costs.
		Medium-term	Increased export costs for products leading to higher prices and lower sales volumes	Medium-term	Stabilizing costs through early adoption of clean energy
	Increasingly stringent energy-saving/ low-carbon regulations	Medium-term	Strict carbon emission management increases carbon management costs	Medium to long-term	Increase in sales of energy storage business
		Short-term	Strict requirements for the carbon footprint of the entire product lifecycle, increasing calculation costs	Short to medium-term	Increased sales opportunities by producing compliant energy-saving/low-carbon products
		Short-term	Increased introduction costs for clean energy certificates		
Technologies and innovation	Rapid development of low carbon technologies	Medium-term	Increased investment in the development of low-carbon technologies	Medium-term	Business opportunities for prioritizing highly sustainable products
		Medium-term	Missing opportunities due to delayed R&D in decarbonization technologies	Medium-term	Growing market demand for technologies that enable decarbonization
	Low-carbon products replacing traditional products	Short-term	Increased investment in clean energy facilities	Short to medium-term	Increased demand for clean energy and energy-saving products
		Medium to long-term	Loss of market opportunities as traditional products are replaced by low-carbon alternatives		
Markets	Changes in customer behavior patterns	Medium to long-term	Failure to achieve 100% use of clean energy in the production process, resulting in lost sales opportunities	Medium to long-term	Enhancing brand influence through sustainable value chain realization
		Medium to long-term	Loss of market opportunities due to inability to keep pace with customer procurement preferences for low-carbon products	Medium to long-term	Customers achieve sustainability in their own value chains by purchasing sustainable products
	Transition to a circular economy	Short-term	Customers not favoring products from resource recycling	Short-term	Transition from traditional to circular economy business models
		Medium to long-term	Increased costs due to resource recycling and circular technologies	Medium to long-term	Growing market demand for businesses related to low-carbon products and energy management
Reputation	Rising public environmental awareness	Medium to long-term	Damage to reputation due to insufficient efforts in emission reduction	Medium to long-term	Sustainable enterprises and sustainable products can attract more customers

Risk and opportunity management

Jinpan Smart Technology has established a systematic and comprehensive mechanism for managing climate-related impacts, risks, and opportunities, fully integrating it into the Company's overall sustainability and risk management framework. In alignment with international standards such as the Basic Norms for Internal Control of Enterprises, ISO 31000:2018 Risk Management Guidelines, and the COSO Enterprise Risk Management Framework, the Company has formulated its Risk Management System and follows a closed-loop management process of "Identify–Analyze–Respond–Monitor" to continuously enhance its resilience and strategic adaptability to climate-related challenges. All assessments of climate-related risk significance and related decision-making are guided and overseen by the ESG Committee.

The Company continuously monitors global, national, and industry-level trends, promptly identifying regulatory developments and potential risks and opportunities relevant to its business. Climate risk factors are embedded into daily operations, and progress is regularly reported to the Board of Directors.



Climate-related risk and opportunity management process

We implement a systematic, cyclical management process to identify, assess, and monitor climate-related impacts, risks, and opportunities in a structured and ongoing manner:

Identification

Through policy scanning, scenario analysis, stakeholder engagement, and industry benchmarking, we compiled a comprehensive list of climate-related risks and opportunities.

Assessment

Using diverse methodologies—including surveys, focus group discussions, expert consultations, and scenario analysis—we prioritize climate risks and evaluate the potential value and feasibility of opportunities.

Response

Based on evaluation results of risks and opportunities, we select appropriate response strategies, including risk avoidance, risk acceptance, risk reduction, and risk sharing, while also establishing opportunity conversion projects.

Monitoring

Business departments responsible for climate risks update risk information and control statuses quarterly on the Company's risk management platform. The Audit Department conducts regular or ad hoc supervision and evaluations of risk management activities across departments.

Climate adaptation assessment

In the climate adaptation assessment process, we focus on the following categories of uncertainty factors:

Policy and regulatory evolution

The pace and intensity of adjustments to domestic and international carbon pricing mechanisms, energy efficiency standards, green finance policies, and other regulatory frameworks.

Technology development pathways

The speed of breakthroughs and industrialization in cleaner energy technologies, low-carbon materials, etc.

Market and supply chain dynamics

Trends in customer demand for low-carbon products, availability of green raw materials, and the impact of trade mechanisms such as carbon tariffs.

Physical climate events

The frequency and intensity of extreme weather events, as well as long-term temperature rise and its impact on operational facilities and regional water resources.

To strengthen climate resilience, we are progressively upgrading processes and equipment, optimizing resource allocation, and enhancing our capacity to respond to climate change through initiatives such as zero-carbon factory development and product carbon footprint accounting. We also mitigate potential financial impacts from physical risks—such as typhoons and floods—through targeted insurance coverage. Concurrently, we continue to expand the procurement and use of green electricity.

This year, the Company actively implemented climate adaptation measures, effectively safeguarding operations against the direct impacts of extreme weather events. Taking the Haikou base as an example, in response to severe typhoons "Matmo" and "Fengshen," the site proactively activated typhoon and flood prevention protocols, ensuring the safe and stable operation of production systems without major disruptions or asset losses due to climate-related incidents. During periods of summer heat, the Company simultaneously executed heat stress prevention programs, providing frontline employees with essential protective supplies and health support to ensure workforce safety and operational continuity. From a financial perspective, this year's dedicated investments in carbon compliance management—specifically in greenhouse gas verification and product carbon footprint certification—amounted to approx. RMB 7.6 million. These efforts support the Company's steady progress toward its climate governance objectives and low-carbon transition pathway.

Indicators and targets

In response to identified physical and transition risks associated with climate change, Jinpan Smart Technology has prioritized greenhouse gas (GHG) emissions management as a core sustainability issue, establishing clear, quantifiable tracking metrics and science-based reduction targets. The Company is committed to playing a greater role in global climate action by aligning its decarbonization strategy with international best practices. To support China's national "dual-carbon" strategy, Jinpan Smart Technology formally submitted its application to the Science Based Targets initiative (SBTi) in 2023, ensuring that its emission reduction goals are consistent with the globally recognized 1.5°C climate pathway.

The Company's science-based carbon targets are currently under review by the SBTi. We reaffirm our commitment to systematically advance emission reduction initiatives, continuously allocate resources, and achieve all stage-wise carbon targets as planned. Through these efforts, Jinpan Smart Technology aims to contribute meaningfully to the low-carbon transformation of its industry chain and broader society.

Targets (based on the 2022 baseline year)

Short-term targets (by 2030)

- Reduce Scope 1 and Scope 2 greenhouse gas emissions by at least **50%**
- Reduce Scope 3 greenhouse gas emissions by at least **25%**

Net zero target (by 2050)

- Reduce Scope 1, Scope 2, and Scope 3 greenhouse gas emissions by at least **90%**

Greenhouse gas emission data

Total greenhouse gas emissions (Scope 1 & Scope 2)[1]
Unit: Tons of carbon dioxide equivalent

2023	8,773.00
2024	4,749.29
2025	1,860.56

Greenhouse gas emission intensity (Scope 1 & Scope 2)
Unit: Tons of carbon dioxide equivalent /RMB 10,000 of revenue

2023	0.01
2024	0.007
2025	0.0026

Scope 1 greenhouse gas emissions
Unit: Tons of carbon dioxide equivalent

2023	1,958.00
2024	1,679.76
2025	1,369.82

Scope 2 greenhouse gas emissions
Unit: Tons of carbon dioxide equivalent

2023	6,815.00
2024	3,069.53
2025	490.74

Jinpan Smart Technology has established a systematic greenhouse gas (GHG) emissions management system. We continuously monitor and account for direct emissions (Scope 1) and indirect emissions from purchased energy (Scope 2) within our operational boundaries, and plan to progressively include upstream and downstream value chain emissions (Scope 3) in our calculation scope. This enables comprehensive accounting and tracking of carbon emissions across the entire value chain. By integrating GHG emissions data into daily management processes, we can dynamically quantify emission performance, conduct in-depth assessments of energy efficiency, and promptly identify and respond to potential challenges in carbon management—ensuring the effective achievement of our emission reduction targets.

Compared with 2022, the greenhouse gas emissions of Jinpan Smart Technology in 2025 decreased by about 88.4% (Scope 1 and Scope 2 only), achieving the near-term emission target earlier than expected.

[1]Scope 1 greenhouse gas emissions refer to carbon emissions generated from the combustion of direct energy sources such as natural gas, gasoline, and diesel, as well as carbon emissions from renewable energy power generation. Scope 2 greenhouse gas emissions refer to carbon emissions generated from indirect energy sources such as purchased grid electricity and purchased green electricity. The standards for accounting greenhouse gas emissions are based on Greenhouse Gases - Part 1: ISO 14064-1:2018 Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals.

Climate action response

Jinpan Smart Technology has embedded climate change response into its core business strategy and operational practices, driven by a dual-pillar approach of "Operational Carbon Neutrality" and "Value Chain Empowerment." The Company is not only committed to deep decarbonization of its own production systems but also aims to drive green transformation across the entire industrial chain through innovative technologies and sustainable solutions. By steadily advancing its science-based carbon targets, the Company is positioning itself as a leader in sustainable development within the new energy manufacturing sector.

This year, the Company continued to increase the proportion of cleaner energy usage and optimize its energy mix, accelerating the transition toward a green and sustainable operating model. Through internal meetings, training sessions, and other communication channels, we share specific GHG reduction data and action plans—both from our own operations and customer applications—ensuring transparency and fostering Company-wide engagement.

Zero-carbon factory development and implementation

Jinpan Smart Technology has independently built and is now operating four zero-carbon factories (located in Haikou, Guilin, Wuhan, and Shanghai) and five green factories (spanning the above four cities and Yangzhou), forming a leading cluster of green manufacturing facilities.

Our zero-carbon factories integrate carbon neutrality principles throughout planning and operations. Leveraging an intelligent zero-carbon management system, we enable precise carbon accounting and goal planning. Through IoT technology, carbon footprints are monitored in real time, and digital tools are used to integrate energy-saving, emission-reduction, and carbon sequestration measures. We are committed to achieving carbon balance within our industrial parks—where emissions are offset by absorption—driving low-carbon industrial development, green energy adoption, and resource circularity.

Zero-carbon park energy control hub

- Virtual power plant system
- Integrated energy management system
- Park-wide water and gas monitoring system

Zero-carbon park energy control units

- Edge terminal gateway
- Edge data gateway

Zero-carbon park energy control hub

- Energy system park power distribution system
- Energy storage system & Photovoltaic system
- Park-wide air conditioning system
- Charging pile system and other equipment

Zero-carbon park energy control algorithms

- Multi-energy scheduling and multi-energy coordination algorithm
- Optimized energy-saving control algorithm for air conditioning
- AI algorithm
- Factory load prediction algorithm
- Photovoltaic power prediction algorithm

Since 2023, Jinpan Smart Technology has actively advanced zero-carbon factory construction to fulfill its Science Based Targets initiative (SBTi) commitments. By the end of 2025, significant carbon reduction achievements have been realized across various facilities, using 2022 as the baseline year:

Haikou Factory: Annual carbon reduction of **97.63%**

Guilin Factory: Annual carbon reduction of **83.41%**

Yangzhou Factory: Annual carbon reduction of **86.64%**

Shanghai Factory: Annual carbon reduction of **97.81%**

Wuhan Factory: Annual carbon reduction of **96.58%**

Case Enhanced zero-carbon factory operations

To improve renewable energy utilization and electricity cost efficiency, Wuhan Factory completed the optimization of its Phase II photovoltaic and energy storage system operations by the end of May 2025. Key initiatives included connecting the residential area's electrical load to the Phase II photovoltaic power supply bus and optimizing the energy storage discharge schedule. Following implementation, the Phase II photovoltaic system generated an additional 1.65 million kWh of cleaner electricity annually, while the synchronous grid-connected electricity of Phase I photovoltaic system also increased. The energy storage system released electricity during peak and high-demand periods, further reducing the proportion of expensive grid electricity procurement. The upgrade delivered significant results: the proportion of electricity consumption during peak and high-demand periods decreased from 46.26% in April to 27.99% in July, effectively optimizing the energy structure and achieving substantial cost savings.

Annual additional green electricity generation from Phase II photovoltaic system: **1.65** million kWh

Proportion of electricity consumption during peak and high-demand periods (April to July) dropped to: **27.99%**

2025

Case Smart energy storage peak shaving for low-carbon grid operations

To enhance regional grid efficiency and cleaner energy integration, Jinpan Smart Technology's Guilin Energy Storage Station employs an intelligent operation model of "valley charging, peak discharging," transferring cleaner electricity generated during nighttime periods to daytime peak demand hours. In 2025, the station cumulatively supplied 2,337,800 kWh of power to the grid during peak periods, effectively displacing high-carbon footprint conventional power sources.

Through calculation, this project achieved approximately 1,350.54 tons of carbon dioxide emission reductions, equivalent to the carbon sequestration formed by planting approximately 90,000 trees. This initiative not only demonstrates the critical role of energy storage in power system peak regulation and carbon emission reduction but also provides a replicable operational model for building a flexible, low-carbon new power system.

Cumulative peak-period power supply

2.3378 million kWh

Reduction in carbon dioxide emissions:

1,350.54 tons

Greenhouse gas emission reduction investment:

RMB **7.6361** million

Direct greenhouse gas emission reductions from fuel switching:

1.60 tons of carbon dioxide equivalent

Direct greenhouse gas emission reductions from equipment retrofitting:

236.20 tons of carbon dioxide equivalent

Product carbon footprint management

A robust carbon emission data management system forms the foundation for precise emission reduction initiatives. We continuously advance carbon inventories covering both our own operations and value chain activities, while actively pursuing product carbon footprint certifications to identify high-emission stages and drive progressive reduction of carbon intensity across the entire industry ecosystem. By the end of 2025, the Company has secured authoritative carbon footprint certifications for 16 core products.

Value chain empowerment

Jinpan Smart Technology fully leverages its professional expertise in green power equipment and digital solutions to actively collaborate with industry partners in building a low-carbon ecosystem. We not only continue investing in R&D for new energy technologies such as photovoltaics and energy storage, providing comprehensive cleaner energy services covering the "generation-storage-distribution-consumption" stages, but also strive to promote mature solutions in scenario-based applications.

Case Supporting the global low-carbon transition of hydropower with high-end equipment to empower clean energy base development

Jinpan Smart Technology has deepened its expertise in power equipment, empowering the sustainable development of the hydropower industry. Currently, the Company's transformer products have been successfully applied to over 400 major hydropower projects worldwide, including Baihetan, Yalong River Lianghekou Hydropower Station, and Brazil's Itaipu Dam. The Company has cumulatively signed more than 570 contracts, providing advanced technology to ensure the safe and stable operation of power stations. The Company's dry-type transformers have been applied to over 230 domestic wind farms, and have directly or indirectly exported over 18,000 units to overseas wind farm projects. Through continuous technological breakthroughs, Jinpan Smart Technology's products not only meet stringent energy efficiency standards but also adapt to diverse environmental conditions, offering critical equipment support for cleaner energy base construction both domestically and internationally.

Global major hydropower project applications	Cumulative contract signings	Dry-type transformers applied in domestic wind farms	Dry-type transformers directly or indirectly exported to offshore wind farm projects abroad
400+ projects	**570+** contracts	**230+** Nos.	**18,000+** sets

Case Micro-grid Solutions continuously support the "dual carbon" goals

Under the guidance of the "Dual Carbon" goals, Jinpan Smart Technology's "User-Side Dual Carbon Digital Intelligent Micro-grid Energy Management System" project, developed in collaboration with customers, has successfully achieved power delivery and grid connection. This demonstrates the flexibility and efficiency of the solution across various applications. The system's advantages in optimizing energy structures have played a positive role in the construction of zero-carbon parks and factories. Key strengths include multi-energy complementarity and intelligent scheduling, energy data visualization and secure energy management, economic benefit enhancement with intelligent predictive optimization scheduling, and comprehensive digital energy management. The solution deeply integrates photovoltaic engineering, energy storage systems, and digital power equipment, providing solid support for micro-grid operations.

User-side dual-carbon digital intelligent micro-grid energy management system

Cultivating Robust Environmental Management

Jinpan Smart Technology is committed to supporting the construction of a beautiful China by integrating environmental protection into its corporate development and governance framework. We uphold our environmental commitments and continuously enhance our environmental management system to ensure the effective implementation of environmental management responsibilities. We strictly comply with environmental protection laws and regulations including the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, and the *Law of the People's Republic of China on Prevention and Control of Water Pollution*, as well as applicable local regulations in our operating regions. Based on our manufacturing operations characteristics, we have systematically established and implemented control procedures for wastewater and solid waste management. Through source management and process governance approaches, we strictly control resource utilization and pollutant emissions throughout production and operational processes, achieving green production and green operations. In 2025, Jinpan Smart Technology experienced no environmental violations, and emissions from production and operations did not cause significant impacts on employees or local community residents.

We have referred to relevant national standards and, in conjunction with our Company's circumstances, established environmental management objectives that cover all operational production bases of Jinpan Smart Technology (with 2024 serving as the baseline year):

Indicators	Unit	Year 2025	Year 2024	2025 vs. 2024	Target	National standards
COD Emission Concentration of Industrial Wastewater	mg/L	80.00	60.67	31.86% ↑	The discharge concentration of COD of industrial wastewater shall not exceed 150mg/L	500mg/L (Integrated Wastewater Discharge Standard-GB8978)
Volatile organic compounds (VOCs) emission concentrations	mg/m³	2.63	2.82	6.76% ↓	Volatile organic compounds (VOCs) emission concentrations shall not exceed 10mg/m³	120mg/m³ (Integrated Emission Standard of Air Pollutants (GB 16297)
Industrial wastewater discharge intensity	Tons/RMB 10,000	0.03371	0.0372	9.29% ↓	Reduce industrial wastewater discharge intensity by 10% by 2030 compared to the 2024 baseline	
Non-hazardous waste generation density	Tons/RMB 10,000	0.00507	0.0051	1.41% ↓	Reduce non-hazardous waste emission density by 5% by 2030 compared to the 2024 baseline	

Environmental management system

Jinpan Smart Technology has established a systematic institutional framework in accordance with the ISO 14001 Environmental Management System standard. The Company has developed and implemented policy documents covering all environmental impact factors, including the Water Pollution Prevention and Control Procedure, the Air Pollution Prevention and Control Procedure, and the Noise and Vibration Pollution Prevention and Control Procedure, providing robust institutional support for environmental management. During the reporting period, Jinpan Smart Technology have successfully obtained ISO 14001 Environmental Management System certification.

We actively assess the operational impacts of environmental risks. In 2025, 100% of our operating sites underwent specific environmental risk assessments, ensuring comprehensive identification and mitigation of potential ecological and regulatory risks across all facilities.

To ensure the effective operation of our environmental management system and drive the Company's transformation into a resource-efficient and environmentally friendly enterprise, we focus on the following three key areas:

Environment governance structure

The Company designates the General Manager as the primary responsible person for environmental protection. Each production base is equipped with dedicated EHS (Environment, Health, and Safety) personnel, reinforcing on-the-ground implementation and compliance. The Company has implemented systematic environmental performance management through the establishment of environmental performance indicators and clear responsible departments. This structured approach ensures that environmental objectives are aligned with business strategy.

Environmental performance structure

Jinpan Smart Technology has incorporated safety and environmental protection into the annual core performance indicators for factory general managers, establishing a robust evaluation and accountability mechanism to ensure effective implementation of environmental management goals.

Environmental management review

Jinpan Smart Technology has established its *Environmental Review Plan*, in which includes system regular internal audits and management review, management of all identified issues through a closed-loop corrective action process, ensuring sustained reduction of environmental risks.

In addition, the Company extends its environmental requirements into supply chain management by formulating green procurement policies and conducting environmental assessments of suppliers, encouraging its partners to jointly fulfill their environmental responsibilities and working together to build a sustainable green supply chain system.

Energy management

Jinpan Smart Technology strictly adheres to laws and regulations such as the *Law on Energy Conservation of the People's Republic of China*, continuously improves its energy management system, optimizes energy structure, and explores potential for energy efficiency enhancement to enhance energy utilization efficiency. As of the end of the reporting period, subsidiaries including Hainan Jinpan, Gulin Juntaifu, Wuhan Jinpan Intelligent, Shanghai Jinpan, and Yangzhou Jinpan have obtained ISO 50001 Energy Management System certification.

Optimizing energy management

Jinpan Smart Technology has independently developed and continuously upgraded multiple energy management systems centered on digitalization, establishing energy consumption data application and service systems. By leveraging intelligent monitoring and data analytics, we have innovatively advanced integrated energy management in smart parks and pioneered a distributed asset management model for industrial zones—significantly expanding system coverage and helping parks reduce their environmental footprint. Our Integrated Energy Management System (IEMS) integrates multiple advanced platforms, including: Photovoltaic Monitoring and O&M System, New Energy Centralized Control System and Virtual Power Plant (VPP) System. Through intelligent monitoring and data analysis, the system increases the proportion of clean and clean energy usage, reduces energy waste, and lowers greenhouse gas emissions. By integrating energy storage facilities and distributed energy resources, the IEMS enhances overall energy efficiency, promotes the absorption of cleaner energy, and enables cascaded energy utilization—driving green, low-carbon development across industrial parks.

Photovoltaic monitoring and operation & maintenance system

The photovoltaic (PV) monitoring and operation & maintenance (O&M) system plays a critical role in improving power generation efficiency, reducing operational costs, optimizing energy utilization, and advancing cleaner energy development. By leveraging intelligent O&M technologies, the system significantly enhances the efficiency and stability of PV power plants, minimizes downtime due to failures, and lowers maintenance expenses.

Renewable energy centralized control system

The new energy centralized control system enables unified, centralized monitoring and management of geographically dispersed substations by integrating data acquisition, control functions, and electrical energy collection with aggregated computation. Through the real-time flow of data—"connection, movement, storage, processing, and analysis"—combined with big data analytics and artificial intelligence (AI), the system guides optimized power generation strategies, reduces lost energy, and significantly improves the operational efficiency of new energy power plants.

Virtual power plant system

We successfully developed the virtual power plant (VPP) aggregation platform system for park-scale applications. Built on a cloud-edge collaborative architecture, the system integrates and coordinates distributed energy resources (DERs) within industrial parks—such as distributed photovoltaic (PV) systems and energy storage—enabling unified aggregation and dynamic dispatch. Leveraging proprietary forecasting and optimization algorithms, it achieves accurate prediction of PV generation output and real-time optimization of energy storage charging/discharging strategies, ensuring instantaneous balance between power supply and demand within the park. The system platform significantly enhances renewable energy utilization, reduces reliance on the external grid, and generates stable and substantial economic returns through participation in grid ancillary services and peak-valley price arbitrage. Core technologies have been validated and are ready for large-scale demonstration. The system will be promoted across high-energy-consumption scenarios such as industrial development zones and commercial complexes, supporting parks in achieving intelligent, low-carbon, and highly efficient operations.

Adoption of cleaner energy

The adoption of clean energy plays a crucial role in achieving carbon neutrality targets, adjusting energy structures, and promoting social harmony and economic stability. This year, Jinpan Smart Technology has actively deployed and utilized clean energy sources, including solar power, geothermal energy, and green electricity, to reduce reliance on fossil fuels. Jinpan Smart Technology continues to improve energy efficiency and increase the proportion of clean energy usage. In 2025, the Company's clean energy consumption increased by 45.35% compared to 2024, so that clean energy utilization rate in 2025 reached 89.17%.

Case Wuhan Jinpan Intelligent——Geothermal heat pump system implementation

Wuhan Jinpan Intelligent has comprehensively deployed high-efficiency geothermal heat pump air conditioning systems across factory buildings and office complexes. The integrated system combines first-grade energy efficiency geothermal heat pumps, chiller units, and air-source heat pump units, while implementing heat recovery for domestic hot water supply. This comprehensive approach delivers significantly superior overall energy efficiency compared to conventional air conditioning systems. In 2025, the system is projected to consume 2.87 million kWh of electricity, representing a 310,000 kWh reduction compared to traditional air conditioning solutions, and achieving an energy savings rate of approximately 10%, thereby effectively reducing the operational carbon emissions and energy costs.

Expected electricity use by the geothermal heat pump air conditioning system **2.87** million kWh

Saving of electricity use compared to the traditional air conditioning unit solution **310,000** kWh

2025

Jinpan Smart Technology has deployed a photovoltaic power generation project with total installed capacity of 23.75MW. During the reporting period, it has cumulatively generated 20,361,800 kWh of clean electricity, of which 15,759,600 kWh was supplied to its own factory and 4,602,200 kWh was delivered to the power grid.

Total energy consumption
6,125.39
tons of standard coal equivalent

Energy consumption intensity
0.0084
tons of standard coal equivalent
RMB 10,000 of Revenue

Cleaner energy generation
20,361,800 kWh

Total amount of solar energy used
4,790.96
tons of standard coal equivalent

Proportion of solar energy utilization
78.21%

Total amount of wind energy used
659.36
tons of standard coal equivalent

Proportion of wind energy utilization
10.76%

Carbon reduction from cleaner energy use
11,763.01
tons of carbon dioxide equivalent

Proportion of cleaner energy use
89.17%

Water resource management

Jinpan Smart Technology strictly adheres to applicable laws and regulations in its operational locations, including the *Water Law of the People's Republic of China*, the *Law on the Prevention and Control of Water Pollution of the People's Republic of China*, and the *Action Plan for Improving Industrial Water Efficiency*. The Company integrates water conservation and efficient utilization into daily operations as a core sustainability practice. The Company continuously promotes water conservation processes, and strengthens employee awareness of water conservation. These efforts collectively enhance the efficiency of water resource use across all operational sites.

We have established clear water conservation targets and implemented a series of measures focused on "reduction, reuse, and efficiency improvement."

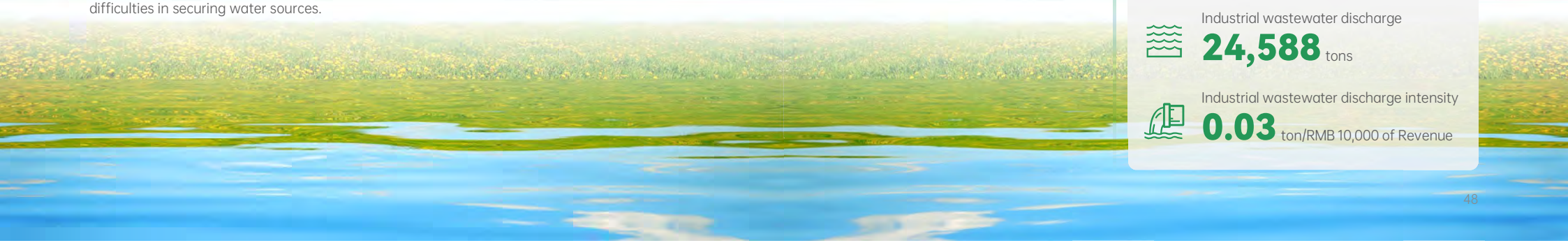
Water conservation Technologies and Equipment

The Company has fully introduced advanced water conservation equipment and implemented technical upgrades for high-water-consumption processes, significantly reducing freshwater intake at the source.

Water resource recycling

Jinpan Smart Technology implements rainwater and wastewater separation in operations and has established dedicated wastewater treatment systems in production facilities. At the Haikou Digital Factory, the "Rixin Membrane Wastewater Treatment System" is adopted to effectively remove suspended solids, organic matter, and other pollutants through physical filtration. Treated production wastewater meets the Grade II standard of the *Integrated Wastewater Discharge Standard* (GB8978-1996), enabling an average daily reuse of approximately 5 tons of reclaimed water—significantly enhancing water recycling rates. At the Shaoyang factory, cooling water operates on a closed-loop recirculation system, with no discharge to the external environment except for natural evaporation.

The Company will continue to advance refined water resource management and explore more efficient and sustainable models of water utilization, fulfilling its corporate responsibility in protecting water resources and the ecological environment. This year, the Company encountered no difficulties in securing water sources.



2025

Water consumption:
185,413.89 tons

Water use intensity:
0.25 ton/RMB 10,000 of Revenue

Water reuse volume
1,431 tons

Total quantity of water recycled and reused
1,431 tons

Water conservation
32,400 tons

Water use intensity decreased
14.88%

Industrial wastewater discharge
24,588 tons

Industrial wastewater discharge intensity
0.03 ton/RMB 10,000 of Revenue

Waste gas management

Jinpan Smart Technology strictly adheres to the *Integrated Emission Standard of Air Pollutants* and all applicable national and local environmental regulations, implementing systematic and standardized management of waste gas emission production operations.

To continuously minimize environmental impact, ensure compliance with emission standards, and achieve waste gas emission targets, all production bases of the Company are equipped with comprehensive waste gas collection systems and end-of-pipe treatment facilities as required by environmental impact assessments. These systems ensure that waste gases are effectively collected and treated through environmental protection equipment before reaching standard emission levels. Simultaneously, each factory actively implements process optimization and equipment upgrades to reduce waste gas generation at the source.

Case Adoption of grinding-free casting process — preventing dust generation at the source and reducing material waste

To promote environmentally friendly manufacturing, Jinpan Smart Technology has introduced a "grinding-free process" in the coil casting process. By placing a specialized composite film between the coil surface and the mold joint, resin flash is effectively isolated during casting. After curing, the film is simply peeled off, eliminating the need for post-processing grinding.

2025

Nitrogen oxide (NOX) emissions	Sulfur dioxide (SO2) emissions	Volatile organic compounds (VOCs) emissions	Particulate emissions
0.93 tons	**0** tons	**0.51** tons	**4.47** tons

Packaging materials and waste

Under the guidance of circular economy principles, Jinpan Smart Technology is committed to advancing the green transformation of packaging materials and implementing systematic waste governance. The Company integrates ecological design, waste minimization, and harmlessness into every stage of production and operations, actively building a resource recycling system that spans the entire product lifecycle. To reduce environmental impact from the source, the Company continuously promotes cleaner production and process improvements. This includes the widespread adoption of low-volatility raw materials, optimization of coating processes to minimize emissions, and the introduction of solvent recovery equipment.

Waste disposal

Jinpan Smart Technology complies with the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution and the Guidelines of the People's Republic of China on the Establishment of Management Ledgers for Industrial Solid Wastes (Trial), in alignment with national and local regulatory updates. Integrated with the ISO 14001 Environmental Management System, the Company has established a comprehensive waste lifecycle management framework. Clear responsibilities are defined across organizational levels, driving systematic reduction, resource recovery, and safe disposal of waste to minimize environmental impacts from production and operations.

After systematic categorization and collection, the collected waste is transferred to qualified third-party partners for resource recovery or compliant disposal

All wastes are uniformly handled by professional sanitation departments to ensure proper processing.

It is temporarily stored in a dedicated storage area with anti-seepage, leak-proof and rainproof measures as well as warning signs. A licensed entity is entrusted with its safe disposal, with the implementation of transfer manifest and account management in accordance with the law, and regular filings are submitted to the regulatory authorities.

In addition, the Company has strengthened source control in the storage of liquid materials and chemicals through engineering measures, including the installation of leak containment sumps, dedicated chemical storage cabinets, epoxy resin flooring, and spill collection systems. These enhancements effectively prevent leakage and eliminate contamination risks.

Packaging greening and circularity

To achieve waste reduction target and build a green enterprise, Jinpan Smart Technology has signed the *Commitment Letter for the Green Packaging Action Plan* and the *Joint Implementation Commitment for Green Packaging*. The Company has established and refined a series of institutional frameworks, including the *Product Packaging Procurement Policy*, *Product Packaging Management System, and Packaging Recycling and Reuse Management Measures*, to standardize green packaging procurement and promote closed-loop recycling operations.

- Jinpan Smart Technology has formulated and implemented the *Green Packaging, Warehousing, and Transportation (Implementation Plan)*, systematically advancing the lightweighting, circularity, and low-carbon transformation of packaging materials.
- Within internal logistics, the Company has actively promoted reusable metal packaging and transfer racks, replacing single-use wooden and paper-based materials. This shift has significantly reduced annual packaging waste generation.
- Jinpan Smart Technology conducts full lifecycle assessments of packaging systems, optimizing structural design. In 2025, through structural lightweighting improvements to transformer bases, the Company achieved reduced material consumption while fully maintaining transportation safety.

Promote waste reduction at source systematically

Jinpan Smart Technology is systematically advancing mechanism for packaging recycling and reuse, collaborate with suppliers to achieve targeted recovery and reuse of packaging materials, and proactively respond to and implement specific packaging recovery requirements from customers.

To support continuous optimization, the Company leverages its self-developed digital systems—including MES and the energy management platform—to achieve full data traceability and visualized management of waste generation, transfer, and disposal. This year, Jinpan Smart Technology has met Haikou City's "Zero-Waste Factory" construction assessment requirements and obtained the "Zero-Waste City Cell" certification.

案例 Jinpan Smart Technology's Haikou Digital Factory has implemented solvent recovery technology to achieve source reduction of hazardous waste and resource recycling.

In order to practice green production, Jinpan Smart Technology's Haikou Digital Factory has introduced advanced solvent recovery equipment in the core spraying process to efficiently recover and treat waste diluent from cleaning spray guns. This equipment can recycle 95% or more of waste organic solvents, achieving resource recycling and reuse.

Following project implementation, the workshop has significantly reduced its annual thinner consumption—approximately 2,500 liters per year—effectively minimizing hazardous waste generation and emissions at the source. This proactive approach not only alleviates environmental burden but also reduces raw material procurement costs and hazardous waste disposal expenses.

2025

Total non-hazardous waste
3,701.63 tons

Kitchen waste
0 tons

Total hazardous waste
106.55 tons

The total amount of operational waste transferred from landfills accounts for
66.03%

Non-hazardous waste intensity
0.00507
ton/RMB 10,000 of Revenue

Quantity of waste cardboard
199.09 tons

Total amount of hazardous waste
0.000146
kg/RMB 10,000 of Revenue

Empowering a green ecosystem

Jinpan Smart Technology is committed to building green products through eco-friendly materials and design, optimizing production processes to reduce energy consumption and waste, and implementing intelligent operation & maintenance and recycling systems. The Company conducts comprehensive lifecycle assessments to minimize environmental impact. Beyond manufacturing, the Company actively promotes natural ecosystem protection, practices green office initiatives, and drives green transformation across the industrial chain, reinforcing our responsibility in building a sustainable future.

Green products and circular economy

Jinpan Smart Technology prioritizes the design and R&D of green products, integrating circular economy principles into the entire product lifecycle. The Company is committed to maximizing resource efficiency and minimizing environmental impact through systematic optimization in design, production, and end-of-life recovery. A clear resource recycling target has been established and embedded across R&D, manufacturing, operations, and service delivery.

The Company conducts a full lifecycle environmental impact assessment for dry-type transformers, analyzing environmental impacts at each stage and using it as a reference for environmentally friendly and green design throughout the product's lifecycle.

Green design: Source prevention and material circulation

Jinpan Smart Technology integrates ecological design principles at the earliest stage of product development, prioritizing the use of renewable and recyclable materials—such as bio-based plastics and recycled metals—while strictly controlling hazardous substances in compliance with international standards like RoHS. Through modular design and ease-of-disassembly structures, the Company enhances product repairability, upgradability, and end-of-life material recovery efficiency. In parallel, the Company actively advances packaging lightweighting and structural optimization, reducing raw material usage without compromising transportation safety.

Cleaner production: Resource conservation and process recycling

Jinpan Smart Technology has fully implemented energy-efficient equipment and green manufacturing processes across production operations, significantly reducing energy consumption and greenhouse gas emissions. Simultaneously, we enforce strict waste management practices to ensure that all waste is properly disposed of and recycled and utilized, minimizing the burden on the environment. In terms of supply chain management, we collaborate with suppliers who exhibit a strong environmental awareness to ensure that our raw material sources meet sustainability standards.

Intelligent operations: Extending equipment lifespan and enhancing energy efficiency

Jinpan Smart Technology leverages IoT and intelligent management systems to enable real-time monitoring and predictive maintenance of critical equipment such as energy storage systems. This proactive approach extends equipment service life, improves operational efficiency, and reduces resource waste caused by unexpected failures or performance degradation.

Recycling: Closed-loop system and value regeneration

We closely collaborate with professional recycling agencies to devise comprehensive recycling plans and implements integrated recovery solutions across products, packaging, and production waste. We adopt tailored recycling methods for different material types, minimizing the accumulation of harmless waste and mitigating the environmental impact of hazardous waste, thereby lowering production costs and resource consumption.

Product and packaging recycling

Jinpan Smart Technology collaborates with professional recycling agencies to develop differentiated recycling solutions, and implements targeted recovery and re-circulation of packaging materials such as transport pallets according to specific customer requirements.

Internal circulation practices

Jinpan Smart Technology promotes the use of reusable metal packaging in intra-group logistics, replacing disposable wooden and paper-based materials, significantly reducing packaging waste and associated carbon emissions.

Resource recovery of production by-products

Through process optimization and technology adoption (e.g., the solvent recovery system at Haikou factory), Jinpan Smart Technology enables circular utilization of by-products such as waste solvents and off-cuts, reducing hazardous waste generation.

The percentage of waste electrical and electronic equipment (WEEE) collected by the Company in the current year relative to the total amount of electrical and electronic equipment (EEE) placed on the market is 0.0545%.

0.0545 %

Case Promoting reusable metal packaging for green logistics

To reduce packaging waste and lower carbon footprint in logistics, Jinpan Smart Technology has systematically promoted the use of reusable metal packaging for internal cargo transportation among its major production bases in Haikou, Wuhan, and Guilin. Designed with robust structure and high durability, this reusable packaging effectively replaces traditional single-use wooden and paper-based materials.

This initiative has not only significantly reduced the generation of packaging waste, but also lowered carbon emissions associated with the production and disposal of packaging materials.

Green office initiatives

Jinpan Smart Technology integrates green office principles into its daily operations and corporate culture, actively promoting and practicing low-carbon, environmentally friendly work and lifestyles. We encourage all employees to participate in sustainability efforts, starting with small daily actions such as green commuting, paperless office practices, and resource conservation, collectively building a sustainable work environment.

To systematically advance carbon reduction in office operations, the Company continuously improves its greenhouse gas accounting system, gradually expanding the scope of Scope 3 emissions calculations to enhance the completeness and transparency of carbon management. Additionally, we implement a group-wide paper conservation and recycling program, encouraging employees to adopt double-sided printing and reuse single-sided paper, thereby reducing paper consumption.

In terms of process digitization, the Company has established a unified electronic seal management platform, fully promoting online contract and document signing. This not only improves operational efficiency and compliance management but also significantly reduces the use of paper documents, achieving dual goals of resource conservation and process optimization. In 2025, the overall usage rate of electronic seals reached nearly 50%.

Biodiversity conservation

Jinpan Smart Technology systematically assesses and manages the potential negative impacts of its business activities on the ecological environment in accordance with the laws, regulations, standards, and technical requirements of its operational locations. The Company continuously improves and optimizes environmental protection measures to safeguard local ecosystems.

Throughout the project development, construction, and operation phases, Jinpan Smart Technology maintains ongoing attention to ecological impacts, strictly adheres to national and local ecological redline controls, and prevents harm to biodiversity and ecosystems. The Company respects and values biodiversity in areas surrounding its operations, minimizing disruption to the natural environment through scientific site planning and rational greening practices. This year, the Company conducted due diligence on ongoing construction projects and commissioned third-party environmental assessments. The Data Center Power Module and High-Efficiency Energy-Saving Power Equipment Intelligent Manufacturing Project (Tongxiang) underwent an environmental impact assessment by a professional external firm, strictly adhering to the "Three Simultaneities System" environmental protection requirements. Pollutant substitution and reduction measures were implemented to ensure environmental compliance during construction and prevent ecological impacts. Prior to construction, the Company's Shaoyang green industrial park conducted detailed assessments of potential impacts on vegetation, wildlife, soil erosion, and landscape during both construction and operational phases. The layout was optimized to avoid ecologically sensitive areas, and construction practices were standardized to reduce vegetation compaction and disturbance. In terms of ecological compensation, a professional team designed the greening plan, achieving a green space ratio exceeding 20%. Comprehensive baseline surveys of the local ecological conditions were also carried out.

This year, the Company has not conducted any production or operational activities within ecological protection redline zones, nor has it caused direct or significant impacts on key ecological function areas—whether terrestrial or marine—protected areas, or other ecologically sensitive and vulnerable regions. Moving forward, we remain committed to the principle of "ecological priority, green development." The Company will continue to monitor policy updates and ecological changes, enhance environmental management capabilities, and actively fulfill its corporate responsibility for ecological conservation. By doing so, we aim to contribute to the harmonious coexistence of humanity and nature.

Social

Co-Creating Value through Innovation for a Shared Future

"We are grounded in professional expertise, committed to delivering high-quality products and services to our customers.

Talent is the core driver of our Company's growth, we deeply value the development of every employee and strive to foster a diverse, equitable, and inclusive workplace where individuals are empowered and collaborate to continuously create value.

Simultaneously, we actively fulfill our social responsibilities by supporting rural revitalization and promoting social inclusion, partnering with stakeholders to build a sustainable future together."

Our Actions

Jinpan Smart Technology drives sustainable development through innovation, delivering lasting value to customers with exceptional product quality. We advance hand in hand with partners to propel industry progress and upgrading, grow alongside our employees, and empower every individual to achieve extraordinary potential. Simultaneously, we actively engage in rural development, uniting with stakeholders to foster an inclusive and sustainable future together.

Our performance

Total amount of R&D investment

RMB **357** million

Total employee training duration:

185,100 hours

Customer satisfaction

98.39%

Number of suppliers

1,591

Number of employees

2,286 employees

Achieving Excellence Together with Our Stakeholders

Jinpan Smart Technology firmly believes that the value of a corporation lies not only in commercial success, but also in its commitment to giving back to society. We see ourselves as an integral part of societal progress, dedicated to building a win-win ecosystem that transcends mere business transactions—forging deep emotional connections and a shared value community with employees, customers, communities, and all stakeholders. Through sustained philanthropy, employee care, and community co-construction, we strive to transform compassion into action and embed responsibility into our growth. On the path toward excellence, we walk hand in hand with partners, jointly writing a more humane and accountable chapter of business—one that not only elevates our own achievements, but also contributes to the creation of a better, more inclusive society.

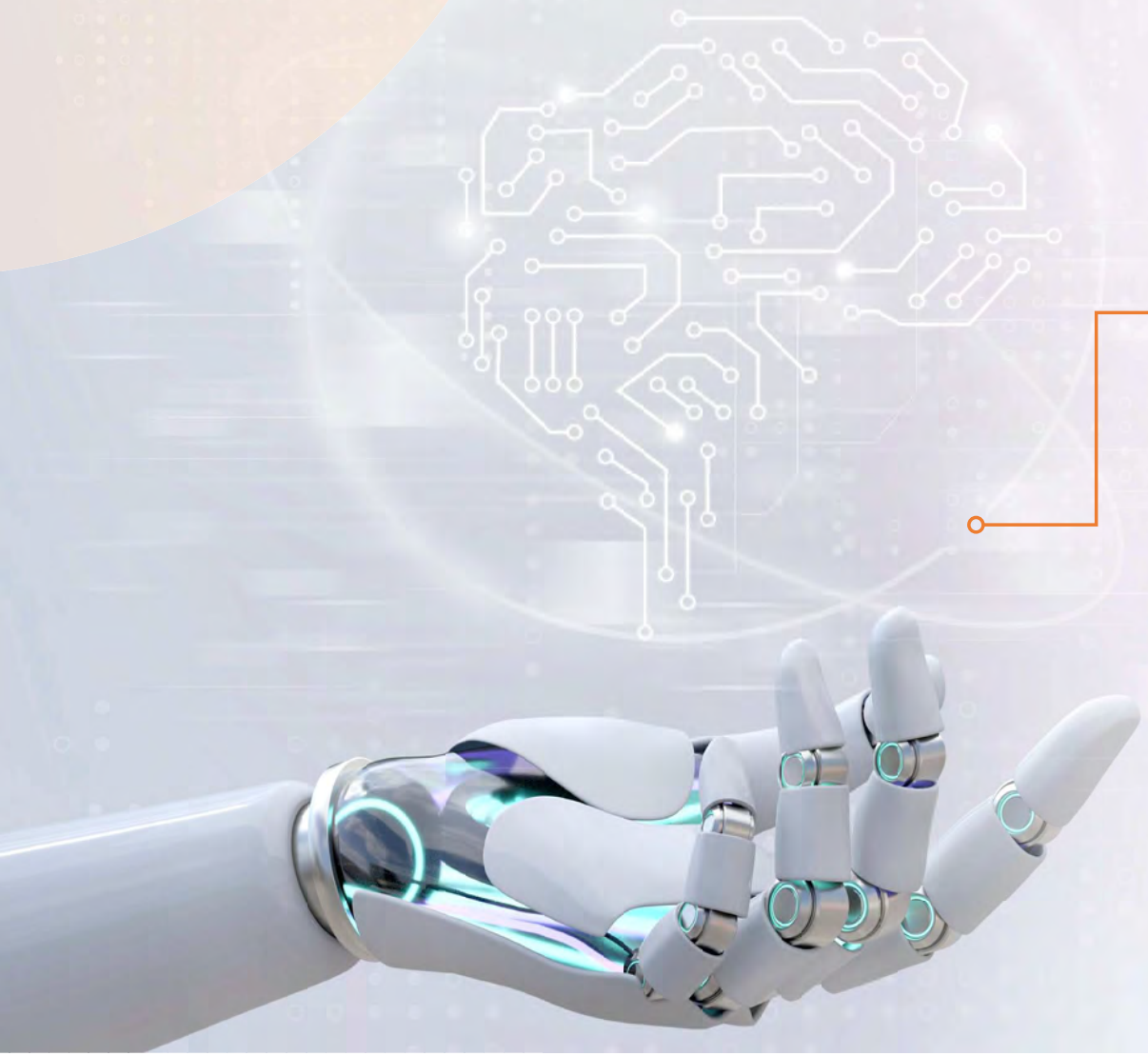
R&D and innovation

We are committed to driving development through innovation, delivering high-quality products and services to our customers, and creating richer value. We collaborate closely with customers, actively respond to diverse needs, continuously enhance service experiences, and achieve mutual growth.

Governance

We continue to adhere to the guiding principles of the *R&D Project Management System* and *the Major Technical Development Project Incentive System*, while further optimizing project categorization and incentive criteria to align innovation with strategic development directions. This initiative aims to sustainably drive technological breakthroughs, motivate specialized talent to deepen their expertise in core technology R&D, and actively tackle industry-wide key technical challenges.

Jinpan Smart Technology firmly regards innovation as the fundamental source of sustainable development and value creation, having established a multi-level R&D architecture aligned with the Company's strategic objectives to conduct forward-looking research. Simultaneously, each product line division closely revolves around market demands, continuously iterating and innovating to deliver solutions tailored to key application scenarios—including energy and power systems, energy storage applications, and digital manufacturing models.



Strategy

We consistently adhere to the interweaving and resonance of incremental innovation and leapfrog innovation, with intelligent manufacturing as the core driver. By continuously investing in R&D, exploring cutting-edge technologies, and strengthening our systems, we steadily enhance our core competitiveness. In our innovation decisions and practices, we remain committed to following scientific ethics and upholding the spirit of science, ensuring that technology development and business expansion always serve the long-term goals of sustainable development, fully realizing the positive value of R&D and innovation.

In 2025, we are steadily advancing our strategic transformation from digitalization to AI integration. By achieving full coverage of AI products across the industry chain, integrating AI technology with digital manufacturing platforms to fully realize the transformation of intelligent manufacturing, and breaking through with high-performance new materials to build core barriers upstream, we have made forward-looking strategic initiatives in achieving global market coverage, shaping a new ecosystem for intelligent manufacturing.

Impact, risks and opportunities

We recognize the opportunities, impacts, and potential risks brought by R&D innovation.

In innovation management, we strictly adhere to the *Innovation (Management) Regulations* for project evaluation and incentive programs. By refining evaluation dimensions and scoring criteria, we ensure that all projects are systematically and fairly assessed across three critical dimensions—economic benefits, technological foresight, and practical application value—thereby safeguarding the efficient allocation of innovation resources and alignment with strategic priorities.

As of now, the Company has not experienced any violations of scientific ethics during the reporting period, nor has it been subject to investigation or penalties by competent authorities; accordingly, there are no internal investigations, accountability actions, or special rectification measures requiring disclosure. The Company will continue to strengthen scientific ethics education and refine review processes to ensure that all R&D and innovation activities fully comply with laws, regulations, and ethical standards.

In term of talent acquisition and development, Jinpan Smart Technology actively recruits and cultivates high-caliber R&D talent through deep collaborations with universities and research institutions, and actively participates in the application for key technological projects and major research initiatives. The Company has placed "talent-driven development" at the core of its strategic framework, implementing precise and efficient talent allocation around cutting-edge product lines such as Solid-State Transformers (SST) and data center power modules, thereby laying a solid foundation for sustainable growth.

Case Construction of the Power Module R&D Team

The Company focuses on the research and development of cutting-edge technology products such as solid-state transformers (SST) and HVDC, continuously driving technological upgrading and industrial transformation in energy power equipment. We adhere to a dual-track R&D talent strategy of "internal cultivation + external recruitment," systematically building a sustainable innovation system. Internally, we strengthen the development of core talent echelons; externally, we have launched special recruitment programs with prestigious universities including Harbin Institute of Technology, Huazhong University of Science and Technology, Wuhan University, and Jilin University, widely attracting high-potential professionals in fields such as power electronics and control algorithms. A comprehensive incentive system combining "salary security + project bonuses + equity incentives" has been established to solidify the foundation of our talent pipeline.

Case Robotics Division Talent Acquisition and Development

Jinpan Robot (Wuhan) Co., Ltd., a subsidiary of Jinpan Smart Technology, has established a sustainable R&D innovation system through a "Talent, Platform, Ecosystem" tripartite strategy. In 2025, the Company implements a dual-driver approach of "internal cultivation + external recruitment," launching targeted campus hiring initiatives in partnership with key domestic universities such as Huazhong University of Science and Technology and Wuhan University to actively attract cross-disciplinary talent in machine vision and AI algorithms, thereby strengthening its technological innovation momentum.

Case Dry-Type Transformer Department Simulation R&D Team Cultivation

In 2025, Jinpan Smart Technology's Dry-Type Transformer Department established a simulation R&D team, collaborating with key universities for training and capacity building to integrate multidimensional simulation capabilities—including fluid thermal simulation, electromagnetic simulation, mechanical vibration simulation, and transformer noise simulation. We employ a comprehensive incentive system combining compensation, project bonuses, and equity incentives, thereby deeply aligning individual interests with the Company's long-term development.

Indicators and targets

The Company, through sustained investment and innovative practices in frontier technology fields, has been awarded multiple prestigious industry honors during the reporting period, fully reflecting the high recognition of its R&D capabilities and technological achievements by the industry.

Jinpan Smart Technology's key R&D project in 2025

Solid-state Transformer for Data Center Applications

This product is designed for HVDC 800V power supply architectures, offering advantages in high-efficiency energy conversion, rapid response, and high integration, marking a significant achievement for the Company in the field of next-generation data center power supply technology.

66kv Prefabricated Renewable Energy Substation ((Q)yb-72.5/1.14-5500)

The substation significantly reduces on-site construction time, enabling rapid commissioning and accelerated revenue generation. Integrated with intelligent monitoring systems and high-reliability components, it operates robustly in complex environmental conditions, ensuring efficient and dependable performance throughout its entire lifecycle.

Offshore Wind Power 16mw-35kv Dry-type Transformer

The project is applied to offshore wind turbine units. It employs an air-water cooling system for dry-type transformers to isolate them from the marine environment, thereby enabling reliable operation of dry-type transformers under conditions of high corrosion and high humidity.

Dry-type Transformer, Climate Class C4, Environmental Class E4

The transformer of this rating is designed for deployment in arid and harsh desert environments, further enhancing insulation performance and operational stability under extreme conditions of low temperature, high-salt-fog, and high humidity.

Liquid-immersed Transformer

The first 110kV/80MVA customized liquid-immersed power transformer has been successfully exported to the European market and energized in a key project in Germany.

The liquid-immersed power transformers, with a maximum delivered voltage rating of 345 kV and maximum capacity of 150 MVA, provides robust and reliable equipment support for global green energy infrastructure development.

Intelligent Welding Robot

Successfully developed multiple intelligent industrial robots and a new generation of vision-based intelligent welding systems. The intelligent welding robot product was awarded the "Weike Cup · OFweek 2025 China Industrial Automation and Digitalization Industry Excellent Product Award" at the WAIE 2025 (6th) China Intelligent Manufacturing Digital Transformation Conference, fully reflecting the industry's high recognition of the Company's technological innovation and market value.

25MW/35kv HV Direct-connected Energy Storage System

Successfully passed the Hardware-in-the-Loop (HIL) testing certification by the China Electric Power Research Institute, signifying that the core technologies of the Company's grid-forming high-voltage direct-connected energy storage system have been validated, laying a solid technical foundation for the industrialization and commercial deployment of this technology.

Case Weike Cup Excellence Award

The intelligent welding robot product of Jinpan Robot (Wuhan) Co., Ltd. was awarded the "Excellent Product Award" at the WAIE 2025 China Intelligent Manufacturing Digital Transformation Conference & Weike Cup Awards Ceremony, hosted by OFweek, after being comprehensively evaluated by the conference review panel across multiple dimensions including technological innovation, market application value, and industry influence.

The product integrates AI algorithms with advanced welding processes, featuring intelligent perception and self-adaptation, high-precision operation, and flexible compatibility. It is designed to address widespread industry challenges in welding quality consistency, adaptability to complex working conditions, and skilled workforce development.

Currently, the product is widely deployed in structural steel welding applications across construction, shipbuilding, bridge engineering, and heavy machinery sectors. It continues to deliver smarter, more efficient, and reliable welding solutions, demonstrating significant value in advancing the intelligent transformation of manufacturing.

Case Hainan Provincial Enterprise Innovation Award

Jinpan Smart Technology was awarded the newly established "Hainan Provincial Enterprise Innovation Award (Enterprise Technology Innovation Category)" at the 2025 Hainan Science & Technology Awards Conference, highlighting its outstanding capabilities in technological innovation and achievement transformation. Based on a systematic innovation ecosystem, the Company has built multi-level R&D platforms and refined incentive and management mechanisms to continuously drive digital, intelligent, green, and low-carbon transformation. Multiple products have been listed in the provincial "First-of-a-Kind Equipment" catalog and the Company has received major honors including the National Manufacturing Single Champion and National Enterprise Technology Center. As a global power equipment supplier, Jinpan Smart Technology leverages technological innovation to upgrade the industrial chain, practices ESG principles, and provides strong support for the development of the Hainan Free Trade Port and the realization of China's "Dual Carbon" goals.

Case Second Prize in the Hainan "Data Elements ×" Competition

Jinpan Smart Technology won the second prize in the 2025 Hainan "Data Elements ×" Competition for its Industry Chain Collaborative Development Platform Based on Data Elements. The project leverages a proprietary data mid-platform, industrial algorithm models, and an industry chain collaboration mechanism to build a full-chain data circulation system covering design, production, supply chain, and energy management, enabling efficient data utilization and value realization. It has been successfully implemented in multiple digital factories, significantly enhancing operational efficiency. The Company continues to advance data assetization, with its data assets listed for trading and achieving DCMM Level 3 certification, marking a new stage in its data management capability. This achievement highlights Jinpan Smart Technology's role in empowering manufacturing through data, driving industrial chain collaboration, and fostering the growth of new-quality productive forces.

Innovation in 2025:

Total amount of R&D investment

RMB **357** million

Proportion of total revenue

4.90%

R&D team has

400 persons

Accounting for

17.5%

R&D Progress and Achievements in 2025:

Accumulated number of patents obtained

356 items

Invention patents

73 items

Utility model patents

271 items

Design patents

12 items

Cumulative participation in standards preparation

18 items

Total of new standards

4 items

Intellectual property protection

We continuously improve our intellectual property management system, strictly comply with laws and regulations such as the Patent Law of the People's Republic of China, the Trademark Law of the People's Republic of China, and the Copyright Law of the People's Republic of China, as well as local regulatory requirements. We promptly update and implement the Intellectual Property Management System, standardizing the processes for application, approval, and management of intellectual property. Through real-time monitoring and control of intellectual property applications and associated costs, we dynamically track application progress and data across all production bases, providing robust support for the Company's overall intellectual property strategy and planning.

We have fully integrated an intellectual property risk early-warning and control mechanism into our enterprise risk management framework, ensuring that all relevant departments perform their duties in accordance with the law and collaborate effectively across all stages—including innovation and R&D, patent applications, and copyright registration—to systematically prevent legal risks associated with intellectual property.

The Haikou Intellectual Property Protection Center was officially inaugurated and commenced operations on September 30, 2025. Jinpan Smart Technology has been successfully included in the first batch of fast-track pre-examination filing entities, becoming one of the earliest beneficiaries of the Hainan Free Trade Port's intellectual property fast-track examination channel—a critical step toward accelerating the confirmation of corporate innovation outcomes and enhancing core competitiveness.

Product quality and safety

Governance

We have established a systematic product quality and safety management system, clarifying responsibility and accountability, standardizing processes, and committing to continuous improvement, ensuring end-to-end control and reliability from R&D to delivery, thereby providing a solid foundation for product safety and customer trust.

We serve as the core functional department responsible for quality, safety, and compliance management across the enterprise, fully leading internal audits of the three integrated management systems — Quality, Environmental, and Occupational Health & Safety (OHS) — while coordinating and managing responses to third-party external audits to ensure the sustained effectiveness and full compliance of these systems. The Quality Safety Management Department organizes and oversees audit and verification activities for the Energy Management System at all production bases, driving the implementation of energy-saving and consumption-reduction targets. In safety management, we facilitate the hierarchical signing of Work Safety Responsibility Agreements across all bases and subordinate units, clearly defining safety responsibilities at every organizational level and position, thereby establishing a comprehensive "horizontal to the edge, vertical to the bottom" enterprise-wide safety accountability network. Additionally, the Quality Safety Management Department routinely conducts EHS (Environmental, Health, and Safety) operational supervision and inspections at all bases to ensure all management practices are legally compliant, uphold operational integrity, and systematically prevent and mitigate operational risks.

Wuhan Jinpan Intelligent Technology Co., Ltd. 2025 Safety Conference and Signing Ceremony for the Work Safety Responsibility Agreement

Strategy

The Company has continuously enhanced its product quality control capabilities. The Quality DQM Digital Management Platform has achieved systematic and digital upgrading of quality control by integrating end-to-end data from material inbound to product outbound, breaking down information silos, and establishing a visualized and traceable quality data system covering the entire manufacturing process.

In term of key process optimization, both Incoming Inspection and Outgoing Inspection stages have been upgraded in priority. The incoming inspection process has been transformed into a fully systematized management workflow, spanning from human-machine interaction to automated data output. In the outgoing inspection phase, a standardized inspection mechanism has been established, integrated with error-proofing management protocols, effectively reducing errors and oversights.

In addition, we have established a systematized quality management mechanism anchored on the platform, clearly defining quality accountability nodes across all process stages and standardizing data reporting protocols. This enables a closed-loop system spanning quality early-warning, root-cause analysis, and corrective action tracking, laying a solid foundation for enhanced product consistency and market competitiveness.

Impact, risks and opportunities

We recognized the profound impact of product quality and safety on customer trust, corporate reputation, and sustainable development — along with the associated risks and inherent opportunities. In response, we continuously optimize and enhance our Quality Management System (QMS), updating quality policies and procedures to comprehensively cover product design, manufacturing, and quality control, thereby further ensuring product quality and safety while strengthening the standardization and sustainability of our internal quality framework. In 2025, each of our manufacturing bases will revise their respective *Quality Manual, Environmental and Safety Manual*, and related procedural documents in alignment with base-specific operational requirements, ensuring full compliance with system performance criteria and driving a holistic improvement in the standardization of corporate operations.

The Company continuously monitors potential risks that may impact product safety and consistency. In alignment with this commitment, we rigorously enforce the requirements from procedures such as the *Production and Service Provision Control Procedures* and *Nonconforming Product Output Control Procedures*, fully implement verification and testing procedures for product quality, and systematically initiate product recall protocols for confirmed nonconforming products — ensuring end-to-end effective management of quality risks.

Indicators and targets

In 2025, Jinpan Smart Technology's one-time passing rate of finished products reached **98.81%**.

In 2025, there were **no incidents** of product recalls due to safety and health reasons at the Company.

The Company and its subsidiaries have both obtained ISO9001 quality management system certification. In 2025, the Company achieved a series of significant milestones in international product certification and quality system development, laying a solid foundation for expanding into global markets.

The Company systematically implemented quality system compliance initiatives during the reporting period and organized specialized training for mid-to-senior management personnel. The training focused on the practical implementation and value enhancement of the quality system, aiming to strengthen the management team's understanding and execution of quality strategy, while elevating the professional competence and value-creation capacity of the quality management workforce.

Marketing and Customer Service

The Company systematically optimized its after-sales management system through comprehensive upgrades to policies and processes, significantly enhancing service response speed and service quality. A series of institutional guidelines—including Customer Service Behavior Standards and Requirements, *Sales Contract Signing and Management Regulations, First-Point Responsibility System for Sales*, and *Customer Service Behavior Code*—were formally developed and implemented to standardize service procedures and behavioral benchmarks, continuously improving service quality and customer satisfaction. In 2025, Jinpan Smart Technology achieved a customer satisfaction rate of 98.39%.

The Company continues to expand the scale of its factory service teams, implements specialized skill training and service capability enhancement programs, and optimizes internal collaboration processes by establishing clear factory collaboration rules and accountability mechanisms to ensure efficient integration of service resources, thereby providing customers with more professional and timely technical support and after-sales assurance.

The Company continues to build an efficient integrated after-sales management system, aiming to fully connect internal and external data interfaces, eliminate information silos, and achieve integrated sharing of cross-system and cross-departmental data. The system enables field service personnel to real-time collect and register equipment operating conditions, inspection data, and maintenance records, with automatic upload and real-time synchronization of data, unlocking its latent value to provide reliable data support for full product lifecycle management. Additionally, the system integrates AI-powered intelligent analytics to assist management decision-making, further enhancing the efficiency and precision of decisions, and empowering operational optimization and strategic planning.

Case Conduct training on AI-Generated Content (AIGC)

The Company has organized a series of systematic training programs for its after-sales and related teams, covering technical frontiers, business processes, service standards, and intelligent tool applications, with the aim of comprehensively enhancing professional competence and service quality. In exploring technical frontiers, specialized training on AI-Generated Content (AIGC) was conducted, systematically introducing advancements in multimodal technologies, industry-specific applications, potential risks, and ethical guidelines to help teams understand emerging trends and practical implementation pathways. Concurrently, multiple hands-on training sessions were held to demonstrate the application of AI tools in real-world after-sales scenarios—including document generation, fault diagnosis, data analysis, and resource scheduling—empowering teams to leverage intelligent tools for improved service efficiency and enhanced decision-making support.

Training on AI-Generated Content (AIGC)

Case Full-process customer service training program

To enhance business processes and standardize operational practices, we have conducted comprehensive end-to-end operational training across integrated systems including CRM, OA, and SAP, ensuring that after-sales teams proficiently utilize digital tools to standardize and streamline business processes. In parallel, targeted training on service behavior standards has clearly defined service protocols and disciplinary requirements, advancing the standardization and professionalization of service delivery. This year, a series of after-sales-related training sessions were delivered, reaching over 380 participants across after-sales teams and related personnel, systematically supporting team capability building and the continuous optimization of the service system.

Under the strategic guidance of comprehensively advancing AI-driven transformation, the Company actively seizes opportunities in artificial intelligence, deeply integrating AI technology with digital platforms to systematically enhance the intelligence and standardization of customer service and after-sales support systems.

The Company leverages the CRM platform to embed digitalization into the customer service lifecycle, achieving end-to-end, one-stop management of project tracking, registration, bidding and quotation, contract signing and execution, and beyond—significantly enhancing customer relationship management and delivering more economical, convenient, and thoughtful products and services. Simultaneously, the Company has introduced AI tools powered by prompt engineering to construct an intelligent service architecture endowed with contextual memory and knowledge base retrieval capabilities, effectively accelerating service response times and improving processing accuracy.

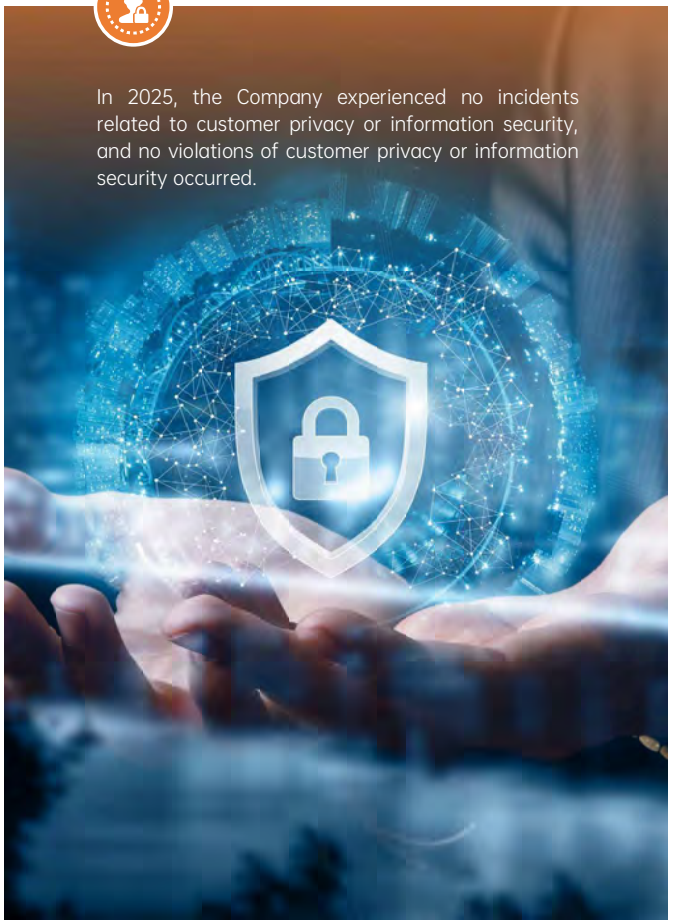
The Company has established the "Kass Cloud" online document management platform, achieving digital integration and collaborative sharing of after-sales guidance videos, management systems, and other resources. This initiative provides frontline teams with real-time, standardized knowledge support, reinforcing service standardization and operational compliance. Together, these measures have propelled the service system's continuous evolution toward intelligence and systematization, laying a solid foundation for the Company's innovative development and enhanced competitiveness in the digital and intelligent era.

Customer privacy and information security

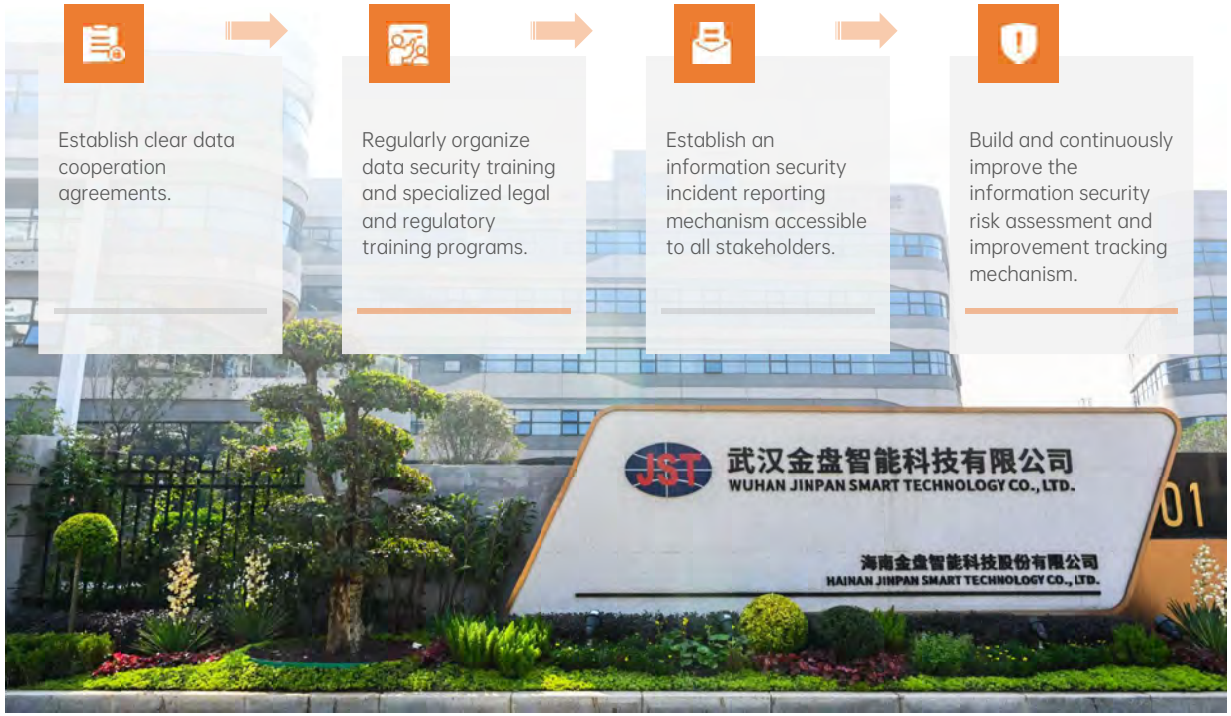
We place high importance on information security and data protection, strictly complying with relevant laws and regulations including the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law*, and the *Personal Information Protection Law*. To ensure clear accountability in compliance management, the Company has established institutional frameworks such as the *Customer Information Security and Confidentiality Management System* and the *Data Security Management Measures*, clearly defining responsibility structures, core principles, and management procedures. Regular data security audits are conducted in accordance with the *Data Security Audit Specifications*, covering critical areas including access control, data transmission, backup and recovery, and user permission management. Identified issues are promptly rectified and continuously monitored to ensure the effective operation of the data security mechanism.

To effectively safeguard customer privacy and information security, the Company has implemented a multi-layered technical protection framework, including HTTPS encryption, Access Token authentication, and network firewalls, comprehensively strengthening the security of data interfaces and transmission pathways.

The Company is advancing data integration and business collaboration across core enterprise systems—including ERP (Enterprise Resource Planning), PLM (Product Lifecycle Management), MES (Manufacturing Execution System), SRM (Supplier Relationship Management), and CRM (Customer Relationship Management)—to build a digital management system covering the entire product lifecycle. This initiative not only enhances operational efficiency but also significantly strengthens the overall security and reliability of data.



We have established clear data cooperation agreements that meticulously define critical matters including the purpose of data use, scope of sharing, security responsibilities, confidentiality clauses, and ownership of data. In addition, in accordance with the *Data Security Management Measures*, the Company regularly organizes data security training to enhance employees' awareness and competencies in data protection. Guided by the objective of "strengthening compliance awareness and solidifying professional boundaries," a series of specialized legal and regulatory training programs are conducted. Training content shall include, but not be limited to: data security regulations, the Company's data security policies, secure operational procedures, and risk awareness. New employees must receive initial data security training through the Human Resources Department upon joining the company, and employees undergoing position changes shall undergo targeted training aligned with the requirements of their new roles.



We have established a publicly accessible information security incident reporting mechanism for all stakeholders, enabling employees, customers, partners, and other relevant parties to report suspected risks or violations involving the Company's data security, privacy protection, or information system integrity through designated channels—either under their real names or anonymously. The Company commits to maintaining strict confidentiality of all reported content and will promptly initiate internal investigation procedures to verify and address each submission, ensuring that every feedback is treated with seriousness and impartiality.

The Company has established and continuously improved an internal information security risk assessment and improvement tracking mechanism, conducting regular, comprehensive, and systematic risk assessments to identify potential threats and vulnerable points, and integrating assessment outcomes with corrective actions into dedicated management processes. Clear remediation targets and timelines are set to dynamically track and validate the closure of all identified risks, ensuring the ongoing optimization of the information security protection framework.

Shared Vision, Shared Success

The Company continuously optimizes its talent acquisition and development mechanisms, committed to fostering a safe, inclusive, equitable, and dynamic work environment that supports the professional growth of every employee. We place high importance on building a diverse talent team, leveraging systematic cultivation frameworks and effective incentive measures to continuously empower employee development and precisely align with corporate strategy and business needs.

Employee recruitment and employment

The Company strictly complies with national laws and regulations including the *Labor Contract Law of the People's Republic of China*, the *Labor Law of the People's Republic of China*, the *Work-related Injury Insurance Regulations*, the *Prohibition of Child Labor Regulations*, and the *Law of the People's Republic of China on the Protection of Minors*. It fully implements local laws and international standards across all its operational regions, genuinely respects and safeguards employees' legitimate rights and interests, and ensures that the entire process of recruitment, employment, and daily management is compliant, fair, and transparent.

Proportion of operating bases with ISO45001 certification in 2025

100%

We uphold the principle of equal employment, strictly enforce internal regulations such as the *Recruitment Management System and Employee Handbook*, and firmly eliminate any discriminatory language, biased behavior, or unfair decisions throughout the entire recruitment process. The Company has formulated and improved the Human Rights Policy, establishing core principles for labor practices and human rights management to ensure full compliance with domestic and international standards across all global operations. We make a solemn commitment to protecting employees' labor rights and human rights, and strive to create a fair, safe, and dignified work environment that respects individual integrity. We strictly prohibit the employment of child labor, utilizing an employee records management system and rigorous recruitment review procedures to prevent any occurrence of child labor. We continuously refine the *Provisions on Remedial and Preventive Measures for Child Labor Recruitment and Management of Minor Workers*, clearly stipulating that any discovered case of child labor will be immediately addressed with proactive and effective remedial actions to safeguard children's rights. Simultaneously, we have established a robust internal oversight mechanism, conducting regular self-inspections and corrections of recruitment processes and employment practices to resolutely oppose unlawful behaviors such as employment discrimination, forced labor, child labor, and workplace harassment.

Cases of child labor or forced labor in the Company in 2025

0 case

Signing rate for labor contracts by the Company in 2025

100%

We are committed to attracting outstanding talent through diversified recruitment channels and providing candidates with a high-quality career development platform by leveraging a rigorous and scientific interview process, achieving precise alignment between individuals and positions. The Company has established a multi-dimensional recruitment system encompassing its official website, WeChat official account, online job platforms, and campus recruitment, continuously expanding pathways for talent acquisition. Simultaneously, the Company implements a dual-driven mechanism of "internal cultivation and external recruitment," launching targeted recruitment initiatives at key domestic universities such as Huazhong University of Science and Technology and Wuhan University, with a focus on attracting cross-disciplinary talents in machine vision ,AI applications and AI algorithms to continuously optimize its talent structure.

Diversity, equity and inclusion

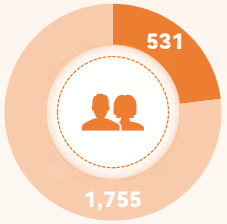
We are committed to building a diverse, equitable, and inclusive workplace, providing fair opportunities for development and advancement to employees from different nationalities, ethnicities, ages, genders, beliefs, and cultural backgrounds. The Company actively recruits talent across all educational levels and professional backgrounds, with particular attention to the career growth of employees from vulnerable groups, continuously fostering an open, inclusive, and difference-respecting organizational culture. Meanwhile, the Company has established a robust complaint mechanism for discrimination and harassment, clearly defining reporting channels and handling procedures to ensure timely and impartial resolution of related issues and the protection of employees' legitimate rights and interests. As of December 31, 2025, Jinpan Smart Technology employed a total of 2,286 full-time staff, including 22 employees with disabilities and 32 veterans. The proportion of employees from minority or vulnerable groups accounted for 0.83%, while employees with disabilities accounted for 0.96%. In 2025, the Company recorded no incidents of discrimination or harassment.

We place high importance on the career development of female employees, fully implementing gender equality principles across all stages—including recruitment, promotion, and training—to ensure females enjoy equal opportunities and rights as males. We actively encourage female employees to set ambitious career goals and achieve excellence in their professional fields. The proportion of female employees in the Company remains stable, accounting for 23% in 2025. Females also hold significant positions in senior management, representing 50% of the senior leadership team in 2025. The proportion of females on the board of directors is 16.7%, with 6 board members in total and 1 female director.

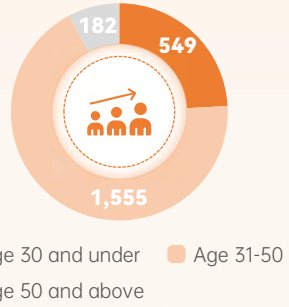
Employee employment

Total number of employees **2,286**

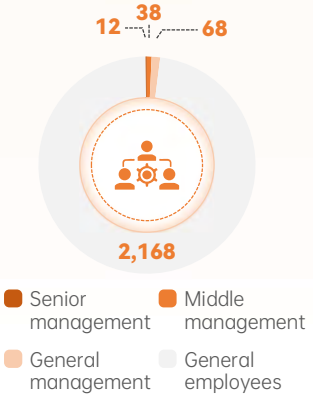
Number of employees by gender (persons)



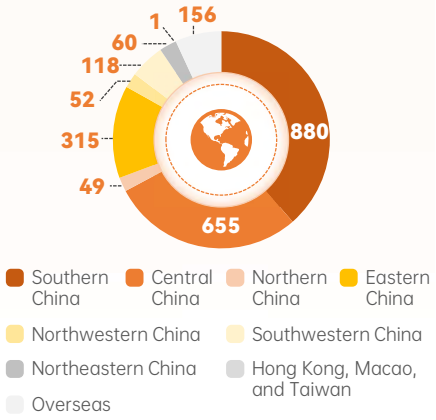
Number of employees by age (persons)



Number of employees by type of employees (persons)



Number of employees by region (persons)



Employee turnover

Number of employees by gender (persons)

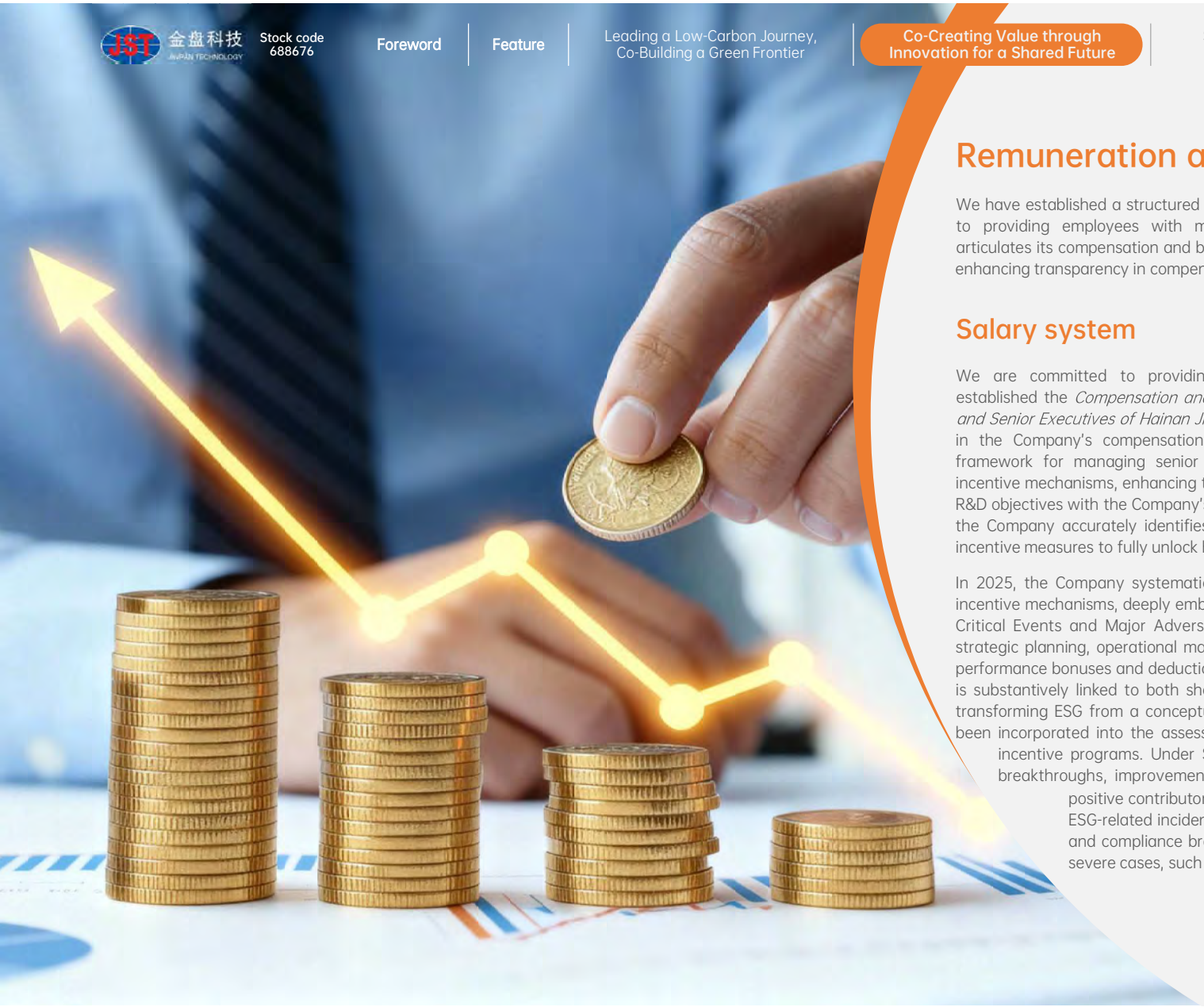
Male	10.20%
Female	3.14%

Number of employees by age (persons)

Age 30 and under	5.80%
Age 31-40	4.89%
Age 41-50	1.67%
Age 50 and above	0.98%

Number of employees by region (persons)

Southern China	3.90%
Central China	4.70%
Northern China	0.38%
Eastern China	1.97%
Northwestern China	0.30%
Southwestern China	0.42%
Northeastern China	0.38%
Hong Kong, Macao, and Taiwan	0.00%
Overseas	1.29%



Remuneration and benefits

We have established a structured and clearly oriented compensation and reward system, dedicated to providing employees with market-competitive remuneration. The Company systematically articulates its compensation and benefits policies and components through the *Employee Handbook*, enhancing transparency in compensation management and strengthening employee recognition.

Salary system

We are committed to providing employees with market-competitive compensation, having established the *Compensation and Performance Management Measures for Directors, Supervisors, and Senior Executives of Hainan Jinpan Smart Technology Co., Ltd.* to ensure fairness and efficiency in the Company's compensation system, while establishing a more scientific and systematic framework for managing senior executive remuneration. We continuously optimize our talent incentive mechanisms, enhancing the precision and strategic orientation of incentives to closely align R&D objectives with the Company's strategic direction. Based on employee performance evaluations, the Company accurately identifies high-potential and high-value talent, and implements targeted incentive measures to fully unlock human potential and support sustainable organizational growth.

In 2025, the Company systematically integrated ESG principles into its overall performance and incentive mechanisms, deeply embedding ESG criteria into two core evaluation dimensions—Success Critical Events and Major Adverse Events—and aligning them throughout the entire lifecycle of strategic planning, operational management, and risk control. Through a clearly defined system of performance bonuses and deductions, ESG performance directly influences evaluation outcomes and is substantively linked to both short-term compensation incentives and long-term incentive plans, transforming ESG from a conceptual framework into actionable practice. ESG factors have further been incorporated into the assessment criteria of employee stock ownership and restricted stock incentive programs. Under Success Critical Events, ESG-aligned practices such as strategic breakthroughs, improvements in resource efficiency, and risk mitigation are recognized as positive contributors to performance scores. Conversely, under Major Adverse Events, ESG-related incidents—including workplace safety violations, environmental pollution, and compliance breaches—are subject to corresponding performance deductions; in severe cases, such incidents may disqualify individuals from incentive eligibility.

Employee communication

The Company places high importance on open communication within the organization, having established a diversified communication system including suggestion boxes, regular symposiums, and employee satisfaction surveys. Information regarding these channels is clearly documented in the *Employee Handbook*, ensuring that every employee's voice is promptly heard and responded to. The Company takes every employee complaint and suggestion seriously, adhering to objective investigation and impartial handling while strictly protecting the confidentiality of whistleblowers and firmly prohibiting any form of retaliation. To further refine the labor relations coordination mechanism, the Company has established a standardized labor dispute mediation process and set up an Employee Labor Mediation Room, committing to complete review of all mediation applications within five working days. This initiative aims to provide employees with a fair, transparent, and efficient internal platform for resolving disputes, continuously fostering a harmonious and stable employment environment. In 2025, the employee satisfaction rate reached 81.96%.

Welfare Care

The Company strictly complies with national laws and regulations, duly contributing to employees' social insurance as required, and additionally provides accidental injury insurance to continuously strengthen the employee protection system. In 2025, the Company invested RMB 1.72 million in work-related injury insurance. We have established a comprehensive welfare and subsidy system encompassing allowances for high-temperature conditions, nutrition, transportation, meals, and paid leave, dedicated to enhancing overall employee benefits and quality of life.

Jinpan Smart Technology demonstrates continuous commitment to employee growth and wellbeing, organizing a diverse array of cultural and team-building activities in 2025, encompassing parental care, ideological education, and physical fitness.

Case Jinpan Smart Technology held 2025 "Children's Day" Family Open Day

In June 2025, during the Children's Day celebrations, Jinpan Smart Technology hosted the third edition of its Digital Factory Science Outreach Event, inviting employees' children to take on-base visits to the Company's digital manufacturing facilities. The activity aimed to promote scientific literacy among young visitors by immersing them in intelligent manufacturing environments, thereby enhancing their understanding of digitalization, automation, and green manufacturing practices.

In 2025, the Company invested RMB **1.72** million in work-related injury insurance.

Employee Benefits Activities Showcase

International Women's Day Greetings

Jinpan Smart Technology's Table Tennis Matches

Guilin Juntaifu Labor Union Delivers Summer Refreshments to Workshop Workers

Guilin Municipal Trade Union Delivers Summer Refreshments Workers

Jinpan Smart Technology Badminton Team Participates in Haikou Comprehensive Bonded Zone Badminton Tournament

Celebrating the Dragon Boat Festival Event

Film Viewing Activities for Patriotic Education Month

Occupational health and safety

The Company strictly complies with laws and regulations such as the *Law of the People's Republic of China on Work Safety*, the *Regulations on the Management of Personal Protective Equipment*, and the *Work-Related Injury Insurance Regulations*, and has established a systematic work safety management system based on the *Code of Safety and Civilized Production*.

Jinpan Smart Technology has successfully obtained ISO 45001 Occupational Health and Safety Management System certification at its major production bases in Haikou, Guilin, Shanghai, and Wuhan. In 2025, the Company achieved zero fatalities, zero recorded work-related accidents, and zero lost work hours due to work-related injuries or health issues, fully realizing its annual occupational health and safety objectives.

The Company organized a total of over 7,888 hours of safety education and training throughout the year, conducted 26 various safety drills, and delivered 72 training sessions on quality, safety, and internal control, continuously enhancing the safety awareness and emergency response capabilities of all employees. In 2025, 100% of operational bases had completed employee health and safety risk assessments.

The Company has established a Safety and Environmental Protection Cloud Platform to strengthen the preventive and systematic management of work safety and environmental protection, enabling end-to-end online monitoring and closed-loop management from occupational health record management to hazardous waste disposal, effectively reducing operational risks and enhancing emergency response capabilities and environmental compliance. The Company engages qualified third-party testing institutions to regularly conduct occupational hazard factor detection and status evaluations at all production bases, and incorporates identified hazardous positions into specialized management systems, with clear occupational hazard notification signs posted on-base. Employees in these positions are provided with personal protective equipment including earplugs, dust masks, toxic gas masks, and protective gloves, and are systematically subjected to pre-employment, in-service, and post-employment occupational health examinations. For employees with occupational contraindications, the Company promptly reassigns their positions to prevent continued exposure to occupational hazards, and maintains comprehensive occupational health records for all employees, ensuring their physical and mental well-being and occupational safety.

The Company places high priority on the health and safety of contractor employees, having established a dedicated Contractor Safety Management System to systematically strengthen oversight and guidance on risk identification, assessment, and control throughout contractor operations and on-site activities. The Company provides essential safety consulting and technical support to ensure contractors fully comply with its safety standards, jointly fostering a safe and healthy work environment. During the contractor admission process, the Company enforces a rigorous evaluation and approval mechanism, and signs dedicated safety agreements with all approved contractors, clearly defining their scope of work, operational methods, safety requirements, and corresponding responsibilities to ensure strict adherence to the Company's occupational health and safety regulations and applicable laws. In 2025, the coverage rate of safety agreement signing reached 100%.

Cumulative safety training hours in 2025 exceeded

7,888 hours

Total safety drills conducted in 2025:

26 times

Cumulative safety and quality control training sessions in 2025 exceeded

72 times

Proportion of operational sites assessed for occupational health and safety risks in 2025:

100%

Coverage rate of signing safety agreement with suppliers

100%

The Company has deeply embedded occupational health and safety into its digital factory and smart manufacturing transformation, leveraging AI technologies to enable proactive and precise risk prevention. In collaboration with specialized technical teams, the Company designed and deployed an AI-powered fire detection system at the Guilin Juntaifu Dry-Type Transformer Digital Factory to address potential ignition risks in pouring and curing furnace zones. The system employs deep learning-based visual analytics to detect open flames in real time, triggering immediate on-site sound and light alarms upon fire identification—transitioning safety response from reactive to predictive. Particularly in the scenario where only a small number of personnel are on duty at night, this technology effectively compensates for the limitations of manual monitoring and significantly improves the timeliness and reliability of incident response.

Health protection

In term of health protection, the Company arranges professional occupational health examinations for workshop employees every year and provides comprehensive health check-ups for all staff. At the same time, commercial accident insurance is purchased for employees, establishing a multi-layered health risk protection system.

Mental health

In the field of mental health, the Company has officially established an on-site counseling room to conduct mental health seminars and counseling sessions, providing employees with professional and confidential psychological support services.

In an effort to promote a positive and healthy lifestyle, the Company has established various recreational and sports facilities such as gyms, reading lounges, and basketball courts, encouraging employees to engage in physical exercise and cultural activities during their leisure time, continuously fostering a vibrant and balanced work-life environment.

The Company is also committed to advancing work safety culture, systematically conducting diverse safety training sessions and emergency drills across all its sites.

Special Training on "Safety First Class for Resumption of Work" is uniformly organized across all production bases on the first working day after the Spring Festival holiday. All employees participate in this mandatory session, which focuses on reinforcing job-specific operating procedures, emergency response protocols, and post-holiday risk prevention measures. Particular emphasis is placed on raising awareness of potential risks such as the "post-holiday syndrome". Through targeted education and warnings, the training seeks to fundamentally strengthen employees' safety awareness, tighten the safety management framework, and establish a solid first line of defense for high-quality development throughout the year.

Special Training on "Safety First Class for Resumption of Work and Production"

The Guilin Juntaifu held a Fire Safety Recognition Conference to honor individuals who demonstrated outstanding performance in fire safety work, further fostering a positive atmosphere where all staff prioritize safety and actively participate in safety management.

Employee training and development

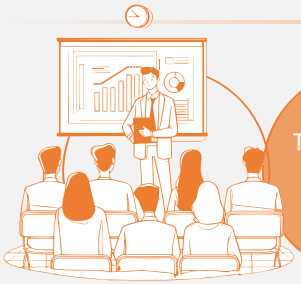
We continuously improve our talent development system to provide employees with broader career growth opportunities. By establishing job qualification standards, implementing a dual career path system for management and professional roles, and improving internal talent mobility mechanisms, the Company offers employees diversified and sustainable development paths that support continuous professional advancement, achieving mutual growth between individual development and organizational progress. the Company has established an internal competitive recruitment mechanism, conducting open internal competitions for certain positions to enable bidirectional selection between employees and roles, thereby supporting employees' career development.

The Company has established a differentiated training system covering various levels and positions, facilitating mutual promotion between employee growth and corporate development through diverse modes and rich content. It provides inclusive and equitable development and promotion opportunities for employees of different nationalities, ethnicities, ages, genders, beliefs, and cultural backgrounds, offering broad employment prospects for talents with diverse educational levels and professional backgrounds. The Company pays special attention to the career development of underrepresented or vulnerable employees and strives to foster a workplace environment that is diverse, equitable, inclusive, and open.

Type of training	Number of trainings carried out (times)	Training content
Basic quality training	12	● Confidentiality training, legal knowledge, digital expertise, and information & data security
Quality, safety and internal control training	9	● Environmental safety, occupational health and safety, fire safety, safe use of hazardous chemicals, product quality management, etc.
Employee skills training	36	● Post standardized operation, platform system use, post expertise, business process management, key elements of quality control, product knowledge, etc.
General training in management	30	● Manage knowledge and tool use, digital transformation cases, project practices, etc.
Thematic training	1	● Guidelines and policy updates on sustainable development reporting, along with plans for ESG performance improvement
AI training	165	● Artificial intelligence

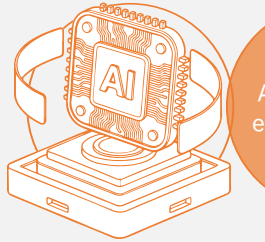
01 Training for reserve cadres and core employees

The training model integrates online platform learning with offline practical application. By establishing a curriculum resource library through the internal learning platform and combining benchmarking studies and action learning projects, it forms an integrated training mechanism encompassing self-study, assessment, and practical application. The training content covers general management knowledge, artificial intelligence applications, quality awareness, and other areas. With 103 participants, 17 courses were offered, averaging 36 hours of training per person, which effectively enhanced the comprehensive capabilities of potential talents.



02 Technical and functional training

The Company conducts systematic training focused on enhancing job competencies, covering modules such as professional ethics, quality safety, internal control management, and skill advancement. Activities like the "Bright Sharing Meetings" promote knowledge transfer. This year, 253 training sessions were organized with a 100% completion rate, covering 2,286 full-time employees, totaling 185,100 training hours.



03 AI technology empowerment

A dual-pronged empowerment approach of "regular training + competition-driven" was established. Regular training covers all employees with courses on AI tool applications and the building of enterprise intelligent agents. The innovative "AI Empowerment · Intelligence-Driven Future" competition attracted 26 teams from across the group, creating a strong atmosphere of technological application and innovation.

Employee Training and Development

Proportion of trained employees by gender (%)

Average training hours by gender (hours)

Proportion of trained employees by employee category (%)

Average training hours by employee category (hours)

Leveraging Synergies through Strategic Partnerships

Jinpan Smart Technology continues to expand comprehensive and cross-domain strategic collaborations with internal and external partners, actively participates in industry exchanges and cooperation, and continuously improves its supplier management system. The Company is committed to building a sustainable and responsible supply chain ecosystem, working hand in hand with partners to drive industry advancement and co-create a new landscape of development.

Empower Industry Development

Jinpan Smart Technology continues to deepen strategic collaborations with local governments, industrial chain partners, industry organizations, and other stakeholders, actively building an open, shared, and mutually beneficial cooperative ecosystem. By proactively participating in industry standard development and organizing regular exchanges and joint initiatives, the Company works hand in hand with partners across sectors to advance industrial synergy and sustainable development.

Jinpan Smart Technology launched a series of in-depth industry-university-research collaborations with top domestic universities in core technology fields in 2025. By partnering with Southeast University, Shanghai Jiao Tong University, and other leading institutions, the Company achieved innovations in three key areas: AIDC data center power supply and distribution, intelligent manufacturing, and new energy storage. These advancements have accelerated the transformation of cutting-edge technologies into industrial applications, injecting strong momentum into the Company's sustainable development.

Case Jinpan Smart Technology co-hosted an industry technology exchange event with Schneider Electric

Jinpan Smart Technology and Schneider Electric jointly hosted the technical exchange event titled "Pioneering Electrical Industry Frontier, Exploring a New Era of Industry" in Guilin in 2025. Focusing on innovation trends and practical applications of integrated electrical equipment in the digital era, the event brought together electrical design experts from multiple authoritative design institutes across Guangxi Province to discuss technological development directions and collaboration opportunities in the industry. During the exchange session, representatives from Jinpan Smart Technology shared the Company's product portfolio and technical expertise in the field of integrated electrical equipment. Drawing on practical experience in new energy power generation and energy storage systems, they showcased Jinpan Smart Technology's achievements in independent innovation and application scenarios within electrical equipment.

Case Jinpan Smart Technology officially launches ai smart factory system development

Jinpan Smart Technology and Matrix Origin signed a cooperation agreement in Haikou in October 2025 to launch the "Jinpan Smart Technology AI Smart Factory System Construction Project." This collaboration marks a critical step in Jinpan Smart Technology's systematic advancement in the field of intelligent manufacturing. By leveraging Matrix Origin's expertise in AI and data intelligence platforms, the two parties will jointly build an intelligent system covering the entire production and operations chain. The project aims to drive digital transformation and enhance efficiency in key areas such as production scheduling, quality control, energy consumption management, and equipment operation and maintenance, further strengthening Jinpan Smart Technology's intelligent competitiveness in the high-end equipment manufacturing sector.

Organizing a visit and exchange for students from the School of Electrical and Electronic Engineering, Huazhong University of Science and Technology Promoting the integration of higher education talent cultivation with industry practice

Case Jinpan Smart Technology Attended 2025 Data Centre World Asia

Jinpan Smart Technology participated in the "2025 Data Centre World Asia" in Singapore with its new generation of high-efficiency power distribution and green transformer solutions. During the exhibition, core products such as power module units, Pad-mounted oil-immersed transformers, and resin-cast dry-type transformers attracted widespread attention—particularly innovative offerings like solid-state transformers—highlighting the Company's technical expertise in energy efficiency improvement and green transformation. Leveraging global manufacturing bases in the United States, Mexico, Poland, and Malaysia, Jinpan Smart Technology has established localized service and delivery capabilities across multiple regions, providing product support to leading domestic and international technology enterprises including Baidu and Alibaba, continuously driving the global data center industry toward higher efficiency and sustainability.

2025 Data Centre World Asia

Case Collaborating with Hainan University to carry out research and innovation

The Dry-Type Transformer Department of the Company has launched a specialized industry-university-research collaboration with Hainan University in the field of materials science, focusing on performance optimization and application research of resins. The team consisting of two sides systematically conducted fundamental resin property testing, interfacial bonding analysis between resins and various film materials, investigation into the mechanism of resin whitening during grinding, and development of surface restoration methods post-grinding. Meanwhile, the Company performed precision calibration of the force sensor and displacement measurement system on a 5KN universal material testing machine. Using this equipment, the team accurately verified the interfacial bonding performance between different insulation materials and resins, transforming theoretical research findings into quantifiable and reproducible engineering parameters, effectively supporting the Company's continuous innovation in new material applications and product reliability enhancement.

Basic resin performance test

Case Exploring New Pathways in Energy and Power Innovation and AI Empowerment with The Hong Kong Polytechnic University

In the context of China's 'Dual Carbon' strategy and the development of the Guangdong-Hong Kong-Macao Greater Bay Area's new energy industry system, Wuhan Jinpan Intelligent Technology Co., Ltd. engaged in in-depth technical exchanges with the Department of Electrical and Electronic Engineering at The Hong Kong Polytechnic University. Centered on industry-academia-research-application collaboration, both sides focused on the application prospects of solid-state transformers (SST), modular power electronic equipment, and integrated energy management systems in cutting-edge scenarios such as Artificial Intelligence Data Centers (AIDC), smart distribution networks, and integrated energy micro-grids. Through face-to-face discussions, they jointly mapped out feasible pathways for integrating smart grid technologies with emerging energy solutions, and reached preliminary consensus on future cooperation in technology iteration, application development, achievement transformation, and joint standard formulation—laying a solid foundation for deep integration between academic frontier theories and industrial engineering practices.

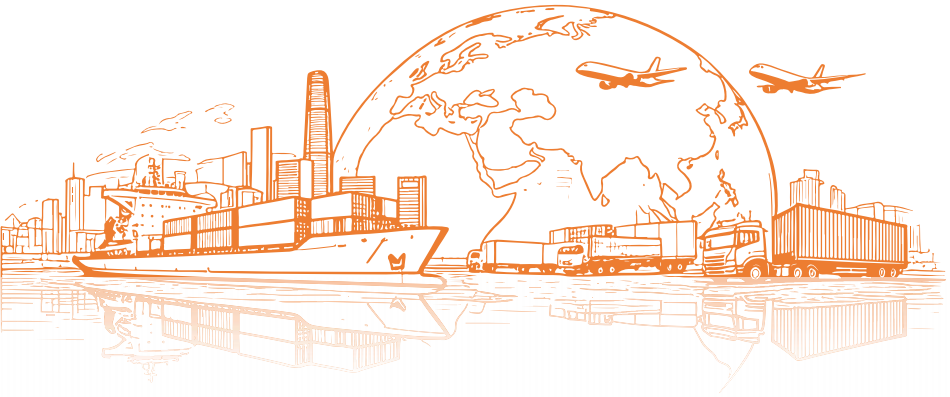
Hong Kong Polytechnic University Expert Delegation visits Jinpan Smart Technology

Supply chain management

Jinpan Smart Technology is committed to deeply integrating sustainable development principles into every aspect of supply chain management. By establishing and continuously enhancing a supplier evaluation and dynamic management system focused on social responsibility, we aim to build a more resilient and responsible industrial ecosystem together with our partners. We believe that only through collaborative progress across the entire value chain can we lead the industry toward a greener, more sustainable future.

Supplier Management System

The Company is committed to building a refined and systematic supplier management system that spans the entire cooperation lifecycle. Through graded and categorized dynamic management, our supplier oversight covers the full cycle—from initial screening and access qualification to ongoing evaluation and performance assessment.



Supplier Sourcing

Building a transparent procurement system based on a digital platform, the Company has launched and operated an SRM (Supplier Relationship Management) system that integrates the entire procurement process into an online closed-loop workflow. This enables standardization and visualization of key stages, significantly enhancing transparency and operational compliance in procurement activities.

Supplier admission

Establishing a systematic supplier admission system, suppliers are comprehensively evaluated across multiple dimensions including overall capability, quality control, and environmental sustainability.

The *Supplier Social Responsibility Risk Assessment Management Regulation* has been introduced, making social responsibility assessment a prerequisite for admission of new suppliers and subcontractors, and extending this requirement to all Class A and B qualified suppliers.

Based on the *Supplier Social Responsibility Risk Assessment Checklist*, a combined approach of on-site audits and online evaluations is used to assess suppliers holistically in areas such as labor rights, business ethics, occupational health, and safety. Suppliers rated as 'high-risk' in the assessment results will not be approved.

Human rights commitments, environmental protection, occupational health and safety, quality assurance, and conflict minerals control are explicitly incorporated into supplier agreements, ensuring that social and environmental requirements are integrated throughout contract fulfillment.

In supplier selection, priority is given to partners who have obtained certifications such as ISO 9001, ISO 14001, and ISO 45001.

Supplier evaluation

Suppliers are categorized into four classes based on their business nature, and a differentiated evaluation system has been established for each category, focusing on key dimensions such as quality, cost, delivery, and service. Through a combination of annual performance reviews and unannounced on-site audits, the Company conducts dynamic assessments and tiered management of suppliers' overall capabilities.

In supplier selection and collaboration, priority is given to partners whose production processes and products comply with environmental regulations and possess recognized energy-saving certifications. For critical materials involving safety and reliability, suppliers are required to provide official identification or test reports issued by authoritative third-party institutions.

Green and environmentally responsible suppliers—especially those certified under the three management systems and energy management systems—are prioritized. Environmental performance is integrated into supplier evaluation criteria, and all suppliers are required to sign the *Environmental Commitment Agreement* and the *Social Responsibility and Occupational Health and Safety Protection Document*, jointly fulfilling environmental, social, and safety obligations.

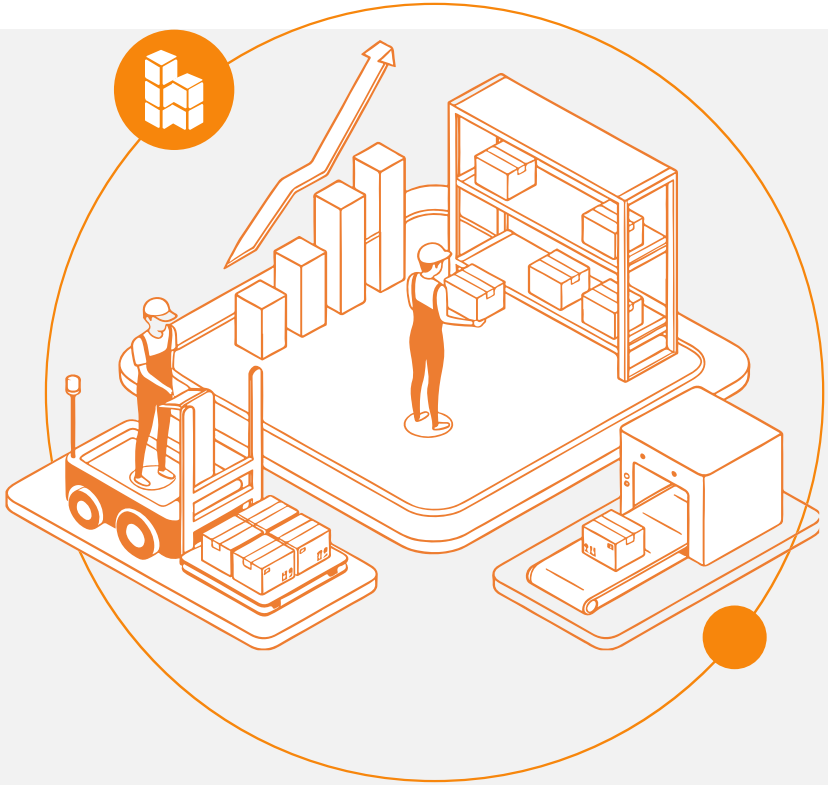
Supplier quality management

To build a more stable, efficient, and sustainable supply chain, the Company systematically advanced full-cycle supplier quality management in 2025. A total of 8 new suppliers completed access review, while 8 existing suppliers underwent routine reviews and unannounced fly-in inspections, with targeted coaching provided to drive continuous improvement in their quality systems. To strengthen risk prevention, the Company organized third-party verification for 13 critical material batches, ensuring reliable quality from the source. Through systematic access assessments, in-process audits, and risk controls—combined with enhanced capabilities of the Supplier Quality Engineering (SQE) team—a total of 66 suppliers were reviewed in 2025, with 30 on-site manufacturing surveillance activities conducted.

Supplier ESG management

To strengthen risk management, the Company conducts supplier social responsibility risk assessments to identify and manage potential negative impacts in areas such as human rights, business ethics, and health & safety, implementing admission screening and follow-up corrective actions based on risk levels. The Company has established clear requirements for supply chain social responsibility management, institutionalizing the inclusion of social and environmental clauses—covering sustainability aspects such as environment, labor, and human rights—into supplier contracts. Supplier responsibilities are further clarified through signed agreements and assessment forms, with an accountability mechanism in place to ensure compliance. Through the *Supplier Code of Conduct*, the Company defines compliance expectations regarding environmental protection, labor and human rights, and fair competition, requiring key suppliers to sign related commitment letters to comprehensively safeguard social and environmental responsibility across the supply chain.

We solemnly commit to never engaging in business with suppliers that pose high social responsibility risks. We explicitly prohibit suppliers or their subcontractors from using any form of forced labor, including debt bondage labor, slavery, or non-voluntary prison labor. We also refuse cooperation with suppliers who have been penalized by labor inspection authorities or exposed by the media for child labor or inhumane treatment. Furthermore, we do not establish partnerships with suppliers that have experienced fatal or more severe workplace safety incidents within the past year, or those found engaging in corrupt practices such as bribery, extortion, or fund misappropriation, where such actions have been reported, complained about, or exposed by media. Through rigorous access reviews and ongoing assessment mechanisms, we ensure all partners meet these social responsibility and ethical standards. Relevant risk scenarios include, but are not limited to: suppliers or subcontractors using forced labor (including debt bondage labor, slavery, or non-voluntary prison labor); suppliers penalized by labor inspection authorities or exposed by media for child labor practices; suppliers penalized by labor inspection authorities or exposed by media for inhumane treatment; suppliers experiencing fatal or more severe workplace safety incidents within the past year; and suppliers failing to comply with integrity standards through corruption, embezzlement, extortion, or fund misappropriation, which have been reported, complained about, or exposed by media.



Green procurement

We systematically integrate the principles of safety, environmental protection, and resource circularity into our procurement management system, continuously improving green procurement standards and updating the Code of Conduct for Suppliers in Collaboration with Jinpan Smart Technology. Supplier performance in environmental protection and green, low-carbon practices is now included as a key assessment criterion. By prioritizing partners with strong environmental performance, we steadily reduce the environmental impact of procured materials, while actively optimizing production processes and product structures to gradually increase the procurement ratio of low-carbon and energy-saving products. We are committed to building a green supply chain in collaboration with suppliers, jointly enhancing resource efficiency and environmental performance, and expanding our positive contributions to sustainable development. The 2025 target is to achieve 100% signing rate of the *Code of Conduct for Suppliers in Collaboration with Jinpan Smart Technology* among core suppliers.

To implement this goal, the Company will systematically communicate the specific requirements of the collaboration guidelines to target suppliers through targeted outreach, regular assessments, and compliance support. The signing status will be incorporated into the annual supplier evaluation system, progressively expanding the scope of sustainable procurement management and continuously enhancing the supply chain's overall accountability and risk prevention capabilities.

We encourage suppliers to actively embrace green and low-carbon development principles, adopt environmentally friendly production methods, reduce solid waste generation, and strictly control emissions to air, water, and soil—thereby minimizing negative impacts on biodiversity, climate change, and water resources. At the same time, we advocate green procurement practices to drive emission reductions and efficiency gains across the entire supply chain, jointly enhancing greenhouse gas mitigation outcomes. The Company conducts systematic analysis of carbon footprint data to scientifically assess potential climate-related risks to business operations and develops corresponding response and management strategies. We also support suppliers in establishing regular monitoring and reporting mechanisms to track progress toward carbon reduction goals, promoting full-chain collaboration in advancing toward a sustainable, low-carbon future.

2025

Signing rate of the *Code of Conduct for Suppliers in Collaboration with Jinpan Smart Technology* among core suppliers in the 2025 target:

100%

We advocate that the suppliers drive emission reductions and efficiency gains through green procurement practices, jointly enhancing the greenhouse gas mitigation outcomes.

We are committed to building a green supply chain system in collaboration with suppliers, jointly enhancing resource efficiency and environmental performance, and continuously expanding our positive contributions to sustainable development.

Conflict minerals management

We are committed to strictly prohibiting the procurement of minerals from conflict-affected areas—such as gold, tantalum, tungsten, cobalt, and tin—and actively enforcing a zero-tolerance policy. Through responsible supply chain management, we require suppliers to fulfill their due diligence obligations in sourcing and supply. To advance effective traceability of conflict minerals and enhance supply chain transparency, we systematically conduct supplier due diligence on conflict minerals, tracing the country of origin of minerals and leveraging frameworks such as the Responsible Minerals Initiative (RMI) to identify and verify upstream smelters and refiners, ensuring compliance with conflict-free standards and safeguarding the compliance and ethical integrity of our supply chain from the source. When a certain volume of metal scrap is collected, the factory consolidates and sells it to qualified partner suppliers. These partners reuse the scrap as recycled raw materials in new production processes, creating a closed-loop system of 'production-consumption-recycling,' thereby reducing demand for virgin mineral resources. By 2025, all 10 suppliers involved in conflict minerals have signed the documents, all 10 metal suppliers have signed the *Letter of Guarantee for Non-Use of Conflict Minerals*, and supporting documentation has been provided.

Supplier integrity construction

Jinpan Smart Technology consistently adheres to open and transparent procurement principles, firmly resisting any acts of unfair competition, corruption, or unethical behavior during the procurement and supplier management processes. We are committed to building a fair, clean, and responsible procurement supply chain in collaboration with our suppliers. Through the SRM digital system, supplier admission information is subject to due diligence review via the *Supplier Questionnaire*. To uphold supplier integrity, we maintain open reporting channels, conduct code-of-conduct training for all suppliers, and require the signing of the *Supplier Confidentiality and Integrity Agreement* prior to establishing any business relationship. In 2025, the signing rate for the *Supplier Confidentiality and Integrity Agreement* reached 100%.

Supplier communication and empowerment

We are committed to strengthening communication and collaboration with our suppliers, ensuring seamless and open channels of dialogue, and growing together to create a shared, sustainable future. By regularly sharing progress and achievements in joint emission reduction initiatives with suppliers and internal stakeholders, we continuously enhance transparency and build mutual trust.

In the context of the accelerating global transition toward cleaner energy, digitalization and intelligent technologies have become critical pathways for enterprises to enhance efficiency, optimize costs, and strengthen resilience. To build a more collaborative, sustainable, and resilient supply chain system, Jinpan Smart Technology has systematically advanced supply chain digital transformation and organized online specialized training for all core suppliers, achieving 100% training coverage. 94% of suppliers scheduled for audit in 2025 participated in improvement initiatives or capability-building programs.

Total number of suppliers

1,591 suppliers

Number of domestic suppliers

1,305

domestic suppliers

Percentage of core suppliers that have signed the Sustainable Procurement Charter/Supplier Code of Conduct **100%**

Percentage of core suppliers that have signed contracts including clauses on environmental, labor, and human rights requirements

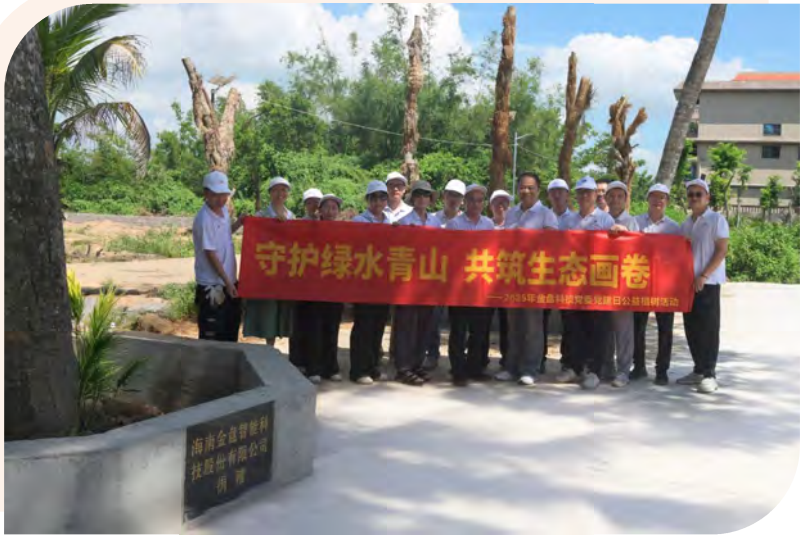
100%

Percentage of suppliers undergoing audits or assessments that participated in improvement initiatives or capability development programs in 2025

94%

Targeted Philanthropy Driving Rural Revitalization

Jinpan Smart Technology consistently upholds its social responsibility, demonstrating unwavering commitment to public welfare initiatives. We actively respond to the national rural revitalization strategy and gives back to the society with enthusiasm. The Company deeply recognizes the significance of corporate social responsibility. It continuously fosters a public welfare culture, motivating employees to participate in charitable activities. By collaborating with partners across various sectors, it works together to spread love and contribute to the building of a harmonious society.



Jinpan Smart Technology Party Committee hosts public tree-planting event with Dongshan Village, Dongshan Town on Party Building Day

Public welfare and charity

Jinpan Smart Technology remains committed to public welfare initiatives, actively giving back to society and fulfilling its corporate responsibilities. The Company has continuously carried out charitable donations and volunteer services. In 2025, the Company initiated and completed various donation projects totaling RMB 463,900, covering key areas such as education assistance and rural revitalization.

Our Company consistently upholds the core philosophy of "taking from society and giving back to society." By improving public welfare systems, encouraging employee participation, and promoting multi-party collaboration, we are gradually building a community of shared responsibility that includes employees, customers, partners, and local communities. We encourage employees to engage in charitable practices, with a total of 184 volunteers participating throughout the year. Additionally, we have implemented an employee matching donation program in the United States, in which the Company makes a donation equal to a certain percentage of each employee's contribution, thereby inspiring greater engagement and jointly advancing the sustainable development of public welfare initiatives.

Case Support of Hainan Special Education School

In June 2025, the Company officially launched its second phase of a four-year donation program for educational purposes, continuing to provide support to special education institutions. A key progress in this initiative was the long-term support for Hainan (Haikou) Special Education School, which officially established a "Vocational School for Persons with Disabilities" last year. This marks a further broadening of vocational education opportunities for young people with disabilities. The Company's continuous support has provided tangible and powerful assistance to students in acquiring skills, integrating into society, and realizing their self-worth.

Jinpan Smart Technology has contributed to special education for four consecutive years.

Case Collaboration with the Employee Sharing Center in the United States

2025

The Company has established a long-term and stable charitable partnership with "The Sharing Center". As a local nonprofit organization, The Sharing Center provides comprehensive services including operating food pantries, clothing stores, offering financial assistance, and employment support, dedicated to assisting individuals and families facing difficulties in rebuilding stable lives and achieving self-reliance.

January 2025

Employees of Jinpan Smart Technology in Lake Mary, Florida, USA, collectively contributed USD1,065 to support the local nonprofit organization "The Sharing Center." The Company provided an equal matching donation to the employees' contribution, bringing the total donation to USD2,130. The funds will be used to provide food, clothing, financial assistance, and community project support for individuals and families assisted by the organization.

August 2025

All employees of Jinpan Technology in Lake Mary, Florida, USA, joined hands with their charitable partner, The Sharing Center, to host the fifth "Share the Light" Charity Gala. Over 500 distinguished guests gathered for this meaningful, elegant, and impactful event, themed around a Venetian masquerade ball, where attendees united in raising donations to support vulnerable populations. Since 2024, The Sharing Center has helped over 200 homeless individuals transition into permanent and safe housing.

Additionally, the U.S. team of Jinpan Smart Technology partnered with "The Sharing Center" to conduct a back-to-school donation drive, organizing employees and their families to donate learning supplies such as pencils, notebooks, backpacks, and art materials to help local students prepare for the new academic year.

The Company's U.S. team also participated in food donation drives with "The Sharing Center" to support local communities.

The annual "Share the Light" charity gala.

The Company's U.S. team partnered with "The Sharing Center" to conduct back-to-school donation drive.

Rural revitalization

Jinpan Smart Technology actively responded to the national rural revitalization strategy, leveraging its operational experience and resource advantages to meaningfully participate in and empower rural development. The Company continuously supports disadvantaged groups in rural areas through diverse assistance initiatives, delivering warmth and contributing to the advancement of "warm villages," thereby promoting social harmony and sustainable progress in rural communities.

案例 Promote rural revitalization and increase farmers' income

In 2025, the Company launched an integrated photovoltaic-agriculture project that generated hundreds of local jobs, enabling residents to achieve "Local employment while leaving the land but not the hometown." Through land leasing arrangements, the project provided sustained and stable income to relevant economic cooperatives in Jiazi Town, while leveraging the region's tropical ecological resources to drive the upgrading and modernization of local agricultural industries.

Rural revitalization in Jiazi Town

Governance

Strengthening Foundations, Enhancing Quality and Efficiency, and Consolidating Governance

Jinpan Smart Technology takes 'integrity' as the cornerstone of its business, integrating this principle into all its operational practices. We firmly integrate ESG principles into our strategic decision-making and daily operations, aiming to drive high-quality development. By establishing and continuously refining a modern corporate governance framework, we continuously enhance our ability to prevent and control systemic risks. We are committed to creating long-term, sustainable value for our shareholders, actively fulfilling our corporate citizenship responsibilities, and contributing to social harmony and sustainable progress.

Our Actions

Jinpan Smart Technology has deeply internalized sustainable development as its core corporate strategy, continuously optimizing corporate governance and strengthening comprehensive risk management. Through systematic construction and continuous improvement of the ESG governance framework and operational mechanisms, we are committed to cultivating and enhancing the enterprise's sustainable competitiveness for the future. Simultaneously, the Company focuses on enhancing the awareness and participation of all employees, consolidating internal consensus and synergy to ensure coordinated advancement across dimensions of environment, society, and governance, steadily achieving sustainable high-quality development.

Our performance

Convened shareholders meetings by
5 times

Convened special meetings of independent directors by
5 times

Coverage rate of anti-corruption training for employees reached
100%

The signing rate of the Integrity Agreement among employees reached
100%

The signing rate of the Integrity Agreement among management reached
100%

The signing rate of the Integrity Agreement among suppliers reached
100%

Compliance governance

Jinpan Smart Technology consistently upholds the principle of honest business operations, strictly complies with laws and regulations, and continuously optimizes its corporate governance structure. We are committed to managing operations with transparency and fairness, constantly improving risk control systems and institutional frameworks, and actively building mutual trust with investors, partners, and all sectors of society, laying a solid foundation for sustainable and stable long-term development.

Corporate governance

Jinpan Smart Technology strictly complies with the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Corporate Governance Guidelines for Listed Companies*, the *Stock Listing Rules of the Shanghai Stock Exchange*, and other relevant laws and regulations, continuously striving to build a professional, standardized, and efficient corporate governance system.

Jinpan Smart Technology completed the formulation and revision of 37 core governance systems in 2025, including the *Articles of Association, Rules of Procedure for the Board of Directors, Independent Director Work System*, and *Related-Party Transaction Management System*. With a forward-looking perspective, the Company optimized its governance structure by systematically integrating the supervisory functions of the former board of supervisors into the Audit Committee of the board of directors, thereby enhancing overall governance effectiveness and achieving organic unity between decision-making and oversight. The Company continues to refine the "three meetings and one management level" framework—comprising the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors, and the Management—by clearly defining the respective powers and responsibilities of each body, promoting standardized operations across all governance tiers. Recognizing the strategic value of diversity, the Company ensures a balanced board composition that reflects diverse professional backgrounds, industry expertise, and gender representation, aligning with the Company's diversified and international development goals. All board members possess the necessary professional competence and oversight experience to ensure scientific and effective decision-making. Furthermore, the Company regularly organizes specialized training programs for directors, supervisors, and senior management to continuously strengthen corporate governance capabilities.

In investor relations, the Company maintains active communication with shareholders through various channels such as Investor Open Days, hotline phone services, and online interactive platforms, effectively protecting investors' rights. To promote deep alignment between management and shareholder interests, the Company establishes and improves incentive mechanisms linked to performance through relevant salary assessment and management measures, driving senior executives to focus on strategic execution and long-term value creation.

Jinpan Smart Technology's Governance Structure

Risk management

Jinpan Smart Technology has continuously improved its risk management and internal control systems by formulating and implementing the Risk Management System, establishing a three-tier risk management framework led by the Board of Directors, encompassing all business operations, and established a 'three lines of defense' with clearly defined responsibilities and collaborative coordination, thereby providing systematic safeguards for the Company's stable operations and sustainable development. In 2025, the Company advanced the digital transformation of risk management and internal control by deploying a unified risk monitoring platform that integrates seven key dimensions: environment, business environment, operations, decision-making information, finance, human resources, and compliance. Leveraging an enterprise data platform to consolidate multi-source internal and external data, Jinpan Smart Technology has initially developed risk early-warning models for key areas such as related-party transactions, fund occupation, bidding and procurement, and engineering construction. This shift has transformed the audit model from traditional post-event sampling to proactive, pre-event, and panoramic "penetrative supervision," significantly expanding the scope, depth, and responsiveness of oversight. Furthermore, the risk monitoring approach has evolved from lagging indicator reporting to forward-looking trend prediction and root-cause traceability, continuously driving bottom-up optimization of internal controls. This enhances the Company's ability to proactively identify and defend against major risks, fortifying defenses for compliant operations and steady growth.

The first line of defense

All business divisions and business departments

At the level of risk monitoring and execution, the Company relies on a digital risk management platform to enable real-time identification, analysis, and response to risks within business processes. Critical risk developments are promptly escalated to the senior risk management body, ensuring closed-loop control and rapid response to emerging risks.

The second line of defense

The Board of Directors has established an Audit Committee

At the level of independent oversight, the Audit Department regularly conducts reviews of the design and operational effectiveness of control systems and procedures. It carries out special investigations into losses or adverse incidents caused by inadequate risk controls, urges relevant business units to implement corrective actions, and reports audit findings in real time to the Audit Committee.

The third line of defense

The Board of Directors and the decision-makers

At the level of strategic decision-making and oversight, the Board of Directors serves as the highest accountability body for risk management. It is responsible for approving risk appetite, strategies, policies, and processes, defining the enterprise-wide risk tolerance threshold, and exercising ultimate oversight over the operation and continuous improvement of the risk management system.

Case Compliance and Risk Specialized Training Program

The Company conducted a series of specialized training programs in 2025 under the theme "Strengthening Compliance Awareness and Upholding Professional Integrity," including company-wide confidentiality training and sessions on contractual legal risk prevention, aimed at enhancing employees' legal awareness and professional ethics. For campus-recruited new hires, the Company organized targeted training on business ethics, integrity, and confidentiality policies. For mid-to-senior-level managers, technical key personnel, and staff in confidential positions, specialized confidentiality training was jointly delivered by the Company in collaboration with external regulatory authorities. Additionally, the Corporate Planning Department conducted enterprise-wide promotion and dissemination of the national and corporate confidentiality management system, providing systematic interpretation of classification levels, management protocols, and accountability mechanisms for breaches.

Upholding Business Ethics and Compliance

Jinpan Smart Technology strictly complies with laws and regulations such as the *Supervision Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, and the Anti-Unfair Competition Law of the People's Republic of China. The Company adheres to the principles of voluntariness, fairness, equivalent compensation, and good faith, while upholding social ethics and business integrity. To standardize the business conduct of all employees—including those at subsidiaries and dispatched personnel—Jinpan Smart Technology has formulated and implemented internal policies such as the *Code of Business Conduct* and *Ethics*, the *Anti-Corruption and Anti-Bribery Management System*, and the *Anti-Monopoly and Anti-Unfair Competition Management Regulations*. In 2025, no incidents of commercial bribery or corruption were identified within the Company, and there were no lawsuits or major administrative penalties arising from unfair competition practices.

Business ethics management

The Company has established an anti-corruption framework jointly composed of the Human Resources Department, management at all levels, and the Audit Department.

Level	Responsibilities
Human Resources Department	Be responsible for formulating anti-corruption and anti-bribery policies and systems, fostering a clean and ethical corporate culture, and establishing a robust internal control system that comprehensively covers the prevention of corruption, bribery.
Company and the management of its affiliated branches (subsidiaries)	Be responsible for establishing, improving, and effectively implementing internal controls within scope of affiliated branches (subsidiaries) to reduce opportunities for corruption, bribery and grafts; taking appropriate remedial actions in response to any such incidents and remain subject to supervision by the Audit Department.
Audit Department	Be responsible for supervising and investigating anti-corruption and anti-bribery efforts across the company and its affiliated branches (subsidiaries). Specific responsibilities include: (1) Receiving and registering reports related to corruption, bribery, and unethical conduct; (2) Organizing investigations into incidents of corruption or bribery; (3) Proposing corrective actions and accountability measures for corruption, bribery and grafts, and issuing formal investigation reports; (4) Performing other duties related to anti-corruption and anti-bribery.

The Company also conducts credit ratings and risk classification for its business partners, implementing targeted preventive and control measures to enhance its ability to manage business ethics-related risks.

Jinpan Smart Technology conducted comprehensive assessment of corruption and bribery risks across the company in 2025. The evaluation focused on twelve key business cycles: sales, procurement, production, payroll and personnel, fund management, financial reporting, fixed assets, engineering projects, research and development, information systems, corporate planning management, and listing management. Potential risks of corruption and bribery within each cycle were systematically identified, and specific mitigation measures and action plans were developed accordingly. This integrated approach enables effective management, review, and response to risks related to corruption and bribery, ensuring that ESG governance and risk controls are deeply embedded into daily operations. In this year, Jinpan Smart Technology achieved 100% coverage of internal reviews targeting specific business ethics issues across all relevant operational sites.

Report and complaint management

Jinpan Smart Technology maintains a strict "zero tolerance" stance toward bribery, corruption, and unfair competition practices. The Company has established a Whistle-blowing System and multi-channel reporting mechanisms, including a dedicated hotline and email address. We publicly disclose the *Anti-Corruption and Anti-Bribery and Anti-Corruption Management System* on our official website while publicly providing contact information for whistle-blowing purposes, and we accept whistle-blowing from any organization or individual. Upon receipt of any whistle-blowing, the Board of Directors or appointed personnel promptly initiates an investigation, conducting thorough and impartial reviews of alleged misconduct. Appropriate corrective actions are taken based on findings. Once violations are confirmed, disciplinary measures are imposed in accordance with the severity of the offense—ranging from internal penalties to immediate termination and, in serious cases, referral to judicial authorities. In 2025, Jinpan Smart Technology received zero confirmed cases of misconduct through its whistle-blowing channels.

The Company encourages reports made under real names and also accepts anonymous reports via letters or phone calls. The Company upholds a strict whistleblower confidentiality policy, ensuring that the personal information of whistleblowers—whether employees, suppliers, or other partners—as well as any materials they provide, are kept fully confidential. Any form of retaliation is strictly prohibited. Personnel responsible for handling reports who disclose confidential information or fail to perform their duties properly, as well as individuals who retaliate against whistleblowers or their families, will be subject to disciplinary action according to the gravity and impact of their actions. If the behavior constitutes a criminal offense, the matter will be legally handed over to the judicial authorities for criminal prosecution.

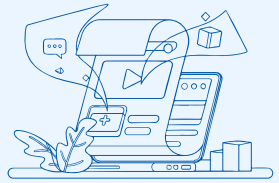
Reporting Channels:

Tel: 86-0898-66811301-349

Email: hanh@jst.com.cn

Anti-unfair competition

To maintain a fair market environment and mitigate unfair competition risk, the Company has established a regular review mechanism that focuses on key areas such as sales and procurement, targeting major risks such as price manipulation and market segmentation. The Marketing Department takes the lead in organizing systematic evaluations on a regular basis, and dynamically adjusts the review focus according to actual business conditions. The Audit Department, as an independent supervisory body, independently reviews and evaluates the quality of review and the effectiveness of rectification, ensuring that risk control forms a closed loop and is effectively implemented.



Fostering a culture of business ethics

Jinpan Smart Technology actively fosters a corporate culture rooted in integrity and ethical conduct, promoting the employee code of conduct: "mutual assistance and care, loyalty and gratitude, professionalism and efficiency, and integrity and self-discipline." It communicates and disseminates anti-corruption and anti-bribery policies and procedures to its employees and partners through email, bulletin boards, and its official website, ensuring timely and efficient conveyance of the commercial ethics requirements. In 2025, the Company achieved a 100% signing rate for the integrity commitments of its employees and a 100% signing rate for the integrity and confidentiality agreement with new suppliers. This year, the coverage rate of employees' ethical training has reached 100%.

The Company enhances the integrity and compliance awareness of all employees through training, encourages all employees to participate in fostering a culture of integrity and honesty, creates a work environment of integrity and fairness, and conducts at least one training session annually on business ethics and anti-corruption for new hires. In 2025, the Company conducted internal training sessions for all campus-recruited employees, focusing on business ethics, integrity and self-discipline, as well as confidentiality policies, to continuously reinforce internal consensus on integrity and self-discipline.

Indicators		2025	Unit
Anti-corruption training duration	Directors	2	Hours
	Senior management	2	Hours
	Employees	2	Hours

Appendixes

Key Performance Indicators

ESG INDICATORS	Year 2024	Year 2025	Unit	Changes
Enviroment indicators				
Photovoltaic self-consumption power	1,273.88	1,575.96	10,000 kWh	23.71%
Clean energy generation	1,694.80	2,036.18	10,000 kWh	20.14%
Proportion of clean energy used	61.35	89.17	%	45.35%
Amount invested in environmental protection	770.47	224.99	RMB 10,000	-70.80%
GHG emissions (Scope 1 and Scope 2)	4,749.29	1,860.56	Tons of carbon dioxide equivalent	-60.82%
Total greenhouse gas emissions (Scope 1, Scope 2)	0.007	0.0026	Tons of carbon dioxide equivalent / RMB 10,000 of Revenue	-62.86%
Scope 1 GHG	1,679.76	1,369.82	Tons of carbon dioxide equivalent	-18.45%
Scope 2 GHG	3,069.53	490.74	Tons of carbon dioxide equivalent	-84.01%
Sulfur dioxide (SO_2) emissions	0.00	0.00	Tons	0.00%
Water use intensity	0.30	0.25	Tons per RMB 10,000 of Revenue	-14.88%
Industrial wastewater discharge intensity	0.03716	0.03371	Tons per RMB 10,000 of Revenue	-9.28%
Social indicators				
Number of training sessions conducted	252	253	Times	0.40%
Average training hours per employee	79	81	Hours	2.53%
Cumulative patent technology	284	356	Items	25.35%

ESG INDICATORS		Year 2023	Year 2024	Year 2025	Unit
Enviroment indicators					
Emissions	Nitrogen oxides (NOx) emissions	0.46	0.49	0.93	Tons
	Sulfur dioxide (SO_2) emissions	0.02	0.00	0.00	Tons
	Volatile organic compounds (VOCs) emissions	0.18	0.49	0.505	Tons
	Particulate matter emissions	1.44	1.51	4.47	Tons
	Total amount of non-hazardous waste	3,616.27	3,554.34	3,701.63	Tons
	Intensity of non-hazardous waste	0.0054	0.0051	0.00507	Tons per RMB 10,000 of Revenue
	Kitchen waste	77.49	28.53	0.00	Tons
	Quantity of waste cardboard	108.49	123.78	199.09	Tons
	Recycling volume of non-hazardous waste	2,771.07	3,105.44	3,296.09	Tons
	Disposal volume of non-hazardous waste	845.20	448.90	405.54	Tons
	Total amount of hazardous waste	82.56	97.49	106.55	Tons
	Intensity of hazardous waste	0.00012	0.00014	0.000146	Tons per RMB 10,000 of Revenue
	Recycling volume of hazardous waste	/	4.45	36.19	Tons
	Disposal volume of hazardous waste	79.36	93.04	70.36	Tons
	Proportion of the total amount of waste transferred from the Company's operations in landfills	/	96.85	66.03	%
GHG	GHG emissions (Scope 1 and Scope 2)	8,773.00	4,749.29	1,860.56	Tons of carbon dioxide equivalent
	Total greenhouse gas emissions (Scope 1, Scope 2)	0.013	0.007	0.0026	Tons of carbon dioxide equivalent / RMB 10,000 of Revenue
	Scope 1 GHG	1,958.00	1,679.76	1,369.82	Tons of carbon dioxide equivalent
	Scope 2 GHG	6,815.00	3,069.53	490.74	Tons of carbon dioxide equivalent

ESG INDICATORS		Year 2023	Year 2024	Year 2025	Unit
Resource usage	Total energy consumption	5,522.70	5,686.95	6,125.39	Tons of standard coal
	LPG consumption	/	0.37	0.99	10,000 standard cubic meter
	Natural gas	67.48	55.09	43.69	10,000 standard cubic meter
	Gasoline	50,234.00	52,240.00	59,633.22	Litre
	Diesel	22,290.00	20,024.00	20,388.54	Litre
	Energy consumption intensity	0.0083	0.0082	0.0084	Tons of standard coal /RMB 10,000 of Revenue
	Electricity usage	35,875,342	42,265,429	44,910,403	kWh
	Electricity intensity	53.77	61.20	61.56	kWh/RMB 10,000 of Revenue
	Purchased electricity	27,554,865	29,526,598	29,150,822	kWh
	Photovoltaic self-consumption power	832.05	1,273.88	1,575.96	10,000 kWh
	Clean energy generation	981.00	1,694.80	2,036.18	10,000 kWh
	— Equivalent to reduction in greenhouse gas emissions	5,595.00	9,094.00	11,763.01	Tons of carbon dioxide equivalent
	Photovoltaic power generation output	981.00	1,694.80	2,036.18	10,000 kWh
	— Equivalent to reduction in greenhouse gas emissions	5,595.00	9,094.00	11,763.01	Tons of carbon dioxide equivalent
	Installed capacity of deployed photovoltaic generation projects	23.00	23.00	23.75	Megawatt
	Proportion of clean energy used	36.21	61.35	89.17	%
	Renewable resource consumption	/	3,489.19	5,462.03	Tons of standard coal
	—Total amount of solar energy used by the Company	/	1,565.60	4,790.96	Tons of standard coal

ESG INDICATORS		Year 2023	Year 2024	Year 2025	Unit
Resource usage	*—Total amount of hydroenergy used by the Company*	/	43.47	0.00	Tons of standard coal
	—Total amount of green electricity purchased by the Company	/	1,880.12	11.72	Tons of standard coal
	Percentage of renewable resources	/	61.35	89.17	%
	—Proportion of solar energy used by the Company	/	27.53	78.21	%
	—Proportion of hydroenergy used by the Company	/	0.76	0.00	%
	—Proportion of green electricity purchased by the Company	/	33.06	0.19	%
	Direct reduction of greenhouse gas emissions due to retrofitting equipment	/	/	236.20	Tons of carbon dioxide equivalent
	Direct reduction of greenhouse gas emissions due to process improvements	/	447.68	0.00	Tons of carbon dioxide equivalent
	Direct reduction of greenhouse gas emissions due to fuel replacement	/	/	1.60	Tons of carbon dioxide equivalent
Water Resource management	Water consumption	224,720	206,202	185,413.89	Tons
	Water use intensity	0.34	0.30	0.25	Tons per RMB 10,000 of Revenue
	Volume of water recycled	1,236	1,353	1,431	Tons
	Volume of water saved	9.67	2.65	3.24	10,000 Tons
	Industrial wastewater discharge volume	27,796	25,662	24,588	Tons
	Industrial wastewater discharge intensity	0.04166	0.03716	0.03371	Tons per RMB 10,000 of Revenue
	COD emissions	/	1.56	1.97	Tons
	Ammonia nitrogen emissions	/	0.08	0.14	Tons
	Total nitrogen emissions	/	0.11	0	Tons

ESG INDICATORS			Year 2023	Year 2024	Year 2025	Unit
Packaging materials	Packaging materials consumption		1,772.90	1,887.01	1,739	Tons
Others	Amount invested in environmental protection		570.85	770.47	224.99	RMB 10,000
	Capital investment in greenhouse gas emission reduction		/	3,196.98	763.61	RMB 10,000
	Number of environmental incidents or administrative penalties for environmental issues		0	0	0	Times
	Proportion of operational sites that have undergone specific environmental risk assessments		/	/	100	%
	Percentage of collected Waste Electrical and Electronic Equipment (WEEE) relative to the total amount of Electrical and Electronic Equipment (EEE) placed on the market		/	/	0.05	%
Social indicators						
Employee employement	Total number of employees		2,207	2,318	2,286	Persons
	Number of employees by employment type	Full time employees	2,207	2,318	2,286	Persons
		Part time employees	0	0	0	Persons
	Number of employees by job level	Senior management	11	11	12	Persons
		Middle management	39	38	38	Persons
		General management	71	70	68	Persons
		Frontline employees	2,086	2,199	2,168	Persons
	Number of employees by gender	Male	1,735	1,799	1,755	Persons
		Female	472	519	531	Persons
	The proportion of women in senior management		36.4	36.4	50	%
	Number of employees by educational background	High school and below	979	955	913	Persons
		Associate degree	467	468	480	Persons
		Bachelor's degree	709	824	804	Persons
		Graduate degree and above	52	71	89	Persons

ESG INDICATORS			Year 2023	Year 2024	Year 2025	Unit
Employee employement	Number of employees by age	Age 30 and below	630	612	549	Persons
		Age 31-50	1,464	1,556	1,555	Persons
		Age 50 and above	113	150	182	Persons
	Number of employees by region	Southern China	956	938	880	Persons
		Central China	616	651	655	Persons
		Northern China	53	51	49	Persons
		Eastern China	259	298	315	Persons
		Northwestern China	41	48	52	Persons
		Southwestern China	111	116	118	Persons
		Northeastern China	61	61	60	Persons
		Hong Kong, Macao, and Taiwan	/	1	1	Persons
		Overseas	110	154	156	Persons
	Total number of disabled employees		24	22	22	Persons
	Proportion of employees from minority groups or disadvantaged groups		/	/	0.83	%
	Total number of veterans employed		41	35	32	Persons
	Number of new employees		161	111	-32	Persons
Employee turnover	Employee turnover rate		10.90	9.03	13.34	%
	By gender	Male	8.44	6.99	10.20	%
		Female	2.46	2.04	3.14	%
	By age group	Age 30 and below	3.51	4.04	5.80	%
		Age 31-40	4.52	3.30	4.89	%
		Age 41-50	1.66	1.18	1.67	%
		Age 50 and above	1.21	0.51	0.98	%

ESG INDICATORS			Year 2023	Year 2024	Year 2025	Unit
Employee turnover	By geographical region	Southern China	4.40	2.59	3.90	%
		Central China	2.92	2.83	4.70	%
		Northern China	0.28	0.47	0.38	%
		Eastern China	1.78	1.96	1.97	%
		Northwestern China	0.36	0.20	0.30	%
		Southwestern China	0.52	0.32	0.42	%
		Northeastern China	0.44	0.27	0.38	%
		Hong Kong, Macao, and Taiwan	/	0.00	0.00	%
		Overseas	0.20	0.39	1.29	%
Remuneration and welfare	Rate of labor contract signing		100	100	100	%
	Coverage rate of social insurance		100	100	100	%
	Average annual paid leave days per employee		6.00	6.70	6.88	Days
Occupational health and safety	Number of new cases of occupational diseases		0	0	1	Persons
	Rate of employee physical examination		/	100	100	%
	Number of work-related fatalities		0	0	0	Persons
	Number of workdays lost due to work-related injuries		0	0	0	Days
	Total duration of safety education and training		3,456	4,544	7,887.66	Hours
	Number of factories certified with ISO 45001 Occupational Health and Safety Management System		4	7	7	Pieces
	Percentage of factories certified with ISO 45001 Occupational Health and Safety Management System		/	100	100	%
	Expenditure on work-related injury insurance		/	84.41	172	RMB 10,000
	Percentage of employees covered by work-related injury insurance		/	100	100	%
	Number of workplace accidents involving employees		/	0	0	Occurrences
	Rate of workplace accidents involving employees		/	0	0	%

ESG INDICATORS			Year 2023	Year 2024	Year 2025	Unit
Occupational health and safety	Number of safety drills		14	26	26	Times
	Number of training sessions on quality, safety, and internal control		/	/	72	Times
	Percentage of operational sites subject to employee health and safety risk assessment		/	/	100	%
	Coverage rate of safety agreement signing		/	/	100	%
Employee training and development	Employee satisfaction		/	/	81.96	%
	Employee training coverage		100	100	100	%
	Number of training sessions conducted		243	252	253	Times
	Total number of employee training participation		63,805	65,165	67,574	Persons
	Total number of employees trained		2,207	2,318	2,286	Persons
	Proportion of trained employees by gender	Male	100	100	100	%
		Female	100	100	100	%
	Number of trained employees by gender	Male	1,735	1,799	1,755	Persons
		Female	472	519	531	Persons
	Proportion of trained employees by employment category	Senior management	100	100	100	%
		Middle management	100	100	100	%
		General management	100	100	100	%
		Frontline employees	100	100	100	%
	Number of trained employees by employment category	Senior management	11	11	12	Persons
		Middle management	39	38	38	Persons
		General management	71	70	68	Persons
		Frontline employees	2,086	2,199	2,168	Persons
	Trained hours by gender	Male	130,361	137,352	137,100	Hours
		Female	40,600	45,983	48,000	Hours

ESG INDICATORS			Year 2023	Year 2024	Year 2025	Unit
Employee training and development	Total training hours by employee type	Senior management	904	929	1,035	Hours
		Middle management	2,480	2,514	2,600	Hours
		General management	5,062	5,239	5,511	Hours
		Frontline employees	162,515	174,653	175,954	Hours
	Total training hours of employees		170,961	183,335	185,100	Hours
	Average training hours per employee		77	79	81	Hours
	Trained hours for trained employees by gender	Male	75	76	78	Hours
		Female	86	89	90	Hours
	Number of trained employees by employment category	Senior management	82	84	86	Hours
		Middle management	64	66	68	Hours
		General management	71	75	81	Hours
		Frontline employees	78	79	81	Hours
	Annual training expenditure amount		/	74.06	62.4	RMB 10,000
Product quality and service	Percentage of products sold or delivered that were recalled for quality reasons		0.008	0.011	0.016	%
	Number of products and service-related complaints received		13	11	9	Pieces
	Complaint resolution rate for products and services		100	100	100	%
	Customer satisfaction		98.03	98.26	98.39	%
	Number of products that have obtained quality certification		306	355	332	Pieces
	First-pass rate for finished technology products		/	/	98.81	%
Product R&D	R&D investment		3.51	3.56	3.57	RMB 100 million
	Number of R&D team members		394	408	400	Persons
	Percentage of R&D team members		17.85	17.60	17.5	%

ESG INDICATORS			Year 2023	Year 2024	Year 2025	Unit
Product R&D	Invention patents	Cumulative	36	41	73	Items
		Filed	9	27	59	Items
		New	18	5	32	Items
	Utility model patents	Cumulative	206	235	271	Items
		New	31	36	54	Items
	Design patents	Cumulative	8	8	12	Items
		New	0	3	4	Items
	Number of standards participated in compilation	Cumulative	10	14	18	Items
		New	1	4	4	Items
	Intellectual property related training	Number of training sessions conducted	2	1	1	Times
		Total training time	4	8	1.5	Hours
		Total number of employee training participation	146	10	200	Persons
	Number of trademark rights		36	37	49	Items
	Number of copyright rights		49	74	79	Items
	Number of products with carbon footprint certification		18	16	16	Items
Supply chain management	Total number of suppliers		1,137	1,108	1,591	Suppliers
	Number of domestic suppliers		1,132	1,102	1,305	Suppliers
	Number of suppliers by geographical region	Southern China	371	442	483	Suppliers
		Central China	/	/	/	Suppliers
		Northern China	97	85	116	Suppliers
		Eastern China	557	490	595	Suppliers
		Northwestern China	27	22	35	Suppliers

ESG INDICATORS			Year 2023	Year 2024	Year 2025	Unit
Supply chain management	Number of suppliers by geographical region	Southwestern China	57	44	47	Suppliers
		Northeastern China	21	19	29	Suppliers
		Hong Kong, Macao, Taiwan and overseas	7	6	286	Suppliers
	Number of suppliers reviewed in accordance with the practices relating to engaging suppliers		63	70	66	Suppliers
	Percentage of suppliers that have undergone corporate social responsibility (CSR) assessment (e.g., through questionnaires)		/	8.75	6.1	%
	Percentage of suppliers that have undergone on-site corporate social responsibility (CSR) audit		/	2.08	1.45	%
	Number of suppliers that have failed the audit due to environmental, safety, and health factors		/	0	0	Suppliers
	Percentage of audited/assessed suppliers that have engaged in corrective actions or capacity-building initiatives		/	96	94	%
	Signing rate of the Supplier Confidentiality and Integrity Agreement among suppliers		100	100	100	%
	Signing rate of the Code of Conduct for Suppliers in Collaboration with Jinpan Smart Technology among target suppliers		/	100	100	%
	Signing rate of the Commitment Letter on Social Responsibility and Occupational Health and Safety Protection among target suppliers		/	100	100	%
	Percentage of target suppliers who have signed contracts containing environmental, labor, and human rights requirements		/	100	100	%
	Number of suppliers who have signed the Non Use of Conflict Minerals Warranty		6	10	10	Suppliers
	Percentage of suppliers providing conflict mineral information (e.g., CMRT)		/	100	100	%
	The amount of overdue payments to small and medium-sized enterprises		/	0	0	RMB 10,000
	Supplier signing rate of the Sustainable Procurement Procedure		/	100	100	%
Anti-corruption	Number of participants in anti-corruption		2,207	2,318	2,286	Persons
	Average duration of anti-corruption training		2	2	2	Hours
	Coverage rate of employee business ethics training		/	/	100	%
	Number of employees attending anticorruption training		121	2,318	2,286	Persons
	Management Integrity Agreement signing rate		100	100	100	%
	Employee Integrity Agreement signing rate		100	100	100	%
	Number of corruption lawsuits filed or concluded		0	0	0	Occurrences
	Percentage of all sites that have undergone internal assessments or reviews focusing on specific business ethics issues		/	/	100	%

ESG INDICATORS		Year 2023	Year 2024	Year 2025	Unit
Public welfare and charity	Total investment amount for rural revitalization	6.70	11.00	3.00	RMB 10,000
	Number of employees receiving financial aid	5	7	4	Persons
	Number of employees with difficulties who were visited during the Spring Festival	32	39	19	Persons
	Amount of financial assistance provided to employees in need	14.00	12.34	8.53	RMB 10,000
	Number of charitable donations initiated	9	11	17	Times
	Total amount of charitable donations	81.97	93.27	46.39	RMB 10,000
	Number of volunteers	/	40	184	Persons
	Hours of volunteer service	/	/	920	Hours
	Scope and number of beneficiary groups reached by rural revitalization	/	/	1,200	Persons
Economic indicators					
Economic performance	Revenue	66.68	69.01	72.95	RMB 100 million
	Net profit attributable to shareholders of listed company	5.05	5.74	6.60	RMB 100 million
	Social contribution per share	2.57	2.88	3.21	RMB/share
	Revenue per employee	302.13	297.71	319.12	RMB 10,000
	Profit per employee	22.88	24.78	28.85	RMB 10,000
Governance indicators					
Governance	Shareholders' meetings	3	2	5	Times
	Board of Directors meetings	13	12	15	Times
	Number of directors	6	6	6	Persons
	Executive directors	2	2	2	Persons
	Non-executive directors	2	2	2	Persons
	Independent directors	2	2	2	Persons
	Female directors	1	1	1	Persons
	Percentage of female directors	16.7%	16.7%	16.7%	%

Guidelines for Self-Regulation of Listed Companies—Sustainability Report (Trial)

Dimension	No.	Issue	Corresponding articles	Report sections
Environmental	1	Responding to climate change	Articles 21 to 28	Building a sustainable enterprise on a carbon-neutral foundation
	2	Pollutant emission	Article 30	Waste gas management
	3	Waste disposal	Article 31	Packaging materials and waste
	4	Ecosystem and biodiversity conservation	Article 32	Biodiversity protection
	5	Environment compliance management	Article 33	Environmental management system
	6	Energy utilization	Article 35	Energy management
	7	Water resource utilization	Article 36	Water resource management
	8	Circular economy	Article 37	Packaging materials and waste
Social	9	Rural revitalization	Article 39	Rural revitalization
	10	Social contribution	Article 40	Public welfare and charity
	11	Innovation-driven development	Article 42	R&D and innovation, intellectual property protection
	12	Science and technology ethics	Article 43	R&D and innovation
	13	Supply chain security	Article 45	Supply chain management
	14	Equal treatment of SMEs	Article 46	Empower Industry Development
	15	Product and service safety and quality	Article 47	Product quality and safety, marketing, and customer service
	16	Data security and customer privacy protection	Article 48	Customer privacy and information security
	17	Employees	Article 50	Shared vision, shared success
Sustainability-related governance	18	Due diligence	Article 52	ESG governance
	19	Stakeholder Communication	Article 53	Stakeholder communication
	20	Anti-bribery and anti-corruption	Article 55	Business ethics management, business ethics and cultural construction
	21	Anti-unfair competition	Article 56	Anti-unfair competition

GRI Standard Index

Statement of use	Hainan Jinpan Smart Technology Co., Ltd. reported the information referenced in this GRI content index for the period from January 1, 2025, to December 31, 2025, in accordance with GRI standards
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	P3-6
	2-2 Entities included in the organization's sustainability reporting	P1
	2-3 Reporting period, frequency and contact point	P1
	2-5 External assurance	P112
	2-6 Activities, value chain and other business relationships	P5, P27-30
	2-7 Employees	P70-76
	2-8 Workers who are not employees	P97
	2-9 Governance structure and composition	P88
	2-10 Nomination and selection of the highest governance body	P88
	2-11 Chair of the highest governance body	P2
	2-12 Role of the highest governance body in overseeing the management of impacts	P88
	2-13 Delegation of responsibility for managing impacts	P88
	2-14 Role of the highest governance body in sustainability reporting	P7
	2-16 Communication of critical concerns	P9
	2-23 Policy commitments	P7
	2-24 Embedding policy commitments	P7
	2-27 Compliance with laws and regulations	P46, P48, P50-51, P63, P68-70, P75, P90-92
	2-29 Approach to stakeholder engagement	P9

GRI STANDARD	DISCLOSURE	LOCATION
GRI 3: Material Topics 2021	3-1 Process to determine material topics	P11-15
	3-2 List of material topics	P12-13
	3-3 Management of material topics	P13
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	P3
GRI 205: Anti-corruption 2016	3-3 Management of material topics	P90-92
	205-1 Operations assessed for risks related to corruption	P92
	205-2 Communication and training about anti-corruption policies and procedures	P92
	205-3 Confirmed incidents of corruption and actions taken	P92
GRI 302: Energy 2016	3-3 Management of material topics	P46-47
	302-1 Energy consumption within the organization	P46-47
	302-2 Energy consumption outside of the organization	P46-47
	302-3 Energy intensity	P47
	302-4 Reduction of energy consumption	P46-47
GRI 303: Water and Effluents 2018	3-3 Management of material topics	P48
	303-1 Interactions with water as a shared resource	P48
	303-2 Management of water discharge-related impacts	P48
	303-3 Water withdrawal	P48
	303-4 Water discharge	P48
	303-5 Water consumption	P48

GRI STANDARD	DISCLOSURE	LOCATION
GRI 305: Emissions 2016	3-3 Management of material topics	P39-42, P49
	305-1 Direct (Scope 1) GHG emissions	P39-42
	305-2 Energy indirect (Scope 2) GHG emissions	P39-42
	305-4 GHG emissions intensity	P39
	305-5 Reduction of GHG emissions	P39
	305-7 Nitrogen oxides (NO_X), sulfur oxides (SO_X), and other significant air emissions	P49
GRI 306: Waste 2020	3-3 Management of material topics	P50-51
	306-1 Waste generation and significant waste-related impacts	P50-51
	306-2 Management of significant waste-related impacts	P50-51
	306-3 Waste generated	P50-51
	306-4 Waste diverted from disposal	P50-51
	306-5 Waste directed to disposal	P50-51
GRI 308: Supplier Environmental Assessment 2016	3-3 Management of material topics	P79-82
	308-1 New suppliers that were screened using environmental criteria	P79
	308-2 Negative environmental impacts in the supply chain and actions taken	P79-82
GRI 401: Employment 2016	3-3 Management of material topics	P68-72
	401-1 New employee hires and employee turnover	P69
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	P70-72

GRI STANDARD	DISCLOSURE	LOCATION
GRI 403: Occupational Health and Safety 2018	3-3 Management of material topics	P73-74
	403-1 Occupational health and safety management system	P73
	403-2 Hazard identification, risk assessment, and incident investigation	P73-74
	403-3 Occupational health services	P73-74
	403-5 Worker training on occupational health and safety	P73-74
	403-6 Promotion of worker health	P73-74
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	P73-74
	403-8 Workers covered by an occupational health and safety management system	P73-74
	403-9 Work-related injuries	P73-74
GRI 404: Training and Education 2016	3-3 Management of material topics	P75-76
	404-1 Average hours of training per year per employee	P75-76
	404-2 Programs for upgrading employee skills and transition assistance programs	P75-76
GRI 405:Diversity and Equal Opportunity 2016	3-3 Management of material topics	P69
	405-1 Diversity of governance bodies and employees	P69
GRI 406: Non-discrimination 2016	3-3 Management of material topics	P69
	406-1 Incidents of discrimination and corrective actions taken	P69
GRI 407: Freedom of Association and Collective Bargaining 2016	3-3 Management of material topics	P69
	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	P69
GRI 408: Child Labor 2016	3-3 Management of material topics	P68
	408-1 Operations and suppliers at significant risk for incidents of child labor	P68

GRI STANDARD	DISCLOSURE	LOCATION
GRI 409: Forced or Compulsory Labor 2016	3-3 Management of material topics	P68
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	P68
GRI 414: Supplier Social Assessment 2016	3-3 Management of material topics	P79-82
	414-1 New suppliers that were screened using social criteria	P79
	414-2 Negative social impacts in the supply chain and actions taken	P80
GRI 418: Customer Privacy 2016	3-3 Management of material topics	P80
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	P80

Feedback Form

Respected Readers,

Thank you for reading the Hainan Jinpan Smart Technology Co., Ltd. 2025 Sustainability Report and Environmental, Social, and Governance (ESG) Report. To better meet your needs and provide more valuable information to you and all stakeholders, while promoting Jinpan Smart Technology's comprehensive management capabilities and work performance, and enhancing our ability and level of social responsibility, we sincerely hope that you can provide valuable feedbacks on the report. You can do so by contacting us through the following channels.

Tel: 0898-66811301

Email: info@jst.com.cn

1. Which stakeholder category do you belong to?

- ☐ Senior Management (including directors, supervisors, senior executives, etc.)
- ☐ Employees
- ☐ Customers
- ☐ Government/Regulatory Agencies
- ☐ Shareholders/Investors
- ☐ Suppliers/Partners
- ☐ Non-Governmental Organizations
- ☐ Other:_____

2. Your overall impression of this report:

☐ Excellent ☐ Good ☐ Average ☐ Poor ☐ Very Poor

3. How do you rate Hainan Jinpan Smart Technology Co., Ltd. in the following aspects?

Corporate Governance:	☐ Excellent	☐ Good	☐ Average	☐ Poor	☐ Very Poor
Environmental Governance:	☐ Excellent	☐ Good	☐ Average	☐ Poor	☐ Very Poor
Social Responsibility:	☐ Excellent	☐ Good	☐ Average	☐ Poor	☐ Very Poor
ESG Management:	☐ Excellent	☐ Good	☐ Average	☐ Poor	☐ Very Poor

4. In terms of the amount of information disclosed, accuracy, completeness, readability, and layout design in this report, you would rate them as follows:

Amount of information disclosed:	☐ Very High	☐ High	☐ Average	☐ Low	☐ Very Low
Accuracy:	☐ Very High	☐ High	☐ Average	☐ Low	☐ Very Low
Completeness:	☐ Very High	☐ High	☐ Average	☐ Low	☐ Very Low
Readability:	☐ Very Good	☐ Good	☐ Average	☐ Poor	☐ Very Poor
Layout design:	☐ Very Reasonable	☐ Reasonable	☐ Average	☐ Poor	☐ Very Poor

5. In terms of the amount of information disclosed, accuracy, completeness, readability, and layout design in this report, you would rate them as follows:

_____

6. What are your opinions and suggestions regarding the compilation of the ESG report by Hainan Jinpan Smart Technology Co., Ltd.?

_____

Independent Assurance Statement

Verification Statement: EIV2 119843 0016 Rev. 00

To the management and stakeholders of Hainan Jinpan Smart Technology Co., Ltd.,

TÜV SÜD Certification and Testing (China) Co., Ltd. (hereinafter referred to as "TÜV SÜD (China)") has been engaged by Hainan Jinpan Smart Technology Co., Ltd. (hereinafter referred to as "Jinpan Technology" or "the Company") to perform an independent third-party verification on Hainan Jinpan Smart Technology Co., Ltd. 2025 Sustainability Report (hereinafter referred to as "the Report"). During this verification, TÜV SÜD (China)'s verification team strictly adhered to the agreed terms of the contract with Jinpan Technology and conducted the verification within the authorized scope.

This Independent Verification Statement is prepared based on the data and information collected and provided by Jinpan Technology. Accordingly, the verification scope is limited to the provided materials. Jinpan Technology shall be held accountable for authenticity and completeness of the provided materials (contains assumptions, projections, and/or historical facts).

Scope of Verification

Time frame:

- Environmental, social and governance-related data and information, management approaches and operational measures for material topics, and sustainability performance during the reporting period (from January 1st, 2025 to December 31st, 2025).

Physical boundary:

- The on-site verification sampling took place at Jinpan Technology, No.168-39 Nanhai Avenue, Haikou City, Hainan Province, China.

Scope of data and information for the verification:

- The data and information of Jinpan Technology and the companies under its operational control in the report.

The following data and information are beyond the scope of this verification:

- Any contents beyond the reporting period;
- The data and information of Jinpan Technology's suppliers, partners and other third parties;
- The financial data and information audited by an independent third party in the Report.

Limitations

- The verification was conducted within the aforementioned scope. TÜV SÜD (China) applied sampling-based assurance procedures to the Report's data and information, and only the stakeholders within the Company are interviewed.
- The Company's standpoint, opinions, forward-looking statements and predictive information as well as the historical data and information before January 1st, 2025 are beyond the scope of this verification.
- The verification conclusions are based on the analysis of the data and information collected during the verification, which may not identify all potential issues or circumstances and shall not constitute a guarantee of the credibility or status of the subject of verification.

Methodology

This verification was conducted by TÜV SÜD (China)'s expert team with extensive experience in environmental, social and governance-related areas and drew the conclusions thereof. The verification standards included:

- *AA1000AS v3, Type 2, Moderate Assurance*
- *International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, Limited Assurance*
- *Sustainability Report Verification Operation Rule (CCB_EIV_GR_002E Rev04)*

In order to perform adequate verification in accordance with the contract and provide sufficient assurance over the conclusions, the verification team conducted the following activities:

- Conducted background and materiality research
- Verified the disclosure of material topics and related performance metrics in the Report
- Performed On-site verification of all supporting documents, data and information provided by Jinpan Technology; with sampling-based verification of key performance data and information
- Conducted special interview with Jinpan Technology's management; and held interviews with employees involved in the collection, compilation and reporting of the disclosed information
- Other procedures deemed necessary by the verification team

Verification Conclusions

Based on the verification, we believe that the data and information presented in the Report are objective, factual and reliable, without systematic problems, and can be used by stakeholders.

The verification team has drawn the following conclusions on the Report :

Inclusivity	Jinpan Technology has identified the internal and external stakeholders such as shareholders and investors, employees, customers, suppliers, governments, and regulatory authorities, etc., and established a stakeholder communication mechanism to collect the demands of stakeholders on a regular basis.
Materiality	Jinpan Technology has established the prioritization process of material topics determination, identified and assessed the priority of the sustainability topics which are highly related to the industry, the Company disclosed the strategy, management approach as well as sustainability performance in corporate operation, therefore the Report's adherence to materiality principle is guaranteed.
Responsiveness	Jinpan Technology has disclosed the management approach and performance of high material topics that stakeholders concern, such as responding to climate change, smart transformation, R&D and innovation, and product quality and safety, etc., and has established a communication mechanism, to fully respond to the demands and expectations of stakeholders.
Impact	Jinpan Technology has established a Sustainability Committee to oversee, monitor, measure, and hold the Company accountable for its performance in environmental, social responsibility, and corporate governance. The committee integrates impact assessments into organizational governance and strategy, and establishes clear processes and mechanisms to measure and manage ESG-related risks and opportunities, ensuring the transparency and credibility of the Company's reporting.

Recommendations on Continuous Improvement

- It is recommended that the Company consistently implements and executes its low-carbon development strategy, regularly updates climate change-related reports, and enhances the disclosure of quantitative information.

Statement on Independence and Verification Capability

TÜV SÜD is a trusted partner of choice for safety, security and sustainability solutions. It specializes in testing, certification, auditing and advisory services. Since 1866, the company has remained committed to its purpose of enabling progress by protecting people, the environment and assets from technology-related risks. Today, TÜV SÜD is present in over 1,000 locations worldwide with its headquarters in Munich, Germany. Through expert teams represented by more than 28,000 employees, it adds value to customers and partners by enabling market access and managing risks. By anticipating technological developments and facilitating change, TÜV SÜD inspires trust in a physical and digital world to create a safer and more sustainable future.

TÜV SÜD (China) is one of TÜV SÜD's global branches and has an expert team whose members have professional background and rich industrial experiences.

TÜV SÜD (China) and Jinpan Technology are two entities independent of each other and both TÜV SÜD (China) and Jinpan Technology and their branches or stakeholders have no conflict of interest. No member of the verification team has business relationship with the Company. The verification is completely neutral. All the data and information in the Report are provided by Jinpan Technology. TÜV SÜD (China) has not been involved in preparation and drafting of the Report, except for the verification itself and issuance of the verification statement.

Wenjun Zhu

TÜV SÜD (China) Technical Certifier

Shanghai, China, March 3rd, 2026

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