CHINT

Empower the World

2024

SUSTAINABILITY REPORT

Zhejiang CHINT Electrics co., Ltd.

CONTENTS

ABOUT THIS REPORT

About this Report

This report serves as the annual review of Zhejiang CHINT Electrics Co., Ltd.'s (hereinafter referred to as "CHINT Electrics", "CHINT", "the Company", or "we/us") endeavors in its sustainability field. CHINT holds a firm belief that corporate success is inextricably linked to the well-being of both the environment and society. We are steadfastly committed to creating economic value while actively shouldering environmental and social responsibilities, thereby contributing to the development of a more sustainable future. This report aims to encapsulate CHINT's efforts in the realm of sustainable development (encompassing environment, social, and governance) over the past year, while also addressing and responding to sustainability issues of concern to all stakeholders.

Disclosing entity of the Report

According to the definitions of disclosing entity types outlined in the "Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 4-Preparation of Sustainability Reports" ("the Guidelines") and the "Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14-Sustainability Reports (Trial)" ("the Directive"), CHINT qualifies as a voluntary disclosing entity.

Scope of the Report

The scope disclosed in this report includes Zhejiang CHINT Electrics Co., Ltd. and its subsidiaries, which is consistent with the coverage of the consolidated financial statements in the 2024 annual financial report of the Company.

Reporting period

This report is an annual report covering the entire financial year from 1 January 2024 to 31 December 2024. Some data and content presented in the report are beyond this range.

Basis for report preparation

This report is mainly prepared based on the relevant frameworks and standards of the "Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 4-Preparation of Sustainability Reports" and the "Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14-Sustainability Reports (Trial)", and also refers to the Global Reporting Initiative GRI Standards and International Sustainability Standards Board (ISSB) International Financial Report Standard (IFRS) sustainability disclosure guidelines and responds to the United Nations Sustainable Development Goals (UN SDGs).

Timing and method of report release

This report is published as an independent report, available in both Chinese and English, and can be accessed in electronic format on the Company's official website: www.CHINT.net.

Procedure of report review

This report was reviewed and approved for release by the Company's board of directors in April 2025.

MESSAGE FROM THE CHAIRMAN

2024 marks a pivotal year in the sustainable development journey of CHINT Electrics. Under the guidance of the global energy transition and the "dual-carbon" objectives, we uphold the core principle of "high-quality, low-carbon, and green development," consistently deepening our strategic layout to propel the energy system towards intelligence and decarbonization.

Strategic guidance paves the way for constructing a new paradigm of global energy transformation.

Adopting the "EMPOWER" model as our framework for action, we embed sustainable development into our corporate DNA, concentrating on three key areas including green energy, intelligent electrification, and smart low-carbon initiatives. Leveraging technological innovation, zero-carbon operations, and global collaboration, we forge comprehensive energy transformation solutions spanning the entire chain of "source, grid, load, and storage," empowering industries to embark on a green transformation.

Green transformation, creating a new benchmark for a zero-carbon future.

Addressing climate change is a mission entrusted by the era. We aim for "carbon neutrality in operations by 2028" and are the first to achieve dual certification of "zero-carbon factory" and "carbon neutral factory" in Wenzhou Bridge Park (Phase I and III). Through photovoltaic deployment, energy efficiency optimization, and carbon offset mechanisms, we establish a benchmark for green manufacturing in the industry. Globally, we have invested in the construction of over 50GW of photovoltaic power stations (including household photovoltaics), innovating ecological integration models such as "photovoltaics + sand control" and "photovoltaics + agriculture", turning deserts into oases and mudflats into fertile land. In the field of circular economy, we have significantly reduced resource consumption per unit of product through green design, intelligent production lines, and process optimization, demonstrating the win-win of ecological benefits and commercial value.

Responsibility coexists, fostering a new ecosystem of sustainable development.

The value of a company lies in creating a better future for humanity. We are deeply involved in global initiatives such as the "Accelerate" initiative and the "Sustainable Development Goals Ambition Accelerator" of the United Nations Global Compact (UNGC), and have become one of the first member companies of the "China-Africa Community Sustainable Development Action Network", building a sustainable development ecosystem where government, enterprises, and communities coexist. We embrace borderless multiculturalism through global actions and contribute to regional development through localized public welfare initiatives. The Company has established three career development channels: management, professionalism, and skills, laying a growth ladder for employees. We empower suppliers to undergo green transformation, jointly build a green supply chain, and lay a solid foundation for sustainable development with SA 8000 certification. Every effort made by CHINT is a demonstration of our commitment to "growing together with employees, prospering together with partners, and progressing together with society".

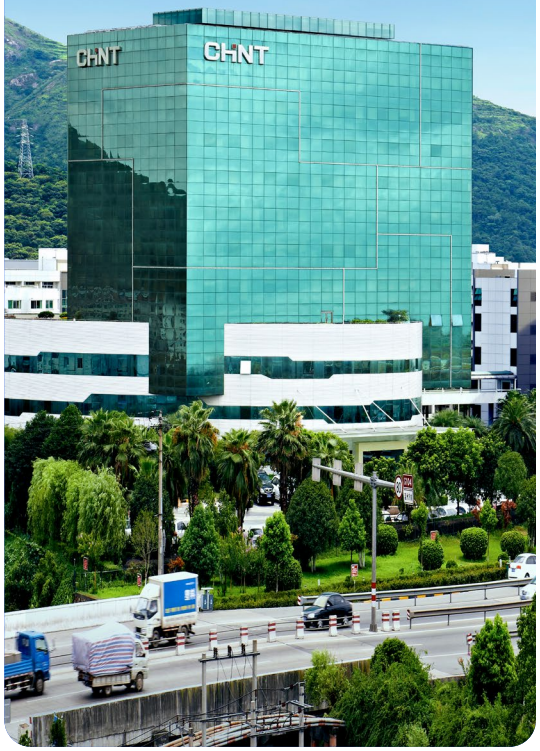
Laying the groundwork for governance to enhance sustainable value creation.

We firmly believe that exceptional governance serves as the cornerstone for sustainable development. Our company has established a three-tier ESG governance framework directly overseen by the board of directors, supported by a professional and diverse team to ensure the successful implementation of our strategies.

At this new juncture, CHINT Electrics will forge ahead with greater determination alongside our global partners. We will leverage technological innovation to facilitate energy transformation, address the challenges of our time with a sense of responsibility, and collectively write the next chapter of harmonious coexistence between humanity and nature.

Chairman of Zhejiang CHINT Electrics Co., Ltd.
———Nan Cunhui

COMPANY INFORMATION



20+
More than 20 global manufacturing sites

140+
Providing specialized products and system solutions to customers in more than 140 countries and regions

10 years
Ranked No.1 in China's low voltage electric appliance export value for more than ten consecutive years.

10 ten thousand
Sales network of more than 100,000

Zhejiang CHINT Electrics Co., Ltd., abbreviated as CHINT Electrics (601877. SH), was established in August 1997. It is one of the core enterprises of CHINT Group and also a leading enterprise in low-voltage Electrical industry of China. CHINT Electrics was successfully listed on the Shanghai Stock Exchange on 21 January 2010, and is the first A-share listed company in China with low-voltage Electrical appliances as its main business.

CHINT Electrics is mainly engaged in the research and development, production, and sales of distribution appliances, terminal appliances, control appliances, power appliances, electronic appliances, building appliances and instruments, and automation control systems; the development, construction, operation, and maintenance of photovoltaic power plants, EPC engineering general contracting, and energy storage systems BIPV, and the development and construction of household photovoltaics, with establishment of a new integrated development ecosystem for the entire industry chain including power generation, storage, transmission, transformation, distribution, sales, and consumption.

CHINT Electrics has more than 20 manufacturing bases globally, providing professional product and system solutions to customers in more than 140 countries and regions worldwide. It has been ranked first in China's low-voltage Electrical appliances exports for more than a decade. In the domestic low-voltage channel market, the sales network exceeds 100,000, ranking first in industry production and sales volume for more than ten consecutive years. In the low-voltage industry market, CHINT ranks first in market share in multiple segmented industries such as power, construction, industrial OEM, and personal users. It is the only domestic enterprise in the low-voltage Electrical industry with a sales scale exceeding 10 billion CNY.

CHINT Electrics has established research and development centers in North America, Europe, Asia Pacific, North Africa and other regions, integrating global innovation resources and forming a diversified and open research and development system. It has successively won honors such as "National Recognized Enterprise Technology Center" and "National Industrial Design Center". The comprehensive experimental center built in Shanghai Songjiang Industrial Park is one of the most comprehensive experimental centers in the industry in terms of testing projects and coverage of testing standard systems, with the ability to cover major international and domestic standards.

CHINT Electrics always adheres to the concept of

TOP 10
2024 China Electrical Industry Leaders

30 strong
Top 30 Listed Companies in Zhejiang

"customer-centric and market-oriented", with the capabilities of "flexible research and development" and "flexible manufacturing", accurately connects with market changes, rapidly iterates product solutions, and meets the ever-changing needs of customers. By leveraging the advantages of a complete industry chain and independently controllable key technologies, we provide increasingly comprehensive one-stop system solutions for various industries, from complete sets of equipment to low-voltage components, which are highly recognized by users.

CHINT Electrics adheres to the concept of green development, promotes the construction of green new products, new formats, and new models, and leads the industry to achieve "green transformation". It is the first domestic enterprise to simultaneously obtain the national honors of "Green Factory", "Green Product", "Green Supply Chain", and "Green Design Demonstration Enterprise". In line with the trend of integrated development of modern energy, intelligent manufacturing, and digital technology, CHINT will continue to anchor digitalization and carbon neutrality unwaveringly, adhere to the sustainable development of industrial ecology, and provide customers with products and services that better meet future needs.

In addition, CHINT Electrics has won multiple national, provincial, and industry honors in 2024, covering areas such as digital transformation, technological innovation, corporate governance, and social responsibility. The core achievements include: being selected as a "Digital Navigation" demonstration enterprise by the Ministry of Industry and Information Technology and a "Vanguard Leading Goose" research and development project in Zhejiang Province (leading projects involving intelligent assembly technology for low-voltage Electrical appliances)and the top 10 leading enterprises in China's Electrical industry for 2024. In addition, the Company has been awarded local honors such as the Top 30 Internal Control Companies in Zhejiang Province and the Leading Enterprise in Wenzhou City, demonstrating outstanding performance in various aspects.

CHINT Electrics always adheres to the culture of people-oriented and value sharing. Our mission is to make power energy safer, greener, more convenient, and efficient. Our core values are customer-centric, innovation, collaboration, integrity, humility, and responsibility. Our business philosophy is to create value for customers, seek development for employees, and take responsibility for society. We aim to achieve value sharing with domestic and foreign partners and upstream and downstream of the industry chain, and build a development community.

SUSTAINABLE DEVELOPMENT OF CHINT

2024 is a milestone strategic year for CHINT Group's sustainable development journey. With the objective of global energy transformation and "dual carbon", the Company has officially published the "CHINT Group 2030 Sustainable Development Strategy". This guiding document, which condenses the wisdom and practical experience of the industry, marks the strategic upgrading of the enterprise from a traditional energy manufacturer to a global leading provider of smart energy solutions, and systematically builds a sustainable development system covering three business areas of green energy, smart Electricity and smart low-carbon.

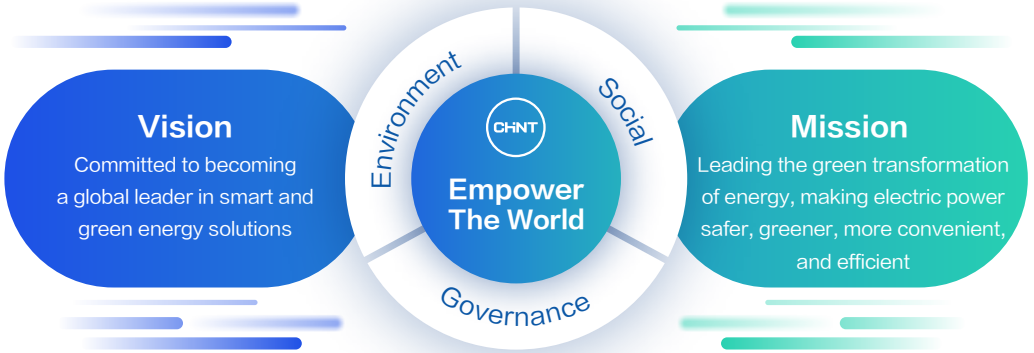
As a core subsidiary of CHINT Group, CHINT Electrics deeply undertakes the group's 2030 sustainable development strategy goals and promotes the vigorous development of green new products, new formats, and new models with the core concept of "high-quality, low-carbon, and green development", leading the industry to achieve "green transformation".

Strategy, vision and mission of sustainable development

Sustainable vision: "committed to becoming the world's leading provider of smart and green energy solutions".

Sustainable mission: "lead the green transformation of energy and make Electrics energy safer, green, convenient and efficient".

In the wave of globalization, CHINT always adheres to the concept of sustainable development and is committed to building a greener, just and prosperous future. Our vision for sustainable development is "committed to becoming the world's leading provider of smart and green energy solutions". Through continuous technological innovation and management mode innovation, we can maximize economic benefits while protecting the environment. Our mission is to "lead the green transformation of energy and make Electrics energy safer, green, convenient and efficient". In this great journey, we will work with partners in the value chain to jointly address the challenges of climate change, promote energy transformation and create a sustainable development ecosystem.



Strategic framework of sustainable development

Based on the vision and mission of sustainable development, CHINT has built the "EMPOWER" sustainable development strategy model, taking into account the needs of its actual business and stakeholders, and strives to empower our business, our customers, our industry, our value chain, our environment and the world with CHINT's sustainable strength.

E Ethics

We are committed to adhering to ethics of business conducting to empower our business

M Motivated Workforce

We are committed to developing motivated workforce to empower our business

P Product Innovation

We are committed to driving product innovation to empower our industry

O Operational Effectiveness

We are committed to improving operational effectiveness to ensure quality consistency to empower our customers

W Waste Recycling

We are committed to driving waste recycling to empower our environment

E Energy Efficiency

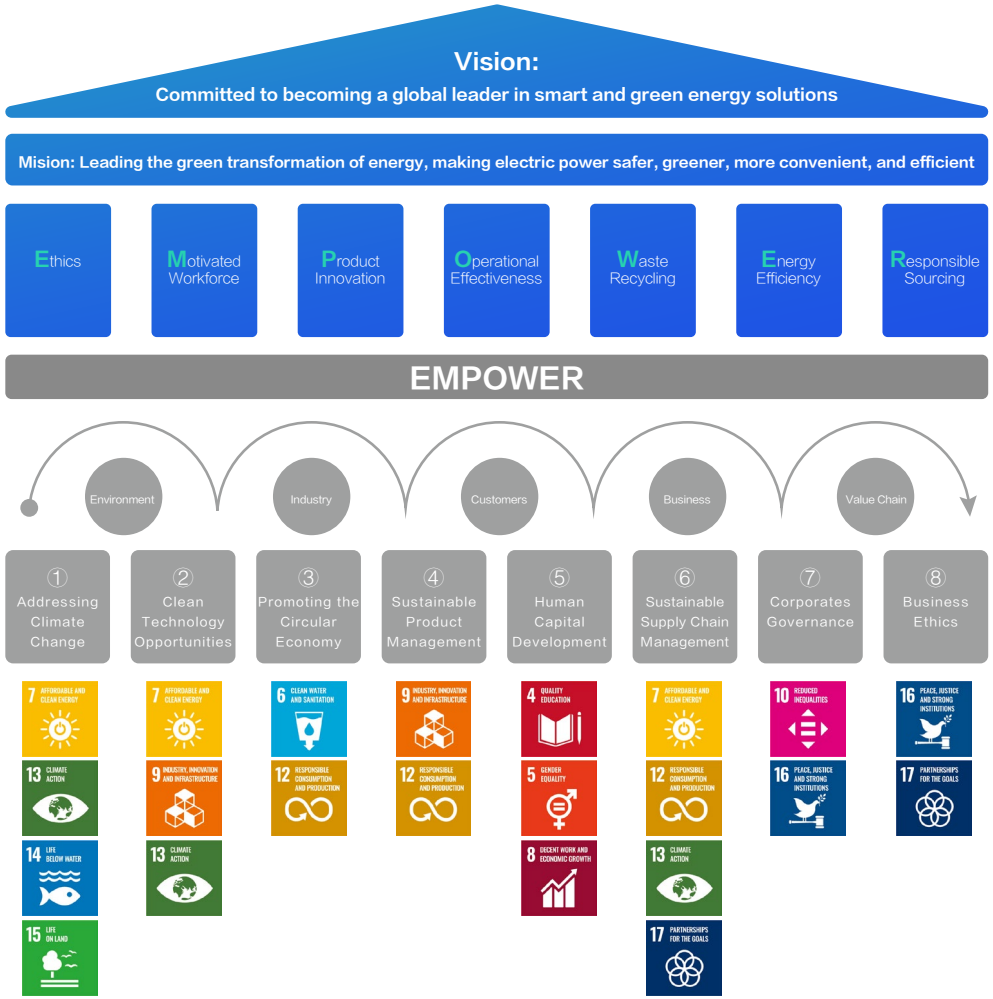
We are committed to developing application of energy efficient technology to empower our value chain

R Responsible Sourcing

We are committed to implementing responsible sourcing to empower our business

Key actions for sustainable development

In the grand blueprint of sustainable development, key actions are the bridge to achieve our vision. By identifying material issues, designing key actions, setting ambitious strategic goals, and planning implementation paths, we will continue to output CHINT's sustainable development influence, empower multiple stakeholders such as the environment, industry, business, customers, and partners, and fully support the achievement of the United Nations Sustainable Development Goals (UN SDGs).



Deeply involved in global sustainable management

Case 1

Wenzhou Bridge Park (phase I and III) was awarded the certification of “Organizational Carbon Neutrality” and “Zero carbon” factory

CHINT actively deploys clean energy, builds digital energy management systems, and carries out energy conservation and carbon reduction, gradually upgrading the entire low-carbon cycle from green product design to green factories. In April 2024, after verification by experts from the international authoritative organization TÜV SÜD, CHINT Wenzhou Bridge Park met the requirements of certification standards of PAS 2060:2014 and the "T/CECA-G 0171-2022 Zero Carbon Factory Evaluation Specification, and was awarded certificates of “Organizational Carbon Neutrality” and “Zero Carbon” Factory (Type I, 5-star) for CHINT Electrics Wenzhou Bridge Park (Phase I and III).

Case 2

CHINT joins the “Sino-Africa Corporate Community Action Network on Sustainable Development”

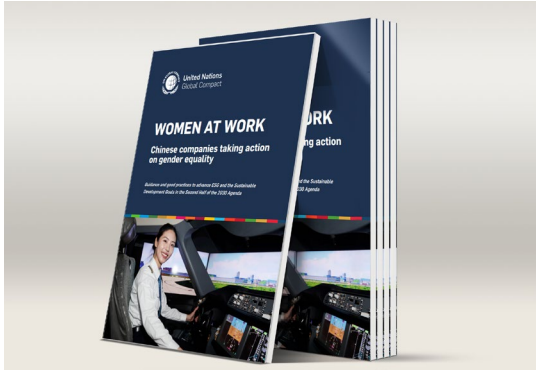
On 26 April 2024, the UN Global Compact organization held the launching ceremony of the "Sino-Africa Corporate Community Action Network on Sustainable Development" in Beijing. CHINT joined the "Sino-Africa community action network on sustainable development" and became one of the first member enterprises. With the theme of "lighting up the infinite possibilities of Africa", CHINT plans to provide Electrician vocational skills training for young people in surrounding communities based on CHINT Uganda instrument factory in the next three years; and will cooperate with other enterprises in Africa to jointly carry out at least 10 sustainable development projects.

Case 3

CHINT continues to practice DEI, co-creating and sharing with global partners

On 8 March 2024, the United Nations Global Compact held the release ceremony of "Women at work: Chinese enterprises promoting gender equality in action -- guidelines and good practices for promoting environment, society and governance and achieving sustainable development goals in the second half of the 2030 agenda for sustainable development" at the United Nations building in Beijing. As the first report of the United Nations Global Compact focusing on the good practice of promoting gender equality in Chinese enterprises, the Guideline contains the practice cases and female employee stories of eight Chinese enterprises, focusing on the three major areas of fair workplace opportunities, safe and healthy working environment and family friendly workplace, showing the specific measures and good practices taken by Chinese enterprises in gender equality. CHINT was selected as one of the eight practice cases in the Guideline by virtue of its good practice in inclusiveness, diversity and fairness for many years.

CHINT is actively embracing borderless multiculturalism with global actions. In 2024, CHINT launched special Ramadan operations in the Middle East, North Africa, Asia Pacific and other regions. By donating off grid photovoltaic systems and living materials for public welfare, CHINT innovatively implemented the United Nations development goals SDG7 (affordable clean energy). In 2024, CHINT participated in the "Women Conference" held during the famous international Electrical Expo in Mexico City. CHINT's female employees participated in the panel discussion on "the art of negotiation: Success Strategies in various situations". CHINT empowered women with practical actions. In 2024, CHINT held the "CHINT sustainable sports day" in Dubai, United Arab Emirates, promoting a low-carbon lifestyle. In the future, CHINT will continue to fulfill its social responsibilities, continue to give back to the society, and work with multiple partners to create a better and sustainable future, and jointly empower the world.



Honors for sustainable development of CHINT

Organizations and initiatives joined

We have joined the United Nations Global Compact (UNGC)

We support the “Ten Basic Principles of the United Nations”

We support the 17 Sustainable Development Goals (SDGs) of the United Nations

We have signed the Women's Empowerment Principles (WEPs)

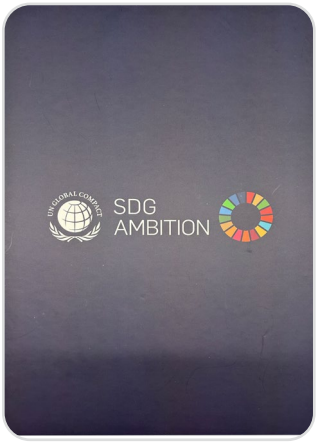
We participate in the "UNGC Gender Equality Target Enterprise Accelerator TGE" project (2024)

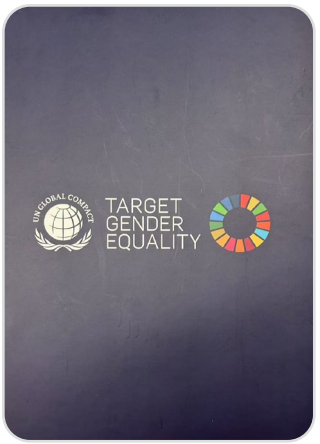
We participate in the "UNGC Sustainable Development Goals Ambition Accelerator" project (2024)

We participate in the "UNGC Young Professional Talent SDG Innovation Accelerator" project (2024)

We join the “United Nations Global Compact Forward Faster” – Gender Equality Initiative

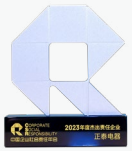
We have joined the “Sino-Africa Corporate Community Action Network on Sustainable Development”





2024 Sustainable Development Award /Rating

Honer	Awarding organization	Award winner
Selected as UNGC's Best Practice for Achieving Sustainable Development Goals 2021 – "Global Partnership"	United Nations Global Compact (UNGC)	CHINT Electrics
Selected as the best practice of 2021 enterprises to achieve the goal of sustainable development by UNGC – "Sustainable Development of Countries along the Belt and Road"	United Nations Global Compact (UNGC)	CHINT Electrics
2023–2025 Top Employer in China	Top Employer	CHINT Electrics
Southern Weekend China Corporate Social Responsibility List (2024)	South Weekend	CHINT Electrics
CCTV China ESG Listed Companies Yangtze River Delta Pioneer 50 List (2024)	CCTV	CHINT Electrics
2025 China ESG 50 Most Noteworthy List (Leading Enterprises)	Bloomberg Green	CHINT Group
100 Leading Enterprises in Social Responsibility of Zhejiang Private Enterprises (2024)	Zhejiang Federation of industry and Commerce	CHINT Group
Bloomberg Green 2024 "DEI Human Kindness and Love in the Workplace" Outstanding List	Bloomberg Green	CHINT Group
2024 Chinese Enterprise ESG100 Index	People's Daily Overseas Network& All-China Environment Federation	CHINT Electrics



2024 Sustainable Development Award /Rating

Rating project	Rating score/project	Participant
S&P Corporate Sustainability Assessment	40	CHINT Electrics
MSCI ESG Rating	B	CHINT Electrics
SynTao Green Finance	A–(2024–Q4)	CHINT Electrics
WIND ESG Rating	A（2020–2024）	CHINT Electrics
Corporate Social Responsibility Medal–EcoVadis	Bronze	CHINT Electrics
Social Accountability Management System Certification (SA8000)	SA8000 certificate obtained in 2024	CHINT Electrics

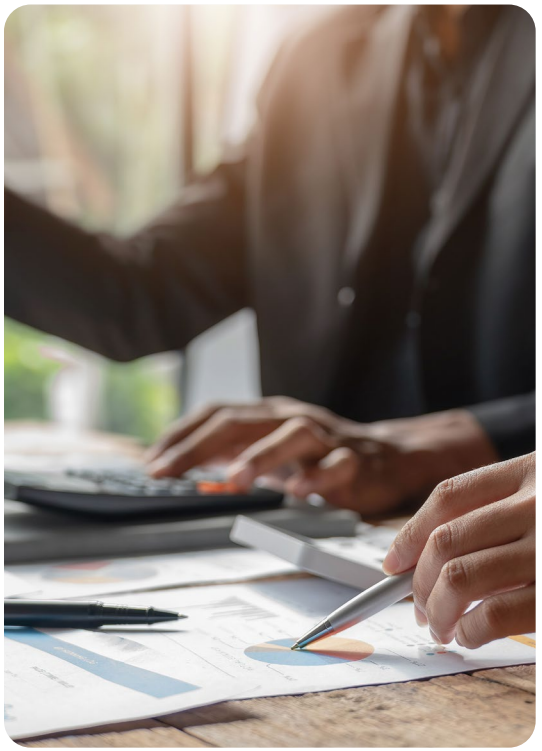
MATERIALITY ASSESSMENT

Principles of materiality assessment

In order to effectively identify and manage key issues related to sustainable development, the Company has formulated the principles for materiality assessment of sustainability issues. This principle aims to ensure that we can fully understand the changes in the external environment and the needs of internal operations, so as to formulate a sustainable development strategy that meets the expectations of stakeholders and the Company's strategy.

The Company conducted materiality assessment of the sustainability issues from two dimensions: the importance of stakeholders and the importance of business development. This two-dimensional approach helps us balance the expectations of external stakeholders and the priorities of internal operations to ensure that our sustainable development strategy has both external influence and internal practicality.

The importance to stakeholders refers to the impact of sustainability issues on internal and external stakeholders (such as customers, investors, suppliers, regulators, communities, employees, etc.) and the potential impact of these issues on corporate reputation, compliance and market competitiveness. The importance of sustainability to business development refers to the impact of sustainability issues on internal operations, strategic objectives, financial performance and risk management.



Approach for establishment of issues list

In order to systematically identify and manage key issues related to sustainable development, we follow the steps as below to establish a list of sustainability issues:

- Clarify the objectives of issues identification
- Sort out the Company's activities and business background
- Form a company-level sustainability issues list

• Clarify the objectives of issues identification

We have identified the core objectives of the Company in identifying sustainability issues and forming a list of issues from four dimensions: meeting regulatory requirements, responding to stakeholder expectations, enhancing corporate transparency and information disclosure levels, and supporting corporate strategic decision-making and operations.

• Sort out the Company's activities and business background

The comprehensive understanding and sorting out of the Company's activities and business relationship considerations are the basis for the Company's sustainability issue identification and issue list establishment:

1.Background analysis of the Company's activities and business relations:
by analyzing the enterprise's operation mode, value chain and business relations, we identify the sustainability issues closely related to the actual operation of the enterprise, and ensure that the issues are closely related to the actual operation and value chain of the enterprise.

2.Analysis of the Company's external operating environment:
by analyzing the external environment (including policies and regulations, industry trends, market environment, etc.), we identify sustainability issues that may have a significant impact on the enterprise, and ensure that the enterprise can respond to changes in policies, markets and technologies in a timely manner.

3.Analysis of major stakeholders:
the expectations and needs of stakeholders (such as investors, employees, customers, suppliers, communities, etc.) are closely related to the company's focus on sustainability, resource allocation methods, communication and response mechanisms, etc. through the analysis of major stakeholders, we ensure that the enterprise can meet the expectations and needs of all parties, and can correctly and effectively communicate and feedback on the focus.

• Form a company-level sustainability issues list

The Company collects information through internal and external research and benchmarking analysis to form a preliminary list of sustainability issues. The research and benchmarking analysis mainly include:

1.Internal research:
collect internal opinions on sustainability risk and opportunity management through management interview, department survey, document and data analysis, etc.

2.External benchmarking:
identify sustainability risks and opportunities of enterprises through industry trend analysis, peer benchmarking analysis, and reference to mainstream standards for sustainability reporting and rating.

Stakeholder engagement

We always attach importance to the full and effective communication with stakeholders, and regard the establishment and effective operation of the stakeholder communication mechanism as the most important part of the company's sustainable development. Stakeholder engagement plays an irreplaceable positive role in identifying key issues, managing sustainability risks, seizing sustainability opportunities, improving the transparency of company information and creating long-term value for enterprises. The Company has established a positive two-way communication mechanism for the majority of stakeholders:

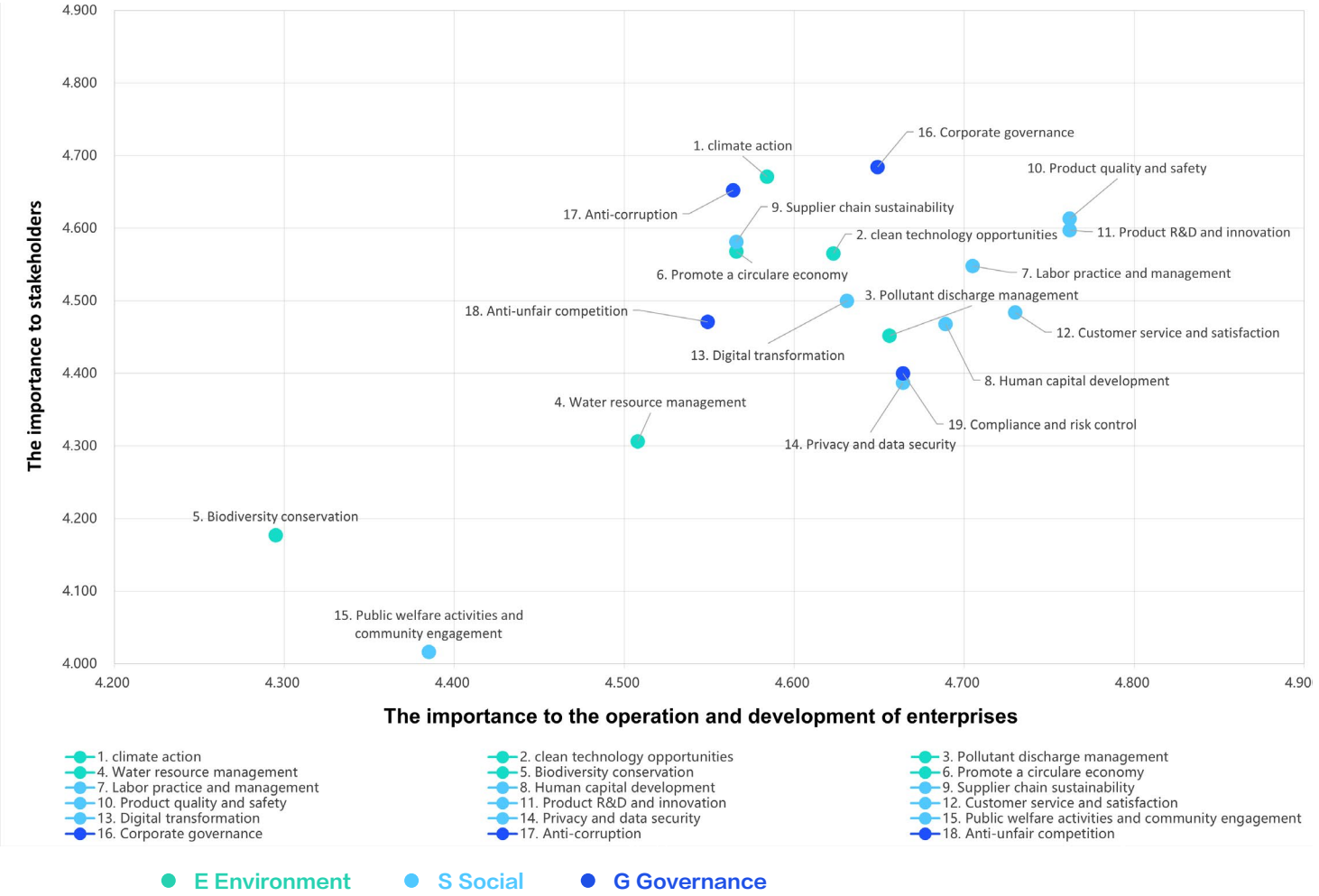
Stakeholder	Issues	Engagement Method
Government	Climate action Pollution discharge Water resource management Circular economy Digital transformation Compliance risk control Anti-unfair competition	Regular meetings, seminars, self-inspection of compliance, document exchanges, etc.
Investors and shareholders	Climate action Clean technology opportunities Circular economy Product R&D and innovation Digital transformation	Shareholders' meeting, information disclosure, investor reception, consultation and answers, etc.
Customers	Climate action Clean technology opportunities Circular economy Product quality and safety Customer service and satisfaction Privacy and data security	Market research, customer satisfaction survey, customer demand survey, marketing conference, after-sales service system, customer service hotline, etc.
Partners	Climate action Clean technology opportunities Circular economy Supply chain sustainability Anti-Corruption	Supplier assistance, dealer assistance, supplier meetings, dealer meetings, etc.
Employees	Human capital development Labor practice Privacy and data security Compliance risk control Anti-Corruption	Employee satisfaction survey, communication channels throughout the company, rationalization suggestions, "Five in One" team building, mass activities of the Party, the masses, and the trade union, etc.
Community public	Climate action Pollution discharge Water resource management Biodiversity Public welfare activities and community participation	Regular work meetings and work reports, timely communication with local communities, local operation and employment expansion, etc.

Conclusion of materiality

With the list of sustainability issues, the Company understand the demands and suggestions from various stakeholders on the sustainable development of CHINT Electrics through survey questionnaires, identified and ranked the material ESG issues of CHINT Electrics, finally forming the materiality matrix of CHINT's ESG issues.

The matrix includes:

19 material sustainability issues, including **10** highly material issues, **6** moderately material issues and **3** low material issues.



CORPORATE ESG GOVERNANCE ARRANGEMENTS

Sustainability governance structure

To implement the sustainable development strategy, uphold ESG principles, enhance ESG performance, foster a balanced development of the company in environmental protection, social responsibility, and corporate governance, better respond to regulatory requirements and customer needs, accelerate the achievement of sustainable development goals, and contribute to carbon peak and carbon neutrality. CHINT Electrics has officially established a three levels of sustainable development organizational structure, comprising the Board of Directors, the Strategic and Sustainability Development Committee, and the Sustainability Office.

Organizational Chart for Sustainable Development Governance

Main responsibilities of each level of sustainability governance structure

The main responsibilities of the Strategic and Sustainability Development Committee include:

1.Responsible for undertaking and implementing the Group's sustainable development strategy and plan. According to the group strategy, formulate and release the Company's sustainable development strategy;

2.Responsible for formulating sustainable development plans and action plans for the joint-stock company;

3.Responsible for reviewing major sustainable development projects and ESG reports;

4.Responsible for supervising and evaluating the implementation of sustainable development work;

5.Responsible for regularly reporting the progress and effectiveness of sustainable development work to the board of directors;
6.Responsible for organizing and coordinating the company's sustainable development communication and cooperation.

The main responsibilities of the Sustainability Office include:

1.Responsible for executing and implementing the decisions of the Committee;

2.Responsible for decomposing sustainable development strategies and plans, and working out sustainable development implementation project plans;

3.Responsible for organization of training on sustainable development related knowledge;

4.Responsible for establishing and maintaining the sustainable development section on the Company's official website;

5.Responsible for organizing the preparation of sustainability reports;

6.Responsible for organizing participation in ESG related rating and promotional activities.

The Sustainability Working Group, as the implementation level of sustainable management, is mainly responsible for providing documents of sustainability issues related strategies, ratings, awards and reports, etc., and setting, implementing, and disclosing indicators and objectives, as well as practical work related to corresponding issues.

Personnel composition of sustainability governance structure

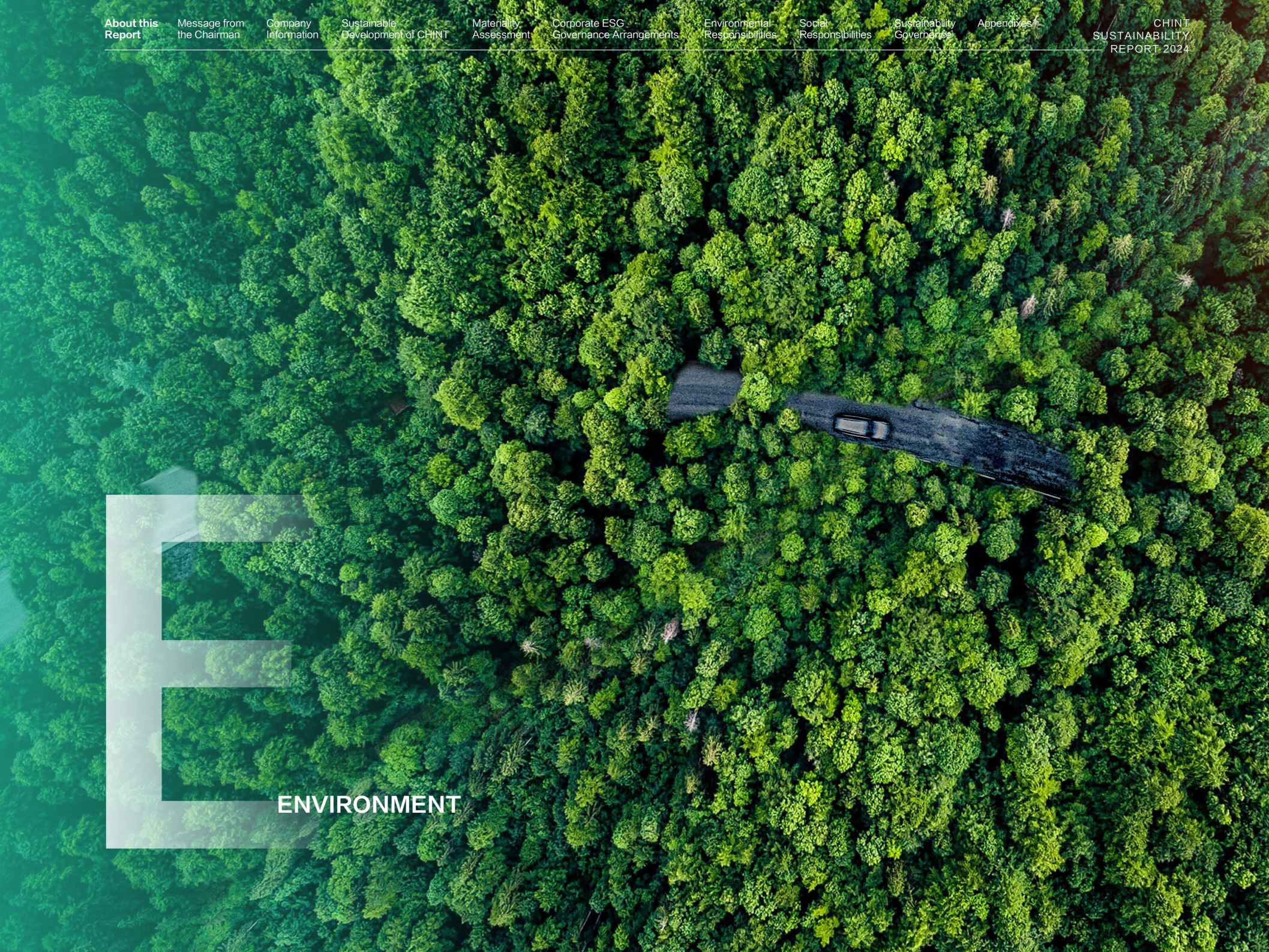
As the highest decision-making body for sustainability governance in the Company, the Board of Directors strives to enhance the diversity of personnel in terms of gender, nationality, race, and age in the nomination of sustainability governance structure personnel, focusing on the adaptability of personnel skills and experience to the Company's strategic needs, while paying attention to each member's relevant professional fields, business sectors, and product experience.

The Board of Directors of the Company consists of 9 directors, of which 3 are independent directors, accounting for 33.33%; the composition of the Board of Directors is based on the principle of "specialization" and "diversification", with two female directors, accounting for 22.22%; the staff background covers senior economists, lawyers, and senior accountants, etc..

Name	Gender	Age	If management of the Company	If works in the shareholder unit	Professional title/ Practicing certificate
Cunhui NAN	Male	62	No	Yes	Senior Economist
Shenjian HUANG	Male	66	No	No	Senior Economist
Shu PENG	Female	53	No	No	Professor
Yulong LIU	Male	62	No	No	Senior Accountant
Xinmin ZHU	Male	60	No	Yes	Senior Business Operator
Guoliang CHEN	Male	62	No	Yes	Senior Business Operator
Zhihuan ZHANG	Female	50	Yes	Yes	Senior Business Operator
Chuan LU	Male	44	No	Yes	Chinese Legal Professional Qualification Certificate New York State Lawyer Qualification
Er NAN	Male	42	Yes	No	-

Personnel competency guarantee of sustainability governance structure

The Company has always attached importance to the professional capacity building of personnel in relevant lines of sustainability management, and continuously improved the team level through internal job rotation, professional skill training and other ways. In order to further deepen the sustainability management work, in the future, we will combine the strategic development needs, coordinate the ability improvement requirements of all departments and levels, promote the sustainability management ability construction step by step and differentiation, and ensure that employees at different positions and levels can obtain targeted training support.



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ENVIRONMENT

ENVIRONMENTAL RESPONSIBILITIES

Climate action

CHINT Electrics fully recognizes the enormous challenges brought by climate change, as well as its responsibility and mission to accelerate action and promote innovation. We are committed to helping customers reduce carbon emissions through our products and services, while also striving to lower emissions from our own operations and supplier processes. We are driven by innovative technology to accelerate the transition to a low-carbon economy. Relying on our technical expertise in relevant professional fields, we strive to become a contributor and promoter of China's "dual carbon" goals.

According to the framework requirements of the "Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14-Sustainability Reports (Trial)" and the "Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 4-Preparation of Sustainability Reports-No.2 Addressing Climate Change", for the topic of "climate action", we disclose relevant information from four aspects covering **governance, strategy, risk and opportunity management, and objectives and indicators.**

- **Governance**

Organizational structure of climate action governance

The organizational structure of climate action governance follows the overall sustainability governance structure of the Company (for details, please refer to the chapter of "corporate sustainability governance arrangements" in this report).

Organizational Chart for Sustainable Development Governance

As one of the eight working groups under the Sustainability Office, the Climate Action Management Group is responsible for the management and practical work related to climate action issues, with specific responsibilities including:

1.Provide climate change related information with regards to ESG strategies, ESG ratings, ESG awards, ESG reports, etc., and set, implement, and disclose indicators and targets;

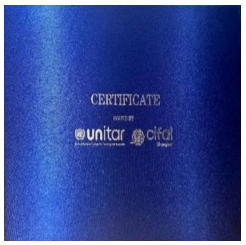
2.Establish an accounting and verification system, methods, tools, and other systems related to carbon emissions and product carbon footprint, and implement carbon accounting, energy conservation and reduction, carbon offsetting, and carbon neutrality measures throughout the entire carbon reduction chain. In addition, responsible for SBT scientific carbon goal, CDP and other climate related actions;

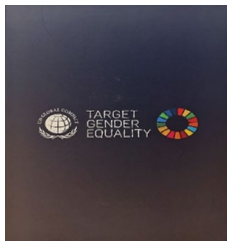
3.Identify, assess and manage climate related risks and opportunities. If necessary, use scenario analysis to determine the impact of climate related risks and opportunities on the Company's operation, strategy, and finance, etc., and set corresponding climate mitigation and adaptation countermeasures according to the results of scenario analysis;

4.Carry out research based on " Task Force on Climate-related Financial Disclosures" (TCFD), and carry out public welfare projects that can promote ecological protection and mitigate climate change.

Competency training and improvement of sustainability management personnel

The Company encourages internal employees to obtain sustainable management certification to enhance their personal abilities and knowledge in sustainable management. At present, the sustainability related certifications obtained by internal sustainability management staff include but are not limited to: CFA-ESG certificate, registered ESG engineer, enterprise sustainable leadership certification, expert in the sustainable development project think tank of the Shanghai Federation of Industrial Economics, and mentor for financial workplace trainees in Daya Bay District. Additionally, team members have also received multiple certificates on topics such as climate change, renewable energy, gender equality, and sustainable finance from renowned institutions such as Unitar, CFA Institute, United Nations Global Compact (UNGC), German Agency for International Cooperation (GIZ), and United Nations Institute for Training and Research (CIFAL). These certifications not only reflect the professional competence of team members in the field of sustainable development, but also demonstrate the Company's firm commitment and proactive actions in promoting sustainable development. By obtaining these certifications, our team is able to better integrate sustainable development concepts into the Company's daily operations and long-term strategies, contributing to the Company's sustainable development.





The Company regularly organizes internal training courses, inviting senior experts and top management personnel from within the Company to serve as lecturers. Through various interactive methods, such as case studies, group discussions, and practical simulations, these courses help managers gain a deeper understanding of the core concepts and practical paths of sustainable management. These training sessions not only focus on imparting theoretical knowledge but also emphasize the cultivation of practical operational skills, enabling managers to flexibly apply the principles and methods of sustainable management in their daily work. Through communication with experts and teamwork, managers can better integrate the concept of sustainable development into the Company's strategic planning and operational practices, promoting continuous breakthroughs in the field of sustainable development.

- **Strategy**

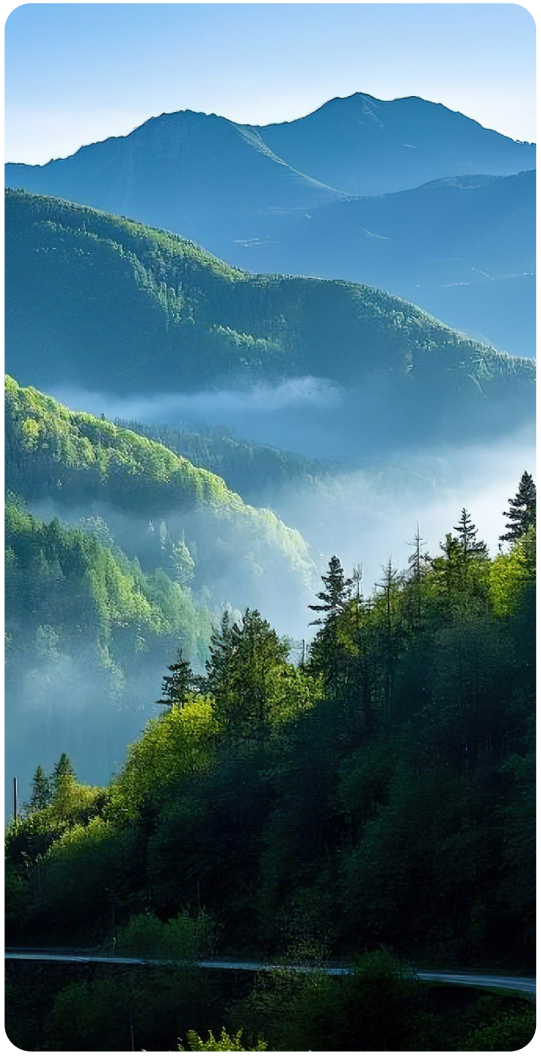
Climate-related impacts

As a globally renowned provider of smart energy system solutions, CHINT actively responds to the national "dual carbon" strategy and explores the path of integrated development of renewable energy. It continuously strengthens its layout in modern energy economy, comprehensive energy efficiency applications, and electrification transformation and upgrading. Under the strategic goal of achieving carbon peaking and carbon neutrality, it has taken the lead in exploring a new path model that prioritizes ecology and sustainable development. It not only directly reduces the consumption of fossil energy and carbon emissions but also drives a broader low-carbon transformation through technological innovation and market mechanisms.

Climate-related risks and opportunities

CHINT's risk management for climate change adheres to the management requirements outlined in the Company's "Risk and Opportunity Management Process," which covers risk identification, assessment, analysis, and response. The Company annually identifies risks and opportunities based on internal and external environmental factors as well as stakeholder requirements, and develops response measures. The effectiveness of these measures is evaluated to ensure that the Company achieves sustainable growth within a controllable range.

Based on the aforementioned risk management methods, CHINT has identified the risks (including transition risks and physical risks) and opportunity types associated with climate change, the corresponding impacts of these risks and opportunities on the Company, as well as the Company's response measures as follows:



Types and Impacts of Climate Change-related Risks

Risk Types	Risk Events	Potential Impacts	Response Measures
Physical risks	Acute event: extreme weather such as typhoons and rainstorms	Construction delays and increased costs; Damage to related assets; Increased operating and maintenance costs; Rising safety hazards (e.g., health risks, safety accidents, employee absenteeism), affecting income and costs.	Develop extreme weather emergency plans, establish flood and typhoon prevention mechanisms, actively conduct emergency drills, and improve safety emergency response capabilities; regularly inspect relevant systems and equipment.
	Long-term chronic phenomena: climate change, rising temperatures, and sea level rise, etc.	Increased operating and maintenance costs, Reduced equipment lifespan, affecting asset value; Increased health hazards, poor working conditions of employees.	Fully consider potential impacts on future operations, proactively avoid project construction in relevant areas, and reduce potential losses.
Transition risks	Reputation risks: the public's consumption preference continues to shift towards low carbonization, and the company fails to effectively reduce carbon emissions in production and operation	Failes to meet customers' expectations for the company's products and services; Decrease in operating revenue; Reputation impact leads to an increase in financing costs.	Actively build a low-carbon, environmentally friendly, energy-saving, and emission-reducing brand image.

Types and Impacts of Climate Change-related Opportunities

Opportunity Types	Potential Impacts	Response Measures
Energy Efficiency	Reduce operating costs through the use of low-cost energy.	Develop a carbon neutrality roadmap, continuously optimize the Electricsity structure, increase the proportion of green Electricsity, and reduce operating costs.
Product and Service	The rising demand for photovoltaic products in the market boosts corporate revenue.	As a new energy enterprise, CHINT invested early in the construction of large-scale ground photovoltaic power stations and distributed household photovoltaic power stations in China. Adapting to local conditions, we have innovatively developed "photovoltaic+" industry models, such as integrating photovoltaics with sand, fishing, agriculture, and forestry, to provide new solutions that meet demand.

Climate-related transition plan and measures

To address climate-related risks and seize opportunities presented by climate change, in 2023, CHINT Electrics, in collaboration with international consulting firm Kearney, jointly released the " CHINT Electrics Carbon Neutrality White Paper" and the "Zero Carbon Declaration", announcing their commitment to:

2028

Achieve operational carbon neutrality (with carbon offset) by 2028. This includes measures such as improving energy efficiency, increasing the use of renewable energy, utilizing renewable materials, building a one-stop carbon neutral solution capability, and constructing zero carbon demonstration parks.

2035

By 2035, achieve net zero carbon emissions from operations and establish a comprehensive value chain carbon emissions management system. This includes measures such as waste recycling, fossil energy substitution, process upgrading, green packaging, and carbon elimination, etc.

2050

By 2050, the entire value chain will achieve net zero carbon emissions. This includes measures such as empowering the value chain to accelerate decarbonization, ensuring zero carbon operation across all factories and parks, and striving to achieve carbon neutrality for all products.

Overall layout: green energy, smart grid, load reduction, renewable energy storage

Green energy

based on photovoltaics, comprehensively expanding clean energy sources

The use of clean energy is a crucial approach to achieve carbon neutrality. By increasing the proportion of renewable energy use, we can reduce the reliance on fossil fuels, ultimately achieving the goal of carbon emission reduction. On the energy generation supply side, CHINT has comprehensively expanded various clean energy sources, including photovoltaics, biomass, wind power, and combined cooling, heating, and power. Globally, over **50GW** of photovoltaic power plants (including household photovoltaics) have been established.

Photovoltaic + solutions

We offer one-stop solutions for various centralized photovoltaic+ power stations and wind power stations, standing as a service provider with strengths in system integration and technology integration. With years of experience in photovoltaic field development and construction, our total installed capacity for large and medium-sized power stations, both domestically and internationally, exceeds **14GW** (excluding household installations).

Photo: Household Photovoltaic Solutions of CHINT

Household photovoltaic solution brand

A novel power generation method that involves constructing and utilizing photovoltaic panels and systems on residential homes or nearby buildings to directly convert solar energy into Electricsity. The generated Electricsity can be consumed internally, with excess Electricsity sold online or entirely. CHINT offers a comprehensive suite of services including system survey, design, installation, and operation maintenance. We have successfully constructed a total of **1.6 million household photovoltaic power stations** across the country, boasting a cumulative development capacity exceeding **40GW**. We are the first household rooftop photovoltaic system enterprise in the industry to receive the "Made in Zhejiang" brand certification.

Smart grid

Digital and intelligent technologies support the construction of new power grid systems

With the large-scale development of new energy and the high proportion of renewable energy integrated into the grid, challenges unprecedented in power and Electricsity balance, as well as security and stability control, CHINT is dedicated to advancing the integrated development of new-generation information technology, power electronics, and energy internet technologies, bolstering the establishment of novel power systems.
CHINT has diligently crafted an intelligent distribution IoT solution that encompasses a range of intelligent terminal devices, including distribution products, power quality devices, smart meters, and diverse sensors. **This solution facilitates comprehensive sensing, data fusion, and intelligent applications within the distribution network, catering to the lean management requirements of the grid.** By bolstering the stability and flexibility of the power grid via smart grid solutions, we can integrate a significant proportion of renewable energy, guarantee the secure and dependable supply of energy and Electricsity, cut energy costs for businesses, and aid in the industry's sustained carbon reduction efforts.

Load reduction

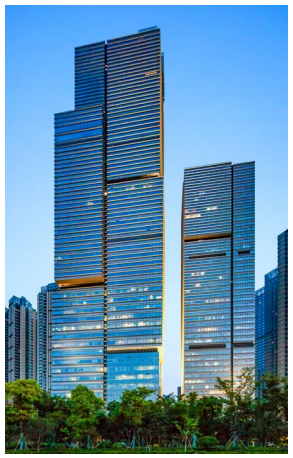
End-user energy efficiency management, comprehensive control of carbon assets

CHINT offers high-quality regional energy solutions tailored for users, aiming to minimize carbon emissions. Leveraging local energy policies and natural resource endowments, **we employ a multi-energy complementarity approach, equipped with sophisticated energy storage systems including cold, heat, and power storage, to deliver comprehensive energy services such as heating, Electricsity, and cooling to end users.** Our renewable-energy-driven multi-energy complementarity significantly reduces reliance on fossil fuels. The synergy of cold, heat, and power, with energy storage at its core, facilitates flexible adjustments and enhances energy efficiency. Comprehensive energy efficiency control, centered around a cloud platform, ensures high efficiency throughout the project's entire lifecycle. Our solutions span various industries, including building energy efficiency, industrial energy efficiency, and transportation energy efficiency.

Building energy efficiency

CHINT has been deeply involved in the construction industry for many years, offering a wide range of products covering every aspect of Electricsity usage in the industry. **We are gradually advancing towards intelligent power distribution systems, enabling features such as intelligence, automation, unmanned operation, and real-time monitoring in building power distribution systems.** We can provide comprehensive distribution and automation solutions for residential substations, distribution rooms, public distribution systems, building distribution systems, home appliance systems, etc., effectively ensuring the safe, stable, and efficient operation of users' Electricsity consumption.


Residence


Hotel


Commercial complex


Future community

Industrial energy efficiency

We offer comprehensive solutions encompassing automation, informatization, digitization, and intelligence for industry customers, covering Electricsal equipment, control systems, instruments, and meters. **This includes integrated services throughout the entire lifecycle, encompassing solution design, equipment procurement, installation, commissioning, and after-sales service.** By enhancing production efficiency and reducing production costs, **we effectively ensure the safety, stability, reliability, and environmental friendliness of the production process,** thereby supporting the sustainable development of enterprises.

Metallurgical industry

Food industry

Electronics industry

Petrochemical industry

Transportation energy efficiency

Electrics vehicle charging station: CHINT possesses the EPC general contracting service capability for charging stations, and implements turnkey projects for integrated photovoltaic, storage, and charging power stations, providing complete low-voltage product solutions for AC charging stations and DC charging stations.

Rail transit: we provide integrated solutions for urban rail transit and high-speed rail stations, including comprehensive traffic monitoring, power monitoring, Electrics energy monitoring, and intelligent operation and maintenance. We integrate "station-line-network" automation and intelligent system equipment **to achieve information sharing and linkage, and meet the management needs for efficient operation of rail transit.**

Electrics vehicle charging station

Low-voltage power distribution in subway

Power distribution in high-speed railway sections

Ship shore power supply system

New energy storage

new energy storage technology addresses the challenge of new energy consumption

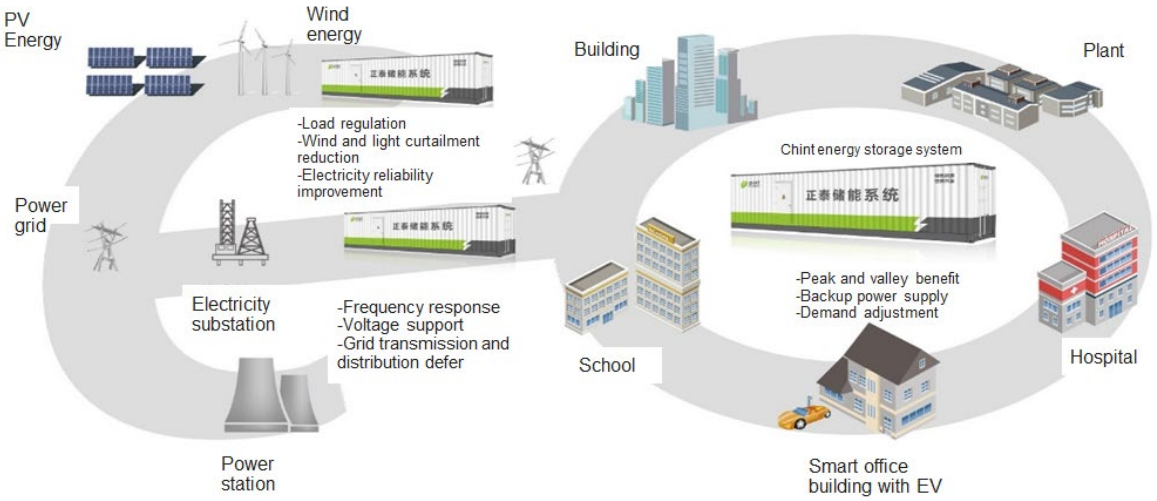
CHINT's energy storage technology and system solutions encompass new energy consumption solutions, user-side peak shaving and valley filling solutions, power generation-side auxiliary service solutions, and microgrid solutions.

New energy consumption solutions:
aiming to reduce wind and solar power curtailment, coordinating with grid peak regulation, and smoothening the output of new energy generation;

User-side peak shaving and valley filling solutions:
facilitating peak-valley arbitrage, demand adjustment, and delaying system capacity expansion;

Power generation-side auxiliary service solutions:
enhancing AVG regulation performance, reducing the failure rate of generator sets;

Microgrid solutions:
providing backup power supply, allowing for photovoltaic power generation for self-consumption.Whether it involves enhancing traditional energy efficiency or developing and utilizing new energy, CHINT's energy storage system plays a pivotal role in energy storage and reuse, facilitating the low-carbon transformation and reliable supply of the power system.



Power industry

Industry empowerment:

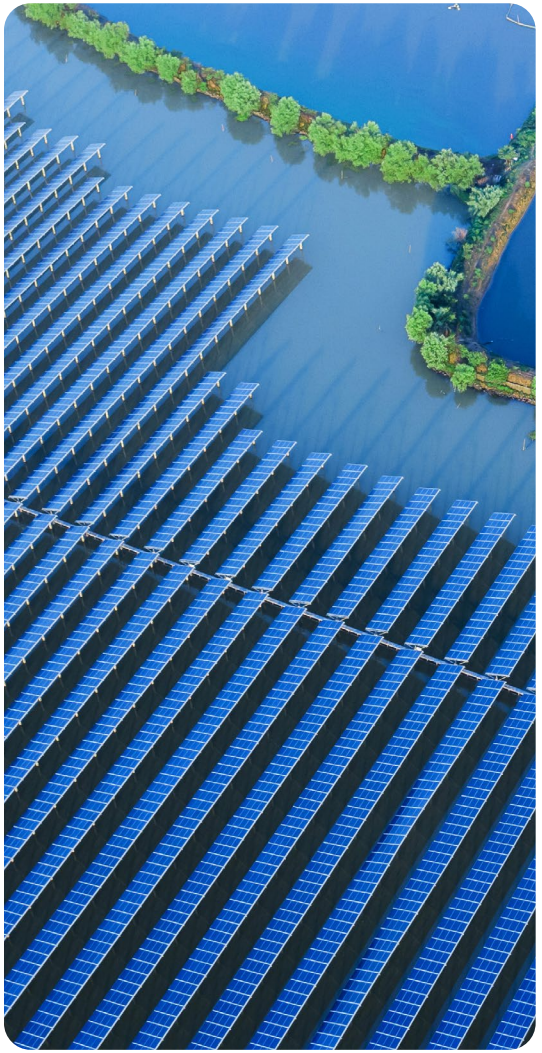
"Electricity substitution + clean substitution"

CHINT gathers green energy and intelligent Electrical industry clusters, based on the overall industrial layout encompassing "source, grid, load, and storage". By applying innovative technologies/products to key carbon reduction scenarios in the industry, CHINT takes the lead in launching "Electrics energy substitution" and "clean substitution", thereby facilitating the transition to low-carbon fuels, energy electrification, and clean Electricsity. This initiative aims to increase the proportion of renewable energy consumption and accelerate the decarbonization process of various key industries. It is expected that the "two substitutions" will contribute **80%** to emissions reduction.

To achieve emission reduction targets amidst the rapid growth in Electricsity consumption, the power grid system must enhance infrastructure across the entire process of **"generation, transmission, transformation, distribution, and utilization"**, establish distinct carbon reduction pathways at various stages, and ensure full-process emission reduction.

Carbon reduction pathway 1:
decarbonization of Electricsity

Under the goal of carbon neutrality, the power industry must achieve clean substitution by deploying renewable energy generation. CHINT Electrics provides reliable renewable power supply for power grid enterprises, industrial and commercial users, and individual households through its mature and leading photovoltaic power generation systems. While establishing renewable power supply, in order to overcome the volatility, randomness, and intermittency of renewable energy, CHINT Electrics focuses on developing energy storage technology and application solutions, which can achieve independent energy storage on the grid side and peak shaving and valley filling on the user side. By meeting the daily regulation needs of the system on the source, grid, and load sides, it further promotes the scale and industrialization development of renewable energy.



Carbon reduction pathway 2:
grid flexibility

Establish a new type of flexible and intelligent integrated power grid, which not only enhances Electricsity efficiency but also boosts the overall system's capacity to absorb renewable energy.

On the power generation side, CHINT Electrics offers a comprehensive solution encompassing hardware and system integration, ensuring the seamless integration of new energy power into the grid and enhancing the intelligence and efficiency of power plant operations.

On the distribution side, CHINT Electrics provides smart distribution solutions and distribution IoT intelligent substations, achieving comprehensive perception and data fusion across different scales of distribution networks, thereby improving the lean management of the power grid.

On the Electricsity consumption side, CHINT Electrics's smart and safe Electricsity management system, leveraging Internet of Things technology and intelligent analysis platforms, collects real-time Electricsal parameter data from various system nodes and conducts data analysis. This helps Electricsity companies improve energy consumption management while preventing potential Electricsal safety hazards.

Industrial sector

Carbon reduction pathway in the industrial sector and CHINT solutions

Carbon reduction pathway	Action direction	CHINT solutions
Low carbonization of fuel	Adopting renewable energy Enhancing energy efficiency Energy storage technology	Rooftop photovoltaic power generation system BIPV photovoltaic parking shelter Centralized energy station (high-energy efficiency machine room) Energy storage devices
Industrial electrification	Transitioning from fossil fuels to Electricsity	Electricsal equipment solutions Distribution grid system Motor control solutions
Digitalization of production	Digitizing terminal energy equipment Strengthening energy monitoring and management	Automated control system Distribution Internet of Things technology Comprehensive energy efficiency management

Transportation sector

Carbon reduction pathway in the transportation sector and CHINT solutions

Segmented territory	Carbon reduction pathway	CHINT solutions
Highway traffic	Optimization of transportation structure Electrification of transportation vehicles Enhancing transportation energy efficiency Intelligent transportation systems	Solution for Electrics vehicle charging infrastructure Photovoltaic pavement technology Zero-carbon transportation smart platform
Rail transit	Electrification of railway tracks Enhancing energy efficiency in public transportation	Low-voltage power distribution solution for subway stations Low-voltage power distribution solution for high-speed railway stations Smart rail transit system
Port shipping	Electrification of inland water transportation LNG-powered ships	Integrated application solution of power grid and photovoltaic energy storage E-House shore power facility solution Solution for battery-powered ship propulsion system for direct river-to-sea transportation
Aviation transportation	Biomass fuel Hydrogen substitution Energy efficiency enhancement	Smart energy efficiency building solution for terminal buildings

Construction sector

CHINT Electrics has introduced targeted smart building solutions for commercial buildings and individual residences. These solutions integrate building automation, indoor temperature and water temperature detection and feedback, remote control of intelligent valves, energy consumption metering, and intelligent lighting and furniture systems, enabling intelligent building management and efficient energy utilization.

Carbon reduction pathway in the construction sector and CHINT solutions

Carbon reduction pathway	Action direction	CHINT solutions
Building electrification	Building system Heating system Refrigeration system	Integrated automation solution for heat sources Integrated automation solution for heat exchange stations
Zero-carbon energy	Building-integrated photovoltaics (BIPV) Electrification of construction machinery Heat pump solar-ground replacement	Integrated solution combining photovoltaic energy storage and smart power distribution BIPV (Building-integrated Photovoltaics) integrated solution Photovoltaic energy storage and flexible charging solution
Building energy efficiency enhancement	Green building Smart building High energy efficiency Electricsal appliances	Smart home solutions Intelligent building valve control solutions

Fully advancing carbon footprint and EPD certification to facilitate overseas market expansion

In 2024, the Company completed the product carbon footprint accounting of four products, including NH4-125 and NU6-II G, based on the ISO 14067 standard. Meanwhile, the carbon footprint of eight completed products, including NB1-63 and NXB-63H were effectively renewed to maintain the validity and timeliness of their certifications and provide strong environmental protection support for the Company's overseas market expansion.

Given the stringent requirements of the Norwegian market for Italian EPD certification, we have swiftly initiated the Italian EPD certification process for a total of 20 products, including terminals, controls, etc.. Currently, data collection has been successfully completed, and three LCA (full lifecycle) reports for four products have been successfully prepared. Moving forward, we will expedite the completion of the remaining certification tasks to ensure that all products meet the entry requirements of markets like Norway as soon as possible.

Zhejiang CHINT Electrics Co., Ltd.

浙江正泰电器股份有限公司

Life cycle assessment report

Disconnecting switch:

NH4-125 3P 63A

Information on LCA report Disconnecting switch: NH4-125 3P 63A	
Product name (s)	Disconnecting switch: NH4-125 3P 63A
Company address	No.1 CHINT Road, CHINT Industrial Zone, North Baixiang Town, Yueqing City, Zhejiang Province, China
Production Sites	No.1 CHINT Road, CHINT Industrial Zone, North Baixiang Town, Yueqing City, Zhejiang Province, China
Short description of the product (s)	Disconnecting switch with 20-year life span
Field of application of the product (s)	Electronic and electrical products and systems - switches

Zhejiang CHINT Electrics Co., Ltd.

浙江正泰电器股份有限公司

Life cycle assessment report

Circuit breaker:

NL1-63 4P 40A 30mA

Information on LCA report Circuit breaker: NL1-63 4P 40A 30mA	
Product name (s)	Residual current operates circuit breaker: NL1-63 4P 40A 30mA
Company address	No.1 CHINT Road, CHINT Industrial Zone, North Baixiang Town, Yueqing City, Zhejiang Province, China
Production Sites	No.1 CHINT Road, CHINT Industrial Zone, North Baixiang Town, Yueqing City, Zhejiang Province, China
Short description of the product (s)	Residual current operates circuit breaker with 20-year life span
Field of application of the product (s)	Electronic and electrical products and systems - switches

Risk management

Currently, CHINT Electrics' risk management for climate change adheres to the management requirements for risk identification, assessment, analysis, and response outlined in the Company's "Risk and Opportunity Management Process". Every year, we identify risks and opportunities based on the internal and external environment as well as the requirements of relevant parties, and formulate corresponding response measures. We evaluate the effectiveness of these measures to ensure that the Company achieves sustainable growth within a controllable scope.

Clean technology opportunities

CHINT has taken solid steps in promoting the electrification and low-carbon construction of building energy. As the first enterprise in the low-voltage industry to participate in the national key project of "Key Technology Research and Application of Photovoltaic Storage DC Flexible Building DC Distribution System", we have not only facilitated the green and low-carbon transformation of the construction sector, but also led the upgrading of the entire industry, thereby making a significant contribution to achieving the "dual carbon" goal.

The Company actively joined environmental protection and energy conservation-related organizations such as the China Building Energy Conservation Association, and participated in the formulation and revision of green and low-carbon standards, including the "Evaluation Criteria for Enterprise Carbon Neutrality Roadmap Action Report". Through these measures, we have not only enhanced our own environmental awareness, but also set a benchmark for the industry, promoting the development of the entire industry towards a greener and more sustainable direction.
In technological research and development, our Low Voltage Research Institute continuously invests heavily, dedicated to fostering both international and localized technical professionals. We've forged strong technical partnerships with prestigious universities and research institutions, including Xi'an Jiaotong University and Zhejiang University, actively engaging in government science and technology innovation projects, and consistently enhancing our capacity to adapt to swift market shifts. These endeavors not only bolster our technological prowess but also breathe new life into the industry's innovative evolution.
Regarding resource utilization and energy conservation, we've devised a material-saving strategy that emphasizes material efficiency, secondary scheme optimization, and material consumption quotas. We rigorously enforce process quotas, refine process layouts, and streamline operational and process procedures. Through these initiatives, we vigorously advocate for the efficient use of energy resources like water, Electricsity, and gas, striving to minimize energy consumption and carbon emissions, thereby making a tangible contribution to environmental preservation.

Through these comprehensive efforts, CHINT has

not only achieved remarkable results in technological innovation but also taken the forefront in green and low-carbon transformation. We firmly believe that future buildings will be smarter and more environmentally friendly, and the low-voltage industry will continue to lead this transformation, contributing to global sustainable development.

CHINT has established overseas branches in countries such as the Netherlands, Germany, South Korea, Japan, Bangladesh, and Poland, formed localized market development and engineering teams, and invested in the construction of over 250 overseas photovoltaic power plants. Market feedback and classic cases have become powerful drivers for the Company to further expand its overseas markets.

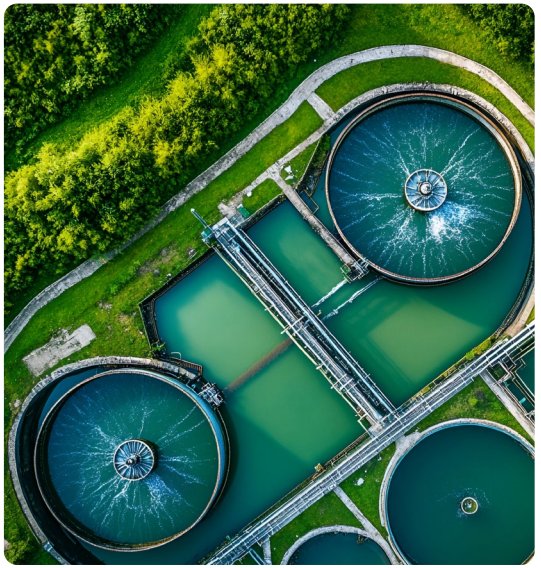
Pollutant discharge management

We always regard the management of pollutant emissions as a crucial responsibility for the sustainable development of our enterprise. After undergoing pre-treatment in septic tanks and oil separators, the domestic sewage from the Company's relevant factory areas is transferred to the on-site domestic sewage treatment station for advanced treatment. This ensures that the discharged wastewater quality meets the Class III standards set out in the "Integrated Wastewater Discharge Standard (GB 8978)" and complies with the requirements of the "Indirect Emission Limits for Nitrogen and Phosphorus in Industrial Enterprise Wastewater (DB 33/887)". Ultimately, the treated wastewater is discharged into the municipal sewage network. The Company conducts monthly self-monitoring of wastewater to ensure the stable operation of wastewater treatment facilities and achieve consistent and compliant discharge.

In terms of air emission management, the Company has implemented efficient measures to control exhaust gas from the processes of injection molding, transfer printing, and heat treatment. Injection molding exhaust gas and welding exhaust gas are collected at the workstations and emitted at a height of over 20 meters. After collection, transfer printing exhaust gas undergoes treatment using photocatalytic oxidation or activated carbon adsorption purification to ensure compliance with emission standards before being emitted at a high altitude. Heat treatment exhaust gas is purified using wet oil fume purification technology and then emitted at a height of 15 meters. The Company rigorously adheres to the "Emission Standards for Odor Pollutants (GB 14554-93)", "Integrated Emission Standards for Air Pollutants (GB 16297)", and "Emission Standards for Pollutants in the Synthetic Resin Industry (GB 31572)", ensuring that exhaust gas emissions comply with environmental protection regulations.

In terms of noise control, the Company effectively reduces noise emissions through various measures, including solid partition walls, sound-absorbing materials, shock absorbers, and frequency conversion technology, etc. Additionally, an EHS evaluation process is introduced during the equipment procurement stage, prioritizing the selection of low-noise advanced equipment to ensure that the noise at the factory boundaries meets the requirements of the "Emission Standards for Industrial Enterprise Boundary Environmental Noise (GB 12348)".

We have been the first in the industry to achieve ISO 14001 environmental management system certification. To ensure the effective operation of the ISO 14001 system, we conduct annual internal audits of our environmental management practices and external audits by third-party certification bodies. In June 2024, the Company commissioned Zhejiang Zheng'an Testing Technology Co., Ltd. to test the wastewater, exhaust gas, and noise in the factory area, and the results showed that all indicators met the relevant emission standards. In 2024, the Company did not experience any environmental pollution incidents, fully demonstrating its outstanding achievements in pollutant emission management.



Water resource management

The Company has integrated management practices for "water, Electricity, gas, and oil" into its standard management system and established a series of management standards and manuals, including "Q/ZTDG0106 Energy Management Manual", "Q/ZTDG1201 Energy Resource Management", "Q/ZTDG1203 Energy Monitoring and Control Management", and "Q/ZTDG1204 Energy Review and Implementation Plan Management". These standards offer systematic and standardized guidance for the Company's water conservation efforts, ensuring efficient utilization of water resources.

Additionally, the Company has set indicators for the decline rate of water intake per unit product and per 10,000 CNY of output value. Through scientific management and technological innovation, water conservation efforts have been enhanced. Compared to 2023, water intake per unit product decreased by 35.5% in 2024, and water intake per 10,000 CNY of output value decreased by 7.06% year-on-year, outperforming the national average annual decline rate (approximately 3%-5%). These water-saving measures have yielded remarkable results.

To enhance water resource management, the company has implemented a series of effective water-saving measures, significantly improving the efficiency of water resource utilization. Specific practices are outlined as below:

- **Cooling water recycling**
- **Water-saving technology upgrade and innovation**
- **Radical solution to equipment leakage problem**
-

- **Radical solution to equipment leakage problem**

The Company's equipment, including injection molding machines, welding machines, and central air conditioning units, utilizes cooling water. Through regular maintenance and descaling of the cooling water pipelines, the Company has effectively enhanced the refrigeration efficiency of the cooling system, reduced the intake of fresh water, and facilitated the recycling of water resources.

- **Water-saving technology upgrade and innovation**

The Company persistently promotes the upgrade of water-saving technology, adopting measures such as induction water-saving devices, optimizing the cooling water recycling system, and establishing an intelligent water management platform, thereby further enhancing the efficiency of water resource utilization.

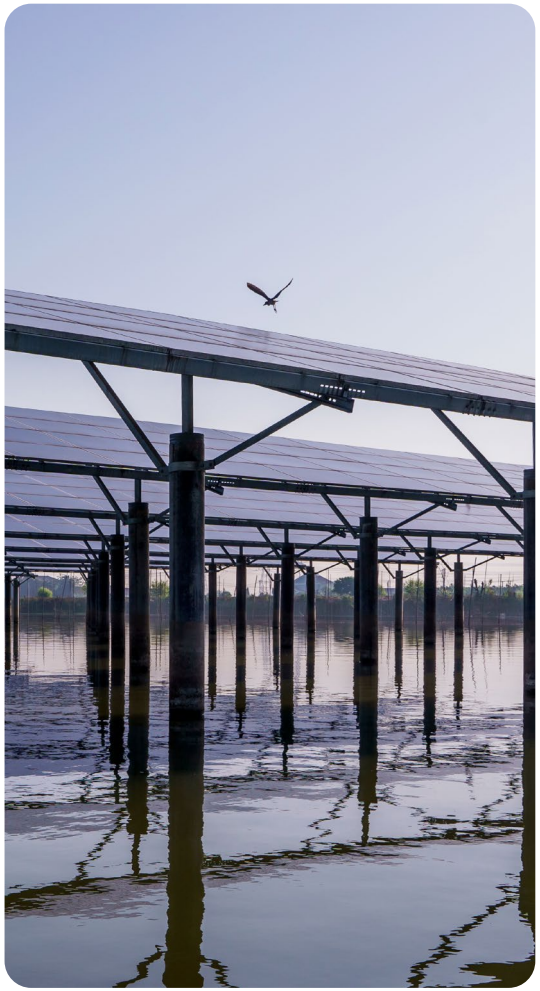
- **Radical solution to equipment leakage problem**

The Company conducted a specialized study on the water leakage problem in the cleaning pump of the salt bath furnace in the heat treatment workshop, revealing that the original pump was unable to withstand high-temperature conditions. By optimizing the performance of key components in the pump, the issue of unstable equipment operation was successfully resolved. Since the renovation was completed in February 2024, the equipment has been operating continuously and stably for five months, completely eliminating water leakage faults and achieving significant renovation results.

Biodiversity conservation

We strictly adhere to relevant laws and regulations, committed to biodiversity conservation. During the site selection process for power station construction, we opt for locations distant from residential areas, such as barren mountains, slopes, and ponds. Furthermore, prior to project initiation, we secure environmental impact assessment approval from the environmental protection authority. Throughout the construction phase, we strictly adhere to the environmental impact assessment approval and the approved documents in terms of design, procurement, and construction. Upon completion, the government conducts a environmental protection completion acceptance inspection of the site based on the approval documents. If there are discrepancies with the initial environmental impact assessment report, we implement corrective measures as per the report and the environmental protection authority's requirements. Additionally, throughout the entire process of early design, construction, and subsequent operation, we integrate "photovoltaics + agricultural planting/fishery breeding, etc.", we strive to develop nature-based solutions, aiming to maximize ecological protection and promote biodiversity while advancing our business.

According to relevant national regulations, our green energy power station construction does not involve forest land, thus eliminating any deforestation activities. Additionally, during the construction of green energy power stations, whenever relevant land is requisitioned and transferred, we communicate with relevant departments, local organizations, and residents, and sign compensation agreements for land attachments (such as fruit trees, young crops, etc.) based on the actual situation.



CHINT's "Splendid Scenery" redefines the green energy development model, integrating economic, social, and environmental benefits to forge a collaborative and win-win development pattern:

Jin

High value-added photovoltaic and wind power development model

Xiu

Integration with cultural landscape, natural environment, and architecture

Jinxiu

Reflecting the charm and vitality of renewable energy

Case 1: Transform the "mudflat reclamation land + integrated water treatment" mud disposal site into an efficient agricultural planting base

Case 2: Establishment of a large-scale Chinese herbal medicine planting base in East China, guided by the development philosophy of "integration of the three industries and trinity": 1000 acres each for vegetables, kiwifruit, Chinese herbal medicine, and oil tea/dry grain.

Case 3: "Sand control area spanning 25,000 acres – UNCCD photovoltaic sand control case", the original terrain predominantly consists of extremely large sand dunes, with a maximum elevation difference of 46 meters. The project is constructed in three phases, with a total capacity of 310MW.

Promote a circular economy

The Company regards standardized management as a crucial foundation for production process management and has obtained the ISO 9001:2015 Quality Management System Certification, ISO 10012:2003 Measurement Management System Certification, QC 080000:2017 Hazardous Substance Process Management System Certification, ISO 14001:2015 Environmental Management System Certification, and ISO 45001:2018 Occupational Health and Safety Management System Certification.

The Company integrates the green design process of its products with its existing management systems to ensure sustainable optimization and improvement of product green design. It incorporates the green design concept into the entire process of product design, component processing, and complete machine assembly, considering aspects such as raw material selection, clean production processes, packaging and transportation, resource recycling, and harmless disposal, in order to reduce the impact on the environment. Additionally, the Company strengthens the evaluation of the entire product lifecycle, optimizes product power consumption, and reduces the environmental impact throughout the entire lifecycle. Specific measures include as follows:

- **Select non-toxic, harmless, and low-toxicity raw materials**
- **Utilize a concise design to minimize raw material usage**
- **Adopting clean production processes**
- **Intelligent automated production line**

- **Select non-toxic, harmless, and low-toxicity raw materials**

Beginning with raw material selection, give priority to non-toxic options. While adhering to various environmental standards, strive to minimize the content of harmful substances. For metal materials, opt for those that do not require re-electroplating whenever possible. For plastic materials, choose recyclable options, considering their recyclability and potential for secondary use.

- **Utilize a concise design to minimize raw material usage**

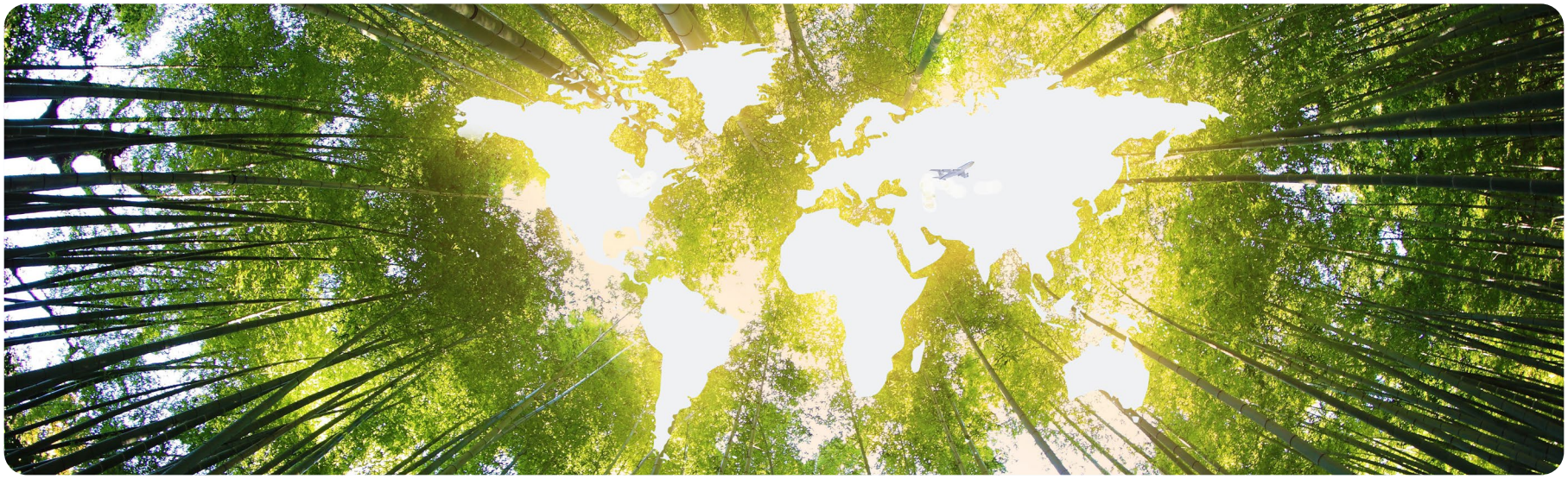
In designing parts, prioritize simplicity and lightweight construction to reduce raw material usage and streamline production and processing techniques. For the Ex9BN and Ex9M2HV product series, the adoption of a simpler design for the shell material has led to a 4% reduction in thickness and volume. The dual gold bracket has undergone structural optimization, resulting in a nearly 10% volume reduction and enabling one-step molding, thus eliminating complex component manufacturing processes.

- **Intelligent automated production line**

By combining automated equipment such as automatic riveting, automatic magnetic testing, automatic functional testing, and automatic printing, an intelligent automated production line is formed to achieve an integrated production and testing process, reduce the production of non-conforming products, and free up manpower on the production line.

- **Adopting clean production processes**

In product design, we consider using clean processes for component and product assembly to avoid the emission of toxic and harmful substances and their impact on the environment. For instance, laser printing technology is used instead of oil-based ink printing to minimize the environmental impact of the printing process. The design of the arc extinguishing chamber avoids the use of lubrication processes and enhances the surface smoothness of parts by adopting natural drying processes to meet performance requirements.



SOCIETY

SOCIAL RESPONSIBILITIES

Human capital development

Diversified recruitment for a more inclusive future

CHINT Electrics consistently adheres to the principles of fair and transparent recruitment, striving to foster a diverse and inclusive work environment. We have established a comprehensive recruitment policy to ensure the attraction of talents from diverse backgrounds, cultures, and abilities. Additionally, we actively fulfill our corporate social responsibility and promote sustainable development.

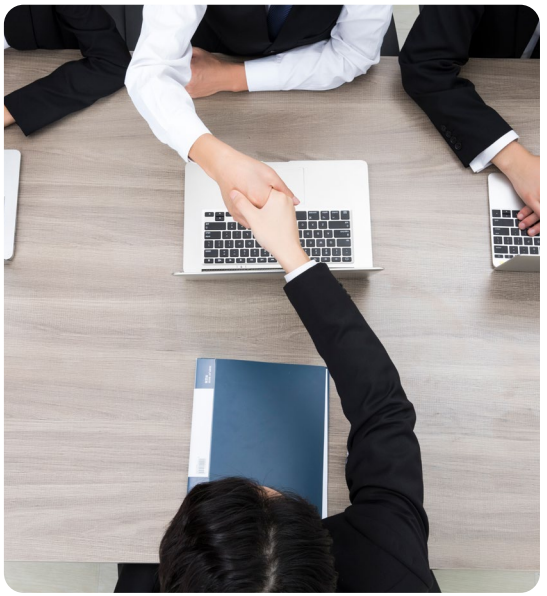
Specific measures include:

Diversified recruitment channels: we have forged partnerships with various organizations that prioritize diversity, actively engaging in industry-wide diversified recruitment events. Additionally, we post job advertisements on multiple social media platforms, including LinkedIn, Zhaopin, and BOSS, to attract a diverse pool of candidates.

Unbiased recruitment process: we have implemented an AI-assisted resume screening tool to uphold fairness in the recruitment process and minimize human bias. Furthermore, all interviewers have undergone diversity and inclusivity training to guarantee the impartiality of the interview process.

Emphasizing both campus and social recruitment: we continue to enhance our collaboration with renowned universities both domestically and internationally, conducting campus recruitment activities. Simultaneously, we attract experienced industry professionals through social recruitment, ensuring a diverse and balanced talent structure.

Employee referral program: we encourage existing employees to recommend candidates from diverse backgrounds and incentivize their participation in diversified recruitment through a reward mechanism.



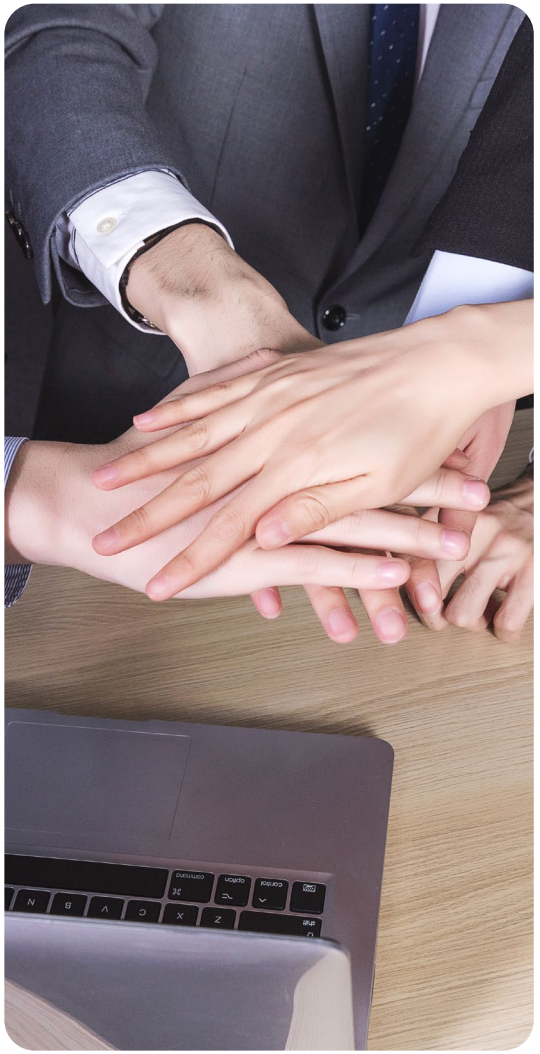
Diversified recruitment for a more inclusive future

CHINT Cup Youth Innovation and Entrepreneurship Competition and Talent Reserve:

As a key initiative by CHINT Electrics to foster youth innovation and sustainable development, the 2024 CHINT Cup Youth Innovation and Entrepreneurship Competition has attracted numerous outstanding teams from universities, research institutions, and start-up enterprises across the country. Through this platform, we have not only identified young talents with innovative potential but also incorporated exceptional contestants into our talent reserve program, offering them internships, employment, and entrepreneurial support, thereby further enriching our company's talent pool.

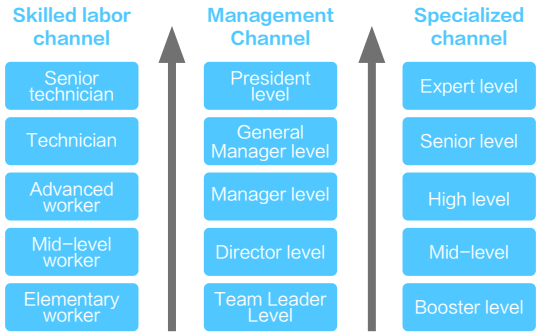
In 2024, CHINT Electrics successfully achieved its annual recruitment goals and made significant progress in the recruitment cycle for key positions by optimizing the recruitment process and introducing intelligent tools. Through intelligent resume screening and interview processes, the Company has not only improved recruitment efficiency but also reduced per capita recruitment costs, further optimizing human resource allocation.

Looking ahead, CHINT Electrics will continue to optimize the recruitment process, further enhance the recruitment efficiency of key positions, and ensure the fairness, transparency, and efficiency of the recruitment process through the in-depth application of intelligent tools, providing a solid talent guarantee for the sustainable development of the enterprise.



Growth follows a path, motivation leads to achievements

The establishment of career development pathways for management (M), professional (P), and technical (S) roles has fully mobilized the enthusiasm and initiative of employees. Employees who continuously contribute their work abilities and achieve recognition and appreciation for their performance will be promoted and accorded promotions to meet their expectations for job advancement. The Company organizes qualification assessments for professional and technical personnel, following the principles of "performance orientation, emphasis on contribution; ability to move up and down, dynamic management; job matching, openness and equality; leadership and continuous improvement". Employees play to their professional strengths in their respective positions in a fair competition environment.



Establish an independent training system for enterprises to enhance employees' career development capabilities. We have established a comprehensive training management system at the first, second, and third levels, achieving a top-to-bottom comprehensive training framework. Based on the job requirements and development paths of different job levels and categories, a matrix training model has been established with professional skills as the vertical axis and management skills and leadership improvement as the horizontal axis. This model effectively cultivates a talent pool in alignment with the company's development strategy.

Establish a 3PM salary incentive system to achieve diversified incentives. Following the compensation concept of "performance contribution as the core, job value as the basis, and ability level as the standard, attracting, motivating, and retaining talents that meet the future development requirements of the company", we have created a smooth career development channel for all employees, formed a broad incentive structure space, fully mobilized employees' work enthusiasm and passion, and provided strong guarantees for the sustainable development of the Company.

Empowering through training, illuminating the path to talent growth

CHINT Electrics is supported by a tiered training system consisting of first, second, and third levels. This system aligns with the Company's strategic objectives, management needs, and employee aspirations. By integrating and leveraging both internal and external training resources, and relying on the Zhipei Cloud platform and five major training/learning centers, the Company promotes the development of internal trainer teams. It continuously enriches and enhances its course resource library, offering customized training programs tailored to various levels and types of talents. Additionally, the Company establishes and manages various training files in a unified manner, achieving a comprehensive one-stop talent training framework that spans from top to bottom.

In 2024, the Company conducted **1,825** face-to-face training sessions, attracting a total of **285,666** participants, while **119,039** employees engaged in online self-learning. The cumulative training hours amounted to **867,620**, with a total training expenditure of **7.56 million CNY**.

M-channel: Building a comprehensive career development system to empower talent teams

For employees at different levels, CHINT has tailored corresponding talent development plans for different types of talents – the Young Eagle Training Camp and Rising Star Plan for 1-3-year school graduates, the Flying Eagle Training Camp for 3-5-year young professionals, the New Promotion Turnaround Training for newly promoted supervisors and managers, the Elite Eagle Training Camp for managers, and the Eagle Training Camp for general managers.

Empowering through training, illuminating the path to talent growth

P-channel: Establish a comprehensive professional center across all channels to support holistic development

At CHINT, employees have the opportunity to become both management talents and business experts. To assist employees in continuously enhancing their professional abilities necessary for career development, CHINT has established various professional training centers tailored to different core businesses, including the "ETC Charging Workshop", "Marketing Empowerment Training Center", "Intelligent Logistics Training Center", "Lean Manufacturing Training Center", and "Quality Empowerment Learning Center". These centers simultaneously offer professional skills training to support employees' comprehensive development. Through a comprehensive curriculum system and systematic professional knowledge learning, we aim to help employees across various job grades improve their professional competence, consolidate their professional foundation, empower them to enhance their own value, stimulate their job innovation ability, and assist them in achieving long-term development in their careers. This, in turn, provides a continuous supply of talent for the development of the enterprise.

S-channel: Open up the pathway for craftsman training to facilitate intelligent manufacturing

To enhance the development of the blue-collar skilled worker talent pool, continuously advance the high-skilled talent training program, and implement the Future Star Plan specifically for vocational college students, we are dedicated to fostering innovative skilled workers. We organize maintenance technician training camps for key technicians, aiming to establish a stable and efficient team of maintenance and upkeep technicians. Additionally, we launch the Sunflower Plan for frontline team leaders, further cultivating a pool of outstanding team leaders and supervisors. Furthermore, CHINT has established public training bases for high-skilled talents and "master studios" to design tailored talent development systems for frontline blue-collar workers, key technicians, and master craftsmen. This accelerates the cultivation of high-quality industrial labor forces, providing reliable skilled talent support for CHINT's intelligent manufacturing development.

Diversity and equal opportunity

CHINT is committed to providing female employees with ample opportunities and support, aiming to foster a diverse and open corporate environment, as well as a talent development strategy that promotes gender equality. To this end, we have launched multiple initiatives:

Enhance employee diversity and combat gender discrimination

CHINT values a diverse and inclusive work environment, providing equal opportunities for all employees regardless of gender. Employee diversity has long been a key factor in ensuring the success of our business, and the first step in building a diverse workforce is to attract diverse talents. CHINT has established a "zero discrimination" policy for employee recruitment and promotion, fostering a non-discriminatory work environment, and making every effort to recognize the contributions of every hardworking employee.

Promote women's leadership at all levels

Over the years, we have been proud to see an increasing number of women taking on key leadership positions across various business sectors of CHINT. We are committed to providing more opportunities and platforms for women to stand out. CHINT will continue to cultivate female managers, foster a positive company culture, and encourage women to pursue continuous development.

Foster an open, inclusive, and safe corporate culture

As a global company operating in over 140 countries and regions, we believe it is essential to address cultural and social pressures that are unique to women. Adhering to internal policies such as equal pay for equal work and maintaining a "zero tolerance" approach towards violence and sexual harassment forms the foundation of our internal management. Through rigorous internal supervision, as well as ongoing education and awareness-raising activities, we strive to foster a work environment where all employees feel safe and their work value is fairly recognized. Our goal is to cultivate an open, inclusive, and safe corporate culture.

Labor practice and management

Safety cornerstone, team escort – 2024 heralds a new chapter in safety management standardization

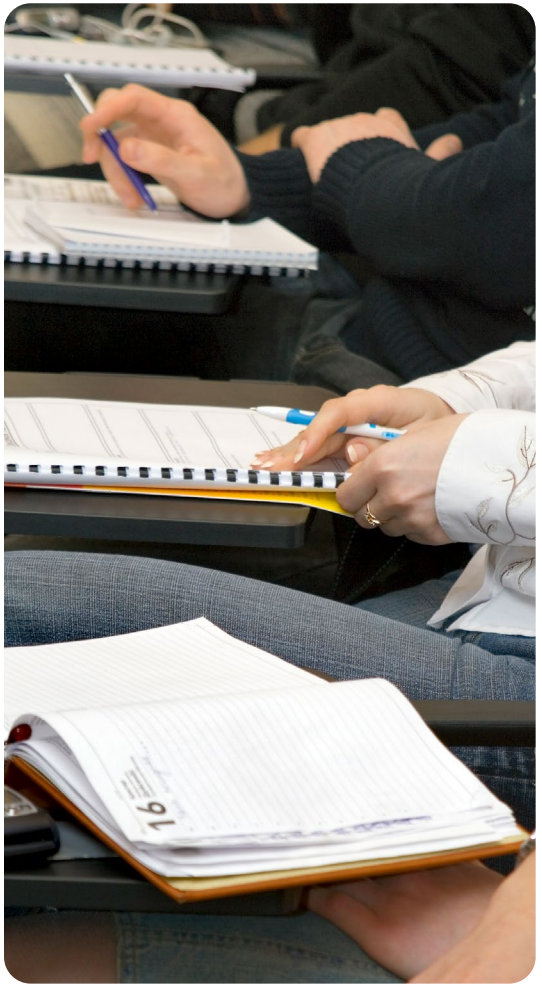
To deepen the standardization of safety production, the Company has comprehensively implemented the deployment of standardization construction work for 136 teams, covering 12 business units, and fully initiated the creation of safety management standardization teams.

A dynamic update mechanism has been established, and the "Guidelines for Standardization of Safety Management" and evaluation standards have been comprehensively revised. As a result, a comprehensive management framework encompassing **five** major modules—organizational structure, institutional processes, equipment management, job specifications, emergency management, and performance improvement—with **17** detailed indicators has been formed. This framework provides a systematic operational guide for grassroots safety management.

The Logistics and Warehousing Service Department has conducted pilot projects based on the three-dimensional warehouse team of the first phase of the Daqiao Park. In accordance with the third-level safety standardization certification standards of the China Association of Work Safety, it has successfully established a benchmark team for smart logistics and developed replicable safety management practices.

Establish a PDCA cycle management mechanism, conduct **two** rounds of standardized evaluations covering all elements throughout the year, implement differentiated improvement strategies for teams in need, and conduct a total of **57** special coaching sessions.

Build an integrated online and offline safety training system. Leveraging intelligent learning platforms, we achieve real-time tracking of learning progress and quantitative evaluation of training effectiveness. Since its launch in September, **3,770** digital pre-class meetings have been conducted.



Safety partners, advancing together – all staff collaborate to establish a robust safety defense line

The Company continues to deepen the "safety partner" work mechanism by establishing a four-level linkage system encompassing "park, workshop, team, and position", forming a horizontally coordinated and vertically integrated safety management network. Throughout the year, a total of 42 cross-level collaborations were conducted, resulting in the identification and rectification of 117 hidden dangers, the implementation of 125 improvement plans, and the establishment of 700 pairs of employee mutual aid groups, thereby promoting an overall enhancement in the safety management levels across various units. Specific measures included:

42 times
Cumulative cross-level collaboration throughout the year

117 times
Investigate and rectify hidden dangers

125 items
Implementation of improvement programs

700 pairs
Establishment of Employee Interaction Groups

Specific measures included:

- **Workshop supervisor pairing assistance:** Establish a pairing assistance mechanism for 5 manufacturing departments and 4 benchmark workshops, organize 4 on-site observation activities, and implement 31 technical improvement plans.
- **Joint inspection of the park:** Form a special inspection team consisting of EHS experts and technical backbones, conduct 5 rounds of full coverage inspections, rectify 117 hidden dangers such as equipment protection deficiencies, and achieve 100% closed-loop management.
- **Team mutual promotion and integration:** Establish a cross-team collaboration platform, organized 33 themed salons, set up a hidden danger data sharing mechanism and a safety innovation case exchange mechanism, and developed 94 improvement plans.
- **Employee mutual assistance and supervision:** Organize the establishment of 700 pairs of mutual assistance groups and sign safety agreements, significantly enhancing the effectiveness of self-inspection for safety hazards within the team.
- **Continuous improvement and enhancement:** Establish a PDCA cycle improvement mechanism, hold quarterly review meetings, summarize and share advanced experience, and promote continuous optimization of safety management through knowledge management.

Preventive measures and emergency management drills

The Company conducted 164 emergency drills covering firefighting, safety, environmental protection, and occupational health throughout the year, achieving a 100% completion rate as planned. During the Safety Month, we also collaborated with logistics and security personnel to conduct three phases of multi-unit joint fire emergency evacuation drills across three parks, with a total of 4,763 participants.

164 times
Emergency Drill

100%
Planned completion rate

4763
Participated in fire emergency evacuation drills

Protecting health, ensuring safe work – further upgrading occupational health protection

The Company continues to improve the mechanism for identifying and reporting occupational hazards, strictly enforces the employee occupational health examination system, dynamically updates health monitoring records, and focuses on improving the working environment. Emphasis is placed on advancing the project of manual transfer printing protection isolation and noise control in the stamping workshop of the terminal manufacturing department, effectively reducing occupational hygiene risks and ensuring the occupational health of employees.

Specific measures included:

- **Manual transfer printing protection and isolation:** The protection and isolation renovation of 10 manual transfer printing operation points at the terminal manufacturing department was completed, effectively controlling fugitive emissions of exhaust gas.
- **Stamping noise control:** The parts manufacturing department has taken measures such as optimizing equipment layout (dividing high and low noise equipment), improving operation methods, and installing noise elimination devices to reduce the noise of four key equipment to below 80dB, reducing the exposure of four employees to noise hazards, and controlling noise risks from the source.
- **Third party testing and verification:** In September, a professional organization was commissioned to conduct occupational hazard factor testing on 116 testing points of the Company, and the test results all met the national standard requirements.

Employee welfare and guarantee system

The Company has established various benefits including living allowances, job subsidies, overseas subsidies, high temperature allowances, and high-altitude allowances. The Company contributes to the 'five insurances and one housing fund' for all employees and implements a paid leave system, allowing employees to fully enjoy a range of paid leave options such as marriage leave, maternity leave, annual leave, family visit leave, and parental leave. Additionally, bonus leave is granted based on the employee's length of service with the Company. The Company provides employee dormitories and staff canteens, offering a range of benefits including work clothes, holiday allowances, birthday cake vouchers, company anniversary greetings, one-time retirement consolation payments, and activity funds for employees. These comprehensive welfare and guarantee systems, covering all employees, create a warm and happy working and growth environment, fostering mutual growth between the employees and the Company.

Actively fulfill corporate social responsibility and obtain the SA8000 social accountability management system certification

In 2024, we were honored with the SA8000 social accountability management system certification for our outstanding performance. This recognition embodies our deep care for employees and our firm commitment to social responsibility. It also showcases our positive achievements in creating a safe and healthy working environment, safeguarding employee rights and interests, and continuously improving working conditions.


SA 8000

LEVERAGE
Sustainable values

CERTIFICATE

Management System in accordance with

SA8000:2014

This is to certify that
Zhejiang CHINT Electrics Co., Ltd.

No.1, Chint Road, Chint Industrial Zone, North Baixiang Town, Yueqing City, Zhejiang Province

applies a management system in line with the above standard for the following scope
Design and manufacture of low voltage switchgear, circuit breaker, self- recovery overvoltage and undervoltage protector, surge protector, distribution box.

Cert Registration No. LVG-CN-C24008

Valid From 2024-09-20
Valid Until 2027-09-19
Initial Certification 2024-09-20

Certification Authority
Murphy Fei
Operation Director

Social Accountability International and other stakeholders in the SA8000 process only recognize SA8000 certificates issued by qualified CBs granted accreditation by SAAS and do not recognize the validity of SA8000 certificates issued by unaccredited organizations or organizations accreditations accredited by any entity other than SAAS.
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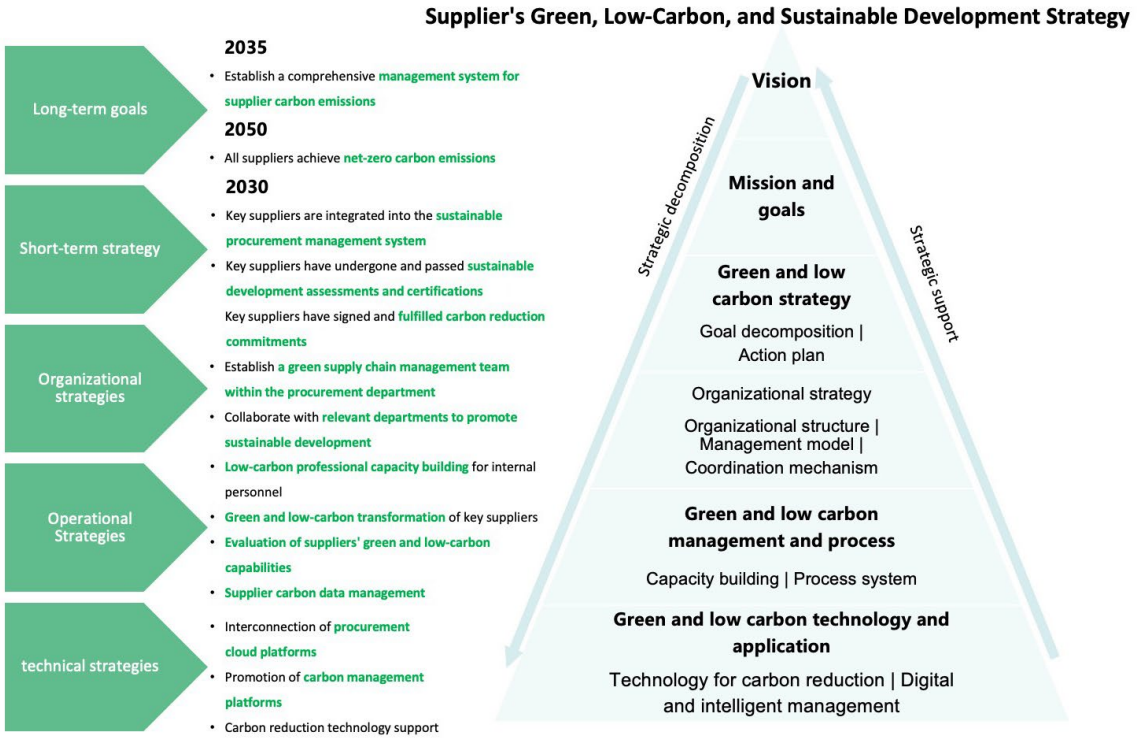
Supplier chain sustainability

Empowering suppliers to undergo green transformation and move towards a sustainable future

In 2024, CHINT closely focused on the "Supplier Green, Low Carbon and Sustainable Development Strategy" to establish a sustainable supply chain management system.

Specific measures include:

- Gradually establish a supplier sustainability evaluation system in accordance with sustainable procurement management requirements.
- Develop and implement training programs that cover all suppliers, continuously empower suppliers to build sustainable capabilities, and promote supplier sustainability related certifications.
- Build a procurement cloud platform for real-time interaction with major supplier information data, and establish a supplier carbon data management database.
- Gradually promote zero carbon commitments that cover all major suppliers, increase the proportion of renewable energy among suppliers, and help suppliers reduce carbon emissions.



Supply chain risk management and resilience enhancement practices

In 2024, the Company prioritized "controllable risk and enhanced resilience" as its core objective, advancing supply chain risk management efforts. This was achieved by refining risk assessment tools, deepening collaborative management with suppliers, and bolstering emergency risk response capabilities.

Supplier business risk assessment: Covering all categories of suppliers, this assessment dynamically scores suppliers based on dimensions such as financial status, compliance, and delivery capabilities, etc.

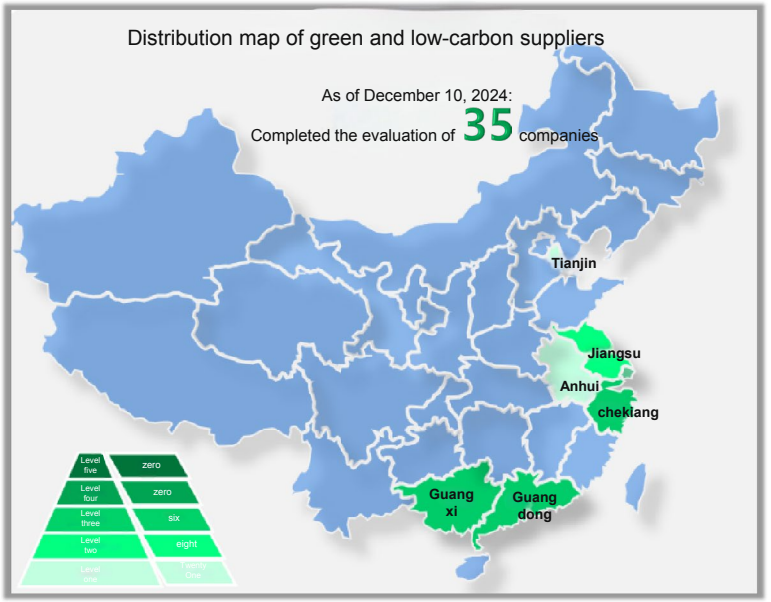
Supplier material risk identification: A risk database has been established for key materials to identify potential risks such as supply disruptions and quality fluctuations. Over 150 risk material entries are updated annually.

Supplier on-site audits: A tiered audit mechanism (ABCDEF categories) is employed, tailored to different supplier types and triggering factors. Regular and triggered on-site audits are conducted for all suppliers as per the plan.

Supplier HSF risk assessment management: The supplier HSF risk level management system is implemented. Audits and rectifications of the supplier's environmental management system are planned based on material and pollution source risk levels, fostering continuous improvement in the management of hazardous substances by suppliers.

Enhancing suppliers' low-carbon capabilities and transforming the supply chain

In 2024, the Company actively promoted the green supply chain construction and established a comprehensive evaluation standard system for suppliers' green and low-carbon practices. Through a systematic assessment of the green and low-carbon capabilities of 35 suppliers, we successfully created a distribution map illustrating their abilities in green and low-carbon management, product environmental performance, and production process optimization. This map provided an effective identification of suppliers' overall green and low-carbon status, offering data support for precise policy implementation in the future. Moving forward, we will continue to enhance suppliers' green and low-carbon management practices, aiming to promote the overall sustainable development of the supply chain.



Emphasizing the concept of responsible procurement, promoting sustainable supply chain practices

We are committed to building a sustainable supply chain system, incorporating all suppliers into a systematic supplier audit plan. Through regular on-site audits, document reviews, and performance evaluations, we ensure that they meet the Company's environment, social, and governance (ESG) requirements. The audit scope encompasses, but is not limited to, issues such as labor rights, carbon emission management, environmental compliance, and business ethics.

Conflict mineral management: In 2024, we conducted research on the risk of conflict minerals in products or components from various suppliers by introducing tools such as "Conflict Mineral Investigation", aiming to promote responsible mineral procurement and ensure the compliance and ethical sourcing of minerals.

Material environmental management: In 2024, through the procurement of supplementary agreements, we increased the requirements for analyzing material content data in production materials or for certification certificates and test report attachments issued by certification agencies that meet relevant requirements. We conducted supervision to ensure that relevant materials comply with RoHS 2.0, POPs, REACH Appendix 17 (regarding hazardous substance restrictions), REACH High Concern Substances (SVHC) 248 items, halogen-free requirements, prohibited (restricted) substances, and declared substance requirements.

Eliminate child labor and forced labor, empower vulnerable suppliers

We strictly adhere to the Labor Law of the People's Republic of China and the conventions of the International Labor Organization, and have established the "Code of Conduct for Integrity and Compliance of CHINT Business Partners". During the actual supplier selection process, we explicitly mandate that suppliers not employ children under the age of 16. We oppose all forms of forced labor. We support female-led suppliers, empower and assist vulnerable small suppliers, providing them with services such as supply chain financial support. We proactively conduct annual human rights audits and periodic inspections of our suppliers, aiming to achieve maximum protection of labor rights within the supply chain.

The "support, assistance and empowerment" efforts for dealers have yielded remarkable results, facilitating the implementation of strategies and the upgrading of channels

In 2024, the China Circulation Business Department organize comprehensive, multi-level, and long-term activities aimed at supporting and empowering dealers, based on the key strategic tasks of channel ecological reconstruction and capacity enhancement outlined in the 5321 Plan. The support and empowerment efforts for dealers in 2024 revolved around three specific areas:

Compilation of dealer assistance standards: The Circulation Business Department organized relevant functional departments in China region to develop assistance standards for dealers, completing the compilation of six standards covering dealer business expansion, technical services, warehousing and logistics, organization and operation, team and positions, and informatization.

Assistance and promotion for dealers: The sales departments across various regions in China have conducted assistance and promotion activities for 52 dealers, focusing on areas such as business expansion, warehousing and logistics, team and positions, and information technology. The 52 assisted dealers have achieved a year-on-year increase of 23% in overall performance, with significant improvements in various business capabilities.

Dealers' skill training: The Circulation Business Department in China organized 12 sessions of dealer training covering various topics, including dealer operation standards, new employee training, and product knowledge. The training lasted for 19 class hours and was attended by 1789 participants, with a satisfaction rate of 98%.

The advancement of dealer support and empowerment activities has positively impacted and added value to the Company's channel competitiveness and brand influence.

Channel ecological competitiveness soars

The overall performance of the supported dealers has improved, enhancing the stability and market penetration of the company's channel network, and providing core support for the implementation of the "5321 Strategy".

Brand synergy value deepens

Through management empowerment and technical training, dealers have become communication nodes for the Company's brand and technology, resulting in increased customer satisfaction in regional markets.

Product quality and safety

Product quality safety and risk management system

The Company has established a comprehensive quality and safety risk management system. By signing annual quality responsibility agreements and refining specific quality objectives, the Company ensures the effective implementation of quality control plans throughout the entire production process. Strictly implementing the requirements of "three presses", "three inspections", and "three no-let-goes for non-conforming products" during the manufacturing process ensures that the products are controlled throughout the entire process.

The Company actively introduces various advanced measurement and testing technologies, strictly monitors product quality, and strengthens quality and safety risk monitoring, warning, and disposal through internal quality information analysis. It also regularly conducts supervision, spot checks, and control of products and components, and commissions well-known domestic and foreign testing institutions to conduct product reliability testing and evaluation, thereby preventing quality and safety risks.

By enhancing the operational efficiency of the hazardous substance process management system, we dynamically identify and monitor customer needs and legal regulations. To address the environmental control applicability risks arising from changes in customer demands, we implement error prevention design improvements in various aspects such as supplier processing, process adaptability, RoHS 2.0 testing capabilities, and material distribution. We comprehensively conduct risk identification, assessment, and control for HSF materials and pollution sources. We establish process isolation and differentiation, as well as control over cleaning and line replacement, to effectively prevent cross-contamination. We design DOE experiment optimization, establish an incoming material warning mechanism, implement differentiated control measures, simulate supervision and conduct spot checks for complete machine testing. Additionally, we have independently developed a quality cloud system, enabling rapid product scope identification and information tracing. This comprehensive approach helps us build a robust hazardous substance prevention and control system, ensuring that environmental risks remain manageable.

Control the production process, mitigate quality risks

The Company continues to deepen the application of lean production, consolidate its foundation, enhance intelligent manufacturing, improve management level, and establish a high-quality, efficient, flexible, transparent, collaborative, and intelligent production system. With a customer-centric approach and by focusing on comprehensive quality management activities, the Company continuously strives to enhance employee skills and quality awareness, achieving a mindset shift from "I am required to ensure quality" to "I am proactive in quality assurance".

The Company adheres to the control principle of "emphasizing pre-production and in-production control over post-production handling", addressing quality issues by focusing on their root causes. Additionally, the Company promotes a comprehensive quality control approach among all employees, utilizing quality tools like FMEA, SPC, MSA, and APQP, to facilitate a shift from "post-inspection" to "pre-prevention" in production line process quality control. Furthermore, it clarifies the planning, change, and other control requirements pertaining to HSF in production process control, establishes a mechanism for confirming production factors and identifying, labeling, and controlling key and special processes, strictly enforces process discipline, maintains records of line cleaning and type replacement,

and regularly organizes daily self-inspection and cross-inspection for production process control and 6S on-site management.

Simultaneously, under the strategy of intelligent manufacturing, the Company persistently promotes equipment automation and intelligent upgrading and transformation, resulting in a substantial increase in automation rate.

Respond to market demand, enhance testing capabilities

The Company has established a leading quality testing center in the industry. This center is accredited by the China National Accreditation Service for Conformity Assessment (CNAS), recognized as an energy efficiency labeling and testing laboratory by the China Institute of Standardization, designated as a national low-voltage Electrical reliability demonstration project testing base, and is a member of the China Society for Metrology and Testing. The center comprises seven major specialized laboratories, including environmental engineering, Electrical testing, HSF, chemical analysis, physical testing, Electrical and thermal engineering, and geometric mechanics.

The Quality Inspection Center is capable of conducting over 400 testing projects, with 94 of them being accredited by CNAS. The center is deeply engaged in digital transformation, having independently developed the LIMS laboratory digital platform and promoted its replication within the group. In recent years, leveraging its professional strengths, the testing center has embarked on the construction of "1+N" regional distributed laboratories, supporting the planning of new industry laboratories and CNAS accreditation.

Advance quality digitization, enhance intelligent decision-making

The Company continues to advance the digital transformation of quality management, aiming to "complete business processes, overcome process bottlenecks, and establish data application scenarios". By integrating the latest management practices, we further promote the development of business systems, addressing gaps in supplier on-site audits and quality cost-related operations. We also strive to bridge the system bottlenecks between PLM, procurement cloud, return and exchange platforms, and marketing cloud, while upgrading product change management and quality information processing. By analyzing business pain points and promoting system integration, we facilitate the seamless integration of new parts, new product production, and quality business processes with data.

Product R&D and innovation

The Company places great emphasis on product research and innovation, continuously exploring new ideas and practices in this field. In 2024, the company applied for **873** patents, **647** patents were authorized, the company's cumulative number of authorized patents reached **6258**, and the cumulative number of trademark registrations reached **1233**.

New energy storage technology addresses the challenges of renewable energy integration

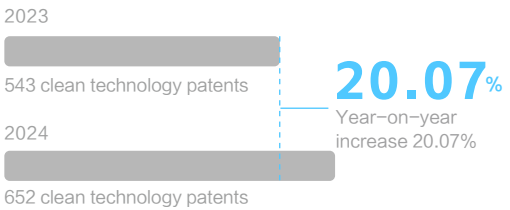
CHINT's energy storage technology and system solutions encompass renewable energy integration solutions, consumer-side peak shaving and valley filling solutions, generation-side auxiliary service solutions, and microgrid solutions.

- **Renewable energy integration solutions:** reduce curtailment of wind and solar power, coordinate with grid peak regulation, and smooth the output of renewable energy generation;
- **Consumer-side peak shaving and valley filling solutions:** peak-valley arbitrage, demand regulation, and deferral of system capacity expansion;
- **Generation-side auxiliary service solutions:** enhance AVG regulation performance and reduce the failure rate of generating units;
- **Microgrid solutions:** backup power supply, and self-consumption of photovoltaic power generation.

Whether it involves enhancing the efficiency of traditional energy sources or developing and utilizing renewable energy, CHINT's energy storage system plays a pivotal role in energy storage and reuse, facilitating the low-carbon transformation and reliable supply of the power system.

Deepen the working mechanism of the entire intellectual property chain, support comprehensive innovation and international development

CHINT has established a scientific and comprehensive working mechanism for the entire intellectual property chain, which comprehensively covers the five key links of creation, application, protection, management, and service through systematic layout and refined management, providing strong support for enterprise innovation and development. Among them, there were 543 clean technology patents in 2023 and 652 in 2024, representing a year-on-year increase of 20.07%.



The Company fully leverages its technological innovation advantages, taking patent navigation as the starting point, and deeply utilizes patent information and intelligence to build a high-value patent cultivation mechanism. In 2024, it was successfully approved as one of the first batch of Zhejiang Province's intelligent low-voltage Electrical industry high-value patent cultivation bases, and obtained the industry's first Level 4 certificate based on ISO 56005 for "Innovation and Intellectual Property Management Capability", demonstrating the Company's leading position in the field of intellectual property creation.

The Company innovatively implements multi-scenario patent grading management, systematically advancing diversified patent applications. In 2024, it spearheaded the preparation and release of the nation's first "Guidelines for the Construction and Management of Industrial Organization Patent Pools," pioneering a win-win cooperation in intellectual property within the industrial chain and setting a benchmark for the industry.

Catering to global development needs, the company has established a robust global warning and risk management mechanism. Leveraging a professional team and advanced technology, it monitors legal environment changes in key market countries in real-time, accurately identifying risks associated with international rule changes. Additionally, guided by market orientation and aligned with market demands, it conducts product risk assessments, formulates contingency plans scientifically, and comprehensively ensures the stable operation of the R&D system and international market expansion, effectively mitigating various intellectual property risks.

The Company has continuously improved its management system and obtained the top-tier certificate from China's intellectual property system. It innovatively integrates intellectual property into the entire business operation process and invests special funds to establish a digital management platform, enabling intelligent control over high-value assets throughout their lifecycle and significantly enhancing management efficiency.

The Company spearheads the construction of key platforms, including the national-level industrial intellectual property alliance, fostering a collaborative innovation ecosystem encompassing "industry, academia, research, application, and funding". Through a professional service team, it offers diversified services such as infringement assessment analysis and innovative tool training, effectively enhancing the intellectual property management capabilities of small and medium-sized enterprises and promoting the collective development of patent achievements within the industry.

Digital transformation

Digital transformation empowers the low-voltage integrated supply chain

The Company has optimized its demand forecasting model, improved its delivery mode evaluation mechanism, established a national inventory allocation review and joint assessment mechanism, reshaped the production and procurement process, and launched the MRP system. By implementing category specialization management, the company has comprehensively promoted the digital transformation of the low-voltage integrated supply chain, significantly enhancing the efficiency of production and sales coordination as well as operational management.

Optimization of demand forecasting process – refactoring the demand forecasting model and establishing an online approval process have ensured timely and accurate transmission of front-end requirements to the middle and back-end, significantly improving the accuracy of sales forecasting.

Regular maintenance of delivery mode – regularly evaluating suitable supply chain delivery modes based on customer segmentation, service level, and product characteristics, and synchronizing product standard delivery times with the front-end.

Establish an inventory transfer review mechanism – by establishing a national inventory transfer review mechanism, we aim to refine the logic and cost control of finished product inventory transfers, thereby enhancing delivery capabilities.

Establish a joint assessment mechanism for finished product inventory – by establishing a national joint assessment mechanism for inventory and sharing inventory responsibilities among the front, middle, and back offices, we can accelerate inventory turnover, reduce operating costs, and improve the level of production and sales coordination.

Reinforce production and procurement planning processes – aligned with the Company's strategic objectives and digital transformation design, we are reshaping our production and procurement planning processes to ensure end-to-end services for order review and product delivery. This initiative aims to enhance production readiness and significantly reduce delivery times.

Pilot the new MRP system – by automating the calculation and output of material shortage requirements, we are streamlining processes, minimizing manual transmission and calculations, and thereby enhancing efficiency and data accuracy.

Category management – we are establishing specialized teams based on product categories to conduct procurement expenditure analysis, ensuring professional and detailed procurement operations.

Process and template optimization – through the establishment of a collaborative production and sales mechanism, we are integrating various aspects of the low-voltage business sector, including marketing, sales, supply chain, and logistics. This fosters cross-departmental collaboration, connects the company's value chain, improves the precision of resource allocation, and elevates our level of scientific management.

Customer service and satisfaction

In the field of customer service, the Company consistently adheres to a customer-centric approach, constructing a multi-channel, full-chain, and one-stop service support system. We continuously deepen our industrial chain business, actively explore new service paths, establish diversified service channels, and standardize, digitize, and intelligentize our service processes. This ensures that we can provide customers with consistent high-quality service experiences in different scenarios.

Benchmark industry standards, jointly create service value

The Company adopts high-performance standards in the customer service industry and collaborates with peers to explore new dimensions of service value. Thanks to its outstanding performance in service channel construction, service experience management, and service brand building, CHINT has been listed on the China Digital Service Annual Billboard for three consecutive years, winning two prestigious awards: the "2024 China Service Brand Top 100" and "2024 Best Digital Service User Experience Award".

Deeply cultivate the capabilities of service chain personnel, establish a one-stop service ecosystem

The Company has established a comprehensive system for enhancing and certifying the capabilities of engineers related to the service chain. It continuously invests in training resources to strengthen the professional competence of service engineers in product solutions and service awareness. Through regular assessments, we ensure that the engineering team possesses excellent technical strength and service level. Simultaneously, we will integrate various links including marketing, manufacturing, logistics, and quality control, and establish a service process monitoring platform. This platform provides real-time supervision and early warning of customer service processes across the country, ensuring consistency in service response and efficiency in problem solving.

Focus on customer feedback, enhance the customer satisfaction survey system

The Company regularly conducts customer satisfaction surveys, establishing a scientific survey system that regularly collects feedback, opinions, and suggestions from different types of customers regarding the service process. We standardize the survey process to ensure the accuracy and representativeness of data collected. Additionally, we implement closed-loop management measures, develop improvement plans based on survey results, and track their implementation to continuously enhance customer satisfaction indicators.

Privacy and data security

Strengthen the construction of the information security system, build a robust barrier for customer privacy and data security

Amidst the accelerating digital wave, information security has emerged as a crucial cornerstone for the steady development of enterprises. We deeply recognize the importance of information security protection work and consistently prioritize information security as a vital component of our strategic development. In the process of building our information security system, we actively adopt international advanced standards and encourage our subordinate enterprises to pursue information security certification. Currently, Zhejiang CHINT Instrument & Meter Co., LTD. and Zhejiang CHINT IoT Technology Co., Ltd. have successfully obtained the ISO 27001 information security management system certification, signifying that we have attained an internationally recognized standard in information security management. In 2024, the Company did not experience any information security incidents.

Certificate of Registration

nqa

This is to certify that the Information Security Management System of

Zhejiang Chint Instrument & Meter Co., Ltd.

Unified Social Credit Code: 91330382704392815E

Operation Address: Buildings 1, 2, and 3 of CHINT Measurement Industrial Park, No. 1 Liangce Road, Yueqing City, Wenzhou, Zhejiang Province, China (Management, Manufacturing, Sales); Machine Room of Floor 7, Floor 11, Floor 24-27, No.1, Building, No.560, Yueming Road, Binjiang District, Hangzhou City, Zhejiang Province, China(Design, Sales)

Registered Address: CHINT Measurement Industrial Park, No. 1 Liangce Road, Yueqing City, Wenzhou, Zhejiang Province, China

applicable to

Design, manufacturing, sales and service of intelligent energy measurement and management systems for electricity, gas and water, power distribution monitoring and management system, temperature and humidity monitoring and management system, as well as energy meters, gas meters, water meters, intelligent terminals, communication modules, energy metering boxes, remote controllers and electrical measuring instruments in accordance with the Zhejiang Chint Instrument & Meter Co., Ltd. Statement of applicability Version A/01 dated July 1st 2024.

has been assessed and registered by NQA against the provisions of

ISO/IEC 27001:2022

Specification for information security management systems

This registration is subject to the company maintaining an information security management system, to the above standard, which will be monitored by NQA.
Certified Clients shall accept regular surveillance assessments, the validity of certificates shall be maintained for the positive result of audit.
The information of this certificate can be checked on CNCA's website (www.cnca.gov.cn)
SNQA's website: www.snqa.com.cn

Managing Director

Certificate Number: **69072**

Issue Date: 14 September 2016
Reissue Date: 15 November 2024
Valid Until: 14 September 2025
EAC Code: 18/19/33

UKAS MANAGEMENT SYSTEMS 0015

IAF

The use of the UKAS Accreditation Mark indicates accreditation in respect of those activities covered by the accreditation certificate number 015 held by NQA.
NQA is a trading name of NQA Certification Limited, Registration No 06351758. Registered Office: Warwick House, Houghton Hall Park, Houghton Regis, Dunstable, LU5 5ZX, UK.
This certificate is the property of NQA and must be returned on request.
Shanghai NQA Certification Co., Ltd. Address: Room 2201, 958 Lujiazui Ring Road, China (Shanghai) Pilot Free Trade Zone.

Information security training reinforces the digital security defense line

The Company is well aware of the importance of information and privacy security. In 2024, we continued to promote the improvement of information privacy protection and data security management level. Over 20 information security training sessions were held throughout the year, covering 4,404 employees. Multiple online and offline activities were also held during the National Cybersecurity Week, enhancing the information security awareness and skills of all staff. Through systematic training and diverse activities, employees can better identify and prevent potential security risks, ensuring the security and integrity of the company's information assets. In the future, the company will continue to strengthen the construction of information security culture and provide solid security guarantees for digital transformation.

Public welfare activities and community engagement

"One kilowatt-hour of Electricity", one unit of love, bringing light to education in Hunan

On May 17, 2024, THE COMMONWEAI FOUNOATION OF CHINT "KILOWATT-HOUR" Donor Advised Fund, initiated and established by the Company's holding subsidiary CHINT Anneng Digital Power(Zhejiang)Co.,Ltd. ((Zhengtai Aneng), held a warm opening ceremony of the donation to help students in the playground of Darong School in Changtang Town, Anhua County, Hunan Province.

During this trip to Hunan, the "KILOWATT-HOUR Public Welfare Fund" project donated more than 400,000 CNY in student aid to the Hunan Warmth Project Foundation. This funding has been used to support 155 outstanding students from disadvantaged rural families, helping them focus on their studies and bravely pursue their dreams. In addition to the scholarship, the project also donated 140 sets of desks and chairs and over 700 books to Darong School.

More than **400,000** CNY
Donation to Hunan Warmth Project Foundation

155 students
Sponsoring outstanding students from rural families in distress

140 sets
Donated desks and chairs

More than **700** books
Book Donation

Under the solar-powered roof, they have aged gracefully

Zhengtai Anneng actively advocates for "loving, respecting, and assisting the elderly" by harnessing the power of the sun to generate wealth, thereby ensuring a worry-free life in their later years. A rooftop solar power station can generate an average annual income of 1,000 to 3,000CNY, providing not only a stable source of supplemental income but also bringing them a sense of happiness transitioning from "retirement" to "enjoying old age", and a sense of achievement moving from "making a contribution" to "having fun".

“Light” shines the path to common prosperity, carrying forward the mission of education aid campaign

On 1 July 2024, THE COMMONWEAL FOUNDATION OF CHINT, in collaboration with CZB FINANCIAL LEASING jointly established the “Shanben Trust · Zhejin—— Zheyin Financial Leasing · THE COMMONWEAL FOUNDATION OF CHINT” Charity Trust to support educational development in Badu Town Central Primary School, located in Longquan City, one of the 26 mountainous counties in Zhejiang Province. The funds from this charity trust will be used to renovate teaching infrastructure in phases, including the renovation of classroom functional areas, construction of libraries, updates to sports facilities and equipment, and the construction of cultural corridors. This will enhance the quality of learning, working, and living conditions for both students and teachers. Through practical actions, we aim to embody the concept of shared prosperity and demonstrate the mission and responsibility of our enterprise.

Assist in rural revitalization, promote common prosperity

CHINT has always been committed to the development of economically underdeveloped areas. It has partnered with Dajing Town and Xianxi Town in Leqing City, as well as Lizhang Village and Qinyangbei Village in Lecheng Street. On 10 January 10 and 18 January 18 2024, donations of 50,000 CNY and 190,000 CNY were made to Dajing Town and Lingdi Township, respectively. By fully leveraging the enterprise's strengths in funds, technology, talent, information, and management, and organically combining "government leadership with enterprise participation" and "external support with internal growth", we aim to help our partnered units continuously increase their operating income and enhance their sustainable development capabilities. On 20 May 2024, we launched the public welfare event "Warm Books, Cultural Heritage, and Legal Awareness Together", with precise coordination with Wenhua Village. We donated 500 books and simultaneously conducted anti-fraud and legal education public welfare lectures for the elderly in the cultural village. Additionally, we carried out the voluntary public welfare service "Light Warms Every Household", jointly with the government, central state-owned enterprises, and social organizations, to provide free renovation of old power lines for over 2000 rural households in need.

GOVERNANCE

SUSTAINABILITY GOVERNANCE

Anti-corruption

As an enterprise committed to sustainable development, CHINT has always regarded integrity and information transparency as the core values of its operation. Anti-corruption is not only an important part of corporate compliance management, but also an important manifestation of our responsibility to society and stakeholders.

Anti-corruption policies and commitments

The Company takes a zero-tolerance attitude towards any form of corruption and absolutely prohibits any corruption. The Company promises:

Strictly abide by laws and regulations: ensure that all employees and business partners comply with applicable laws and regulations and the Company's internal system.

Transparency and Accountability: ensure that all transactions and decision-making processes are traceable and auditable through transparent business processes and strict internal control.

Continuous improvement: regularly review and update the anti-corruption policy to ensure its consistency with international standards and best practices.

Anti-corruption measures

To ensure the effective implementation of anti-corruption policies, the Company has taken the following measures:

- **Internal system construction**
- **Risk assessment and due diligence**
- **Employee training and awareness enhancement**
- **Internal control and audit**

- **Internal system construction**

Anti-corruption system:

The Company has established a detailed Anti-Corruption Policy, which clearly prohibits any form of corrupt behavior, including bribery, extortion, influence trading, and money laundering, etc.. In 2024, the Company did not experience any anti-corruption cases.

Business partner management system:

The Company requires all business partners to comply with the Code of Conduct for Business Partners and conduct strict risk assessments and due diligence prior to cooperation, to ensure compliance with the Company's integrity and compliance requirements.

- **Risk assessment and due diligence**

Business partner risk assessment:

Each business unit of the Company conducts a preliminary risk assessment of the involved business partners, and then followed by a further risk assessment conducted by each functional department. For example, the compliance department conducts background screening and risk assessment on key business partners by professional third-party screening tools. The legal department conducts legal risk assessments on key business partners. The finance department conducts financial risk assessments on key business partners, etc. The audit department, as a risk monitoring department, conducts audit spot checks and evaluations of business partner risks. High risk business partners are generally prohibited from cooperating unless they have obtained special authorization.

Continuous supervision:

During cooperation, the Company ensures that business partners continue to comply with the Company's anti-corruption requirements through regular reviews and audits.

- **Employee training and awareness enhancement**

Anti-corruption training:

The Company provides regular anti-corruption training for all employees to ensure they understand the Company's anti-corruption policies and relevant laws and regulations, and has the ability to identify and respond to corruption.

Grievance mechanism:

The Company has established grievance mechanism to encourage employees to report any suspected corruption and ensure that whistleblowers are protected from retaliation.

- **Internal control and audit**

Financial control:

Through strict financial control, the Company ensures that all payments and transactions comply with the provisions of the contract and can be verified by audit.

Internal audit:

The Company conducts regular internal audit to ensure that all business processes comply with the anti-corruption policy, and identify and correct any potential corruption risks in a timely manner.

The Company attaches great importance to internal audit and compliance construction. By setting up an internal audit department, the Company has established an audit system with key areas as the core and member companies' periodic rotation audit as the starting point. The important risks are listed and covered by normalized audit, the coverage of audit supervision is gradually expanded, to support the healthy and sustainable development of the Company. In the audit work, the Company has always focused on the construction of business ethics and compliance. For example, we actively interact with multiple departments every year to carry out internal audit of economic responsibility for employees above a certain level, and at the same time implement business ethics assessment and evaluation. For example, in 2024, we carried out internal audit around "hotel cash out", and properly handled and arranged unethical business behavior and personnel in accordance with company policies.

Anti-unfair competition

In order to effectively enhance employees' awareness of anti-unfair competition and strengthen their legal compliance awareness, CHINT has established a regular training mechanism and carried out training on anti-unfair competition in various forms such as lectures and symposiums. The training content not only covers laws and regulations related to anti-unfair competition, but also incorporates typical cases in the industry, deeply analyzing the legal application and risks in the practical process. Through publicity and training, employees can deeply understand the importance of anti-unfair competition work, master relevant legal knowledge, and effectively identify, prevent, and respond to unfair competition behavior during daily work, promoting the healthy and orderly development of the enterprise. The following are relevant trainings.

Training date	Training content
March 2024	Prevention and response to legal risks in external publicity of enterprises
April 2024	Strengthen the protection of enterprise business secrets
June 2024	Software copyright usage risks, confidentiality of technical research and development data
August 2024	Interpretation of confidentiality management system of CHINT Group
November 2024	Experience sharing of civil and criminal trade secret rights protection in the United States
November 2024	Management of enterprise business secrets and key points of attention

Compliance and risk control

CHINT's management organizations at all levels attach great importance to compliance management, and ensure that the Company strictly abide by laws, regulations and ethical standards in business activities, and maintain the Company's business integrity and sustainable development, through the development and implementation of a series of systems.

Whistleblowing and inquiry management

System construction

The Company has established the "Whistleblowing and Inquiry System", which clarifies the rules and procedures for whistleblowing and inquiring, aiming to encourage employees to actively report misconduct and provide compliance consulting channels for employees. This system provides employees with multiple communication channels, including direct communication with compliance officers and members of the supervisory board, the use of confidential hotlines, boxes, and other optional channels, ensuring that employees can easily and safely express concerns or obtain guidance.

Whistleblowing handling

The compliance department and the board of supervisors are responsible for managing the reported cases, conducting investigation, and taking corresponding measures according to the investigation results. The whistleblowers (especially real name ones) should fully cooperate with the compliance department or the board of supervisors during the investigation, and all departments should actively cooperate with the investigation. The real name whistleblowers will be informed of the investigation results to ensure the transparency of the whistleblowing process.

Whistleblower protection

The Company strictly protects the identity and personal information security of whistleblowers and prohibits any form of retaliation. If the whistleblower suffers retaliation, the Company will take a series of remedial measures, including restoring their professional status, compensating for economic losses, paying arbitration fees, etc., to safeguard the legitimate rights and interests of the whistleblower.

Conflict of interest management

System construction

The Company has established a "Conflict of Interest Avoidance System" aimed at regulating employees and personnel acting on behalf of the Company to avoid conflicts of interest or risks of conflicts of interest. This system clarifies the definition of conflicts of interest, the obligations of employees, and specific requirements for declaration, disclosure, and reporting.

Declaration and disclosure

When employees believe that there is a risk of conflict of interest for themselves or related parties, they need to fill out a form to disclose relevant information to the compliance department. Candidates for middle and senior management positions are required to submit personal information declarations and conflict of interest statements before being hired, and update them regularly during their tenure. If potential or actual conflicts of interest are found among other employees, they should also be reported to the compliance department in a timely manner.

Investigation and handling

The compliance department is responsible for investigating disclosed or reported conflicts of interest and deciding whether to transfer positions or take other measures based on the investigation results, to mitigate or eliminate conflicts of interest.

Confidentiality and records

Information involving conflicts of interest is handled in accordance with the prescribed system, and the compliance department is responsible for recording relevant documents and decisions to ensure the security and integrity of the information.

Compliance training and activities

The compliance training is regularly carried out for employees to help them understand and comply with compliance related regulations. The training covers reporting and inquiry processes, conflict of interest identification and avoidance, and aims to enhance employees' compliance awareness and abilities.

Appendixes

APPENDIXES

ESG key performance

Environmental factors

Topic	Indicators		Unit	2024
Climate action	Carbon emission	Scope 1: Direct greenhouse gas emissions	t/a	3,213
		Scope 2: Indirect greenhouse gas emissions from energy consumption	t/a	56,049
	Energy management	Electricsity consumption	10,000 kWh	7,447
		Gasoline consumption	tones	20
		Diesel consumption	tones	54
		Natural gas consumption	10,000 m3	3.62
		Solar energy consumption	10,000 kWh	238
		Proportion of renewable energy in total energy consumption	%	3.10

Topic	Indicators		Unit	2024
Pollutant discharge management	Air emission	Nitrogen oxides (NOx)	tones	0
		Sulfur oxides (SOx)	tones	0
		Particulate matter (PM)	tones	0.57
		Volatile organic compounds (VOCs)	tones	6.43[1]
	Waste	General waste	tones	7,204
		Hazardous waste	tones	110
		waste recycling	tones	7,106
	Wastewater	Wastewater discharge volume	tones	380,151

1. Statistical caliber optimization for 2024 data (adopting the calculation standards of detection reports), leading to year-on-year data fluctuations.

Topic	Indicators		Unit	2024
Clean technology opportunities	Clean technology patents	Number of clean technology patents	–	652

Topic	Indicators		Unit	2024
Water resource management	Water withdrawal	Total water withdrawal in all regions	tones	447,236
	Water consumption	Fresh water usage	tones	447,236
		Water consumption rate	m^3/10000 units	5.69

Social factors

Topic	Indicators	Unit	2024
Employee	Master's degree and above	–	1,495
	Bachelor's degree	–	9,803
	College	–	7,713
	Below college	–	16,465
	Total	–	35,476

Topic	Indicators	Unit	2024
Development and training	Total number of trainees throughout the year	person-time	285,666
	Total training duration throughout the year	hours	867,620
	Annual average training hours per person	hours	3.04
	Annual training investment amount	10,000 CNY	756

Topic	Indicators	Unit	2024
Protection of basic rights	Social insurance coverage rate	%	100
	Supplementary insurance contribution amount	10,000 CNY	34.21
	Number of individuals taking paid leave throughout the year	–	18,295
	Total number of paid vacation days taken throughout the year	days	194,268
	Number of individuals taking maternity leave throughout the year	–	460
	Total duration of maternity leave taken throughout the year	days	27,844

Topic	Indicators		Unit	2024
Labor practice and management	Occupational disease	Investment in prevention and control of occupational diseases	10,000 CNY	160.56
		Notification rate of occupational disease hazards at workstations	%	100
		Declaration rate of occupational hazard factors	%	100
		Pass rate of occupational hazard factor testing	%	100
		Physical examination rate	%	100
		Training on the prevention and control of occupational diseases	–	2
		Annual number of new occupational disease cases	–	0
	Safe production	Safety investment	10,000 CNY	1,650
		Safety training coverage rate	%	100
		Total duration of safety training	hours	262
		Number of safety emergency drills conducted	–	164
		Number of participants in safety drills	–	9,205
		Million-hour loss rate	occurrences/ million working hours	3.987
		Number of fatalities on duty	–	0
		Fatality rate due to work-related accidents	%	0
		Number of days lost due to work-related incidents	days	426
		Number of working days lost due to work-related injuries	days	281

Topic	Indicators	Unit	2024
Supplier chain sustainability	Total number of suppliers	–	658
	Number of suppliers of production materials	–	383
	Number of suppliers of non-production materials	–	275
	Number of suppliers certified by the quality management system	–	329
	Number of suppliers certified by occupational health and safety management system	–	92
	Number of suppliers certified by environmental management system	–	127
	Number of suppliers who have signed the Sunshine Co-operation Agreement (or Commitment Letter)	–	658
	Number of annual supplier review evaluations	–	658
	Number of suppliers whose qualifications have been revoked	–	34
	Annual number of suppliers terminated due to environmental and social issues	–	3
	Number of suppliers trained on environmental and social issues annually	–	688
	Number of suppliers covered by ESG training	–	370
	Supplier ESG training duration	hours	85

Topic	Indicators		Unit	2024
Product quality and safety	Product quality	Product Qualification Rate	%	100
		Number of products recalled for safety and health reasons	–	0
		Proportion of the total number of sold or shipped products that need to be recalled due to safety and health reasons	%	0

Topic	Indicators		Unit	2024
Product R&D and innovation	Intellectual property	Number of patent applications in that year	–	873
		Number of invention patent applications in that year	–	281
		Cumulative number of granted patents	–	6,258
		Number of patents granted in that year	–	647
		Cumulative number of Chinese patent awards	–	7
		Cumulative number of trademark applications	–	1,648
		Cumulative number of trademark registrations	–	1,233
	R&D and innovation	Total R&D funding	100 million CNY	12.67
		Number of R&D personnel	–	2,210
		Ratio of researchers to total employee count	%	6.20

Topic	Indicators		Unit	2024
Digital trans-formation	Achievements of digital transfor-mation	Number of projects	–	172
	Investment in digital technology	Annual budget for digital trans-formation	10,000 CNY	6,130

Topic	Indicators		Unit	2024
Customer ser-vice and satis-faction	Customer com-plaints & custom-er satisfaction	Number of product and service complaints	–	2,070
		Customer complaint response rate	%	100
		Customer complaint resolution rate	%	100
		Customer satisfaction	%	99

Topic	Indicators		Unit	2024
Privacy and data security	Data security	Number of data breach incidents	–	0
		Number of users impacted by data breach incidents	–	0

Topic	Indicators		Unit	2024
Public welfare activities and community engagement	Overall situation	Total donation amount	10,000 CNY	1,438
		Funding donation	10,000 CNY	1,418
		Depreciation of material	10,000 CNY	20
		Number of beneficiaries	–	240,000
	Poverty alleviation and rural revitalization	Total donation amount	10,000 CNY	428
		Funding donation	10,000 CNY	426
		Depreciation of material	10,000 CNY	2
		Number of beneficiaries	–	121,120

Sustainability governance

Topic	Indicators		Unit	2024
Corporate governance	Total number	Directors	–	9
		Male directors	–	7
		Female directors	–	2
	Number by age	Aged 60 and above	–	5
		Aged 40–59	–	4
		Under 40 years old	–	0
	Number by educa-tion	Master and above	–	5
		Bachelor	–	2
		Associate degree	–	2
		Associate degree and below	–	0
	Number by profes-sion	Finance	–	0
		Law	–	2
		Finance	–	1
		Other majors	–	6
	Number by position	Number of inde-pendent directors	–	3
		Number of executive directors	–	6
	Stakeholder com-munication during the current year	General meeting of shareholders	–	3
		Investor exchange meetings (Online)	–	87
		Investor exchange meetings (Offline)	–	39
		Roadshows	–	122
		Open Day activities	–	3
		Online response to investment inquiries	–	27
		Question response rate	%	100
		Number of board meetings held	–	9
		Number of supervi-sory board meetings	–	7
	ESG training	Number of trainings	–	18
		Duration of training	hours	33.50
		Number of partici-pants	–	2,523

Topic	Indicators	Unit	2024
Anti-corruption	Total number of anti-corruption training ses-sions	–	9
	Total number of anti-corruption training per-sonnel	–	665
	Duration of anti-corruption training sessions	hours	17

Topic	Indicators		Unit	2024
Anti-unfair competition	Whistleblowing and protection mechanism	Number of reported cases of anti-unfair competition	–	0
	Training and edu-cation	Number of employees trained on anti-unfair competition	–	1,074

Topic	Indicators	Unit	2024
Compliance and risk control	Total number of compliance training sessions	–	50
	Total number of participants in compliance training	–	2,732
	Duration of compliance training	hours	75

Respond to the United Nations Sustainable Development Goals (UN SDGs)

CHINT Electrics is actively engaged in promoting the realization of the United Nations Sustainable Development Goals (UN SDGs), integrating the SDGs into the Company's daily operation practices, and achieving a win-win situation between enterprise value and social value.

SDGs	Corresponding Issues	Chapter
	● Social responsibilities-public welfare activities and community participation	Section 9, Chapter 8
	● Social responsibilities-public welfare activities and community participation	Section 9, Chapter 8
	● Social responsibilities-human capital development ● Social responsibilities-labor practice and management ● Social responsibilities-public welfare activities and community participation	Section 1, Chapter 8 Section 2, Chapter 8 Section 9, Chapter 8
	● Social responsibilities-human capital development ● Social responsibilities-public welfare activities and community participation	Section 1, Chapter 8 Section 9, Chapter 8
	● Corporate ESG governance arrange-ments ● Social responsibilities-human capital development	Section 3, Chapter 6 Section 1, Chapter 8

SDGs	Corresponding Issues	Chapter
	● Environmental responsibilities–water resource management ● Environmental responsibilities–pollutant discharge management	Section 4, Chapter 7 Section 3, Chapter 7
	● Environmental responsibilities–clean technology opportunities ● Environmental responsibilities–climate action ● Social responsibilities–product R&D and innovation	Section 2, Chapter 7 Section 1, Chapter 7 Section 5, Chapter 8
	● Social responsibilities–human capital development; ● Social responsibilities–labor practice and management	Section 1, Chapter 8 Section 2, Chapter 8
	● Environmental responsibilities–climate action ● Social responsibilities–product R&D and innovation	Section 1, Chapter 7 Section 5, Chapter 8
	● Social responsibilities–supplier chain sustainability ● Social responsibilities–public welfare activities and community participation	Section 3, Chapter 8 Section 9, Chapter 8
	● Environmental responsibilities–climate action ● Environmental responsibilities–promoting circular economy	Section 1, Chapter 7 Section 6, Chapter 7

SDGs	Corresponding Issues	Chapter
	● Environmental responsibilities– pollutant discharge management ● Environmental responsibilities–promoting circular economy ● Social responsibilities–supplier chain sustainability	Section 3, Chapter 7 Section 6, Chapter 7 Section 3, Chapter 8
	● Environmental responsibilities–climate action ● Social responsibilities–product R&D and innovation	Section 1, Chapter 7 Section 5, Chapter 8
	● Environmental responsibilities– Biodiversity conservation	Section 5, Chapter 7
	● Environmental responsibilities–Biodiversity conservation	Section 5, Chapter 7
	● Corporate ESG governance arrangements ● Sustainability governance–anti-corruption ● Sustainability governance–compliance and risk control	Section 1, Chapter 6 Section 1, Chapter 9 Section 3, Chapter 9
	● Environmental responsibilities–climate action ● Social responsibilities–supplier chain sustainability	Section 1, Chapter 7 Section 3, Chapter 8

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Chapter	Content	GRI Standard	IFRS Standard
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Reader feedback

Dear readers:

Thank you for reading this report. In order to better provide you with valuable information and content, and promote your supervision of our sustainable development management work, so as to help us further improve our ability in environmental, social and sustainable governance issues. We sincerely invite you to evaluate this report and put forward your valuable comments and suggestions.

You can send your valuable feedback on this report to the Company's official email address via email

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