2025

Sineng Electric Co., Ltd.

Environmental, Social and Governance (ESG) Report

CONTENTS

About the Report

Report Overview

This Report is the second Environmental, Social and Governance (ESG) report issued by Sineng Electric Co., Ltd. (hereinafter referred to as "Sineng Electric", "the Company" or "We"). It aims to systematically disclose the Company's strategic philosophy, management practices and key performance indicators in 2025 sustainable development.

Time Period

This is an annual report covering the period from January 1, 2025 to December 31, 2025, systematically presenting the Company's sustainable development management and practices during the reporting period. For the sake of comparability and completeness, certain content is appropriately traced or extended beyond the reporting period.

Data Specification

The information disclosed in this Report is mainly derived from the Company's internal statistical statements, official documents and interview records. The economic data disclosed in this Report are extracted from the 2025 financial statements of Sineng Electric Co., Ltd. Unless otherwise specified, all monetary amounts involved in the Report are denominated in RMB.

Reference Standards

This Report is prepared with reference to the *Guidelines 17 for Self Governance of Listed Companies of the Shenzhen Stock Exchange - Sustainable Development Report (Trial)* and the *Guidelines 3 for Self Governance of Listed Companies of the Shenzhen Stock Exchange - Preparation of Sustainable Development Reports (Revised in January 2026)*, and in light of the business characteristics and development status of Sineng Electric Co., Ltd.

Scope of the Report

The scope of this Report covers Sineng Electric Co., Ltd. and all its branches and subsidiaries included in the consolidated financial statements.

Report Commitment

This Report is compiled under the organization of Sineng Electric Co., Ltd., which assumes responsibility for the accuracy and completeness of the content. The Report contains no false records, misleading statements or material omissions. This Report includes forward-looking statements. Except for statements of historical facts, all statements regarding events that may or will occur in the future (including but not limited to assumptions, objectives, estimates and business plans) fall within the scope of forward-looking statements. Affected by various uncertainties such as the macroeconomic environment and industry development, actual future development results or trends may differ from such statements.

Message from the Chairman

Looking back on 2025, as a global leader in PV and storage solutions, we are encouraged by the breakthroughs achieved over the past year and fully confident in further advancing our ESG practices in the future. This year is the second consecutive year we have published an ESG Report, which not only continues and deepens the work initiated in our first ESG Report in 2024, but also represents a key leap from "basic compliance" to "deep integration" as we further embed ESG principles into daily operations amid expanding global business.

In 2025, anchored by the "Dual Carbon" goals, we have aligned our ESG efforts with market strategies. The PV and energy storage industry is currently in a golden era of opportunity supported by "favorable policies" and "surging demand": The global consensus on "Dual Carbon" has strengthened, with major economies including China, Europe and the United States rolling out clear roadmaps and maintaining sustained policy momentum. Technological advancements have enhanced economic viability, the integrated cost of new energy systems of PV + energy storage has fallen below that of thermal power in some regions, driving market demand from "policy-driven" to "economy-driven". Yet alongside opportunities come severe challenges: Intensifying industry competition, explosive market entry into energy storage, severe homogenization in the residential sector, and stringent overseas requirements for product certification, ESG performance and localized services are compounded by trade protectionism, resource constraints and policy fluctuations.

Against this industry backdrop, we firmly believe that only enterprises equipped with a "technical moat + global capabilities + ESG resilience" can gain an edge amid market restructuring. On the market side, we have continued to deepen our presence in domestic PV and energy storage sectors, consolidating long-term customer relationships as the cornerstone of our business. We have strategically expanded overseas markets, maintaining our position as the world's fourth-largest supplier of PV inverters and fifth-largest supplier of energy storage converters. We have strengthened our leading position in India and the Middle East, pursued strategic breakthroughs in Europe, flexibly adapted to policy adjustments in the United States, and explored high-potential markets in Africa and Latin America. On the product side, we have continued to invest innovative technological resources in the green and low-carbon upgrading of full-scenario PV and storage products, accelerating their iteration. We have also proactively laid out forward-looking flexible hydrogen production solutions powered by renewable energy, promoting the integrated and synergistic development of PV, energy storage and hydrogen businesses. This is not merely a commercial layout, but a vivid practice of embedding the ESG philosophy into market decision-making and product research and development. The mission of making green energy accessible worldwide is taking root through every product tailored to market demands.

As we release our second ESG Report, we have moved beyond basic data disclosure to adopt a more systematic governance framework in response to stakeholder expectations: In response to customer needs, we have proactively addressed higher overseas requirements for ESG performance, conducted verifications of greenhouse gas emissions and product life-cycle carbon footprints, and completed the 2025 ESG Report to further enhance information transparency and openness. In terms of social responsibility, we have actively responded to government initiatives, supported energy transition through "integrated PV and energy storage" solutions, implemented public welfare and charitable programs, upheld human rights principles, and built a green and responsible brand image. In daily operations, we have gradually promoted energy conservation and emission reduction, managed carbon emissions, planned and constructed energy management systems for intelligent and controllable energy use, and integrated sustainable development into the corporate DNA.

The year 2025 serves as a bridge between past achievements and future aspirations. It builds on the initial progress made in 2024 and sets a higher starting line for future standards. Amid accelerating global energy transition and a landscape of coexisting opportunities and challenges, we will stay true to our mission of "Make Changes Happen". By forging a competitive moat through technological innovation, addressing challenges with global layout, and creating long-term value through ESG resilience, we will work alongside the industry to achieve a profound leap from "scale growth" to "high-quality sustainable development".

Chairman of Sineng Electric Co., Ltd.

About Sineng Electric

Corporate Profile

Sineng Electric Co., Ltd. (Stock Code: 300827) is a national high-tech enterprise specializing in the R&D, manufacturing and sales of power electronic products. Its business covers photovoltaic inverters, energy storage converters and energy storage systems, flexible hydrogen production power supply systems, power quality management and other fields. The Company is committed to providing full-scenario "PV, storage and hydrogen" solutions, embodying the development philosophy of "green, low-carbon and high-efficiency" with its strength.

Sineng Electric consistently upholds the philosophy of "market-oriented, innovation-driven development" and actively promotes industry-university-research cooperation. To date, the Company has established four major R&D centers in Shenzhen, Wuxi, Suzhou and Chengdu, as well as four production bases in Wuxi of Jiangsu, Wuzhong of Ningxia, Bengaluru of India, and Lianyungang of Jiangsu, forming a collaborative layout covering R&D, manufacturing and global delivery. It has been successively granted with titles including among the first batch of National Green Factory, National Green Supply Chain Management Enterprise, National Enterprise Technology Center, National Intellectual Property Advantage Enterprise, National Intelligent Photovoltaic Pilot Demonstration Enterprise, CNAS National Laboratory, Postdoctoral Research Station, and the Sixth Batch of Single Champion Products in Manufacturing by the Ministry of Industry and Information Technology. Its comprehensive technical strength and industry influence continue to rise.

Leveraging advanced technologies, the Company provides full-scenario photovoltaic system solutions. Its full-power-range PV inverters are widely used in large-scale ground-mounted power plants, commercial rooftops, residential rooftops and other scenarios. With profound technical expertise and market influence, Sineng Power has been continuously listed as a Tier 1 global PV inverter manufacturer by BloombergNEF, and ranked fourth globally in PV inverter shipments for 2023–2024.

In the energy storage sector, Sineng Electric offers full-scenario energy storage system solutions covering residential, commercial, and large-scale power plant applications. Its grid-forming energy storage converters supporting centralized and string-based technical routes, as well as system integration products, are widely applied on the generation side, grid side, distribution network side, microgrids and other scenarios. In 2024, the Company ranked fifth globally in energy storage inverter shipments, driving the global energy structure transition through sustained innovation.

In 2026, Sineng Electric entered the hydrogen energy sector by providing flexible hydrogen production power supply system solutions. Designed for high efficiency, safety, intelligence and stability, its water electrolysis hydrogen production power products are perfectly adapted to the rapid fluctuation characteristics of green power grids, supporting the large-scale development of the hydrogen industry with excellent grid friendliness.

In addition, the Company provides full-scenario power quality solutions. Its full range of power quality products, including active power filters, static var generators and dynamic voltage regulators, has been widely deployed in industrial scenarios, effectively improving the stability and power quality of power consumption systems.

Sineng Electric actively lays out the global market and continuously refines its international strategy. Its business covers Asia-Pacific, Middle East, Africa, Europe, North America, South America and other regions, with a gradually established global R&D, manufacturing and service network. With a global vision, the Company is building a future of green energy, making the Earth cleaner and better, and making changes happen.

4
Global Manufacturing Bases

4
R&D Centers

10
Overseas Subsidiaries

77
Global Service Centers

10+ Years
of Expertise in Power Electronics

Tier 1
Power Inverter Manufacturer
* PV Inverter and Energy Storage PCS (BloombergNEF)

No.4
2024 PV Inverter Supplier Globally in Shipments (S&P Global)

Top.5
2024 PCS Supplier Globally in Shipments (S&P Global)

Corporate Culture

Mission - Make Changes Happen

In light of the pressing environmental challenges such as climate change and traditional energy shortages, Sineng Electric actively shoulders the mission of "Make Changes Happen". By deepening product R&D, upholding technological leadership, promoting cooperation on superior resources, and practicing the ESG philosophy, the Company is committed to providing society with efficient, reliable and eco-friendly energy solutions, injecting Sineng impetus into global sustainable development, and building a green and low-carbon beautiful future.

Vision - Be a World-Class Energy Enterprise

Sineng Electric has been relentlessly pursuing excellence in products, solutions and services, striving to lead in the global industrial wave. Our vision is to be a world-class energy enterprise, leading the continuous progress and development of the energy industry. We aspire to set a benchmark for quality and innovation on a global scale.

Values - Sincerity · Unity · Initiative

We encourage integrity, accountability and sincere communication. Team members openly exchange ideas and information, earn the trust of customers, partners and society through sincerity in all business dealings, and actively fulfill corporate social responsibilities. We advocate win-win cooperation, solidarity and mutual support, respect the contribution of every employee in the team, achieve resource sharing and complementary strengths through collaboration, continuously drive corporate development, and realize the common growth of individuals and the collective. We pursue proactivity and continuous innovation, uphold our commitment to high-quality products and services, set high standards and strive to exceed them, constantly break existing boundaries, and seek more efficient solutions.

Development Milestones

2012
Sineng established

2014
Integrating Emerson Network Energy PV Business

2016
Inauguration of a manufacturing facility in Wuxi, China

2017
Layout Energy Storage Business

2018
The first overseas facility
Inauguration and commenced operations manufacturing facility in Bangalore, India

2020
Listed on the Shenzhen Stock Exchange (Stock Code: 300827)

2021
Inauguration of a manufacturing facility in Ningxia, China, with an annual production capacity of 10GW
Middle East & Africa Operation Center established in Dubai, UAE

2022
European Subsidiary established in Munich, Germany

2024
North America Service Center established in Houston, USA

2025
Inauguration and commenced operations of a manufacturing facility in Lianyungang, Jiangsu, China

2026
Expanded hydrogen energy business

Business Layout

Sineng Electric has built a full-chain business matrix covering PV inverters, energy storage systems, digital power and power station development. Its PV inverter portfolio includes centralized, string and residential products; its energy storage systems offer a full range of solutions for large-scale power plants, commercial and residential scenarios; its digital power business lays out green power derivative technologies such as water electrolysis hydrogen production power supplies and power quality optimization equipment; and its power station development business promotes the large-scale deployment of centralized, commercial and residential PV power stations. This enables a full-chain connection from core equipment manufacturing to end-user application scenarios, effectively supporting the green transition of the energy structure.

Meanwhile, guided by the philosophy of "Global Vision, Empowering Regional Development", the Company has built a global operation network. Leveraging 4 production bases and 4 R&D centers, it has established a collaborative and efficient R&D and manufacturing system to ensure continuous technological iteration and stable capacity supply. It has also built a localized operation network comprising 10 overseas subsidiaries, 22 marketing centers, 23 warehousing centers and 77 after-sales service centers, forming an integrated global capability covering sales, delivery and service.

At present, the Company's business has expanded to more than 80 countries, with over 1,000 overseas projects delivered cumulatively. Through the dual-wheel drive model of global layout and localized operation, it continuously enhances its international market competitiveness and service response capabilities, and deeply participates in the practice of global energy transition.

10 Overseas Subsidiaries

22 Marketing Centers

4 R&D Centers

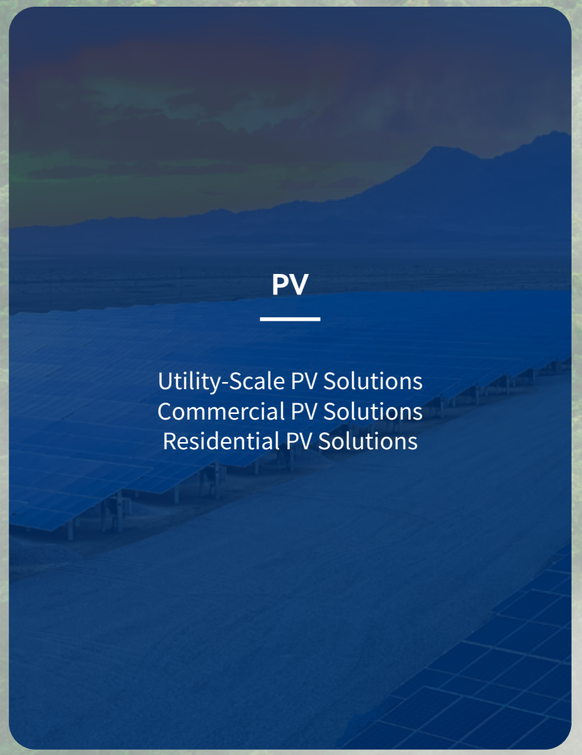
4 Production Bases

23 Warehousing Bases

77 Global Service Centers

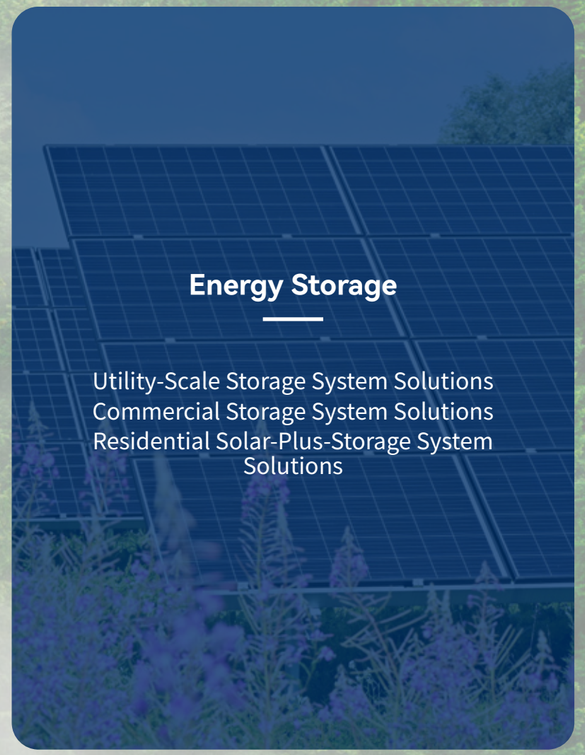
Global Layout of Sineng Electric

Full-Scenario Solutions



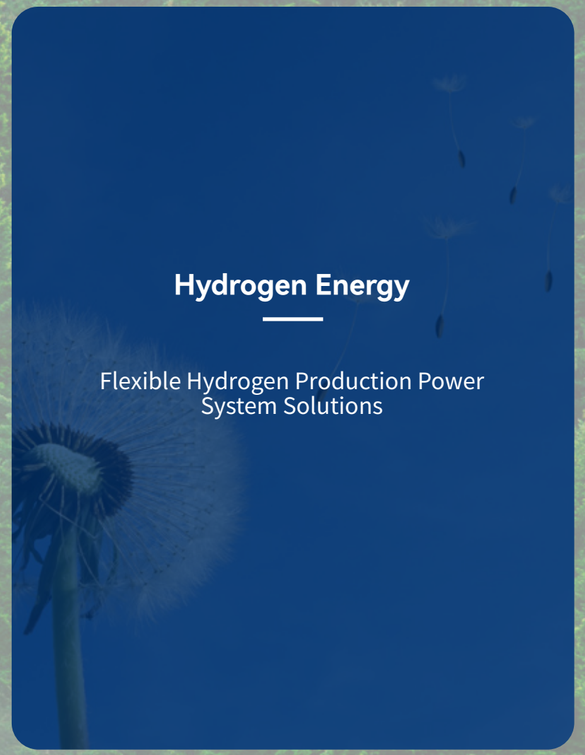
PV

Utility-Scale PV Solutions
Commercial PV Solutions
Residential PV Solutions



Energy Storage

Utility-Scale Storage System Solutions
Commercial Storage System Solutions
Residential Solar-Plus-Storage System Solutions



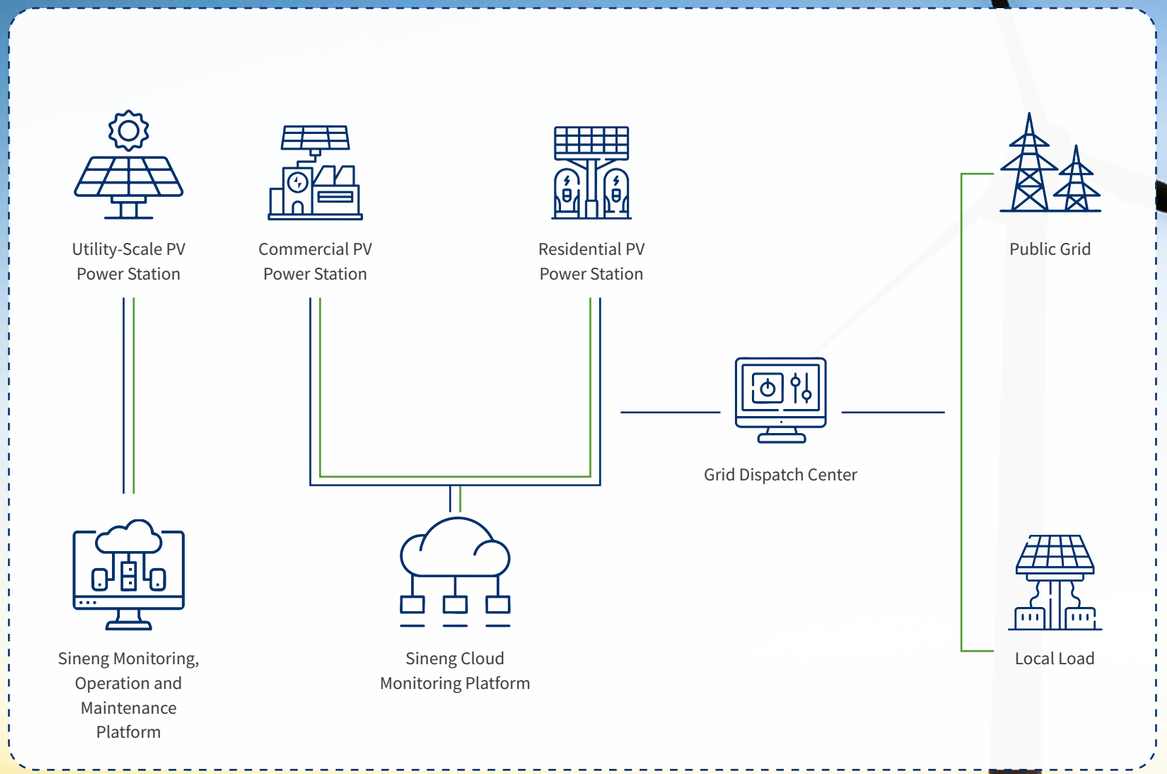
Hydrogen Energy

Flexible Hydrogen Production Power System Solutions

Power Quality

APF Active Power Filter
SVG Static Var Generator
DVR Dynamic Voltage Restorer
LC Traditional Reactive Compensation Device

Full-Scenario PV Inverter Solutions



Full-Scenario Energy Storage System Solutions

Power Generation Side

- Solar Power Generation
- Thermal Power Generation
- Wind Power Generation

Large-Scale Energy Storage System Solutions

Transmission and Distribution Side

- Transmission Substation
- Distribution Substation

Large-Scale Energy Storage System Solutions

Commercial Energy Storage System Solutions

Consumption Side

- Commercial Power Consumption
- Residential Power Consumption

Commercial Energy Storage System Solutions

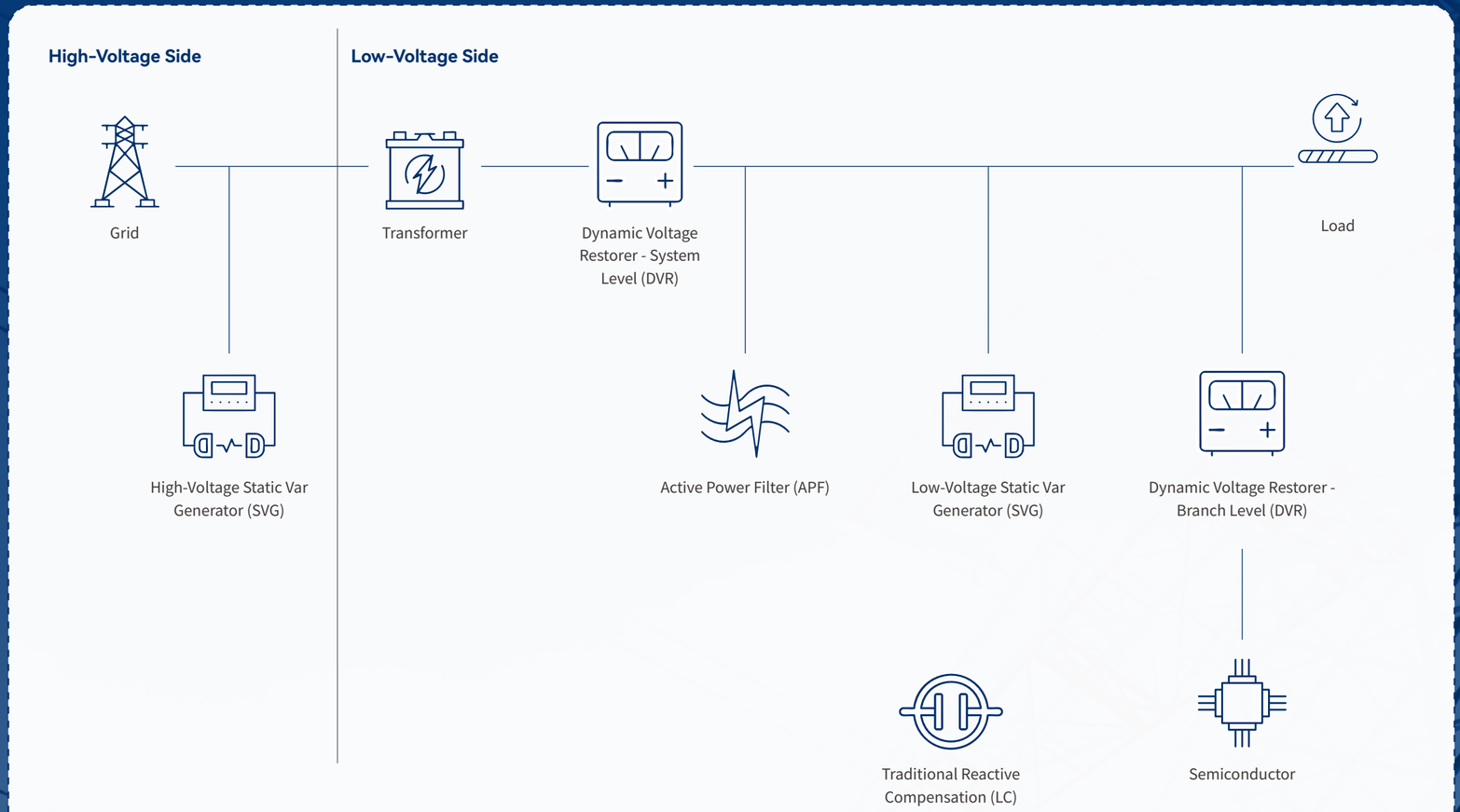
Residential Solar-Plus-Storage System Solutions

Microgrid Side

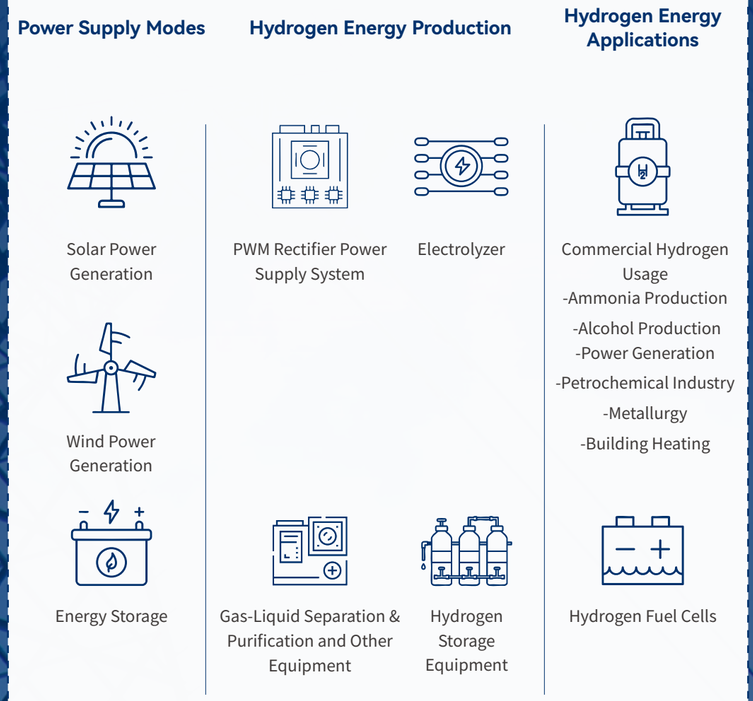
- Border Defense
- Islands
- Mines
- Oil Wells

Microgrid Energy Storage System Solutions

Power Quality Solutions for Distribution Network Systems



Renewable Energy Flexible Hydrogen Production Power Supply System Solutions



Awards and Honors

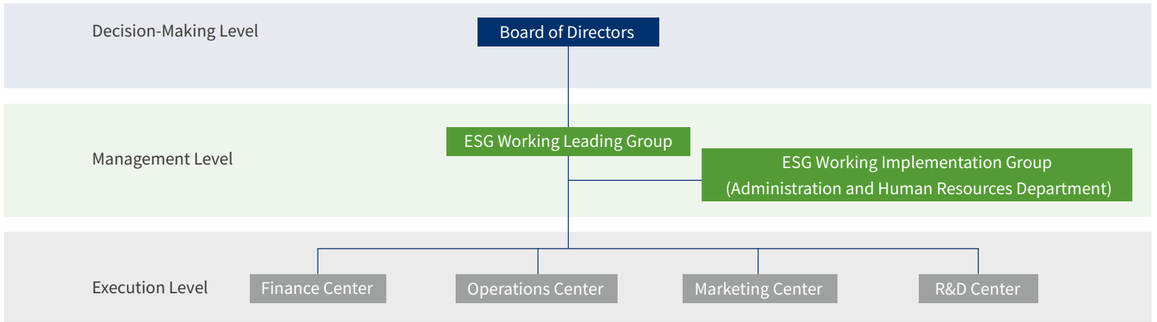
National Green Supply Chain Management Enterprise Ministry of Industry and Information Technology of the People's Republic of China	National Intelligent PV Pilot Demonstration Enterprise Ministry of Industry and Information Technology of the People's Republic of China	National Intellectual Property Advantage Enterprise China National Intellectual Property Administration
CNAS National Accredited Laboratory China National Accreditation Service for Conformity Assessment (CNAS) Laboratory	First Major Equipment (Set) of Jiangsu Province Industry and Information Technology Department of Jiangsu	Jiangsu Advanced Intelligent Factory Industry and Information Technology Department of Jiangsu
Jiangsu Manufacturing Leading Enterprise Industry and Information Technology Department of Jiangsu	Key International Brand Cultivated and Developed by Jiangsu Province Department of Commerce of Jiangsu Province	Intelligent Manufacturing Capability Maturity Assessment Grade 3 Beijing CESI Technology Co., Ltd.
CNESA "Excellent Project in System Integration Track" China Energy Storage Alliance	CTF Accredited Laboratory Certificate TÜV SÜD	PV Science and Technology Award of Jiangsu PV Industry Association Jiangsu PV Industry Association

Suatainable Development Management

ESG Governance

ESG Governance Structure

The Company has established a systematic and hierarchically coordinated ESG governance structure. Led by the decision-making level, organized and promoted by the management level, and implemented by the execution level, it has formed a three-tier governance mechanism with clear rights and responsibilities and efficient operation, driving the deep integration and coordinated implementation of the ESG philosophy across all business lines. On this basis, the Company will continuously improve its ESG management system, integrate ESG requirements into the core responsibilities and business processes of all departments, promote the closed-loop management and continuous optimization of various initiatives, and comprehensively enhance the governance efficiency of sustainable development.



ESG Governance Structure of the Company

ESG Responsibilities and Division of Labor

Decision-Making Level

As the decision-making level for ESG work, the board of directors is the supreme decision-making body of the Company's ESG governance. The board is responsible for reviewing and approving the Company's ESG strategic guidelines, deliberating and deciding on material ESG topics and key risks, and regularly supervising and inspecting the progress of ESG-related work.

Management Level

The Company's ESG Leading Group, as the management level for ESG work, is composed of the Company's General Manager and senior management members. It is responsible for formulating the Company's ESG work plans and relevant management systems, coordinating the construction of the ESG management system and the improvement of mechanisms, and regularly reporting the progress of ESG work to the Board of Directors. Led by the Administration and Human Resources Department, the ESG Implementation Group strengthens cross-departmental ESG communication, collaboration and information exchange mechanisms to ensure the orderly advancement of all ESG work.

Execution Level

The Company's ESG execution level consists of heads of various functional departments and assigned full-time personnel, who are responsible for the specific implementation of daily ESG management work, ensuring the effective decomposition and thorough execution of all ESG work objectives.

Accelerating ESG Practices

In 2025, the Company closely aligned with the core demands of green and low-carbon management, focused on ESG capacity building, specialized training and the implementation of key projects, and effectively enhanced its core competitiveness in sustainable development.

Participate in the formulation of industry standards

Took part in the development of the group standard *T/CMES 27003—2025 Greenhouse Gases—Quantification Method and Requirements for Product Carbon Footprint—Grid-Forming Energy Storage Converter*, contributing to the improvement of the industry's green standard system;

Strengthen product carbon footprint management

Obtained product carbon footprint label certification for energy storage converters EH-0215-HA-M and EH-1250-HB-UD, strengthening the core green competitiveness of its products;

Systematically conduct ESG information disclosure

Carried out ESG Report preparation and on-site interviews, comprehensively sorting out practical achievements and improvement directions in the environmental, social and governance fields.

Enhance basic carbon management capabilities

Conducted the "ISO 14064 Organizational-Level Greenhouse Gas Inventory" project, realizing the comprehensive identification and quantification of greenhouse gas emissions, and providing a scientific basis for carbon management and emission reduction actions. Launched specialized training on "ISO 14067 Product Carbon Footprint Quantification", delivering systematic explanations on key links including standard requirements, accounting boundaries, data management and reporting methods. The training covered 25 relevant department heads from R&D Center, Operations Center, Marketing Center and Finance Center, effectively improving cross-departmental carbon management coordination capabilities.

ESG Actions and Responses

The Company proactively aligns with the United Nations 17 Sustainable Development Goals (SDGs), integrates the concept of sustainable development into its business layout and management system, and drives the alignment of corporate development with the global vision for sustainable development. In 2025, the Company carried out practices around key topics, systematically responding to and implementing relevant SDGs.

- The Company has set core safety management objectives, achieving 0 serious casualty accidents and no more than 2 general accidents per year. Through year-round control and implementation, all the above objectives were successfully achieved in 2025.
- All factories in Wuxi, Ningxia, Lianyungang and India have successfully obtained ISO 45001 Occupational Health and Safety Management System certification.
- In 2025, relying on its sound workplace safety management system and solid performance, the Company was awarded the Grade 3 Enterprise Certificate for Workplace Safety Standardization (Machinery).
- The Company organizes specialized occupational health examinations every year, achieving 100% coverage, effectively protecting employees' legitimate rights and interests to occupational health.
- The Company strictly implements the three-level safety education and training mechanism, achieving 100% coverage of workplace safety training.

- In 2025, the Company held the Sineng Electric Summer Camp, which not only helped students gain engineering knowledge and clarify development directions, but also built an early talent connection channel for Sineng Electric.
- The Company continues to promote university-enterprise cooperation, establishes targeted training mechanisms with multiple domestic universities, and actively builds an integrated platform for "industry-university-research-application", facilitating effective connection between educational resources and industrial demands.
- The Company formulates an annual training plan, systematically designs and delivers key courses tailored to different employee groups and professional fields, comprehensively improving the pertinence of talent cultivation and practical transformation capabilities.

- The Company adheres to the principles of fairness, impartiality and transparency in talent development, providing equal opportunities for all and firmly opposing employment discrimination.
- In terms of protecting the rights and interests of female employees, the Company complies with the *Special Provisions on the Labor Protection of Female Employees*, effectively safeguarding their legitimate rights and labor restrictions during special physiological periods such as menstruation, pregnancy and lactation, and fostering a diverse and inclusive workplace.

- The Company attaches importance to employees' basic health protection. High-quality bottled water and filtered drinking water equipment are provided in office areas to strictly ensure water hygiene and health at the source, creating a convenient, safe and healthy drinking environment. The Company continuously improves the working environment and health experience for employees.

- The Company's businesses cover photovoltaic inverters, energy storage converters and systems, flexible hydrogen production power supply systems, power quality and other fields. It is committed to providing full-scenario "solar-storage-hydrogen" integrated solutions to reduce carbon emissions at the source, bring clean energy to more users and scenarios, and drive the global green transition.
- The Company actively promotes the application of clean energy. At present, rooftop photovoltaic projects have been constructed and connected to the grid at both Wuxi and Ningxia factories. In 2025, the Wuxi manufacturing base completed technological transformation of its rooftop photovoltaic project. After commissioning, the project is expected to generate an annual average of 400,000 kWh of electricity, which will be prioritized to meet production and office power demand, effectively reducing purchased electricity needs and operational carbon emissions, and supporting the plant's "zero waste gas, zero wastewater, zero noise" emission target. It is estimated to save about 106 tons of standard coal and reduce carbon dioxide emissions by approximately 276 tons each year.

- The Company continuously optimizes its compensation system, adjusting it based on business performance, price levels and market compensation trends. Employees' standard monthly salary consists of basic salary and various allowances and subsidies, ensuring that compensation matches job value and individual contributions.
- The Company has successively launched equity incentive plans to establish a benefit-sharing mechanism between employees and the Company, motivating the management team, outstanding employees and key talents, and enhancing employees' sense of belonging and responsibility.
- The Company actively assists employees in applying for various local talent subsidies, such as rental subsidies, housing purchase subsidies and individual income tax preferential subsidies, providing more financial support, easing living pressure and enhancing talent attractiveness.

- Sineng Electric has introduced the IPD (Integrated Product Development) R&D process system to effectively manage the entire product lifecycle from concept to launch. New technologies, materials and processes are actively adopted in R&D to continuously improve product performance and ensure products can meet market demand rapidly and efficiently.
- The Company continues to increase R&D investment and strengthen technological innovation and key product development. In 2025, R&D investment amounted to 327.7154 million yuan, accounting for 5.82% of operating revenue.
- During the reporting period, the Company joined 33 industry associations and participated in 23 industry exhibitions. Through multi-dimensional industry collaboration, it gathers innovation momentum, supports technological upgrading and model innovation in the industry, and demonstrates its leading role.

- Adhering to the principles of fairness, impartiality and transparency, the Company does not engage in discriminatory or differential treatment in recruitment, training, promotion and other processes on the basis of race, gender, color, social status, ethnic origin, disability, sexual orientation, age, religious belief or other inherent or personal characteristics. Equal opportunities are provided to all, and employment discrimination is firmly prohibited.

- In 2025, the Company's reliability laboratory was accredited as a CNAS National Accredited Laboratory, possessing authoritative testing capabilities with international mutual recognition.
- In 2025, the Company's development laboratory obtained the CTF Accredited Laboratory Certificate, demonstrating that its testing capabilities meet international standards and providing core support for products to efficiently pass certifications in multiple countries and expand into global markets.
- The Company has strengthened the construction of its quality talent echelon and promoted the improvement of quality capabilities across all employees. In 2025, a total of 1 employee obtained Six Sigma Black Belt Certification from the China Quality Association, and 4 employees obtained Six Sigma Green Belt Certification.
- In terms of raw material quality control, the Company conducts annual comprehensive assessment and recognition of suppliers, commends high-quality partners, and promotes the overall quality upgrading of the supply chain. Following the full-year supplier assessment in 2025, the Company awarded Quality Excellence Awards to 4 suppliers and Quality Progress Award to 1 supplier.

- The Company has formulated an emergency response plan for sudden environmental incidents to enhance emergency response capacity and reduce the probability of production interruptions or safety accidents caused by extreme weather.
- The Company actively tracks long-term climate trends in the regions where it operates, promotes carbon reduction and emission reduction in production, and improves the adaptability of production and operations to long-term climate fluctuations.
- The Company closely follows climate change-related policies and regulations issued by governments around the world, and adjusts its business strategies in a timely manner to ensure that its products comply with relevant requirements.
- The Company has continuously strengthened technological innovation, promoted the R&D of high-efficiency, low-energy-consumption products and core technologies, and maintained sensitivity to industry technological iteration to address challenges brought about by technological changes.
- Through diversified products and services, the Company reduces its reliance on a single market and improves market adaptability.
- The Company regularly issues ESG reports, promotes internal publicity and external communication of low-carbon practices, enhances the transparency of its low-carbon actions, and mitigates reputational impacts arising from the transmission of negative industry events and underperformance of practices.

- In 2025, the Company revised and updated 30 institutional documents, including the *Articles of Association, Rules of Procedure for the Board of Directors, Information Disclosure Management System*, and *Investor Relations Management System*, and made official public announcements, steadily promoting the optimization and upgrading of the corporate governance mechanism.
- In 2025, the Company incorporated ESG performance, green development measures and other investor-concerned content into its regular information disclosure for the first time, and regularly issues environmental, social and governance (ESG) Reports to ensure the authenticity, accuracy and timeliness of information delivery.

Communication with Stakeholders

The Company has established a diversified and multi-level stakeholder communication mechanism. With institutionalized and regular communication as the core approach, the Company maintains close interaction with key stakeholders including investors, customers, suppliers, employees and communities, systematically identifies and responds to their concerns and demands, efficiently implements feedback and improvement measures, and promotes collaborative value creation and coordinated development with all stakeholders.

	Shareholders and Investors	Government and Regulatory Authorities	Customers	Suppliers and Other Partners	Community, Public and Media	Employees	NGOs	Industry Associations
Expectations and Demands	Economic performance Risk management Management structure Operational compliance R&D and innovation	Compliance management Lawful employment Business ethics	Customer privacy and information security Customer service Product quality and safety Product performance	Sustainable procurement Business ethics Responsible production	Charity and public welfare Protection of employees' rights and interests Ecological environment protection Resource recycling and waste treatment	Occupational health and safety Protection of employees' benefits and rights Employee training and development	Water resource management Energy management Climate change response Waste management Lawful employment	Technological innovation and intellectual property rights protection Product management
Main Communication Methods	Shareholders' meetings Regular report disclosure Daily communication (phone, email and meetings)	Information disclosure Compliance training Questionnaire surveys	Global service platform Customer visits Quarterly operational communication meetings Customer satisfaction surveys	Regular evaluation and audit Supplier conferences Daily communication (phone, email and meetings)	Community project cooperation Charity and public welfare activities Daily communication (phone, email and meetings)	Employee communication groups Company feedback email Company official feedback service account Employee satisfaction questionnaires	Information disclosure Daily communication (phone, email and meetings)	Exhibitions International standard development Academic exchange activities Industry association meetings

Material Topics Assessment

In accordance with the requirements of the *Guidelines 3 for Self Governance of Listed Companies of the Shenzhen Stock Exchange - Preparation of Sustainable Development Reports (Revised in January 2026)*, the Company systematically conducted the identification and assessment of double materiality topics. Based on the analysis results of ESG material topics from the previous year, the Company strictly aligned with regulatory requirements, combined industry best practices and its strategic planning, optimized topic classification, standardized topic names, ensured that the disclosure scope was consistent with the regulatory framework, and further enhanced the scientificity and forward-looking nature of topic identification.

Topic Identification Stage

Conduct an in-depth analysis of the Company's business activities, products and services, including upstream and downstream value chains, to clarify the Company's business scope and value chain scope;

Based on the 21 topics set out in the *Guidelines 17 for Self Governance of Listed Companies of the Shenzhen Stock Exchange - Sustainable Development Report (Trial)*, combined with industry characteristics, industry development stage, the Company's own business model, value chain position and other factors, identify topics with financial materiality or impact materiality, and establish a comprehensive topic list.

Topic Research Stage

Conduct surveys among stakeholders including government and regulatory authorities, shareholders and investors, customers, suppliers and partners, communities, media and other relevant parties to understand the expectations of external stakeholders;

Conduct internal communication and interviews with functional departments such as R&D Center, Marketing Center, Operations Center and Finance Center to carry out comprehensive internal and external analysis and research.

Topic Analysis Stage

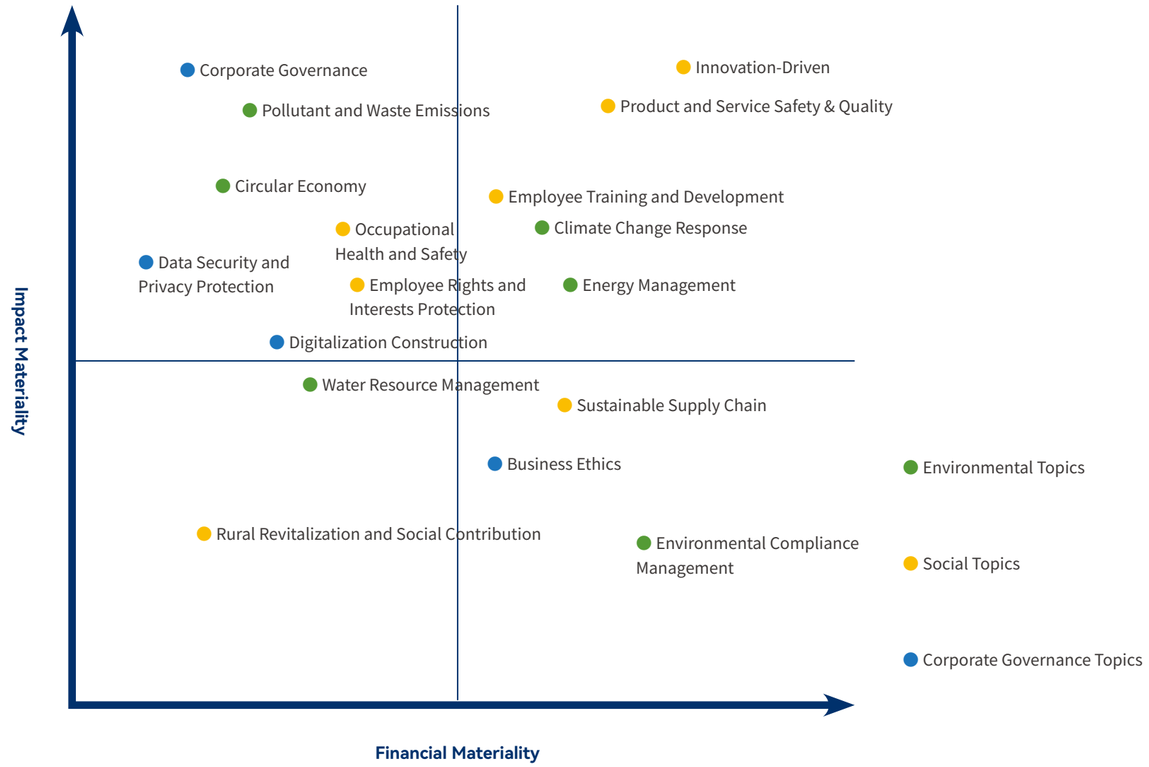
Impact Materiality Analysis: Assess the impact of topics on the economy, society and environment, including positive and negative, actual and potential impacts, obtain evaluations and scores from various stakeholders on the impact materiality of topics, and determine the impact materiality of topics based on comprehensive opinions from all parties.

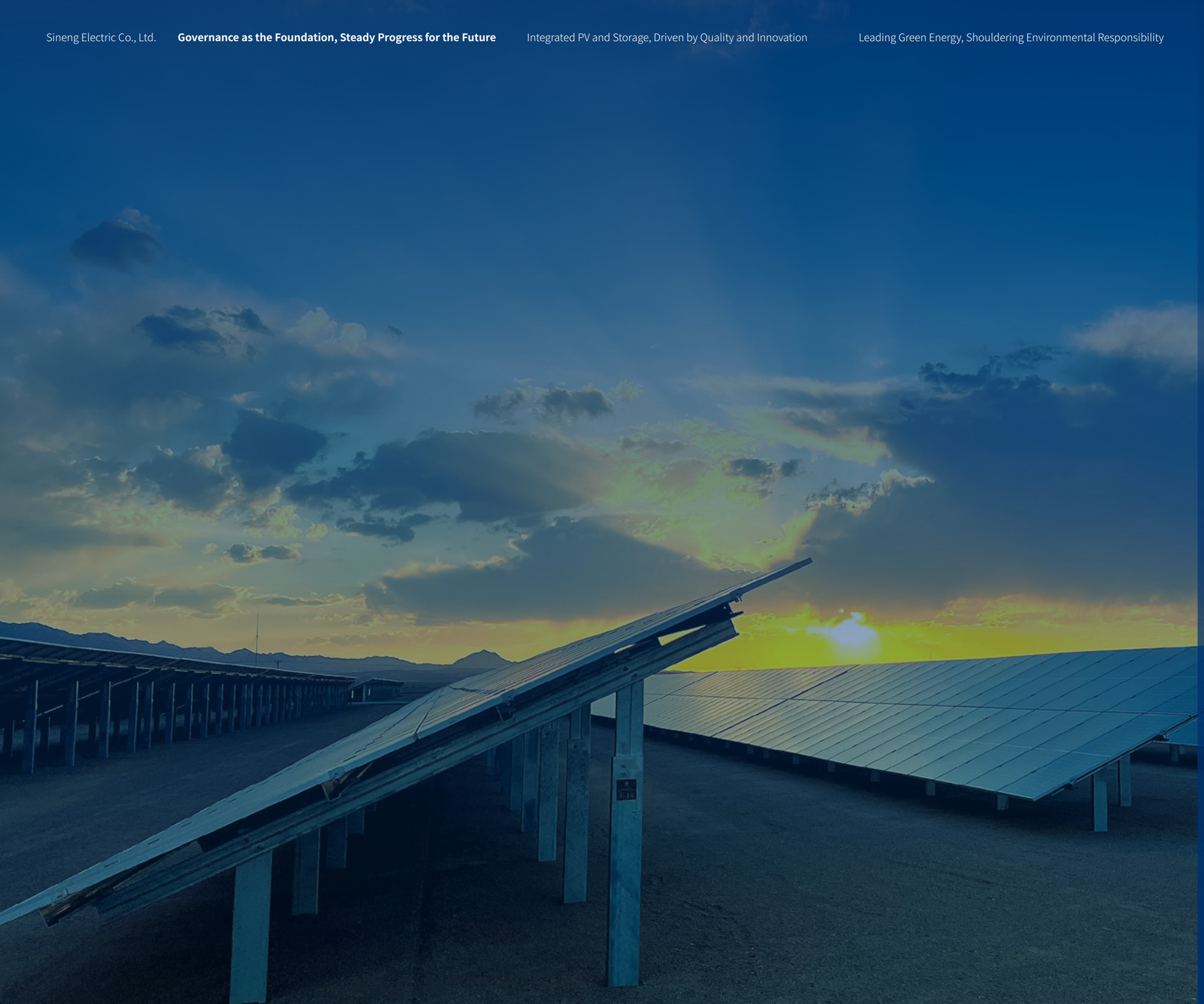
Financial Materiality Analysis: Examine from the perspectives of the continuity of resource use, the dependence on continuous production and operation, etc.; comprehensively consider factors such as resource market prices and trend forecasts to assess the financial materiality of topics.

Topic Screening Stage

Combine the assessment results of the two dimensions of impact materiality and financial materiality to comprehensively rank the topics and determine which topics have dual material impacts on the Company;

Based on the comprehensive assessment results, screen out topics with high materiality as the topics that the Company needs to focus on and prioritize for management. These topics will serve as the basis for the subsequent preparation of the sustainable development report and the formulation of relevant management strategies.





Governance as the Foundation, Steady Progress for the Future

Corporate Governance

Corporate Governance System

The Company has established a corporate governance system with clearly defined rights and responsibilities, standardized operation and effective checks and balances in strict accordance with the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Guidelines for Corporate Governance of Listed Companies*, the *ChiNext Listing Rules of the Shenzhen Stock Exchange* and other applicable laws and regulations. The shareholders' meeting serves as the Company's highest authority, while the board of directors acts as the core decision-making body. Four specialized committees, namely the Strategy Committee, Audit Committee, Compensation and Assessment Committee, and Nomination Committee, have been established, forming a governance structure with clear division of labor and efficient coordination.

During the reporting period, to implement the requirements of new regulatory rules, the Company, in strict compliance with the *Guidelines 2 for Self Governance of Listed Companies of the Shenzhen Stock Exchange - Standardized Operation of ChiNext Listed Companies (Revised in 2025)*, abolished the board of supervisors and transferred its functions and powers to the Audit Committee of the board of directors. Accordingly, the Company revised the *Working Rules of the Audit Committee of Sineng Electric Co., Ltd.* to adjust the responsibilities and authorities of the Audit Committee. In addition, the Company revised and updated 30 institutional documents during the year, including the *Articles of Association, Rules of Procedure for the Board of Directors, Information Disclosure Management System* and *Investor Relations Management System*, and made official public announcements for disclosure, continuously promoting the alignment and upgrading of the corporate governance mechanism with regulatory requirements.

Board of Shareholders

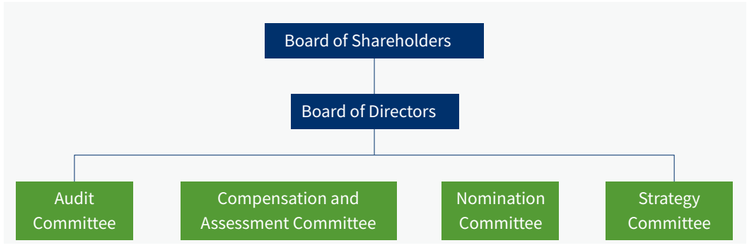
In 2025, the Company held 2 shareholders' meetings, reviewing and approving 14 proposals.

Board of Directors

The Board of Directors comprises 9 directors, including 3 independent directors. During 2025, the Board of Directors diligently performed its duties and obligations, holding a total of 12 full board meetings and reviewing and approving 48 proposals. Independent directors held 5 specialized meetings to review and approve 23 proposals.

Special Committees

The Company has established four special committees to provide professional support for the Board of Directors' scientific decision-making. In 2025, the Audit Committee held 3 meetings and reviewed 23 proposals; the Nomination Committee held 1 meeting and reviewed 1 proposal; the Compensation and Assessment Committee held 4 meetings and reviewed 6 proposals; and the Strategy Committee held 3 meetings and reviewed 12 proposals.



Corporate Governance Structure

Corporate Governance and Management Achievements of Sineng Electric

Indicator	Unit	2025
Total number of Board members	Person	9
Number of independent directors	Person	3
Proportion of independent directors on the Board	%	33.33
Number of full Board Meetings	Time	12
Number of Audit Committee Meetings	Time	3
Number of Nomination Committee Meetings	Time	1
Number of Compensation Committee Meetings	Time	4
Number of Strategy Committee Meetings	Time	3
Average attendance rate of the Board	%	100
Number of Shareholders' Meetings held	Time	2

Investor Relations

The Company is committed to advancing investor relations management, continuously improving its investor communication mechanism, and building a multi-level, comprehensive system for investor communication and services. In 2025, the Company incorporated ESG performance, green development initiatives and other investor-concerned matters into its routine information disclosure for the first time, and regularly issued environmental, social and governance (ESG) Reports to enhance the completeness and forward-looking nature of information disclosure, ensuring the authenticity, accuracy and timeliness of information delivery.

In terms of communication and interaction, the Company has strengthened regular engagement with investors through multiple channels including the https://irm.cninfo.com.cn/, performance briefings, investor hotlines and email inboxes, raising market transparency and investor recognition. In terms of information disclosure, the Company strictly abides by regulatory requirements and information disclosure standards. During the reporting period, it issued a total of 184 public announcements covering key information such as operating results, material events and resolution announcements. In the 2024 annual information disclosure assessment conducted by the regulatory authority, the Company was rated Class B, indicating authoritative recognition of its information disclosure quality.

Business Ethics

Business Ethics Governance Mechanism

The Company strictly abides by applicable laws and regulations, and strengthens the foundation of business ethics management through institutional development. It has formulated and issued the *Anti-Commercial Bribery System of Sineng Electric Co., Ltd., Business Ethics Management Manual, Whistleblowing Procedures* and other documents. It has also extended integrity requirements to the supply chain by signing integrity cooperation agreements with suppliers, establishing an internal and external collaborative clean governance system.

The Company has built a clearly defined business ethics management structure, with the General Manager as the primary responsible person overseeing the establishment and management of the corporate business ethics culture environment. The Audit Committee of the Board of Directors performs supervisory functions, and the Audit Department is responsible for daily implementation, forming a three-in-one management mechanism of "decision-making—supervision—execution".

Business Ethics Management Policy

The Company comprehensively prevents risks of corruption and bribery in all forms, conflicts of interest, anti-competitive practices, fraud and deceptive practices, implements anti-money laundering requirements, and conducts only physically originated business operations. It strengthens the protection of confidential information and properly handles employee privacy.

Business Ethics Risk Control

Business Ethics Risk Identification

The Company has established a standardized corruption risk assessment mechanism to conduct systematic analysis of identified risks, define risk priorities and implement hierarchical management, so as to ensure that resource allocation is aligned with risk levels. The Company classifies risks into four grades and adopts differentiated control measures according to different grades. The Audit Department conducts dynamic follow-up on risk control and rectification, forming a full-cycle closed-loop management system covering identification, assessment, response and rectification, and achieving refined risk control by layers and categories.

The Company has formulated the *Due Diligence Control Procedures for Business Partners and Employees*, and conducts due diligence on specific transactions, projects, activities, business partners and employees exceeding the low bribery risk threshold, or on anti-competitive behaviors, so as to strengthen compliance review and risk prevention and control from the source. The Company intensifies clean governance in the supply chain and enhances background checks and compliance assessments of partners through the *Basic Information Questionnaire for Business Partners*. Meanwhile, focusing on high-risk positions, the Company regularly carries out economic responsibility audits based on key indicators such as procurement and sales, improving the capability of integrity risk control for key positions.

Reporting Channels

Reporting Hotline: 0510-83691198

Internal Control Email: shenji@si-neng.com

Ethics Reporting Email: daodejubao@si-neng.com

Mailing Address: No. 6 Hehui Road, Huishan District, Wuxi City, Jiangsu Province

Postal Code: 214174

Recipient: Audit Department

The Company is committed to fostering a safe, standardized and trustworthy reporting environment and has established a rigorous whistleblower protection mechanism. The Company explicitly requires personnel responsible for handling complaints and investigating commercial bribery cases to strictly abide by their confidentiality obligations, and shall not disclose the identity information of complainants or whistleblowers or the content of reports in any form. The Company prohibits any form of discrimination or retaliation against whistleblowers and investigation participants, and strictly forbids any act that disturbs, obstructs or interferes with the normal conduct of investigations.

Business Ethics Reporting Management

The Company provides internal and external stakeholders with multiple reporting channels including hotline, email and postal mail, establishing a smooth and convenient reporting and communication mechanism. It encourages the reporting of actual or suspected business ethics violations involving the Company and its staff.

Business Ethics Awareness Enhancement

In August 2025, under the theme of "Uphold Integrity, Prevent Fraud, and Jointly Build the Health Development of Sineng", the Company strengthened employees' awareness of integrity and compliance through diverse educational activities, fostering a clean and upright atmosphere. The training covered key departments and positions and achieved remarkable results. More than 130 employees participated, realizing effective coverage of key personnel with significant training achievements.

Indicators and Objectives Control

Business Ethics Objectives	Target	2025 Achievement
Legal disputes/penalties related to anti-corruption, anti-bribery and conflicts of interest	0	0
Business ethics training coverage rate	100%	100%
Legal disputes/penalties related to unfair competition	0	0
Legal disputes/penalties related to fraud and money laundering	0	0

Business Ethics Management Achievements of Sineng Electric

Indicator	Unit	2025
Total number of directors covered by anti-commercial bribery and anti-corruption training	Person	9
Percentage of directors covered by anti-commercial bribery and anti-corruption training	%	100
Total number of management personnel covered by anti-commercial bribery and anti-corruption training	Person	69
Percentage of management personnel covered by anti-commercial bribery and anti-corruption training	%	100
Total number of employees covered by anti-commercial bribery and anti-corruption training	Person	1675
Percentage of employees covered by anti-commercial bribery and anti-corruption training	%	96
Total number of commercial bribery and corruption cases under investigation	Case	0
Total number of confirmed commercial bribery and corruption cases	Case	0
Total number of resolved commercial bribery and corruption cases	Case	0
Number of employees who signed Integrity Commitments	Person	1,743
Percentage of employees who signed Integrity Commitments	%	100
Number of suppliers that signed Anti-Bribery Commitments	Number	329
Percentage of suppliers that signed Anti-Bribery Commitments	%	99
Amount involved in lawsuits or major administrative penalties due to unfair competition acts of the Company	RMB	0

Internal Control

Since 2012, the Company has launched a Company-wide internal control system construction, and has formed a top-down, fully covered internal control management system to date, providing systematic support for the Company's standardized operation and risk prevention and control.

The Company conducts regular internal control self-evaluations, carrying out comprehensive assessments focusing on key areas including organizational structure, development strategy, human resources, corporate culture, fund activities, and procurement businesses. Through systematic identification and assessment, it accurately pinpoints key risks and weak links. On this basis, the Company continuously strengthens key control measures throughout the entire process of production and operation, effectively prevents potential risks, remedies management deficiencies, and improves the robustness of overall operations.

In 2025, guided by risk management and value creation, the Company continued to strengthen the publicity and training of internal control standards, strictly complied with various regulatory requirements of the China Securities Regulatory Commission, actively aligned with the latest policies and industry norms, and promoted the continuous optimization of the internal control system and the improvement of management capabilities.

Intellectual Property Management

Intellectual Property Management System

The Company attaches great importance to intellectual property layout and management. Adhering to the intellectual property policy of "market-oriented, innovation-driven development, compliance-based operation, and intellectual property-supported long-term growth, committed to becoming a world-class energy enterprise", the Company has established a systematic mechanism for intellectual property protection and operation, and obtained certification for its intellectual property compliance management system, providing institutional and systematic support for the Company's sustainable innovation. In 2025, the Company empowered intellectual property management with digitalization, incorporating the whole process from document finalization, application acceptance, examination approval to certificate issuance into an online system, realizing the standardization and normalization of the patent management process.

Intellectual Property Compliance Management System Certification Certificate

To promote the transformation of scientific and technological achievements and technology accumulation, the Company has formulated the *Intellectual Property Incentive System*, providing specialized incentives for achievements including patents, software copyrights, domestic and foreign academic papers, and standard formulation. During the reporting period, the Company granted specialized rewards to employees for 133 achievements covering patents (including overseas PCT), software copyrights, standards and academic papers, which effectively stimulated innovation vitality and motivation for achievements output.

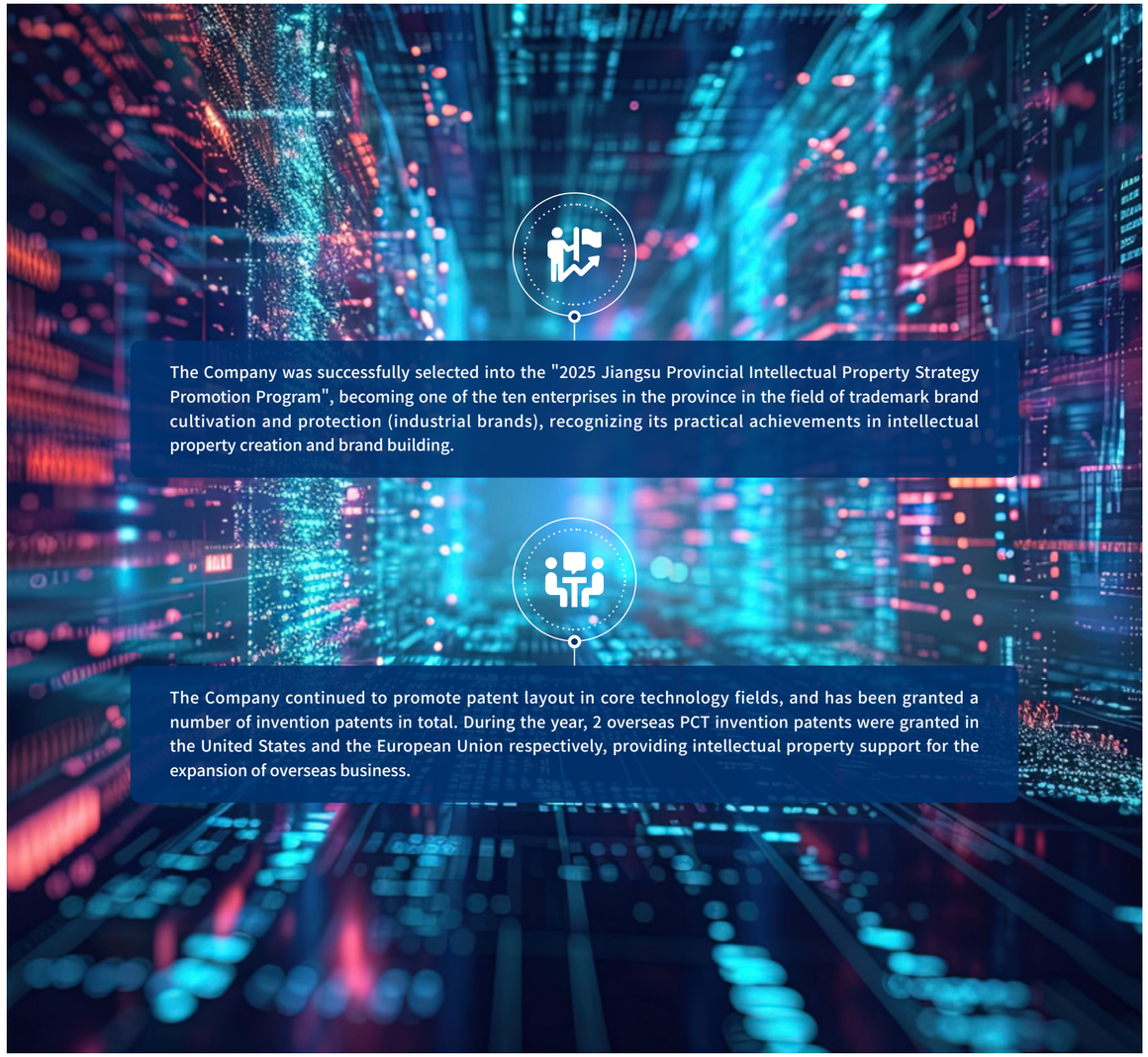
Intellectual Property Thematic Training

The Company continuously strengthens its capability in intellectual property risk prevention and control, and further consolidates its professional management foundation. In 2025, the Company organized two specialized training sessions on patent infringement early warning, patent mining and filing, which effectively linked risk prevention and control with achievement transformation, and improved the professional level of the Company's intellectual property management.

Intellectual Property Management Training

Intellectual Property Management Achievements

In 2025, the Company continued to demonstrate remarkable achievements in intellectual property management, which are mainly reflected in two aspects of qualifications & honors and patent results.



Intellectual Property Indicators

Indicator	Unit	2025
Number of invention patent applications	Item	53
Number of invention patents granted	Item	16
Cumulative number of invention patents	Item	49
Number of utility model patent applications	Item	74
Number of utility model patents granted	Item	36
Cumulative number of utility model patents	Item	194
Number of design patent applications	Item	21
Number of design patents granted	Item	16
Cumulative number of design patents	Item	57
Number of software copyright applications	Item	16
Number of software copyrights granted	Item	16
Cumulative number of software copyrights	Item	107
Number of trademark applications	Item	14
Number of trademarks obtained	Item	6
Cumulative number of trademarks	Item	79
Number of valid patents	Item	300

Digital Intelligence Development

Information Security Management System

The Company strictly complies with the *Data Security Law of the People's Republic of China*, the *General Data Protection Regulation* and other relevant domestic and international laws and regulations, and has established a compliance-based information security management system. With the information security policy of "enhancing information security awareness, comprehensively controlling various risks, active prevention, and continuous improvement", the Company has formulated specialized systems including the *Computer Room Management System* and the *Network and Information Security Emergency System*, continuously improving the institutionalization, standardization and normalization of information security management. The Company has obtained the ISO 27001 Information Security Management System Certification. During the reporting period, no data security incidents or customer privacy leakages occurred, and the overall information security operation remained stable and controllable.

Information Security Management System Certification Certificate

In 2025, the Company updated and issued the *Information Security Management Manual*, further promoting the effective operation and continuous improvement of the information security management system, while setting management objectives and indicators.

Information Security Management Objectives

Customer data leakage incidents are
0

Unauthorized access incidents are
≤1

System failures caused by malware are
≤1

Malware on servers:
to be completely eliminated

Accidents endangering information assets such as fire and theft:
to be completely eliminated

Implementation rate of information security training program is
≥90%

Customer complaints regarding information security are
≤1

Information Security Protection Practices

The Company has deployed a number of advanced protection measures to build a multi-level and comprehensive information security protection system, establishing a solid and reliable information security defense barrier.

Network Isolation and Firewall

Each functional network segment is isolated by firewalls to filter network traffic, prevent unauthorized access, and ensure the security of the network environment.

Intrusion Detection System and Intrusion Prevention System (IDS/IPS)

Deploy IDS/IPS to monitor network activities in real-time and promptly detect and block potential intrusion attempts.

Data Encryption and Security Protocols

Core departments of the Company adopt encryption technology to record important documents and operational behaviors, ensuring the security of data transmission. Between branches and subsidiaries, security protocols such as SSL/TLS are implemented to ensure data transmission integrity and confidentiality.

Antivirus and Malware Protection

Deploy antivirus software to monitor system activities in real-time, defend against virus and malware intrusions, prevent enterprise data from being encrypted or extorted, and reduce overall security risks.

Vulnerability Management and Risk Assessment

Conduct regular vulnerability scans of the information system and promptly apply patches provided by software vendors.

Information Security Training and Publicity

All new employees are required to study the content of enterprise security management and information management courses. Specialized information security training related to business operations is also conducted for key departments.

The Company has deployed an information security incident emergency response plan in advance to ensure rapid response and efficient execution of data backup and recovery procedures in emergency situations. By implementing layered backup for key business system data and adopting the Continuous Data Protection (CDP) mechanism, the Company achieves minute-level recovery of critical business virtual machines, effectively enhancing business continuity and data security resilience.

Data Security and Customer Privacy Protection Management Achievements of Sineng Electric

Indicator	Unit	2025
Number of data security incidents during the reporting period	Case	0
Amount involved in data security incidents during the reporting period	RMB	0
Number of customer privacy leakage incidents during the reporting period	Case	0
Amount involved in customer privacy leakage incidents during the reporting period	RMB	0

Digital System Development

The Company has built an integrated digital integration platform covering the entire value chain and enabling internal and external collaboration, with the SAP Group-level management and control platform as the core. This platform realizes full-link connectivity from business data to decision-making data, serving as the core digital foundation supporting the Group's large-scale and intelligent development.

With system integration and interoperability, Group-level governance, standardized replication, and full-link collaboration as its core design principles, the platform integrates systems across all business segments including SRM, CRM, WMS, MES, OA, HR, and TMS. It achieves a closed-loop end-to-end process covering customer demand, supply chain procurement, production and manufacturing, warehousing and logistics, financial settlement, and organizational management. Through unified data standards and integration specifications, the platform ensures consistent data sources, real-time sharing, and process linkage among business systems, completely eliminating information silos and forming unified Group-level data assets that provide real-time and reliable data support for management decision-making.

The platform has accumulated standardized business processes, data models, and integration solutions, forming a rapidly reusable digital factory construction template that strongly supports Group governance and replicable capability development. New business units or newly built factories can quickly complete system deployment and process launch based on this template, greatly shortening the digital construction cycle and ensuring consistency in Group management standards and operating models. This provides a mature, replicable, and scalable path for cross-regional and cross-business large-scale expansion.

Meanwhile, the platform breaks down corporate boundaries and enables in-depth business collaboration with upstream and downstream supply chain partners and transportation service providers. Integration of SRM, WMS, TMS, and external systems supports supplier order collaboration, incoming material barcode traceability, transportation status visualization, and automatic expense settlement, establishing an efficient, transparent, and traceable supply chain collaboration ecosystem that significantly improves upstream and downstream response efficiency and business controllability.

Leveraging this integrated platform, the Company successfully obtained the Integration of Informatization and Industrialization Management System Assessment Certificate in 2023, laying a solid foundation for the deep integration of digitalization and industrialization. Building on this achievement, the Company smoothly obtained the Intelligent Manufacturing Capability Maturity Grade 3 Certification in 2025 and was recognized as a provincial-level advanced smart factory. This demonstrates the Company's comprehensive strength in intelligent production and collaborative management and marks that the enterprise has reached industry-leading levels in digital integration and intelligent manufacturing capability maturity.

The Company continues to optimize its digital system layout. In 2025, it completed the deployment and launch of the SAP system for 2 subsidiaries and realized seamless integration with the cross-Company trading platform. It also implemented the MES production management system for 2 subsidiaries, achieving full connectivity with the SAP system. At the same time, the Company further optimized the functions of the PO-SO trading platform among multi-entity enterprises to continuously enhance cross-organizational business collaboration efficiency.


AA
两化融合管理体系评定证书
Integration of Informatization and Industrialization Management System Certificate
兹证明
上能电气股份有限公司

Integration of Informatization and Industrialization Management System Assessment Certificate


CMMM
智能制造能力成熟度
标准符合性证书
依据GB/T 39116-2020《智能制造能力成熟度模型》、GB/T 39117-2020《智能制造能力成熟度评估方法》国家标准，经评估，上能电气股份有限公司 符合要求，达到智能制造能力成熟度等级 叁 级，特发此证书。
证书编号：CMMM-0510-3825-2025-1348
评估范围：光伏逆变器、储能变流器的设计、生产、销售、服务
评估地址：江苏省无锡市惠山区和惠路6号
发证机构：（公章）
二〇二五 年 七月 二十五日 核发
证书有效期：二〇二八 年 七月 二十四日 止

Intelligent Manufacturing Capability Maturity Grade 3 Certificate

Integrated PV and Storage, Driven by Quality and Innovation

Innovation and R&D

R&D Center Layout

The Company has established four major R&D centers in Wuxi and Suzhou, Jiangsu; Shenzhen, Guangdong; and Chengdu, Sichuan; and adopted the IPD R&D process system. It implements systematic management of the entire product lifecycle from concept to launch, and collaboratively delivers full-scenario solutions for PV-storage-hydrogen and power quality. By pooling technological strengths, the Company enhances its competitive advantages and precisely addresses the diversified needs of customers.

Medium-Power Electronic Products R&D Center

Wuxi, Jiangsu

Low-Power Electronic Products R&D Center

Suzhou, Jiangsu

High-Power Electronic Products R&D Center

Shenzhen, Guangdong

Smart Energy Management Platform R&D Center

Chengdu, Sichuan

Innovation and Development Strategy

The Company adheres to the philosophy of "market-oriented, innovation-driven development" and persists in independent R&D. With deep roots in electronics, power conversion and control fields, the Company places R&D and innovation at the core of its corporate development strategy. It continuously improves its R&D system and organizational capabilities, increases annual R&D investment, and leads technological progress in the industry. In 2025, the Company's R&D investment amounted to 327.7154 million yuan.

Seizing R&D Opportunities

Leveraging its full-scenario, multi-category product matrix, the Company precisely seizes opportunities arising from the global development of clean technologies, and drives the upgrading of the green energy industry through technological innovation.

Leading R&D Capabilities

In the photovoltaic sector, Sineng Electric delivers full-scenario PV system solutions underpinned by superior technologies. The Company possesses the capability to develop PV inverters covering a full power range from 3kW to 9,600kW for utility-scale power stations, commercial and residential scenarios. Its relevant technologies rank among the industry's advanced levels, enabling it to satisfy diversified customer demands and support the rapid development of the global PV industry. With profound technical expertise and market influence, Sineng Electric has been listed among Global Tier 1 Power Inverter Manufacturer nine times consecutively, and ranked fourth globally in PV inverter shipments for 2023-2024.

In the energy storage sector, Sineng Electric has launched industry-leading grid-forming energy storage system solutions. It offers centralized, string and residential hybrid energy storage converters covering a full power range from 3kW to 13,800kW, as well as energy storage integration systems applicable to generation-side, grid-side, distribution network, microgrid and other scenarios. The Company ranked fifth globally in shipments of energy storage converters in 2024.

In the digital power sector, Sineng Electric provides smart power quality solutions and flexible hydrogen generation power supply system solutions. The Company owns a full series of digital power products, including Active Power Filters (APF), Static Var Generators (SVG), Dynamic Voltage Restorers (DVR), etc., which are widely used in new energy power generation, industrial intelligent manufacturing, data centers and IT infrastructure, healthcare, and other special applications.

Relying on core technologies and market insights, the Company continues to strengthen its competitive advantages in R&D and innovation. The in-depth synergy among its three core sectors of photovoltaics, energy storage, and digital power to consolidate the Company's technological foundation to continuously seize opportunities in the green energy market.

Building a Solid Foundation with R&D Platforms

The Company has established multiple high-end technological innovation platforms, providing solid strategic support for cutting-edge research, core product iteration and upgrading, and improvement of the innovative R&D system.

National Enterprise Technology Center

Focusing on electronics and power conversion technologies, the Center aligns with the development trends of the PV and energy storage industries. It is committed to breakthroughs in key new energy power conversion technologies such as high-efficiency intelligent PV inverters, new energy storage, and digital power. Based on forward-looking research, the Center explores future energy technology pathways and supports the high-quality development of the national new energy industry through continuous innovation.

Postdoctoral Research Station

The Company takes its postdoctoral research station as a high-end talent development and technological R&D. It extensively attracts high-level young scientific and technological talents, builds a talent training platform featuring deep integration of "industry-university-research-application", and focuses on the R&D of forward-looking and generic key technologies for the industry, establishing a high-quality talent pool and core technology reserve for the Company's long-term sustainable development.

National CNAS Accredited Laboratory

Equipped with advanced testing equipment and a professional team, the Laboratory ensures product reliability, safety and compliance to high standards. It also provides high-level public testing services to the industry, strongly supporting the Company's participation in formulating industrial standards and consolidating its quality and technological foundation.


中国合格评定国家认可委员会
实验室认可证书


China National Accreditation Service for Conformity Assessment
LABORATORY ACCREDITATION CERTIFICATE

National CNAS Accredited Laboratory Certificate

Outstanding R&D Achievements

The Company has steadily advanced its innovation layout and achieved breakthroughs in key sectors including large-capacity energy storage, green hydrogen production, and grid-forming technologies. A number of achievements have been recognized at the provincial and ministerial levels and successfully industrialized, laying a core foundation for technological and industrial upgrading.

case

Grid-forming Centralized Energy Storage Converter Recognized as the First Set, Reaching Advanced Level Among Similar Equipment

In July 2025, the "EH-1250-5000-HA/HB-UD Grid-forming Centralized Energy Storage Converter for High-proportion New Energy Power Grids" developed by the Company was successfully selected into the 2025 List of First Equipment (Set) Certification published by the Industry and Information Technology Department of Jiangsu. This recognition marks a key technological breakthrough of the Company in the field of energy storage field. The product possesses complete independent intellectual property, and its overall performance and core technical indicators have reached the advanced level of similar equipment at home and abroad, demonstrating the Company's outstanding capabilities in the R&D of core equipment and clean energy technologies.

R&D Talent Cultivation

The Company has continuously strengthened the development of its R&D team and optimized the development system for R&D talents. In the first half of 2025, the Company completed the sorting and establishment of its R&D job structure and professional technical grade system, forming a professional rank sequence covering "from assistant engineer to senior expert". This has built a solid talent echelon support for innovation and empowered the transformation and application of scientific and technological achievements.

The Company adheres to the philosophy of "simultaneous introduction and cultivation of talents". It has launched targeted talent introduction programs for universities to precisely recruit outstanding young talents, and established a multi-level training system to enhance the professional literacy and innovation capabilities of the R&D team. Meanwhile, the Company has built an "industry-university-research" cooperation mechanism with a number of domestic universities, achieving in-depth integration of industry and education. This has effectively matched scientific research resources for the Company's cutting-edge technological research and continuously promoted the transformation and application of technological achievements.

University-Enterprise Joint Cultivation:

Relying on university-enterprise joint laboratories and postgraduate practice bases, the Company has deepened cooperation with universities and carried out targeted talent cultivation. Through regular technical exchange activities, in-depth discussions have been conducted on new energy power conversion technologies and policy orientations, facilitating technological innovation and talent development.

Internal Systematic Training:

For campus-recruited and social-recruited employees, the Company has implemented a mentor system for new employees and provided specialized training on core contents including device application, project development procedures, structural design, and process verification. It has also established a professional R&D internal trainer team, and launched courses such as Product EIC Design and Risk Assessment and R&D Quality Management in 2025 to consolidate the professional capabilities of the R&D team.

R&D Laboratories

The Company has built a R&D laboratory integrating R&D debugging, performance verification and regulatory testing, established an advanced testing platform in the industry with scientific layout, and provided all-round support for technological R&D and product launch. The laboratory mainly consists of three zones: a distributed/string inverter development and verification zone, a professional testing cluster, and a flagship-level platform. In 2025, the laboratory obtained the CTF Accredited Laboratory Certificate, which proves that its testing capabilities have met international standards, providing a strong guarantee for products to quickly pass certifications in multiple countries and expand into the global market.

Distributed/String Development and Verification Zones

Adopting an integrated "R&D, testing, diagnosis" layout, these zones undertake the architectural design and function realization of distributed and string-type products, support rapid iterative self-testing in the early stage of R&D to improve design maturity, and can simulate complex on-site operating conditions. They also conduct in-depth disassembly and reproduction of faulty units removed from the grid, quickly identifying root causes and driving product improvement.

Professional Testing Clusters

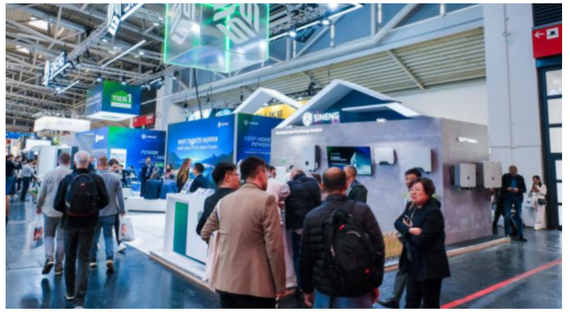
The Company has built two professional testing clusters to precisely meet different testing requirements. Among them, the EMC laboratory focuses on electromagnetic compatibility research and solves complex electromagnetic interference problems; the Device and Tooling Laboratory controls component characteristics from the source and independently develops automated testing tools to improve R&D efficiency.

Flagship-level Platforms

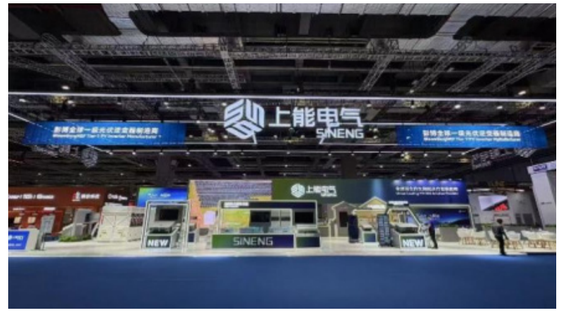
Keeping pace with industrial technological upgrading trends, the Company has broken through the testing bottleneck of high-power models and is equipped with a 6MW ultra-high-power testing platform. It supports full-load and overload R&D and testing of high-power models for utility-scale power stations, providing solid infrastructure support for the R&D of cutting-edge products such as large-scale PV-storage base systems.

Innovation Empowering the Industry

The Company actively participates in industry activities and promotes innovation-driven development through in-depth integration into the industrial ecosystem. By the end of the reporting period, the Company had joined 33 industry associations and attended 23 industry exhibitions, actively advancing technological upgrading and model innovation across the sector, demonstrating its leading role and responsibility in the industry.



Intersolar Europe Solar Photovoltaic Exhibition in Munich, Germany



International Photovoltaic Power Generation and Smart Energy Conference & Exhibition

Key R&D Indicators

Innovation and R&D Management Achievements of Sineng Electric

R&D investment

32771.54

RMB 10,000

Ratio of R&D investment to main business revenue

5.82%

Number of R&D personnel

601 Person

Proportion of R&D personnel

30.95%

Number of R&D personnel with Master's or Doctoral degree

253 Person

Green Design

The Company integrates green design principles into product development across the entire product lifecycle, aiming to provide global customers with high-performance, eco-friendly PV inverters and support the global energy transition.

Green Product Design

High-Efficiency Heat Dissipation, Energy Conservation and Consumption Reduction

Adopting high-efficiency heat dissipation designs including natural convection, forced air cooling, liquid cooling, and two-phase flow technology, the Company effectively controls heat accumulation during power conversion and minimizes energy loss, raising inverter efficiency to over 99%. This not only extends equipment service life but also significantly reduces energy consumption and overall carbon emissions, achieving the dual goals of energy conservation and high efficiency.

Lightweight Design and Low Carbon Footprint

The inverter enclosure uses high-strength lightweight aluminum alloy, which greatly reduces weight while ensuring the equipment can withstand complex operating environments. The lightweight design lowers the carbon footprint of production materials at the source, cutting energy consumption and environmental pollution from raw material extraction and processing. During transportation and installation, it also reduces transport energy use and installation difficulty, making the product more environmentally friendly throughout its lifecycle.

Eco-Friendly Recyclability and Green Manufacturing

The overall structural design strictly complies with environmental standards such as RoHS and REACH. Green materials including environmentally friendly metals and plastics are widely used, eliminating hazardous substances and reducing potential harm to the ecosystem and human health. Lead-free soldering processes are adopted to lower pollution risks during production. Outer packaging uses green recyclable paper materials to facilitate recycling and reduce waste generation.

High Reliability and Long Service Life

The structural design follows a high-protection concept, achieving high protection ratings including IP65 and IP66 to effectively resist sand, rain, dust, and other outdoor elements. High-durability materials are selected to ensure stable performance during long-term operation and delay aging and damage, reducing resource waste, energy consumption, and waste emissions caused by frequent equipment replacement at the source.

Easy Installation & Maintenance and Energy Equity

A compact design results in small size and light weight, greatly lowering deployment difficulty and application barriers for PV systems. Meanwhile, the optimized structural design simplifies routine maintenance and basic troubleshooting, enabling easy operation even by non-professional users. This helps lower barriers to clean energy access and strongly promotes energy equity.

Automated Production and Supply Chain Optimization

The Company has introduced advanced automated equipment and intelligent production processes in manufacturing to improve productivity and shorten product delivery cycles. Supported by an intelligent supply chain management system, it achieves precise control over raw material procurement, production planning, logistics, and distribution, providing solid support for the market promotion of green products and the large-scale development of the industry.

Quality Management and Control

Quality Management Structure

The Company has established a well-defined quality management structure with clear responsibilities and hierarchical accountability. Quality affairs are managed under the supervision of the Vice President, and the Quality Director oversees overall management. Under the Quality Department, dedicated teams are set up to manage Material Quality, Energy Storage Product Quality, PV Product Quality, Distributed Product Quality, Overseas Quality, and System Quality, achieving full coverage of quality control across all business segments and product categories. At present, the Company has obtained the ISO 9001 Quality Management System Certification.


此为证书 CN24/00003355 译本

SGS

上能电气股份有限公司

ISO 9001:2015

L. Moran

Quality Management System Certification Certificate

The Company strictly complies with laws and regulations including the *Product Quality Law of the People's Republic of China* and the *Consumer Rights and Interests Protection Law of the People's Republic of China*. It has formulated and implemented internal management documents such as the *Control Procedure for In-Process and Delivery Inspection, Control Procedure for Nonconformity and Corrective Actions*, and *Control Procedure for Identification and Traceability*, so as to build a solid line of defense for product quality through institutionalized and standardized control.

Quality Management Policy

The Company adopts the quality policy of "meticulous management to ensure product excellence; integrity-based operation to continuously enhance customer satisfaction", and implements multi-level checks to safeguard product quality.

Rigorous Supplier Qualification

Conduct dynamic rating of suppliers through an intelligent supply chain management system, and ensure key components pass AEC-Q101 automotive-grade reliability tests.

Stringent Production Process Control

Introduce automated inspection equipment in production stage to perform real-time data collection and anomaly early warning for key processes such as PCBA soldering and complete machine assembly.

Rigorous Testing and Validation

Establish a global testing and validation center to simulate extreme environments such as high temperature, high humidity and salt spray, conduct accelerated aging tests on products, and ensure their stable operation throughout a 25-year lifecycle.

Quality Risk Management and Control

Product Traceability Management

The Company has established a full-chain traceability system covering "incoming materials - production - delivery - operation and maintenance", realizing transparent information throughout the entire product lifecycle. During incoming material inspection, the Company collaborates with suppliers to build a data sharing platform using blockchain technology, enabling full-chain traceability of key materials from their source to warehousing. In the manufacturing and processing stage, each product is assigned a unique serial number starting from the production line, which is linked to work orders, processes and personnel information. Real-time data collection through automatic inspection equipment ensures traceability of each process and semi-finished product. Upon finished product delivery, complete information can be retrieved by scanning the product code. For clients, fault root causes can be quickly identified within 10 minutes through the IoT platform combined with production data.

Value Chain Quality Management Empowerment

Centered on its own quality management and control system, the Company continuously spreads quality concepts and standards to upstream and downstream partners, promoting coordinated quality improvement across the entire value chain.

The Company has established a refined and differentiated mechanism for supplier quality control and coordination. On a quarterly basis, it holds specialized meetings dedicated to reviewing supplier red and black lists for each single product category: High-quality suppliers on the red list share their best cases to set industry benchmarks and lead by example; while problematic suppliers on the black list receive one-on-one interviews and are required to rectify their issues within a specified time limit. Commendation and disposal notices are issued simultaneously to strengthen warnings and positive incentives. At the end of each year, the Company conducts a comprehensive annual assessment and selection of outstanding suppliers, recognizes high-quality partners, and promotes the overall quality improvement of the supply chain.

The Company has built a comprehensive quality-linked customer service system. Each year, senior management leads market visits to gain firsthand insights into customers' actual application scenarios and needs. It also participates in customers' closed-door quality meetings, specialized seminars and quality award ceremonies to facilitate two-way experience exchange and capability enhancement. In addition, the Company proactively shares its mature integrated quality control experience, assists customers in improving their own quality control processes, aligns quality standards accurately with customers, and jointly ensures the high quality and stability of final delivered products.

Quality Management Practices Optimization

The Company has continuously optimized its quality management system by implementing four core initiatives. Regular quality meetings were held to conduct reviews and planning, achieving closed-loop management of quality issues. An exclusive quality service mechanism for key customers was established, with annual quality reviews and planning to identify improvement opportunities and conduct risk analysis. The quality incentive mechanism was refined to stimulate the intrinsic motivation of all employees for quality improvement. The development of the quality talent echelon was strengthened to enhance the overall quality competence of all employees. In 2025, a total of 1 employee obtained the Six Sigma Black Belt certification and 4 employees obtained the Six Sigma Green Belt certification from the China Quality Association.

Quality Management and Control Objectives

The Company has set stringent objectives for product safety and quality management, all of which were fully achieved in 2025.

Quality Management Objectives	Target	2025 Achievement
First-pass yield	⩾ 94%	95%
Customer satisfaction	⩾ 90%	97.5%

Product Safety and Quality Management Achievements of Sineng Electric

Number of major liability accidents related to product and service safety and quality during the reporting period

0 Case

Amount of damages incurred from major liability accidents related to product and service safety and quality during the reporting period

0 RMB

Number of product recall events during the reporting period

0 Case

Quality Service

The Company attaches great importance to the development of its customer service system and has formulated documents including the *Control Procedure for Customer Feedback, Control Procedure for Customer Complaints*, and *Control Procedure for After-sales Service* to ensure customer experience through high-quality service. It provides customers with full lifecycle services covering core links such as installation guidance and maintenance, while also providing targeted training on operation, product principles and maintenance to fully empower customers.

Installation Guidance Service

Our service engineers conduct on-site technical disclosure and training for technical and construction personnel to ensure the smooth completion of equipment wiring.

Commissioning and Grid Connection Service

Service engineers perform unit commissioning to ensure normal equipment functions; when grid connection conditions are met, they assist in the implementation of system joint commissioning.

Maintenance Service (Under Warranty)

Service personnel coordinate with operation and maintenance staff. After a fault is reported during equipment operation, remote online guidance is provided first; for issues that cannot be resolved online, on-site maintenance is carried out immediately to achieve closed-loop resolution.

Maintenance Service (Out of Warranty)

After the product warranty period expires, we provide customers with multiple solutions including extended warranty, one-time repair, spare parts sales, and technical transformation to continuously deliver value to customers.

Service Commitment

- After receiving a customer's repair request, the Company will respond within 4 hours;
- For issues requiring on-site resolution, service personnel will arrive at the site within 24 hours;
- After arriving on-site, full repair efforts will be made to restore normal product operation within 72 hours.

The Company has improved customer satisfaction by enhancing service response efficiency and spare parts supply timeliness, consolidating its core service competitiveness and strengthening market share. It has strengthened service team development by establishing regular skills training and assessment mechanisms; upgraded its spare parts supply system by setting up multi-level spare parts forward warehouses in core domestic markets supported by an efficient logistics network, achieving next-day delivery of spare parts in 90% of regions; and established a proactive service model by developing customized service plans for key customers and major projects, conducting regular on-site visits, progress reports and demand surveys to build sound and interactive cooperative relationships. In 2025, the Company's overall on-time service rate rose to 99%, customer satisfaction jumped to 97%, and both customer repurchase rate and word-of-mouth recommendation increased simultaneously.

Global Customer Service Center

The Company has built a Global Customer Service Center covering three major businesses of PV & storage and power quality, consisting of an Overseas Service Center, a Platform Support Center and a Domestic Service Center, enabling efficient response to customer demands worldwide. Domestically, the service center manages 4 major service regions with 18 provincial service outlets, forming an extensive and responsive localized service network. Overseas, it has established 2 service centers and 3 service management departments to fully support overseas market demands, with more than 300 global direct service personnel providing 7*24 - hour service. In 2025, the Global Customer Service Center achieved a work order satisfaction rate of 99% and received a total of 199 customer commendation letters.

The Global Customer Service Center has established an efficient spare parts support system to fully meet global operation and maintenance needs. The Global Spare Parts Center was officially put into operation at the end of 2024. The Company has built a three-tier spare parts management system in China: tier-1 warehouses are located at major production bases, with precise inventory control automatically calculated via the SAP system, supported by third-party cooperative forward warehouses, dedicated spare parts warehouses for key local projects and engineers' personal spare parts libraries. Overseas, it has deployed spare parts warehouses in multiple key regions to ensure rapid replenishment for overseas projects. In 2025, the Company promoted the upgrade of Spare Parts Management 2.0 and implemented a third-party spare parts forward warehouse model, further shortening spare parts delivery cycles and improving global customer service response speed.

The Global Customer Service Center operates a training base to continuously enhance the skills and professionalism of the service team. In 2025, a total of 20 training sessions were held throughout the year, including 4 customer training sessions, 11 engineer training sessions, 4 cross-departmental training sessions and 1 training session for third-party service providers, with a total participation of more than 140 people.

Global Customer Service Center Training Base

International Delivery Center

In May 2025, the Company officially established the International Delivery Center, which consists of an Order Delivery Team and a Major Project Delivery Team. By streamlining business processes and strengthening cross-team collaboration, the Center has made every effort to improve delivery efficiency. The Delivery Center fully undertakes the delivery of the Company's international projects, Indian projects and various other foreign-related projects. It is responsible for the overall management of the entire process from order forecasting to product shipment, enabling the sales team to focus on core business development and contract signing. Meanwhile, the Delivery Center proactively coordinates with the customer service team to promote project implementation and efficiently resolve issues arising throughout the delivery process. In 2025, thanks to systematic optimization, the Company's delivery efficiency improved significantly. The average delivery cycle was shortened from 130 days to 106 days, and delivery delay days were reduced from 60 days to 39 days. The on-time delivery rate and early delivery rate for small and medium-sized projects increased substantially, reflecting remarkable overall delivery performance.

Leading Green Energy, Shouldering Environmental Responsibility

Environmental Compliance Management

Environmental Management System

Sineng Electric strictly abides by the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on Environmental Impact Assessment,* as well as relevant laws and regulations in the places where it operates. It firmly adheres to the bottom line of environmental compliance and strictly controls environmental risks.

The Company has continuously improved its environmental management system and established an integrated management framework covering safety, environmental protection and occupational health. Led by responsible persons, coordinated by the EHS Department, and implemented and collaborated by various business and functional departments including the Manufacturing Center, the framework has formed a clearly defined and efficiently operating environmental management organization system. In addition, the Company has formulated core management documents such as *the Pollutant Management and Control Procedure 2.0 and the Procedure for Monitoring and Measurement of Environmental and Occupational Health Safety Performance 3.0*, laying a solid institutional foundation for the implementation of the framework. During the reporting period, Sineng Electric and its three subsidiaries have obtained the ISO 14001 Environmental Management System certification.

Environmental and Occupational Health & Safety Policy

Comply with laws and regulations, serve the society, and establish an environmental protection image for the industry;

Care for the environment, prioritize safety, and safeguard employees' occupational health;

Be dedicated to work, strengthen awareness, and pursue sustainable development.

Environmental Management Certification Certificate (Wuxi Factory)

Environmental Management Certification Certificate (Ningxia Factory)

Environmental Management Certification Certificate (Lianyungang Factory)

Environmental Management Certification Certificate (Indian Factory)

Environmental Management Initiatives

Sineng Electric has formulated and implemented the *Procedure for Identification and Evaluation of Environmental Aspects 3.0*, establishing a systematic mechanism for environmental aspect management. The Company conducts comprehensive identification and scientific assessment of environmental aspects involved in its operations, implements hierarchical management and control over different types and levels of environmental aspects based on their risk levels, and dynamically tracks changes in significant environmental aspects, effectively reducing the Company's potential environmental risks.

Environmental Management Initiatives of Sineng Electric

Energy Conservation and Consumption Reduction in Production	In the production and manufacturing process, through technological transformation and production process optimization, the Company improves the operational efficiency of equipment and reduces energy consumption.
Compliant Control and Disposal of Three Wastes	The Company strictly complies with national environmental protection laws and regulations, ensuring that exhaust gas and wastewater are treated and discharged up to standards, and solid waste is classified, recycled and reused.
Green Procurement and Supplier Collaboration	The Company implements a green procurement system in the procurement process, prioritizes the use of environmentally friendly and recyclable materials, conducts supplier environmental performance assessments, and promotes suppliers to practice low-carbon production models.
Internal Environmental Protection Culture Building	The Company regularly carries out environmental protection training, publicity and education to strengthen employees' environmental awareness; meanwhile, through internal assessment, reward and punishment mechanisms, it encourages employees to actively participate in energy conservation, emission reduction and environmental protection work.
External Communication and Information Disclosure	The Company proactively communicates and coordinates with surrounding communities and government departments, regularly listens to opinions and optimizes environmental management initiatives; meanwhile, through forms such as ESG Reports, it publicly discloses the progress and effectiveness of environmental compliance management.

Case

Environmental Safety Training

Sineng Electric focused on compliance and practical operation, and organized targeted and efficient specialized training on environmental protection awareness. The training was held in June 2025, covering multiple departments including process, R&D, quality and maintenance, achieving full coverage of personnel across departments and business links. Centered on core needs, the training focused on key modules such as environmental laws and regulations, as well as treatment measures for waste gas, wastewater and solid waste, precisely aligning with the priorities of environmental management in production and operation.

Environmental Management Achievements

In 2025, Sineng Electric had no incidents of illegal pollutant discharge or environmental pollution, and received no administrative penalties for environmental violations.

Environmental Objectives and 2025 Achievement of Sineng Electric

100% compliance rate for wastewater and noise discharge standards

100%
disposal rate of solid waste in compliance with environmental requirements

0 fire accidents

Climate Change Response

Governance

Sineng Electric regards climate change as a core ESG topic and integrates it into the Company's overall ESG management system. The Company advances climate governance initiatives based on its ESG governance structure. As the decision-making body, the Board of Directors reviews and oversees strategic directions and key matters related to climate change. The management team is responsible for specific implementation and execution. The Company has established and continuously improved internal management systems and cross-departmental collaboration mechanisms, with clear division of responsibilities and implementation pathways to ensure efficient coordination, consistent alignment and orderly progress of relevant initiatives.

Strategies

Sineng Electric has established carbon neutrality and climate change response as core strategic priorities. Focusing on technological innovation and product iteration, the Company continuously reduces carbon emissions throughout the product life cycle and supports the green and low-carbon transformation of the industry. The Company closely monitors global climate change trends, policy and regulatory changes and industry dynamics, responds in a timely manner, optimizes its business layout, enhances long-term competitiveness and maintains its leading market position.

To strengthen its core competitiveness, the Company continues to increase R&D investment, focusing on the development of high-efficiency, low-energy-consumption products and core technologies. All business units have simultaneously launched specialized actions in low-carbon operation, response to extreme weather and natural disaster risks, and support for clean energy development. Through whole value chain collaboration, the Company accelerates the global green energy transition.

Impacts, Risks and Opportunities Management

Sineng Electric attaches great importance to various risks that may arise from climate change. Combining industry characteristics, business layout, and changes in the policy and regulatory environment, the Company identifies climate-related risks and opportunities associated with its operational activities and value chain, develops targeted management measures and response plans, and regularly assesses changes in risks to optimize its management strategies.

Risk Type		Responding Measures
Physical Risks	Acute Risks Increased severity of extreme weather events (such as typhoons and floods) may disrupt production operations or cause workplace safety accidents	Develop emergency response plans for environmental emergencies, enhance emergency response capabilities, and reduce the probability of production disruptions or safety accidents caused by extreme weather
	Chronic Risks Long-term climate change (such as changes in precipitation and temperature, sea level rise, etc.) may affect the Company's normal operations	Proactively track long-term climate trends in operating regions, advance carbon reduction and emission mitigation in production processes, and improve the adaptability of production operations to long-term climate fluctuations
Transition Risks	Policy and Legal Risks Increased compliance costs to meet regulatory requirements, or risks of litigation and penalties due to failure to comply with regulatory requirements	Closely monitor climate change-related policies and regulations issued by governments worldwide, adjust business strategies in a timely manner, and ensure Company products comply with relevant requirements
	Technological Risks The emergence of new technologies may impact the Company's business and products	Continuously strengthen technological innovation, advance R&D of high-efficiency, low-energy-consumption products and core technologies, maintain sensitivity to industry technology iterations, and address challenges brought by technological changes
	Market Risks Affected by the upgrading of global low-carbon demand, price fluctuations of core raw materials, and changes in the green energy market environment, the Company's production and operation costs may increase, potentially impacting the market competitiveness of products	Reduce reliance on a single market through diversified products and services, and improve market adaptability
	Reputational Risks Stakeholders' requirements for corporate low-carbon development, carbon neutrality practices and information disclosure continue to rise. Failure to meet expectations in relevant practices, or spillover effects from negative industry events, may damage the Company's brand reputation	Regularly publish ESG reports, promote internal publicity and external communication on low-carbon practices, enhance the transparency of the Company's low-carbon actions, and mitigate reputational impacts caused by industry negative event spillovers and unmet practice expectations

Case

Carbon Footprint Certification of PV Inverters

Sineng Electric has continuously advanced product carbon footprint accounting. In 2024, in accordance with the ISO 14067: 2018 standard, the Company completed the carbon footprint accounting and certification for its 320/350kW PV inverters covering the "cradle-to-gate" stage, accurately identifying key carbon emission links in the product life cycle and providing a scientific basis for subsequent emission reduction measures.

In 2025, the Company further expanded its accounting scope. Based on ISO 14067: 2018, it completed the carbon footprint inventory and verification for the SP-320K-HB and EP-4400-HA-UD PV inverters at the "cradle-to-gate" stage. Meanwhile, with reference to GB/T 24067-2024, the Company conducted carbon footprint accounting for grid-forming energy storage converters including EH-0215-HA-M (EH-0215-HA-M-US) and EH-1250-HB-UD (EH-1250-HB-UD-US), covering the stages from raw material acquisition to manufacturing, and systematically assessed carbon emission levels in production.

Through carbon footprint accounting, the Company has implemented targeted emission reduction measures, including optimizing product design, improving production processes, enhancing energy efficiency, and adopting low-carbon raw materials, driving continuous reduction in product carbon emission intensity. Going forward, the Company will gradually extend carbon footprint accounting to more products, keep promoting the iterative upgrading of green products, and lay a data foundation for its low-carbon transformation and sustainable development.


产品碳足迹核查声明书

SGS

1 台组串式逆变器 SP-320K-HB（SP-350K-HB1，SP-350K-INHB，SP-333K-HB1）产品的碳足迹研究

由以下公司开展：

上能电气股份有限公司

经 SGS 核查符合以下标准要求：

ISO 14067:2018

1 台组串式逆变器 SP-320K-HB（SP-350K-HB1，SP-350K-INHB，SP-333K-HB1）的碳足迹值是 12104.52 千克二氧化碳当量

被核查产品的生命周期阶段为
从摇篮到坟墓


中国船级社质量认证有限公司
CHINA CLASSIFICATION SOCIETY CERTIFICATION CO., LTD.

碳 足 迹 评 价 证 书
CERTIFICATE OF CARBON FOOTPRINT

This is to certify that:

集中式逆变器（EP-4400-HA-UD）
EP Series Central Inverter（EP-4400-HA-UD）


产品碳足迹标识认证证书

CBC

国信认证无锡有限公司

Indicators and Objectives

Sineng Electric fully recognizes that mastering carbon emission data is the core prerequisite for standardizing carbon management and advancing carbon reduction efforts. The Company regularly conducts statistics, accounting and analysis of indicators such as greenhouse gas emissions, and completes relevant information disclosure in accordance with regulatory requirements, laying a solid data foundation for carbon management.

Greenhouse Gas Emission Statistics of Sineng Electric

Indicator	Unit	2025
Scope 1 GHG emissions	tCO_2e	3,319.61
Scope 2 GHG emissions	tCO_2e	16,806.75
Scope 3 GHG emissions	tCO_2e	14,904.54
Total (Scope 1 + Scope 2 + Scope 3)	tCO_2e	35,030.90

声明编码 CN26/00001817

SGS

温室气体核查声明

以下组织的 2025 年 01 月 01 日至 2025 年 12 月 31 日温室气体盘查清册

上能电气股份有限公司

注册地址：无锡市惠山区和惠路 6 号
组织边界：该声明为多地址声明，具体的组织边界信息在后续页列出

已由 SGS 依据 ISO 14064-3:2019 进行了核查并满足以下要求

ISO 14064-1:2018

直接温室气体排放量 [类别 1]
3,319.61 吨二氧化碳当量
来自输入能源的间接温室气体排放量 [类别 2]
16,806.75 吨二氧化碳当量
运输产生的间接温室气体排放量 [类别 3]
14,904.54 吨二氧化碳当量
组织使用的产品产生的间接温室气体排放 [类别 4]
[属于非重大间接排放，未量化]
组织产品的使用有关的间接温室气体排放 [类别 5]
[属于非重大间接排放，未量化]
其他来源的间接温室气体排放 [类别 6]
[属于非重大间接排放，未量化]
经量化的总排放量
35,030.90 吨二氧化碳当量

签署
David Xin
Sr. Director - Business Assurance
签署日期：2026 年 03 月 18 日

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在此范围内出具了多张核查声明，本声明为主声明
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Note: The scope of greenhouse gas emission statistics covers four production bases of Wuxi, Jiangsu; Wuzhong, Ningxia; Bengaluru, India; and Lianyungang, Jiangsu.

Resource Utilization and Circular Economy

Energy Management

Energy Management System

The main energy types involved in Sineng Electric's daily operations and production include electricity and gasoline. The Company strictly abides by the *Energy Conservation Law of the People's Republic of China*, the *Measures for the Administration of Electricity Conservation*, the *Electric Power Law of the People's Republic of China* and other relevant laws and regulations, and continuously strengthens whole-process control over energy utilization.

The Company has established a leading group for energy management composed of relevant departments and responsible persons. It has formulated supporting management systems for energy procurement, conversion, distribution, transmission and use, with clear job responsibilities and management processes. During the reporting period, the Company has obtained the ISO 50001 Energy Management System certification.


能源管理体系认证证书

证书编号：00123Ea2042382M/3200

兹证明

上能电气股份有限公司

能源管理体系符合标准：

GB/T 23331-2020 / ISO 50001:2018

RB/T101-2013;

通过认证范围如下：

中国质量认证中心

CHINA QUALITY CERTIFICATION CENTRE

Energy Management System Certificate of Sineng Electric

Energy Management Planning

With improving energy efficiency as the core, Sineng Electric has set phased energy management objectives, systematically optimized the energy consumption structure in production and operation, reduced energy use risks, and continuously enhanced operational resilience.

Energy Management Practices

To continuously improve energy efficiency, Sineng Electric has systematically promoted energy conservation measures through the dual efforts of equipment energy-saving renovation and employee awareness improvement.

Energy Management Initiatives of Sineng Electric

Energy Conservation and Consumption Reduction

Conduct energy-saving transformation and operational optimization for production equipment, adopt high-efficiency energy-saving motors, transformers and other equipment, precisely adjust operating parameters, reduce standby and no-load losses, effectively improve energy efficiency and lower equipment operating energy consumption.

Install smart electricity meters to monitor power consumption of key equipment and areas in real time, conduct energy consumption analysis and abnormal early warning simultaneously, trigger inspection responses, and accurately improve energy efficiency.

Awareness Enhancement

Strengthen energy-saving awareness training for employees, deepen their understanding of the importance of energy management, guide employees to develop energy-saving habits in daily work, eliminate energy waste, and create a positive energy-saving atmosphere with full employee participation.

2025 Key Energy Conservation and Consumption Reduction Technological Transformation Projects of Sineng Electric

Project Name	Project Content	Annual Energy Savings (tonnes of standard coal equivalent)	Annual Electricity Savings (10,000 kWh)
Reduction of aging test time for centralized 4.4MW products	Focusing on technological energy conservation, the project optimizes the test process by shortening the aging test duration of 4.4MW products from 8 hours to 6 hours. With an annual production capacity of 1,100 units, the project directly saves RMB 397,320 in electricity costs.	52.78	46.20
Variable frequency energy-saving improvement for central air conditioning water pumps in the production center	Variable frequency upgrade and transformation are implemented for the water pumps of the central air conditioning system in the production center to achieve energy savings through technical optimization. With an investment of only RMB 19,685, the project directly saves RMB 46,828 in electricity costs. This small-investment project achieves stable energy conservation and cost reduction, providing replicable technical optimization practices for the Company's energy management.	6.69	5.45

Case

Clean Energy Utilization

The Company actively promotes the application of clean energy, and has completed the construction of roof photovoltaic projects in Wuxi and Ningxia manufacturing bases, achieving grid-connected power generation.

In 2025, the roof photovoltaic power station of Wuxi manufacturing base underwent technical transformation, and was successfully completed and put into operation in December. The project is expected to have an annual average power generation capacity of approximately 400,000 kWh, with the generated electricity prioritized for production and office power consumption, reducing the consumption of purchased electricity. With an operational period of 20 years, the project will effectively activate idle roof resources and form long-term stable income.

According to calculations, after the project is put into operation, it can save about 106 tons of standard coal annually and reduce carbon dioxide emissions by about 276 tons. Meanwhile, photovoltaic modules can effectively reduce roof thermal radiation, lower summer air conditioning energy consumption, and help build a benchmark for green factories. Relying on the Company's independently developed monitoring system, the project conducts real-time monitoring of power generation efficiency and grid connection stability, providing application scenarios for the pilot verification of cutting-edge technologies such as microgrids and energy storage integration, realizing the coordinated improvement of economic, environmental and research value.

Roof Photovoltaic of Wuxi Manufacturing Base, Jiangsu

Roof Photovoltaic of Wuzhong Manufacturing Base, Ningxia

Indicators and Objectives

The Company has established Company-level and workshop-level energy management objectives, and tracks the achievement of these objectives on an annual basis to ensure the effective implementation of all objectives.

Energy Utilization Statement of Sineng Electric

Indicator	Unit	2025
Total comprehensive energy consumption	Tonnes of Standard Coal Equivalent	5384.22
Breakdown by energy type		
Purchased electricity	MWh	27,810.68
Gasoline	Liter	9,230.59
Natural gas	m^3	1,611.00
Direct energy consumption	Tonnes of Standard Coal Equivalent	1966.29
Indirect energy consumption	Tonnes of Standard Coal Equivalent	3417.93
Total clean energy consumption	Tonnes of Standard Coal Equivalent	1960.70
Breakdown by energy type		
Solar energy	MWh	36.34
Natural gas	m^3	1,611.00

Note: The scope of total comprehensive energy consumption statistics covers four production bases of Wuxi, Jiangsu; Wuzhong, Ningxia; Bengaluru, India; and Lianyungang, Jiangsu. Among them, gasoline is only consumed by Company vehicles at the Wuxi production base; natural gas is only consumed by the canteen at the Wuzhong production base.

Water Resource Management

The Company's water consumption is mainly for domestic use, supplied by municipal water sources. It strictly complies with the *Water Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law of the People's Republic of China* and other regulatory requirements, continuously optimizes water resource management and improves water use efficiency.

All Company products are required to undergo a water spray test before delivery. To reduce water consumption, the Company has installed underground water storage tanks in the water spray room area to collect test water for recycled use after graded filtration, reducing annual water consumption for product water spraying by approximately 95% compared with the original model. Combined with the recycling of the water spray system and water-saving transformation of sanitary facilities, the Company's water intake in 2025 decreased by 22% compared with 2024, and water use efficiency continued to improve.

Water Resource Utilization Statement of Sineng Electric

Indicator	Unit	2025
Total water intake (all from municipal water supply)	m^3	62,702.84

Note: The scope of total water intake statistics covers three production bases of Wuxi, Jiangsu; Wuzhong, Ningxia; and Lianyungang, Jiangsu.

Recycling and Reuse

Focusing on efficient resource utilization, Sineng Electric promotes optimized resource allocation and circular reuse initiatives across supply chain, manufacturing, product packaging and other links, effectively reducing resource consumption and environmental impact.

Resource Recycling and Reuse

- At the supply chain end, Sineng Electric actively promotes resource recycling and reuse. For wooden pallets for PCBA materials used in supplier turnover, as well as various packaging materials such as protective foam, 100% recycling and reuse is achieved except for normal wear and tear, reducing resource waste and practicing the green, low-carbon concept of sustainable development through concrete actions.
- Product packaging uses 100% degradable cartons made of natural plant fiber, which can be naturally decomposed and easily recycled after special process treatment. The Company has established a packaging carton recycling mechanism, uniformly collects and hands them over to professional institutions for recycling and disposal, reducing packaging waste emissions.
- In the production process, the Company selects recyclable and reusable green materials such as PCB boards, solder bars and copper busbars, promotes the recycling of production resources, and reduces material and energy consumption in the production process.

Pollutant Emission and Waste Management

The main pollutants generated during Sineng Electric's production and operation include wastewater, waste gas, solid waste and noise. The Company strictly complies with the *Environmental Protection Law of the People's Republic of China*, the *Air Pollution Prevention and Control Law of the People's Republic of China* and other laws and regulations, completes environmental protection approval and pollutant discharge permitting procedures in accordance with the law, and fulfills its primary responsibility for environmental governance. In 2025, the Company did not receive any major administrative penalties or face criminal liability due to pollutant emissions.

Wastewater Management

- Domestic sewage is pretreated in septic tanks and then handed over for disposal to qualified entities;
- In the discharge connection stage, COD, SS and animal/vegetable oil comply with the *Comprehensive Wastewater Discharge Standard* (GB8978-1996); NH_3-N, total phosphorus and total nitrogen refer to the *Standard for Wastewater Discharge into Urban Sewers* (GB/T31962-2015). For the final effluent of sewage treatment plants, some indicators comply with the *Discharge Limits of Major Water Pollutants for Urban Sewage Treatment Plants and Key Industrial Industries in the Taihu Lake Region* (DB32/1072-2018), and the rest comply with the *Discharge Standard of Pollutants for Urban Sewage Treatment Plants* (GB18918-2002);
- The Company conducts annual wastewater monitoring (once a year) to strictly ensure compliance with discharge standards.

Waste Management

- Hazardous waste is regularly disposed of by qualified entities to ensure safe and professional handling;
- For general industrial solid waste, the Company adopts a resource utilization priority strategy. Non-recyclable solid waste is entrusted to qualified entities for disposal. For scrap generated during production, a standardized disassembly process is formulated to centrally disassemble into recyclable materials such as tin slag, waste aluminum and waste iron, which are regularly handed over to recyclers for reuse, promoting the return of materials to the production cycle for recycling. Meanwhile, renewable packaging materials are uniformly recycled to maximize resource recycling.

Waste Gas Management

- Organically emitted tin and its compounds, particulate matter (paint mist), non-methane total hydrocarbons, as well as relevant pollutants emitted from unorganized sources at the factory boundary and within the factory premises, all comply with the Jiangsu Provincial Local Standard *Comprehensive Emission Standard of Air Pollutants* (DB32/4041-2021);
- Waste gas from processes such as laser marking and reflow soldering is collected in a closed manner, treated by a filter dust removal + secondary activated carbon adsorption device, and then discharged through the 28m-high exhaust stack FQ1;
- Canteen fume is treated by a fume purifier before discharge; the uncollected fume is emitted as unorganized discharge;
- The Company conducts annual exhaust gas monitoring (once a year) to ensure compliance.

Noise Management

- Equipment operating noise complies with the Grade 3 limit values of the Emission Standard of Environmental Noise at Industrial Enterprise Boundaries (GB 12348-2008). The Company implements noise reduction measures through factory building sound insulation and distance attenuation, and conducts quarterly noise monitoring (once a quarter) to timely monitor noise emissions.

Regarding overseas operations, wastewater, waste gas, solid waste and noise emissions from Sineng Electric's India subsidiary comply with local laws and regulatory requirements, and no environmental violations occurred during the reporting period.

Case

Practice of Hazardous Waste Compliance Assessment and Waste Gas Treatment Upgrade at Sineng Electric Wuxi Manufacturing Base

In August 2025, the Wuxi Manufacturing Base completed a specialized compliance assessment on the standardized environmental management of hazardous waste. The assessment was conducted based on 12 core management systems, including pollution prevention responsibility, labeling management, management plans, and pollutant discharge permits, through a combination of comprehensive document review and on-site production inspection. The results showed that the base did not trigger any compliance veto items for hazardous waste management. It fully met the regulatory requirements in core compliance areas such as the implementation of pollution prevention responsibilities, compliant management of pollutant discharge permits, development of environmental emergency response plans, and EIA and "three simultaneous" acceptance of storage facilities. A standardized management mechanism covering the whole process of hazardous waste generation, collection, storage, transfer and disposal has been established. In the same period, the Wuxi Base added a set of waste gas filtration treatment units to further improve the supporting capacity of waste gas treatment in the factory.

Newly Added Waste Gas Filters at Wuxi Manufacturing Base, Jiangsu

Waste Emission Statistics of Sineng Electric

Indicator	Unit	2025
Total waste generated	Ton	250.42
Breakdown by waste type		
Total hazardous waste generated	Ton	245.47
Total non-hazardous waste generated	Ton	4.96

Note: The scope of waste-related data covers the Wuxi Production Base, Jiangsu.

Win-Win Collaboration, Shared Value Creation

Basic Rights and Interests Protection

Employee Rights and Interests

Sineng Electric strictly abides by the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, as well as labor and employment laws and regulations in the places where it operates. The Company has formulated and implemented the *Social Responsibility Management Manual* and supporting human resources policies to ensure compliance in employment and legally protect the legitimate rights and interests of employees.

The Company has formulated and implemented policies including the *Sineng Electric Employee Handbook*, *Recruitment Management System*, and *Recruitment Control Procedure*. In personnel recruitment, training, promotion and other processes, discriminatory or differential treatment based on race, gender, color, social status, ethnic origin, disability, sexual orientation, age or religious belief is explicitly prohibited.

The Company always adheres to the bottom line of compliance in labor and employment, and does not recruit child laborers who do not meet the legal working age in any form. The requirement of prohibiting the use of child labor is integrated into recruitment screening, onboarding verification and daily employment management procedures to strengthen personnel qualification checks. The Company also strictly prohibits all forms of forced labor, upholds the principle of voluntary employment, and safeguards the legitimate labor rights and interests of employees.

In terms of protecting the rights and interests of female employees, the Company complies with the *Special Provisions on Labor Protection for Female Employees* and effectively guarantees labor protection measures for female employees during special physiological periods such as menstruation, pregnancy and lactation. During the reporting period, no violations or irregularities involving the use of child labor, forced labor, discrimination, illegal employment, or major labor disputes occurred within the Company, and the labor contract signing rate reached 100%.

Employee Recruitment

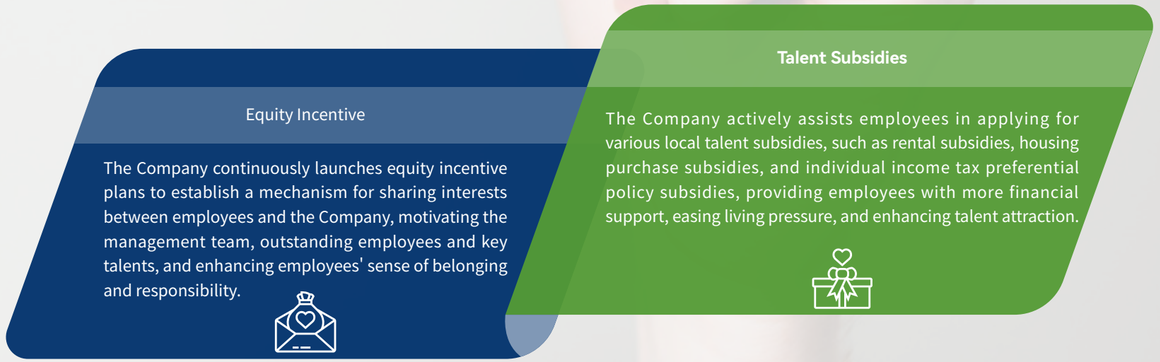
The Company conducts recruitment in accordance with the *Recruitment Control Procedure, Labor Contract Management Measures* and other policies, improving its employee recruitment and employment process to ensure standardized and orderly recruitment activities. The Company respects employees' right to choose their own occupations, releases objective and truthful recruitment information, and fully supports employees in achieving their personal career development goals.

The Company's external recruitment includes social recruitment and campus recruitment. Social recruitment precisely targets high-end industry talents through channels such as professional recruitment websites, the Company's official website, and employee referrals. Campus recruitment is carried out by the human resources team at universities and colleges nationwide, with vacancy information also released via the official WeChat account, realizing online-offline interaction to reserve young talents for corporate development. Meanwhile, the Company actively builds a dynamic internal talent supply chain and opens internal competition channels to provide employees with diversified development paths.

Compensation and Benefits

The Company's compensation management upholds the core principle of "maintaining external competitiveness, internal fairness, and maximizing employee motivation'. It comprehensively determines employees' compensation levels and establishes a dynamic adjustment mechanism. When employees are promoted, commended, or transferred to other positions, their compensation is adjusted accordingly based on joint assessment results from business departments and the human resources department. Employees' standard monthly salary consists of basic salary and various allowances and subsidies, matching job value and individual contribution.

The Company pays in full statutory social insurances including endowment insurance, basic medical insurance, unemployment insurance, and employment injury insurance for eligible contract-based employees, and corresponding social insurances for eligible dispatched laborers in accordance with regulations. In line with local policies and Company management rules, it makes compliant housing fund contributions for employees. Meanwhile, based on actual business operations, the Company provides commercial insurances such as personal accident insurance and employer liability insurance. It also offers working meals or corresponding subsidies, holiday benefits, organizes annual physical examinations, and builds cultural and sports facilities such as book corners to enrich employees' spare time life. These measures comprehensively protect employees' vital interests and enhance their sense of belonging.



Employee Communication

Sineng Electric attaches great importance to employee communication and satisfaction improvement, and continuously optimizes the employee communication and feedback system to promote the steady enhancement of employee satisfaction.

Online Communication Channels

- Sineng College Forum
- Official Website
- WeCom
- WeChat Official Account
- Ethics Reporting Email

Offline Communication Channels

- Employee Mailbox
- Departmental Level Meetings
- Targeted Forums
- Notice Boards
- Middle Management Meetings
- Year-End Commendation Ceremony

During the reporting period, the Company conducts online questionnaires every quarter to extensively collect questions and improvement suggestions focusing on the vital interests and work experience dimensions such as the staff canteen, logistics accommodation, financial reimbursement, IT network layout and item collection. Meanwhile, employees are randomly selected from various departments for targeted forums to deeply listen to their demands and requests. Regarding the special situation that the Shenzhen Park has no own canteen and the catering is managed by the park property, the Company conducts independent specialized investigations and effectively optimizes the employee experience in this area.

Employee demands are immediately transferred to the corresponding functional departments to assist in verifying the root causes of problems, formulating and following up on improvement measures; survey results and improvement plans are publicly announced to all employees. For important opinions and suggestions raised by employees, the Company organizes evaluation and discussion. Effective and feasible suggestions will be rewarded, and the processing results will be timely fed back and filed for retention.

Quarterly Employee Forum of Sineng Electric

Personnel Structure Table of Sineng Electric

Indicator		Unit	2025
Total number of employees		Person	1,942
By gender	Male	Person	1,512
	Female	Person	430
By work location	Chinese mainland	Person	1,766
	Hong Kong, Macao, Taiwan and other countries	Person	176
By age group	Under 30 years old	Person	795
	30–50 years old	Person	1,118
	Over 50 years old	Person	29
By education background	Junior college and below	Person	798
	Bachelor's degree	Person	794
	Master's degree and above	Person	350
Number of new hires		Person	618
Total number of employee departures		Person	333

Occupational Health and Safety

The Company strictly abides by applicable national laws and regulations including the *Work Safety Law of the People's Republic of China* and the *Special Equipment Safety Law of the People's Republic of China*. It has established a sound workplace safety management system, fully implemented the workplace safety responsibility for all employees, and regularly held monthly EHS meetings to arrange and advance safety work. Meanwhile, the Company has set core safety management objectives that 0 major casualty accidents and no more than 2 general accidents per year. Through full-year management and implementation, all the above objectives were successfully achieved in 2025.

Adhering to the principle of "Safety First, Prevention Foremost", the Company has continuously improved occupational health and safety conditions and enhanced the standardization of safety management. At present, the factories in Wuxi, Ningxia, Lianyungang and India have successfully obtained ISO 4001 certification. In 2025, with its complete workplace safety management system and solid management performance, the Company was awarded the Certificate of Grade 3 Enterprise in Workplace Safety Standardization (Machinery Industry).

Occupational Health and Safety Management Certification Certificate (Wuxi Factory)

Occupational Health and Safety Management Certification Certificate (Ningxia Factory)

Occupational Health and Safety Management Certification Certificate (Lianyungang Factory)

Occupational Health and Safety Management Certification Certificate (Indian Factory)

Grade III Enterprise in Workplace Safety Standardization (Machinery Industry)

The Company has established a normalized safety management mechanism. It conducts monthly specialized inspections to comprehensively investigate various potential safety hazards, effectively identify risks such as electric shocks in testing and electrical operations, and electrical fires in energy storage battery tests. It also implements rectification measures to ensure closed-loop management is completed within the rectification period. For automated equipment such as robotic arms, the Company has fully installed protective devices including safety light curtains and emergency stop buttons, effectively reducing the probability of safety accidents. In addition, the Company proactively resolves potential safety risks through diversified measures such as inviting external experts to conduct on-site professional hazard inspections and developing a safety hazard management mini-program.

The Company standardizes the configuration of Personal Protective Equipment (PPE), establishes a regular distribution mechanism, and supervises employees to correctly wear and compliantly use PPE throughout the process. For employees in positions with occupational disease exposure risks, the Company specially organizes annual occupational health examinations, achieving 100% coverage of physical examinations to effectively protect employees' legitimate rights and interests in occupational health. Focusing on key links in the production process, the Company implements targeted control measures such as noise governance and additional high-temperature monitoring for specific positions, directly reducing occupational health risks from the perspective of hazard factor control. In 2025, the company specially conducted an occupational health status assessment and systematically detected occupational disease hazard factors across the entire factory area. The test reports indicate that all indicators meet the standards, and the occupational health risk prevention and control work has achieved remarkable results.

The Company effectively promotes the improvement of overall employees' safety and occupational health awareness, strictly implements the three-level safety education and training mechanism, ensuring 100% coverage of safety production training. Meanwhile, it continuously enhances employees' emergency rescue capabilities by planning and organizing emergency drill activities. In accordance with the annual emergency drill plan in 2025, the Company conducted more than 30 emergency drills covering various scenarios such as special equipment (crane) failures, earthquake collapses, occupational hazards (heatstroke), fire evacuation, and energy storage accidents. Through a combination of practical operations and tabletop drills, it strengthens the overall emergency response capabilities and collaborative rescue capabilities of all employees.

For external personnel, the Company simultaneously strengthens safety awareness and enhances access management. In 2025, it produced a specialized safety induction video for entering the factory, clarifying core requirements such as prohibition of filming technical secrets and commercial information, prohibition of touching precision equipment, norms for avoiding forklifts, and key points of fire escape. This builds a solid defense line for the safety management of external personnel.

Talent Cultivation and Development

Talent Cultivation Management

To ensure the effective operation of the talent development system, the Administrative and Human Resources Department is responsible for formulating the Company's talent cultivation pathways, establishing management echelons and professional talent frameworks, as well as uniformly coordinating and optimally allocating internal and external training resources. Centering on the development needs of employees, the Company provides support in skill improvement and professional title application, helping employees enhance their post competence and professional skills.

Key Focus of Talent Cultivation

Centered on supporting the sustainable development of the green energy industry, the Company anchors its strategic goals of attracting high-caliber talents and building talent echelons to address challenges such as technological iteration and talent gaps, and to seize opportunities brought by the rapid development of the industry. The Company has formulated a medium and long-term talent echelon construction plan, aiming to build a stable talent echelon covering key positions and establish a systematic career development system for different types of employees.

Building Multiple Career Development Paths

- Design a "Y-shaped" dual career development path for R&D personnel, supporting flexible switching between technical and management sequences to break the bottleneck of single career development
- Establish an internal skill level appraisal mechanism for technical positions such as electrical equipment installation workers, allowing grade upgrades every two years to motivate employees to continuously improve their professional capabilities

Taking Multiple Measures to Cultivate, Retain and Attract Core Talents

- Reserve future talents through the "Recruitment" Management Trainee Program and deepened university-enterprise cooperation, and assign one-on-one mentors to management trainees for targeted development
- Open a green channel for qualification application for R&D personnel, enabling postgraduates with relevant majors to directly apply for intermediate professional titles
- Meanwhile, relying on high brand awareness, competitive salaries and characteristic corporate culture, attract and retain core talents

Talent Cultivation Approach

Core Cultivation Approach

Hierarchical and Categorized Training System

A training system is established based on factors such as positions and job grades. Customized courses and targeted empowerment activities are designed to meet the skill improvement needs of specific roles, including middle-management training programs, workshops on supplier management practices, and weekly training sessions for new R&D employees, so as to realize "training on demand and capacity improvement with precision".

Mentor System and Knowledge Inheritance Mechanism

A "one-on-one" coaching relationship is formed between senior employees and new employees, allowing business backbones to pass on job experience and technical secrets. This has notably shortened the onboarding period in the R&D center and overseas sales department and facilitated the accumulation of tacit knowledge.

Systematic Rotation Practice Mechanism

A cross-departmental and cross-position platform is provided to potential employees. By participating in core business processes, such employees develop comprehensive capabilities, holistic thinking and general business expertise, while enhancing organizational coordination and talent resilience.

Integrated Online and Offline Implementation

Online Platform

Leveraging the newly launched "Cloud Academy" platform in June 2025, 13 courses have been rolled out. The platform is integrated with third-party systems and enables independent self-management for learners, providing employees with flexible online learning channels

Offline Training

Training is planned under the "Department Demand + Company Coordination" model. In 2026, Sineng College will centrally coordinate training at all levels, fully launching Company-wide training programs and specialized initiatives for talent echelon development

Differentiated Cultivation Programs

New Graduates

Assign dedicated mentors to provide all-round guidance and support in workplace role transition, professional skill refinement, career development planning and other aspects, helping them quickly integrate into the workplace, improve professional capabilities and clarify development directions

Middle and Senior Management Personnel

Launch specialized training programs such as strategic planning, project management, team building and business integration to comprehensively cultivate systematic strategic thinking and comprehensive management capabilities, enabling them to better lead the Company's high-quality development

Core Business Sequence Employees

Provide customized specialized skill training, such as offering courses in business negotiation skills and key customers marketing for sales and procurement positions, to accurately enhance the professional work capabilities of employees in each position in their respective fields

Officially established in July 2025, Sineng College is a core talent development platform built with full dedication by Sineng Electric. As a key carrier for the Company's strategic mission and talent development vision, the College adopts a dual-driven training model centered on "humanistic literacy + professional competence". It is committed to cultivating interdisciplinary talents with both rational thinking and perceptual wisdom, with the goal of becoming a "talent incubator" and "innovation hub" that supports the implementation of the Company's corporate strategy.

2025 Talent Training and Development Initiatives and Achievements of Sineng College

Launch of the Manager Development Program

The Manager Training Program officially launched internal recruitment. Focusing on strengthening the capabilities of first-line managers, the program takes individual IDP as the guide, integrates systematic course learning and practical business challenges, and drives the systematic advancement and comprehensive improvement of first-line managers' management capabilities

Full Launch of the Learning Platform

The online learning platform covers more than 700 courses, meeting the diverse learning needs of employees in different majors and at different levels. After a trial promotion phase during which feedback was continuously collected and user experience was optimized, the platform was officially opened to all employees at the end of September 2025

Development of Training Resources

From September to November 2025, Sineng College launched the first batch of internal trainer cultivation. Relying on the three-stage cultivation mechanism of "Selection - Empowerment - Certification", the College simultaneously built a high-quality course system and a professional internal trainer team, continuously injecting internal momentum into the College's talent cultivation and consolidating the core hematopoietic foundation for talent development

Upgrade of the Training Management Mechanism

To improve training effectiveness and management efficiency, Sineng College carried out a comprehensive upgrade of the training management mechanism, officially issuing the *Sineng Electric Internal Trainer Management System* in September 2025, while the revision of the *Sineng Electric Training System* is in progress. By optimizing the entire training process and improving the training assessment system, the College promotes the scientific, standardized and efficient operation of training work, and builds a solid institutional guarantee for employees' growth and development

Case

The Brilliant Launch of Sineng College

Taking "Sineng College" as its core talent cultivation carrier, Sineng Electric promotes the construction of talent echelons and the enhancement of supply chain resilience through systematic programs, laying a solid foundation for the Company's sustainable development.

In July 2025, the Company officially launched the manager cultivation program—— "Sharpen Edge Program". Adopting a four-dimensional training model of "Classroom Learning + Small Project Practice + Benchmarking Study Tour + Practical Drills", the program focuses on three core modules of strategic interpretation, management capability building and cultural implementation. It aims to cultivate a management talent echelon with the ability of "who can fight and win battles", providing solid support for strategic expansion, driving the in-depth penetration of corporate culture in grassroots management, and strengthening organizational cohesion and sustainable development capacity.

In the same month, Sineng College, in collaboration with the Procurement Department, launched the "Supply Chain Management Workshop". Focusing on professional capability empowerment, the workshop designs practical courses around the entire procurement process. Through tool application and team co-creation drills, it promotes the iterative upgrade of the supply chain management system and builds a "mutually beneficial and win-win" supply chain collaborative ecosystem.

Talent Cultivation Achievements

The Company has established and improved a closed-loop assessment mechanism for training effectiveness. Through questionnaires, on-site testing, performance tracking and other methods, it comprehensively assesses training achievements from three dimensions of mastery of training content, satisfaction with training methods, and improvement in job performance. For issues identified in the assessment, the Company provides timely feedback and implements targeted optimization measures, including iterating course content, improving teaching methods, and adjusting training plans, to continuously enhance training quality and implementation efficiency, and accurately meet the dual needs of employees' career growth and the Company's development.

Company-organized Training **250** Sessions

Coverage Exceeds **3800** Person-times

Case

Step into Sineng, Embrace the Future | 2025 Sineng Electric Summer Camp

In August 2025, Sineng Electric held the "Step into Sineng, Embrace the Future" Summer Camp. Centered on university-enterprise collaborative talent cultivation, the camp created an immersive journey for university students integrating in-depth site visits, hands-on experience and career enlightenment. Participants gained insights into the Company's strategic vision through the Chairman's message, decoded the development context of new energy technologies firsthand in core laboratories, and received career planning guidance through lightning interviews. The activity not only helped students deepen their engineering understanding and clarify their development directions, but also built an early talent connection channel for Sineng Electric.

Case

Excellent Future, Career at Sineng | 2025 Sineng Electric New Employee Growth Training Camp

In July 2025, Sineng Electric launched the new employee growth training camp themed "Excellent Future, Career at Sineng". The program began with a solemn onboarding ceremony and ice-breaking activities to kick off their integration journey. Through a speech delivered by the Chairman, corporate values were conveyed, strengthening new employees' sense of identity and mission of "building a career at Sineng". A systematic training package was provided to elaborate on corporate strategy, promotion paths and internal regulations, outlining a clear growth blueprint for new hires. Combined with visits to laboratories, the concept of technology-driven development was made tangible, inspiring enthusiasm for innovation. The program helped new employees complete their role transition rapidly, boosted retention intention among the new generation of talents, and achieved synchronized growth of individual and corporate values.

Heartwarming Humanistic Care

Case

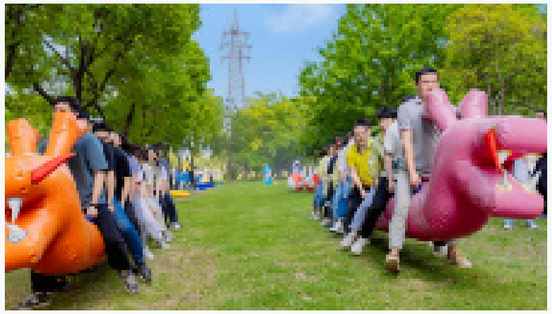
Sineng Electric International Women's Day Activity

To fulfill social responsibilities, enhance the well-being of female employees, and foster an inclusive and diverse workplace culture, Sineng Electric organized the themed International Women's Day activity "Spring Gathering—— ‘Elegant' Ladies of Sineng" based on the "Sineng Lecture Hall" platform. Centered on flower arrangement and tea art experiences, the activity provided an immersive and artistic atmosphere to help female employees relieve work pressure, cultivate aesthetic taste, and embrace the poetry of life amid their busy schedules, contributing to a positive and healthy workplace ecosystem.

Case

The 7th Sineng Electric "Vibrant Youth" Carnival

To foster a dynamic and inclusive corporate culture, Sineng Electric held the 7th "Vibrant Youth" Carnival in May 2025 under the theme "United as One, Capable and Fearless in Action". Featuring a rich variety of activities including team sports, creative markets and e-sports experiences, the activity enabled young employees to deepen collaboration through competition and build consensus through interaction. More than just a lively youth gathering, it served as a bond that strengthened unity and cooperation among young staff, effectively boosting team cohesion and employees' sense of belonging, while injecting vigorous youthful momentum into the sustainable development of the Company.



Supply Chain Collaboration

Supply Chain Management Mechanism

The Company implements unified procurement management across all bases, led and supervised by the Vice President, with procurement affairs jointly executed by the Procurement Department and the Planning Department. Supporting institutional documents including the *Procurement Control Procedure and Supplier Selection, Access and Evaluation Management Procedure* have been issued to achieve standardized management of the entire supply chain process. In 2025, the Company further optimized its supply chain management mechanism. The Audit Department conducted audit and supervision over the entire bidding process, carried out irregular spot checks on the consistency between order execution and bidding results, and promoted comprehensive inspections on a quarterly basis, so as to improve the compliance control level of the supply chain.

Supply Chain Management Planning

Scientific management, enhanced resilience and security guarantee of the supply chain serve as the prerequisite and foundation for the Company's long-term sustainable operation. Taking the supply chain as a core link, the Company promotes the in-depth transmission and two-way penetration of the sustainable development concept to the upstream and downstream of the value chain, and joins hands with upstream and downstream partners to build a green and collaborative ecosystem.

Supply Chain Management Initiatives

Supplier Full Lifecycle Management

The Company has established a full-life cycle supplier management system. Through a stable and efficient supply chain system, it ensures the continuous delivery of high-quality products and provides customers with reliable support for green energy equipment.

Supplier Onboarding Stage

Conduct rigorous qualification reviews of potential suppliers to verify their legal business eligibility and required production capabilities. Simultaneously, require suppliers to provide samples for evaluation to ensure they meet the Company's quality and technical standards.

Supplier Collaboration Stage

Sign contracts with suppliers to clarify mutual responsibilities and cooperation expectations, ensuring smooth collaboration. Leverage a digital procurement management platform to realize information sharing and communication coordination, improving cooperation efficiency. Conduct risk assessments for suppliers and implement supporting risk management measures to maintain supply chain stability.

Supplier Performance Evaluation

Regularly evaluate suppliers' performance in terms of product quality, delivery capability, price competitiveness, service level and other indicators. Urge suppliers to continuously improve product quality and delivery capability, and provide necessary support and training.

Supplier Exit Stage

Conduct final performance evaluations of suppliers to determine contract renewal. Terminate contracts with suppliers that fail to meet performance standards or requirements and implement the exit process.

Sustainable Supply Chain Management

In 2025, the Company focused on optimizing the supplier access scoring form and strengthened the review of ESG dimensions such as environment, workplace safety and business ethics, laying a solid foundation for the sustainable development of the supply chain from the source of access. The review covers three core dimensions: Environment and Occupational Health, which focuses on the establishment and implementation of systems, with emphasis on examining suppliers' environmental, occupational health and safety management systems and the implementation of workplace safety; Social Responsibility, which centers on compliant employment and business integrity, verifying the construction of child labor and underage labor protection mechanisms, the compliance of working hours and working environment, and the completeness of business ethics management systems; and Green Supply Chain, which closely follows low-carbon compliance requirements, assessing conflict minerals control, resource efficient utilization and environmental protection initiatives, the selection of environmentally friendly materials and the implementation of green packaging.

The Company simultaneously requires suppliers to sign specialized supply documents such as the *RoHS Guarantee Letter, Environment, Health and Safety Agreement*, and *Commitment Letter on Non-Use of Conflict Minerals*, clarifying that suppliers must ensure raw materials comply with the latest requirements of international environmental standards and the substance content specifications of relevant directives. In 2025, the Company optimized the framework agreement template, added core clauses on environmental compliance, labor rights and interests, conflict minerals control, etc., and updated the content of the Anti-Corruption and Anti-Bribery Agreement. At present, 100% of qualified production suppliers have signed integrity agreements, comprehensively consolidating the compliance bottom line of the supply chain.

The Company conducts multi-dimensional performance assessments of suppliers in terms of quality, delivery, service, ESG, etc. every six months, and implements hierarchical management and continuous improvement based on the results. On-site reviews are organized annually to comprehensively and systematically identify and assess potential risks of suppliers in quality control, delivery assurance, compliant operation, ESG practices and other fields. In response to supplier performance evaluation results, the Company implements differentiated hierarchical control measures. For suppliers with substandard scores, specialized counseling and time-limited rectification procedures are initiated; if they still fail to meet standards after rectification, the exit mechanism is implemented. During the reporting period, there were no supply chain interruption incidents caused by major supplier negligence.

Supply Chain Control Indicators

The Company implements hierarchical supplier evaluation and tiered control, with the following core indicators and control requirements:

Every six months, the Company conducts performance evaluations for 20% of suppliers in the qualified supplier list (whose cooperation amount accounts for 80% of the total procurement amount), and carries out annual on-site reviews for key suppliers every year. Meanwhile, the Company strictly enforces the access review standards for new suppliers, and only those with an on-site review score of ⩾ 80 points are qualified for access;

Taking the improvement of the overall performance level of suppliers (proportion of Class A-C suppliers) as the core orientation, the Company implements specialized counseling, time-limited rectification or cooperation termination for suppliers rated as Class D and Class E in performance assessment, comprehensively driving the continuous improvement of supply chain performance and closed-loop risk control.

Fulfilling Social Responsibilities

Sineng Electric has always maintained a strong sense of social commitment, giving back to society through corporate strength and continuously engaging in public welfare and charitable initiatives.

2025 "Wuxi Cup" Open Tournament Sponsorship

2025 Huishan One-Day Donation

"Specialized Fund for Educational Development" of the Jiangsu Xishan Senior High School Experimental Campus

Report Indicator Index

The Guidelines 17 for Self Governance of Listed Companies of the Shenzhen Stock Exchange - Sustainable Development Report (Trial) Index Table

S/N	Topic	Corresponding Clause	Corresponding Chapter
1	Climate Change Response	Articles 21 to 28	Climate Change Response
2	Pollutant Emission	Article 30	Pollutant Emission and Waste Management
3	Waste Treatment	Article 31	Pollutant Emission and Waste Management
4	Ecosystem and Biodiversity Conservation	Article 32	During the reporting period, none of the Company's operating sites are located in key protected areas, and its production and operation activities have not caused significant negative impacts on ecosystems and biodiversity
5	Environmental Compliance Management	Article 33	Environmental Compliance Management
6	Energy Utilization	Article 35	Resource Utilization and Circular Economy
7	Water Resource Utilization	Article 36	Resource Utilization and Circular Economy
8	Circular Economy	Article 37	Resource Utilization and Circular Economy
9	Rural Revitalization	Article 39	Fulfilling Social Responsibilities
10	Social Contribution	Article 40	Fulfilling Social Responsibilities
11	Innovation-Driven Development	Article 42	Innovation and R&D
12	Tech Ethics	Article 43	During the reporting period, the Company's business does not involve tech fields such as genetics and artificial intelligence ethics, nor does it conduct any activities related to tech ethics in production and operation
13	Supply Chain Security	Article 45	Supply Chain Collaboration
14	Equal Treatment of SMEs	Article 46	During the reporting period, the Company has no overdue outstanding payments to SMEs, and its accounts payable (including notes payable) balance at the end of the reporting period does not exceed RMB 30 billion or account for more than 50% of total assets
15	Product and Service Safety and Quality	Article 47	Quality Management and Control
16	Data Security and Customer Privacy Protection	Article 48	Digital Intelligence Development
17	Employees	Article 50	Basic Rights and Interests Protection
			Occupational Health and Safety
			Talent Cultivation and Development
			Heartwarming Humanistic Care
18	Due Diligence	Article 52	Material Topics Assessment
19	Communication with Stakeholders	Article 53	Communication with Stakeholders
20	Anti-Commercial Bribery and Anti-Corruption	Article 55	Business Ethics
21	Anti-Unfair Competition	Article 56	Business Ethics

SINENG